

From Disjunct to Concerted

Major pharmaceutical company takes control over its global product portfolio

The problem

Our client, a major pharmaceutical company, had its mind set not only on becoming the number one in its market but also on becoming twice as big as the next competitor. To get there, an unprecedented level of product portfolio expansion and execution excellence was required. What was needed to implement the strategic goals was a portfolio of products, which needed to be consistently used for planning, target setting and execution in R&D, Supply Chain, Sales and Marketing, M&A Planning and Intellectual Property Management.

The solution

Westernacher quickly identified that Portfolio Management needed to become the vital bridge between strategy and operation. It would also become the key method to achieve alignment across functions and departments.

We then set out to help turn this product-centric strategy into a successfully implemented set of business processes. Together with the client, we reengineered processes and addressed information needs involving:

- Product evaluation methodology and supporting toolset
- Staged approach to product selection with formal review points and structured selection hurdles
- Periodic strategic update on external market dynamics
- Cross-functional global information transparency for product portfolio management

Solution benefits:

Global data transparency: The key to achieving the needed transparency was designing and building a centralized decision support tool. The tool integrates information scattered across the multiple functional areas, regions and business units, as well as market information from external sources.

Profitability through focus: The company gained focus through clear product priorities. It leveraged a platform for cross-departmental cooperation and coordination that set the stage for transforming the company into a blockbuster product generation engine.

Overview

In an industry driven by brutal R&D expenditures and multi-year development cycles, resources have to be carefully invested in well-prioritized development and products continuously monitored and reevaluated for changes in development risks, market dynamics and strategic priorities.

Critical questions an organization needs to ask itself are:

- Will it deliver on the growth expectations and strategic direction of the company?
- What is the risk profile of our current and future global portfolio mix by geographical region?
- How can the company realistically estimate the revenue from products awaiting development?

our client answers to these questions took months to compile and inconsistency was the only common factor in the answers...

How could Westernacher help the client?