

Global Pharmaceutical Producer

Marketing Operations

North America

Project Sponsor: SVP Marketing

Project description:

- Non-technology, self-funding improvement effort for the North American marketing operations of a global pharmaceuticals producer
- Scope of the project:
 - Promotions/Campaigns
 - Project management
 - Product & launch support
 - Collateral development
 - Product samples
 - Marketing prioritization
 - Modeling and analytics
- Improvement benefits
 - Operating cost ↓8%
 - External vendor cost. . . ↓19%
 - Annual savings \$1.6M
 - Break even point 5 mos.
 - ROI [12 month]. 2.4x
 - Campaign cycle time . . . ↓35%
 - Internal service metrics . . ↑30%

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Situation Analysis: ClientCo, a global pharmaceuticals company with over 50,000 employees, aggressively markets billion-dollar, blockbuster drugs in more than 150 countries. Growing competitive and regulatory demands increased workload in its historically lean and effective marketing organization. Projects proliferated, cycle times extended, and deadlines slipped. Senior management retained The Lab to increase efficiency and effectiveness without adding staff or new technology.

Improvements Identified: The Phase I, seven week analysis documented marketing operations and processes “wall-to-wall” at an activity level of detail. The Lab’s marketing operations improvement templates identified roughly 200 improvements, and 80% required no technology. More than 25% of these could be implemented in 6-8 weeks. All could be completed in less than 6 months. Examples:

1. **Large Campaigns: Approvals**—Finalization involved up to nine iterations, consuming 60% of cycle times that often exceeded 12 months. Post launch feedback on new products was included in less than 50% of approvals. Numerous opportunities existed to streamline the approvals process: redundancies were eliminated, accountability segmented and decision times monitored.
2. **Scheduling/Project Management**—Despite prior extensive investment in sophisticated technology, two thirds of project milestones were behind schedule. Addressing non-technology “root causes” resolved these issues. The existing, automated schedules were detailed and rigorous, but had shortcomings: Users cited “over-complexity” and over 80% of projects and products circumvented the process. A master schedule was neither produced routinely nor widely distributed. External partners (agencies, printers) were often omitted or poorly scheduled. Organizational capacity was rarely quantified and routinely over assigned, i.e., actual workload rarely matched organization capacity or scheduling milestones. Missed milestones failed to realistically recalibrate deadlines.
3. **Project Prioritization/Changes**—A formal prioritization process was undermined by numerous, non-technology issues which drove 30% of projects to opt out of the process. Examples: Decision calendars and pre-launch analyses were often late, or incomplete, decreasing effectiveness of launch decisions. Change requests were excessive and unprioritized, needlessly diverting resources to low value tasks.

Overall Results: The Lab’s 5 month implementation effort increased accuracy, throughput and effectiveness without headcount gains or new technology.