Are we building good relationships?

'Pharmaceutical companies can no longer work alone – successful partnerships are the key to success.'

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At present, there can be few companies in the pharmaceutical industry that do not have at least one contract or collaboration with another company. In the increasingly competitive world of drug development, partnerships are a necessity to source new molecules, conduct efficient clinical research and develop a patient-friendly delivery system.

Why, then, do we constantly hear comments, such as, 'they don't understand what we need', 'they have missed the timeline', 'the quality isn't what we expected', and so on? A successful partnership is not the result of a signed contract but a constant process, which starts with the first contact and continues through the due diligence process and performance of the development activities, to the successful completion of the project.

Building a team approach

So, what can we do to improve our relationship with partner companies and build a true team approach? The first step is to identify the synergies between the collaborating companies. If there is no synergy, a partnership is unlikely to be beneficial to either company. This step should involve an analysis of the strengths (and weaknesses!) of each company and a comparison to check that the strengths are complementary. There is unlikely to be a perfect match, so knowing where the gaps are and how they might be filled is essential. Areas of overlap will require discussion and clarification during the later stages of negotiation. It is also important, at this stage, to ensure that all levels of the organization participate in this skills analysis. The appropriate scientists, managers and business development personnel must all be involved because their viewpoints and objectives are considerably different. For example, scientists tend to over-estimate their in-house capabilities, managers want quick solutions, and everyone tends to under-estimate the time required! Only by considering all viewpoints will the analysis be objective and meet the needs of all participants.

Establishing roles

When the synergy between the companies has been confirmed, the serious negotiation can begin. This is a complex but essential process, which establishes the roles and expectations of the key players. Honesty is important to avoid development of false expectations or duplication of effort. However, before discussing how the work will be distributed, it can be valuable to exchange views on the risks and probability of success. If one group believes completely in the project but the other regards it as high-risk, internal prioritization is likely to be different and conflicts will ultimately ensue.

Nevertheless, the definition of roles and expectations should focus largely on the practical aspects of the project. Who will release the clinical supplies, and how? Who will be responsible for clinical studies? Where will commercial manufacture be performed? Although these questions appear to be simple, the distribution of experience and expertise within the companies is likely to mean that there is not an obvious answer, and although one partner might be better suited than the other for a particular activity, cooperation is essential for success.

The financial details of a contract are often negotiated by business development staff, who do not always appreciate the vagaries of pharmaceutical development. It is important to consider, at the outset, who will pay for development activities, including the unexpected 'extras', which are nearly always necessary. For example, who pays costs if a contract lab is required? What about additional analytical-development work associated with the transfer of a method that was less robust than expected? Patent filings can be expensive, so responsibility for these needs to be defined at an early stage, as well as whether payment for the patent also confers ownership.

Within this category of role definition is also the definition of communication lines. It is usual to appoint a project manager (perhaps one from each company?), and some companies insist that all communication is handled through this project manager. By contrast, other organizations encourage direct communication between scientists;

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if the partners have different cultures in this area, it is better to recognize it at the start and find a compromise, rather than wait for the complaints. Even when communication is good misunderstandings can arise, so it is a good idea to recommend that all oral agreements are confirmed in writing, perhaps via e-mail.

What is a timeline?

Timelines are another potential source of misunderstanding if the expectations are not clearly defined. For example, is a timeline a goal or a fixed agreement? If achieving specific goals is related to milestone payments, it is important to be clear about their definition. A payment on completion of Phase II clinical trials could be defined as when: the last patient has completed treatment, the data are in-house, the results have been analyzed, a report has been written, or the report has been accepted and plans for Phase III are in progress. There is plenty of scope for 'discussion'!

The benefits of foresight

The third aspect of building a good relationship with a partner is to recognize that problems will arise and to have a process in place for managing them. It is often a good idea to encourage the project team to identify potentially difficult areas in advance and discuss possible sources of friction. This could be as simple as the cultural styles between different countries or companies, or even a personality clash between key team-members. There will be enough challenges for the team to develop the project according to the plan without adding unnecessary burdens related to human elements of the team.

However, even if the team consists of compatible people, technical or communication problems will occur. When this happens, management should resist the temptation to send in a task force but, instead, should allow the team to solve the problem. This is likely to result in both a better solution and a stronger team. The two parts of the team need to be open with each other when problems occur, despite the natural tendency to hide the issue until a solution is found. This can be avoided if everyone understands that the only goal is to solve the problem and that apportioning blame must play no part in the team's activities.

Focussing on the partnership aspect

The fourth and final component is to have a true focus on partnership. This starts by recognizing that the language of a partnership is 'we', not 'they'. Nothing is so destructive as a conversation in which participants try to blame 'them' for not doing something correctly or try to tell 'them' what to do.

Partnership also involves sharing, and this should include the good, as well as the bad, components of the collaboration. It is obvious that information should be shared openly but a sharing of risk also helps to ensure that both partners are motivated to cooperate. Sharing of costs and revenue is generally a contractual matter, although this sharing can be very one-sided on occasions! Team members should feel free to share less tangible aspects of the project, such as excitement or, on occasions, disappointment. Such openness helps to build a cohesive team where the successes (or setbacks) of one individual, are the successes (or setbacks) of all.

How can such an atmosphere be created? The simplistic answer is that it cannot be created; it has to form as a result of people interacting with each other. This needs to start at the very beginning of a project, perhaps with a team-building exercise to help people to integrate. It then has to be continued through all interactions. Everybody in the team is responsible for building the sense of partnership and, therefore, meetings should be regular and should involve all team members. Face-to-face meetings might not always be possible but video or telephone conferences can be used to maintain contact in-between the face-to-face encounters.

An important part of such meetings should be the celebration of achievements. These might be relatively minor steps or the reaching of a major milestone, but such celebrations encourage the team members and reinforce the sense of excitement.

Successful partnering equals success

To summarize, we all need to build our partnering skills. Companies that can form successful partnerships are likely to be those that achieve long-term success. It is increasingly apparent that all sizes and types of company in the pharmaceutical industry need to form partnerships for at least some projects or stages in the R&D process.

A successful partnership should be built on open communication, honesty, total involvement and trust. If all these can be combined successfully, the result should be positive for all those concerned.

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