

Organic Process Research & Development

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Editorial

Goals in Pharmaceutical Management

The football team that I have supported for over 50 years has recently gone through a winning streak, and this coincided with a period where they had no manager, having sacked the previous incumbent months ago. This set me thinking about management, particularly in the pharmaceutical industry where, despite profits announcements, redundancies are becoming all too common, particularly in R&D.

The lack of new drugs in the pipeline from big pharma contrasts with the situation in smaller companies, where discoveries are still being made and then licensed to major multinational pharma. When one examines the new drugs that were approved by the U.S. Food and Drug Administration (FDA) in the past few years—admittedly a small number compared to the number approved in the heyday period of the 1980s and 1990s—a significant proportion of the drugs were discovered and developed by smaller companies (although possibly for niche markets only).

The failure of large pharma to discover and develop new drugs has been attributed to many things, but management of the R&D function should come under close scrutiny. Large pharma recruits bright scientists, often having the pick from the top research schools. They have the best facilities and the most money. So why has there been a lack of success in recent times? Is it that in these large, bureaucratic organisations, it is a top-down management style, which does not allow the freedom of the individual scientist so vital for innovation to prosper, that has failed to create the correct environment for success? Or is it the “short-termism” of financially driven organisations that fail to understand that only by long-term investment in research programmes can success be achieved?

At some companies, particularly those who have been formed from successive mergers and acquisitions, the constant reorganisations and personnel movement at various management levels have failed to create an environment where innovation is valued, and where short-term goals are more important than long-term success. This is partly driven from the top, where the expectation of stock-market double-digit growth is unsustainable yet drives companies to ill-thought-out mergers in the quest to massage the bottom line.

When I visit major pharma R&D facilities, I am always surprised at the empty laboratories, with many scientists involved in meetings rather than R&D. In contrast, my visits to smaller organisations, where scientists are enthusiastic and laboratories are busy, are a pleasure. Some of these organisations have even retained their hard-copy library, in contrast to the pharmaceutical giants who, for economical reasons, have switched to electronic, online ones. Libraries are great places to think and develop ideas and innovations, away from phone, e-mail, and all the other pressures which steal our time.

So, to return to my football analogy, would large companies do better without top management? Probably not; however, management should realise that innovation comes from individuals and small teams and from creating the right environment, which small organisations have managed to foster. Possibly this is a goal to be set?

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