



Lundbeck goes local with new sales organisation

Customer focus calls for something much more fundamental than “another re-arranging of deckchairs on the Titanic”, notes Stephen Turley, UK Managing Director of Lundbeck. The new sales model has to be “an organisational shift rather than just a structural shift where you deploy a few extra heads in one area and a few less in another”.

Lundbeck intends to be in the front line of change, which is why the company is overhauling its sales structure to take on 21 Directors of Healthcare Development as its key interface with the NHS across the UK.

It also wants to reap the commercial benefits. The goal, Turley says, is to be “the most customer-focused pharmaceutical company in the UK, because we fundamentally believe that what is good for the customer will be good for Lundbeck”.

As commissioning pathways in the NHS are redrawn to address more local needs and accountabilities, the pharmaceutical industry needs to show its declared commitment to customer focus is on the same track.

Peter Mansell reports. Photos by Magnus Rew

The Directors of Healthcare Development will operate at a high level both within Lundbeck and the industry. “They will have responsibility for all payor customers and selected other customer contacts,” Turley explains. “They will work across the entire Lundbeck portfolio, with complete profit/loss responsibility for their own area. And they will determine the best use of resources in any geographical area of the country.”

Confronting the paradox

The reform proposals in the NHS White Paper present industry with a paradox: more deregulation to local level, but in an environment that grows ever more regulated and complex, with a widening range of stakeholders. As such, Turley believes, demand “has never been higher” for evidence-based medicines that are backed up by outcomes data confirming the product’s value proposition to individual customers.

Industry efforts to meet this demand have too often run along traditional lines. Faced with the “sophisticated barriers to entry” that have hampered uptake of new drugs in the UK, many companies have simply “tried to make more and more marketing noise”, Turley points out.

With diminishing returns, the next step was “salami-slicing” of salesforce efforts. “Quite frankly, we can’t go on doing that,” Turley comments. “We’ve got to look at something more innovative.”

The binding agent in this new strategy, he believes, is the quality standards being developed by the National Institute for Health and Clinical Excellence over the next five years.

“It is clear that, while GP commissioning consortia will allow for healthcare delivery to be adapted to local needs, the way the healthcare service will try to achieve consistency and quality will be through NICE standards,” Turley comments. One of the first of these was for dementia, while two of the standards in development address depression and alcohol dependency. These are areas “fundamental to our business”, Turley observes.

So the standards are an opportunity to demonstrate the value of Lundbeck medicines in what the NHS itself “acknowledges to be high-quality healthcare”, he notes. They can also serve as a platform for joint working

projects with the NHS that will determine how best to deliver a wider package of care.

Achieving these goals depends largely on being able to provide local accountability in decision-making. In the past, Turley comments, “if a customer wanted to work with a pharmaceutical company, there might have been some dialogue with the sales representative and then it could be weeks if not months before a positive or negative response came back down the line”. With its Directors of Healthcare Development, Lundbeck wants to make sure “the people we put in front of customers have the skills and knowledge to understand the customer agenda, but can also make their own decisions about working with customers and have the budget to back them up”.

The baseline has to be a common agenda. “Perhaps one of the issues we’ve had as an industry is that we’ve either made assumptions around what the customer wants or, in the worst case, have tried to sell on the basis of what we want the customer to want,” Turley explains.

He sees the new roles as “fundamentally taking key account management to where it should be”. It is not about “rebadging” sales representatives as KAMs, nor about engaging with key account management from a planning and implementation perspective, but without giving

managers the capacity to “actually do what’s really going to make a difference to the local health economy”.

“We want to have a flat organisation where people have a certain amount of autonomy but within that, of course, they’ll have accountability”, Turley comments.

Supporting the new positions will be a team of Mental Health Specialists. They will focus more on selling the benefits of Lundbeck medicines, but in line with agreed local plans – “in tandem with the customer rather than against the customer”, as Turley puts it.

Lundbeck aims to have the new sales structure in place by early next year. “The biggest risk is that we don’t do enough quickly enough,” Turley says. And with the new challenges in the marketplace, the company has to be a leader not a follower.

“Looking and behaving like our competitors will not differentiate us in the eyes of our customers,” Turley emphasises. “If we’re going to be the most customer-focused company in the UK, we need to go beyond what the competition is doing.”

To understand more about the Director of Healthcare Development role and associated opportunities, please visit www.thisisexciting.co.uk.

Peter Mansell is an independent healthcare writer

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