



Industry Spotlight

Pharma



Introduction

The pharmaceutical industry is in the midst of shakeup, but do you actually know what's happening in your organization? Sure, you know that beyond-the-pill services and new approaches such as cell and gene therapy have posed obstacles for pharmaceutical companies to clear. And you're certainly aware that the R&D costs to bring a new drug to market are sky high, with the median cost hovering at about \$985 million and increasing by nearly 10% each year.¹ Automation and digitalization aren't exactly breaking news either. But how are these changes and others affecting the talent at your organization?

Chances are that you might not know, but you should. A study by McKinsey & Company and the International

Society for Pharmaceutical Engineering found that leaders at pharmaceutical manufacturing companies perceive only 10% of the impact of the disruption that employees report experiencing.² What's worse — skill mismatch is a widespread component of the disruption, affecting more than 80% of workers,² so even if you aren't feeling the disruption yourself, it's definitely affecting your people and thus your organization's bottom line.

With the demand for soft skills projected to increase by one-third in the next 10 years,³ these changes underscore the need for a strategic approach to talent acquisition and development. As an international authority in the science of personality, Hogan helps organizations maximize the fit between applicant

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skills and job roles, reduce turnover, increase productivity, eliminate bias in hiring, ensure new hires are aligned with organizational culture, and inspire employees to do their best.

Grounded in more than 40 years of research, Hogan's comprehensive suite of talent acquisition and development solutions are based on three core personality assessments:

▶ **Hogan Personality Inventory (HPI)**

A measure of personality characteristics needed for everyday job success, building effective teams, and developing future leaders.

▶ **Hogan Development Survey (HDS)**

A measure of counterproductive personality characteristics that have the potential to derail otherwise successful and long-lasting employees.

▶ **Motives, Values, Preferences Inventory (MVPI)**

A measure of core values and motivators that reflect job satisfaction, alignment with organizational culture, and future success within the organization.

Our personality assessments are the industry standard for predicting future job performance among working adults across industries and around the world, and the insights they provide have helped countless HR professionals and industrial-organizational psychologists ensure that the right people are in the right roles. Check out the following five case studies to learn more about how our solutions have helped organizations in the pharmaceutical industry resolve the challenges their businesses face and achieve organizational objectives.

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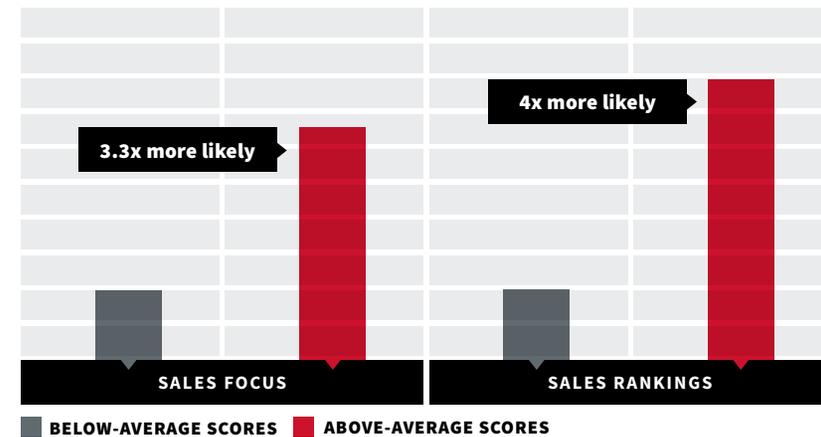


Improving Biopharma Sales Rep Performance

A global biopharmaceutical company wanted to improve its sales revenue by adding personality assessments to its selection process. Successful sales representatives execute business plans and increase sales revenues within their assigned territories. In collaboration with the client, Hogan measured critical work behaviors necessary for sales success, including sales ability and internal sales rankings.

Hogan's Sales Basis profile compares assessment takers' behaviors and values with the top-performing sales representative personality profiles. When we applied Sales Basis scoring to the client's research sample, sales representatives fitting the Hogan profile achieved much higher internal sales rankings compared to those not fitting the Hogan profile. High scorers on Hogan's Sales Basis profile were **twice as likely** to be rated as top overall performers, **3.3 times more likely** to be rated as having above-average Sales Focus competency, and **four times more likely** to achieve higher sales rankings.

► Sales Performance



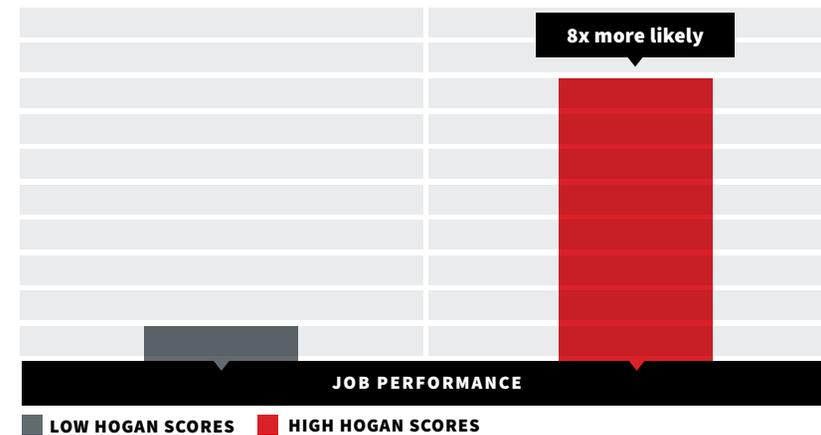


Identifying More Effective Managers

Hogan collaborated with a healthcare and pharmaceutical supply manufacturer and distributor to improve its selection process for managers. The managers who receive higher performance ratings from their supervisors are passionate and act with a sense of urgency, balance competition and collaboration, cooperate with others to support the sales force, are detail oriented and focused on high-impact results, and value established ways of doing things.

Working with the client, Hogan created a selection profile for managers. Those who met the profile were **eight times more likely** to receive favorable supervisor ratings — based on overall performance, values alignment, and critical work behaviors — compared to those not meeting the profile.

► Overall Job Performance





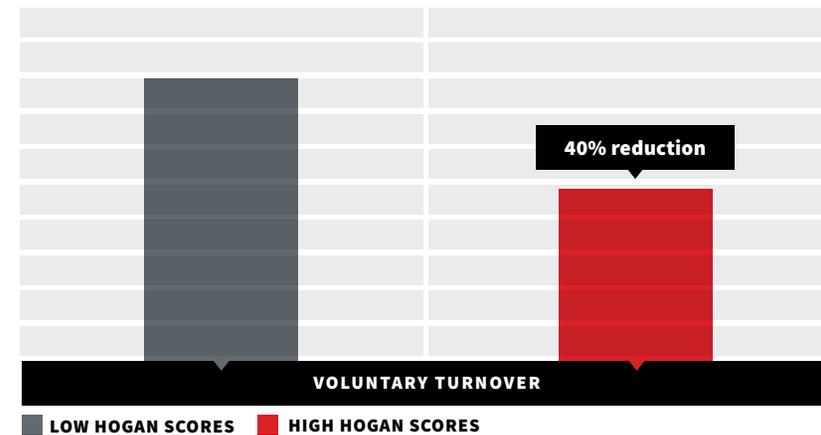
Retaining a Successful Pharma Sales Force

A global pharmaceutical company sought Hogan's help to better understand how personality impacts performance among its specialty sales representatives. Those who are successful effectively maintain relationships with specialized physicians and hospital staff while also creating new sales opportunities using strong networking and social skills.

When Hogan applied the Sales Basis scoring to the client's research sample, sales representatives fitting the profile averaged **11% greater sales rankings**. High scorers on Hogan's Sales Basis profile were **three times more likely** to excel at skills such as developing expert product knowledge and presenting to others.

We also found that sales representatives who met the Hogan profile were **2.5 times more likely** to be rated as strong performers based on supervisor ratings, field sales incentive program scores, and critical skills assessments. And finally, after a year and a half of using the profile, the company reported a **40% reduction in voluntary turnover**.

▶ Reduced Turnover



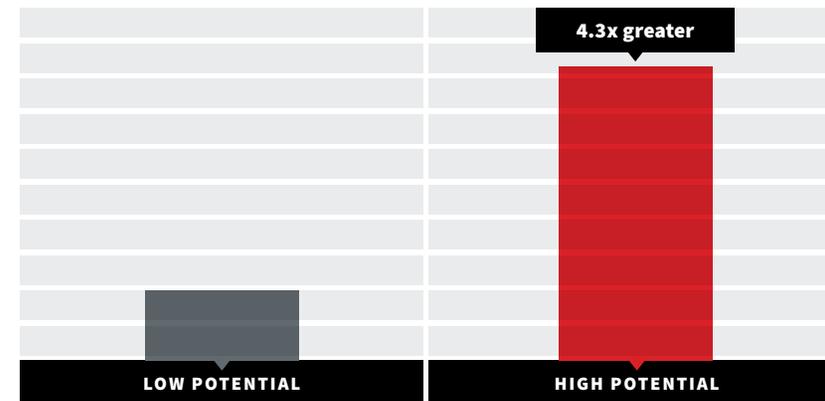


Identifying Higher-ranked Product Managers

A global healthcare and pharmaceutical supply manufacturer wanted to identify product manager candidates to serve as designated experts for product lines and their divisions' marketing channels in order to supply sales representatives with products and programs. Hogan found the best product managers are self-aware, receptive to feedback, communicative, and capable of delivering product innovation consistently.

Two years after the company implemented Hogan's custom profile, Hogan worked with the company to reexamine performance outcomes and measure ROI. Hogan's custom profile **consistently generated ROI**, with **4.3 times stronger rankings** of overall performance.

► Overall Performance Rankings



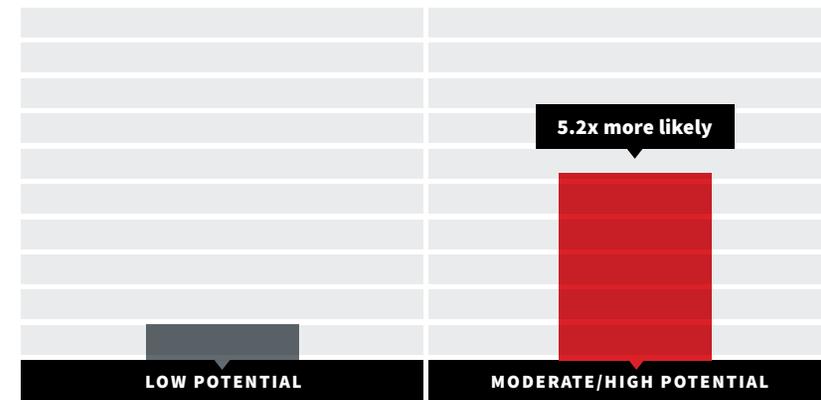


Developing the Next Generation of Pharma Leaders

A global pharmaceutical company wanted to refine its leadership development program and asked Hogan to help identify and develop the next generation of leaders. Hogan found the most promising candidates stay composed under pressure, remain optimistic, and follow procedures but also do well with taking independent action.

Hogan's data science team worked with the company to build a personality profile to measure present performance and predict future performance, thus revealing candidates' potential for advancement. Hogan found the profile strongly correlated with supervisors' ratings of performance, as moderate- and high-fit candidates were **5.2 times more likely** to be rated as high performers in the company's leadership development programs.

► Top 50% Performance Scores



Let Us Help

These case studies demonstrate how scientifically valid personality assessments can transform talent acquisition and development strategies for various types of job roles throughout the industry. Whether your organization is dealing with a talent management problem such as high turnover or vacant positions, or if you simply want to improve employee performance and productivity, we can help. Hogan has been partnering with pharmaceutical organizations for decades to help them solve problems and achieve their goals. Get in touch with us today to explore potential solutions.

To learn more about Hogan, visit peterberryconsultancy.com or call us at +61 2 8918 0888

References

1. Wouters, O. J., McKee, M., & Luyten, J. (2020, March 3). Estimated Research and Development Investment Needed to Bring a New Medicine to Market, 2009-2018. *JAMA*, 323(9), 844–853. <https://doi:10.1001/jama.2020.1166>
2. Dukart, H., Patel, P., Telpis, V., & Yngve, J. (2020, April 9). *Pharma Operations: Creating the Workforce of the Future*. McKinsey & Company. <https://www.mckinsey.com/industries/pharmaceuticals-and-medical-products/our-insights/pharma-operations-creating-the-workforce-of-the-future#>
3. Bughin, J., Hazan, E., Lund, S., Dahlström, P., Wiesinger, A., & Subramaniam, A. (2018, May 23). *Skill Shift: Automation and the Future of the Workforce*. McKinsey & Company. <https://www.mckinsey.com/featured-insights/future-of-work/skill-shift-automation-and-the-future-of-the-workforce>