Welcome

to the 11th issue of our Regional Executive Newsletter dedicated to the Life Science & Healthcare Industry.

The Life Sciences and Healthcare Sector is one of the most active sectors of the global economy powered by innovation, scope and depth of expertise. The Pharmaceutical industry has matured and the speed at which organizations in this sector have grown, is breathtaking.

Charles Darwin said, “It is not necessarily the strongest that survive or the most intelligent but the one most responsive to change”. Pharmaceutical companies face complex issues that grow more challenging by the day. Healthcare reform and changes in technology, government policy and consumer expectations are revolutionizing relationships with key stakeholders and impacting operations in unforeseen ways. The cost pressure, the focus on reimbursement, the reorganizations as a result of company’s mergers and acquisitions, the need for new competencies and management skills are some of the new Pharma realities.

Virginia Argyratou
Principal Consultant Life Sciences & Healthcare Practice Group, Stanton Chase Athens

Nowadays the industry is usually perceived negatively for many reasons, which includes overpricing drugs, luring doctors, a “no-money no-cure” attitude and industry-government alliances. Most experts believe that companies who succeed in the face of such challenges will adapt effectively in changes and uncertainty and will position themselves as a vital partner in the healthcare delivery chain.

Whether future Life Sciences leaders are prepared to manage in this complex and evolving environment depends a great deal on the organization’s ability to identify and develop high potential executives. One of the most crucial questions facing the industry, though, is what leadership skills companies will need to navigate this complex and changing landscape. Within this context, we have the honor to host Mr Kalyvas, Arnold Wolfers Professor of Political Science and Director of the Program on Order, Conflict and Violence at Yale University who shares his views on various topics around talented leadership.

The treats, the challenges and the issues that is high on their agenda regarding the pressing challenges within the Greek economy share also with us Pharma Leaders from the local affiliates of established and reputable multinational and Greek companies; the senior Life Sciences Industry executives from Johnson & Johnson Medical and Pharmathen.

We have also the contribution of EMEA Regional Practice Leader - LS & HC and specialized Partners who analyze the dynamics of the Life Sciences & Healthcare Sector within the Region, as well.

In seeking to answer questions like “if Life Sciences companies are prepared to transform themselves- and if so, how”, we conducted a survey, during September and October 2011, in which the participants were senior Life Sciences Industry executives from multinational and Greek companies; the results reflecting the new pharma reality, the pressing challenges and the leadership skills will be needed in order to survive and handle the performance challenges within the struggling economy.

Enjoy reading and please remember that we welcome your comments and feedback and would be happy to feature your contributions on important matters in our next issues.

“Many thanks to all the contributors of this issue for their insights and to all survey respondents for their time...”
Unlike other industries, companies in pharmaceutical sector stand more chances of making breakthrough success thanks to their leading role in product and process innovation. However, innovation costs and pharma sector has been cutting down costs over the last two years, mainly, due to the unstable economic environment. Undoubtedly, this industry faces massive change nowadays and will so the years to come.

Senior Management along with Human Resources executives in the industry appear to activate an aggressive agenda to support their organizations and meet the transformation they advocate, and direction of their priorities, investing – with any risk such an investment involves – on the development of high-potential leaders, able to thrive the future and make a difference, should come first. Talent stands as one of the most important assets any company can have and market’s leaders need to hire in fresh talent and focus on the identification and best use of young stars so as to support senior executives in driving the degree of change they seek.

As my firm focuses on Talent’s business development, let me sum up some key attributes - not necessarily prioritized - that identify Top Talents:
- Possess positive attitude
- Possess relationship building skills
- Identify the difference between Leadership and Management
- Promote teamwork
- Indentify new ideas and think out of the box
- Possess hands-on / will-do attitude
- Fit organization’s culture
- Are self-motivated
- Desire personal and professional development
- Seek for results

Before searching for tips and strategies to help trace “A” Talents, pharma companies should own the tools as to “where and how to find these Talents”. Such tools could be to:
- Develop ‘market driven’ vs ‘process driven’ hiring strategy
- Use efficiently either in-house recruiters, Line Managers or external providers such as well-established Executive Search firms

As far as Stanton Chase – Athens office is concerned, the professional approach in identifying and recruiting Talented executives for our clients has always been effective and efficient; but given the nowadays demographics and unstable global economic environment, it has become now, more than ever before, critical and indispensable for client’s welfare and success.
New Pharma Reality

The pharmaceuticals industry has undergone enormous changes in recent years, particularly due to mergers and the expiration of patents in the Rx sector. As a result of the patent expiry issue, the pharmaceuticals industry has increased its focus on the areas of oncology, autoimmunity, transplants and diabetes, with data from pharmacoeconomic and health outcome studies as well as data from traditional clinical trials gaining importance in these areas. In other words, proof of efficacy per patient is required above all from now on. This has led to a refinement of specific tests which compare the genetic structure of the patient with the tumour genesis and assess or highlight their chances of success. This trend may continue over the coming years and be a new challenge for the industry.

In addition to this change, a focus on the Asian and South American markets is also evident on the global market, while Europe is continuing to lose importance in the healthcare sector, in part due to the budget problems and the resulting savings.

For staff in the Life Sciences industry, this means above all that the sales force, above all in the Rx sector, will reduce sharply and a not insignificant number of management positions (such as country managers) will cease to exist while other areas, such as market access or medical liaison management, will gain significant importance and be expanded. It will be important for skilled personnel with a high level of specialisation to demonstrate more flexibility, with the availability of a flight hub being the crucial factor rather than their address due to the formation of country clusters. A willingness to find your way around in the matrix and “dotted line” structures and accept complex management systems will represent a further important point.

The intensity of the mergers (e.g. Pfizer/Wyeth or Merck&Co (MSD)/Schering Plough), which gradually involve an increase in the specialisation of pharmaceutical jobs, is also generally noticeable. The knowledge in this increasingly specialised network of personnel is also a challenge for personnel consultants. Due to the focus on specific sub-sectors and the trend towards merging several countries in clusters, the search processes in the field of executive search are increasingly taking place on a supraregional basis. The advisors’ understanding of when the national market offers sufficient potential or when international searches are necessary will be required more often in the future. The pharmaceutical giants can be expected to focus on the consultation-intensive sector, while in Europe the Rx sector will increasingly have to bow to pressure from generic products.

For the executive search industry, this is a great challenge but also an opportunity insofar as one knows how to use the specific expert knowledge in the Life Sciences sector in order to communicate with the clients/candidates at eye level.

Heimo Hecht
EMEA Regional Practice Leader - Life Sciences and Healthcare, Managing Partner - Stanton Chase Vienna

Heimo gained 12 years of substantial management experience in the Pharmaceutical and Bio Tech industry, working as Manager for companies such as Boehringer Ingelheim and the CH Werfen Group in Austria and Central Europe. In 2000 he joined Eblinger & Partner, an Austrian recruitment firm specialising in the pharmaceutical industry, to become Managing Partner. In 2004 Heimo founded the Life Sciences Division of an international executive search company concentrating on the Central and Eastern European market.

His operational background in the pharmaceutical industry as well as many years of successful HR consulting afford him an in-depth understanding of client needs on a wide variety of executive management levels and functions. The rare blend of experiences make him uniquely qualified for senior management searches in all areas of the life sciences sector.

Due to his intensive experience in the highly specialized biotechnological and pharmaceutical industries, Heimo also offers deep knowledge in the field of start-ups and venture capital firms.

“Heimo Hecht holds a Masters Degree in Pharmaceuticals from the University of Vienna and is fluent in German and English. He was Austrian National Sailing Champion in 1980 and member of the Austrian Sailing Squad for the Olympic Games in Seoul /Korea in 1988.”
Not surprisingly, Life Sciences and Healthcare was one of the few sectors that managed to keep their growth despite of the slow-down of the last couple of years. An IMS Health market analysis for Bulgaria shows that there has been a 16% increase in sales for the first half of 2011 while the prognosis was for 9% growth. We see in this positive trend a direct relation to a relevant change of the hiring practices of companies in the sector with a predominant tendency for strengthening the Sales & Marketing roles. In the recent past, due to regulatory specifics, pharmaceutical companies had to hire people with the relevant pharmaceutical or medical education. However, more recently the industry has been open to managers and experts with intensive experience in other sectors, mostly FMCG, with focus on marketing, sales and key account management. Thus gradually a new role has formed in these companies – product specialist, an intermediate level between medical representatives and product managers. Product specialists take responsibility for both the sales and marketing of a group of products. We expect that the pharmaceutical market will keep its steady growth in the next years.

Romanian market starts think competencies - In charge with leadership

By Lara Maria, Consultant Life Sciences & Healthcare and Consumer Products & Services Practice Group – Stanton Chase Bucharest

Pharma Romanian market faces new era influenced both by the crisis effect and by local legislative changes. The revised claw back law adopted this autumn will naturally attract changes for the active players in this market.

What is generally agreed in turbulent times is the demand of a greater focus on leadership. Regardless if we are speaking about specialist roles or c-level positions, our clients’ focus is primarily on leadership abilities and this has become even more evident during these turbulent times.

Our clients in Romania are recognizing the added value of leadership abilities, evidenced by the growth of the searches developed and conducted around this highly demanded competence. Nowadays, in order to identify specialists or C-level executives who are really available and have developed leadership is probably one of the key requests of companies, alongside with technical expertise. It is not something conceptual, it’s rather more practical.

As per our extensive and long experience in the Romanian market, we have identified some core competencies that a senior manager should develop especially during the downturn. All of these competencies focus around leadership and namely they concern communication, networking, ability to manage stressful situations, credibility, decisiveness, emotional intelligence and integrity. In that respect, assessing leadership abilities becomes a crucial topic nowadays, since we are continuously searching for available and hot professionals, who are willing to take the natural next step in their career and combine both high levels of technical expertise, as well as leadership.

However, in these challenging times that we are all experiencing, people tend to focus more on their everyday activities and responsibilities, without necessarily trying to develop in a constant way their leadership abilities. The one who will know to calibrate and manage the attitude towards his/her team in these tough times will be considered as a successful leader.

The Romanian labor market entered the financial crisis right after an extensive economical growth period. Of course, growth attracts development but, like in any other natural process, it has its positive and negative aspects.

The issues that we usually come across during our searches/projects are mainly related to the market dynamics and to the lack of seniority of the available profiles in the Romanian market. Due to the developing nature of the Romanian market, the enhancement of the internal structure of well known companies needs still to be further developed also in terms of connecting the right titles with peoples’ responsibilities. In some cases, candidates tend to focus mainly on their future job title as well as remuneration package, rather than assessing the actual challenges and development opportunities of the proposed roles.

This also reveals an artificial growth of the middle management professionals since most of them did not had the chance and the time to enhance and capitalize on their technocratic knowledge gained during the booming period.

Therefore, nowadays mature companies have finally realized the importance of developing leadership at every level of the organization, creating in this respect an exciting career path within the organization, as well as development opportunities for professionals.

Broaden expertise and pro active attitude towards learning new skills are two of the highlighted requirements. Moreover, I would add to leadership, wise actions when dealing with new roles in turbulent times.

Change of focus for professionals in the Life Sciences & Healthcare sector – the Inevitable Upgrade

By Darina Peneva, Managing Director, Stanton Chase Sofia

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An overview of the UAE Healthcare Sector

The UAE healthcare sector is among the most dynamic areas of the economy and is set to grow rapidly over the next five years, a study predicts by the Dubai Chamber of Commerce and Industry. The healthcare sector currently accounts for almost 6% of Dubai’s non-oil gross domestic product. The market’s value is expected to have risen from $3.2 billion in 2005 to $11.9 billion in 2015, the report says.

The sector is governed by three main regulatory authorities: The Ministry of Health (MoH); Department of Health and Medical Services (DOHMS) and Dubai Healthcare City (DHCC). It currently includes approximately 700 companies working in fields from pharmaceuticals manufacturing and trading to hospitals and clinics.

The market continues to lure manufacturers and traders to the region and Dubai has experienced a strong growth in pharmaceutical trade. Since 2003, imports of pharmaceutical products have risen from 800 million AED to 3 billion AED in 2010 while exports too have risen from 100 million AED to 400 million AED over the same period.

The study goes on to highlight several attractive features that lure multinationals to focus their investment activities on the UAE pharmaceutical sector which include a relatively strong patent cliff, the country’s traditional wealth and its preference for latest medicines as well as the rise of the local manufacturing industry over the past few years with its strong emphasis on regional and global exports.

Industry experts say that there is potential for further growth in the pharmaceutical products sector in the light of the changing lifestyle dynamics in the region which is based on an increasingly Westernized disease profile with non-communicable diseases such as obesity.

The study further states that an array of solutions has emerged in recent years aimed solely at this segment. Other diseases associated with a relatively sedentary lifestyle such as increased heart disease and diabetes will likely remain the mainstay of growth for patented drug manufacturers. New areas for pharmaceutical product growth could also include tapping the rising demand for medical tourism connected to these changes in lifestyle.

It is also hoped that the further deepening of GCC market integration and the introduction of integrated healthcare insurance systems will boost pharmaceutical trade in the long run. A lot remains to be harmonized between GCC member states before the benefits avail themselves to consumers. Substantial investment in the healthcare sector such as the Dubai Healthcare City and DuBiotech projects will also encourage foreign direct investment in healthcare in the long-run.

Challenges
The UAE pharmaceutical sector confronts several challenges as the local manufacturing sector is relatively small and focuses on basic medicines. The market relies on imports for hi-tech prescriptions. For example, in 2010 nearly 64% of pharmaceutical imports came from Europe, around 8% from North America and another 8% from the MENA region. India is the biggest supplier from Asia and accounts for 5% of total imports.

Drivers of growth
The pharmaceutical industry, broadly understood as generic drugs, OTC medicine and patented drugs, is proving attractive for manufacturers for several reasons. Perhaps the most important factor is that the health industry typically bucks the trend of the economic cycle. Healthcare and therefore pharmaceutical products are often considered a daily necessity and therefore exhibit stable sales in relation to the economy. In the UAE, and the wider GCC, growth prospects for the sector are amplified partly because of the population dynamic of an emerging yet sizeable growing middle income class. According to Economist Intelligence Unit forecasts, the GCC population will reach 53 million by 2020. As incomes rise, spending on healthcare typically rises as consumers tend to become more health-focused.

By Athena Tavoulari, Senior Consultant Life Sciences & Healthcare, Stanton Chase Dubai
What worked in the past is no longer valid today

Eleni G. Tentou, Managing Director Actelion Pharmaceuticals Hellas S.A.

The ability to capture a multifaceted reality and the way to secure long-term commitments from many people and adaptation to changing circumstances, play an important role in shaping the future during times of deep recession.

The choice of our relationships that matter most is another important frame; relationships with external organizations and individuals, customers, regulators, policy-makers, suppliers, distributors and other partners who provide any kind of resources, are very critical for our success in all times but especially nowadays. Might be also the right time to discover the true power of the word “we”, that links to common environmental frame of all companies and not only of our own company, that links to challenges that all employees face in our industry and not only to employees in our organization and links to a mental way that all of us have to develop in order to face turbulence and being stronger the years ahead.

Regarding values, very often during a period of deep crisis comes out the question if it is the right time to reassess our beliefs and values? The answer is simply, yes! I feel that our social community today is thirsty and is seeking for simple, basic values, such as ethos, honesty, integrity and serious work. In this perspective, in Actelion Hellas we try to secure this frame and to unite and inspire ourselves, our colleagues, partners and organizations both with statements and actions.

EN: What are the guidelines that you are providing your direct reports/line managers with, in order to sustain the employees’ drive & morale at an increased level?

ET: Stay calm, be realistic, communicate proactively, believe in our people and keep our team engaged, post performance publicly and distribute credit; above all, be authentic!

That’s our simple approach and behavioral pattern that the management team is fully committed in Actelion Hellas.

In times of deep crisis, the leaders view the future not through a telescope due to fog but through a kaleidoscope – and since the word is derived from Ancient Greek words, hence it means “observer of beautiful forms”.

Executive Newswire: Can you please identify the difference between the leadership profile that a CEO/General Manager appears to have during peaceful times versus deep crisis?

Eleni Tentou: It is true that leadership is situational and what is required from leaders will always be influenced by the situation. So, from this perspective the ability to observe and understand existing situations, by showing “situation sensing” is very important in tough times. In addition to that, is even critical the ability to adjust appropriately, and to remain ever alert to the shifts, to get any signs of opportunities as early as possible.

Clearly, we feel out of our comfort zone but it’s time to be realistic, to accept the new framework and to deploy all capabilities towards a new business model. It is responsibility of the leader to articulate a vision of sustainable changes and to inspire and guide the people to necessary reforms. Important step for a leader today is to actively cultivate, engage and maintain in a complex of serious relationships; is so vital for each individual in every organization to feel the excitement and the personal significance of his leader and therefore we have to invest an important amount of time on our people. Indeed, in searching for a fundamental attitude that a leader has to apply today, it is worth recalling the words of our great ancient philosopher Plato, who said in “Politia” “The best way to behave in adversity is to remain very calm and not become indignant”. That’s a big truth from a leadership perspective, and might be the cornerstone in the management of turbulence and effective approach of challenges raised.

EN: What are the new challenges that you are currently facing?

ET: Hellas is facing today one of the most difficult challenges in its recent history; first thing that we have to ensure: we must survive, against those insuperable figures and obstacles around us. We have entering a very challenging period and we should have prepared ourselves, our people and the market on what will happen for some time ago. Therefore, the level of such preparation within our organizations consist the number one challenge that we have to face effectively.

There is no doubt that an economic crisis marks a sharp break with the past that lowers resistance to change and cuts through complacency. The second challenge is how to raise our sights from the current crisis to the big picture of a country in a constant state of flux and a business in transformation mode.

What worked in the past definitely is no longer valid today. Especially, the entire Health System must be change and be modernized from its routes and is clear that open-minded people in pharma industry, agree on this goal.

All pharma companies are facing a big challenge with delays on payments of their invoices issued to State hospitals. Following the recent regulation from government on paying the outstanding invoices issued to hospitals the last three years - from 2007 to 2009, with State Bonds, the liquidity of pharma industry has been affected seriously. The current situation creates an upside by enabling novel combinations that create opportunities which vary in magnitude in the overall sphere of pharmacy business.

EN: What are the necessary actions that should be taken in order to sustain the company’s welfare in such a demanding era?

ET: As organizations and also as individuals we have to take very practical steps; to set up the new frame of our business in the light of cost-containment measures in health sector and also taking into account the potential of the new expected electronic infrastructure in the whole Health System, we evaluated carefully how and where to focus our attention:

- We have started to do interventions on operating procedures, (e.g logistics) and managerial ones, (e.g decision making and resource allocation) and we expect that efficiency will be increased among different units. In order to access the outcome of those interventions, we have applied a new set of success metrics that refined the previous ones, which are communicated to the whole organization.
- The ability to capture a multifaceted reality and the way to secure long-term commitments from many people and adaptation to changing circumstances,
Executive Newswire: Which are the most important corporate values of your company in this transformation period and what are the most pressing challenges as well?

Stavros Theodorakis: We could agree that this transformation period is just the new era of our business results (or even better our business…ethics’ results), which probably was not forecasted…But now, we have to live with this and find intelligent solutions to maintain our position in the market. On the other hand, I strongly believe that, behind each crisis are too many opportunities very well hidden in challenged proposals. The question is “could we see them? Are we prepared to catch them?”

For Chiesi Hellas, the solutions might be hidden in “values” chapter of business code. Principles like honesty and integrity, fairness and transparency within the management system, collaboration and trust need to be implemented in daily business.

We have to admit that in Hellenic pharma sector, pricing & reimbursement issues are the most pressing challenges for today and it seem to be also like this for the forthcoming period. The value of each pharmaceutical product is the most critical factor in the management decisions. Not just concerning the profitability, as politicians might think, but because product value has something more important behind: the human capital. The pharma sector does not deliver just drugs, does not offer just treatments. It is part of the human society maybe one of the most important as “drugs are the vehicles for life quality & extension”, by also offering thousands of working places and supports states’ incomes.

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ST: Our first commitment is that Chiesi Hellas has to be sustained as a healthy company. All the relative actions have to be aligned with a “managing growth” vision, easily depicted in the following phrase: “secure current business and capture potential opportunities”. In this frame the actions that have already planned, are:

- Enrich market access department with well qualified staff.
- Change our way of thinking. It is not enough fighting for customers but meeting their needs. How to achieve this goal? By continuing the training investments to all employees, especially now, when some managers say “cut the costs…”
- Developing our corporate image in all sectors we are involved. Networking is the decision.
- Increasing our portfolio with new products in the therapeutic class which are “major player”. Immediately development of BD & L dept. “Catch the opportunities” is the message.
- And finally, communicate a new bonus and incentive system which will reward the top performers more than in past...

EN: What are the guidelines that you are providing your direct reports/ line managers with, in order to sustain the employees’ drive & morale at an increased level?

ST: Simply, asking for implementation of the above mentioned values “as a must, not as a maybe”, in collaboration with the commitment to the targets that we have set up.

- Honesty & Integrity. Explain to our people the situation, how things are. Make them a real part of the team. Asking for proposals especially how to improve their daily job, taking into consideration budgeted limitations.
- Fairness and transparency. Make them to feel that we are not have “plan B” in place but only plan A, and ask for top line results. “What if scenarios” or plan B will be the consequence of not achieving the targets.
- Collaboration. Recognize the importance of the collaboration among managers, employees and also external partners. Generate synergies between individuals involved in projects.
- Trust them. Transfer know-how to your employees. If they improve their productivity and achieve a better efficacy in their daily business, the company gains.

and finally remind them our corporate vision.

“We do not want to be one of the bigger pharma companies but one of the best.”
Interview to Nancy Mathioudaki

On August 16 I had the honor and pleasure to meet Stathis Kalyvas in Athens and exchange views on various topics around talented leadership.

Nancy Mathioudaki: According to the latest American bibliography on “talent definition”, research has concluded that “talent” is defined by the equation: Talent = Deliberate Practice + Passion. (“Talent Is Overrated: What Really Separates World-Class Performers from Everybody Else”, Geoff Colvin). Given the fact that you have been interacting with highly talented individuals at Yale University, let me ask you whether talent is innate or it can be cultivated?

Stathis Kalyvas: Both. An innate predisposition is the starting point, because without it you may practice and not be able to achieve a sustainable and successful result. But no matter how much talent you have, you won’t go very far without hard work.

NM: How would you approach the definition of leadership across fields?
SK: I would single out four key leadership characteristics. First, analytical skills, meaning the ability to understand how things work; second, people management skills. These two characteristics must be combined with a third one, self-confidence, the belief in what one does. At the same time, a sense of self-knowledge is necessary to temper self-confidence with a measure of modesty. Otherwise, self-confidence easily turns into blinding arrogance. A good education reinforces or even generates all four characteristics.

NM: What is the profile of the students at Yale?
SK: I find that they are characterized by intellectual curiosity, a positive approach to reality and a can do attitude, rooted in a strong desire to work hard and learn. They understand that it is important to learn not just facts, but how to think, which is to say how to manage knowledge.

NM: Do not stop recreating yourself” is a quote by a highly successful Greek executive, now in New York at the board of a leading consumer company. Is this a possible strategy?
SK: To be on top of your “game” continuously implies continuous improvement and this is a big challenge. Here we are not talking about a radical reinvnetion; on the contrary reinvention should be take advantage of, one’s own strengths. The issue is to develop those competencies which have supported your achievements so far rather than try to develop totally new ones. This is applicable to all professions - to an athlete, to a writer, to a senior executive etc. It calls for a subtle balance, demanding a calibration between what you know and what you need to learn. Being open-minded and coming into contact with individuals outside your area of expertise and comfort zone certainly contributes to this type of personal development. People often socialize in close circles with friends and colleagues who belong into their comfort zone. As a result they grow too comfortable. One needs challenges and these come from new people doing different things.

NM: Out of your impressive CV, what are the milestones of your career?

NM: In the final analysis, should we stay in Greece or should we go?
SK: This is a highly personal decision and there is not a single answer fitting everyone. All I can say is that I would encourage a young person to go for five reasons:

(a) Globalization: We live in a highly interdependent world. Understanding the forces that shape it requires living and working abroad at least for some time. Parochialism is a dead-end.

(b) Skills: If you want to acquire top skills you must learn from and work with the best in your field. Statistically speaking, the best are unlikely to be located in your country.

(c) Greece: Unfortunately, our country is not attractive on a number of fronts. I don’t need to belabor this point, as we all know its shortcomings.

(d) Maturity: Going abroad forces you to grow up, take risks, and learn to fail. Success is unlikely without the experience of failure.

(e) Hybridity: Even if you go, you will stay connected to Greece. Modern technology and travel allow all kinds of connections and collaborations, and modern life is mobile. Lastly, we should never forget that leaving is etched intro Greece’s DNA: Greece is a diasporic nation.

NM: It has been commented extensively in the international press that Greece is the only country in the world where Greeks don’t behave like Greeks. How are the Greeks who behave like Greeks abroad?
SK: They take risks, work hard, and above all they comply with the rules. Placed into the right institutional frame, they perform.

NM: Which is your scenario concerning Greece and our future?
SK: It’s impossible to make predictions given the complexity of the situation and the way global, European, and Greek processes are interconnected. I would like to remind you that in the midst of a crisis, it is hard to realize that every crisis ends. The question is how we will get out of it. We will certainly be poorer, but we must be healthier, learn from our current predicament and reject the things that got us here in the first place.

Thank you for sharing your thoughts with us.

With our sincere regards from Athens,
Nancy Mathioudaki
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EMEA Consumer Practice Leader
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Stathis N. Kalyvas
Stathis N. Kalyvas (Ph.D. University of Chicago, 1994), is Arnold Wolfers Professor of Political Science and Director of the Program on Order, Conflict, and Violence at Yale University. He is the author of “The Logic of Violence in Civil War” (Cambridge University Press, 2000) and “The Rise of Christian Democracy in Europe” (Cornell University Press, 1996), and the co-author of “Order, Conflict & Violence” (Cambridge University Press, 2008). He has received several awards, including the Woodrow Wilson Award for best book on government, politics, or international affairs (2007), the Lanphier Award for best book in comparative politics (2008), the European Academy of Sociology Book Award (2008), the J. David Greenstone Award for best book in politics and history (1997), and the Gregory Lankhert Award for best article in comparative politics (2001, 2009, and 2012). He is the recipient of fellowships and grants from the European University Institute, the Harry Frank Guggenheim Foundation, the United States-Peace Institute, and the Folke Bernadotte Academy, and a Fellow of the American Academy of Arts and Sciences and the John Simon Guggenheim Memorial Foundation. He comments on Greek politics and society through his regular column in the Sunday edition of the Greek paper Kathimerini.
Email: stathis.kalyvas@yale.edu
Executive Newswire: Can you please identify the difference between the leadership profiles that a CEO/Managing Director appears to have during peaceful times versus deep crisis?

Theodore Liakopoulos: To remain competitive in this complex and fast-evolving environment, medical companies need to create effective, customer-focused organizations that can quickly capitalize on opportunities where others may fail.

Directors in the Healthcare Sector today need to be much more hands-on in sales and marketing activities. They have to work directly to influence the local health policy and regulatory framework, a function that was absent before; also to develop good working relationships with key customers, opinion leaders, regulators and policy makers. International experience and a global mindset is a must. They must manage geographically dispersed teams. Effective communication skills are also critical to stay connected in such virtual workforce. Challenge the status quo and drive changes where they are needed. Companies need change leaders who can instill a new type of culture that is cost and profit focused and has strong emphasis on compliance. Managers have to learn doing more with less. At the same time they should maintain the entrepreneurial spirit that has been a critical driver of the industry.

EN: As a premier company within the Medical sector, what are the new challenges that you are currently facing?

TL: The new challenges that we are currently facing are focused on:

- Fast implementation of the debt settlement which if not resolved, will force many multinational companies to run out of the country.
- Greek Healthcare system will continue to be burdened with bureaucracy, inefficiencies, and excessive budget cuts. But most importantly will not have a solid plan from the government to prepare it self against the future challenges.
- In a more general perspective, we are faced with continues macroeconomic pressures, such as declines in healthcare utilization, pricing pressures, increased consumer sensitivity to spending, increasing utilization of generics and commoditized medical device products, government healthcare reforms, high unemployment and a gradual economic recovery.

EN: HC today is often viewed by citizens as a double-edged sword from one hand providing huge benefits but at the same time has serious financial costs. How do you view this dichotomy?

TL: For most countries, rising health spending is considered an enduring challenge and one that requires a complex balancing act between expenditure control and access to beneficial treatments and support for innovation. Health spending has risen at rates greater than GDP. As the austerity era hits on everyone, reducing costs is an obvious task. However, constricting prices year after year is not sustainable. No business can absorb that pricing pressures will end up hurting the value of Healthcare and the innovation from the industry. Continual price cuts and/or excluding drugs based only on cost, will never work long term…

…BUT WHAT WILL?

Flexible pricing based on value in order to secure the benefits given to the PATIENTS…

…is very essential to identify a model where products and services will not be overpaid for things that do not add any value.

EN: Do you believe that controlling the healthcare costs is part of a larger societal issue or an investment in the economy of our country?

TL: Looking forward to the future of Healthcare in Greece, one is certain, that it will change drastically in many fronts. My own perspective is that HC will be shaped by three basic trends. Experts’ analysis has shown that HC will be shaped by seven separate, but interconnected, trends.

- Government will have to tackle bureaucracy and setup rules that restrict the roles of Healthcare Professionals and artificially raise the cost of Healthcare practice.
- General Practitioners will become more important as gatekeepers and as coordinators of treatment for patients with multiple health issues.
- Patients will take more responsibility for their own health, treatment care.

EN: Which are the most important corporate values of your company in this transformation period and what are the most pressing challenges as well?

TL: At Johnson & Johnson we all look at our Credo, a simple 400-word document written 65 years ago by General Robert Wood Johnson, who led the company for more than 30 years.

Put simply, it calls on us to put the needs and well-being of the people we serve first—the doctors, the nurses, the patients, the mothers and fathers…and all those who use our products and services. Second Credo responsibility is to our employees, then to the communities where we live and work and finally to our shareholders.

In a fast-changing, complex and ambiguous world, there is something very powerful about being asked to live a set of values that was put in place long before most of us were born and will still be thriving long after we’re all pushing up daisies.

My belief is that during this transformation period, companies would search for individuals with strong integrity and ethical values coupled with the persistence to manage the situation with tolerance for ambiguity.
An entrepreneur’s view

The Pharmaceutical Industry in a demanding and uncertain business environment

Vassilios Katsos, President of Pharmathen

Executive Newswire: Can you please identify the difference between the leadership profile that a CEO appears to have during peaceful times versus deep crisis?

Vassilios Katsos: I believe it is paramount that in times of crisis a leader and the organization as a whole, should be able reap the results of the hard work done during the peaceful times. One of the major leadership traits at all times, good or bad, is to anticipate and expect the worst that may happen. So in peaceful times a leader, above all, should prepare the organization to adapt, manage and deal with a potential crisis.

In peaceful times a simple definition of leadership is that leadership is the art of motivating a group of people to act towards achieving a common goal. Entrepreneurs/leaders must be able to create a vision, essentially they need to inspire people into believing in something that does not exist and motivate them to make it a reality. In order to make that happen you need to be understood, inspiring through example, take decisive action when necessary and possess strong ethics. Furthermore the meticulous process of selecting and utilizing the ‘right’ people is paramount for the success of any business. Overall I believe that the one attribute that is the foundation of all leadership is credibility, that is keeping commitments, honesty, and trustworthiness.

In challenging and difficult times, all the above continue to be important, but much more is required. In times of crisis the leader must be visible and available, he needs to communicate clearly, he needs to exhibit self-control as every word or action a leader makes in a time of crisis is more highly scrutinized than usual, and finally a leader needs to put the crisis and the circumstances into perspective by taking all available information and creating the big picture of the situation.

Last but not least a leader must stay alert and always try to take advantage of any crisis. Either by making necessary changes within the organization that were needed but in peaceful times were resisted or postponed, or/and by seeking and aggressively taking advantage of opportunities that may arise in the marketplace.

EN: What are the guidelines that you are providing your direct reports/line managers with in order to sustain the employees’ drive & morale at an increased level?

VK: Pharmathen through its rapid development over the last years has managed to set strong foundations for the future. The company possesses a secure business plan and a strong product portfolio until 2016, while its financial performance is forecasted with a high degree of accuracy until 2015. The nature of our activities allows us to make safe and accurate predictions for our future financial and operational performance. Pharmathen’s growth however is based above all on people growth and its anthropocentric character. By regularly and effectively informing the managerial/executive staff and the personnel of all the above, we have managed to maintain high levels of drive, moral and commitment to the operations but also to the overall vision of the company. Furthermore, through the procedures and practices that we have in operation, the employees at all levels know that not only do they play an important part in the overall success of the company but that they also have the opportunity to develop professionally, enhancing their knowledge and careers, but also increasing the performance and success of the company.
New Consultants join the Stanton Chase Sofia team

Irina Andonova: Irina joined the team of Stanton Chase Bulgaria in September 2011. She will be a Senior Consultant in the Consumer Products and Services Practice Group and will also support business with pharmaceutical companies. Prior to that she worked as a Learning & Development Manager at Kamenitza for six years, where she delivered a variety of identifying, learning and talent management projects. She began her career in human capital management at “McDonald’s Bulgaria”. She has also assumed expert and managerial roles in a Bulgarian production and trading company and then at “Office 1 Superstores International” chain of stores. Irina graduated from Sofia University with a bachelor’s degree in Russian Philology.

Cristina Artin: she joined Stanton Chase Romania on the 7th of August as Consultant Financial Services, CPS

Cristina started her professional career during her last year of university as an insurance underwriter and has nearly four years experience in the insurance sector, where she specialized in “non life” insurance products. She was also responsible for coordinating and training junior members of the team, assigned brokers and agents.

Prior to joining Stanton Chase, Cristina worked for 6 years with Neumann International – a leading Austrian Executive Search company, where she started as Assistant Researcher and soon became Researcher. As Researcher she gained experience in running local and abroad top management of the company.

She entered in executive search field joining Amrop Stein & Partner Management Consulting in 2005 as Researcher being promoted later on as Head of Research Department, and as Consultant.

Raluca Eliu: joined Stanton Chase Romania on the 12th of September – Consultant Industrial, Technology, Professional Services

Raluca joined Stanton Chase Romania as Consultant in September 2011, having more than 5 years of experience in Executive Search field and another 6 in the business sector.

She started her career with a TV station and a Radio station as a news editor and announcer and in 2001 she joined Goodyear Dunlop Tires Romana as Customer Service Representative gaining large experience in logistics and customs activity. Raluca coordinated all Human Resources activities in Superlit working closely with the local and abroad top management of the company.

She entered in executive search field joining Amrop Stein & Partner Management Consulting in 2005 as Researcher being promoted later on as Head of Research Department, and as Consultant.

Raluca gained experience in a broad area of industries, like Real Estate, Construction, Financial Services, IT & C, Utilities, Retail, FMCG, Heavy Industry.

Raluca Anca Eliu is a Bachelor of Arts in Philosophy and Cultural Anthropology since 2001, and after this she graduated a postgraduate course in Communication and Public Relations at the Bucharest University. She is licensed to administer the Thomas Analysis.

She speaks fluently Romanian, English and Italian.

Stanton Chase Sofia in a new office

This August Stanton Chase Bulgaria moved to a new office in a quickly developing business area near the city centre of Sofia. This strategic step was taken in line with further development of the team in order to meet the requirements for industry specialization and to increase the company’s market share in all subsectors. “We succeeded in attracting consultants and researchers of business and consulting background relevant to our specific needs. We hope that further diversification of our team will help us expand our market penetration and make us more competitive not only locally, but regionally as well,” Darina Peneva says.

Earlier this year the team celebrated Stanton Chase’s fifth anniversary in the country with a lively but stylish cocktail attended by 120 guests from all Practice Groups covered in order to meet the requirements for industry specialization and to increase the company’s market penetration and make us more competitive not only locally, but regionally as well,” Darina Peneva says.

Stanton Chase Dubai >>

Online Executive Newswire

Stanton Chase in the Middle East launched in spring 2011 the online Executive Newswire (www.executivenewswire.com), which represented the upgraded version and the evolution of the printed newsletters shared for the past few years with our network in the region. In just a few months, this project boomed and expanded from a regional to an international one, involving the offices from all 4 continents, in which Stanton Chase has presence.

The purpose of this initiative is to act as a broader platform for exchange of news, opinions and best practices, not only among the partners and consultants of Stanton Chase internationally, but, also among the executives and the clients/external partners of our offices around the world. As such, it becomes a platform of discussion that engages executives from all sectors and identifies trends, opportunities and challenges as perceived from different perspectives.

This project aspires to connect an even larger community, becoming trans-regional and trans-sectoral. Following the new needs of today’s executive talent, the platform is easily connected with other well-known platforms, allowing each person to effortlessly share an article through social media networks, while remaining a direct and friendly means of international communication.

Feel free to join by registering your email at www.executivenewswire.com so that you receive updates on topics that, we believe, are of interest to today’s senior executives, while we would welcome your own contribution in order to share with a vast number of subscribers from around the world. Please send your opinions, suggestions or comments to K.Sakellariou@stantonchase.com.

Konstantina Sakellariou,
Partner, Marketing & Operations Director Dubai, United Arab Emirates
Abu Dhabi, United Arab Emirates
Doha, Qatar

Metodi Terziev: Metodi joined the team of Stanton Chase Bulgaria in July 2011. He will be a Senior Consultant in the Technology and Professional Services Practice Groups and will also support business with companies from the financial services. Before taking this role, he worked as recruited specialists as an Account Manager for the IT and Telecommunication market at Komlink Group.

Prior to moving into executive search, Metodi worked as a Financial Consultant for ING Life Insurance and as an Intern for the Bulgarian Stock Exchange. Metodi graduated from the University of Basel, Switzerland with a bachelor’s degree in Economics and Business, specialization in Economics and Finance. Furthermore, he was actively engaged in the largest students’ organization AIESEC, working on a voluntary basis as Local Committee President in Basel.
Under these conditions, Senior Executives believe that the Greater pressure from the market and to ensure that the business model will remain valid in the future are the most pressing challenges for them. Cost reduction rank as the next challenge in the mindset of the participants. The two factors that have affected most their roles as Senior Managers are the “Pricing pressure” and the fact that they have to be more “Cost conscious”. The competitive market is also a factor which has also significantly affected their role.

Values and Competencies

The role of the Senior Executives in these times of turmoil is especially crucial for the company’s course and growth. Both Strategic and Results orientation were rated as the most important attributes needed today for the Senior Executives in order to be successful. Next in ranking but with significant percentage comes the Ability to work skillfully with teams, peers and subordinates and third –also with significant percentage- the Customer Orientation.

How important are the following attributes today for a Top Executive to be successful?

Flexibility and Adaptability, as well as Strong values are considered to be the top leadership priorities in order to meet the requirements of the constantly evolving economic environment locally and regionally. The Change Management Experience is also ranking high on the list. Regarding the top corporate values, Senior Executives indicated Flexibility and Customer focus as more critical. Innovation and Entrepreneurship ranking both second.

Which corporate values are the most important in mastering upcoming changes and phases of transition? (you can tick up to 3 answers)

Senior Executives recognize the need for transformation in their companies; 43% of survey respondents believe that one of the biggest obstacles keeping them in more traditional processes is the Resistance to Change second comes the Lack of Flexibility followed also by Insecurity. From the other hand the majority of them recognized that diversity within the workforce and Top Management will be the key driver of this transformation.

To what extent do you think the following obstacles constrain traditional processes at your company (rank in order of significance from 4 to 1 with 4 being the highest and 1 to lowest)

What do you consider you need to develop in order to achieve your career goals? (you can tick up to 3 answers)

Regarding their career and the job opportunities, the conclusions of the Senior Executives are the following:

- An outstanding emphasis on Increased Responsibility/More Senior Role and a More Entrepreneurial Role, as both indicated as key challenges for the next career stop. More than half of the research participants are willing to make a career move only if the new position offered also an increased financial benefit.
- These results are further reinforced when examining the priority placed by Senior Executives on the factors that will ultimately assist them to achieve their career goals. Become more visible in the market (60.2%) outdistances other factors like Develop their personal or technical skills.
- An interesting finding is that the majority of participants (74.8%) are positive inclined towards relocating abroad.

Which would you consider as your challenges for making a successful next step in your career?

The Reality of the Business Environment

In an era of deep economic recession and instability, the majority of the Executive (57%) appear to be rather pessimistic for the economic and business growth of Greece in the next 12 months. Furthermore, an overwhelming majority of the participants (96.4%) claimed that they are waiting major changes within the Healthcare/Pharma industry in short-term.

Faced the unprecedented changes in the financial and corporate environment, we are proud to present the thorough analysis and results of an online survey in which the participants were Top/Senior Executives within the Healthcare and Pharmaceutical Industry; the results reflecting the new Pharma reality, the pressing challenges and the leadership skills will be needed within this demanding and uncertain environment.

Of the 110 Executives responding to the survey, the majority of participants are males and as expected, the age of the majority of respondents ranges from 40 to 50. Presidents, CEOs, Vice Presidents and Managing Directors comprised 21% of the respondents; only 1.6% of the participants are Owners. 9.5% are General Managers and Business Unit Directors made up the remainder significant percentage of 62%.

The National Survey within the Life Sciences & Healthcare Industry

In September and October 2011, Stanton Chase Athens conducted a survey to Top/Senior Executives within the wider Healthcare industry (from Greek & Multinational companies: Pharmaceuticals, Biotechnology/Biopharmaceutical, Medical Devices & Diagnostics) with questions/topics that are high on their agenda regarding the pressing challenges within the Greek economy and comprehend the opportunities and threats in their career development.
Face To Face…
with Roberto Greco, President of AstraZeneca Greece

By Nancy Mathioudaki, Partner EMEA Consumer Practice Leader & Virginia Argyratou, Principal Consultant LS & HC Practice

Executive Newswire: Can you please identify the difference between the leadership profiles that a CEO appears to have during peaceful times versus deep crisis?

Roberto Greco: In periods of crisis it is crucial to understand and accept that you need to take a different approach to leadership. Some people are aware of the crisis but still believe that they are living a nightmare, waiting to wake up. It is vital to realize that we need to accept the change. Such a realization includes the fact that you don’t have an answer to everything and you will need to rely now more than ever on your people…to be consciously human centered, and move on to our people’s needs to deal with the shock of the crisis and all the unexpectancies entailed – something that can paralyse an organisation. It is vital to keep a high level of engagement and motivation during such times, leveraging on people’s emotional intelligence. The element of authenticity becomes essential in your relationships with your people and external interactions. They need to feel they can trust you. The crisis brings chaos, uncertainty and complexity. People expect from you to support and focus to avoid the risk of confusion, frustration and consequently immobilization. For me, this means striking the right balance and focused to avoid the risk of confusion, complexity. People expect from you to support and focused to avoid the risk of confusion, complexity.

EN: As the premier company within the pharmaceutical sector, what are the new challenges that you are currently facing?

RG: I am of the opinion that whatever Greece is going through is not only a financial crisis but a cultural one as well. To overcome such a crisis we require time and substantial transformation in the general environment as well as in our business model, as part of it.

Pharmaceutical companies have been experiencing years of strong development, through a business model very much based on massive sales force deployment that has remained stable for quite a long time. Companies were dealing with longer product life cycles and limited market access challenges. It’s about time to reshape our business towards another, different sustainable model given not only the new circumstances but the uncertainty, complexity and financial pressure of our times.

EN: Do you think that you are operating in a sector with less uncertainty than other sectors such as FMCG or retail?

RG: Without a doubt there is uncertainty in all industries nowadays. What is different in the pharmaceutical industry is given its relevance to public spending. We are facing a number of governmental interventions with the ultimate objective of reducing pharmaceutical spending by half in a three-year span. Even though this is in itself a stretched target, it is still not the main concern of uncertainty. What causes more distress is to anticipate the combined impact of these measures and maybe further ones as well as the consequences of their operationalisation within the set time frames.

EN: What are the necessary actions that should be taken in order to sustain the company’s welfare in such a demanding era?

RG: In my view, dealing with change requires actions, it cannot be a passive adaptation process. In this direction, we need to engage the entire organisation from the beginning through a structured change management experience. Moreover, we need to allocate resources effectively, resources being people, money and especially time. It is important to quickly identify what the drives of the business will be in the future and where you can maximize your investment. I consider the development of a new function and capability like Market Access as key. Furthermore, we need to work collaboratively with the external stakeholders and specifically develop a new partnership with the HCPs community, leveraging advancement in technology and new demographics trend as well as fulfilling the increasing request for transparency in the interactions between pharmaceutical companies and physicians.

Another important element is to reduce the monitoring of KPIs to ones that are really meaningful while investing more in continuous assessment of risks and opportunities. Finally, equally significant are the increase of cross-functional collaboration, getting further lean and agile and speeding up new ideas generation.

EN: What are the guidelines that you are providing your direct reports/line managers with, in order to sustain the employee’s drive & morale at an increased level?

RG: I cannot stress more the power of building and leveraging diversity. For me, AstraZeneca’s key asset is the 400 minds that make up this company. I encourage my direct reports to create an environment where people feel free to express themselves, to unleash their creativity and generate ideas. I really do believe that strong commitment and dedication cannot be achieved without engaging all levels of the organization through direct involvement in setting the way forward. People need to feel part of the solution. I am continuously working with my direct team to embed such an approach in our daily working routines. This should help sustain an environment and a culture where all people feel they can take an initiative even when with a degree of risk. In align with this, I urge my team to sustain continuous transparent communication across functions and levels.

And finally in this period of crisis, I ask from my team not to question the given but to focus on what they can actually build and drive. And from where I am standing, I am firmly convinced that along with crisis comes opportunity. It is up to us to make the best of it.