

Management & Leadership

No longer moving from the lab to the boardroom

ANDREW JACK

THE search is on for new CEs at several drug companies, including Elan and Biogen Idec. That may be good news for headhunters, but for a sector that traditionally derives its income from research and development, it will bring little hope for ambitious scientists.

At many of the biggest pharmaceutical companies, where it was formerly the norm for researchers to migrate from laboratory to executive suite, business, marketing and commercial experience is becoming the new norm.

In the 1980s, for example, Merck, the pride of the drug industry for its strong in-house research, was headed by Roy Vagelos, a chemist and doctor who developed potent anti-cholesterol drugs and gave away Ivermectin, a treatment for river blindness, for free across Africa. Now the boss is Dick Clark, who has a commercial background.

In February, Joe Jimenez, who worked largely in the packaged goods sector, took over from Daniel Vasella, a qualified doctor, as CE of Novartis.

A similar pattern has been seen across big pharma, reflecting broader changes to the industry model. Marketing and diversification away from prescription drugs has become the focus of business models.

Indeed, those who run medical research have often been relegated to a support function, as their budgets have been trimmed. That, in turn, has redrawn the job description of the pharmaceutical CE.

Dana Krueger at Russell Reynolds Associates, an executive recruitment company that has just completed a study of the backgrounds of biotech CEs, sees a similar pattern. Very early-stage drug developers are often still run by scientists whom she typically characterises as having a "collaborative, nurturing style".

By contrast, once their products get closer to market, people with a business background and a more controlling style assume the top job. "You want someone who is outward-looking, and focused on execution," she says.

In the increasingly ruthless pharma ecosystem, with higher regulatory barriers and costs, and ever more sceptical and demanding investors providing funding, the changing business model also means that radically innovative prospective drugs often suffer at the expense of less groundbreaking ones with a greater chance of commercial success.

Just two companies have stuck to the scientist-CEO model, including Eli Lilly and Gilead. "We have a number of scientists in senior positions," says John Martin, Gilead CEO. "Their perspectives are helpful, and I think essential, because many of the day-to-day business decisions we are making relate to the science we are working on."

But the case of Sanofi-Aventis highlights the potential pitfalls of promoting an individual accustomed to research to the top job. In 2007, the company appointed Gerard le Fur, its longstanding head of research and development, to run the company. But his prized weight-loss and antismoking drug, Accompla, flopped, and he was reluctant to communicate with investors. A few months later the company ousted Le Fur and appointed Chris Viehbach, a former accountant who had risen through the commercial ranks at GlaxoSmithKline.

The Russell Reynolds analysis suggests that the best set of skills is to combine scientific training with a formal business degree and commercial experience. Krueger says many scientists are doing just that.

Even Vagelos admits that the era of the scientist-CEO may be over. "While a medical scientist can learn the business end, as I did at Merck, a nontechnical person can learn enough about the technology to lead a company very well," he says. ©2010 The Financial Times Limited

A three-sided model of personal health

Dr Ian Weinberg is at the forefront of creating more inclusive companies, and a healthier workforce, says Katy Chance

THE economic crunch, the current global mess, is a result of a collective Bravo mind-set, a winner-takes-all approach," says neurosurgeon Ian Weinberg. "Bravos helped create a very sophisticated world, but at a price."

Weinberg is a practising neurosurgeon of 22 years whose work in psychoneuro-immunology (PNI) and his internationally recognised Triangles Model date back to 1992. The model has been refined over the years and Weinberg says the current version "is pretty conclusive".

The short version is that the three triangles represent archetypes of behaviour, personal health potential, potential to experience enjoyment, and potential for healthy interaction with other archetypes. The Alpha, Bravo and Charlie triangles — so named because somebody thought the original A, B and C too boring — are created on a Y-axis that represents "passionate, purposeful energy input" while the X-axis represents the "spectrum of environment integrated in the participant's subjective world view"; how inclusive you are.

The volume the triangle contains (and the more the merrier) has been shown "statistically to represent the PNI chemical resilience as manifest in wellness and performance".

Further, the model, so the literature says, has been "validated in corporate and clinical testing" and has become the foundation for "accurate diagnostics and appropriate intervention for wellness and performance".

If Weinberg were not a man of science, and his model rooted firmly in proven neurological reality, I would be the worst of sceptics.

If it wasn't for his work being based on the interplay of the fear centre and pleasure centres of the brain, and the neurotransmitters that fire them, and the dangerous role played by the stress hormone cortisol, and all of this measured by MRIs and years of study, it would sound like the worst kind of psychobabble.

As someone who took part in a short version of a workshop in Leadership Stamina by the PQ Institute, in which Weinberg's questionnaire identified my personal triangles — and got them spot on — I'm grudgingly convinced.

Alpha is considered the "gold standard", with traits of confidence and nonjudgmental self-sufficiency, who is usually in constant rude health and whose drives are personal and environmental development. The triangle is large and equilateral.

Bravo is ambitious, aggressive, insensitive, judgmental and greedy, with a need for recognition and driven by failure. The triangle is a tall

isosceles one. Poor Charlie is a tiny equilateral triangle denoting poor self-esteem and image, unmotivated, driven by hypochondria and diminishing others' success.

It sounds twee but with the neurochemistry and mind-states that inform each, and the illnesses or management style they represent, it's alarmingly accurate.

"We are all a continuum," says Weinberg. "These are not 'types' but archetypes and usually we have elements of all of them at different times and in different situations. The archetypes represent a way of interacting and presenting oneself — and of symptoms of disease associated with each archetype."

Fortunately, they're changeable with intervention, counselling and PNI work to change your own mind-chemistry. Which sounds ridiculously easy.

If you can think adaptively it's easy enough to adapt your behaviour, and vice versa — which means you don't need any black morass of misery and judgmental sourness, how to change your mind?

"You may need some chemical boost, then we can address what drives a person, what's important and what energises them.

"I can't change another, and certainly not through clichés, nor if there is no receptivity or if



TRIANGULAR TYPES: Neurosurgeon Ian Weinberg has been refining his Triangles Model since 1992, culminating in the startlingly accurate Alpha, Bravo and Charlie archetypes. Picture: MARTIN RHODES

circuits are deficient. But this is not anecdotal; the model is logically based on verified physiological study."

The questions generate your personal profile and will later plot you, anonymously and confidentially, on a Corporate Application Profile grid that gives an idea of the spread of archetypes and specific work-related traits for the group. Personal triangles also show the different archetype you may be in the workplace, in personal/interpersonal relationships and recreation. You may be a Bravo at work, but perhaps a right Charlie at the personal stuff.

The diagnostics are never judgmental, but are to show the clustering of archetypes in a work environment, and sometimes which individuals or entire companies need intervention, at their request.

Sometimes the intervention

is not only to save a company, but to save a life. Weinberg cites times where it has been that serious.

And just as worrying are the health implications of an archetype. Bravos lean towards hypertension, cardiac problems, stroke, obesity or diabetes. Charlies towards chronic inflammatory conditions, infections and tumours. Or suicide.

Another part of the personal evaluation is the integration of the archetypes in different situations; how they overlap. Inevitably there is talk of getting the balance right. As a single woman (not by choice) without children (by choice) and a family long dead (really? not my fault) I knew my personal/interpersonal relationships triangle would be a little rhomboid.

But Weinberg explains that personal means intrapersonal

speaking the same language, creating a rapport and a subculture. It's a tool for establishing nonjudgmental communication and dialogue with different archetypes."

The model was published last year by the organisation that leads the fast-growing way in the "field of study focused on bringing neuroscientific knowledge into the areas of leadership development, management training, change management, education, consulting and coaching", the NeuroLeadership Institute in the US. The institute offers a Post Graduate Certificate in the Neuroscience of Leadership; other similar organisations are offering MBA programmes incorporating the neurosciences.

While Weinberg agrees that Bravos — who tend to be leaders — are "inherent and necessary in all industry and professions, they are the backbone, highly efficient, great drivers and deliverers", their self-interest and control have driven them and the world to excess. "We need to move to an Alpha-Bravo mind-set and broaden the base of inclusiveness and have a more sensitive world-value system. This doesn't mean bending over backwards, but it does require change."

One CEO, and it is usually at the "exco level" intervention is sought, admitted openly and rather miserably to being a Bravo.

"A Bravo is narrow-based — fit in or bugged off," says Weinberg. "Because they're top-down, prescriptive and rarely consultative, eventually you get an entire Bravo corporation. They're driven by fear; anyone outside their structure is a threat. This CEO said he was guilty of all that; that he knew of incredibly good and intelligent staff he had knowingly muzzled. Acknowledging it is 50% of the way to changing, or at least recognising the need to change."

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Hating BP: a new global pastime

LAST week I was making polite conversation with a neighbour when, apropos of nothing much, she said: "I really do hate BP."

This woman is British, middle aged, middle class and, as far as I know, has no firm views on anything apart, perhaps, from whether her son's physics teacher is up to scratch. But she, like lots of perfectly normal people, seems to have got herself covered by the slick of corporate hatred that is spreading even further and more uncontrollably than the oil. It's not just Americans or lefties or environmentalists who now hate BP. Everyone seems to.

Compare this with how we responded to the biggest corporate catastrophe of all time, the gas leak at Bhopal in which thousands of people died. We were horrified. We wanted lessons to be learnt and compensation to be paid. But I don't remember us all hating Union Carbide with quite the same vindictive intensity with which we now hate BP.

If you type "I hate Union Carbide" into Google you get five matches. Do the same with BP and you get 37 400.

You could say this was because Bhopal happened 25 years ago on the other side of the world and Union Carbide doesn't sell products that slosh about in the tank of your car. But I think there's something else going on too: hating companies and the people who lead them has become a new global pastime.

When I was a teenager, hating companies was a much milder affair. This wasn't because we felt more warmly towards business back then: on the contrary, in Britain the educated classes regarded all commerce with snobbish disdain. In particular, we despised advertising because we thought it was brainwashing. We also hated tobacco companies because their shareholders were making a killing selling things that killed their customers. We didn't care for bankers because they were parasites and usurers. And we didn't like oil companies because of the sneaky way they always pushed up petrol prices when crude prices went up and then seemed to push them up again when crude went down.

Beyond that, there were a few individual companies that we singled out for special hatred. We hated Barclays and Shell because they did business in apartheid SA. Later, we hated



Lucy Kellaway

Nike and Gap for not doing the right thing by their sweatshop workers. But it was a fragmented and feeble effort when set against the universal, concerted loathing that has been inspired by BP.

Where does all this hatred come from? Business, mainly, is more decent and managers less amateurish and hopeless than they used to be. Instead, I can think of four other things that have changed in the past few years that explain why nice women such as my neighbour are striking out on a crusade of anti-corporate hatred.

The first is the emotional hangover of the credit crunch. Our hatred of bankers was wild and uncontrolled and we had never felt anything like it before towards men in suits. So much hating has got us into the habit.

The second is executive pay. We already resent how much top people pay themselves, so when people who earn too much show they are not only incompetent but also insensitive and tactless, our resentment spills over into hatred.

The third reason is more subtle, and stems from the great personification of business. In the past decade or so, companies have put a great deal of effort into creating an image for themselves supported by a whole load of values. The more successful they are in creating such a personality, the more there is to love — and hate. The most successful companies in the US — Microsoft and Wal-Mart — are loved and hated in equal measure.

And finally, there is the internet, with its power to turn personal emotion into a global epidemic overnight. Hating companies is now fun, easy and varied. There are so many different ways of doing it. You can hate BP on Twitter, Facebook and, most rewarding of all, on YouTube. If you haven't already watched the BP Spills Coffee video, in which a group of executives panic when a Styrofoam cup is overturned during a meeting, do so right now. It will make you laugh — and make you hate BP a bit more than you did already.

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