Collaborative Sales Planning: Adding a Dynamic Dimension

Executive Summary
Life sciences commercial operations are being hard-hit by increasing cost pressures, growing compliance requirements and demands for greater sales force effectiveness. These forces are also changing the nature of sales planning and its role in transforming commercial operations.

In traditional sales planning models, planning activities typically are based on a range of disjointed and nonstandard business processes. That fragmentation creates longer implementation cycle times, with resulting plans misaligned with real-time/unfolding market and regulatory dynamics. Targets are not precise, data is difficult to collect and distribute, and sales professionals are not as effective as they should be.

Today’s market realities demand new agility in commercial sales planning. Processes must support the ongoing transformation of commercial operations in a world of smaller target populations and therapies. Sales and marketing organizations must have the flexibility, tools and processes to quickly create dynamic plans that can flex mid-cycle to take advantage of the real-time perspectives and knowledge of sales professionals. Simultaneously, clear governance and compliance boundaries, plus standardized and integrated business processes, must coexist and even enable more agile responses to fast-changing conditions.

These capabilities unleash the enormous potential benefits of collaborative sales planning: cost savings, improved data quality and access, a more effective sales force, and greater top- and bottom-line benefits. While achieving collaborative planning is challenging, it is not theoretical. Leading life sciences companies are planning collaboratively today, with significant results.

Collaborative Sales Planning: Creating Business Opportunities
Collaborative sales planning makes commercial operations more agile by making strategies and plans dynamically responsive to changing market conditions. To accomplish this, collaborative sales planning builds on a range of innovative competencies and capabilities that unlock a variety of new opportunities, including:

- **Dynamic brand/field allocation.** Life sciences companies can tie dynamism in brand strategy to dynamism in resource allocation. As market-driven events unfold, they can more quickly redesign alignment and targeting strategies and adjust resources mid-cycle to recalibrate and execute those initiatives. Commercial operations also can develop cross-business-unit reporting relationships and create new territories that span multiple territories as events warrant.

- **Localization.** When field management is empowered to make decisions based on local needs and knowledge, the biopharma company can base planning and strategizing more closely on ground realities. Commercial operations can also get real-time feedback on the impact of
multichannel efforts and adjust strategies as necessary for better results.

- **Cross-channel visibility.** Customer-centric, cross-channel visibility improves collaboration across the sales and marketing organizations and enables effective execution of brand and marketing strategies. Cross-team visibility reveals all of the “touchpoints” the life science company has with a customer or account so it can fine-tune tactics such as the timing and content of sales calls. In turn, that clarity enables sales and marketing to improve product, resource and target allocations to reach brand and sales objectives.

- **Account-driven strategies.** Visibility into account-level hierarchies and affiliations enables commercial operations to adapt quickly to launches of accountable care organizations and other emerging managed care entities. Companies can capitalize on existing touchpoints and relationships with decision-makers for more effective penetration of these accounts. Other tactical opportunities include targeting specific accounts by creating a new, multiple product portfolio spanning multiple territories.

- **Field visibility for analytics.** Making analytics available at decision points makes customer interactions more effective and planning decisions more information-based than intuition-driven. It offers more substance for effective collaboration between the field and home office, while making the field accountable for alignment and targeting decisions.

**Overcoming Common Challenges to Collaborative Sales Planning**

Traditional sales support systems and processes often stand in the way of achieving capabilities that power collaboration.

- **Lack of data and process integration:** Disparate and often disconnected systems manage and support different parts of the sales and planning workflow. This makes it difficult to quickly identify changing data and adapt necessary processes.

- **Poor enterprise visibility:** With multiple systems and data silos, sales professionals often cannot see the plans and activities of other sales teams and channels. This makes it difficult, if not impossible, to achieve customer-centric views for more efficient and effective resource allocation.

- **Limited analytics-based decision-making:** Data trapped in silos across business units and disparate systems makes it challenging to deliver high-quality information at the point of decision-making for sales professionals.

- **Operational inefficiencies:** Many manual, disjointed and non-standard processes delay commercial operations’ ability to identify and adapt to changing conditions, resulting in longer cycle times for new initiatives and less ability to seize on market opportunities.

- **Poor data quality:** Lack of standards and non-uniform business data exchanges across business units create data inconsistencies that undermine plan effectiveness. Operational costs also increase because managing poor-quality data is time consuming and labor intensive.

- **Inflexible business rules management:** While frameworks are required for governance and compliance, often these are too rigid to easily adapt to market changes and are not aligned with local needs and realities.

- **Limited eco-system integration:** Commercial operations rarely can present a correlated and consistent view of data across their ecosystem, including human resources, training, sales operations, analytics, SFA, incentive compensation, etc. Internal and field users often must navigate many interfaces and applications and correlate data themselves from these disparate systems. The lack of integration makes it challenging to treat analytics, sales planning and incentive compensation as interrelated components, slowing initiatives and innovation.

Overcoming these obstacles begins with clarity about where, when and how to derive the most value in moving to collaborative planning. Solutions supporting collaborative sales planning must include the following components:
• **Consolidated platform and workflow of sales planning processes integrating data from all applications and systems:** Such integration enables users both in the home office and in the field to see the entire ecosystem from a single interface. Further, the whole ecosystem should be refreshed as data is collected and created. That means relevant data is available to any authorized audience when and as it is needed, from field leadership to field managers to sales professionals. Integration also makes it easier for commercial operations to adopt new processes and alignment with greater automation.

• **Efficiencies and effectiveness and getting more and better data when and where it needs to be:** This improves cycle time by driving data-driven decision-making. Uniform data standards applied across integrated workflows improve quality data and ensure that compliance and governance standards are met; yet greater automation alongside more visibility enables use of more flexible business rules.

• **Flexibility to support innovations:** Applying industry best practices in optimizing and implementing solutions across mobile computing platforms continues to gain power, social media continues to gain credibility, and consumers will likely be increasingly important as targets. Collaborative sales planning tools must be as adaptable to these trends as they are to current developments.

• **Cloud-based delivery:** Collaborative planning delivered as a service enables a life sciences company to gain powerful new capabilities, while eliminating capital investments and making operating costs predictable. Cloud solutions easily scale, are often easier to integrate with existing applications, and inherently are more effective at delivering data to and collecting data from smart mobile devices, Web-based sources and other cloud providers. Cloud solutions delivered by an experienced third-party service provider offer end-to-end management so that life sciences sales professionals can focus on their core competencies of strategy and execution – not on technology management.

**Collaborative Sales Planning in Action: A Case Study**

Leading pharmaceutical companies already are using collaborative sales planning to transform commercial operations by reducing expenses, improving dynamic decision-making and making strategies and sales professionals more effective. Here’s one real-world example:

**Challenge:** A top-five global pharmaceutical organization with 9,000-plus users, 15 business units and 24 selling teams faced long cycle times, inconsistent data, frequent manual intervention, rigid business rules and a general lack of data transparency to the field. These challenges generally stemmed from data being trapped in a variety of silos, multiple systems performing different workflow tasks, and no regular updating of ecosystem applications.

**Key collaborative innovations:** The company implemented a cloud-based comprehensive workflow to execute end-to-end processes, including a standard integration framework to integrate upstream and downstream systems and standardized some of the key sales planning business processes. The solution offers dynamic product and resource allocations; analytics-driven decision-making; built-in compliance and targeting rules; and flexible alignment models. Other tools include a maps-based graphical user interface field used to make changes visually, and a robust home-office governance and business rules framework.

**Results:** The company achieved complete visibility into its business processes while gaining the flexibility to handle different resource alignment scenarios based on market realities and merger situations. It reduced the sales planning cycle time by almost 60% while achieving a 100% ROI on its initial solution investment, with savings of approximately 50% on the ongoing support costs. Data quality was improved in the sales operations eco-system through standard data interfaces, while robust validation rules led to reduced work related to validation and quality control, resulting in significant bottom-line improvements.

**Collaborating Sales Planning: Meeting Commercial Operations Challenges Now**

Gaining bottom-line results from collaborative sales planning can be achieved in months, as long as the commercial operations organization’s implementation methodology:

- Defines project priorities and scope.
- Creates a phased implementation roadmap.
- Establishes pilot programs.
- Manages ongoing data and services integration.
- Integrates collaborative planning with analytics and incentive compensation.
Balancing speed of innovation with cost savings and effectiveness is critical. A third-party service provider with substantial life sciences consulting expertise can help determine an optimal route to collaborative planning. The benefits of customer-centric views, faster information flows and dynamic shifting of tactics and strategies are gained even more expeditiously when the service provider delivers collaborative functions as a software service.

Collaborative sales planning is quickly becoming a best practice for adapting to and thriving under emerging market and regulatory forces. It is also a key component in the ongoing transformation of life sciences commercial operations to leaner, more data-driven organizations able to shift and flex dynamically to capitalize on real-time market opportunities. Given that it can be delivered relatively quickly and cost effectively, with minimal capital investment, life sciences companies must make collaborative planning core to their commercial operations today.

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