



## Discover a Hidden Super Power: Communicating Alliance Value

*Executive Summary of ASAP Netcast Webinar*

*Presented By*

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*By Dan Caplinger*

We all know the value that alliance management has for our companies and their partners. So why is it so hard for even experienced alliance professionals to put into words exactly what that value is?

**Brooke Paige**, ASAP board chair and former vice president of alliance management at Pear Therapeutics, sees successfully articulating and communicating the value of alliance management as the Holy Grail for those working in the space. “Defining alliance value can sometimes feel like a metaphorical never-ending quest, the journey that is never quite finished,” Paige said, and she recounted how since her earliest experiences with ASAP, she has seen alliance professionals wrestle with that challenge.

Paige polled the webinar audience to see how comfortable they were in articulating the value of alliance management. While a few audience members were very comfortable, the majority were either somewhat comfortable or neutral in their self-assessment.

### **Why Is the Value of Alliance Management Hard to Define?**

Paige identified several obstacles to defining the value of alliance management. First, different stakeholders define “value” differently, and so what’s valuable to one person might not be to another.

Also, the nature of alliance work sometimes hides the key role alliance managers play. Paige explained, “Often it’s not obvious what our own individual contributions are, since we are orchestrating our efforts through other leaders.” Alliance managers may get little credit when things go well but take the blame when problems arise. Moreover, the uniqueness of individual alliances makes it hard to establish standardized alliance metrics for use in every situation.

**Mark Coflin**, formerly vice president of global alliance management at Takeda (now vice president and head of global alliance management at Simcere Pharmaceutical Group), weighed in with his views of how company leaders think about alliance management. “At different levels in different companies, people don’t necessarily truly



understand the role. They kind of get it—‘you deal with partnerships’ and so on—but they’re not exactly sure what we do.”

What most people see, Coflin went on, is the reactive part of the role. “They see people show up when there’s an issue,” he said. But they don’t see the preventative role alliance managers play in assessing risk and putting contingency plans in place to address potential problems *before* they arise.

## **How to Communicate the Value Proposition**

Coflin shared some of his best practices from his work at Takeda and several other companies. Having your own vision for alliance management is essential, he said, or else others will define it for you, potentially limiting your scope of influence. “You want to be at the forefront with a really compelling value proposition,” Coflin said, and he advised thinking about alliance management as your “brand” to promote the value of your team and its expertise and skills.

Having a well-prepared elevator pitch is also important in socializing with key stakeholders about an alliance. “Someone asks you a question,” said Coflin, “and boom, you have it ready to go.”

Coflin went on to give more details about exactly how he has structured a business plan to communicate what alliance management really means. “You really want to talk about what your aspirational vision is for the group,” he noted. “If there’s one thing you want to deliver, it’s maximizing value and minimizing risk.”

## **Alliance Management House of Horror**

Paige talked about the real-life “horror stories” that many audience members shared about their worst experiences in alliance management. One set of comments expressed how alliance functions often get minimized or even reassigned to non-alliance professionals. In the words of one senior company leader to a member of the audience, “A dead donkey can do that job.”

In response, Paige suggested, you should work to explain the true nature of the alliance manager's job. If others only see the administrative work, it’s easy to misinterpret what's involved. Paige related a successful open house she did to inform others about what alliance managers really do.

Coflin expressed the value that such efforts can have. “You really want to create champions and advocates amongst different levels in a company. Just always be looking for those opportunities so that people understand what the role is about.” That outreach is part of the job of alliance professionals in Coflin’s view, and as he pointed out, if you don’t do it, “nobody else will.”



Unfortunately, as Paige explained, you won't always have an immediate result to demonstrate the value of alliance management. Instead, it's important to emphasize long-term value maximization. Coflin suggested building a scorecard that includes two components: the incremental value created, and the risks that have been reduced or eliminated. "It's really eye-opening for people when they see the work the group has done," he said. It's also a good thing for individual alliance managers to do for their own self-assessments.

### **"I Only Do These Things Because I Like You"**

One of the worst horror stories came from Paige herself. As she related, one senior leader told her, "Look, I don't believe in this stuff. I only do these things, I only take these alliance actions that you're asking me to take because I like you." Yet as Paige started to involve this leader more in meetings and gave him a specific role, her lobbying efforts paid off, as he became more invested in the alliance and its work.

Other challenges include not having a partner commit the same resources, such as a dedicated alliance manager, to a partnership. Also, some executives have had past experiences with alliance professionals that may be different from your philosophy, so you need to communicate your own vision effectively to distinguish your approach from others. "People are judging us based on their earlier experiences in alliance collaboration and in partnership management," Paige said, but each alliance is different. As she quipped, "When you've seen one alliance, you've seen an alliance."

### **The Elevator Pitch: Some Practical Tips**

Preparing and practicing how to tell a business leader about alliance value is essential to a successful communication strategy. Paige outlined three key tips:

- Relate the alliance to the leader's corporate strategy.
- Be ready to answer how the leader can help you advance the alliance mission.
- Only speak about people to praise them.

Coflin added that the best thing a CEO or other leader can do is to "get engaged and be a visible supporter" in order to reinforce the importance of the alliance.

At Takeda, according to Coflin, the typical elevator pitch starts with the critical role alliance managers play in the partnerships that represent so much of the pharmaceutical company's business. "There's really only one group that really understands the contractual obligations and rights inside out," Coflin said, "and that's the alliance management group." Legal teams, project managers, and others only have pieces of the whole puzzle. Next, the pitch gives tangible examples of how alliance management maximizes the value of assets while minimizing risk.



Coffin gave some examples of core competencies for alliance managers that can resolve misunderstandings about their importance:

- Alliance management is a proactive leadership role that typical entry-level people can't successfully perform.
- It takes critical thinking and an ability to work well in a crisis.
- It requires high-level relationship and communication skills to solve problems and avoid reputational damage.

To put these into action, Coffin gave some examples of tools that he has put together, including a crisis management plan, a communications checklist, a list of contacts, and templates for communicating with partners. “When there is a crisis,” he said, “the alliance management professional steps up and help solve the crisis. People really remember that.” The resulting external validation can be extremely rewarding.

### **Credibility Gold: Alliance Advocates**

When asked about enlisting third-party alliance advocates to talk about the value of alliance management, Paige thought that it can be helpful. In particular, she pointed to corporate counsel as a key ally: “Having his or her endorsement is gold to my credibility.” Coffin also suggested looking to franchise leaders, business unit heads, or other influencers who can speak on your behalf.

If some colleagues at a company simply won't get on board, asking senior leaders to respond discreetly can be a good course. But Paige recommended putting a positive spin on such situations. “It's no one's fault; it just is,” she said. “It's no one's bad behavior; we just need to advance the mission.”

### **Alliance Management Superpowers**

Paige concluded the main presentation by relating what a former boss told her about the “superpowers” of alliance professionals. “Great alliance managers are like 3-D chess-playing ninja diplomats. We can see a few steps ahead, we can be agile, we can move quickly, and we are all about a deep respect for our alliance partners.”

So as alliance professionals keep working to demonstrate the value of what they do, Paige encouraged the audience to recognize those superpowers in themselves.

In answering audience questions, Coffin and Paige discussed how the popular idea of alliance management as primarily dealing with relationships is too narrow. Much of what alliance professionals do is strategic in nature, with risk management playing a key part, and that's different from what many perceive the role to be—especially those working in business development.



There are also ways that alliance managers can help BD professionals bring in business. Coflin said, “The more astute [BD professionals] recognize that we’re not another burden to their negotiations.” If you get an entry like that, he urged, you have to follow through and do a good job fostering and nurturing that relationship.

Finally, Paige acknowledged the unpleasant truth that some alliance managers are overworked, underresourced, and face staffing cuts. She suggested coming up with potential costs to the company of *not* having the capacity to manage alliances well. Without adequate staffing levels, companies risk losing significant parts of the value that alliance management creates.