The Rhythm of Business®

VitalSigns

Alliance Operations Effectiveness Assessment

Measure What Matters

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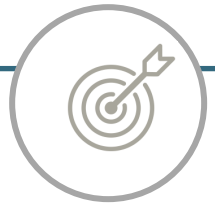
Introducing the VitalSigns Alliance Operations Effectiveness Assessment

Once an alliance is executing on its purpose, what matters is if the collaborative behavior of alliance personnel and the management environment of the alliance are producing desired outcomes. VitalSigns measures what matters

QUICK FACTS

- **VitalSigns** is a comprehensive evaluation of the operational effectiveness of a complex alliance. It is not a healthcheck
- It is used most frequently when there are significant organizational and cultural differences between the partners and they share in the alliance's finances
- It accumulates and analyzes both qualitative and quantitative data in accordance with an underlying algorithm
- With a data-rich baseline, directed action can be taken to improve effectiveness and the ability to produce desired outcomes, measuring improvement over time
- Our database of over 15 years worth of VitalSigns engagements lets us benchmark performance against other similar alliances



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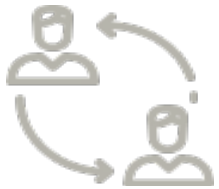
Why conduct a VitalSigns assessment?

Bridging differences in strategies, cultures, incentives, and ways of working is essential to make the most of alliance resources and reduce the delays and indecision that erode value and prevent innovative therapies from getting to patients

Align on a North Star to guide decisions and create a one-team mentality, reducing divergent directions to teams and duplication of work



Identify and close information voids creating common understanding of each other, reducing misunderstanding that causes distrust and slows progress

Arm leadership with an understanding of how their behaviors are affecting productivity—both positively and negatively

All data collection is confidential, with individual identities known only to The Rhythm of Business

Data can be aggregated and reported on by any meaningful distinction, typically by governance body or key teams

The assessment includes standard questions, tested over multiple alliances, and unique questions reflective of the alliance

All questions are customized for the language of the alliance

The alliance is the client, so we are unbiased and transparent with each partner

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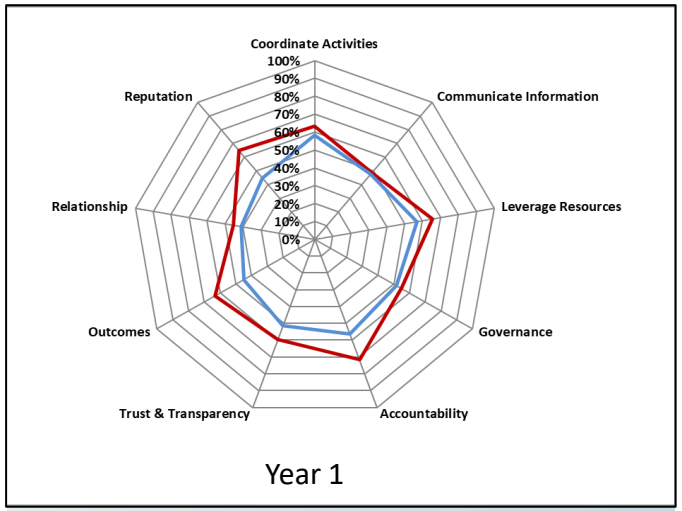
Case Study: Making the impact of alliance management visible

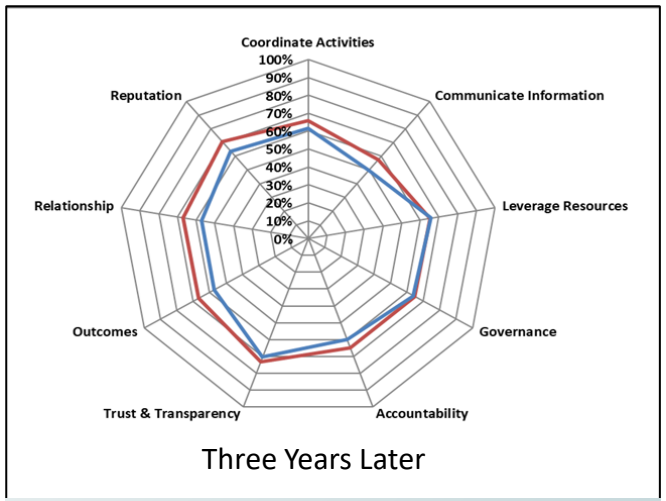
The results of three VitalSigns assessments over time fuel a program of continuous improvement led by the alliance managers of this global codevelopment and cocommercialization alliance, a winner of the ASAP Alliance Excellence Awards. The progressive improvement in VitalSigns scores mirror the commercial and development success of the alliance. At the time of the third assessment, the alliance was generating over $3.5 billion in annual revenue and the jointly developed drug had treated over half a million patients

Top level results from three successive VitalSigns assessments



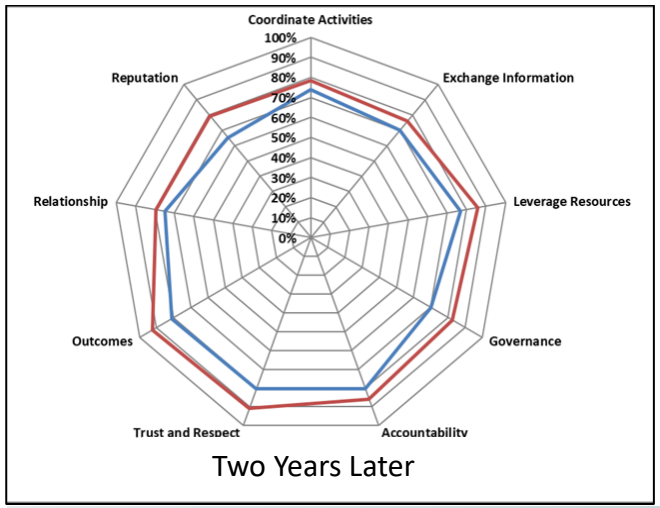
Year 1

- The partners are very different companies in size, culture, and strategy
- The alliance operates by consensus
- One of the partners was pre-commercial, the other had no development experience in the therapeutic area



Three Years Later

- As a result of the first VitalSigns a cross-functional team was formed to develop a “North Star” for the alliance
- This helped the alliance make the hard decisions about where it would focus its development efforts



Two Years Later

- Two years later, VitalSigns scores are 25% higher than previously
- Based on assessment results, a more rigorous approach to onboarding is put into place to make sure turnover doesn’t slow down progress
- A Collaborative Leadership Agenda defines the alliance culture for all

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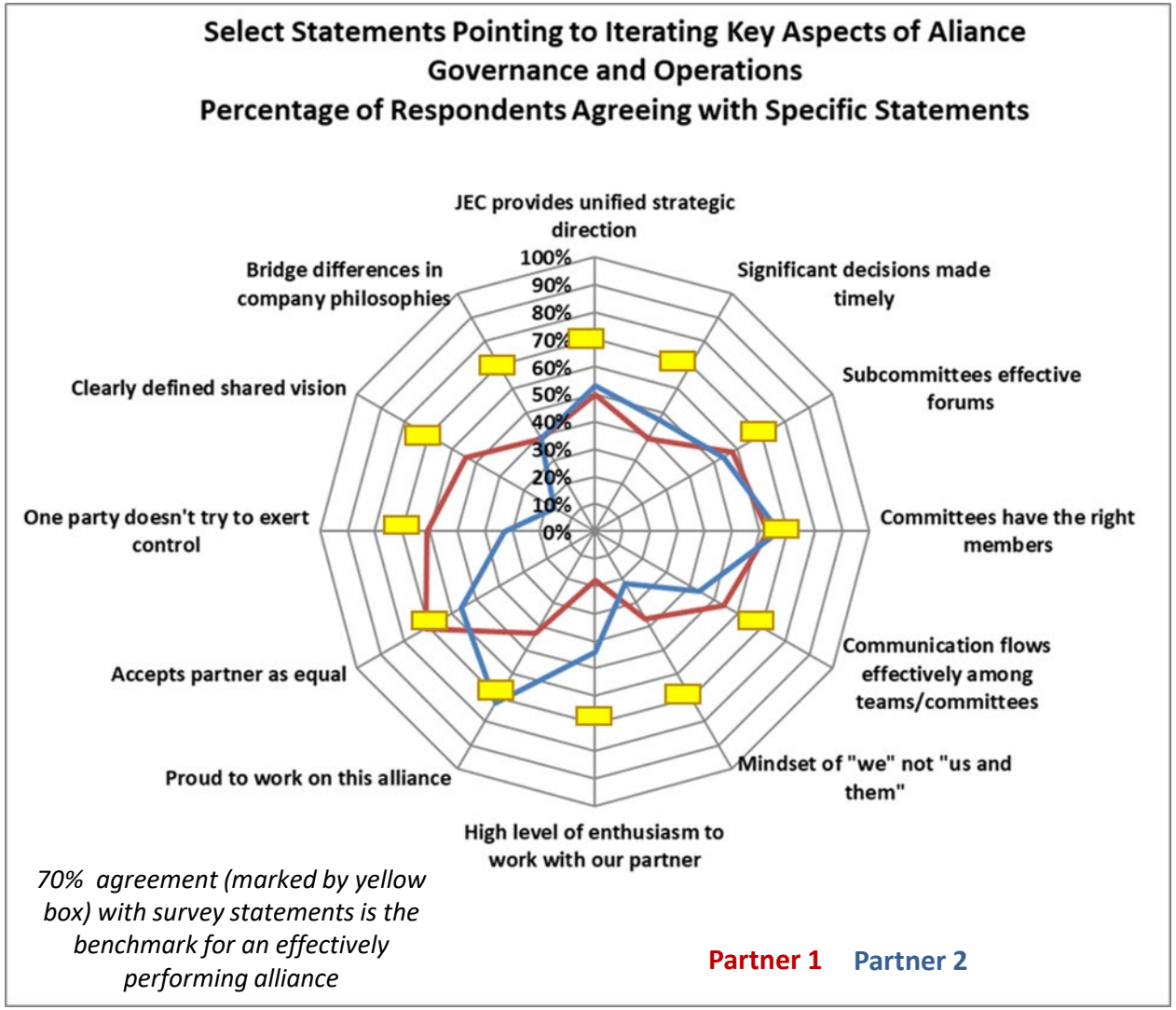
Case Study: VitalSigns provides leading indicators to performance challenges and highlights specific actions to take



70% agreement (marked by yellow box) with survey statements is the benchmark for an effectively performing alliance

Why Action is Needed

- **Timeliness and quality of decision making** is a key to achieving the intended value of an alliance
- **Cross-functional communication** within and between the partners is **essential for good decision making and efficient operations** that don't stress and cause churn within teams
- The **ability to bridge differences in company philosophies** is essential for making critical decisions in a timely manner and that don't suboptimize outcomes
- The **lack of enthusiasm** among team members is a cause for concern about talent retention and engagement in the alliance

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The VitalSigns Algorithm

Examines the characteristics of high-performing alliances
Within each dimension of the algorithm, more specifically defined categories are queried

Strategic Intent Inquiry Focus

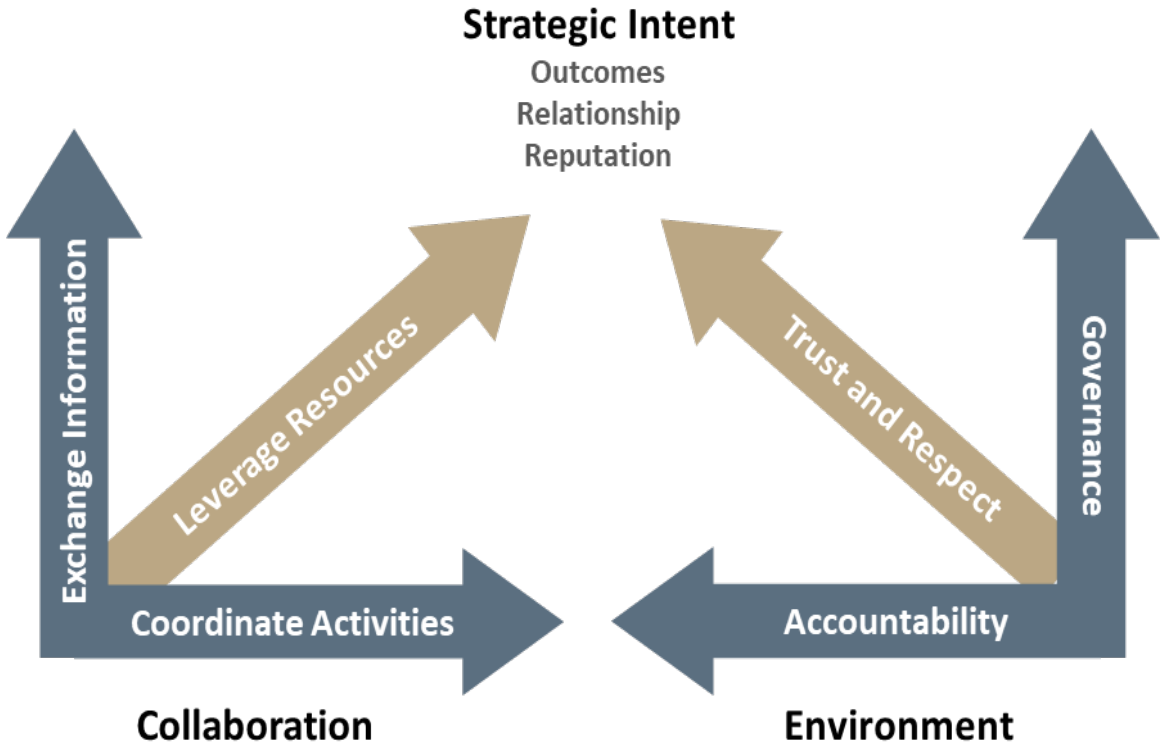
Are the partners aligned to a North Star and is the alliance achieving intended outcomes?

Collaboration Inquiry Focus

How well do the partners exchange information and coordinate their activities to best leverage the resources available to the alliance?

Environment Inquiry Focus

Does the alliance operate in an environment built on mutual trust and respect and focused on producing results?



The algorithm allows for comparison over time within an alliance and for benchmarking with other similar alliances

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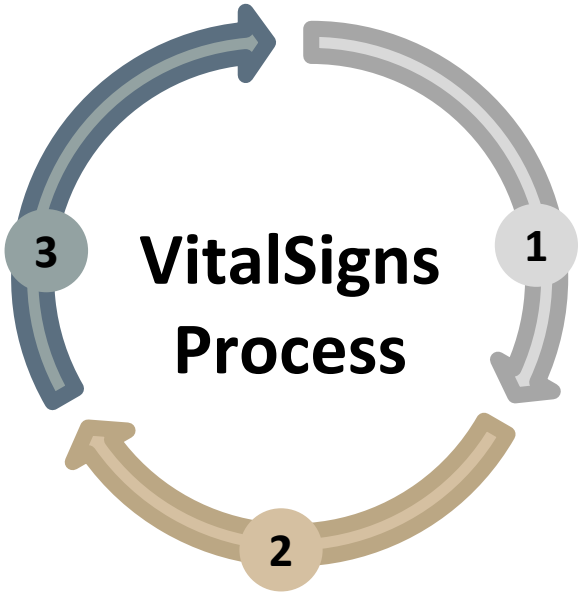
The three-part VitalSigns process is focused on taking action as an alliance

The process highlights ways the alliance can improve, and does not point fingers at one partner or suggest unilateral action

ACTION

Conduct workshops with sponsors and teams to build a comprehensive, integrated action plan and galvanize commitment for the path forward



HYPOTHESIS

Develop the "story of the alliance" based on interviews with key personnel and review of relevant documents

DATA GATHERING

Develop and administer survey to test hypothesis; analyze and report integrated results.
Alternatively, all data gathering can be done through interviews

Interview readout and hypothesis occurs within 30 days of kickoff, assuming availability of interviewees.
Obvious remedial actions can be implemented immediately

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VitalSigns Deliverables and Timing

Beginning with the interviews, we build a layered story, backed by data, culminating in a pan-alliance action plan aligned with a Collaborative Leadership Agenda embraced by the executive governance body

Deliverables from Hypothesis Stage

- Communications plan and materials
- Interview guide
- Output from the interviews telling the story of the alliance through key findings, backed up by quotes (anonymized) from the interviews

Deliverables from Data Gathering Stage

- Survey instrument
- Detailed quantitative and qualitative report, with requested data breakdowns
- Executive presentation
- Reports for each governance subcommittee and any other subteam reports requested

Deliverables from Action Stage

- Collaborative Leadership Agenda
- Individual committee/ team action plans
- Integrated alliance action plan
- Ongoing pulse check plan

30 – 45 days	30 – 45 days	TBD based on team calendar

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The value of conducting a VitalSigns assessment and your next steps

VALUE

At the conclusion of the engagement, alliance leadership will have:

- A common understanding, backed by data of what the alliance is doing well
- A common understanding, backed by data of what the alliance needs to change to improve the likelihood it will achieve its objectives
- An integrated plan, anchored by a Collaborative Leadership Agenda to address identified inefficiencies that can have a material impact on alliance outcomes

NEXT STEPS

- Determine if there is an interest in moving forward
- Understand scope and prepare a specific proposal
- Ensure the executive governance body's sponsorship
- Define the approval pathway
- Make arrangements to present the proposal to any stakeholders required to gain approval

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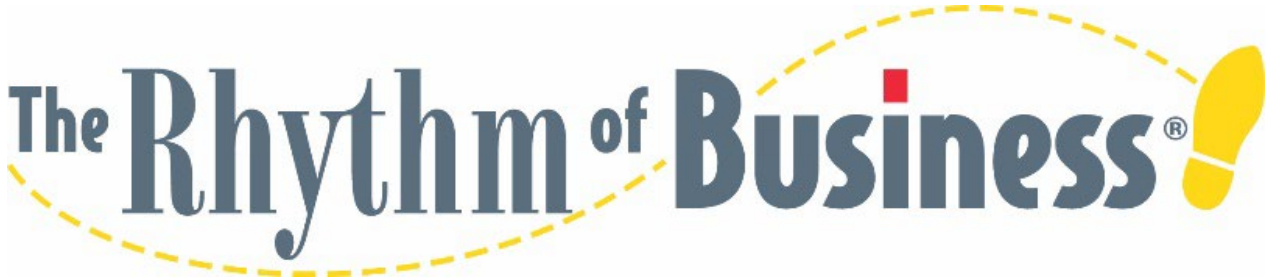

We’re passionate about empowering your partnering and collaboration success through our consulting, training, digitization, and assessment services. Understanding your business needs, we chart your roadmap to build the mindset, skillset, and toolset to drive customer, stakeholder, and partner value.

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Our Services and a Few of Our Clients

Embed partnering throughout the organization.

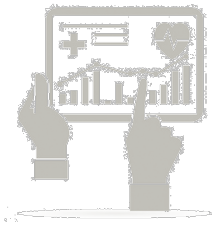
Create desired outcomes. Demonstrate the value of alliance management

Consulting

Strategize, build, and integrate your end-to-end partnering practice to demonstrate value to stakeholders and partners and outcomes for customers. Design, activate, assess, and improve individual alliances

Alliance Management Training

Hands-on coaching, support on challenging alliances, customized training to grow partnering and alliance management expertise and collaborative skills throughout the organization



Digitization

Automate routine alliance management workflows; manage risk, and make the work of alliance management visible and tangible with allianceboard

Assessments

Data-driven, contextual analysis provides deep insights that solve problems and drives measurable improvement

A Few of Our Life Sciences Clients

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Jan Twombly, CSAP

PRESIDENT AND ENGAGEMENT LEAD

Jan Twombly, Certified Strategic Alliance Professional (CSAP) is a trusted advisor to leaders in both industry and academia, helping to develop their organizations' ecosystem partnering and alliance strategies. Her clients count on her to advise on establishing new alliances, to develop alliance management process and procedures, and to step in when alliances are in trouble. Her current emphasis is on achieving excellence in alliance management and evolving it from a function to a core component of an organizational capability. She serves on the Board of Directors of the Association of Strategic Alliance Professionals (ASAP), overseeing their editorial and content strategy. She is a frequent contributor to *Strategic Alliance Quarterly*, regularly speaks on collaboration and alliance management, and is co-author of *The Partnering Guide*™ blog and numerous whitepapers.

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Jeff Shuman, CSAP, PhD

PRINCIPAL AND SENIOR CONSULTANT

Jeff Shuman, CSAP, PhD is principal, The Rhythm of Business and Professor Emeritus of Management, Bentley University. An educator and trusted advisor to executives and managers who are embracing entrepreneurial management and the power of collaboration to drive business transformation and success, he blends the theoretical with the practical, providing useful, easily implementable and repeatable advice. Believing that one can't teach without experience, he's founded or been part of the founding team of five companies across multiple industries—including a computer company that was the first to build an alliance with Microsoft to distribute Windows 3.0 through an original equipment manufacturer (OEM) environment. All of his companies have had partnering as a core strategy and organizing principle of the business.

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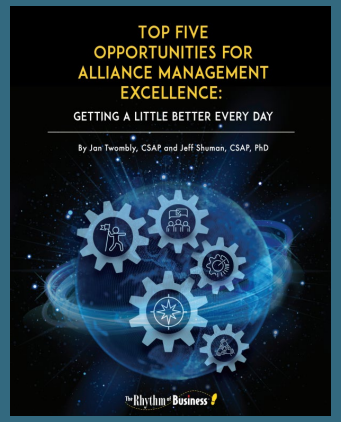

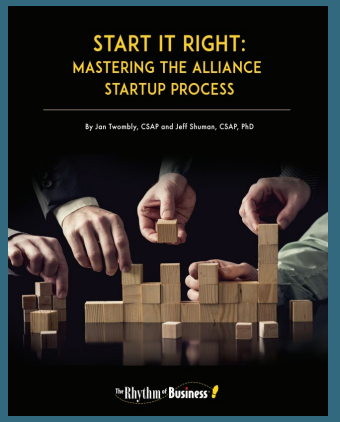

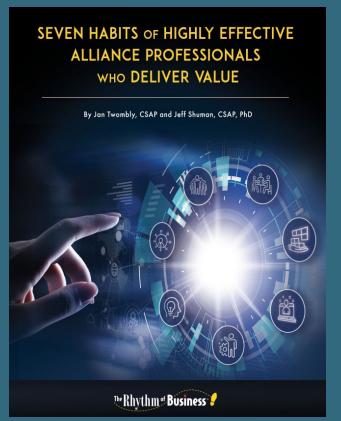

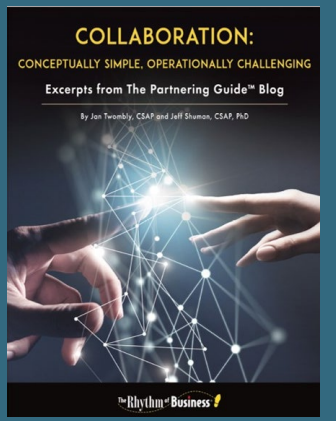

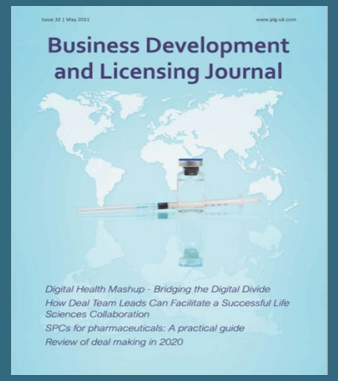

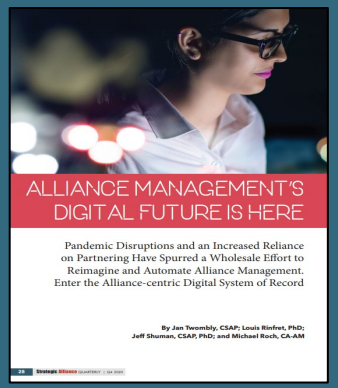

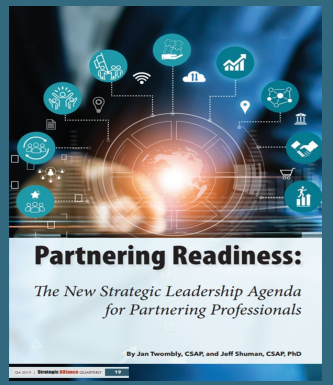

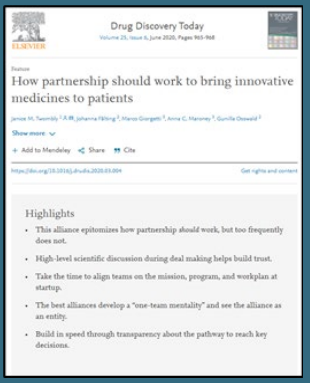

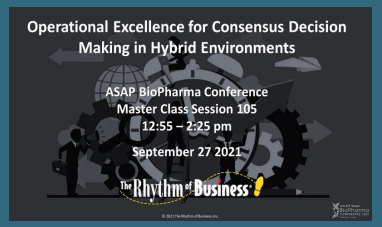

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