



43rd
Annual Meeting



Atlanta 2007

Negotiating and Decision Making: The Art of Conflict Resolution

Session Chair: Julie Bukar

Managing Director

JGB BioPharma Consulting, Inc.

www.JGBBioPharma.com

JGB BioPharma Consulting: Helping You Turn Chaos into Order....

Negotiating and Decision Making: The Art of Conflict Resolution

1. *Negotiation from the Bottom Up*
 - Julie Bukar, BS, MBA
 - Managing Director
 - JGB BioPharma Consulting Inc.
2. *Removing Barriers and Making Decisions*
 - Mauri Okamoto-Kearney, MS, MBA
 - VP Product Development & New Product Planning
 - KAI Pharmaceuticals Inc.
3. *Leadership and Conflict Resolution*
 - Liz Homans, BA, MBA
 - Executive Director, Project & Portfolio Management
 - Jazz Pharmaceuticals Inc.





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Negotiating from the Bottom Up

Julie Bukar

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Introduction

This session will focus on negotiation with an emphasis on the:

1. Background
2. Tools
3. Soft skills

required to facilitate negotiations and reach decisions



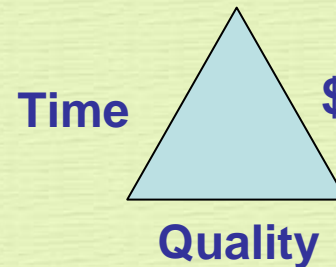
Background

- Full Circle Understanding
- Review available data
- Request data to fill in holes as needed
- Do your own research (literature search, database access, talk to consultants and/or colleagues at other companies)



Provide Data to Support Your Conclusions

- Clear, Concise, Thorough
 - Include enough background to bring everyone up to the same level of understanding
 - Include pros and cons from both view points
 - Assess Risks of each path such as
 - financial impact
 - affect on project timing
 - quality
 - Assess how decision will affect the project both long and short term
 - Include answers to questions you anticipate



Soft Skills

- Emotional Intelligence in negotiations
 - “People with high **emotional intelligence** tend to be more successful in life than those with lower EIQ...even if their classical IQ is average.”

Reference: *EMOTIONAL INTELLIGENCE* by Daniel Goldman (1996); London: Bloomsbury



Soft Skills

- Know your team members
 - Styles
 - Adapt your style to work best with their style
 - Myers- Briggs
- Personal and department objectives
 - Give and take
 - What will they gain or lose if things don't go their way?
 - Try to have people focus on what is best for the company



Soft Skills: Setting the Stage for Negotiating

- Attitude
- Separate people from the problem
- Focus on interests, not positions
- Pay attention to the flow of negotiation
- Take the Intangibles into account
- Use Active Listening Skills



Summary

Negotiation from the Bottom Up

- Background
 - Do your homework!
- Tools
 - Use appropriate tools to get your points across or to obtain information/metrics necessary for negotiations
- Soft Skills
 - These can not be over emphasized!





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Removing Barriers & Making Decisions

Mauri Okamoto-Kearney

Vice President

Product Development & New Product Planning

KAI Pharmaceuticals, Inc.



Agenda

- Basics of Decision-Making
- Diagnosing Barriers
- Getting Past Barriers to Meet Your Goals:
a case study



Basics of Decision-Making

Structure

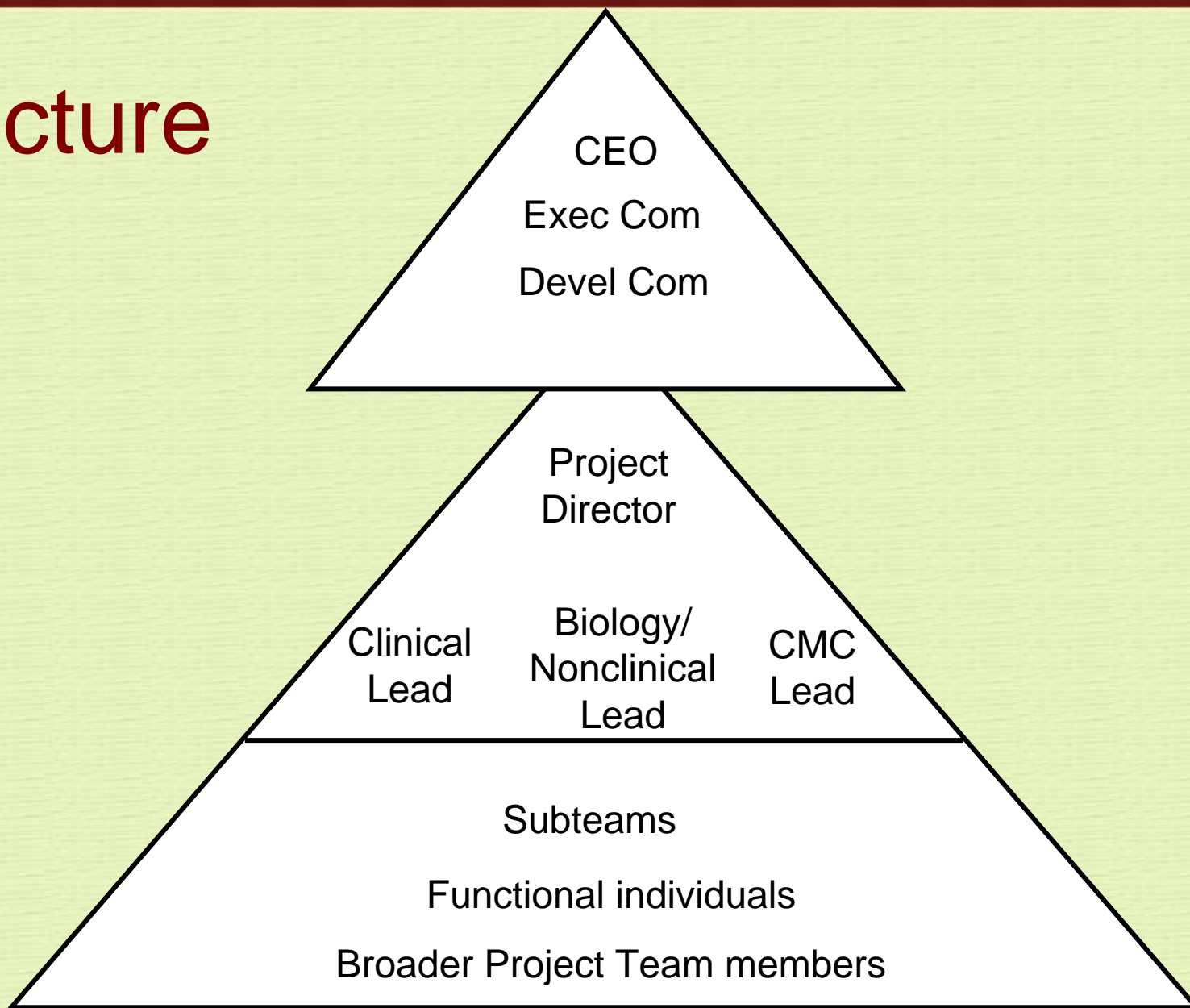
Committee
Team
Subteam
Team member
Project Director

Process

Timing & Timeline
Participants
Executive or Consensus
Risk profile
Escalation



Structure



Process

Timing & Timeline	<p>True drop-dead timing? Time for Bottom-up analysis?</p>
Participants	<p>Functional Directors? Include executors? Influencers vs Decision-owners?</p>
Executive Decision or Consensus	<p>Timeline? Opinion/Judgment Uncertainty a given</p>
Risk Profile	<p>Safety risk? Timeline risk? Cost risk?</p>
Escalation Process	<p>What happens if you can't agree? Who and How to make the final decision in time?</p>



Diagnosing Barriers

Structure or Process?

- Do I have the right people? The right team? Who's the final decision-maker?
- What is the drop-dead time to make the decision?
- Do we have enough time to convene key people to make the best decision?
- How do we make a decision with so much uncertainty?



RACI Diagram

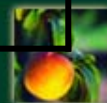
The RACI diagram splits project tasks down to four participatory responsibility types that are then assigned to different roles in the project.

- **R**esponsible (Those who do work to achieve the task, there can be multiple resources responsible).
- **A**ccountable (The resource ultimately accountable for the completion of the task- there must be exactly one A specified for each task)
- **C**onsulted (Those whose opinions are sought. 2 way communication)
- **I**nformed (Those that are kept up-to-date on progress. 1 way communication)



Who's weighing in? Who needs to?

Potential Participant	Role	Action
Clinical	Primary decision-maker	Include
Research	Participant	Include
Marketing	Influencer	Include?
CMC	Execute	Follow up
Tox	None	Follow up





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Leadership and Conflict Resolution

Liz Homans

Executive Director

Jazz Pharmaceuticals Inc.



Jazz Pharmaceuticals

Innovation that performs

Agenda

- Using leadership to resolve conflicts
 - Definition
 - Conflict Leadership Framework
 - How to manage it
 - How to leverage it



What is conflict?

- The expression of differences in deeply held beliefs and values



- Pharmaceutical product development is complex
- Organizations and teams are diverse



Framework¹

1. Environment



- Safe, Contained and Committed

2. Heat



- Low

3. Resolution



- Timely

1. Ronald A. Heifetz and Marty Linsky. *Leadership on the Line: Staying Alive Through the Dangers of Leading*. Boston: Harvard Business School Publishing Corporation, 2002



Create the environment

1. Environment



- Safe, Contained, Committed

- Team leads who deliver the function
- Conflicts stay at the team level until they are resolved
- Team members need to feel comfortable taking intellectual risks



Leverage the Heat

2. Heat



• Low

- Some heat is good – it makes people sit up and take notice
- Passionate exchange of disparate ideas can inspire new ways of thinking
- Encourage and manage the discussion



Lead to Resolution

3. Resolution



- Timely

- Stagnation can be poison
- Drive the solution
- Show the vision for the future



What to Watch For

- Premature escalation of issues to senior management
- Off-line coalition building used to 'crush' and idea
- Silence

Example



Project Management Role

- Reframe/reclaim issues
- Protect junior staff/play devil's advocate
- Create options
- Keep the emotion out (watch the movie)
- Take a break



Summary

- Environment
- Heat
- Resolution



Six Sigma

Session: Utilization of Six Sigma
Methodology in a R&D Setting

Session Chair: Martin Hynes – Director Six
Sigma Champion Product R&D, Eli Lilly &
Company



Six Sigma

Six Sigma started as a defect reduction effort in manufacturing and was then applied to other business processes for the same purpose

It has been used in the pharmaceutical industry for the last ~5 years



Six Sigma

- Strategic Mgmt system and business tool for improving processes with a focus on decreasing the number of steps
- Not a creative process
- Black Belt – Overall Six Sigma Expert
- Green Belt – Six Sigma expert in a particular technical area



Six sigma DMAIC and DMAICT process elements

- D - Define opportunity
- M - Measure performance
- A - Analyse opportunity
- I - Improve performance
- C - Control performance, and optionally:
- T - Transfer best practice (to spread the learning to other areas of the organization)

