
A Current Assessment of Project Management in the Biopharmaceutical Industry

**DIA Annual Meeting
June 14, 2004**

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AGENDA

1. INTRODUCTION

2. WHO ARE WE?

3. HOW ARE WE ORGANIZED

4. WHAT DO WE DO?

5. WHERE IS OUR VALUE?

6. WHERE ARE WE GOING?

KEY TRENDS/ISSUES

- Changing Roles/Requirements
- Developing Successful Careers
- Delivering/Demonstrating Value – Beyond “Agendas & Doughnuts”
- Recognizing contributions of PM
- Managing Time and Priorities
- Organizational Structures
- Project Management Methodologies
- Formalization of Profession – PMBOK/Certification



Where Are We Today?

Where Are We Going?

DIA SESSION OVERVIEW

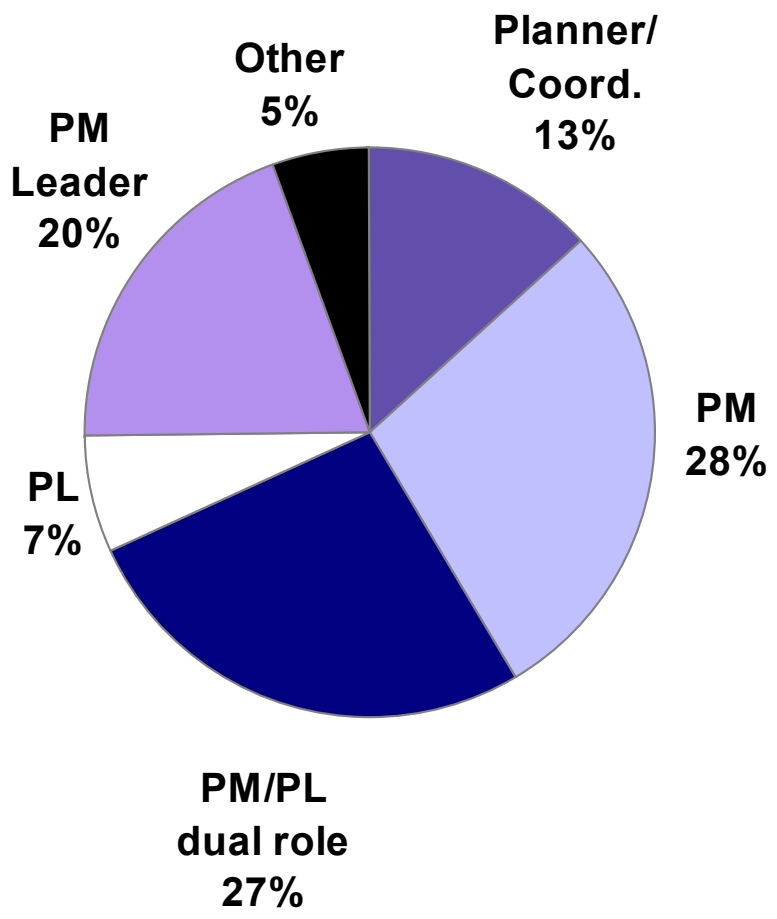
- Share Findings from DIA PM Survey
 - On-line survey
 - Completed in May
 - Sent to all DIA members with PM as primary interest, plus 1,000 DIA members with other primary interests
 - Final sample total = 315; 203 in PM roles + 112 in non-PM roles
 - Sample data is presented; no statistical analysis

- Get Your Input through Interactive Response System

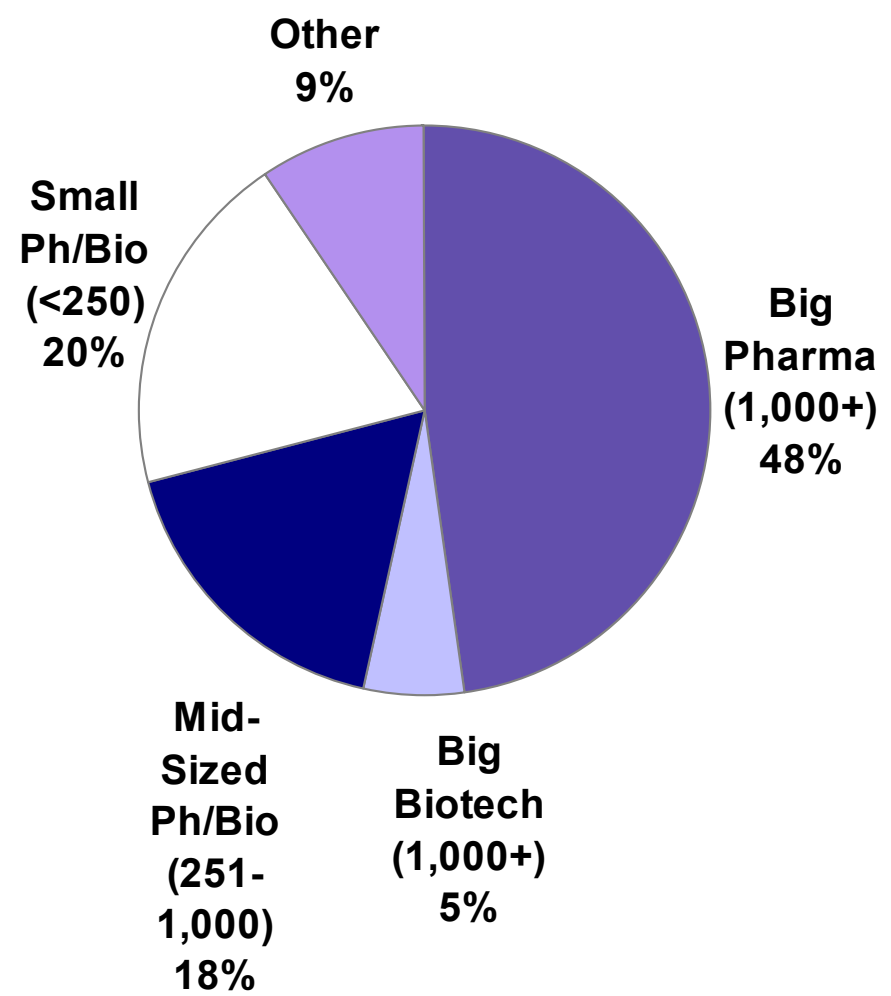
Who Are We?

SURVEY MIX OF ROLES & WORK SETTINGS

PM Role



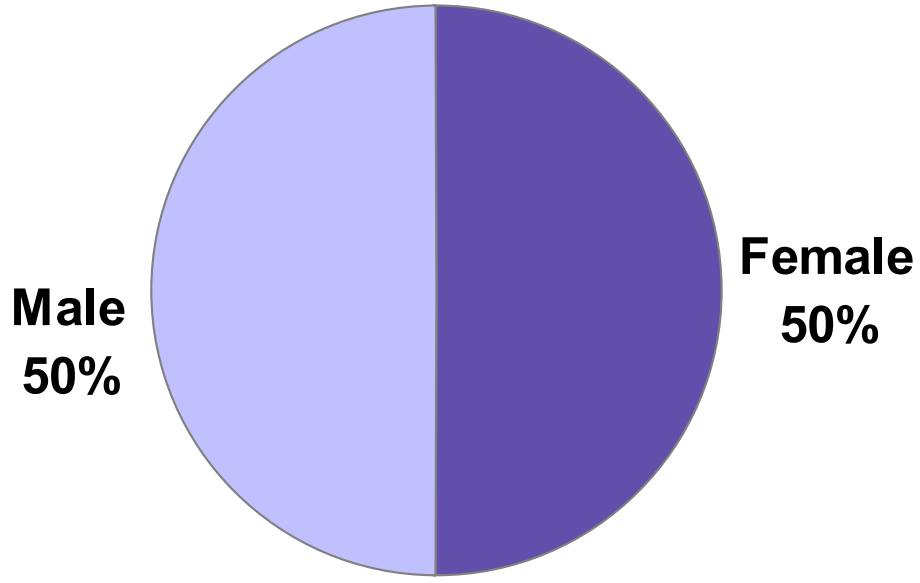
Work Setting



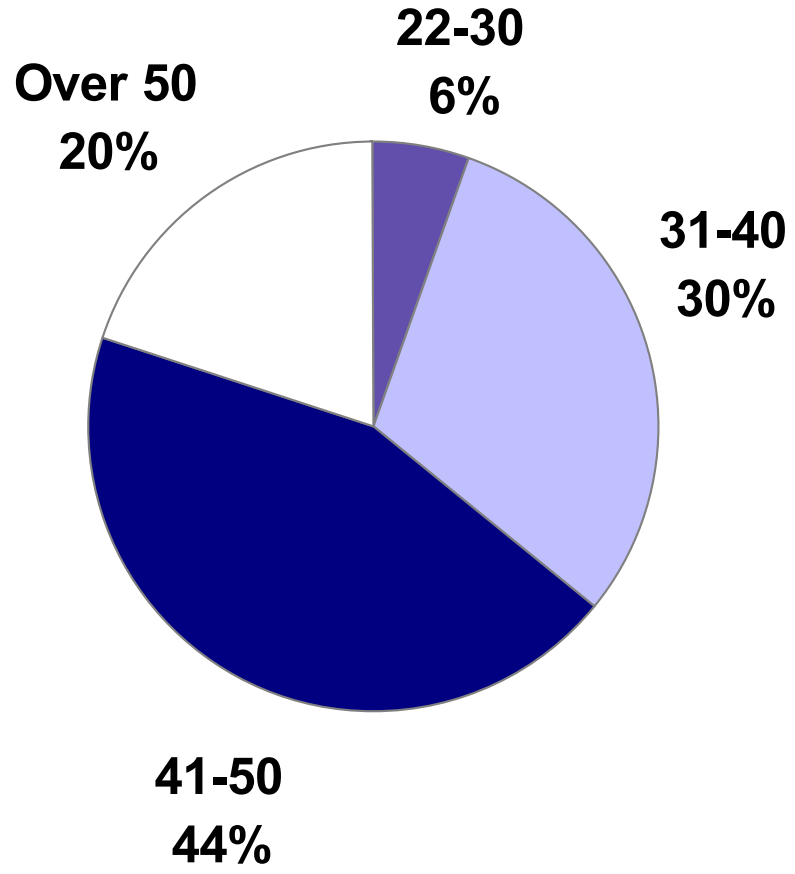
Who Are We?

MEN AND WOMEN AGE IN BROAD AGE RANGE

Gender

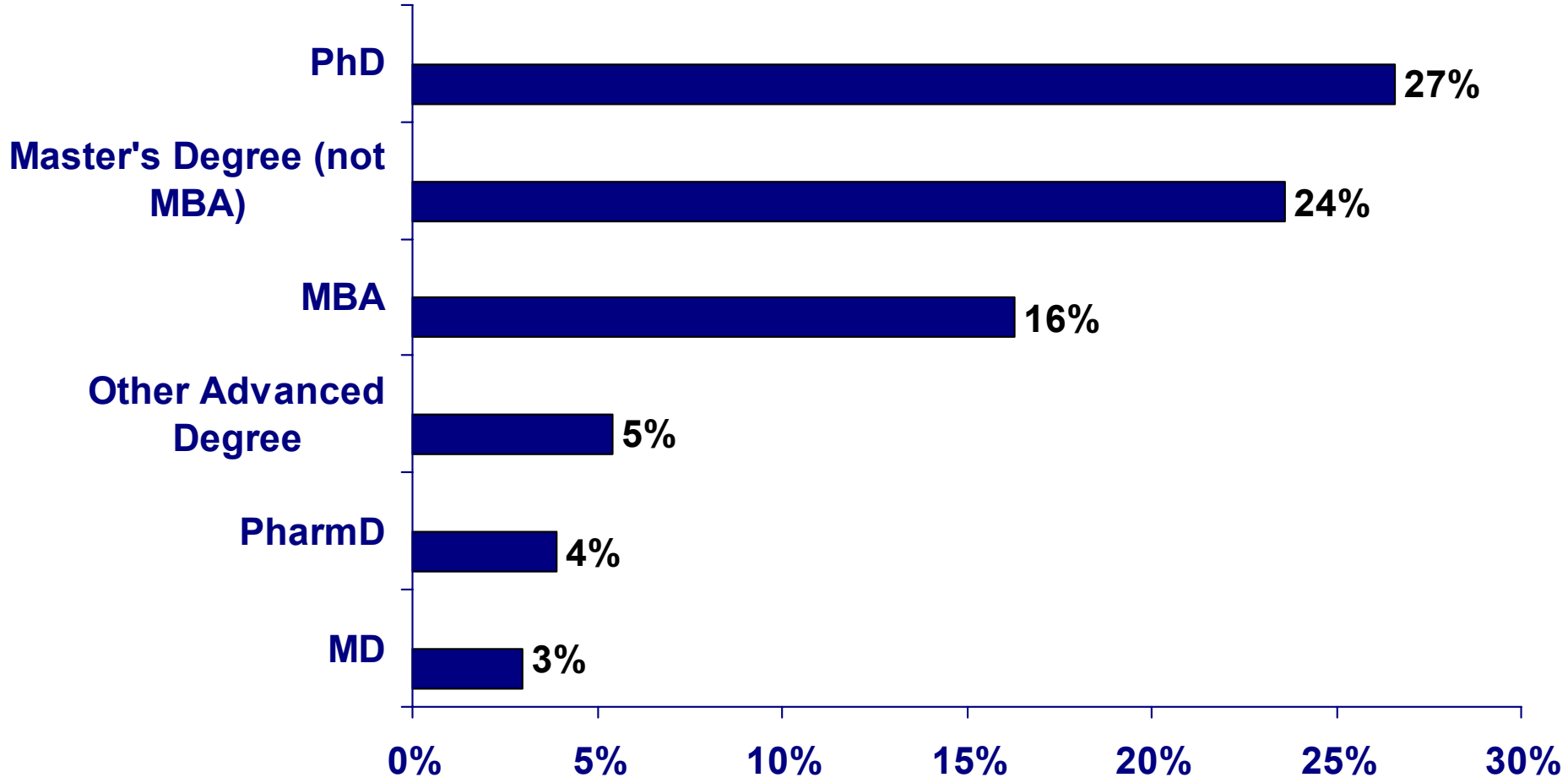


Age

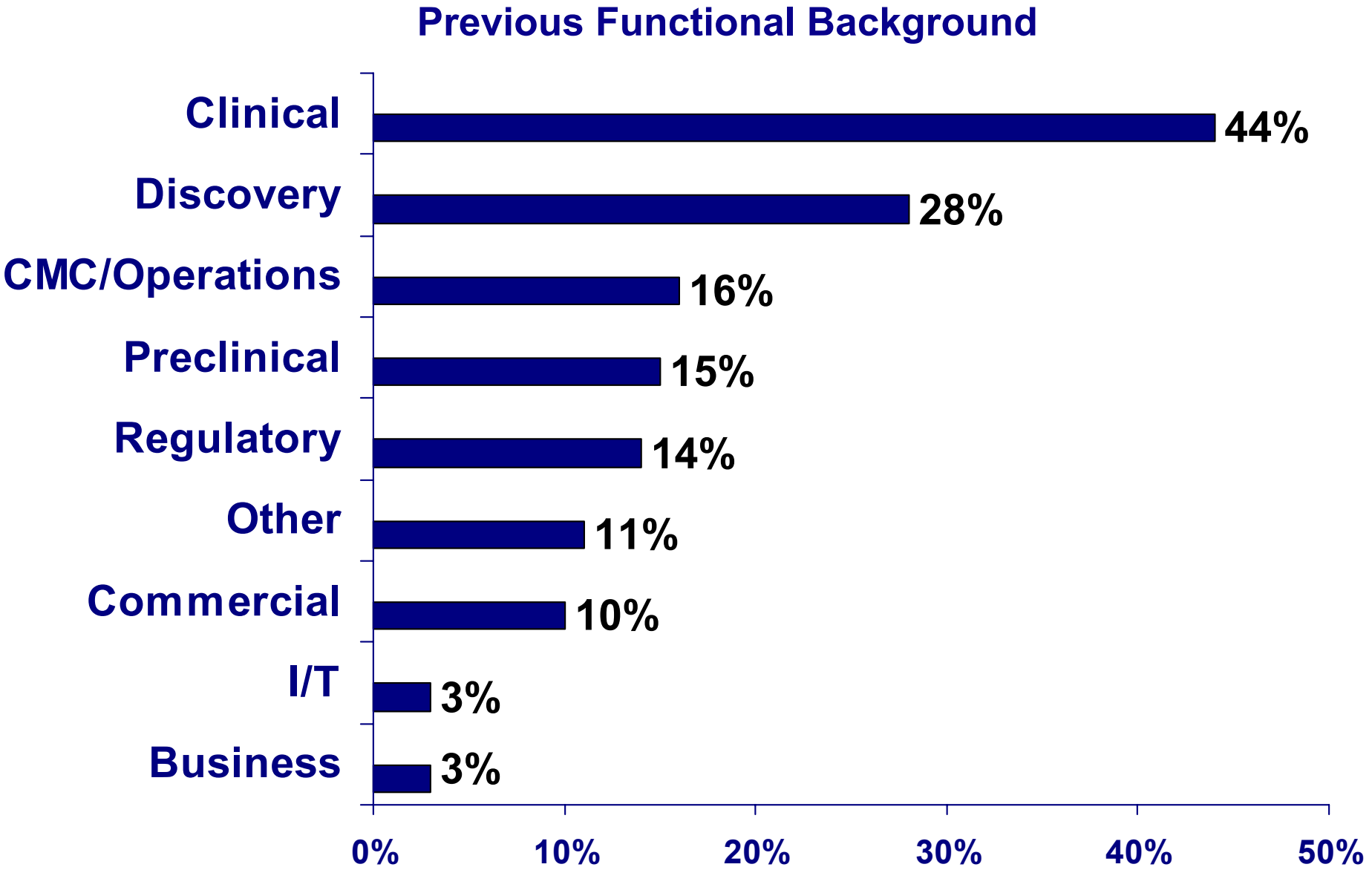


Who Are We?

HIGHLY EDUCATED GROUP



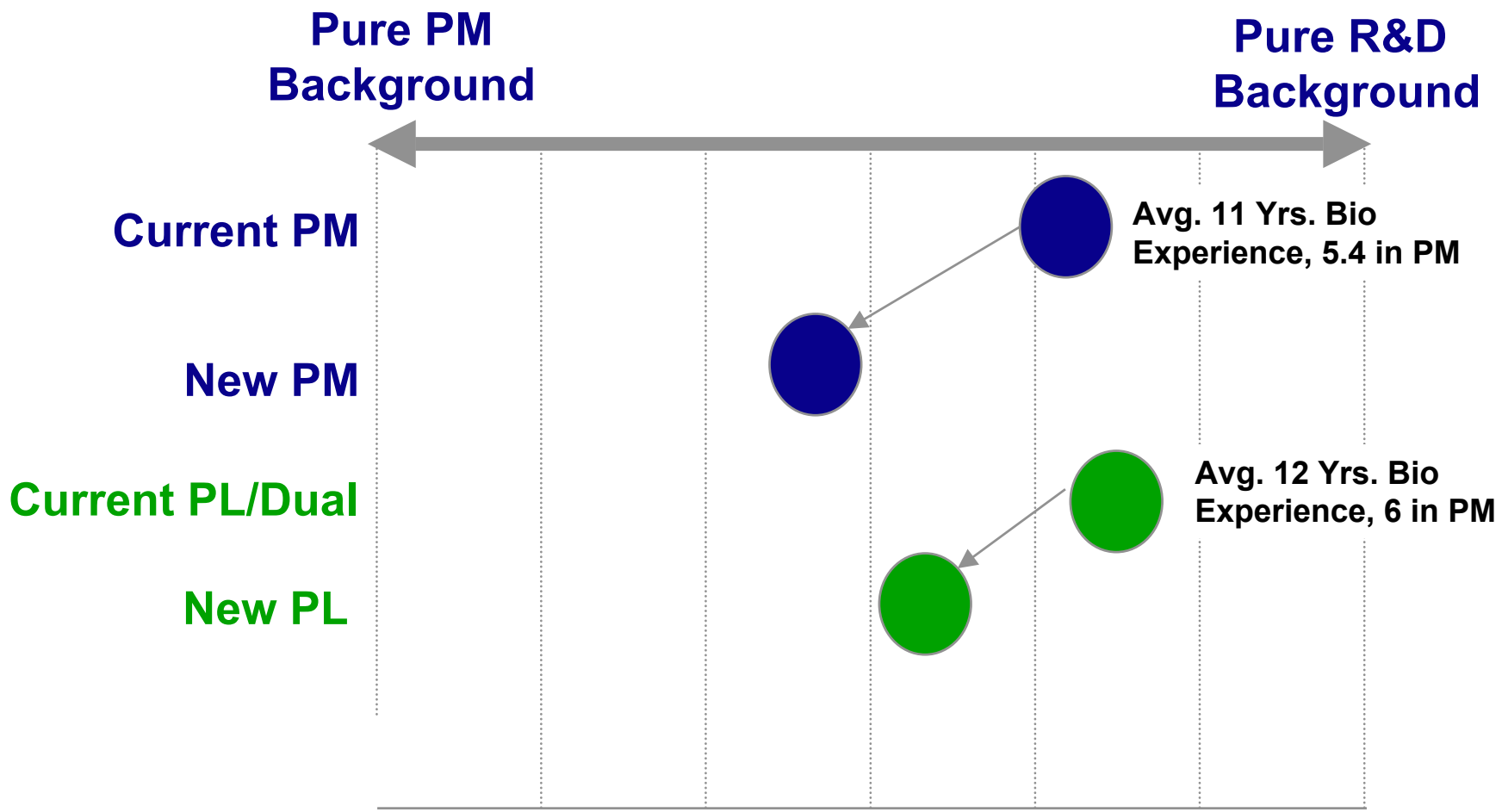
MOSTLY R&D BACKGROUNDS



Who Are We?

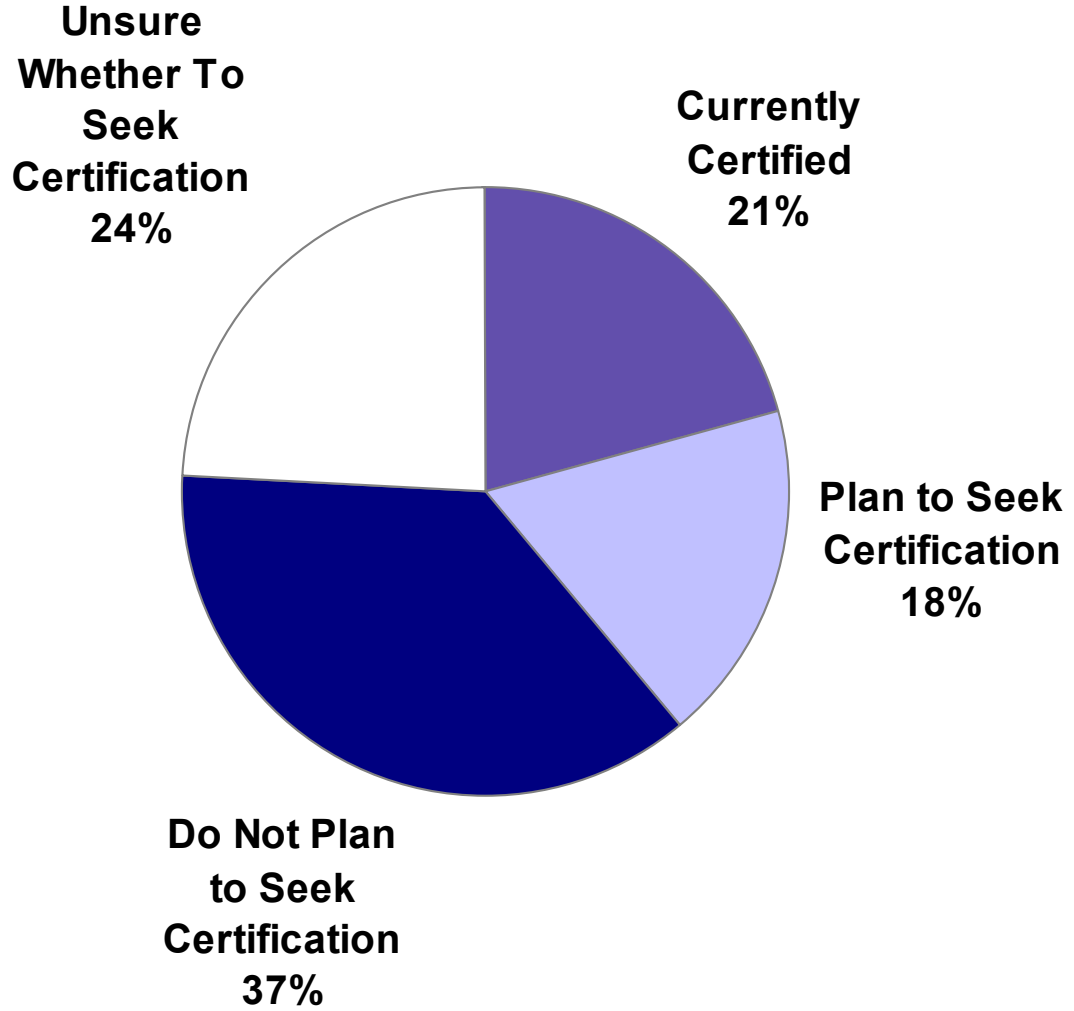
GROWING NEED FOR MORE BALANCED SKILL BASE

Background Upon Entering Project Management

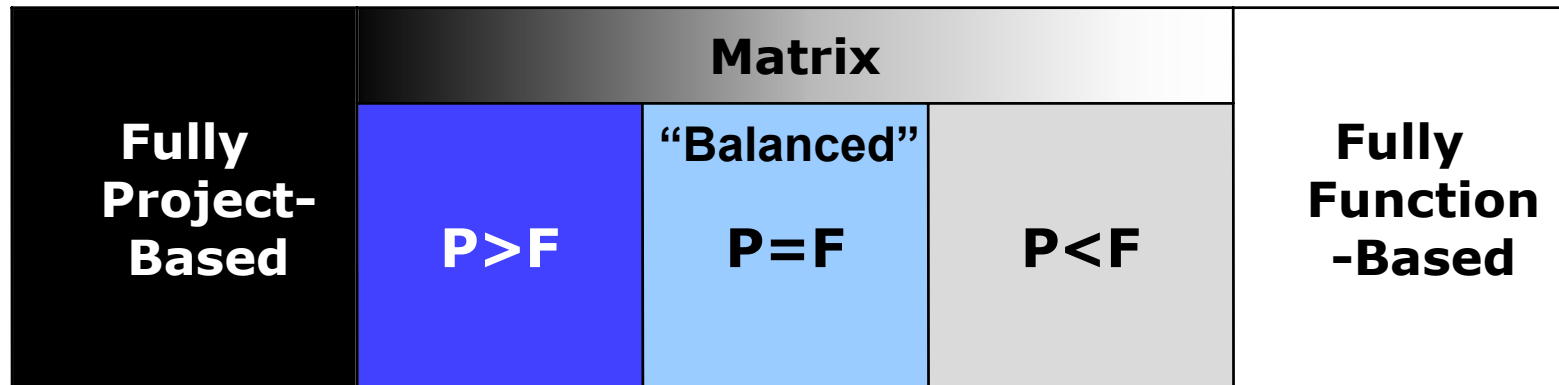


ONE IN FIVE CERTIFIED IN PM METHODS

PM Certification Status and Plans



ORGANIZATION: MATRIX MODEL



Fully Project-Based: Dedicated Project Manager with high authority over budgets and resources; team members often co-located

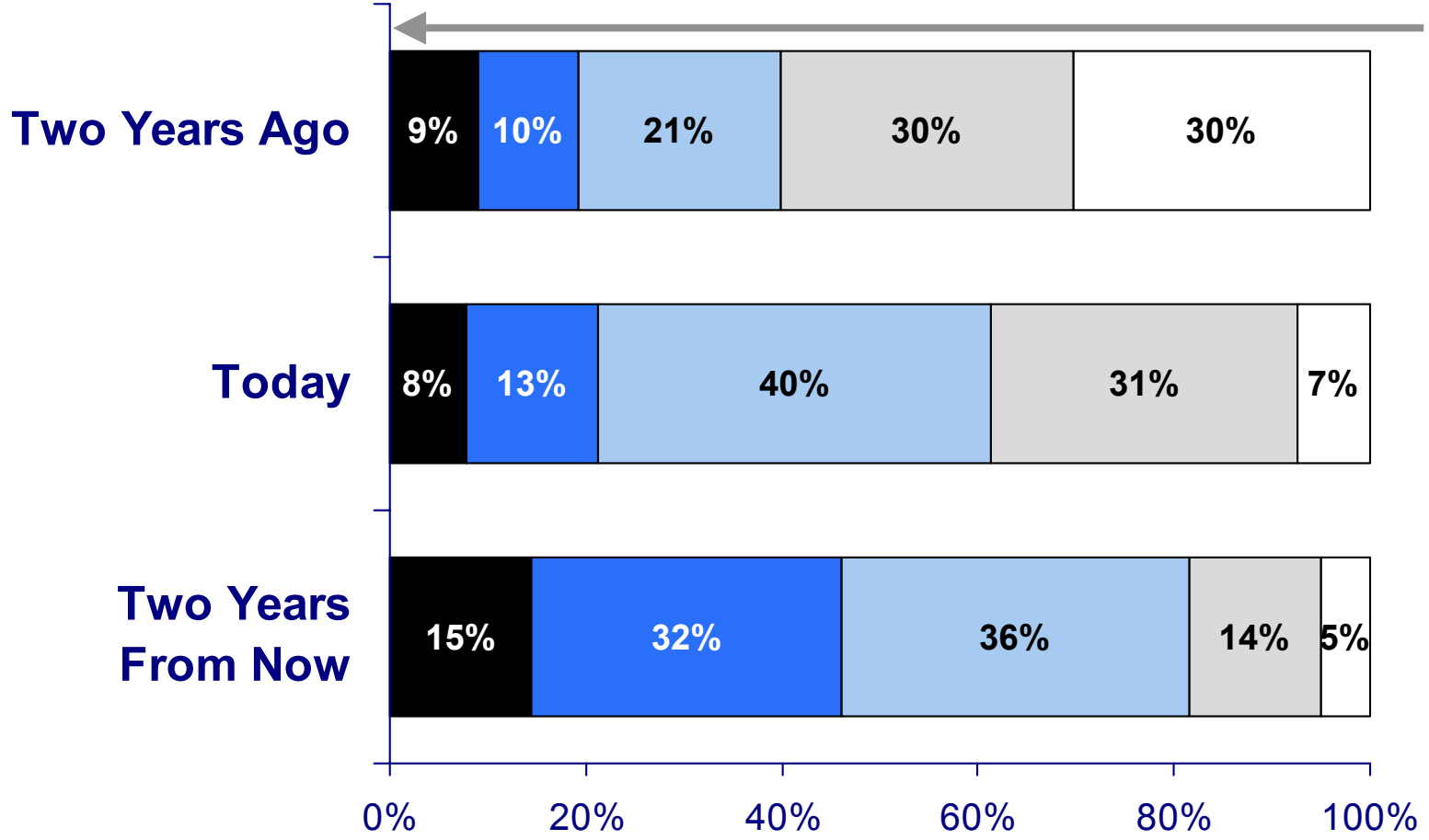
Fully Function-Based: Project Manager plays mostly coordinating role with little authority; functional leaders determine budgets and resourcing.

Model from Larsen and Gogeli (1988)

How Are We Organized?

STRUCTURES SHIFTING FROM FUNCTION TO PROJECT

Organizational Structures PMs Work Within
Increasing Strength of Project Team

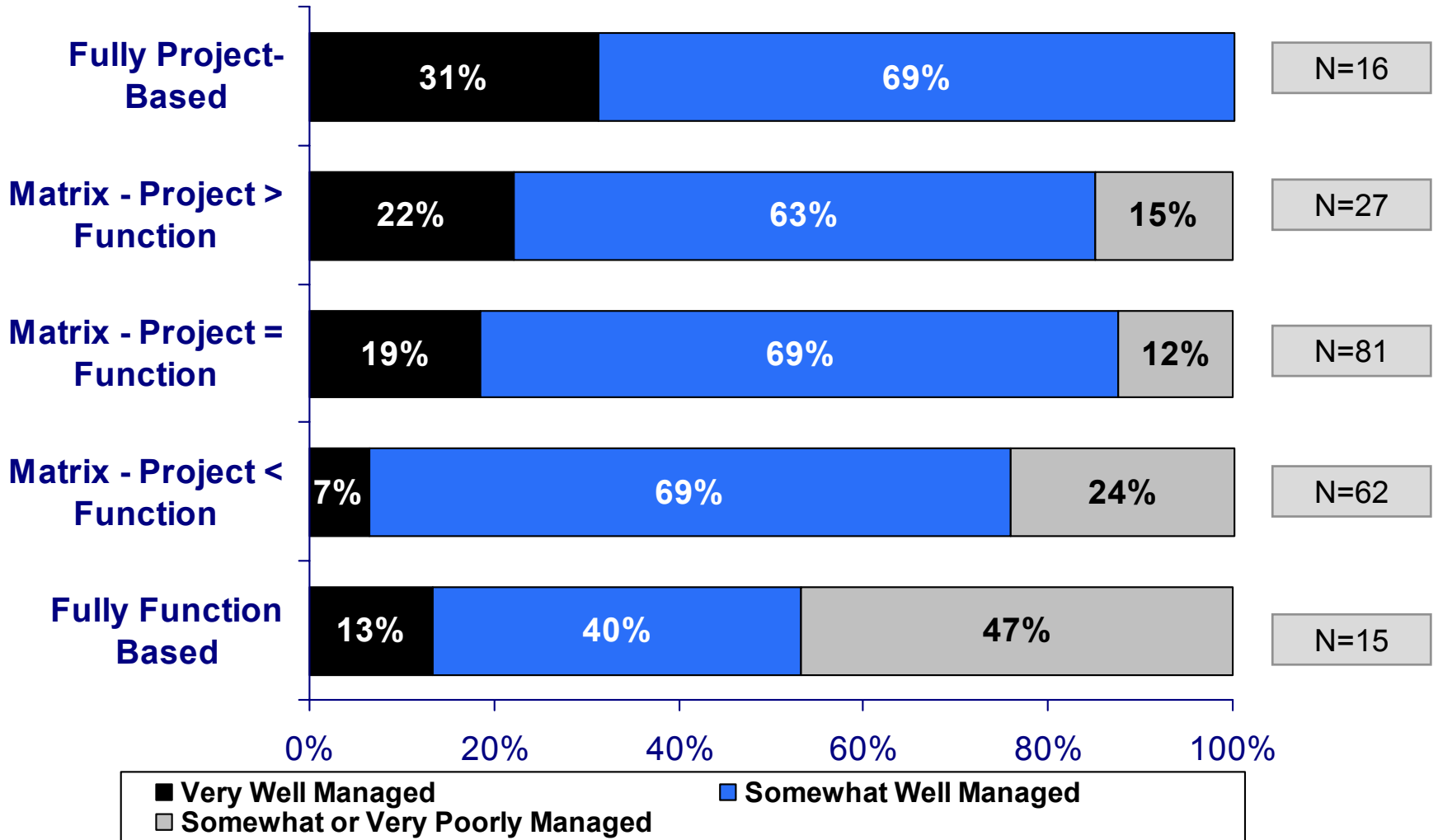


- Fully Project-Based
- Matrix - Project > Function
- Matrix - Project = Function
- Matrix - Project < Function
- Fully Function Based

How Are We Organized?

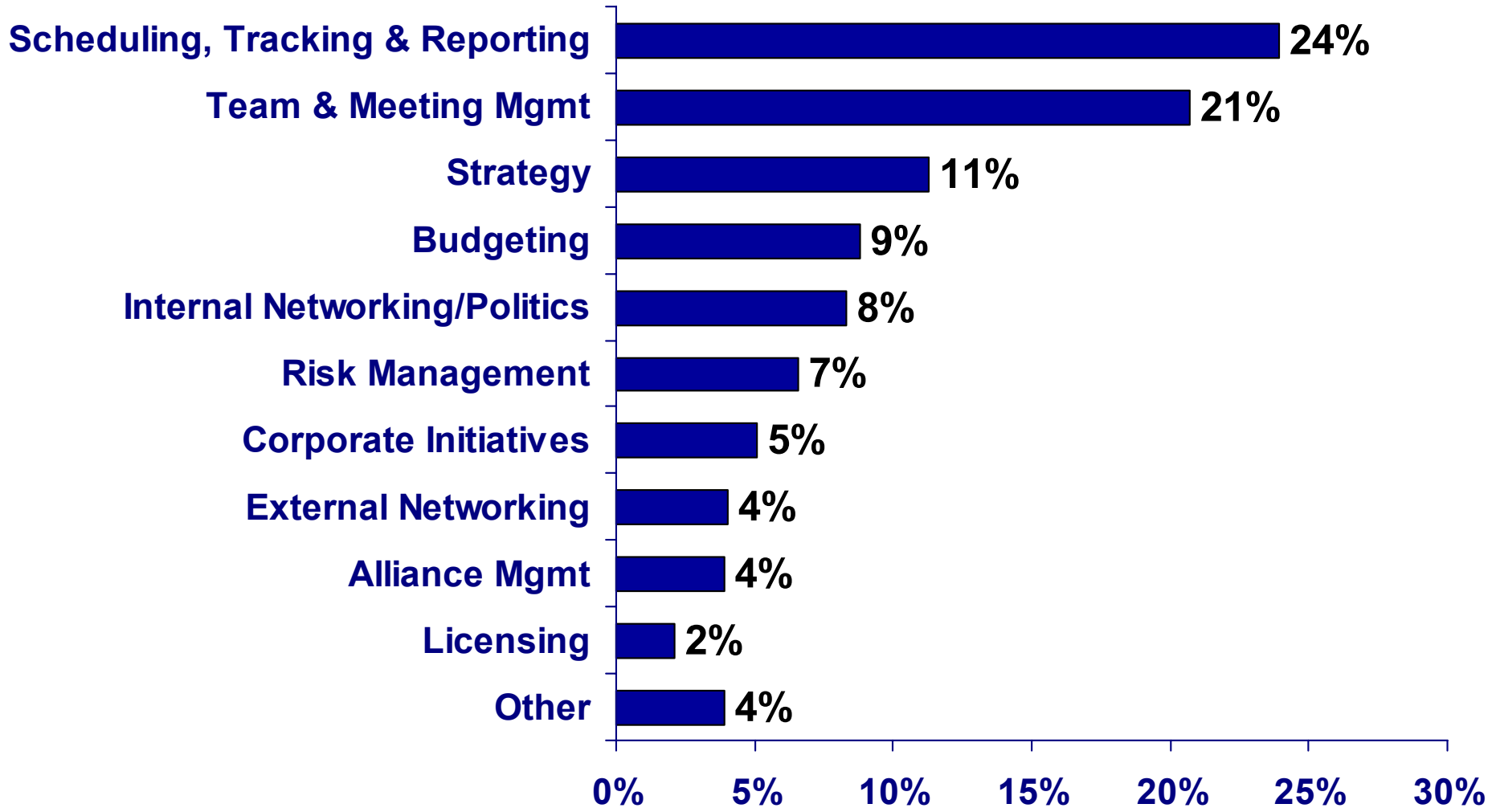
STRUCTURE RELATED TO EFFECTIVENESS

Relationship Between Organization and Effectiveness



What Do We Do?

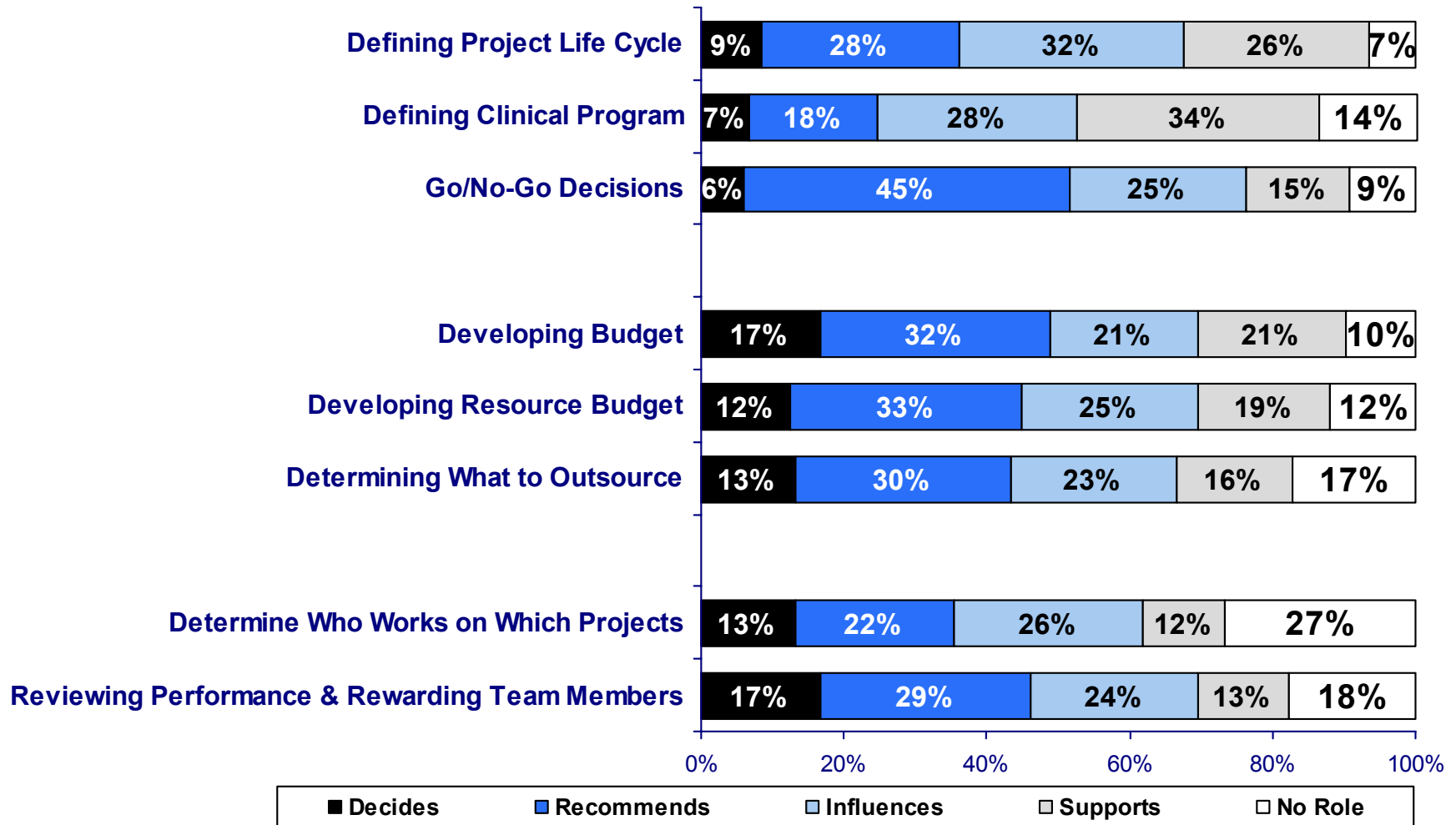
“AVERAGE” MONTH FOR A PM



Percent of Time Devoted to Activity in an “Average” Month

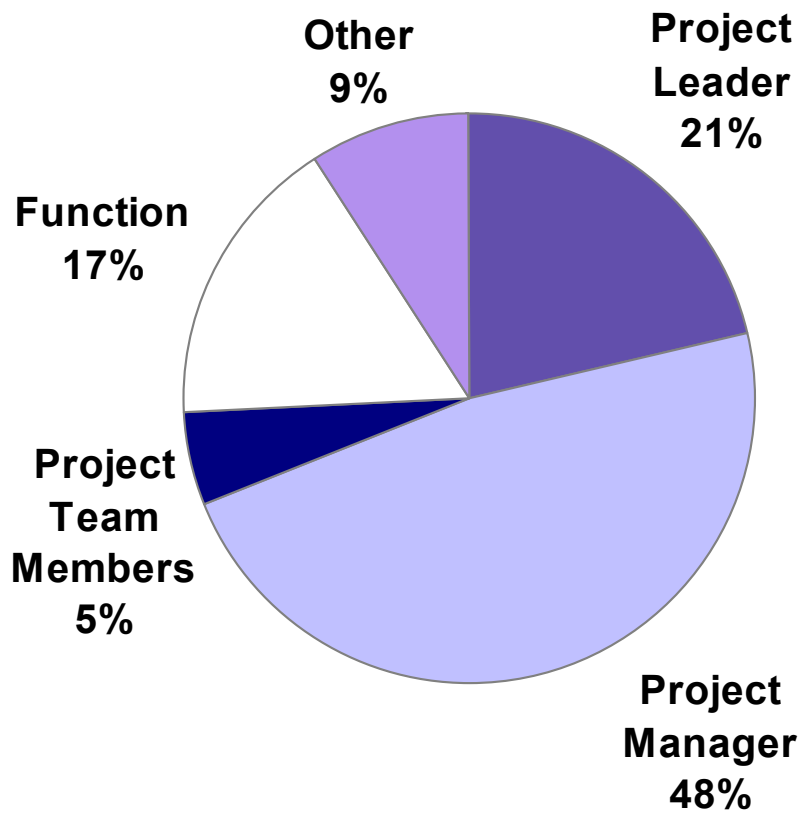
WE USUALLY RECOMMEND OR INFLUENCE, RATHER THAN MAKING KEY DECISIONS

Role of Project Managers in Key Decisions

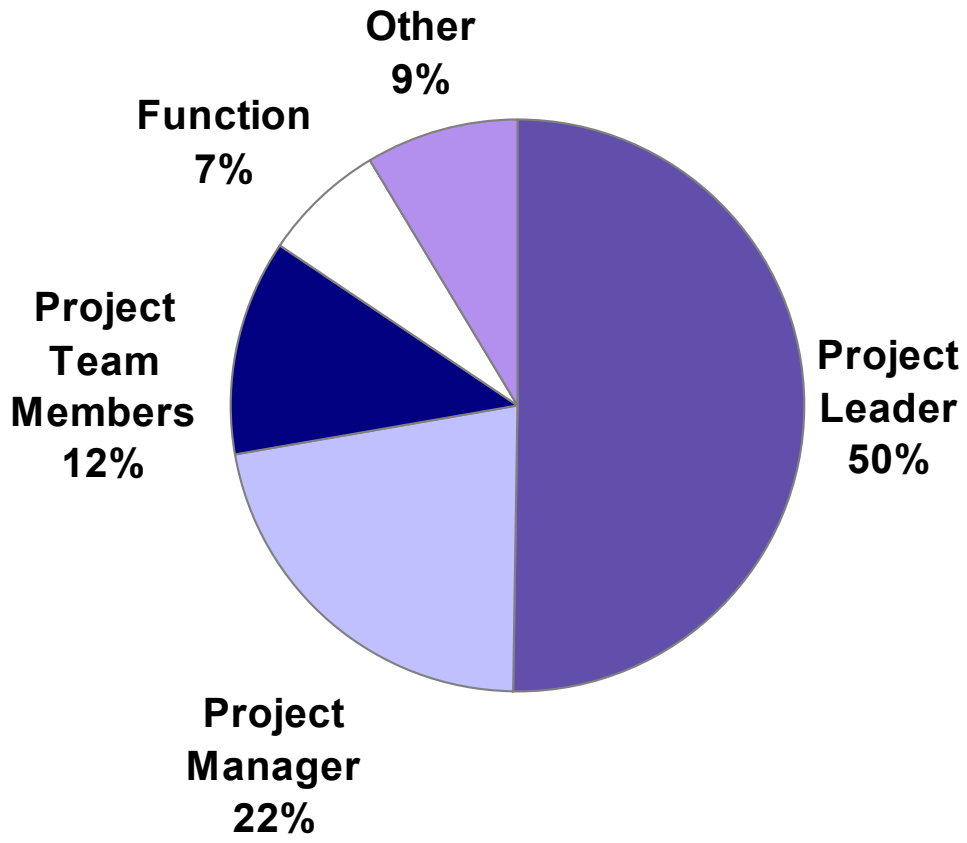


KEY ACCOUNTABILITIES

Performance vs. Budget



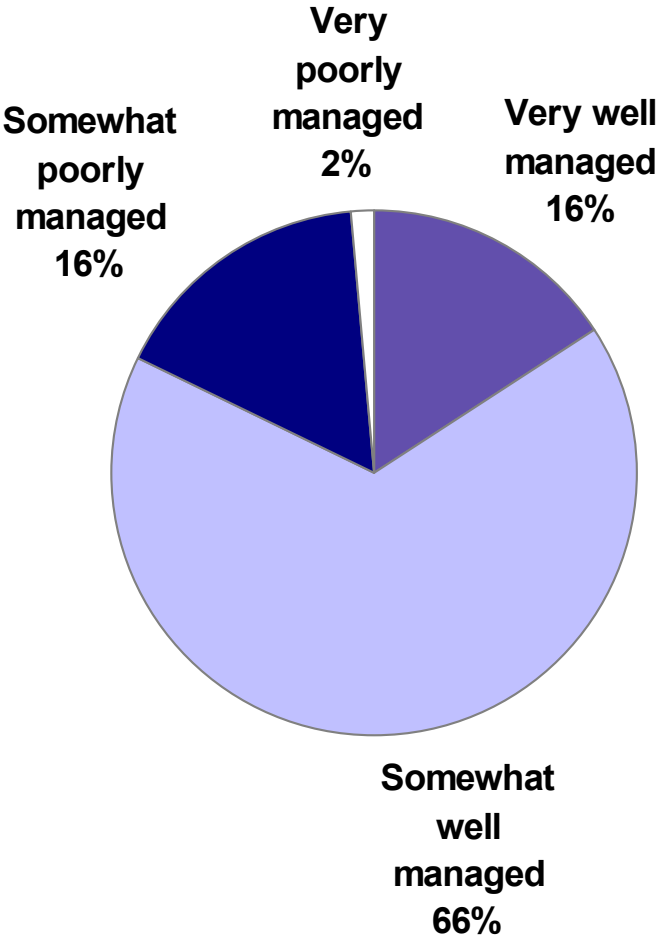
Project Outcome



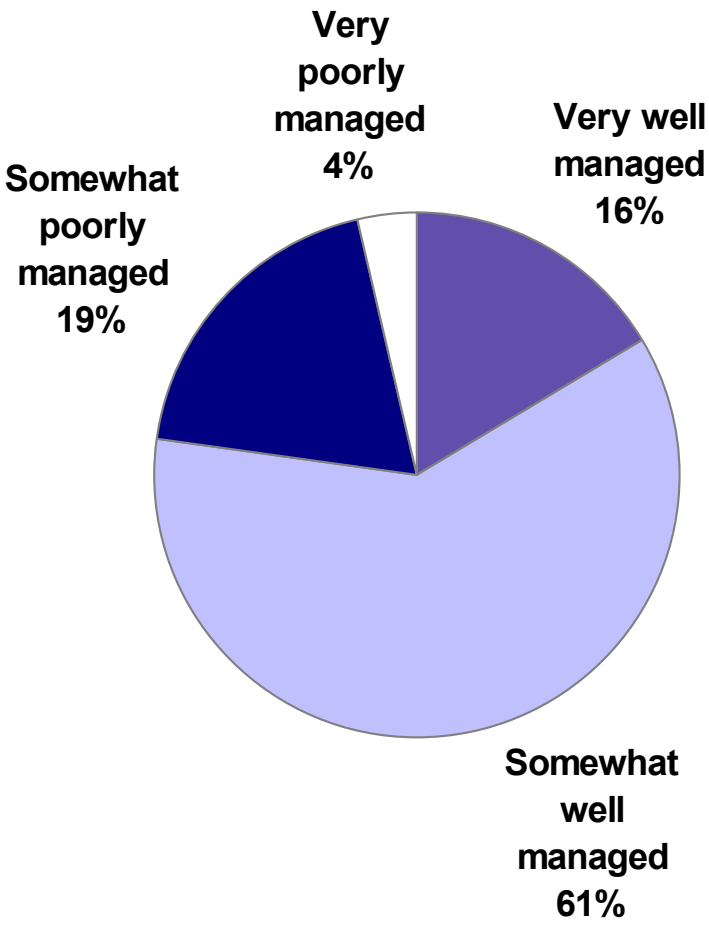
Where is Our Value?

PROJECTS MOSTLY WELL MANAGED

Project Management Roles



Non-Project Management Roles



Where is Our Value?

VALUE OF PM ACTIVITIES

Highest Value Activities

- Planning
- Schedule Tracking
- Schedule/Gantt Development
- Meeting Facilitation
- Meeting Operations – Agenda & Minutes
- Team Management
- Team Process
- Issue Escalation/Resolution

Medium Value Activities

- Reporting
- Contingency Planning
- Budget Tracking
- Risk Identification
- Project Management Best Practices
- Risk Tracking
- Strategy
- Alliance management
- Team Mentoring
- Internal Networking
- Estimating Probability of Success
- Budgeting Out-of-Pocket

Lowest Value Activities

- Drug Dev Best Practices
- Budgeting - Resources
- External Networking
- Technical Input
- Corporate Initiatives
- Commercial Input
- Licensing

Where is Our Value?

COMPARISON OF PM AND NON-PM VIEWS ON VALUE

Project Management View

- 1) Planning
- 2) Schedule Tracking
- 3) Schedule/Gantt development
- 4) Team Management
- 5) Meeting Facilitation
- 6) Meeting operations - agenda & minutes
- 7) Issue Escalation/Resolution
- 8) Team Process
- 9) Reporting
- 10) Contingency Planning

Non-Project Management View

- 1) Meeting operations - agenda & minutes
- 2) Meeting Facilitation
- 3) Planning
- 4) Schedule/Gantt development
- 5) Schedule Tracking
- 6) Team Process
- 7) Team Management
- 8) Issue Escalation/Resolution
- 9) Reporting
- 10) Budget Tracking

- **Project Managers ranked their value higher than Non-Project Managers for most activities**
- **Priorities across the two were pretty similar, but Non-PMs place slightly higher priority on meeting support**
- **Non-Project Managers placed higher value on budgeting, external networking, and alliance management than did Project Managers.**

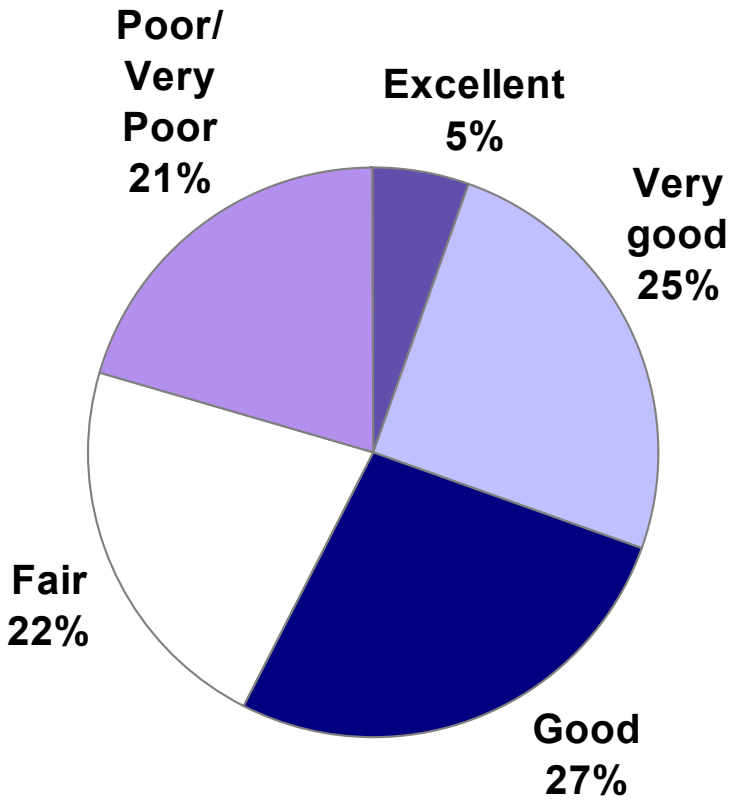
CRITERIA FOR CAREER ADVANCEMENT

- 1) Leadership skills
- 2) Strategic thinking skills
- 3) Negotiation skills
- 4) Team management**
- 5) Conflict Resolution
- 6) Political/Negotiating Skills
- 7) Drug Development Knowledge**
- 8) Internal Networking
- 9) Risk Management
- 10) Schedule Management**
- 11) Budget & resource management
- 12) Alliance or partner management
- 13) Technical skills or knowledge
- 14) Achievement of Regulatory Approval
- 15) External networking
- 16) Commercial skills or knowledge
- 17) Additional degree
- 18) ID/close out of low priority project
- 19) Certification in project management**

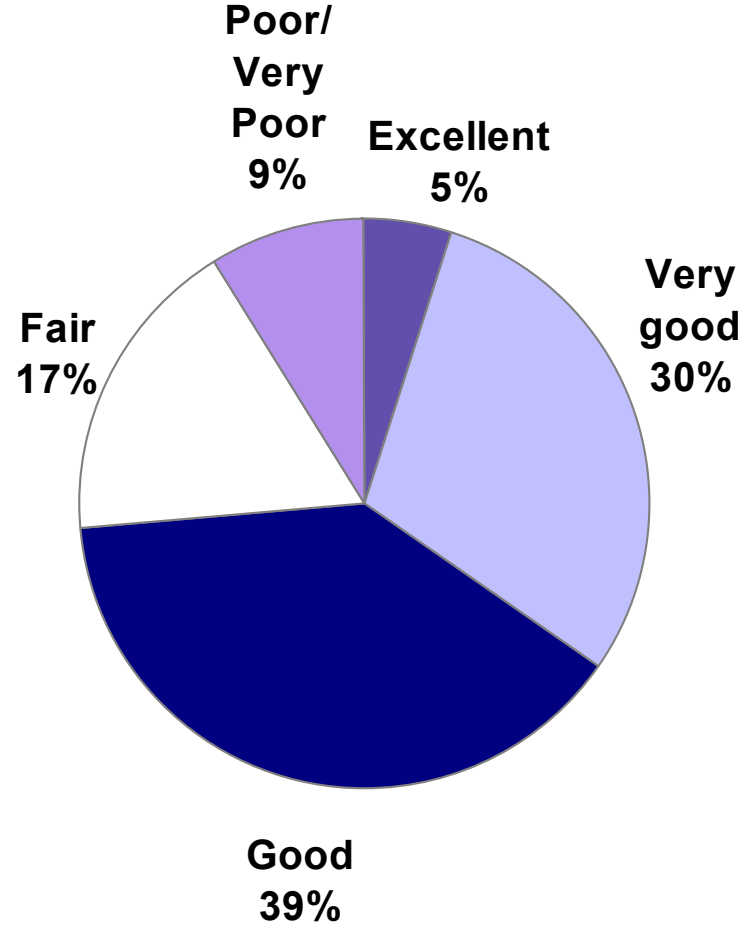
Where Are We Going?

CAREER OPPORTUNITIES

Within PM

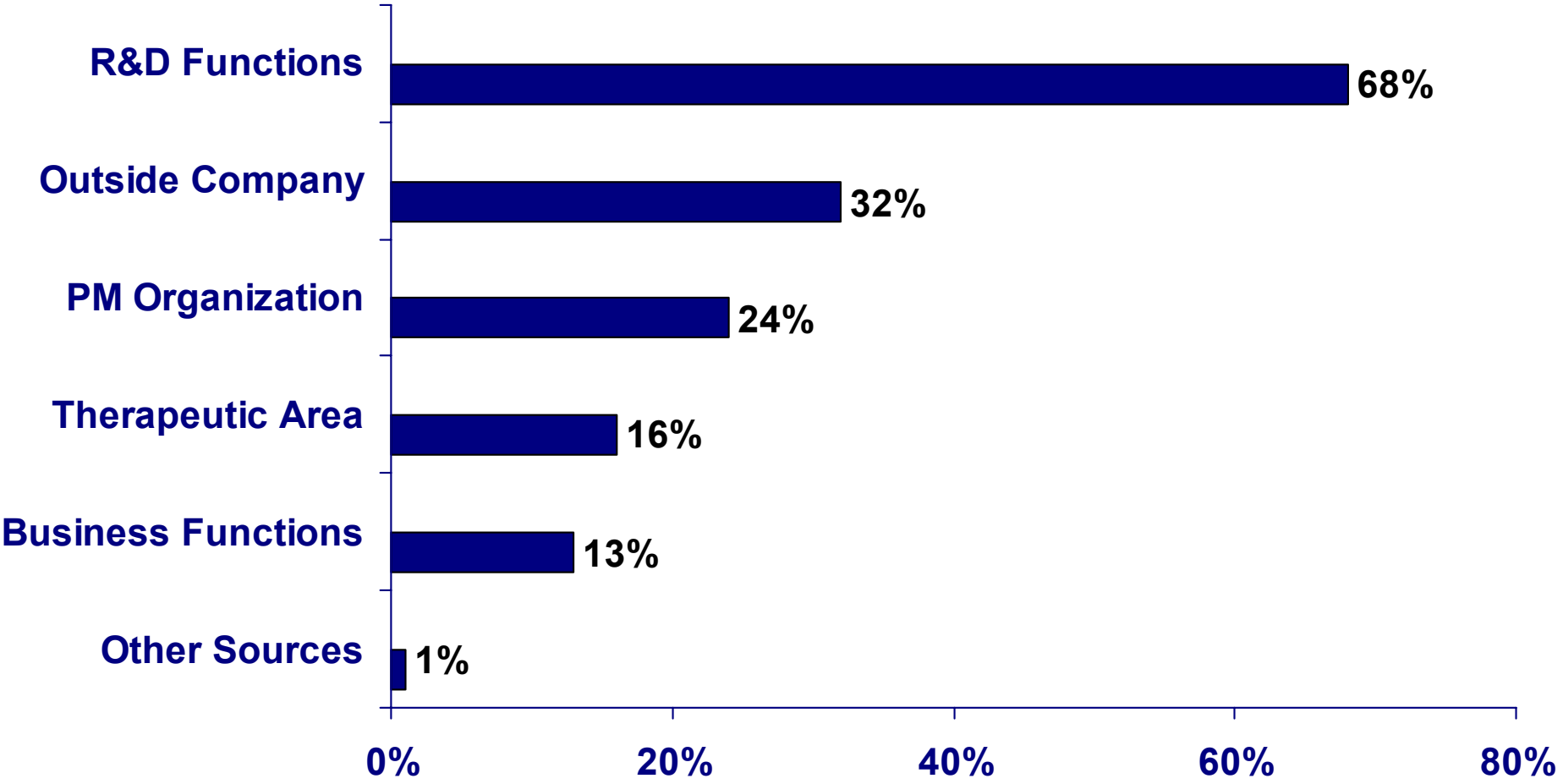


Outside PM



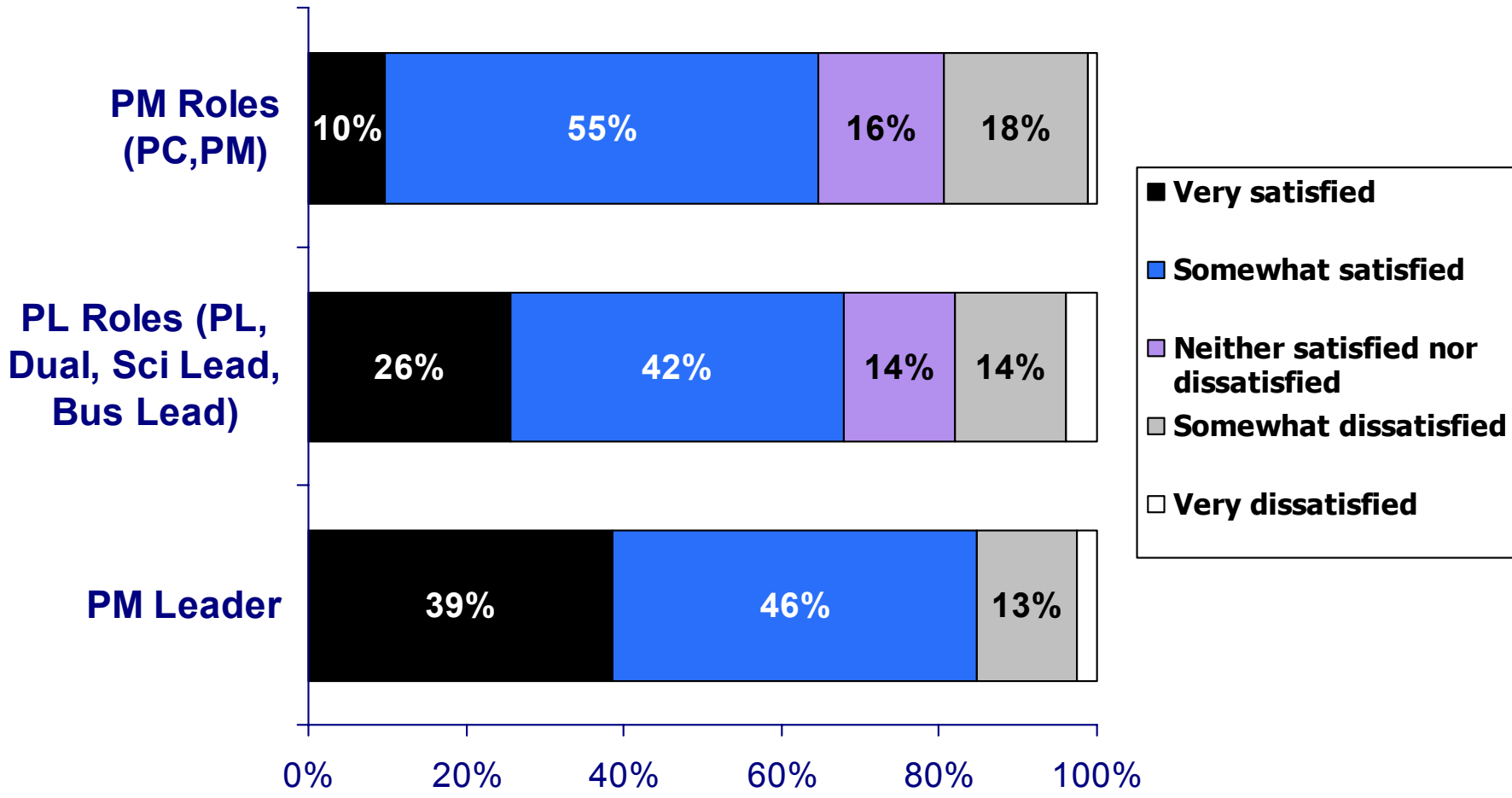
Where Are We Going?

CAREER PATH – SOURCES OF PROJECT LEADERS



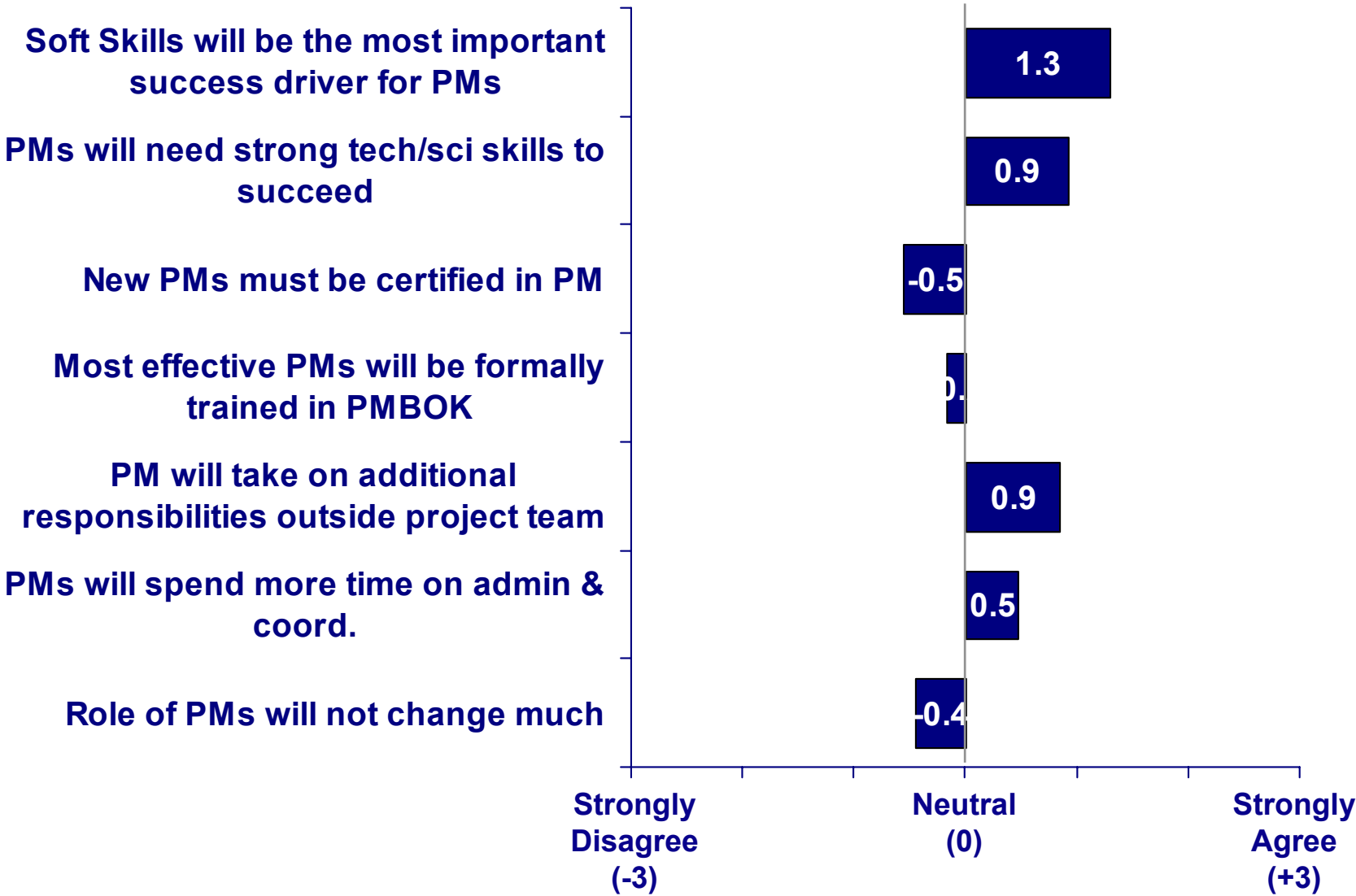
SATISFACTION WITH PM ROLES

Job Satisfaction by Project Management Role



Where Are We Going?

FUTURE OF PM: SKILLS & ROLES



CONCLUSIONS

- Companies will be looking for a more balanced skill set (PM and R & D technical), but unknown how we will get there
 - Jury is out of certification & relevance of PMBOK Methodologies
 - PM skills will be gained from non-certificate training or on-the-job training
- Scheduling, tracking and meeting management takes up most of our time
- PMs are seen as having primary responsibility for monitoring & managing against the budget, whereas PL held accountable for project outcome
- Activities most highly valued are tracking and team management, however these are playing less of a role in our career advancement
- Soft skills most important driver for PM career advancement
- Industry appears to be moving towards more project-based orgs. mainly due to more effective management of projects
- PM is a satisfying career with much oppty. for career advancement
- Companies will better understand the value of PM and role will expand

Ongoing Survey Activities

- Results from online survey & DIA session will be further analyzed and submitted to DIA Journal
- Additional online data are being gathered from relevant PM organizations
- If you have comments/input, please e-mail Melissa Krauth at:
 - Melissa.krauth@drugvoice.com
- To contribute to the survey, go to:
www.drugvoice.com/PM04/cgi-bin/ciwwweb.pl?hid_bypass=PM04,,ZZU
- This survey should take 5-15 minutes of your time.
- By participating in this survey, you will:
 - Contribute to setting the future direction of Project Management
 - Receive survey results, allowing you to benchmark your role, responsibilities, and career opportunities against your peers.
 - Be entered into a drawing to win one of 2 \$100 American Express gift certificates, as a thank you for your time.
- Feel free to use the slides for internal purposes, and ask M. Krauth for permission to do any further public presentation/publication.