



Do Your Key Employees Understand R&D Business?

'Risky Business' is a training tool that comes in the shape of a pharma board game. Its creator, Jesper Lyng Jensen, talks to *Pharm Exec Europe* about its development and its applications for the industry.

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PEE: Why did you decide to develop Risky Business and how does it work?



JLJ: In a world of increased pressure surrounding the optimisation of value generation through R&D, many companies are faced with the challenge of explaining how the complex R&D-driven pharmaceutical business works. Many key employees participate in strategic business processes, but do they understand it sufficiently? Risky Business communicates this information to employees, regardless of their level in the organisation.

Risky Business can be played by any number of participants, but it's normally about 12 to 20 people. Participants are divided into groups of 2-4, and each group commands their own mid-sized pharmaceutical company. The participants should consider themselves as executive management in their company. A total of nine game turns

are played, and for the first four turns, the company you control experiences a nice pre-defined growth.

However, after turn 4 the generic companies start to erode your income, and the goal of the executive management team is to assure continuous growth in the company, by bringing new and innovative drugs to the market. New products are brought to the market, by developing new drug candidates (project cards) in Phase I, II and III. However, as in real life, drug development is both risky and difficult. In the game there is a 50% attrition in each of the three phases, and thus only a 12.5% chance of bringing a new product to the market. As the companies have a limited access to new and innovative drug development candidates, a key task for executive management is to modify the risk profile of the company.

By negotiating license deals with other companies risk sharing can be achieved, and negotiation is one of the key game elements. The game engine described above is both fun, engaging and highly competitive. Each group of players has to work together internally, but also has to establish working relations with all the other companies — or teams — in the room. However, the game is actually much more than that; I usually refer it as a low technology pharmaceutical simulator. The reason is that the important game elements have been calibrated to the standards of the pharmaceutical industry — one 'PharmaMegaBuck' has a value of €20 million, one game turn is three years, R&D spend is 20% of net sales and so on. Also the project cards have been made in a way, that they reflect all the components of a normal project analysis.

This makes the game ideal for explaining people how all the different competence areas work together: project management, portfolio management, business intelligence, market research, licensing and business development and more. Finally the game has some game theory and macro economy learning objectives. In larger groups, with the record being 90 people divided into more than 20



companies, it is possible to observe the impact of trade restrictions on global trade. On the larger courses, companies are divided into four continents. For the first three game turns, we impose trade restrictions, which prohibit deals with companies outside their continent. This causes a clearly identifiable loss of innovation, thus speaks for the globalization of the pharmaceutical industry.

Did you develop Risky Business as a result of your experience with any particular pharma company? What support did you have in developing the concept?

I have 10 years of industry experience at H. Lundbeck A/S in Denmark. It would be difficult to claim that the game was not influenced by this factor. The HR department of Lundbeck was most supportive for this visionary venture, and I have even tested the game on the entire HR division.

How has the game been applied to the pharma industry so far and what feedback have you had?

Today the game is used by a number of pharmaceutical companies for teaching business understanding; they include Novo Nordisk, Lundbeck, Alk-Abelló, Nycomed and Ferring. We also have a collaboration with the Danish Drug Industry Association (www.LIF.dk). The typical course participants are heads of departments, academics and other key employees who are directly or indirectly involved in drug development. The course participants get a fun, interactive learning experience, and the feedback has been exceptionally good.



One of the reasons that the game has become so popular in such a short time is its ability to allow employees to become engaged in the key strategic parameters of a company. Engagement drives performance, and a survey by The Corporate Leadership Council (www.corporateleadershipcouncil.com) has shown that engaged employees perform 20% better, and are 87% less likely to leave the company. In the same survey they concluded that the key parameter for engagement is creating a connection between work and organizational strategy. Risky Business breaks down the barrier between the employees, and the company they work in, thus giving them the opportunity to become engaged in corporate business strategy, and to see their own job function in the larger perspective.

How is the game being made available? Can any company simply order it?

The game is not available for order. It is a tailor-made consultancy and training tool, and to get the full benefit of the game it has to be followed up with presentations and discussions. Through the combination of lectures and game, we are able to provide information that any employee or manager in the pharmaceutical industry can benefit from, and we have a range of courses that can be applied depending on the recipient group.

What plans have you made to market the game internationally? Does the existing game apply universally or only to certain territories?

The game applies to global pharma. Today we cover Scandinavia, and as much of Europe as we can handle. The game is our intellectual property, and have been protected to the extend of the European and US legislation, and I think, that we soon will be dependant on finding a strong international consultancy and training partner. The partner should, on a licensing basis, cover the large territories, where we have weak or no presence at all. We hope to have such a partner in place within a year from now, but that is of course dependant on the right partner showing up.

For more information about setting up a 'Risky Business' course for your company, visit www.rbgame.com or email Jesper at jlj@rbgame.com.