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White Paper

Making the Physician's Move to Industry Smooth and Effective

Introduction

There's tremendous demand for industry physicians, but the move from academics is fraught with challenges that both physicians and industry executives significantly underestimate or fail to anticipate.

To discover the underlying issues associated with this transition, we at Higgins Group, Inc. partnered with Thrive Leadership to survey both industry leaders and industry physicians. We surveyed Chief Executive Officers (CEOs), Chief Medical Officers (CMOs), human resources (HR) executives, and other executives ("industry leaders") and physicians below the Vice President level ("industry physicians").

We asked the industry leaders the following questions:

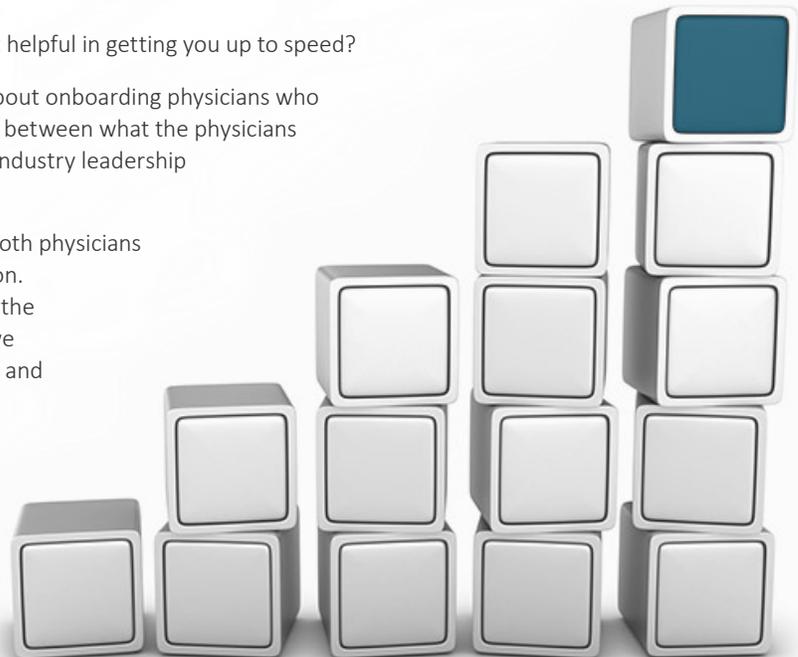
- > For new industry physicians, what are the most common behaviors that derail them? What do they do (or not do) that stalls performance?
- > For physicians who move easily to industry, what characterizes them?
- > What is the single most important message you want physicians new to industry to know?

We asked the industry physicians the following questions:

- > In your own experience, what were the toughest hurdles you faced moving from academic/medical settings to industry?
- > When you transitioned to industry, what was most helpful in getting you up to speed?

Based on the nearly 100 thoughtful survey responses about onboarding physicians who were new to industry, we discovered there's a huge gap between what the physicians believe to be necessary during the transition and what industry leadership believes to be important.

We begin this report by discussing the challenges that both physicians and industry leaders commonly face during the transition. Then, we share more information about the survey and the participants, as well as some of the responses. Finally, we conclude with recommendations about what physicians and industry leaders can do to make physicians' transition into industry smooth and effective.



Challenges during the transition

Physicians

Many physicians transitioning into industry lack an understanding of the paradigm shift about to take place. There is an enormous chasm between expectations and reality that needs to be addressed on a deeper level.

Physicians are accustomed to being successful and considered experts at what they do. They're used to giving orders and directions and have built a high level of confidence in their abilities based on their significant accomplishments. This mindset has its place in clinics and academia, but problems arise when physicians automatically assume their new roles in industry will align with their core skill sets.

Many physicians transitioning into industry don't realize the amount of new learning and mindset shift that is needed from a leadership standpoint. For example, academia values and rewards clinical and scientific judgment and is less concerned with the softer skills of leadership. This commonly results in physicians with suboptimal interpersonal relations. Physicians who aren't at least interested in improving their people skills and continuing their personal growth as leaders will be unlikely to succeed at the highest level of industry.

Industry Leaders

Like physicians, industry leaders underestimate the challenges of the transition. They are unprepared or don't have the time to focus on what the individual physician needs in terms of support at this critical point in time. Industry leaders aren't orienting physicians right at the beginning or helping them understand the fundamental skills they need to be successful in industry. Consequently, physicians don't perform as expected and don't undergo the growth that would allow them to take on C-level roles.

There is an **enormous chasm** between **expectations and reality** that needs to be addressed on a **deeper level**.

What the research tells us

Demographics

We surveyed a diverse selection of industry leaders. Survey respondents included industry CMOs (65 percent), CEOs (22 percent), and HR professionals (13 percent).

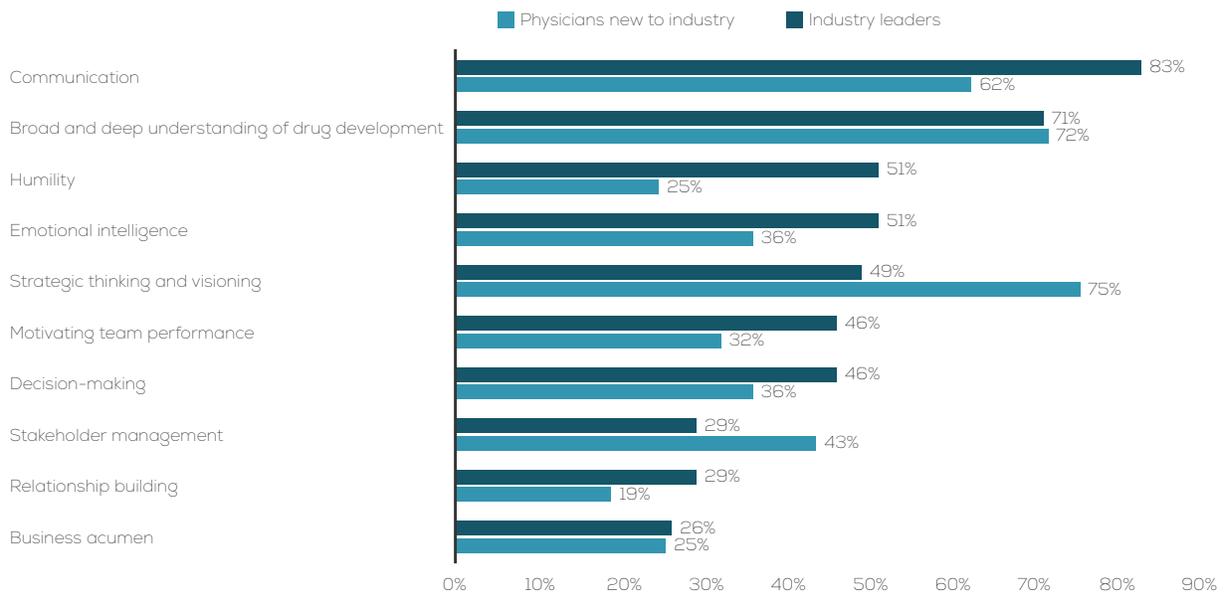
We also surveyed new-to-the-industry physicians. Most of them were from the pharmaceutical industry (62 percent) or the biotechnology industry (33 percent), and 5 percent were from other industries. Also, 57 percent of participants were male, and 43 percent were female.

These physicians represented a range of specialties, including oncology (27 percent), cardiology (12 percent), infectious disease (10 percent), and pulmonology (8 percent). Specialties that represented less than 5 percent include endocrinology, gastroenterology, immunology, neurology, pediatrics, nephrology, and various other specialties.

Statistical Findings

Survey participants identified the fundamental skills they believed were needed for industry physicians to perform effectively. Based on our findings, survey responses varied significantly. Most noticeable throughout the survey is the gap between what industry leaders think and what the physicians themselves believe.

Prioritized opinions regarding the skills needed for physicians to be successful in industry



Perspectives from Industry Leaders

Behaviors That Are Hurdles to Success

- > Behaving as the unquestioned leader
 - > Failing to embrace the multidisciplinary perspectives of the team
 - > Approaching industry issues with an academic lens
 - > Lacking leadership and management skills to develop a strong team
 - > Failing to fully understand the drug development process
 - > Allowing egos to disrupt the collaborative dynamics of the organization
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Characteristics of Physicians Who Adapt Successfully

- > Recognizing how to add value while learning from others around them
 - > Learning new disease areas quickly
 - > Adopting an entrepreneurial research mindset
 - > Leveraging excellent interpersonal skills to gain trust and build alliances
 - > Having knowledge in research and science as well as statistics and data management
 - > Being ready to take on a steep learning curve to pivot successfully into a new environment
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Advice on How to Transition into Industry

- > Anticipate the amount of work and time required to adjust
- > Establish an onboarding and development plan that will ensure short-term and intermediate-term goals are met
- > Leverage leadership and communication skills that can ensure the organization's alignment and success
- > Accept that hierarchy matters, diplomacy is key, and industry isn't an escape from clinical practice but an entirely new career with its own challenges

Perspectives from Physicians in Industry

Toughest Hurdles in the Shift from Academia to Industry

- > Learning a regulated environment that's very different from academia and requires a different mindset
- > Making strategic decisions often for business reasons rather than scientific ones
- > Having a different sense of urgency from the demands of patient care experienced in academia
- > Learning and understanding a new vocabulary, organizational dynamics, and the drug development process
- > Identifying the right position that has good mentorship and a clear career development path

Advice on How to Transition into Industry

- > Find supportive colleagues, mentors, and supervisors
- > Develop relationships with cross-functional team members
- > Become an expert in clinical trial design and analysis
- > Learn the different disciplines in the drug development project team
- > Have passion, curiosity, and a deep interest in a steep learning curve
- > Be humble and willing to admit to a lack of knowledge



Responsibilities during the transition

Based on the answers to the questions we posed to physicians and industry leaders, we parsed out what each group can do to make the transition of physicians into industry both smooth and effective.

Physicians

Physicians new to industry can vastly improve the transition period by fully understanding the situation. First, they must accept they don't know everything. Many people working in industry have a nightmarish story (or ten) about working with physicians who thought they were the smartest people in the room and that they alone had all the answers.

Physicians must learn humility and be vulnerable. Those who don't and are not prepared to feel like beginners when interacting with the other professionals around the table will increase the difficulty of the transition for themselves and the rest of the team.

In addition, physicians must be open to asking questions, experiencing personal and professional growth, and recognizing team dynamics. Understanding dynamics on day one and continuing efforts to monitor and adjust behavior based on strong feedback loops is optimal to excel at the highest level in the new environment.

Industry Leaders

Industry leaders have the responsibility of setting the physician up for maximum success. Close monitoring and support of the emotional psyche of the newly transitioned physician are imperative. Industry executives must recognize that physicians have spent years being supremely confident and developing a different skill set. Suddenly feeling unsure and vulnerable in a new environment can be highly destabilizing for some, if not most, physicians.

It is the company's responsibility to help the physician modify the skill set learned in academia to work in the corporate dynamic. Industry leaders need to have some hard but necessary conversations with physicians about their behavior and how stakeholders respond to them.

Investing in the development of physician leaders early in their transition to industry benefits everyone. In the first six to twelve months, industry executives should provide physicians with more education, feedback, and support than what is often given. Also, ensuring that the physicians have all of the tools they need to succeed at the highest level is one of the best allotments of resources. Companies that take the time and effort to build strong fundamentals can expect to see their corporate-level physicians growing and ready to lead businesses to their highest level of success.

Physicians must **learn humility** and be **vulnerable**, while industry leaders need to help the physicians **modify the skill set** learned in academia **to work in the corporate dynamic**.

Conclusion

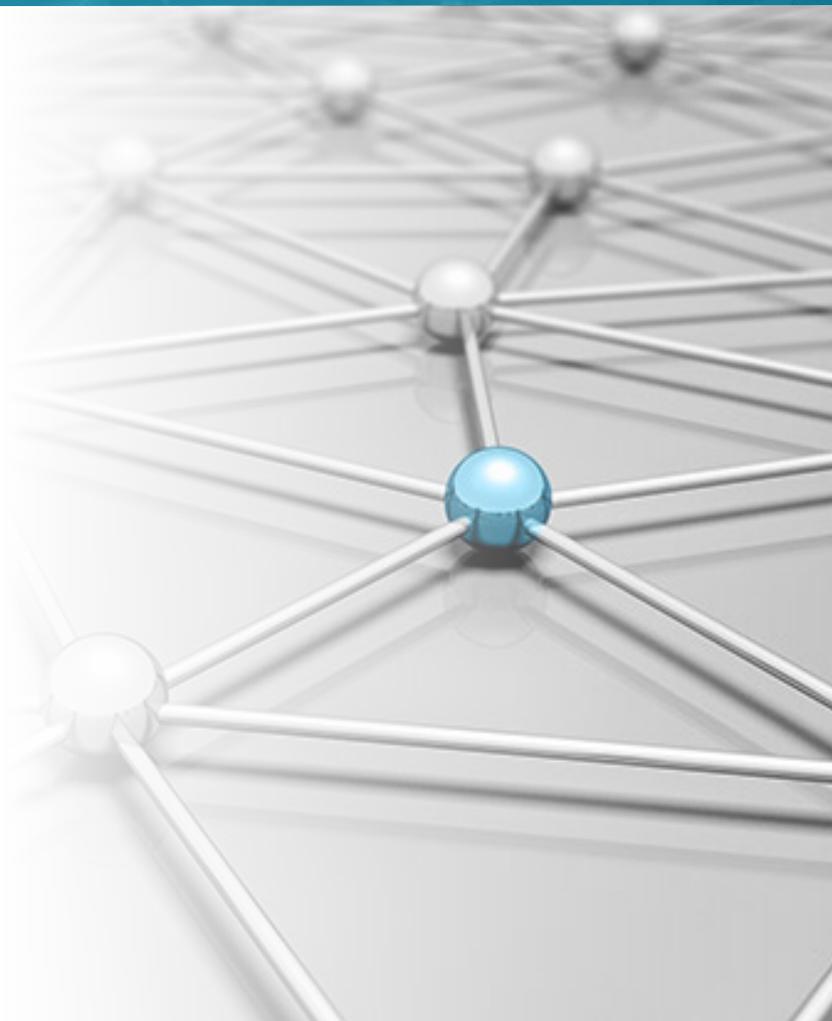
By posing questions to both physicians new to industry as well as industry leaders, we were able to determine what each group can do to make the transition of physicians into industry smooth and effective.

Both the hiring organization's leadership and the physicians themselves must share the responsibility for a smooth and productive transition to industry. Both parties need to start early in the hiring process when it comes to taking ownership of the transition process and clearly communicating their expectations regarding the physicians in their new roles.

This open, mutual exchange of information is critical when it comes to the physicians understanding what skills they'll need to cultivate for industry.

Physicians who have this clarity can more successfully acclimate to the new environment and gain a reputation for being easy to work with and well-liked. Other results include less drama in the organization, more strongly aligned teams, easier recruitment, physicians taking on increasing levels of responsibility, and the necessary work getting done.

To learn more about recruiting industry physicians and helping them transition into their new roles, visit higgins-group.com and thriveleadership.com.



ABOUT THRIVE LEADERSHIP

Thrive Leadership provides coaching, leadership development programs, and research surveys to help leaders increase their effectiveness by better understanding themselves and their employees.

To learn more about Thrive Leadership, visit thriveleadership.com.

ABOUT THE HIGGINS GROUP

The Higgins Group, Inc. is an executive search and consulting firm focused exclusively on the life sciences. For more than two decades, it has been helping its clients thrive by going beyond recruiting the best leaders. As a strategic partner, The Higgins Group provides consultation relating to organizational issues that affect executive integration, retention, and performance. This approach has led to long-lasting relationships with a select roster of global pharmaceutical and biotech clients, helping The Higgins Group grow exclusively through referrals since 1998. To learn more about The Higgins Group, visit higgins-group.com or contact Donna Higgins, President and CEO, at donna@higgins-group.com.