



Partnerships in Clinical Trials Podcast

A discussion with:

Solomon Babani, Director of Outsourcing and Vendor Management,
Celtic Pharma and Therapeutic Development Services

Karen Sobel Lojeski, PhD,
Professor at Stony Brook University
Founder of Virtual Distance International

Karen Sobel Lojeski, PhD

Can you start out by telling us a bit about your background and your award-winning discovery of Virtual Distance?

Karen: It's an honor and privilege to be doing this podcast with Sol, my background is actually a little unique. I started out as a computer science and applied math major, so I was quite a technical person. Then as my career evolved, I got much more in to strategy and corporate development and strategic planning. So my background is one in which I have both a technical perspective as an engineer as well as a strategic bend, as I have spent most of my time in management or executive positions either in the financial service industry or the management consulting industry before I entered university life.

And as far as my discovery of virtual distance goes, I was having a lot of questions pop up in my mind in the late 90s about whether or not teams were really performing as well as they were when we didn't have as much technology as we have today. I had some doubts about that. So I took a sabbatical from my career and went back for my PhD, and ended up discovering virtual distance, which is actually a real phenomenon that we can measure that shows that electronic communications used in vast amounts, as we use it today, can actually cause teams, especially virtual teams, to degrade in terms of their performance.

Can you share a few insights into how executives can make virtual teams work in the Digital Age?

Karen: I think that the first thing is to focus on the obvious. When I say that, I mean we have tended to have gotten caught up and gone "ga ga" over technology. We call it collaboration technology, and we call things social media technology, and we tend to think that the technology itself is what creates good teamwork and good collaboration. But we're wrong. What creates good teamwork and good collaboration is the people. So the people are kind of there and we know that, but we tend to lean on technology to ensure that we get good teamwork and collaboration.

The second is to understand how virtual distance dynamics are playing a role in the origination.

The third thing is to make it real. When say that, what I mean is, when providing solutions to the company and putting things in place to enhance communication and collaboration, either within the company or across company partnerships, those solutions have to be tied to performance, because otherwise, people will continue to drift in an electronic ether and won't be focused on reducing virtual distance and truly enhancing performance outcomes.

What trends are you seeing with regard to virtual distance among pharmaceutical companies?

Karen: I think the trends I see most is that Pharma companies are focused on innovation and they're particularly sensitive to the issues and challenges of virtual teams, that's no shock, since when virtual distance is high, innovation tends to get hit the hardest. So, Pharma companies have really realized this in a very acute way as they continue to leverage and use technology but get into more virtual team environment as opposed to a more traditional environment. Because they're realizing this, and taking action on it, I think the trends in the Pharma companies, compared to other industries, is that they're probably making a little better progress on this issue than other companies are. They're more willing to look at and address the issues.

Solomon Babani

Can you please tell us about your background and the model you are now working in at Celtic Pharma?

Sol: It's a privilege for me to be speaking with Karen at this upcoming conference in April. Prior to joining Celtic, I worked both for biotech and large Pharma, primarily in an outsourcing capacity. Now at Celtic, I'm supporting both of our private equity funds, both Celtic Pharma and Celtic Therapeutics as the head of outsourcing and vendor management, which crosses the entire drug development spectrum, including preclinical, and clinical, regulatory and manufacturing activities. I'm also responsible for cultivating and building the relationships with all of the suppliers, consultants and vendors that we use within Celtic Pharma and Therapeutics.

As a member of the Partnerships in Clinical Trials Advisory Board and speaking faculty, what are the most important trends you're noticing in the clinical development space right now?

Sol: There's one particular trend that was actually highlighted at last year's conference by Professor Clayton Christensen. In his new book, *The Innovator's Prescription*, many of you will know him from his previous book *The Innovators Dilemma*, he describes in his new book about the disruptive transformation that's already underway at the disintegration of the Pharma industry. He believes that the driver of the disintegration in the Pharma industry is outsourcing. The industry's leading integrated competitors,

while they're trying to pursue greater profitability, they start by outsourcing their most lowest value adding activities to low cost suppliers, in this case it would be CROs, and little by little the industry's leading companies do less and less of their own work and they outsource more and more. This moves up the value chain.

And this is what we're seeing in the drug development space. It's being pioneered and lead by virtual Pharma and smaller biotech companies. There are a lot of trends of this nature being see in large Pharmaceuticals as well.

Tell us why you are so intrigued by the topic of virtual distance and why you think the attendees at Partnerships in Clinical Trials should take special notice of this workshop

Sol: A little over two years ago, I had the opportunity of attending a conference where Karen was speaking, and she introduced the concept of virtual distance. As she's just explained, there is a perceived distance between two or more people when their primary method of communication is not face to face. The principle goes so far in highlighting why there are a lot of difficulties between CRO and sponsor relationships. In our industry, we work in virtual teams every day, the very nature of a CRO/Sponsor team is a virtual team. I believe that there are a tremendous number of lessons that can be learned from the concept of virtual distance and will help our CRO/Sponsor teams work more effectively and efficiently. And I really look forward to bringing those concepts out during our workshop.

You and Karen are planning on including some interactive exercises in the workshop - what are you hoping to accomplish with the group?

Sol: I think we'd like to come up with different ideas and strategies for overcoming some of the problems associated with virtual distance between CRO and sponsor teams. The primary facilitator for that will be the use of specific case studies that we plan to bring in that will help the individuals in the workshop perform these interactive exercises. I don't want to give away too much, because I want to have people come and find out for themselves!