

What's Culture Got to Do with It?

**With Alliances, Everything. But Developing a True Partnering
Capability in Your Organization Is a Journey That Has No End**



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Your Organization's Culture:

What's It Got to Do with Your Partnering Capability?



Everything. But What That Means, and How You Get Better at It, Is a Journey That Never Ends

By Michael J. Burke

In our previous issue's cover story ("Connect the Dots," Q3 2023), we looked at company strategy and how that aligns—or doesn't—with partnering activities. In this article we'll examine the relationship between organizational culture and partnering capability. Why? Because while culture may eat strategy for breakfast, lunch, or some other meal, its influence over what people actually do within organizations is undeniable. That certainly applies to partnering: from senior leadership to internal dynamics to ways of working to partner selection—all of it influences how, and even whether, partnering takes place, as well as what it's like in practice to work with a given company.

Culture itself can be hard to define, but we'll explore some of the things that go into building a true *partnering* culture: things like C-suite involvement and executive sponsorship, top-down and bottom-up communication around partnering decisions, the determination to seek areas of common value with partners, and having a focus on looking externally for sources of value and innovation.

Getting there requires keeping partnering skills and practices sharp; it's the constant development and nurturing of a mindset that's inclined toward collaboration. It's also an ongoing journey—and one that has no end.

Take It from the Top

One generally agreed element that greatly improves the chances of a partnering effort proving successful is support from the top. Call it executive sponsorship, C-suite engagement, or simply understanding and buy-in from senior leadership—by whatever name, it's critical to partnering capability.

"When I think about my clients that really have a partnering culture, that really have focused on working together with other companies, the CEO is almost always involved in the alliance efforts," said **Peter Simoons**, CSAP, alliance leadership coach, head of Simoons & Company, and cofounder of Alliance Accelerator.

"[In] the trainings I've provided to clients, when the CEO is involved the company culture is completely different," he continued. "Involved" can mean that, in one case, we have a CEO that has an opening video for the training we do, and is really

talking about the win-win-win: a win for the company, a win for the client, a win for the partner. So what that says is, the way we act internally influences the way we act externally."

In another case, Simoons recalled, the company's CEO not only sat in on the alliance training, but actually stayed for the whole day. It makes a difference when the chief executive clearly signals such interest in, and support for, the partnering effort.

"I think it comes down to senior leadership support combined with the culture of the company," Simoons said. "Companies that are bad at [partnering] are very self-centered. The companies that are good at it are looking for the long term."

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This extends as well to the language used around partnering and alliances, Simoons added.

"People within companies often talk about partners as being suppliers, vendors, or whatever word they use—a distant word. But successful companies don't talk about vendors and suppliers; they talk about partners. They treat them as partners; they treat them as 'us' instead of 'you' versus 'we.'"



“Partner of Choice” Is a Conscious Choice—and a Long Haul

That C-suite involvement, influence, and support also prevail at Bristol Myers Squibb, where **Patrick Gliha** is executive director of global alliances. The culture influences not just the support for partnering, but how BMS seeks to act as a partner.

“I think it starts from the CEO and our CEO’s staff level on down,” Gliha said. “Our leadership at BMS from the top down does talk about being a partner of choice. Everyone has that focus, and when you think about it from an alliance team perspective, it’s a recognition that there’s a lot of competition for partnering opportunities and dealmaking in the space. So much of our reputation as a partner is built on what happens *after* that deal is signed.

“Our leadership from the top down does talk about being a partner of choice. Everyone has that focus.”

“We talk jokingly about our business development, our transactions team, that they sort of ‘date’ the partner—but we marry them. We’re there for the long haul and we have the opportunity to really take that relationship and grow it and solidify it, recognizing that the world we operate in is a small one. People will go on to different companies, they’ll start new

companies, so how we behave as a partner after the deal is signed as we go through that research term or collaboration term is so critically important.”

Support from the C-suite is also a two-way street at BMS, where the alliance teams are linked back up to senior leadership and thus are part of discussions carried on at higher levels. This linkage is also key to the building of a partnering culture, according to Gliha.

“We’re fortunate,” he said. “**Janeen Doyle**, our senior vice president who leads global alliances, sits on the extended leadership teams for both our head of research and development and our head of global drug development. She’s a regular participant in the commercial leadership team’s meetings. So they’re naturally building in the opportunity and that spot check for partnership updates.

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“When we have really meaningful issues, we can go right to the top if we need to. Now of course that’s never the option you always want to go to, but I think that helps set the stage: *This is important*. If you think about that next level down of



leadership, myself and others on Janeen's leadership team have good rapport and interaction with leaders in our various functions. So when those issues do arise, we have the right connections and the right involvement where we can address them and hopefully move past them quickly and take the right course correction."

New Order at Novo Nordisk

At Danish pharma giant Novo Nordisk, the CEO was also instrumental not only in supporting alliances, but in actually helping the company transition from being an essentially inward-looking insulin provider to being more focused on looking externally for innovation. In this case, it was a new CEO, **Lars Fruergaard Jørgensen**, who took the reins at the beginning of 2017 and began to make changes—informed by, among other things, his previous experience with alliance management.

"His career has spanned roughly 30 years at Novo Nordisk," said **Bo Skaaning Jensen**, senior alliance director for early innovation, outreach and alliances at Novo Nordisk. "He has been instrumental in leading our corporate development, a role that not only encompassed corporate strategy but also extended to business development and alliance management functions. Indeed, he was the pioneer behind the establishment of the alliance management function, originally implemented in 2008."

And that was fortuitous, because Jørgensen evidently saw that the company needed to go in a new direction—one in which partnering would be absolutely essential.

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"When he assumed his role, he posited a clear vision that the strategies which had propelled Novo Nordisk to its status as a highly established, well-regarded company in the diabetes field, and the primary global producer of insulin, would not necessarily pave the way for future advancements," Jensen said. "From the outset, he communicated that his intention was to broaden our horizons, welcoming more external influences on our operations, and moving from a 'not invented

here' mentality to an organization that would perceive external innovation as opportunities rather than competition."

Ambassadors for Collaboration

The effort moved forward and expanded with the hiring of others experienced in external innovation and partnering. This followed from what Jensen called a "vision of getting in people from the outside who have gained experience in other biotech and pharmaceutical companies, such as the present EVP for research and early development and chief scientific officer, **Marcus Schindler**. They have directly engaged in external partnerships and innovation, thereby possessing a thorough understanding of the implications of working with external collaborators.

"The changes started at the top, yet within the research and development organization, as well as in commercial, there was resistance to these changes. The sentiment echoed was, 'We have achieved significant success thus far, so why should we change?' Nevertheless, persistent communication and continuous adaptations within the organization to foster closer ties with the external world gradually persuaded individuals to be considerably more receptive to this transition. It can be compared to learning to ride a bicycle for the first time: it requires practice, and the more advanced in years and experience you are, the more challenging it becomes to develop new habits."

"The changes started at the top, yet there was resistance to these changes: 'We have achieved significant success thus far, so why should we change?'"

Meanwhile, Jensen said, "A significant number of people, including those in alliance management, were already deeply involved in collaborations. We viewed, and continue to view, ourselves as ambassadors for external collaboration."

Strict but Fair in an "Industry of Failure"

Such a shift, of course, doesn't happen all at once. It's indeed a "journey," as Jensen emphasized, and an ongoing exercise in culture change—if not culture shock.

"The way we have seen the journey unfold is a top-down pressure—*this is what we need to do*—but also a bottom-up experience that this is actually something that teaches us new



technologies and new insights we have not had beforehand,” Jensen explained. “We then made a systematic effort to engage with our partners, both those with whom we had agreements and those with whom we never finalized any deals, asking them: ‘What are you seeking from a partner?’ Technical expertise and collaborating skills. ‘How would you rate Novo Nordisk in this range of skills and capabilities?’

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“We used this approach to pinpoint our strengths, and to identify areas requiring additional attention. Upon implementation, it became abundantly clear that our responsiveness and timeliness when interacting with partners needed improvement. For a small team managing a multitude of inquiries, the tendency is to address them as they appear in the inbox, starting from the top. However, this approach falls short if the goal is to be perceived as a reliable partner. It’s crucial to have an adequate workforce to effectively manage all inquiries and interactions with various partners, and to do so in a timely manner.”

That led to changes in staffing in business development, search and evaluation, and finally alliance management, according to Jensen, in order both to embrace external innovation as part of the corporate strategy—and to be more partnering-ready, come what may.

“Executing on the strategy is just one aspect,” said Jensen. “Once you’ve embarked on this journey and established your initial partnerships, we’ve all experienced their failures time and again. This is an industry of failure—that’s a given. However, when the technology fails to meet the goals you’ve set, you want your partners to feel that this is a company they would want to collaborate with again in the future. Therefore, it’s vital to ensure you’re perceived as being strict but fair in your business dealings, and as someone with whom it’s easy to collaborate and find solutions.”

What Do Partners Want?

Does the picture look much different on the tech partnering side? Yes—and no.

One of the biggest differences between biopharma and technology partnering lies in the roles of business development and alliance management, which tend to be separate in biopharma and more or less consolidated in tech. This applies to partner analysis and selection—finding the fit between your company’s products or solutions and those of other potential partners. Are they complementary? Can they integrate? Can you work together to develop, build, and scale something that’s better and more valuable than either of you could create alone?

In other words: Can you be their partner of choice—or are they just not that into you?

“There needs to be a common goal,” explained Neil Blecherman, CSAP, technology alliances and partner program director at Nutanix. “To the ‘partner of choice’ question, that could mean: I want their salespeople to think of us first when the following circumstance—healthcare, government—[is involved]: ‘Yes, Nutanix is excellent at this.’ To an executive, a partner of choice is someone with whom [they] might do codevelopment, coinvestment. If ‘partner of choice’ is about the engineering team, then it’s ‘I want to partner with them to fill in a gap in my [product] roadmap.’ So ‘partner of choice’ has to have context.”

“To be a valuable partner, you have to understand *who* they are, and meet them *where* they are. You must find *common value*.”

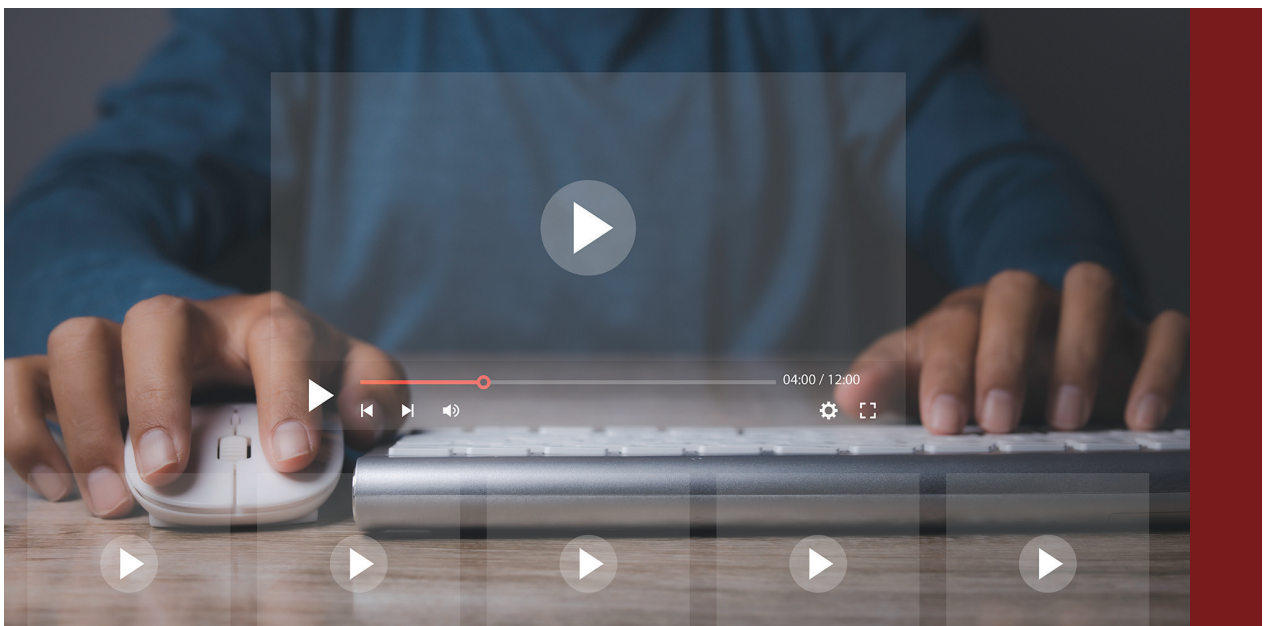
“This is what I always proselytize to my own team: To be a valuable partner, you have to understand *who* they are, and meet them *where* they are. You must find *common value*. The way I like to express it very concisely is: ‘Name of company’ likes to partner with companies that ‘fill in the blank.’ What I would ask my team is, figure out for each of your partners what that sentence looks like. That’s how you become a partner of choice—by understanding, what do they want?”

Listening for the Jingle of the Coin of the Realm

Blecherman illustrated this point with an anecdote about a former colleague, a chief strategy officer. This “insanely smart guy,” Blecherman said, urged him to “identify the ‘coin of the realm’ of the company you want to work with. What is it that they want more than anything else? And work it into your strategy. What are they after? Can you help them, or can you find other value propositions with them? Because being the partner of choice is not about talking—it’s about listening.”

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And if you listen very hard, you can almost hear that coin of the realm jingle. But you have to know where to look, and listen. Blecherman recommended starting not with a Google search, but with YouTube—specifically, any speeches or presentations the executives of your potential partner have given recently.



“Especially at Davos, the World Economic Forum, for some reason they all think they’re not under NDA, because they start talking about all their secret stuff and it’s really interesting,” Blecherman confided. “It’s a great way of understanding, at an executive level, what’s this company up to? How do they view their macroeconomic barriers? What is the company trying to achieve? But also, when you say ‘partner of choice,’ the second order of finding common ground is: What is the individual in the room trying to achieve? And what is within their power to agree to? Sometimes that’s a little harder to figure out.”

The Whole Enchilada: Finding Mutual Value and Common Ground

The Delphic maxim “Know thyself” certainly applies to organizational culture: *What are you trying to achieve?* But as Blecherman noted, it’s also about knowing the partner—and jointly identifying that “common value” that will solidify your partnering relationship and make it fruitful.

Sometimes breaking bread—or warm tortillas—can help.

Blecherman recalled another former colleague who sought greater understanding in a more relaxed, convivial environment—chatting over Mexican food with members of the partner’s software development team.

“He would take the top five developers out for dinner,” Blecherman said. “What followed was honest discussion with mutual value, and he would return to the office with a strong understanding of the partner’s success metrics for their product roadmap, how we could help each other, and the resources required.”

Lest this seem trivial or opaque, Blecherman elaborated that the information shared was quite valuable indeed—and it flowed in both directions.

“We understood who could provide us with insight and common ground,” he said. “And we spent extra time nurturing those relationships. This was a core engineering team where we found value we could bring to them, and they provided us with roadmap insight that revealed the priorities of their company, what their coin of the realm was—and was it shifting? And we treated those engineers really, really well. Our goal was to make them heroes inside their company. We provided them with information that helped them do their job—you have to give something to get something—and in turn they kept us apprised of what they were doing, which was a leading indicator of corporate priorities.”

“Find the influencers, and treat them with respect. Make them heroes inside their organization, and they’ll help you too.”

The key, Blecherman said, is: “Find the influencers, and treat them with respect. You must understand who the people you’re talking to are reporting to, and how they’re measured. Make them heroes inside their organization, and they’ll help you too.”

And if you can do that over tacos and enchiladas? That’s a win-win.

Great Expectations

In partnering, reputation is key—that’s one meaning of “partner of choice,” after all. But appearances can also be deceiving, according to Blecherman.

“When I hear that a company is difficult to partner with, it could be a corporate culture issue, no question,” he said. “It could also be that you’re not providing the value they want. They could be difficult—or it could just be a misalignment of objectives. And it could also be that you’re talking to the wrong people—you’re partnering in the wrong place. It could be a misalignment of goals, or a misalignment of the people.”

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Other internal dynamics can also create misalignment—internally and externally. Which brings us back to the C-suite, where leaders sometimes have unrealistic expectations about what particular partners will bring to the table.

“Executives at different companies each have their own view of the value of partnerships within their company,” said Blecherman. “But how executives view partnerships is important. What becomes a problem is when executives expect things that their partnership team can’t deliver. If they’re expecting sales from a specific partner, but the sales cycle from that partner is long, that’s just going to cause frustration. ‘Where



are the numbers? Why am I investing five people in this partnership, and I haven't seen ROI yet?"

Nonetheless, he said, getting executive buy-in for partnering is absolutely essential. In fact, he suggested that executive support is likely "the number-one factor" in successful alliances.

"You have to have executive sponsorship or approval—at a minimum level," he said. "Because executives write checks and assign people. They control budgets."

"We Are on This Journey Still"

Indeed they do. Back at Novo Nordisk, Jensen has been fortunate to see staffing increases in his group: from three alliance managers to 13 in the space of a decade. But with that bump up in headcount there's also been an increase in workload, and thus a greater demand to prioritize activities and resources.

"The tasks we had 10 years ago were different from those we have now," Jensen acknowledged. "Things we had time to take care of 10 years ago—we don't have time to do that anymore. As such, we've developed an alliance management framework which helps us to prioritize our partnerships. This raises key questions: Where are we allocating our resources? What types of activities do we engage in and support? How do we train our organization? How do we liaise with both our internal and external stakeholders to ensure the smoothest collaboration possible? It's fair to say we are very much on this journey still."

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That journey continues to include plenty of internal education within the organization, but Jensen says the situation is improving. The proof? He only has to explain the role and function of alliance management "about once a month now!"

Honing the Partnering Blade

At BMS, the goal is still to be the best partner possible. Gliha said that covers everything from better communication, openness, and transparency to everyday "ways of working."

"We are partnering with these companies for a reason," he reminded. "They're bringing something that is complementary or that BMS doesn't have or something we believe is truly novel and transformative—and they are our *partners*. They are not a vendor, they are not a company that we call the shots and we run this thing. We are doing this hand in hand, we're going to be data driven, we're going to have good, robust conversations, we're going to look for alignment. We really strive to not be that big biopharma that comes in and says, 'Well, this is the BMS way and this is how we're going to do it.' We just don't think that's how you build strong relationships and strong partnerships."

"We are partnering with these companies for a reason—and they are our *partners*. They are not a vendor, where we call the shots and we run this thing. We don't think that's how you build strong partnerships."

And those relationships should be built strong enough so that they might even survive an alliance termination, all too common in biopharma.



“At the end of the day, we do work in a business that unfortunately is one of failure,” Gliha acknowledged. “Science is hard, drug discovery is hard, and a lot of these [collaborations] aren’t going to work out because we’re looking at new and novel and transformative things. So how we behave as a partner during the time that we are working together is so important, because if we do get to a point where we say, ‘OK, the data isn’t there, this approach isn’t going to work,’ it doesn’t mean that there aren’t going to be things we work on in the future, that there’s not going to be another opportunity. That’s what we always want to have. We want people to say, ‘Hey, this didn’t work out, but it was a great experience and we would absolutely partner with them again.’”

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It’s not easy to get there and stay there. BMS employs a center of excellence, along with a best practices manual, regular trainings and lessons-learned forums, and other means to share information and constantly keep the partnering edge sharp.

“It definitely takes effort, and we have to be mindful that we focus on it,” Gliha concluded. “We have a pretty large portfolio of external alliances, and it’s easy to get really focused on execution. You’ve got a million things going on, and everyone’s got a bunch of balls up in the air. But we also have to create that time and space to step back and say, ‘OK, are we living up to our mission, our goals, which is to be that best partner? What are we doing right, and what could we do better?’”

“No Magical Button”: Culture as a Continuous Process

Ultimately, partnering capability in an organization depends on all of the factors described above.

“It’s the C-suite, it’s the culture, but you also need to realize that alliances are created between organizations but they’re driven to success by the people and their personal relationships,” said Simoons. “So it really comes down to the execution on the level where people are involved—and based on the culture of the company, those people who focus on relationship building and not necessarily on short-term results.”

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Can such a culture be built up in an organization from scratch?

“The short answer is yes, and the long answer is it takes a lot of time,” he said. “It needs a lot of time, a lot of involvement by people to really help change that culture. There’s no magical button we can press.”

The companies that do partnering well, Simoons summarized, have one salient feature in common.

“They understand that it’s never done. They’re never ‘excellent’ in partnering because the needle keeps on moving. It’s a continuous process in that respect—you always need to stay on the ball and keep an eye on things that are going on within the company and with the partners. The good companies do that. And constantly keep working on the relationship—that is essential.” ■

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As a practitioner of collaboration in a variety of perhaps non-traditional alliance functions myself, I've found so many key elements of partnering and collaboration management for synergistic outcomes were perfectly encapsulated by ASAP's offerings.

—Kevin Little, CSAP
Senior Partnership Director
Novo Nordisk