Pharmaceutical Training & Development Landscape

June 2016
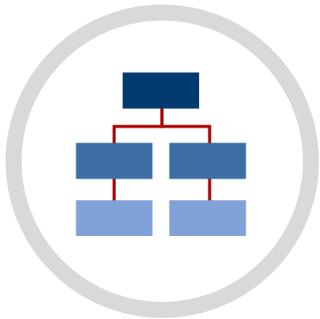
LTEN

LIFE SCIENCES TRAINERS & EDUCATORS NETWORK

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Who Is TGaS?

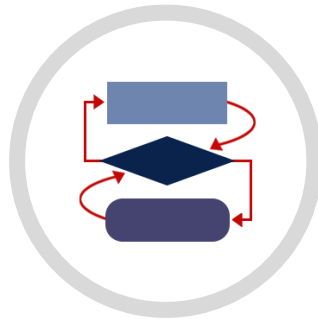We help learning and development professionals answer the question…

"How do ~~other~~ *should* companies do 'it'?"®

Structure	Resources	Processes	Curriculum	Technology

Our Network is Broad and Deep

A Note About the Data

| IS	• A landscape view of key trends in Training & Development departments in the Pharmaceutical industry • Based on a sample size of approximately 27 companies

IS NOT	• A benchmark based on rigorous analysis of peer set data • Analysis of T&D capabilities within participating companies • Customized recommendations and next steps

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Survey Demographics

Survey Demographics

What is the scope of your training responsibility?

Please state your company's 2015 Revenue:

Participant Breakdown
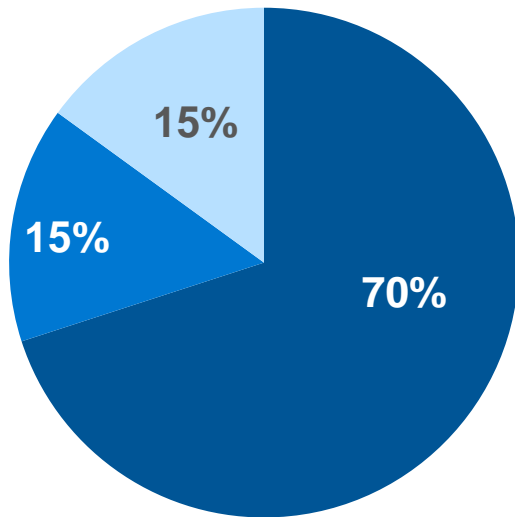
- ■ U.S. Only ■ Global (Including U.S.) ■ Other
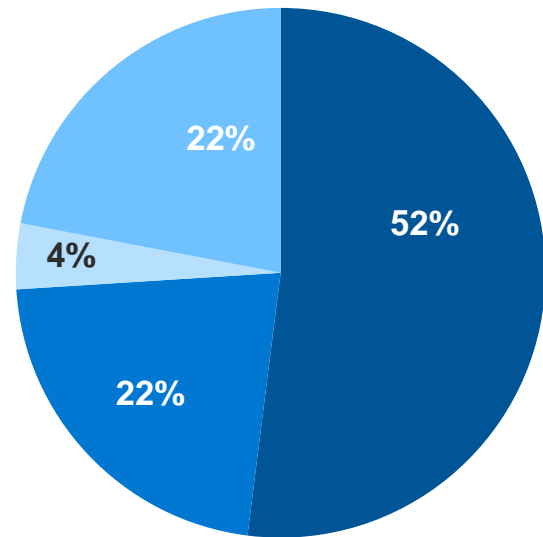
Company Revenue

- ■ Over $3B ■ $2B to $2.9B ■ $1B to $1.9B ■ Less than $1B

N=27

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Functions/Areas Supported – *By Company Revenue*

Please provide the following information about your sales organization:

	Over $3B	$2B to $2.9B	Less than $2B
Number of products currently supported by the T&D function	10	7	2
Number of sales forces	6.6	4.0	2.4
Number of Sales Representatives	1,030	1,432	198
Number of Account Managers	232	138	10
Number of District Managers (1st line Sales Managers)	133	137	20
Number of Regional Directors (2nd line Sales Managers)	20	23	6
Number of Marketing professionals	90	41	6
Number of "Other" departments supported by T&D	49	19	3

N=27

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Commercial Learning Department Management

Customer Question

"What is the secret to success for driving training/business outcomes when the amount of time you have to train has been reduced substantially (i.e. no or limited face to face post initial training)?"

Number of T&D FTEs

Please provide the number of FTEs for the following within your training department:

	2015 Average	2016 Average	Change
Total Training & Development Department FTEs	24.1	21.0	🔻
Department leaders (Directors, Executive Directors, Vice President)	3.8	2.8	🔻
Training Managers	6.5	5.5	🔻
Trainers	15.4	13.1	🔻
Learning Technology Operations	4.3	5.5	🔺
Instructional Design	1.3	2.0	🔺
Administration Coordinators	3.6	3.1	🔻
*Other	4.8	2.8	🔻

N=28   N=27

*Other responses: Meeting Planning, Commercial Home Office, Consultants, and Project Managers.

Enabler – Resource Utilization

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Customer Question

"If you staff your departments with former sales reps, how do you build long term training acumen and expertise?"
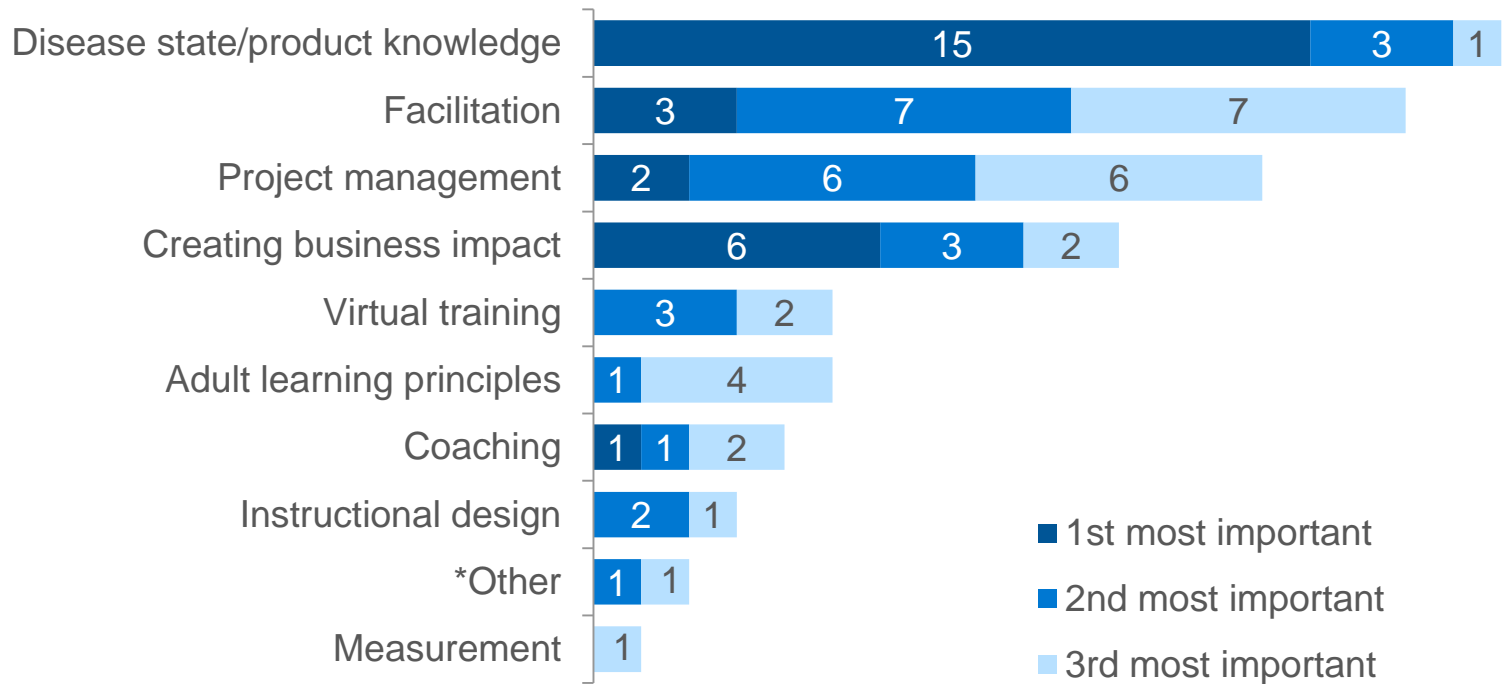
Trainer Competencies

Which of the following topics are the top 3 most important Training & Development competencies for your trainers? N=27
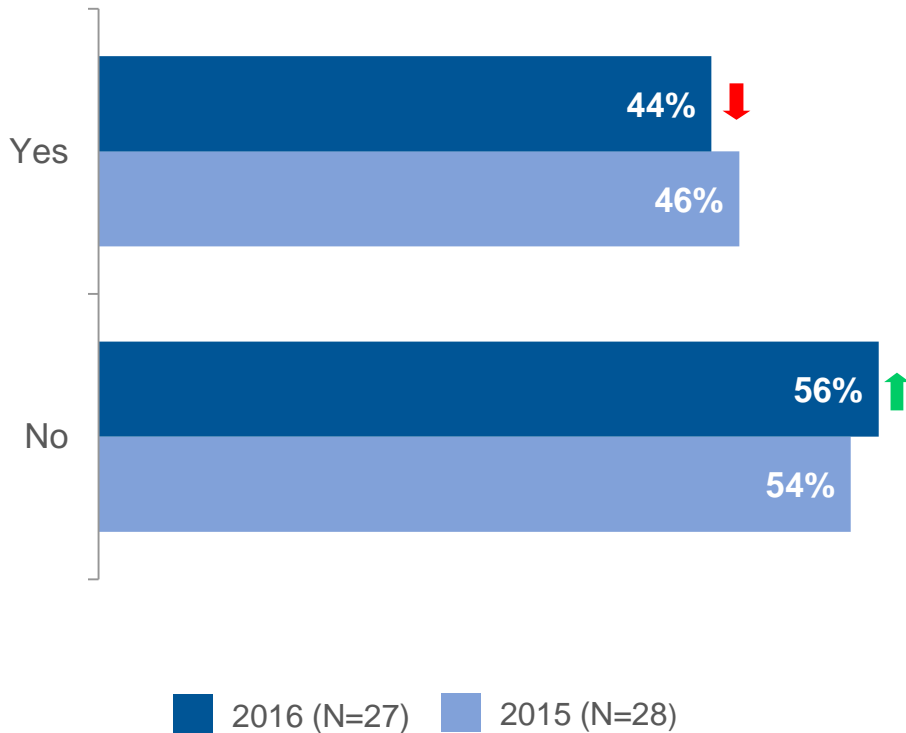

*Other responses: FLL Coaching Enhancement and functional job knowledge - Product, Access Solutions, Managed Care, leadership, etc.

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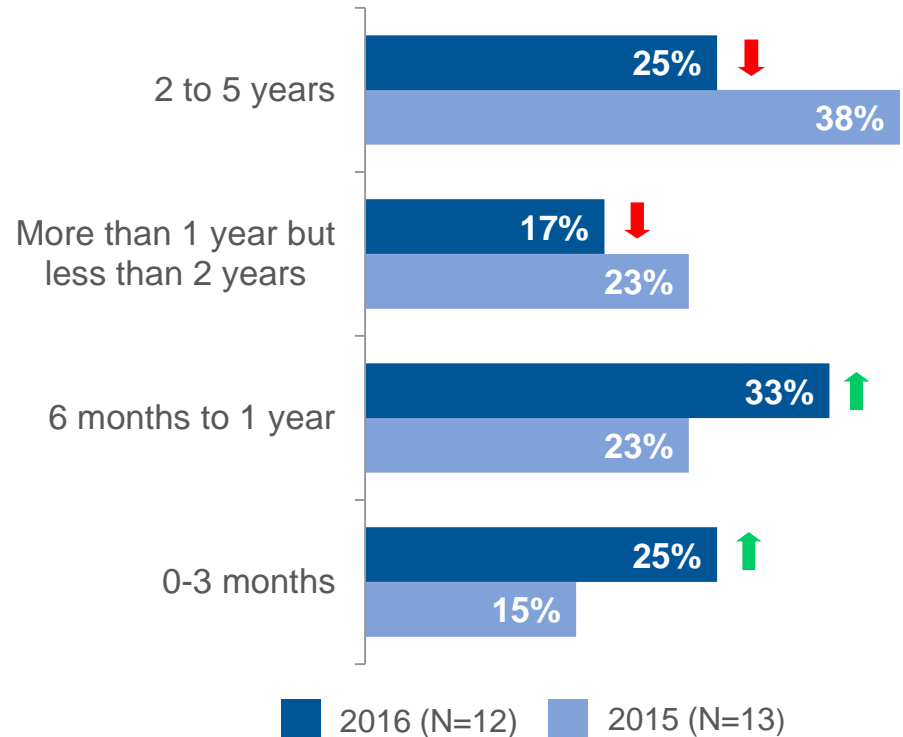
Home Office Trainer Assignment

Do you have a rotational program for field sales representatives to take an assignment as a home office trainer?

What is the typical length of an assignment as a home office trainer?

Rotational Program

Yes
- 2016: 44% ↓
- 2015: 46%

No
- 2016: 56% ↑
- 2015: 54%

■ 2016 (N=27)   ■ 2015 (N=28)

Length Of Assignment

2 to 5 years
- 2016: 25% ↓
- 2015: 38%

More than 1 year but less than 2 years
- 2016: 17% ↓
- 2015: 23%

6 months to 1 year
- 2016: 33% ↑
- 2015: 23%

0-3 months
- 2016: 25% ↑
- 2015: 15%

■ 2016 (N=12)   ■ 2015 (N=13)

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Field Trainers

Does your organization have field trainers?

Please select the best statement that best fits the roles and responsibilities of your field trainers.   N=18

No, 33%

Yes, 67%

N=27

- *Our field trainers **have** the promotional responsibilities of a sales representative with the added responsibility of peer education and coaching (**70%**)*

- *Our field trainers **have no** promotional responsibilities; they are full time peer educators /coaches (**30%**)*
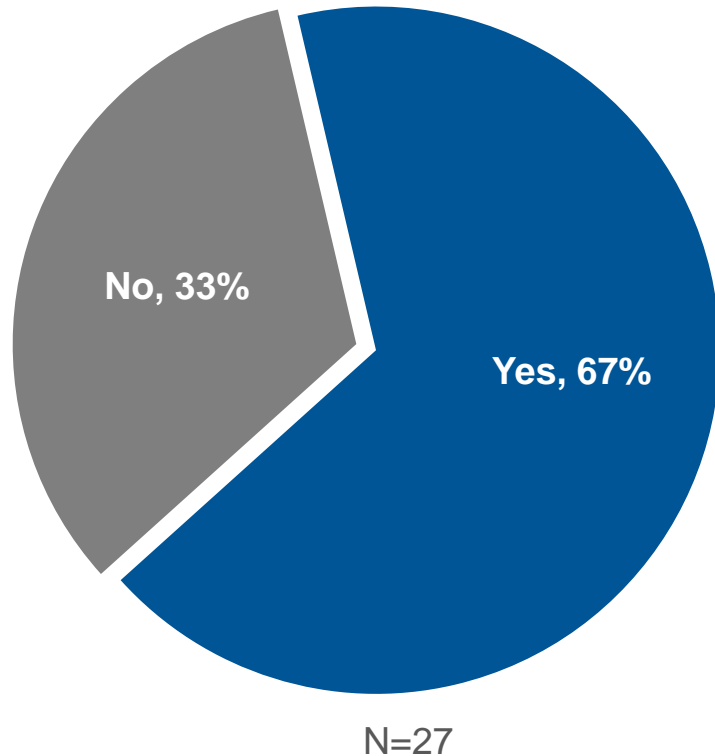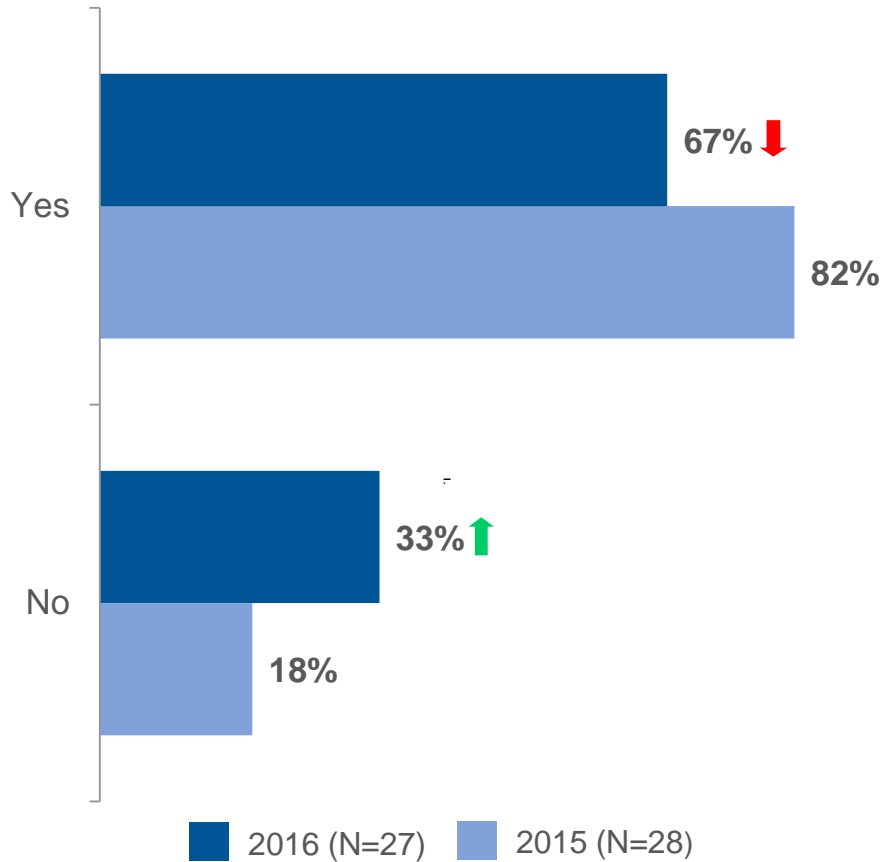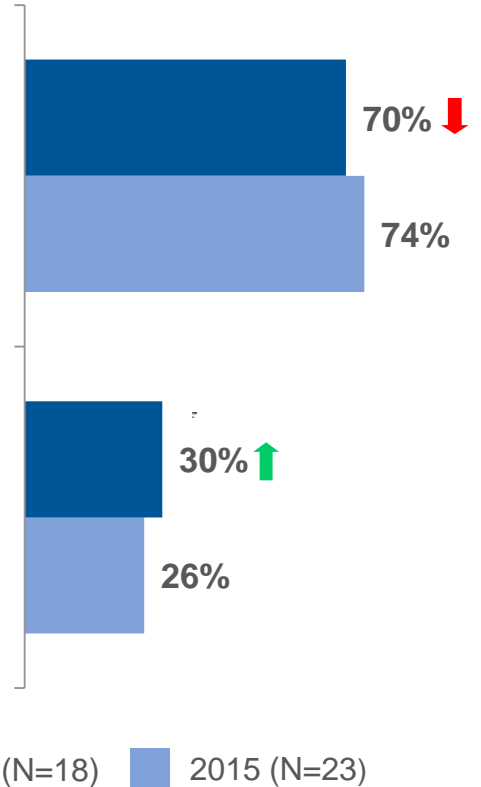
Enabler – Field Trainers

Field Trainers – 2016/2015 Comparison

Does your organization have field trainers?

Please select the best statement that best fits the roles and responsibilities of your field trainers.

Yes
- 67% ↓ (2016)
- 82% (2015)

No
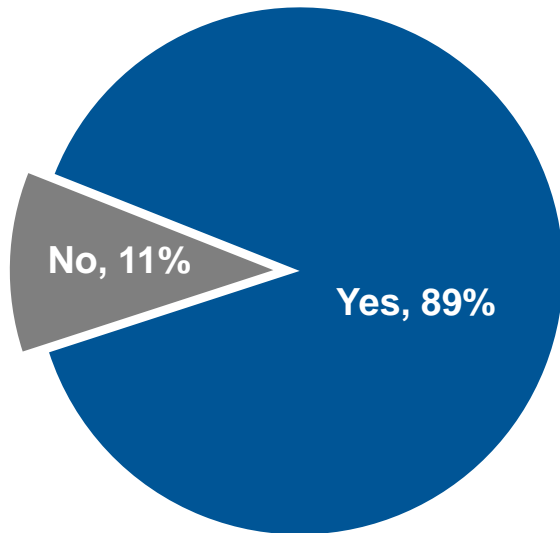- 33% ↑ (2016)
- 18% (2015)

2016 (N=27)   2015 (N=28)

Our field trainers have the promotional responsibilities of a sales representative with the added responsibility of peer education and coaching
- 70% ↓ (2016)
- 74% (2015)

Our field trainers have no promotional responsibilities; they are full time peer educators /coaches
- 30% ↑ (2016)
- 26% (2015)

2016 (N=18)   2015 (N=23)

On-Boarding Training for Field Trainers

Do your field trainers receive on-boarding training?

Please select on-boarding training topics. (Select all that apply)

N=18

N=16

Pie chart:
- No, 11%
- Yes, 89%

Bar chart:
- Facilitation skills: 100%
- Roles / Responsibilities: 100%
- Coaching: 94%
- Soft skills: 75%
- HR / Compliance: 63%
- Personality / Emotional IQ: 44%
- Operations tools training: 44%
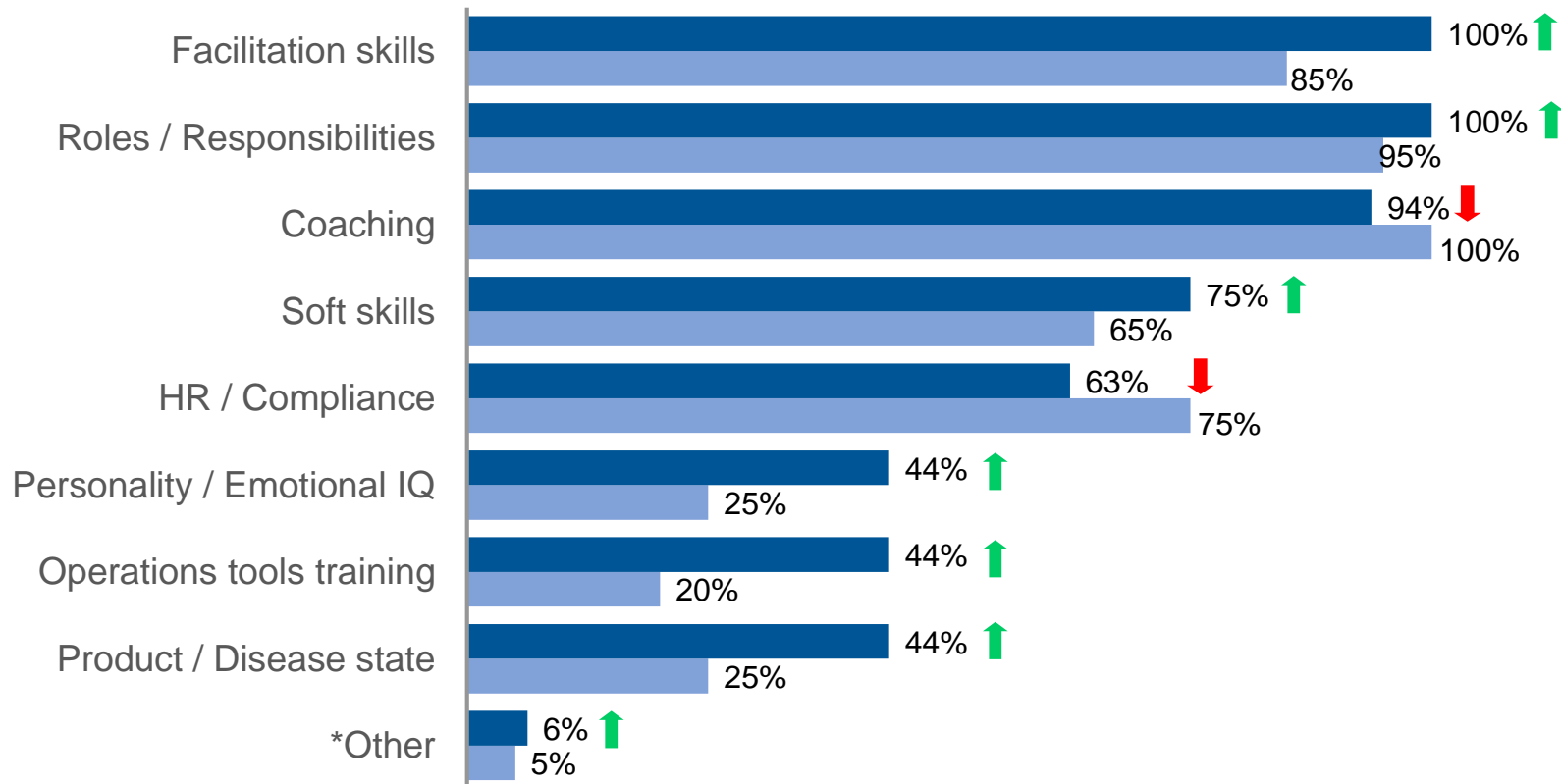- Product / Disease state: 44%
- *Other: 6%

*Other response: Other topics throughout their development dependent on person - situational leadership, speed of trust, assigned a mentor, project assignments, strategic thinking, business acumen.

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On-Boarding Training for Field Trainers – 2016/2015 Comparison

Please select on-boarding training topics. (Select all that apply)
89% of field trainers receive on-boarding training; 2% increase from 2015.

Topic	2016	2015
Facilitation skills	100% ↑	85%
Roles / Responsibilities	100% ↑	95%
Coaching	94% ↓	100%
Soft skills	75% ↑	65%
HR / Compliance	63% ↓	75%
Personality / Emotional IQ	44% ↑	25%
Operations tools training	44% ↑	20%
Product / Disease state	44% ↑	25%
*Other	6% ↑	5%

*Other response: Other topics throughout their development dependent on person - situational leadership, speed of trust, assigned a mentor, project assignments, strategic thinking, business acumen.

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T&D Capabilities

Customer Questions

"How important are competencies to your business leaders and how important are they to you?"

"How do you see the competencies of our area of expertise as trainers changing over time to adjust to the evolution of our industry, and the changing needs of the global workplace population and it's related competencies?"
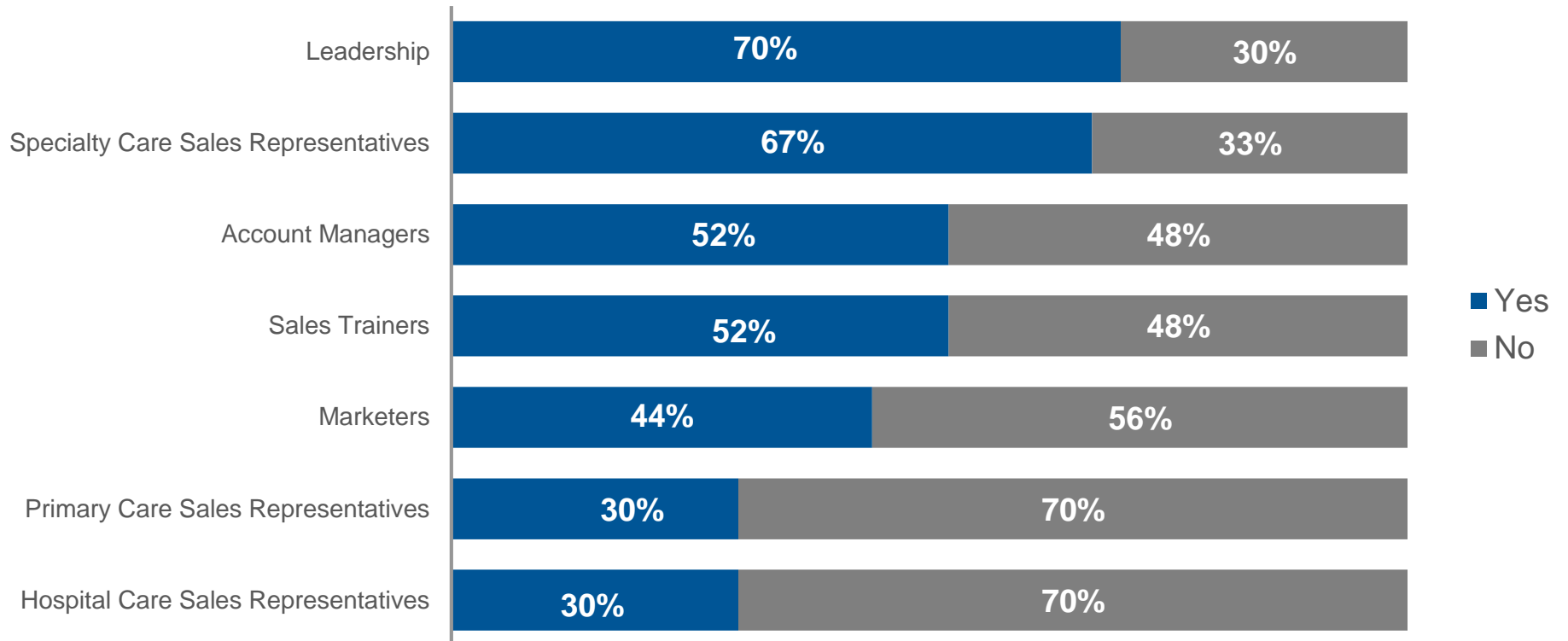
BENCHMARKING

Competency Models

Do you have a competency model for the following roles?

N=27

Role	Yes	No
Leadership	70%	30%
Specialty Care Sales Representatives	67%	33%
Account Managers	52%	48%
Sales Trainers	52%	48%
Marketers	44%	56%
Primary Care Sales Representatives	30%	70%
Hospital Care Sales Representatives	30%	70%

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Customer Question

"Are you using virtual learning effectively, has it made a difference in efficiency? Do you have an LCMS - how do you use it?

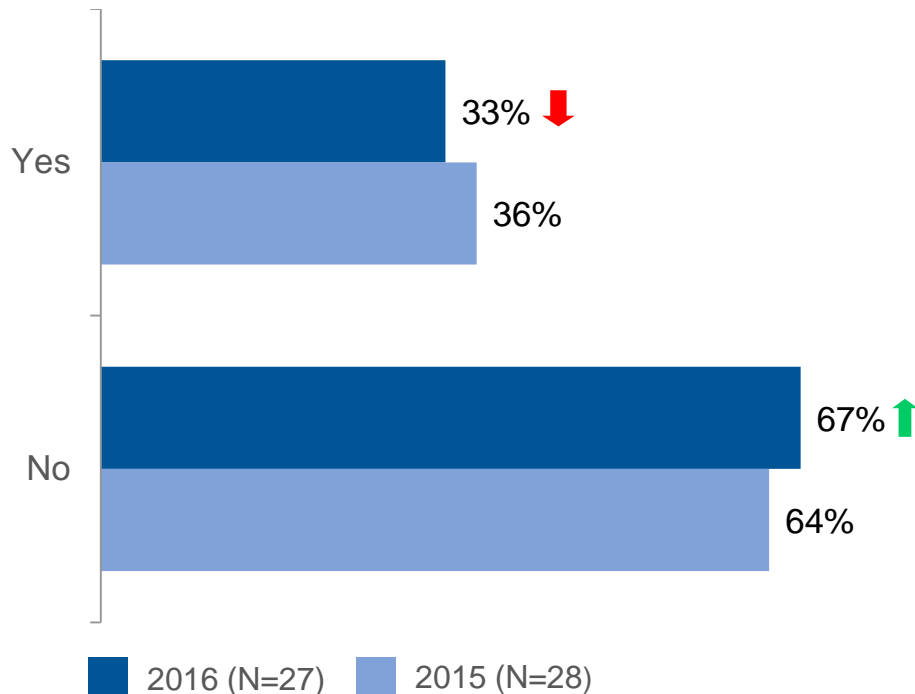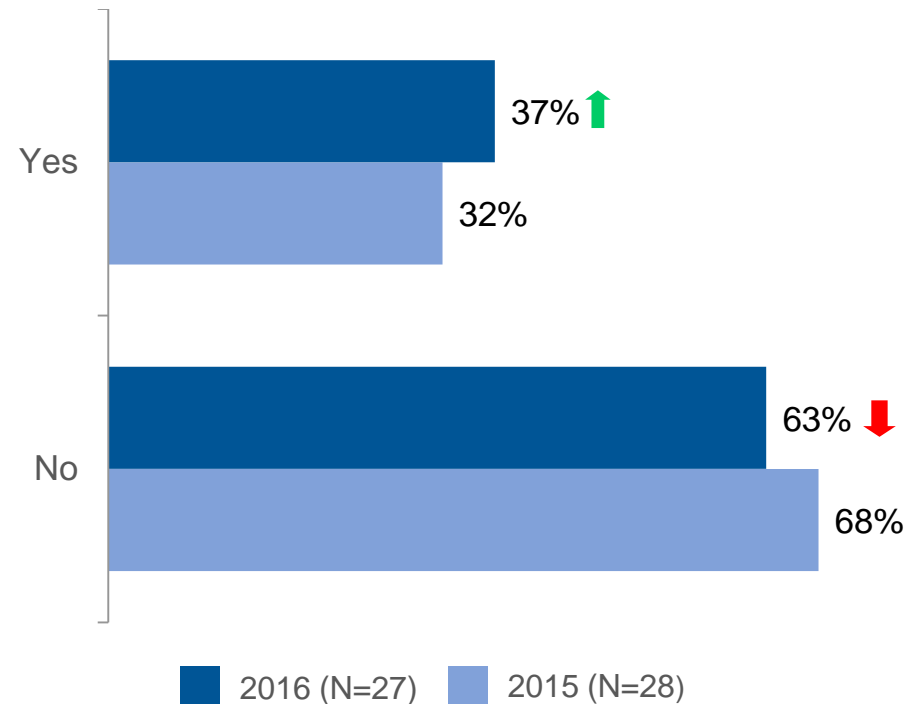*"Beyond technology, how will training and development evolve over the next 3 years?"*

Learning Technology

Does your organization have a formal multi-year learning technology strategy?

Does the training organization have a learning technology road map that shows what technologies are currently used and how they will be leveraged over a three year period?

Chart 1: Formal multi-year learning technology strategy

Response	2016 (N=27)	2015 (N=28)
Yes	33% ↓	36%
No	67% ↑	64%

Chart 2: Learning technology road map

Response	2016 (N=27)	2015 (N=28)
Yes	37% ↑	32%
No	63% ↓	68%

Enabler – Learning Technology

Strategic Initiative – New Technology

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Customer Question

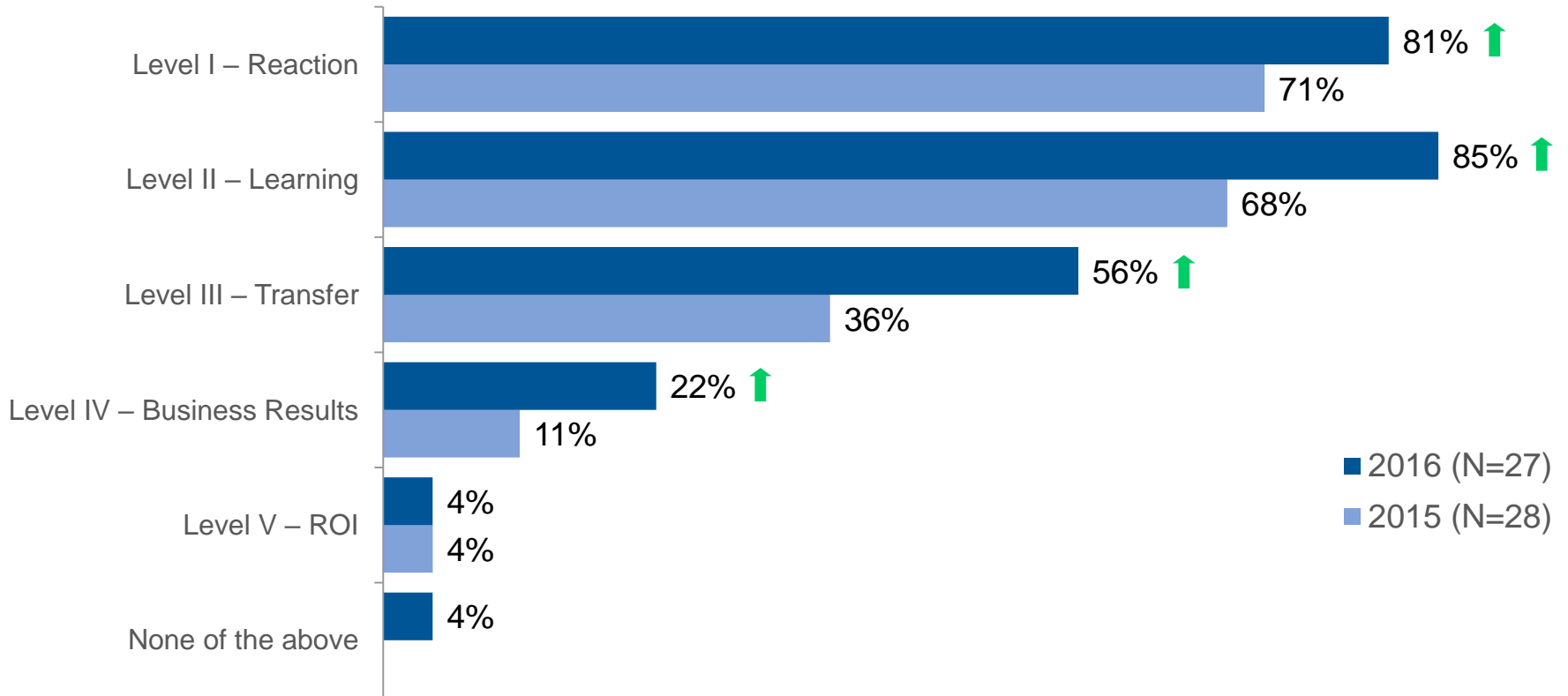*"What are the outcomes you share with business leaders to maintain/grow your budget?"*

"What methods do you use to measure levels 3-5 feedback?"

Measuring Training Effectiveness

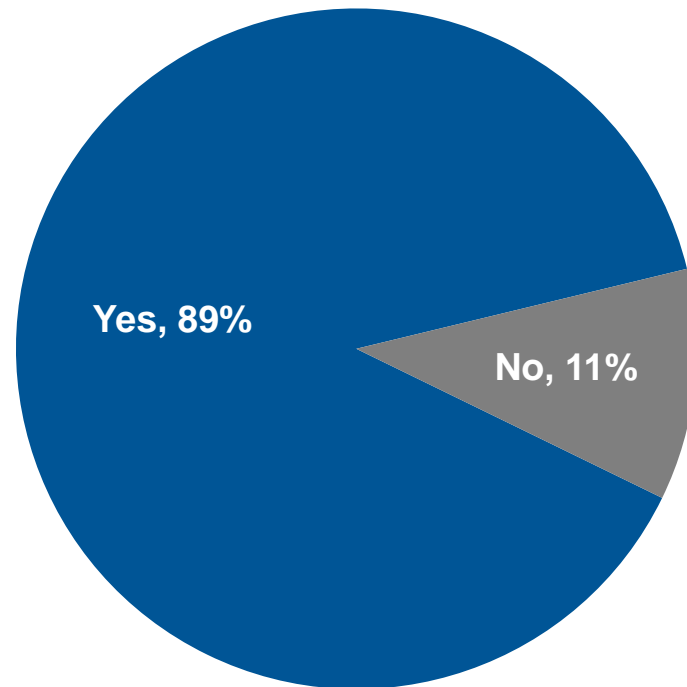*At what level are you currently measuring training effectiveness? (Select all that apply)*

Strategic Initiative – Metrics Program

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Role Based Curricula – *Specialty Sales Representative and Oncology Training*

Specialty Sales Representative Training

Do you have a Specialty Sales Representative training curriculum?

N=27

Yes, 89%

No, 11%

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Specialty – Disease State/Product Knowledge & Sales and Business Acumen

N=24

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
Therapy Area / Disease State	100%	58%	88%	0%
Product Knowledge	100%	46%	92%	0%
Marketing Messaging	96%	46%	88%	0%
Competitive Products	96%	46%	88%	4%
Objection Handling	92%	42%	75%	4%
Selling via Patient Types	83%	38%	71%	13%
Questioning Skills	83%	42%	58%	13%
Formal Sales Model	79%	33%	67%	17%
Pre Call Planning	79%	33%	63%	13%
Negotiation Skills	21%	25%	21%	63%

■ 0-25% ■ 26-50% ■ 51-75% ■ 76-100%

Percentage Training on Topic

■ 0-25% ■ 26-50% ■ 51-75% ■ 76-100%

Percentage NOT Training on Topic

Strategic Initiative – Advanced Training

Specialty – Managed Markets/Market Access

N=24

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
Pull-through Process	75%	29%	38%	13%
Medicare Part D Medicaid	67%	33%	29%	17%
Reimbursement	67%	29%	50%	13%
Pharmacy Benefit Design	63%	25%	21%	25%
Managed Markets Marketing Tools	63%	33%	46%	13%
Formularies, Pharmacy Controls (step-edits), Co-pay	63%	29%	42%	8%
Distribution Segments: Wholesaler, Specialty Pharmacy, Retail	54%	33%	50%	13%
History of Managed Care	50%	21%	25%	38%
Overall Healthcare Trends	46%	33%	50%	21%
Other Government Segments: Federal, Health Exchanges	42%	29%	42%	21%
Hospital Segments: GPO, Hospital	38%	21%	33%	29%
Training on IDNs	38%	29%	38%	33%
Accountable Care / ACOs	38%	29%	33%	29%
Following the Healthcare Dollar	29%	25%	46%	29%

	0-25%	26-50%	51-75%	76-100%

Percentage Training on Topic

	0-25%	26-50%	51-75%	76-100%

Percentage NOT Training on Topic

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Specialty – Compliance and Operations

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
Compliance (General)	100%	21%	75%	0%
Adverse Event Training	96%	17%	63%	4%
SFA Training	96%	13%	33%	4%
Data Analytics and Reporting	96%	25%	38%	4%
Operations (General)	88%	8%	25%	13%
Sampling	71%	4%	13%	29%
Computer Skills	50%	8%	17%	46%

0-25% 26-50% 51-75% 76-100%
Training columns

0-25% 26-50% 51-75% 76-100%
Not covered

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Customer Question

"I'd like to know from small to medium companies how they get vendors to adjust their prices since they all price their programs like we're all big companies with big budgets."
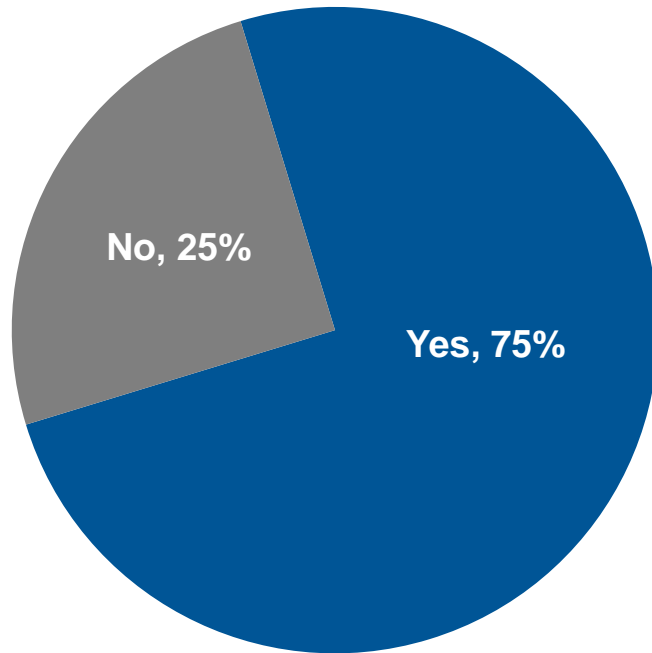
Content Vendor Utilization

Do you utilize content vendors for any phase of Specialty Sales Representative training?

N=24

No, 25%

Yes, 75%

*Please describe:*

- *Initial training and continuous*
- *Home study module creation*
- *Various vendors on various topics, all in advanced training*
- *Managed Care*
- *Assist in the design and development of ILT workshops*
- *Module and workshop development*
- *Our vendor assist with the communication plan and live event to celebrate success of business plan completion*
- *When we need support for workshop development and or clinical process*
- *Product launches*
- *Market access training*

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Role Based Curricula – *Account Manager Training*

Account Manager Training

Do you have an Account Manager training curriculum?

N=27

Yes, 48%

No, 52%

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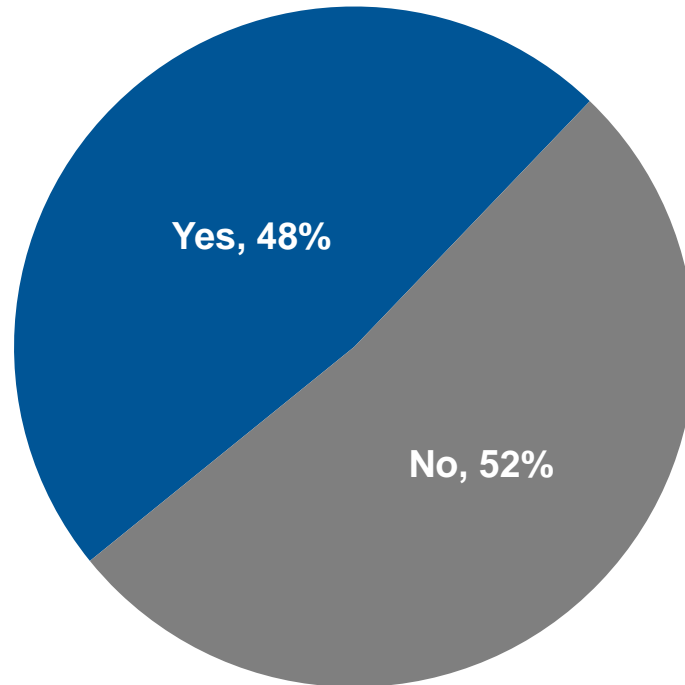
Account Manager – Disease State/Product Knowledge & Sales and Business Acumen

N=13

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
Therapy Area / Disease State	92%	15%	54%	8%
Product Knowledge	92%	15%	54%	8%
Competitive Products	85%	15%	62%	8%
Marketing Messaging	77%	15%	54%	8%
Questioning Skills	62%	23%	46%	23%
Negotiation Skills	62%	31%	69%	15%
Objection Handling	54%	15%	69%	23%
Pre Call Planning	46%	8%	46%	38%
Formal Sales Model	38%	0%	23%	62%
Selling via Patient Types	31%	8%	31%	62%

	0-25%		26-50%		51-75%		76-100%

Percentage Training on Topic

	0-25%		26-50%		51-75%		76-100%

Percentage NOT Training on Topic

Strategic Initiative – Advanced Training

Account Manager – Managed Markets/Market Access

N=13

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
Managed Markets Marketing Tools	77%	31%	85%	0%
Reimbursement	77%	31%	85%	0%
Distribution Segments: Wholesaler, Specialty Pharmacy, Retail	77%	23%	69%	0%
Other Government Segments: Federal, Health Exchanges	77%	23%	69%	0%
Formularies, Pharmacy Controls (step-edits), Co-pay	69%	15%	69%	8%
Medicare Part D Medicaid	69%	15%	62%	8%
Hospital Segments: GPO, Hospital	69%	15%	69%	8%
Training on IDNs	69%	23%	77%	8%
Accountable Care / ACOs	69%	31%	77%	8%
Pharmacy Benefit Design	62%	15%	62%	23%
Pull-through Process	62%	15%	62%	15%
Overall Healthcare Trends	62%	31%	69%	15%
Following the Healthcare Dollar	54%	31%	69%	23%
History of Managed Care	46%	8%	38%	46%

0-25%	26-50%	51-75%	76-100%		0-25%	26-50%	51-75%	76-100%

Percentage Training on Topic   **Percentage NOT Training on Topic**

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Account Manager – Compliance and Operations

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
Adverse Event Training	85%	15%	62%	8%
Compliance (General)	77%	15%	92%	0%
Data Analytics and Reporting	77%	23%	46%	23%
Operations (General)	69%	8%	38%	31%
SFA Training	69%	8%	23%	31%
Computer Skills	31%	0%	8%	69%
Sampling	0%	0%	0%	100%

	0-25%		26-50%		51-75%		76-100%

Percentage Training on Topic

	0-25%		26-50%		51-75%		76-100%

Percentage NOT Training on Topic

Content Vendor Utilization

Do you utilize content vendors for any phase of Account Manager training?

N=13


No, 15%

Yes, 85%
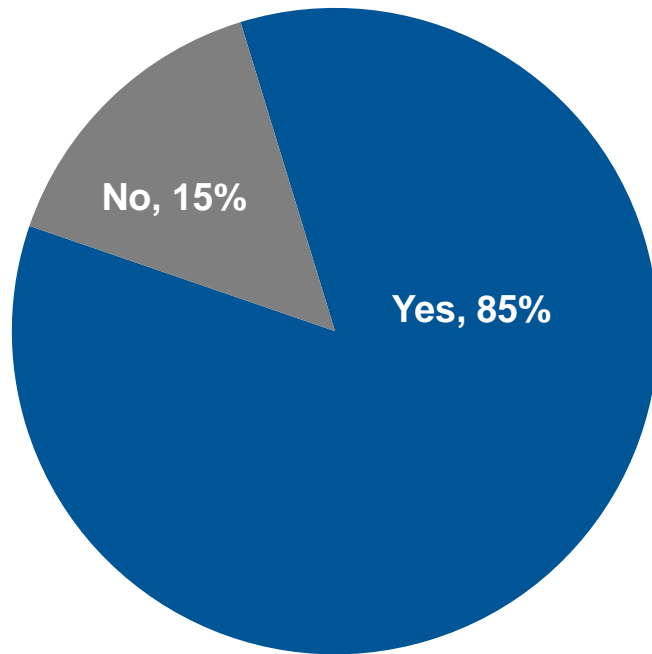
Please describe:

- *Business acumen training (3 companies)*
- *Negotiation skills (2 companies)*
- *Initial and Continuous*
- *Account management*
- *Soft skills*
- *We utilize vendors as subject matter experts to help create relevant workshops*

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Role Based Curricula – *Leadership Training*

Leadership Training

Do you have a First Line Sales Manager training curriculum?

N=27

No, 33%

Yes, 67%

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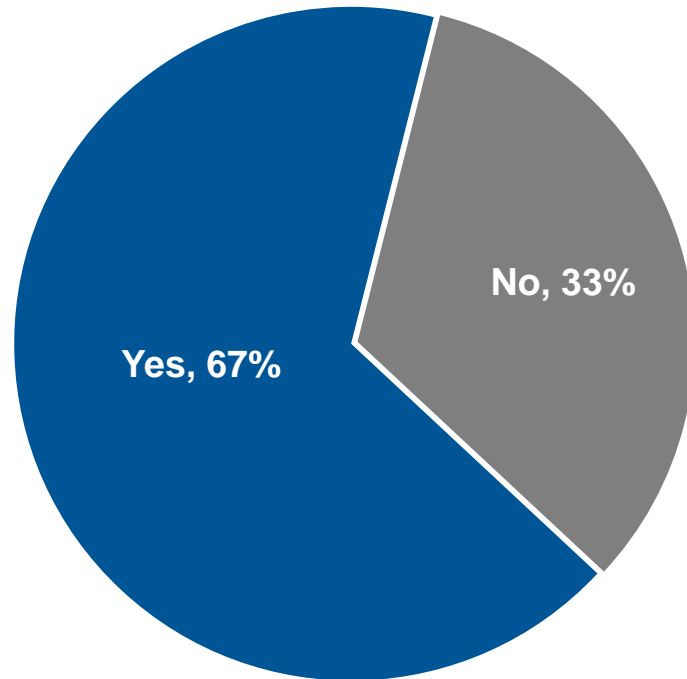
First Line Sales Manager – Disease State/Product Knowledge & Sales and Business Acumen

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
Marketing Messaging	83%	17%	61%	11%
Therapy Area / Disease State	78%	17%	61%	22%
Competitive Products	78%	11%	56%	17%
Objection Handling	78%	17%	56%	22%
Product Knowledge	72%	17%	61%	22%
Formal Sales Model	72%	17%	50%	28%
Questioning Skills	67%	11%	39%	33%
Selling via Patient Types	56%	17%	50%	44%
Pre Call Planning	50%	6%	28%	50%
Negotiation Skills	22%	11%	11%	72%

0-25%   26-50%   51-75%   76-100%

Percentage Training on Topic

0-25%   26-50%   51-75%   76-100%

Percentage NOT Training on Topic

Strategic Initiative – Advanced Training

Strategic Initiative – Leadership Training

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First Line Sales Manager – Managed Markets/Market Access

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
History of Managed Care	50%	6%	33%	33%
Pull-through Process	44%	0%	50%	22%
Medicare Part D Medicaid	33%	6%	50%	22%
Distribution Segments: Wholesaler, Specialty Pharmacy, Retail	33%	6%	61%	17%
Pharmacy Benefit Design	28%	6%	44%	33%
Managed Markets Marketing Tools	28%	11%	61%	28%
Reimbursement	28%	11%	67%	17%
Formularies, Pharmacy Controls (step-edits), Co-pay	22%	11%	61%	28%
Training on IDNs	17%	11%	44%	39%
Other Government Segments: Federal, Health Exchanges	17%	6%	56%	28%
Hospital Segments: GPO, Hospital	11%	6%	50%	33%
Following the Healthcare Dollar	11%	11%	50%	39%
Accountable Care / ACOs	11%	11%	50%	33%
Overall Healthcare Trends	6%	11%	61%	33%

| 0-25% | 26-50% | 51-75% | 76-100% | | 0-25% | 26-50% | 51-75% | 76-100% |

Percentage Training on Topic   **Percentage NOT Training on Topic**

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First Line Sales Manager – Compliance and Operations

Training Type	Initial Training	Advanced Training	Continuous Training	Not Covered
Compliance (General)	89%	22%	67%	0%
Adverse Event Training	83%	22%	61%	6%
SFA Training	83%	11%	44%	6%
Operations (General)	78%	11%	44%	11%
Data Analytics and Reporting	72%	11%	56%	11%
Sampling	56%	0%	11%	39%
Computer Skills	39%	0%	6%	61%

| | 0-25% | 26-50% | 51-75% | 76-100% |

Percentage Training on Topic

| | 0-25% | 26-50% | 51-75% | 76-100% |

Percentage NOT Training on Topic

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Content Vendor Utilization

Do you utilize content vendors for any phase of First Line Sales Manager training?

N=18

No, 39% **Yes, 61%**
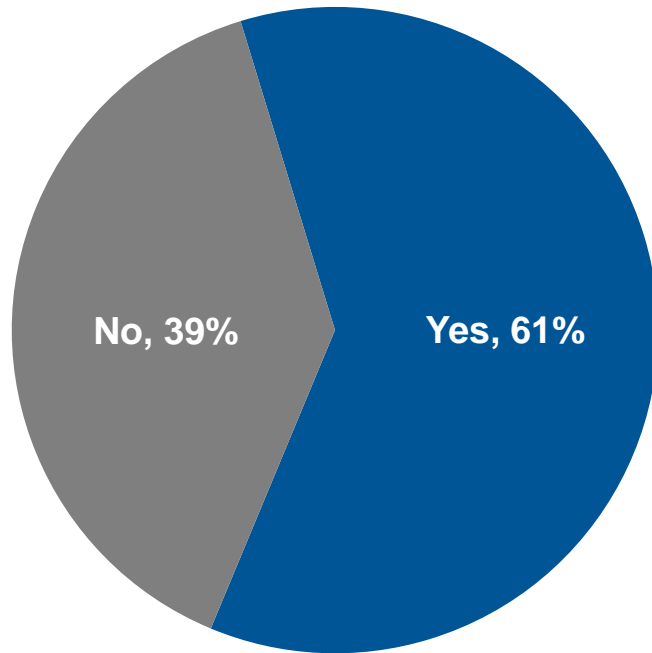
Please describe:

- *Blanchard SLII*

- *Vital Smart's Crucial Conversations*

- *Certain soft skills courses on coaching, interviewing, performance management*

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Customer Question

"How have you built your second line leader training?"

Second Line Sales Manager Training

Do you have a Second Line Sales Manager training curriculum?

N=27
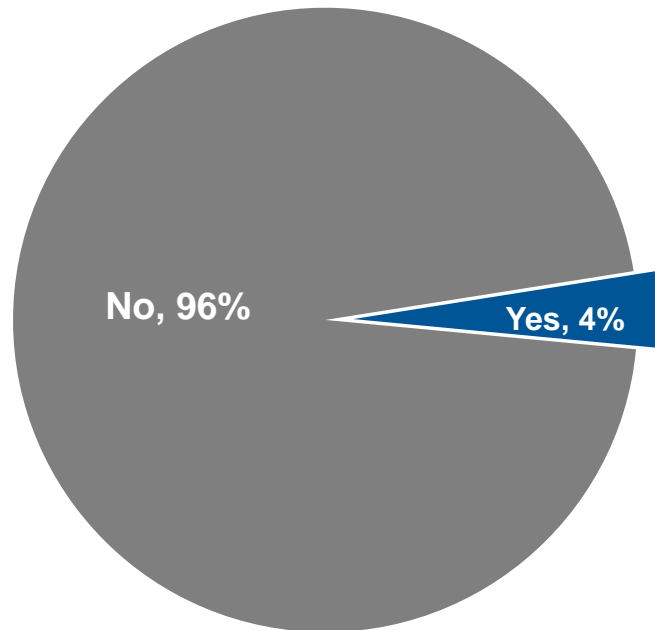
- One large-tier company has second line sales manager training curriculum. The topics listed include Foundation (leadership point of view, manage conflict effectively, peer coaching labs), Core (enterprise thinking, preserving/enhancing our culture, building high performers), and Advanced (statistical issues in clinical development)
- Overall learner time spent on the Second Line Sales Manager initial and advanced training curriculum is 3 days.
- ILT – live classroom learning modality are used during Second Line Sales Manager training.
- This company uses content vendors as subject matter experts.

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