

THE NHS LEADERSHIP FRAMEWORK

As the healthcare environment changes, how should pharma marketers adapt to ensure they reap its rewards?

For many years the UK's National Health Service (NHS) has tried to engender a more cohesive and unified approach to commissioning through a variety of vehicles such as Primary Care Groups (PCGs), multi-funds, Primary Care Trusts (PCTs) and practice-based commissioning clusters; the results have been patchy, at best.

While positive guidance or endorsement for a company's brand has always been of benefit to a company, the lack of cohesion and unification has led to a number of differential targeting strategies in the pharmaceutical sector. As a result, it is clear that the ability, or otherwise, of the NHS to drive a consistent and unified approach to commissioning has had a major impact on the promotional and marketing strategies of pharmaceutical companies.

The National Leadership Council

After much debate and dissent, the Health and Social Care Bill has finally been passed into law. While there is still much opposition to it, the key focus of those within the NHS has now shifted to the job of successfully implementing the reforms embodied within the Bill. As the NHS strives to implement radical changes, the success or failure of the reforms rests squarely on the shoulders of an organisation that has, in terms of people, remained relatively unchanged.

Therefore the success will, in large part, be dependent on the leadership capabilities of those taking key roles within the Clinical Commissioning Groups (CCGs) that will underpin the new NHS. In light of this, the National Leadership Council was tasked with the following propositions:

- To develop national coherence around what good leadership for commissioning will look like for clinical commissioners and those that support them, including the competences and the behaviours that will be required
- To develop and commission a high quality offering that will build capacity and capability at pace and scale.

The National Framework

The Council, through the National Framework for CCG Development, has invested in developing the leadership

function within CCGs to a level that is unprecedented. If it succeeds in its stated aim of building 'capacity and capability at pace and scale', this could fundamentally change the way, and with whom, the pharmaceutical industry does business.

To ensure that the right level of support is provided and that it is tailored to the needs of the various leadership challenges facing CCGs, the framework has been divided into four streams:

- Setting up and leading a high-performing CCG
- Working collaboratively and across boundaries
- Working with and influencing national and local politics
- Engaging and leading colleagues in general practice, through distributed leadership.

Assuming the National Framework is successful and the Leadership Council achieves a unified and consistent approach to commissioning, pharmaceutical companies need to identify the impact the framework and the new Bill will have on their current sales and marketing strategies and start formulating how they need to change in the future.

The impact of change

The set-up process for many CCGs is both time-consuming and resource-intensive. Many CCGs are busy combining disparate committees into one functioning board with the aim of guiding the CCG to perform against its targets. Furthermore, some CCG leaders, once everyday General Practitioners, have recognised that balancing a full patient list with their leadership responsibilities is impossible. This has led to their withdrawal, in varying extents, from clinical practice. At the same time, pharmaceutical companies have reacted to these changes by establishing Key Account Management (KAM) structures, which should, if effective, mean that the identification and engagement of emerging CCG leaders is currently being carried out. Unfortunately, not only do the new KAMs have to cope with a new role with which many are unfamiliar, they are also attempting to engage with stakeholders that are constantly changing. As a result, many KAM structures are not producing the results that leaders of pharmaceutical companies had wanted.

This change process is also affecting those companies still reliant on the traditional noise model. The withdrawal from clinical practice mentioned above signifies a risk to those companies relying on traditional representative coverage and frequency models. This is because key leaders are effectively withdrawing from contact with the representative due to time constraints and a shift in focus. At the same time as these changes are occurring, the Leadership Council is promoting much better commissioning practices within CCGs. The impact of all of this change is having a marked effect on the ability of companies, and particularly the sales and marketing functions, to influence the NHS and drive product uplift.

From product focus to value focus

It is clear that leaders of the NHS want pharmaceutical companies to change how they engage with them. Much of the NHS views the industry as product-centric rather than value-centric and is actively calling for change.

A leading member of the NHS, responding to the question of how pharmaceutical companies could more actively engage with the NHS, said:

“Don’t just bring pills and gadgets in the future, bring us value-added solutions that drive the QIPP [Quality, Innovation, Productivity and Prevention] Agenda with a documented and robust cost/benefit analysis.”

Furthermore, Sir Ian Carruthers, head of The Government Innovation Review Team for the NHS stated in a message to the industry:

“The pharma industry needs to think more in terms of working in partnership with the NHS, rather than just sending in the sales force ... the NHS needs your disruptive contribution to help NHS reform, but too few companies are coming forward.”

Despite this view from the NHS, many pharmaceutical companies are still sending out sales representatives with a very limited agenda, primarily involving delivering some key messages focused around the company’s product.

Having spent years developing and refining a patient-centric approach, the key decision makers within the NHS now require more sophisticated, population-based, patient-centred information to enable them to ensure the local population is best served. To engage those charged with leading a CCG and responsible for commissioning for the clinical needs of their local population, the key messages and services that need to be developed by pharmaceutical companies have to show how the brands can work within local care pathways and to demonstrate the benefits to the local health economy and the local population.

Furthermore, key to the success of the NHS reforms is the QIPP programme, which aims to deliver quality care with limited resource or, in other words, ‘better for less’. As QIPP programmes form a key component of the metrics against which CCGs are measured, a pharmaceutical company’s value propositions need to demonstrate how a brand and its associated value-added components can facilitate ‘high performance’ within a local health economy. Propositions should be able to demonstrate positive outcomes across a population or patient cohort, the economic impact and also support for implementation across a ‘distributed leadership’ within a CCG.

Increasing influence of NICE guidance

The implementation of National Institute for Health and Clinical Excellence (NICE) guidance will also form a key metric for CCGs as the government seeks to remove regional health inequalities.

To ensure guidance is implemented, the leaders of CCGs are already actively developing managed entry programmes for drugs which are undergoing, or have completed, a technology appraisal. While the implementation tools offered by NICE have become more sophisticated, CCG leads are expressing their expectation that those organisations with a vested interest in a pharmaceutical brand receiving a positive appraisal should directly support the implementation of the guidance within the locality.

This provides the pharmaceutical industry with a real opportunity to actively influence and support the managed entry of its brand in a particular area. And this will require a marketing effort that has been appropriately informed by a true key account function, which can help enable adaptive, regional, marketing support.

Conclusion

While regional, adaptive marketing is not new and is somewhat controversial, having been tried previously in the UK to little effect, the advent of a robust leadership framework provides both the environment and a strong argument for the necessity of a marketing strategy that can respond and adapt to individual CCG requirements.

If the task of the leaders within the NHS is combined with the UK pharmaceutical industry’s focus on developing KAM structures, then the argument for regionally-responsive marketing or integrated marketing and KAM function becomes far stronger. Indeed, a centrally-developed marketing strategy is in direct conflict with the principles of KAM. In order to ‘pull’ an account towards the company, it is vital to be able to inform and develop the company’s strategy as opposed to ‘pushing’ a centrally-developed strategy on the account.

Adaptive marketing materials and communications enabling CCG leads to effectively communicate and implement guidance, provide the opportunity for a partnership approach between the pharmaceutical company and the CCG to deliver quality care, while also demonstrating value to the broader audience within the CCG.

While marketing functions in pharmaceutical companies wrestle with the need to change, those same companies must address how to ensure the new KAM structures become effective in identifying the individual needs of local health economies and deliver the new message and value propositions that are being demanded in the ‘New Healthcare Economy’.

Those companies that are:

- ready to establish a leadership role within the industry to focus on value-driven solutions tailored to the local health economy AND
- establish internal structures by integrating marketing into an effective KAM strategy will gain a competitive advantage in the emerging marketplace.



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