Learning is Critical to Growth

Are pharmaceutical and biotech organizations learning from “lessons learned?” Skyrocketing development costs, prolonged clinical trials, late project terminations, and declining success rates indicate otherwise. With many failures attributed to increasingly more complex and rapidly changing markets, regulations and technologies, these factors are precisely the reasons why organizations must learn from their experiences – and apply their lessons quickly. Failing to do so can mean risking the next big discovery or can even threaten the company’s viability. Bottom line – lessons learned, when applied strategically, can become a powerful tool that helps companies win. However, the process is more than just taking stock of what worked and what didn’t. It is a results-focused, deliberate and methodical way of connecting learnings for improved future outcomes.

What are Lessons Learned?

The Project Management Institute (PMI) defines lessons learned as “The learning gained from the process of performing the project.” Further, PMI states that “lessons learned can be identified at any point” and should also be “considered a project record, to be included in the lessons learned knowledge base.” PMI’s definition is a good foundation for creating a process, but learning organizations must go beyond simply recording successes and failures. The traditional approach tends to focus on past experience as a mechanism to fix specific things.

As a result, the impact is at best incremental improvement of existing practices and processes, often only marginally implemented.

The latter is often due to a bottoms-up approach that lacks clear upfront management support for implementation.

Strategic Lessons Learned

How can companies get more strategic about lessons learned? First of all, the approach must be forward-looking, asking the question, “What outcomes do we want to achieve?” This focus takes us from random learnings to discerning the most important practices and nuggets of wisdom that will increase our capability to deliver the outcomes we want.

Making the objectives explicit from the start, and having clear sponsorship for implementation, creates an active and meaningful dialogue among participants who are open to discussing real issues rather than deflecting blame. In order to succeed, the strategic lessons learned process requires an executive sponsor who commissions and drives the process, and ensures follow through.

Become a Learning Organization

Scientist and management expert Peter Senge coined the term “learning organization” and defined it as “a company that facilitates the learning of its members and continuously transforms itself.” Pragmatist and CEO Jack Welch observed that “an organization’s ability to learn and translate that learning into action rapidly is the ultimate competitive advantage.” Learning organizations connect insights from past experiences (both negative and positive) to create new knowledge and modify existing practices, but what does it take to do this well? Learning from lessons learned requires critical thinking and cross-boundary interaction that synthesizes diverse information to find key drivers of specific outcomes. It prioritizes actions based on impact and supports
organizational learning and building innovation capability. A learning organization actively creates, captures, transfers and mobilizes knowledge to enable it to adapt to a changing environment.

When it comes to the work performed by pharmaceutical and biotech companies, the stakeholders are many and the activities are complex. There are many opportunities to employ the lessons learned process throughout the research, discovery, development and commercialization phases in product development, not just at project completion. For instance, companies wishing to get better at multi-region clinical trial management, might apply the process across several trials to identify opportunities to increase efficiency and data management effectiveness. By not waiting until the end of the project, learnings can be quickly put to action in the current development program as well as future investments.

**Making Failure Part of the Process**

Failure can be especially challenging. When a project fails, emotions can flare. It is important to balance facts and emotions when examining lessons learned. From a qualitative standpoint, it’s also important to understand the emotional charge of a team and its members. The lessons learned process must take this into account. Consider how your group and your organization addresses disappointment, fear and anger. When emotional complexity is high, the process must allow time to deal with emotions upfront. The lessons learned process itself should be sensitive with how information is shared. For example, survey results should remain anonymous. People should know upfront how (and with whom) information is shared. The process should set the tone early and establish and enforce the rules of engagement. A process like this will foster more openness, honesty and new connections.

**How to Get Started**

Approach lessons learned as a “mini project” so that the right discipline is applied to it from the start and the findings become prioritized and actionable with clear ownership for next steps. The initiation of lessons learned process should define objectives and scope; establish sponsorship and management support; identify key stakeholders; and properly set expectations. The planning process must evaluate environmental and emotional factors, review project facts; and develop custom key questions and categories for the lessons learned process.

Reviewing key information upfront, such as project performance assessments, success indicators, and actual outcomes achieved, helps in identifying performance peaks and areas where the team was off the mark. Both are important sources of ideas for improved practice. Throughout the process, the organization should also keep an eye on questions it needs answered to help strengthen and develop its strategic core capabilities and relationships.

The deployment of Lessons Learned may involve multiple data collection methods, such as surveys and interviews coupled with facilitated group sessions. It is important to ensure objectiveness of data and ownership for action, in designing and facilitating a process that balances individual insights with group interaction and recommendations. The end results are summarized in a report clearly showing prioritized recommendations and ownership of next steps. High Impact Recommendations should be presented to management so that timely cross-functional support is gained for follow-up actions.

The best companies create a database for capturing the results of lessons learned and look for opportunities across multiple projects, processes and functional areas that can contribute to their innovation efforts. They have metrics in place to measure impact of lessons learned implementation. And they understand the value of multi-tiered learning in creating better outcomes, and building organizational agility.

“Because of the years-long development cycles in pharmaceutical & biotech companies, effective execution requires ongoing commitment and continual focus on what’s most important to the overall business strategy.”

“Lessons Learned and they sure run deep. They don’t go away and they don’t come cheap. Oh, there is no way around it, ’cause the world turns on Lessons Learned.”

–Country song by Tracy Lawrence

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