

Newaygo ViewPoint

Tone from the Middle – The New Pharmaceutical Sales “Must Have” Strategy

By Joe Brown, RPh, Senior Sales and Compliance Leader

Pharmaceutical companies are looking for ways to enhance traditional compliance programs by establishing a better understanding of the drivers of compliance. Putting an emphasis on values, leadership ethics and in particular, tone from the middle, will be key to bringing compliance into the hearts and minds of sales people.

As a sales middle manager, I often observed sales representatives struggle with the many regulations and requirements related to their jobs. Despite providing them with training, support tools and coaching, their decisions did not always align with company policy.

What could I do to help my team make better ethical decisions? I felt that my sales team and I needed something more from the Ethics and Compliance department. Certainly, we needed to interact more with compliance. But I wasn't sure that my own knowledge and judgement on compliance and ethics was strong enough to lead my sales team.

To lead my team toward better business decisions, I needed to raise their ethical awareness through more effective and ongoing training, building stronger relationships with the ethics and compliance department and sharpening my field coaching focus on sales excellence and compliance. To accomplish this I needed to improve my own knowledge and skills around ethical leadership.

Thus began my quest to become a more effective ethical leader and coach.

A New Approach

Every organization aspires to have the highest level of relationships between sales and customers while ensuring the highest level of compliance.

Typically, sales departments are responsible for training on product and selling skills, and Compliance departments are responsible for training on company policies. However, there is not always a cohesive view on 'what good looks like' and what is needed to ensure a consistent organization-wide approach to sales excellence and compliance.

In today's world there are enormous opportunities and benefits to bringing sales and compliance closer together to develop and implement a collaborative strategy focused on sales excellence and compliance.

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The “Tone from the Middle”

Both senior and middle management play important roles in communicating ethical standards and reinforcing compliance with these standards. Certainly, executives set the tone from the top that shapes the ethical culture throughout an organization. But when managers at all levels show they sincerely care about ethics, they influence the integration of ethics into the organization’s everyday activities (Treviño, Weaver, Gibson, & Toffler, 1999).

“Tone from the Middle” is a strategy that focuses on first-line sales managers. It is a rallying point for organizations to create a consistent view on what ethical leadership and decision-making looks like. It also provides an opportunity for additional training and tools to help managers establish a consistent tone and standards of performance across the organization.

The focus on first-line sales managers is based on the critical role they play. They are responsible for guiding and coaching their teams to make the right decisions for sales and compliance performance. But without an integrated, consistent strategy, the standards of what is considered the ‘right thing to do’ can change from one district and person to another.

Benefits that are Tangible

Such an integrated strategy can deliver enormous benefits. It can build trust and confidence among sales leaders and their teams. It can help eliminate potential paralysis among sales representatives and leaders who are uncertain about the policies and procedures. It can build trust and confidence between sales organizations and compliance groups. It can build a strong and consistent culture of business excellence and compliance. It can encourage employees to speak up when they believe there are potential issues. And ultimately, “Tone from the Middle” can help drive sales, eliminate compliance

issues, protect the company and the employees, and build trust and value with their customers.

Creating “Tone from the Middle”

Establishing an effective “Tone from the Middle” strategy requires the organization to evolve from disconnected sales and compliance approaches to an approach that integrates these two functions.

Achieving this integrated approach will depend on a high level of organizational commitment as well as dedicated resources and timelines. Without the appropriate commitment and resources, “Tone from the Middle” can quickly end up as a buzz word with little impact.

How else can an organization foster this evolution in their leaders? Give them the tools:

- Define clearly the role of customer trust and value as a key performance metric.
- Provide tools to allow managers and representatives to regularly ‘self-monitor’ their knowledge, skills, and performance.
- Define ethics in the organization. What does ‘good look like’ for Sales?
- Set explicit performance metrics and expectations, including modeling ethical behavior.
- Build ethical coaching skills with real customer and compliance scenarios.
- Dedicate training to create ‘masters’ of ethical decision making, sales excellence, and compliance.
- Provide managers and reps with tools to self-monitor their ethical performance.

Why Ethical Leadership Training for Managers

All companies set standards of behavior and ethics which are typically outlined in company value

statements and organizational codes of conduct. Most companies require employees to complete code of conduct training or attestations once a year.

A “Tone from the Middle” strategy embraces company values and codes of conduct, but adds an important *daily focus* on ethical leadership and decision making for managers and their teams.

Ethical Leadership is imperative in today's complex regulatory world. In their 2005 paper, Brown and colleagues conceive the concept of “ethical leadership.” They define an ethical leader as one who uses communication, rewards, punishments, and behavior modeling to influence others to act in an ethical manner. By this definition, an ethical leader must have strong core values, the ability to communicate these values to others, and the courage to role model them at all times.

Such ethical leaders also understand their place within the larger picture. They focus on organizational success rather than personal ego and also recognize that value is in the success of people throughout the organization (Freeman, RE, Stewart, L. *Bridge Paper*™, Business Roundtable Institute for Corporate Ethics; 2006).

The inclusion of training on ethical leadership and decision making results in a higher level of

commitment and trust with sales teams. There will be a willingness to speak up about compliance and engage in dialogue about ethics and compliance challenges they have experienced and to learn from each other.

A focus on a comprehensive “Tone from the Middle” strategy and helping first-line sales leaders become ‘masters’ of ethical leadership and decision making will result in better role modeling, coaching, and monitoring of business activities. Well trained representatives will be competent and confident in their decision making, thereby ensuring a high level of compliance while maintaining sales excellence.

Bringing it to Life

The key is to define the organization’s sales and compliance goals for first-line sales managers, ensure there is a commitment to ethical goals, provide ongoing training and tools, and reward and recognize those who support ethical conduct.

In today's complex selling environment, effective “Tone from the Middle” should be as important as target lists and incentive plans. Through such an approach, a pharmaceutical company can become a highly ethical and admired organization that brings great value to the healthcare community and patients.

Create Sales Excellence and Compliance

Newaygo’s Sales Compliance Services can help you enhance your existing sales compliance program as well as develop an effective “Tone from the Middle” strategy. Our years of sales leadership experience, expertise, and innovative Operations and Compliance services can help you:

- Assess your organizational culture and ‘tone’ to establish effective “Tone from the Middle”
- Define an integrated strategy, metrics, and plan of action
- Develop customized, integrated, ongoing communications and training
- Develop reporting and self-monitoring systems

Contact us today to find out how we can help you build a successful sales excellence and compliance culture.

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