

# Pharma Marketing News™



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## Reprint

### INTEGRATING COMPLIANCE INTO COMMERCIAL PRACTICES

By John Mack

Pharmaceutical sales and marketing people often have an uneasy relationship with their compliance colleagues. In these days of OIG anti-kickback regulations and PhRMA guidelines for marketing to physicians, it behooves marketing professionals to work more cooperatively with compliance officials.

In a presentation at the **Pharmaceutical Regulatory and Compliance Congress and Best Practices Forum** held November 12 to 14, 2003, in Washington, DC., Kathleen A. Knight, VP, Deputy General Counsel and Assistant Secretary at Alcon Laboratories and Catherine A. Sazdanoff, Divisional Vice President, Ethics and Compliance at Abbott Laboratories suggested ways in which compliance officials can better work with sales and marketing people.

Although Knight and Sazdanoff were speaking to compliance officials, their observations and suggestions would apply equally well to their sales and marketing colleagues. This is the reason why a summary of their presentation merits inclusion in this issue of Pharma Marketing News.

A typical response from a marketing or sales manager when seeing a compliance official innocently walking towards them down the hall might be "What have I done this time!" or "Here comes the police!"

Sazdanoff says she would rather be welcomed as a partner. She emphasized establishing a partnership relationship because "you can't (and you shouldn't) do it alone." The first step is to listen and learn, a sentiment shared by Knight.

#### How Can We Do It?

To successfully work with commercial colleagues, Sazdanoff says that compliance officials must go beyond "Yes" or "No" answers to "How can I help you get where you want to go?" She cautioned, however, to not cave in to pressure to "bend the rules to do whatever sales and marketing wants."

Both Sazdanoff and Knight emphasized the important role of executive management, especially in helping present compliance programs to sales and marketing people. Management must also allocate dedicated compliance resources – people, time, and money – to have an effective program.

Abbott has a more or less centralized compliance organization whereas Alcon uses a decentralized approach. Both involve marketing people in the process. Abbott has cross-functional working groups whereas in Alcon, each marketing arm designates a representative to participate in developing guidelines.

#### What About Disciplinary Guidelines?

In the real business world – as opposed to high school – "zero tolerance" is not the norm. Both speakers agreed that it was not practical to have a rigid set of rules, although consistency and fairness was imperative. It wouldn't be a good precedent to "slap the wrist" of a high-performing marketing manager and "give the ax" to a low-performer for the same violation of guidelines.

*Continues...* 

### Marketers Should be Proactive

The speakers did a good job laying out best practices for compliance officers. But what can pharmaceutical marketers take away from all this? Your compliance personnel may not have implemented these best practices. Instead of avoiding the issue and hope to get on with your work under the radar, you might be better off taking a pro-active approach and suggest to your compliance people the following ideas for working together toward a common goal:

- Attend our marketing meetings. Listen and learn how we actually do things;
- Involve us in the development of compliance guidelines;
- Don't say "No" right out of the box; advise us how we can get what we want and remain compliant with the guidelines;

- Get involved with our projects early to be better prepared to work at the same pace we do;
- Give us the proper incentives, which is not necessarily financial (how about employee recognition?), but be sure NOT to "dis-incent" us from reporting problems by imposing rigid disciplinary actions.

Sales and marketing people and compliance officials may be partners, but they will never truly see eye-to-eye on every issue. The nature of partnership is to be flexible and work toward the common goal, which Knight stressed is "lasting commercial success rather than making the most money fast or writing a policy to cover every situation."

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