

Talent and culture needs for the third era of medical affairs: Impact @ scale

Preparing for medical affairs as the healthcare integrator

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Medical affairs is at another crossroads. For most of its history, medical affairs' mission has been straightforward: ensuring that healthcare professionals (HCPs) treat patients in the safest, most efficacious and most appropriate way. It accomplished this mission through trickle-down education, meeting with key opinion leaders (KOLs) and other top HCPs to make sure they understood the latest scientific data, and then relied on those leaders to cascade scientific opinion across the practitioner universe. We might refer to this as the "first era of medical affairs," a time where medical affairs presented itself as the field's scientific expert.

In more recent history, medical affairs has been asked to become a strategic "third pillar" of the pharmaceutical industry. Medical affairs accepted the invitation to join the table with other functional strategic decision-makers, including commercial and R&D. ZS estimates that between 2019 and 2023, the percentage of medical affairs leaders who report directly to their company's CEO doubled, from approximately 30% to near 60%. And while that still leaves many medical affairs leaders without a comparable seat at the table, the rise of medical affairs' critical contributions to the pharmaceutical industry and to healthcare more generally is undeniable. As others have noted already, the "second era of medical affairs"—as the strategic partner—has begun.

Medical affairs as a function within pharma continues to change, and the changes we're seeing within medical affairs organizations are unprecedented. These changes are occurring in response to many factors: growing clinical inertia, the proliferation of generics and biosimilars, tougher HCP access coinciding with an explosion in the volume of scientific data and patients' increased role in their treatment journeys. Medical affairs is responding to this in a wide variety of ways, ranging from reinvestment in internal capabilities to entire organizational redesigns and transformations.

Medical affairs organizations are meanwhile investing in digital and analytical innovations that span from real-world data analytics models that quantify patient care gaps and large language model (LLM)-enabled medical science liaison (MSL) listening channels to the digitalization of medical business processes and deep system integration to create an ecosystem of capabilities related to insights, strategy, tactics, execution and impact measurement. According to recent ZS research (see the [2023 ZS medical affairs outlook report](#)), approximately 45% of medical affairs organizations have a centralized data and analytics hub. These transformations, while challenging for organizations, are aimed at further unlocking the value that medical affairs can realize in the new era.

FIGURE 1:

The third era of medical affairs will be defined as the era of medical impact at scale

📍 From	📍 To
• Sharing data with KOLs	• Changing how care is delivered
• Driving product understanding via scientific exchange	• Driving product definition via differentiated evidence
• Product-based scientific exchange	• Disease-level scientific exchange, incl. clinical, economic and social determinates of health
• Optimizing for today	• Shaping tomorrow

This paper explores two primary questions:

1. What is this third era of medical affairs? What is driving it, when will it be here and what changes can we expect to see?
2. What are the talent and culture needs that medical affairs will require to meet the new challenge of medical impact @ scale?



Medical affairs' third era: Healthcare integrator to create impact @ scale

Change isn't new for medical affairs. The evolution of medical affairs encompasses three distinct eras, each characterized by the forces that shaped how medical affairs operated within the context of the pharmaceutical industry:

FIGURE 2:

The 3 distinct areas of medical affairs' evolution



The medical affairs mandate

How can medical affairs deliver better patient outcomes at scale? First, it's important to recognize that medical affairs has coalesced around three core areas of work that are essential to patient impact. Success in the third era is less about changing what medical affairs does, but how it does it. We might call the "what" of medical affairs "The medical affairs mandate." The areas are:

- 1. Creating differential medical value:** Making innovation more valuable to external stakeholders over the life of the asset by generating differentiated and valuable evidence that motivates and compels external stakeholders for the benefit of patients
- 2. Enabling evidence-based healthcare decisions:** Translating science into trustworthy and motivating directives that enable changes in routine clinical practice
- 3. Generating insights that inform strategy:** Combining scientific expertise with external stakeholder knowledge to drive strategic decision-making

Medical affairs organizations are currently falling short of delivering on this mandate. Those failures can typically be attributed to four factors:

- Pharma organizations continue to struggle with early R&D success. While this isn't solely the domain of medical affairs, one implication is that medical affairs needs to be involved early in the life cycle, often as early as phase 2. In some organizations, medical affairs joins new product planning matrix teams, bringing their expertise on where treatment is heading (as opposed to where it stands) and helping deliver a label that can be more quickly adopted at the community level.
- It takes too long for scientific innovation to reach patients in clinical care settings, especially at scale. On average, it takes approximately 17 years from the time a new product is approved to when guidelines and protocols are updated to carry through this innovation to patients who need it.
- Individual launch ROI is shrinking and the potential for future blockbusters is diminishing. One way that pharma organizations are responding to this is by coalescing around specific diseases and disease areas. Pharma organizations are thinking disease-specific, which means that medical affairs departments have tremendous roles to play in strategic launch planning through evaluating and consolidating information at the disease level to develop stronger disease strategies.
- Partnerships between pharma and other ecosystem stakeholder groups, such as hospitals, medical associations and patient advocacy groups, have failed to scale. And while medical affairs organizations have all the main ingredients to broker partnerships—including access, trust, credibility and the ability to drive outcomes for all members of the partnership—most aren't yet sufficiently sophisticated or resourced to do it at scale.

To transform their organizations, medical affairs leaders need to start with an assessment and evolution of their talent-mix and culture.

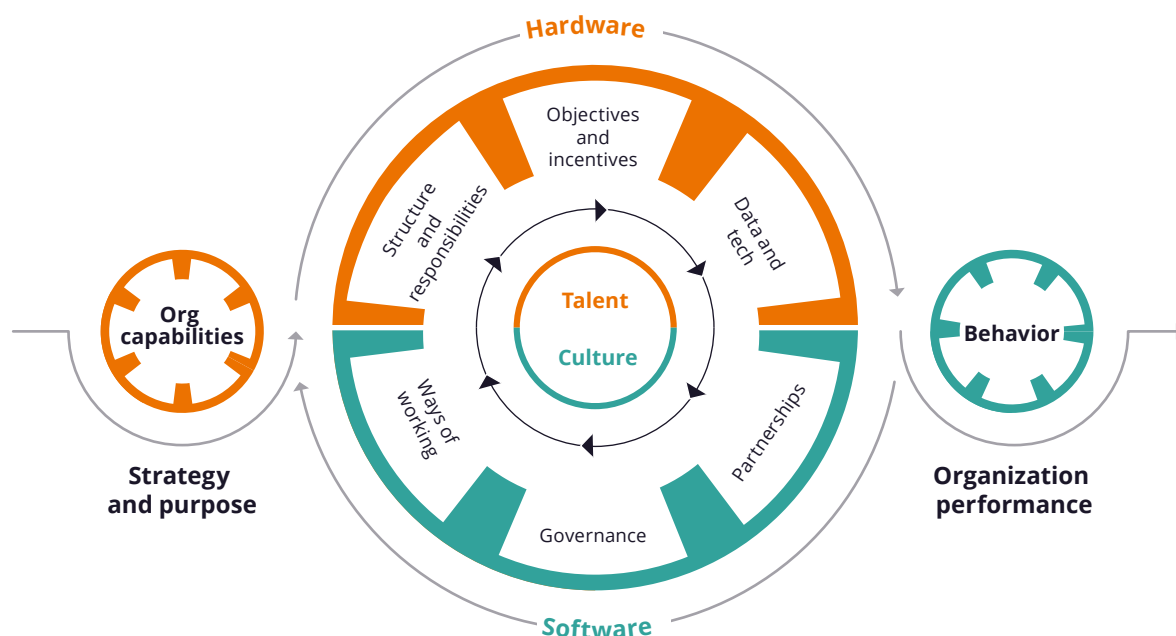
The medical affairs revolution

ZS has developed the Organization rEvolution™ framework to guide healthcare leaders, including those in medical affairs, to ensure that their organizations are equipped to meet the demands and challenges of driving better patient outcomes.

The ZS approach is centered around talent and culture while remaining rooted in enterprise strategy and purpose. In our experience, most transformations over-index on the more tangible elements of organizational transformation, including organizational structure, governance, processes and data—the outside levers of the model described below. But what is often neglected are the more intangible elements, such as talent and culture. ZS recognizes that all organizations are, ultimately, collections of people, and if we don't place the people (talent) and the collective values and behaviors of those people (culture) at the center, then even the best “hardware” and “software” elements will fail to achieve a transformational impact.

FIGURE 3:

The ZS Organization rEvolution framework



Hardware/software citation: Michael L. Tushman and Charles A. O'Reilly III's "Winning Through Innovation: A Practical Guide to Leading Organizational Change and Renewal," and, more recently, "Lead and Disrupt: How to Solve the Innovator's Dilemma," the second edition, by the same authors.

ZS places talent and culture at the center of its organizational design. Talent and culture are the motor oil that enables the operating model to drive change and organizational performance.

Meeting medical affairs' talent needs in the third era

The profiles of medical affairs practitioners have historically been highly scientific in nature, often recruiting candidates from academia and clinical care. This made perfect sense in the first era and has continued to work reasonably well in the second. This scientific expertise will, and must, continue to serve as the foundation for all medical affairs organizations going forward. However, scientific expertise is increasingly becoming table stakes, with other skills and competencies emerging to differentiate medical affairs organizations from one another.

The third era will require four competencies from medical affairs talent: adopting a “futurist” mindset, promoting digital fluency, driving partnerships and navigating organizational dynamics.

Adopting a futurist mindset

Medical affairs sits in a uniquely advantaged position—able to draw simultaneously on deep scientific knowledge and external stakeholder feedback, attitudes and perceptions. No other function occupies this vantage point. Medical affairs leaders must draw on these deep insights to meaningfully advance the science within a disease to continually improve patient outcomes well into the future. This requires working hand in hand with leaders in a disease area to understand the frontier of science (for example, new endpoints, biomarkers, testing) that will shape future treatment guidelines in five to 10 years. Success will require two main actions: cultivating a competitive spirit and identifying trends more systematically.

Cultivating a competitive spirit requires leaders to encourage activities that challenge the internal view of how the future is likely to unfold, such as strengthening how competitive intelligence is woven into medical strategic planning (including medical brand planning and evidence strategy) or deploying “competitive war-gaming” approaches. This happens in some organizations today, but as a whole, medical affairs has been reluctant to embrace a competitive spirit on par with their commercial colleagues.

To be systematic in the way they identify trends, medical affairs teams should look at the broader industry and understand the implications of these trends for the organization. For example, teams should interrogate how AI will change healthcare for patients and what those changes will mean for the medical function. Note that this approach requires more comfort with ambiguity than medical affairs is typically accustomed to; futurists are wrong much more often than they're right.

Promoting digital fluency

Data and technology are once again taking center stage in healthcare. Medical affairs organizations need to embrace data and technology both in how they leverage these capabilities internally and in response to how HCPs and patients are newly interacting with healthcare information, given the availability of LLMs like ChatGPT-4. This shift requires attracting new talent profiles within medical affairs, including technology leaders and digital

product managers, and significant upskilling across the rest of the organization. Field medical teams will also need to adopt technology into their ways of working.

Establishing dedicated medical “intelligence” teams within medical affairs is one action that leaders should consider. Medical affairs has historically made small n-size decisions based on feedback from steering committees and KOL engagement at key meetings. With the power of LLMs and generative AI, medical can unlock new value from unstructured data (such as MSL notes, advisory board recordings and medical information transcripts) to inform strategy in real time. These teams should be staffed with talent whose core expertise lies in generative AI, data, technology and analytics but who also understand the challenges that medical affairs seeks to overcome and who are close to the medical “business” stakeholders they serve. Medical affairs leaders should fight to add these talent profiles to their teams.

Another thing leaders can do is invest in large-scale transformational learning programs to upskill the rest of the organization. Medical affairs organizations will need to attract new, expert talent, including data scientists and AI engineers, among others. While medical affairs practitioners need not have advanced training in building algorithmic models or creating medical data lakes, they ought to be comfortable with these types of ideas; efforts at organizational change will be hampered by low organizational digital fluency.

Stronger digital capabilities within medical affairs drive stronger performance across nearly all medical affairs domains. In a recent organizational capability benchmarking evaluation, ZS observed that medical affairs organizations that rated higher on data and technology capabilities also rated higher across multiple other organizational capabilities, including medical strategic planning, scientific exchange and scientific communication. When we look at specific cases, the causation is clear: Conscious investment in data and tech is driving superior medical impact.



Driving partnerships

Recruiting talent who will serve as an “adaptive” or “integrative” layer, creating connections both inside and outside of the pharma enterprise, is critical to driving partnerships and ensuring strong global-to-local coordination. These adaptive skills haven’t historically been prioritized in medical affairs. ZS envisions that new talent can be grouped into two roles: brokers who navigate gaps between different agendas and connectors who navigate gaps between similar agendas in different places. Collectively these roles would bridge the organization’s science, innovation, business and operations layers. Today’s tasks for medical affairs leaders include:

- Creating new roles within medical affairs to manage an expanding and diverse base of partners, including diagnostic and device partners, AI partners and technology companies
- Establishing co-creation models and frameworks to more effectively navigate partnership discussions with external health systems, focusing on outcomes that matter to them
- Ensuring field medical teams are participating in broader multidisease treatment and “total office” interactions focused on understanding the unique nuances of care delivery, protocols and patient flow within their targeted disease areas

Navigating organizational dynamics

More and more functional leaders are asking challenging questions to their medical affairs leadership counterparts: What impact are you delivering? How can you quantify this impact? What is the ROI on our investments? These questions indicate that these leaders remain skeptical toward medical affairs’ role within their organizations. Often these questions stem from misunderstanding the industrywide challenge to “prove” impact. Answering these questions requires that medical affairs leaders understand hidden organizational dynamics and unwritten power structures. Building trust and increasing influence will enable medical affairs leaders to promote their value in a way that aligns better with how commercial leaders think and communicate. In other words, understanding these dynamics will empower medical affairs leaders to speak in terms that their cross-functional leaders will understand and in a way that will resonate with them.

Medical affairs leaders need to be capable of having the seat at the C-suite table, and they need to leverage that position by speaking fluently about both science and business strategy simultaneously, demonstrating their impact on both patients and the organization. Doing so requires striking the right balance between maintaining the integrity of medical affairs via its nonpromotional mandate and supporting broader organizational goals.

Getting culture correct in medical affairs’ third era

Most transformations focus on process, structure and governance models at the expense of culture, even though most medical affairs leaders would acknowledge the importance of culture on the organization’s success. (Peter Drucker’s supposed quip that “culture eats strategy for breakfast” still looms large.) Part of the mismatch stems from levers other

than culture being easier to understand: Establishing new roles changes the organization's structure, for instance, much like investing in new systems and applications changes the organization's relationship to technology. But culture has historically been hard to analyze, and even harder to change, especially by leaders not trained in its influence on team productivity. When embarking on a transformation, organizations must identify the features of their culture that act either as accelerators of or barriers to the new organizational purpose. Because culture is such a significant driver of behavior, organizational transformations can fail to achieve their core purpose without changes to the culture or to those behaviors.

The ZS Cultural Topography innovation enables leaders, in medical affairs and elsewhere, to apply science to the art of culture. Our AI-based approach uses an LLM to analyze unstructured text collected through an employee survey. In contrast to "constrained" models in which employees select from a predetermined list of cultural dimensions, unstructured text analysis enables ZS to map and understand an organization's unique culture and subcultures more accurately.

Medical affairs leaders need to understand the cultural hallmarks of their organization today, which will enable the organization to move seamlessly into the third era and which will require targeted interventions to evolve. Across all organizations, there exists culture tension. The tension between getting the details right and "thinking big." Tension between individual accountability and driving toward consensus. Even the tension between work-life balance and a drive toward high performance. Each of these dimensions presents an unavoidable tension, and organizational culture is defined by the extent to which each dimension "dominates" another. Identifying the dominant cultural dimensions allows leaders to understand these barriers and unlock the levers of organizational change.

Organizations need to leverage the dominant features of their culture through communication, training and talent strategies to enable a change in how their organizations work. We expect a few cultural changes will be required for medical affairs to thrive in the third era:

- Moving from a "perfectionist" culture to one that operates under the "80-20" rule, prioritizing areas that drive the greatest impact
- Moving from scientific collaborator to strategic decision-maker
- Moving from a risk-averse culture to one that seeks to break the status quo
- Moving from a rigid, rules-based culture to one that embraces adaptability
- Moving from tech-skeptic to digitally literate

An organization's strategy and purpose drive the rest, and for medical affairs the strategy and purpose are largely a function of:

- The disease areas in which the organization operates
- The relevant external stakeholders and customers
- The enterprise's overall portfolio and life cycle

These factors will drive significant variability and diversity in how an organization's structure, roles and processes, among other features, are activated.

Mapping a path forward for medical affairs

Change is once again on its way to medical affairs. As in past transformations, whether laying the foundations to create medical affairs' first era or evolving into the second, only those organizations that proactively prepare will be positioned to thrive. And those that don't will be left behind. Transformations must begin with an organization's vision for what medical affairs can accomplish in the third era, and how that vision enables the company's strategy and its patients. But the work doesn't end there; after settling on a vision, organizations must closely examine their talent and their culture to identify the biggest friction points in achieving that vision. Once those points are identified, medical affairs organizations can map a path forward that addresses all the other essential elements of organization design.

About the authors



Andy Higgins is an associate principal at ZS and leads the strategy and excellence vertical for the global ZS medical and evidence practice area, as well as the medical and evidence team in Europe. He has led organizational transformation initiatives, large-scale capability-building programs and has worked across all medical affairs domains at the global and affiliate level.



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Hensley Evans is a principal at ZS and leads the global transformation practice. Her work integrates organization design, program management, talent and learning, and change enablement to help clients pull through key transformations and ensure that the organization is able to realize the expected value of these decisions. Hensley and her team often start by creating a clear vision for the organizational transformation and building a strong business case for change.



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