

## Strategic Sourcing in Life Sciences: Responding to Crisis

The life sciences industry plays the critical role of developing innovative therapies, identifying new medicines, and distributing medications to patients in need. With new requirements for operations and remote work, many biotech and pharmaceutical companies have had to rapidly adjust their business strategies. Despite these disruptions, many companies, like Biogen and Gilead, are also stepping up and contributing to the research and development (R&D) of potential vaccines for COVID-19.<sup>1,2</sup>

Successful Procurement teams in life sciences are leveraging software solutions to respond to the current crisis, recover from it, and ultimately thrive. With intuitive tools to manage suppliers and collaborate with the

business, Procurement and Sourcing teams have the agility to weather current uncertainties as well as the visibility to plan strategically for the future.

### Top Priorities for Life Sciences

Procurement and sourcing professionals in the life sciences industry have found innovative solutions to support their businesses through crisis. The following initiatives are top of mind for these procurement leaders:

- Pivoting business operations for remote work
- Ensuring business continuity by increasing collaboration
- Protecting a diverse, scalable supply chain

### Pivoting Business Operations for Remote Work

Life sciences companies have found creative solutions to continue R&D remotely through telemedicine and drug delivery programs. Additionally, many companies in life sciences are diverting efforts and supplies towards researching potential vaccines.

To support this pivot, Procurement and Sourcing teams require complete [visibility](#) into their supply chain to ensure their product mix can meet changing demand. They must also have the ability to collaborate with their [strategic suppliers](#) regularly to drive safety compliance and mitigate potential risk.



Business continuity planning should shift emphasis from how to ‘keep the lights on’ to laying out the ways and means for maintaining stakeholder relationships across the whole R&D lifecycle.

[McKinsey & Co.](#)<sup>3</sup>

## Ensure Business Continuity by Increasing Real-Time Collaboration

With teams spread across geographies and many now working remotely, collaboration technology like videoconferencing and instant messaging becomes a necessity not just for internal communication, but for supplier networks as well.

Procurement teams with digital collaboration capabilities are able to update stakeholders, communicate with suppliers, and [discuss RfX events](#)—all in real time. These collaboration tools also help eliminate disparate email threads and centralize supplier and contract data for a single source of truth.

## Protecting a Diverse, Scalable Supply Chain

How are Procurement teams in life sciences safeguarding their supply chains against long-term risk? Sourcing leaders are diversifying their supply base, opting to partner with smaller suppliers to fortify their supply chain.

Additionally, procurement leaders in life sciences are using technology to dig deeper into their [project funnels](#), timelines, and resources for future quarters. When Finance, stakeholders, and Procurement have real-time visibility into their projected spend and [contractual obligations](#), they are empowered to drive enterprise-wide impact and achieve better business outcomes.

Life sciences companies estimate R&D productivity has fallen up to **75%** due to remote working.

[McKinsey & Co.](#)<sup>3</sup>

**65%** of procurement leaders have limited or no visibility beyond their Tier 1 Suppliers.

[Deloitte](#)<sup>4</sup>

**60%** of major pharma companies are using telemedicine for trial visits in response to COVID-19.

[McKinsey & Co.](#)<sup>5</sup>

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Workday Strategic Sourcing enables end-to-end supplier engagement, where you're not only being more efficient, but can tap into that single source of truth for a powerful compliance audit trail.



**Harry Lund**  
Senior Sourcing Manager, Information Technology at Biogen

## For Finance Leaders

- Gain real-time visibility into procurement spend in the Workday Strategic Sourcing platform to proactively manage the value chain
- Assess risk within the supply base and develop strategies to optimize relationships or transact with alternative suppliers
- Streamline reporting and analytics across the business for actionable insights into the supply chain

## For IT Leaders:

- Tap into the Workday Strategic Sourcing platform to focus on driving down infrastructure-related costs
- Reduce costs associated with auto-renewals by maintaining all supplier and contract data in one collaborative location
- Meet compliance targets and mitigate risk by managing suppliers and obligations in one searchable platform

From renegotiating with strategic suppliers, to driving enterprise-wide cost savings, to strengthening supply chains, Procurement teams in life sciences are mission-critical to the success of their business. With technology behind them, procurement leaders like you have risen to the challenge and have helped their companies emerge stronger, smarter, and more agile.

Want to know how you can achieve better business outcomes? Find out how [Workday Strategic Sourcing](#), can help you [streamline your procurement processes](#), [track your projects](#), and [manage your suppliers](#) on a single, intuitive platform.

Workday Strategic Sourcing offers a sourcing and supplier engagement platform trusted by Procurement teams. To learn how our strategic sourcing platform can help your organization streamline processes, manage a unified pipeline of projects, and collaborate with stakeholders and suppliers to achieve greater business impact, please reach out to: Sales at [workday.com/contact](mailto:sales@workday.com) or +1-877-967-5329.

1. Biogen, "Biogen, Broad Institute of MIT and Harvard, Partners Healthcare Launch Consortium to Build and Share a Covid-19 Biobank"
2. Gilead, "Gilead's Investigational Antiviral Remdesivir Receives U.S. Food and Drug Administration Emergency Use Authorization for the Treatment of COVID-19"

3. McKinsey, "COVID-19 Implications for Life Sciences R&D: Recovery and the Next Normal"
4. Deloitte, "Leadership: Driving Innovation and Delivering Impact"
5. McKinsey, "Winning Against COVID-19: The Implications for Biopharma"



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