

Life Sciences Boards Are Looking in the Wrong Places for Diverse New Members



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In a promising sign, boards are increasingly eager to add more diversity to their ranks, as they recognize that it makes their organizations more competitive and resilient, more attractive to investors and talent.

As they search for new diverse talent, though, boards are often coming up short on candidates. Why? It's not because there's a dearth of qualified applicants—it's that many boards are conducting overly narrow searches.

It doesn't have to be that way. Having led life sciences recruitment strategies and initiatives for over 20 years—and conducted dozens of board searches—I've learned this: To find diverse talent for your board, it is essential to think beyond traditional ways of executive recruiting.

Historically, boards have used internal referrals and networks to find new members and have heavily favored the experience a CEO or general manager can bring to a board. But unfortunately, across biopharma companies, there is only a small number of women or diverse CEOs and general managers. According to BIO's Second Annual Report on Diversity, women make up 47% of total employees, but only 31% of executive teams and 23% of CEOs. The numbers are even smaller for CEOs of color.

In short, too many boards are looking in too few places for diverse talent.

We need new perspectives and voices on boards instead of the same small cohort of directors. Boards need to be open to teaching governance to first-time directors. Trade associations also need to educate on board leadership and create opportunities for their members.

Biopharma and life sciences boards, meanwhile, need to widen their searches into some new areas where there are highly qualified candidates that often go untapped. Companies need to be open to first-time board members from other leadership functions such as General Counsel, Chief Human Resource Officers, Chief Commercial Officers, or Chief Technology Officers.

These are areas where you may find more diversity, as leaders of these functions understand issues such as risk, growth strategies, or compliance and bring excellent insights to a board. They also will understand board dynamics, as they may have interacted with boards as part of their leadership role.

Here are a few specific functions that are worth exploring for biopharma boards.

CHIEF HUMAN RESOURCE OFFICERS (CHROs):

CHROs bring expertise around compensation and recruiting trends in a competitive biopharma talent marketplace. They possess strong coaching skills for new board members and leadership teams as well as insights into how to scale a company for growth. Additionally, they know governance best practices from working with their own boards.

GENERAL COUNSELS (GCs)/CHIEF LEGAL OFFICERS:

GCs bring insight into risk management, compliance, M&A and partnerships, business strategy, governance, SEC matters, and IP protection. They are also good business problem-solvers and bring broad strategic insights to a board.

HEADS OF MARKET ACCESS:

This is a particularly good fit for companies close to commercialization. They can bring insights around pricing, launch strategy, global reimbursement, and optimizing trial design from a health outcomes/reimbursement perspective. Beyond the traditional Market Access function, companies can also consider leaders from Payor/PBM organizations. These executives bring great insights from a pricing / reimbursement point of view but also further diversify boards from an experience perspective.

By broadening your talent search to these areas, you will find diverse leaders who can bring fresh perspectives and energy to board room discussions.

CATALYST ADVISORS

ABOUT CATALYST ADVISORS LP

Bringing visionary leaders to transformative life science companies

Catalyst Advisors LP is a global executive recruiting firm with offices in the U.S. and Europe. We are singularly focused on connecting visionary leaders with life sciences organizations at all stages of growth by deploying a team that includes a purposeful mix of seasoned recruiters and category experts. Our team is designed to work collaboratively -- not competitively -- to help organizations at the forefront of life-changing medical and scientific discoveries build impactful boardrooms and executive teams. We are advisors in the truest sense of the word, and the cornerstone of our success is our white-glove approach to meeting our partners' complex business needs, our respect for the collective wisdom of our team, and our deep belief in the power of science to change the world.

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