Vicky Levy – Head of Life Sciences and Healthcare, Deloitte Switzerland



The life sciences companies here are leaders in innovation and actively shaping the global healthcare industry

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Vicky Levy, head of life sciences and healthcare at Deloitte Switzerland provides a fascinating insight into the life sciences sectors on both sides of the Atlantic Ocean whilst also detailing Deloitte's aspirations and the latest innovations in Switzerland.

Having spent the majority of your life science consulting career in the US, what convinced you to move to Switzerland and take up your current position in September 2016?

By way of background, I have been focused on the health care and life sciences sector for approximately 20 years. I joined Deloitte through their acquisition of a strategic boutique firm Monitor (who focused 66 percent of their resources towards the health care and life sciences sector). My focus has always been orientated towards the life sciences industry which ultimately demands a global mentality. Whilst working in the US, I was often travelling to Europe, Latin America and Asia in the service of the global pharmaceutical companies and often thought I would live abroad at some point in my career

When the opportunity came up to move to Switzerland, lead Deloitte's life sciences sector and oversee one of our most important global client relationships, I jumped at it as it met both professional and personal goals. Professionally, Switzerland is an attractive market. The life

sciences companies here are leaders in innovation and actively shaping the global healthcare industry. While US companies are indeed innovating through partnerships with biotechs and health technology companies and cultivating strong relationships in Boston and San Francisco, I see the European companies, generally speaking, have not only been leading in science but have also been leading the fundamental challenge presented to us by the healthcare industry: that is that populations are getting older and sicker and in need of affordable treatments but also innovative treatments which tackle these diseases. Who will pay for these innovations as the cost of medicine development is skyrocketing?

I see the European companies especially the Swiss ones, reaching out to health systems and paving the way for new financial arrangements that reduce costs to the health systems whilst still rewarding the pharmaceutical companies for the patient outcomes they achieve with their medicines. Of course the Swiss industry is not just about the key players who are globally or regionally headquartered here as there is a significant biotech cluster, but certainly they command a high degree of influence. Ultimately, it is rewarding to serve the birthplace of the pharmaceutical industry.

Finally, professionally, I have always had a passion for building strong teams. Perhaps it is a legacy from my schooling years where I played on many sports teams, but the sense of common purpose and achievement one gains from a high performing team fuels me. Having the opportunity to build that here is hugely motivating. Personally, Switzerland is a wonderful place for my family and me to grow and learn. We are soaking up as much of the culture, history, and languages as we can. We have become experts in the Snow N Rail SBB programme!

What were your main objectives upon taking the position?

In short, to be a catalyst for growth and innovation for an already successful practice and in turn, a catalyst for our global client relationships. This will entail a clear focus on talent, innovation in solution and client experience, excellence in client relationship management, and a global mindset. To achieve this I believe you should view operations from both a global and local perspective. This is particularly important because many of our competitors manage their operations in a set of regional clusters and seek to import talent for a given project. I think this is insufficient for our clients. It is important that we give our clients the best Deloitte can offer globally whilst also excellence locally. As I shared already, the companies operating here are of a world class standard and bring their best talent to Switzerland as well. We need a team here that can partner with our

clients at the highest levels of performance. We want to reflect Deloitte's global values and capabilities at Deloitte Switzerland whilst consistently investing in our staff to continue to raise our game.

I dug deeply into our current client experience and degree of customer satisfaction and was quite pleased to learn that most of our clients rate our teams and give them high acclaim which certainly keeps our teams motivated and wanting to achieve even more impact. There is a high level of quality that we are aspiring to and I am confident that we will get there. If you look at the diversity of our talent base, you will notice that we have a huge commitment to diversification. Consistent with Deloitte globally, we here in Switzerland have been on quite a journey diversifying not only our staff but our executive leadership too. We are quite proud of our results and life sciences in paving the way. We have the largest share of female partners in the life sciences sector and we have been able to accommodate individuals who are very talented but also have strong family (or other) commitments. Ultimately, the goal is to bring in the best talent whilst providing them with long-term motivation. In Switzerland, there is huge competition for talent. Therefore, serving the clients impeccably both on a global level and a local level and sourcing, and investing in the best talent remain key objectives as well as the firm's.

The Swiss life sciences industry employs 356,000 people, exports USD 71 billion, and is now beginning to house a concentration of regional headquarters for major MNCs. With this in mind, what do Switzerland, and specifically Swiss life sciences, mean to Deloitte globally?

In both scale and importance, the life sciences sector is immense. It is one of largest sectors for us globally. Moreover, as one of the key industries of Switzerland's economy, it is one of Deloitte Switzerland's three key industries that we serve.

Given this importance, here in Switzerland, we are well supported by our global network. I work very hard to make sure my team is collaborating with the right companies and bringing the best of the best to our clients in Switzerland. In order to be successful in the life sciences sector locally, you need to be global architects capable of achieving contact with leading executives and engaging them on their global plans. When global companies (Amgen, Biogen, Bayer etc) settle here, they are making multidisciplinary decisions. Therefore, Deloitte needs to reflect these needs in the region and bring global, multidisciplinary, and engaging talent.

What differentiates Deloitte's service offering to life science companies in Switzerland from those of the rest of the 'Big Four,' as well as from those of potentially more nimble boutique consulting firms?

Simply put, the nature of how our great people serve clients, our values, and the ability to provide end-to-end services. Our people consistently answer with these three factors. In terms of end-to-end services, perhaps there is not a lot of difference between Deloitte and other large firms but after reviewing client satisfaction surveys, I feel I have identified three key areas of differentiation.

Firstly, we are focused on measuring our impact. Perhaps this has something to do with Deloitte's numerical and financial legacy. This allows us to have very transparent conversations and constantly review our performance. Secondly, we have a very beneficial and pleasurable client experience that goes beyond mere positive feedback. Our clients describe this best. I once overheard a client say that working with Deloitte was like being guided across a dangerous river but rather then standing on the other side of the river and telling you how to cross, Deloitte is on the same side of the river working with you to get across. The Deloitte way of doing things is certainly very collaborative. Thirdly, we make sure our teams are bringing innovation and not simply expertise with regard to their knowledge. Whether we are talking about new solutions or a different client experiences, it is an aspect that spreads throughout the entire organization. We have a section in our newsletter called 'Innovation of the month' where a team receives recognition for their creativity. To realise this differentiation we are trying to cultivate both leaders and architects. As I alluded to earlier, we need people who can sit with a client and then clearly identify what individuals and expertise we need to approach this new opportunity. In trying to get to the heart of what the customer needs, we often challenge our client's proposals with questions ranging from challenging scope, approach or even the resource mix e.g. why do you require all these resources here in Switzerland when we can offer you a mixed resource structure with teams near shore in Italy, Prague, Ireland or offshore in India or Mexico? These factors certainly create a different feel at Deloitte when compared to other organizations and has helped the company become very successful. The talent market speaks for itself and we are seeing a tremendous uptake in interest joining our Deloitte life sciences team from our competitors, which is something I am personally very proud of.

How is your team organized in Switzerland to offer the best solutions to your life sciences clients?

The sign of a healthy company is one that works the matrix well. It is not too industry-oriented, purely client focused or fixated on one country. There are different layers in my team. In Switzerland, we have a community from analysts to partners of around 300 individuals. This community spends more than 50 percent of their time focused on pharmaceuticals. However, there is another group of roughly equal size who are experts in new or high growth solution areas (e.g. blockchain, robotics and digital engagement) who also contribute to the growth of our sector. Pharmaceutical leaders want access to both deep industry expertise and deep capability expertise that may in fact reside out of the pharmaceutical industry. A pharmaceutical firm concerned with security might wish to speak to banking consultants as the solutions have progressed further in this sector than they have in pharma. Just prior to this interview, I was talking to our Robotics Centre of Excellence Leader who only 18 months ago was serving demand primarily from financial services and is now serving tremendous demand in our sector. The pharmaceutical client isn't interested in the benchmarking relative to peers, they want to know the automation and cognitive lessons from those industries which are most advanced.

Every team serving a Swiss client in the life sciences sector brings together a wide range of cultures, nationalities and backgrounds under one roof i.e. there is no pure Swiss team. Therefore, we have no barriers and we work behind the scenes to plan effectively whilst attempting to maintain this mixture. For instance, we have a client with a broad based automation ambition and will be requiring near and offshore support in India, Prague, Italy and Spain as well as onshore support in Germany, Switzerland the UK. These mixed team structures and models are our future and we are pushing the boundaries of our operating model to address these needs.

Have you had any unwelcome surprises since moving to Switzerland to work for Deloitte?

There is an inconsistency between the global themes we have been discussing today and Swiss mobility law. I had expected Switzerland to be a nation that mirrored the international business community but there are more profound restrictions and limits than I initially appreciated. It is easier when dealing with companies based in Switzerland, from an immigration perspective, to be served by Swiss resources only. However, this may not be serving the client's best interests as I described earlier. When you are working in the United States, global mobility has historically not been a complication to navigate as a leader. Another surprise is the Swiss culture of leadership. You have heard me describe the importance of leadership and architecting to our business. When I am looking for those characteristics in our Swiss teams, there can sometimes be issues especially

when our clients want more advocacy from us. This is something we are currently working on with our Learning and Development Programme, which really encourages teams to embrace increasingly broad styles of leadership and cultivate new styles that may not be second nature.

Deloitte's life science offering in Switzerland encompasses pharma, biotech, medtech, integration advisory and regulatory compliance controls. How are your revenues split between these business lines?

Approximately speaking, our revenue here in Switzerland (vs. globally) breaks down as follows, 60 percent globally headquartered companies in Switzerland 30 percent regionally headquartered companies in Switzerland and an additional 10 percent from the biotechnology sector and the medtech industry. From a regional prospective, I expect medtech to grow considerably as we are only just now really organizing ourselves to serve this sub-sector here in Switzerland.

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Switzerland is a very attractive place to host a biotechnology firm due to taxation regulations and the talent available. In fact, biotechnology firms also have the luxury of being in close proximity to the industry itself and a host of academic institutions. The fact biotechnology is growing is exciting because most of the latest scientific developments have occurred in this field and it is particularly great for our teams to be exposed to these high-growth companies. The growth in regionally headquartered companies will continue because many of these organizations are starting to realise they cannot control operations from across the Atlantic or other side of the world and thus building stronger local European footprints.

Deloitte's November 2016 report 'De-Risking Pharma' identified significant scientific, economic, and delivery risks for pharma companies globally, brought about by changing patterns of disease. To combat this risk, the report suggested seven strategies that companies should adopt to de-risk and create values for patients: continuous R&D innovation, collaborative directed research, accelerated access processes, clinical pathway delivery, lifetime patient data management, digital platforms, and new factories. Do these strategies hold true for your clients in Switzerland and the industry generally?

Certainly, the aspect of cost structures proving unsustainable holds true. Whether huge multinationals or regional bases, all the companies are looking at the industrialisation of their business models whilst radically determining how they can deliver products to their patients in a reasonable and faster ways. That is a universal trend and one that certainly applies to Switzerland. As noted before, we're seeing a rise in demand for digital transformation and automation. Automation is a huge topic in the Swiss market. Whilst it is true that some jobs will disappear, there are so many jobs that will be created due to the constant evolution of the industry, and we do not know what roles will need to be fulfilled in 2037. In the life sciences sector, it is important to equip talent with new skills that can address the needs of tomorrow. I think our Swiss clients will take extra care navigating this trend because of impact on local employment. So essentially the focus is not just on changing the number of people we have here in Switzerland but also on changing the responsibilities and competencies of people here in Switzerland today and into the future.

We have already mentioned Swiss labour and the Swiss mentality regarding innovation but there is also a way of doing research & development in Switzerland that is very apparent. Many of the companies operating here also have development sites either in Basel or Zurich. These companies require innovation to fully utilize their latest technology and analogies. Also, innovation is particularly important when seeking a strong relationship with regulators. These relationships can benefit organizations with their pre-clinical trial studies and ultimately help them to create medicine together in a far more efficient way. The use of data in health systems is another example where Switzerland is looking to de-risk the industry.

A few words to conclude on Switzerland?

It is a really exciting industry that has global, regional and local aspects to it. There is no other country or system like the set-up we currently have in Switzerland. Switzerland is home to so many outstanding companies operating in similar industries but each tends to have a powerful culture of their own. This market will continue to grow and the key players will continue to serve the market with considerable influence. The position Deloitte currently finds itself in is very exciting as we have managed to bring in an impressive quantity of talent to the firm. The bets we have made in talent development and client offerings have so far wielded very positive results. The future looks very promising!

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