Lance Little – Managing Director (Asia Pacific), Roche Diagnostics; Board Member, Asia Pacific Medical Technology Association (APACMed)



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Lance Little, managing director for Roche Diagnostics in Asia Pacific and board member of the Asia Pacific Medical Technology Association (APACMed), shares how COVID has affected their business in the region, his changing priorities during these challenging times, and the importance of building a unified culture across the regional organization, which represents over 20 diverse markets.

Lance, we last spoke to you four years ago. Can you give us a quick overview of what has changed for you as managing director for Roche Diagnostics in Asia Pacific?

Looking across the region, pre-COVID, we have already seen a general development of diagnostics within health care at an organic pace. There has been an increase in what might be described as first-world thinking within labs, which have become much more geared towards patient-centricity, automation, the use of new tools and so on, bringing them more in alignment with what you might see in Europe or the US. Despite that, before COVID hit, diagnostics as a sector was still very much the unknown and unsung hero in healthcare.

Putting it very pragmatically, when a patient sits in front of a doctor, the doctor has three sources of input: their subjective interactions with the patient and their symptoms; imaging; and in vitro

diagnostics (IVD). Despite this, the value of diagnostics has been completely underrepresented, with only about two percent of healthcare spending globally going towards IVD. Imagine if we doubled that investment to four percent, you could increase access to life-saving diagnostic tools and make new innovations available that support clinical decision making by putting meaningful information in the hands of physicians.

COVID has changed the storyline. Pre-COVID, the general public did not really understand what diagnostics were. If I was at a barbecue, and someone asked me what I did, I would say I work in diagnostics and would be met with blank stares. Now everyone knows what a nasopharyngeal swab is, they know what a PCR test is, and so on.

I tend to use the idea of diagnostics being forgotten in the basement as an analogy because that is typically where hospital labs are located. However, over the past 15 months, COVID has brought diagnostics out of the basement, so to speak, and placed it at the front and center of healthcare policy and decision-making.

Do you think this dynamic will be here to stay, even after the COVID pandemic subsides, hopefully sooner rather than later?

I think it depends on how well we do our jobs, to be honest. Society has a very short memory. This is in fact one of my biggest fears: that diagnostics is relegated back into the basement after the crisis passes, which would be very unfair to patients and everyone involved in their care.

This is why one of my objectives is to continue to drive the value of diagnostics. Now that we are front and center of healthcare discussions, it is time to emphasize the value of diagnostics beyond COVID. Countries and healthcare institutions need to move towards a mindset of prevention. Cervical cancer is a great case in point because the cervical cancer screening programs that have been created in many countries on the back of the latest HPV testing technology have saved the lives of so many women globally. Cervical cancer is curable if detected early, so diagnosis is so critical in this disease state. But a mindset shift is needed and we can only work towards this if diagnostics remain at the front and center of people’s minds even after COVID passes.

In terms of busines performance, we see that Roche Diagnostics was up 14 percent in terms of sales in 2020 overall but sales in the region fell due to a drop in routine testing for other indications even as Roche Diagnostics unrolled new COVID tests. Can you

highlight the opportunities and challenges COVID has brought to Roche Diagnostics in Asia Pacific?

First, I would say that Asia Pacific is a very diverse region, and the organization I manage include 16 legal entities across 20 major markets, including China, Japan, South Korea, all of Southeast Asia, India, Pakistan, Australia and New Zealand.

Certainly, we had an overall decline of three percent in revenues for the region, very largely driven by China. China was extremely aggressive, and has been successful, in terms of its COVID management at multiple levels. One of the results of this management was that many hospitals reduced their service levels in routine operations drastically, sometimes up to 90 percent. While other countries might have seen only a mild reduction in hospital service levels, any reduction in hospital service levels affects the diagnostic testing, and as a result, our core business. Public health measures such as lockdowns and quarantine as well as the postponement of non-essential health visits or surgeries has affected the wider ecosystem including diagnostics.

When COVID first hit, we were in the heart of the pandemic here in Asia. We managed to roll out our first COVID diagnostic test within weeks of the publication of the virus sequence, which was incredibly fast. At the same time, we had to have conversations about how to ensure that we can keep our own people safe, how to ensure we could supply enough personal protective equipment (PPE) for our employees, and how to ensure we are not exposing people to what was at that point a relatively unknown virus while still maintaining the supply of our products, which are essential aspects of healthcare service delivery in the countries we work in.

At the beginning it was firefighting. We had task force meetings on an extremely frequent basis across all the countries with business continuity plans kicking in and so on. But shortly after, we found a rhythm and we started moving towards the question of how to get ahead of the pandemic. We started to drive conversations around best practices. For instance, what do we do to ensure supply chain continuity with tightening border controls? What are the use cases associated with a centralized antigen test versus a point-of-care (POC) antigen test versus an antibody test? How can we start educating countries on this, because many countries did not have a good understanding of how to manage this in terms of population impact? Our conversations with policymakers, with our own teams as well as with customers and partners all evolved over time.

COVID also changed the way we work together. Since I cover such a geographically diverse area, I used to take around 40 international trips a year pre-COVID, and now, of course, I have been working from one place for the last year or so. You learn to be more effective in some things, and

you also learn more about how you work and recharge. For instance, I realized that I used to dedicate my flight time to thinking and reading, and now I no longer have that luxury since it is so easy to fill up a calendar with digital meetings.

The operating model is very different. Digital meetings also typically have an agenda as it is very difficult to schedule a call just for a casual chat without an agenda. With all the virtual meetings, that human-to-human interaction and the personal side of discussion have also been lost. I cannot say if the change is good or bad, it is just different, and we have to update our operating models ways of working to reflect that.

Having spoken to many Roche Diagnostics managers over the years, most of them spoke about the decentralized model of country management the company has, which gives country managers a lot of power and autonomy to make decisions for their markets, regardless of size. Given that you manage a region of diverse markets, how do you see your role as managing director?

We are very proud of this model, which we think has served us very well. I trained as a medical laboratory scientist so I was essentially a customer of Roche Diagnostics for ten years, after which I moved to Roche Diagnostics and moved through both tech support and customer-facing roles, and subsequently into general management roles, in countries like New Zealand, Thailand and India before assuming this regional position. In that way, I have experienced this decentralization myself.

To take HPV as an example again, in Australia, HPV is managed through the national cervical screening program, so our go-to-market strategy was to work with the government regulators on this program. It means that a company could spend years working on this with little to no traction but once we reached agreement, we are present in this national screening program and play a pivotal role in saving lives. However, in Vietnam, the HPV screening test is something that a woman will pay for out-of-pocket because she has been advised to do so, so we work directly with OBGYN clinics to supply our tests. This shows the importance of giving our GMs the space to flex and execute the right strategy for their respective healthcare environments.

For me, I see my role as creating guard rails to ensure that everyone heads in the same direction without being overly prescriptive. My role is to create that direction and enable everyone according to the regional strategy while giving countries the flexibility to execute in a manner that would ensure success in their local markets. A second part of that is, since I have the regional overview, connecting markets that may be working on similar projects or initiatives to help them share best

practices where relevant.

On that note, the question of harmonization and collaboration within Asia-Pacific countries has been discussed for a while now. You are on the board of the Asia Pacific Medical Technology Association (APACMed). What are your thoughts on this?

I see this collaboration piece across two axes. APACMed has actually produced a White Paper talking about the successes and opportunities that arose within the COVID context to accelerate the entry of products into certain markets, for instance, by leveraging the work that had already been done in a similar country or a country with a strong regulatory environment. This is an ongoing conversation but with COVID, some good work has been done on this front.

Secondly, within the healthcare industry, I do see organizations like Roche Diagnostics increasingly developing more of an ecosystem mindset. The days of seeing ourselves as just a piece within the ecosystem, sitting independently of other players and interacting only with the people we see a direct connection with, are coming to an end. The role of a diagnostics or pharma or medtech company needs to become more interactive. How can we partner with different players to improve overall healthcare outcomes and overall healthcare efficiency? This will become an increasingly important conversation because public and private health providers are looking to do more with each dollar.

Already, Roche Diagnostics runs a model called ‘Startup Creasphere’ in Germany, which we have since brought to the APAC region, together with the accelerator Plug and Play, which is specifically designed for us to connect and work with start-ups here. We have also had alliances with other companies like GE Healthcare, where we worked on the digital front. We have worked with pharma companies including Roche Pharmaceuticals but also other companies in companion diagnostics development. It all comes down to being willing to experiment and try new things. There is no single recipe but conceptually, it is important to take this ecosystem approach to deliver value within healthcare.

Singapore represents a regional hub for Roche Diagnostics, as it does for many other MNCs. Is the country well-positioned to remain a regional hub and how can you leverage the strengths of Singapore?

Singapore has served us well and continues to serve us well as a regional base for our business. Firstly, the environment here is conducive to business operations. The government is very supportive in terms of the infrastructure, skill sets and expertise it provides. Singapore understands what is needed to host regional roles and functionalities, which I am extremely grateful for.

Secondly, Singapore is relatively small compared to many of our other markets, which is actually a strength because it means that we do not get too absorbed by local operations and happenings. We benefit from a very structured environment here where we can serve and support a diverse number of countries. If we were in a larger and more changeable environment, a lot of our regional resources may be taken up by the local developments.
Thirdly, Singapore's healthcare ecosystem itself is very well-established, particularly within Southeast Asia, and healthcare is delivered in a very effective way. This serves as an example for other countries to look at and learn from.

You have already spent nine years with Roche Diagnostics in Asia Pacific. What else do you seek to achieve for the regional business here?

Internally, my objective is to amplify the voice of Asia Pacific within the global organization. Already, the region is very significant for our global business so we have a strong role to play but this region is very different from the US, Europe or Latin America, so my goal internally is to advocate for the region's needs and priorities within our global organization. The future success of Roche Diagnostics will lie not only in Europe and the US but also Asia Pacific.

Externally, I see my first objective being to strengthen the foundation of diagnostics and therefore healthcare in the region. COVID has highlighted the flaws and systemic weaknesses in many diagnostic infrastructures, and as I stressed before, diagnostics is really foundational to good healthcare, so this suggests that there are structural weaknesses in many healthcare ecosystems in the region. We need to solve that. Secondly, I think it is clear that Asia has a faster cycling mindset in terms of piloting new ideas and projects. I want to see how we can continue to push the boundaries and innovate more, and then export these innovations and ideas to other regions.

To wrap up the interview, how have you built the culture and organizational spirit of Roche Diagnostics in Asia Pacific during your tenure here?

Globally, we have a very strong stance on the importance of diversity, and the journey is ongoing. Across my regional organization, we have around 25 different nationalities represented. If we look at the gender mix, across my leadership teams in the region, 40 percent of our leaders are women. In addition to these metrics, however, I think diversity also means having diversity of perspectives and opinions heard around the decision-making table, regardless of who they come from. This is why I see it also as an important aspect of my job to foster a safe environment where people feel comfortable sharing their ideas and perspectives.

With the regional organization being so diverse, it was a challenge to build a unified Asia Pacific voice without sacrificing individuality. When I arrived, we started building that unified voice, now known as the APAC Spirit, which was a bottom-up initiative that captured the essence of what we value as an organization. We defined five core principles that we saw as fundamental to our organization. For instance, one principle is ‘people first’. I know this is highlighted by almost every company but for us specifically, it means building relationships on trust and respect. Every week, I reflect on the things I have done personally to foster trust and respect in each of my interactions. Another principle is to become better versions of ourselves. This means that, as a leader, I have to foster a learning environment and encourage my team to learn and grow constantly. In the past few years, our APAC Spirit has really become entrenched across the organization. Today, it seamlessly connects with our global strategy and vision, serving as the foundation for a unified culture.

Ultimately, we are driven by the value of diagnostics. Those of us in this business have known about this for years but COVID has thrown diagnostics into the general spotlight and it is important for us to continue to drive this increasing awareness of the value of diagnostics and its role within the healthcare system.

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