

Functional Sourcing: Evaluating Organizational Structure

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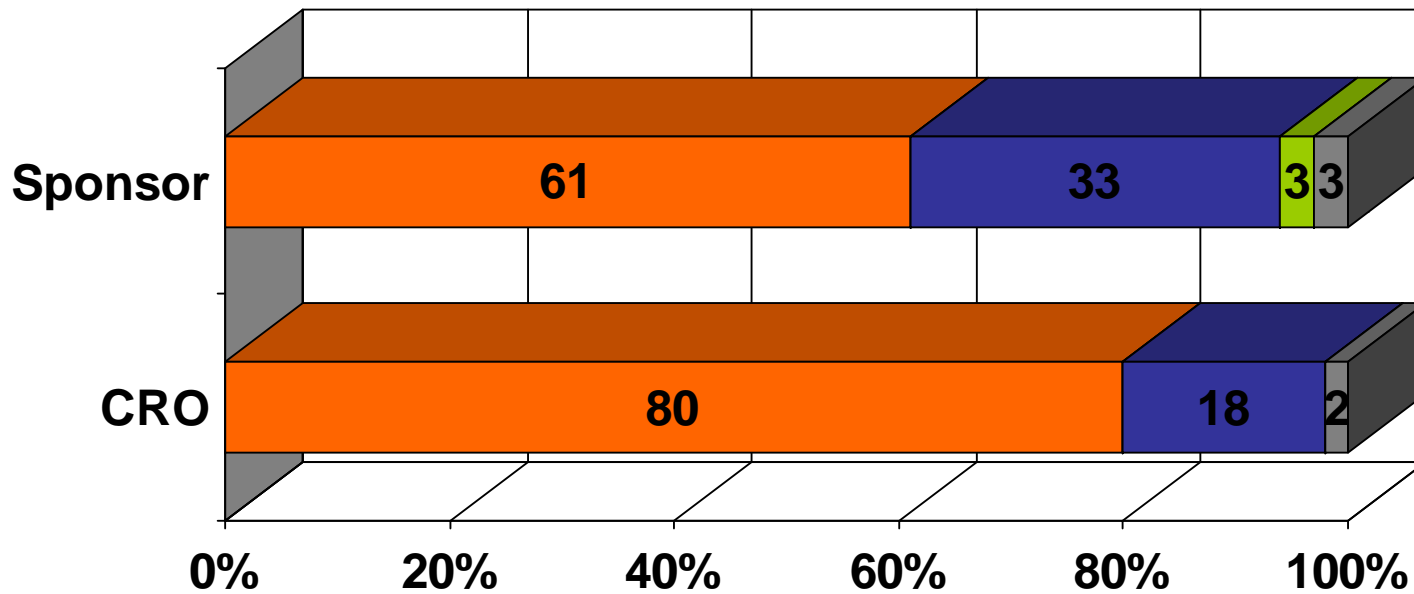
Agenda

- Avoca Survey results
- Avoiding Miscommunication
- Organizational Structure
- Training Considerations
- Summary

Avoca Industry Survey

- Conducted by Avoca Group
- Results indicate a need to improve communication in outsourced relationships
- Expectations of the partnership need to be clearly delineated

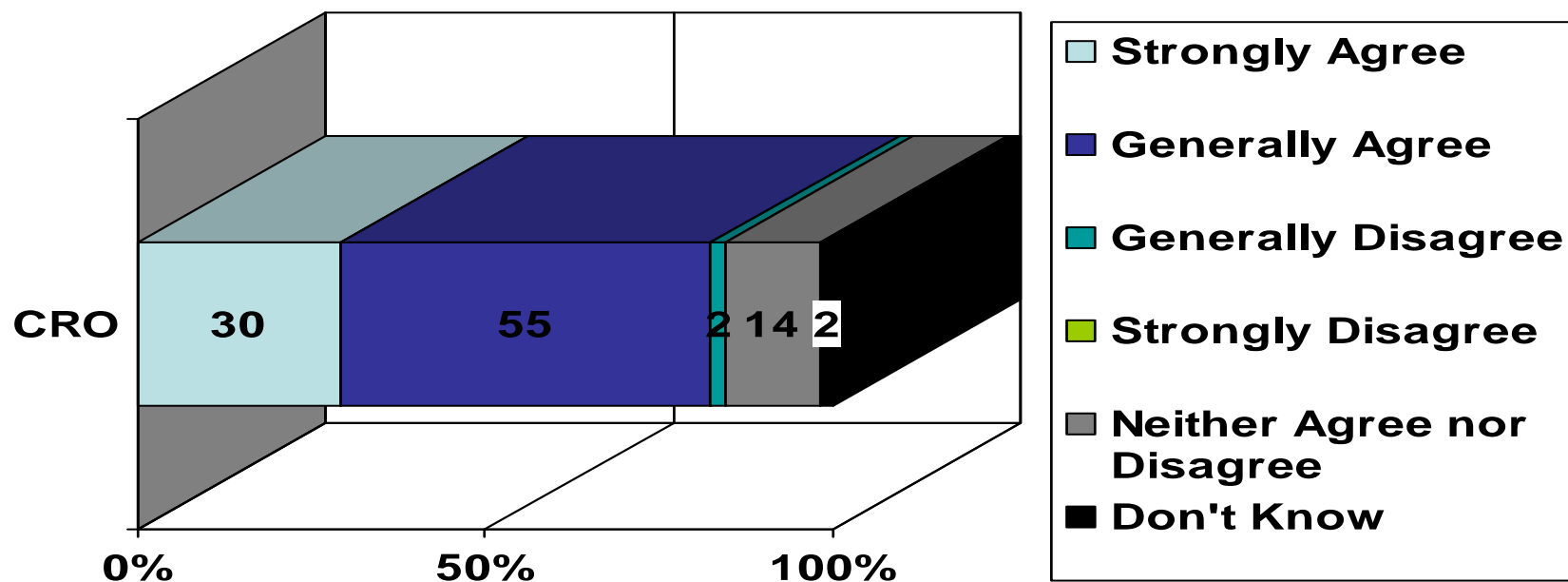
Gaps in expectations between sponsor and CRO cause difficulties in relationships between outsourcing partners



The Avoca Group, Inc., 2008

CRO Response

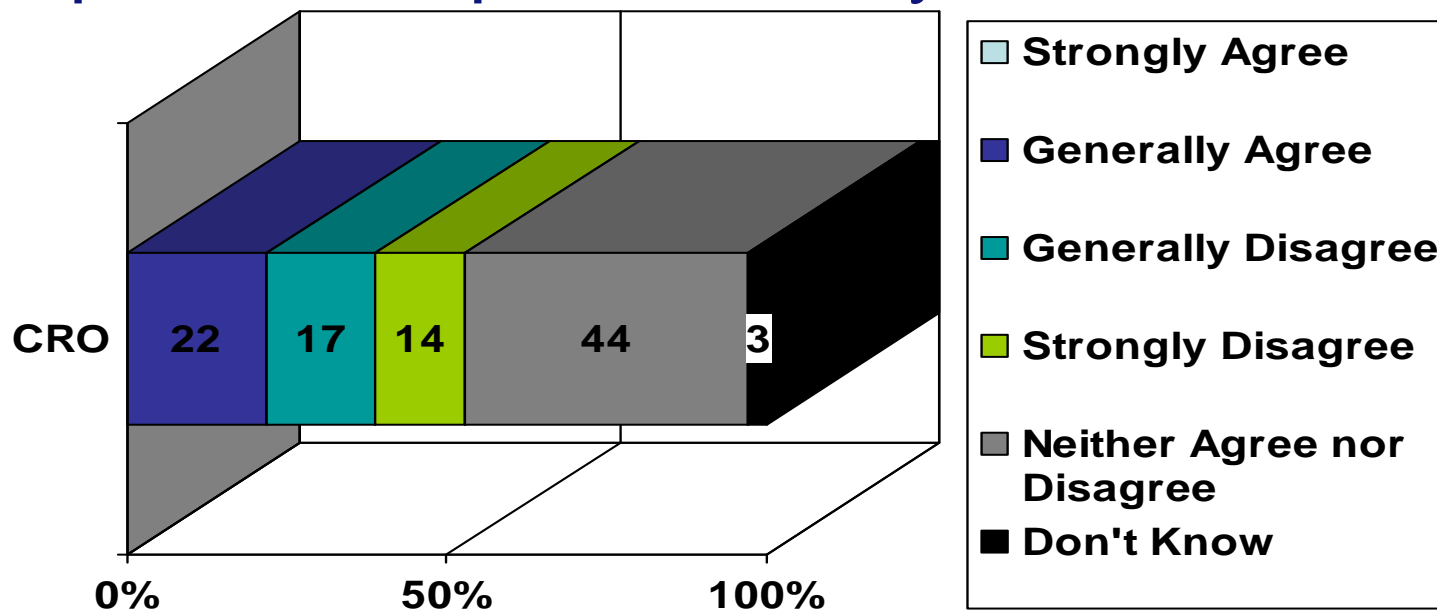
My company is effective at proactively gathering needed information about sponsor expectations prior to study start



The Avoca Group, Inc., 2008

Sponsor Response

CROs are effective at proactively gathering needed information about sponsor expectations prior to study start



The Avoca Group, Inc., 2008

Avoca Results Summary

- Almost everyone agrees that gaps in expectations cause difficulties
- 85% of CROs think they effectively assess expectations...
- but only 22% of sponsors agree with that

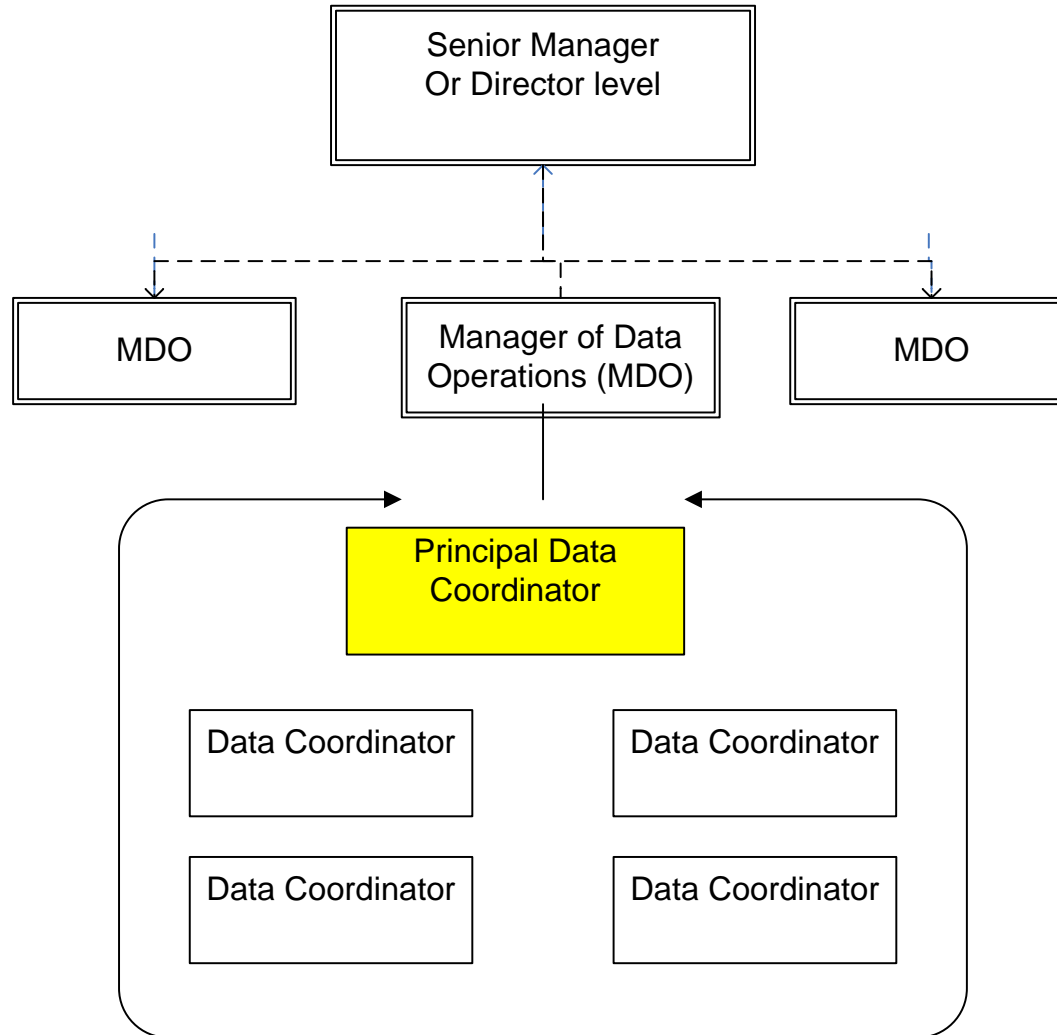
Avoiding Miscommunication

- Agreement and understanding at the top level of Sponsor and CRO
- Well-defined escalation path
- Detailed Project Management Plan
- Organizational structure that promotes partnership

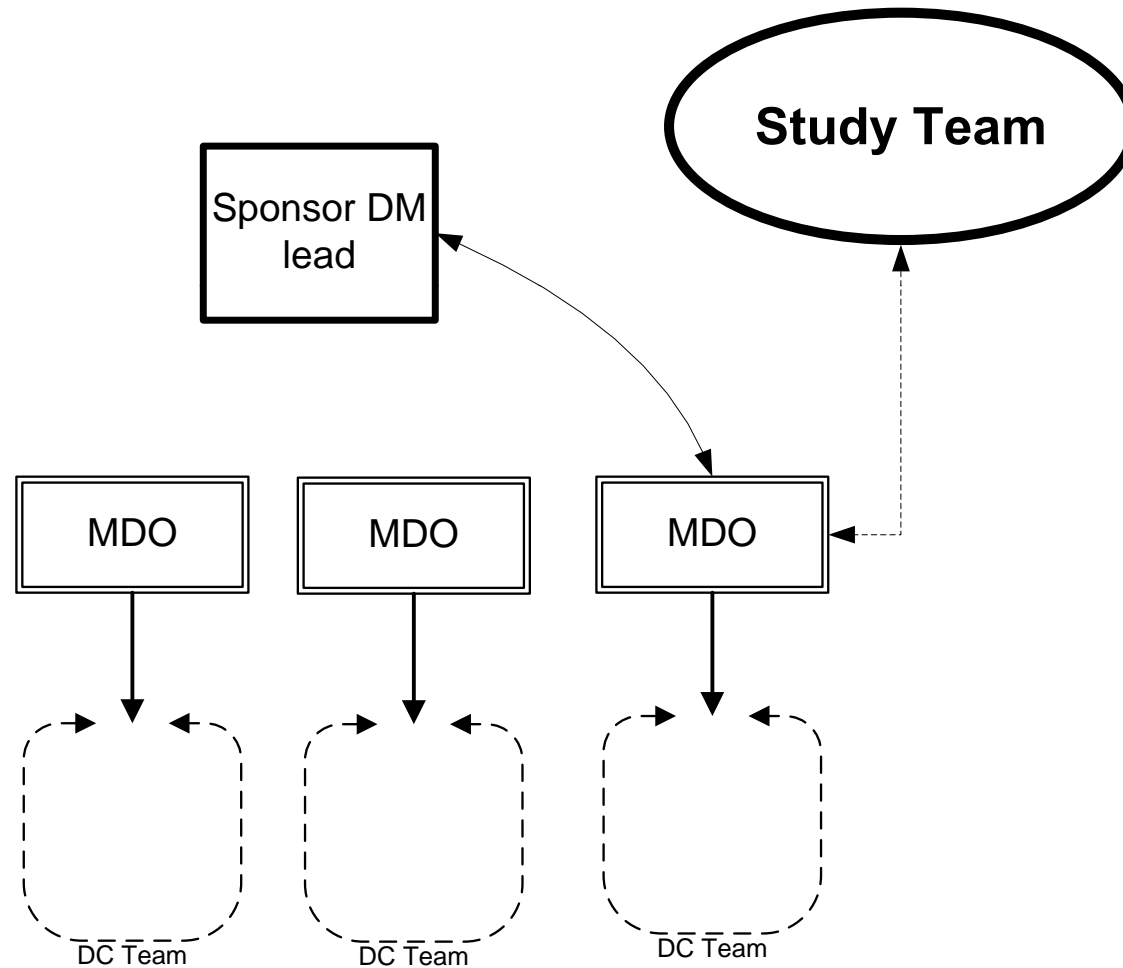
Organizational Structure (CRO)

- Planned organizational structure
 - Allows resources to support project needs
 - Facilitates communication
 - Provides detailed escalation path
 - Scalable to support multinational projects

Organizational Structure



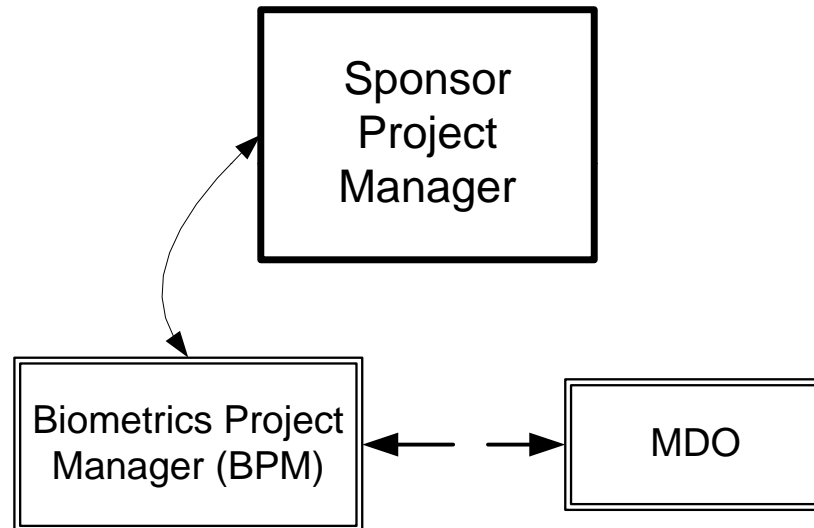
Organizational Structure



Geographic Location

- Cost considerations
- Time zone coverage
- Language barriers
- Labor pool

Organizational Structure



Project Manager

- No direct reports
- Facilitates team meetings
- Manages PMP and timelines

Training Considerations

- Principal DC coordinates training by location
- Training records are maintained centrally or electronically
- On going training plan detailed in PMP for longer term projects

Summary

- Expectations are clearly defined before project initiation
- Organizational structure supports clear communication and escalation path
- Long term projects should anticipate and prepare for attrition.
 - Training plan
 - Timelines set accordingly

Thank You!

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