

## **Risky Business – The Pharmaceutical Industry Boardgame**



**An engaging way to experience the multi-year product development process in just half a day, and to boost strategic thinking at all levels of an organisation.**

## Pharma is a Very Risky Business

Pharmaceutical companies make some of the biggest gambles of any industry: **multi-million, even multi-billion-dollar investments** on a new drug can take a decade or more to play out, as scientific and technical barriers produce a high failure rate.

On average only **one in ten new drugs** in Phase I makes it to the market. Companies try to reduce this risk through intense efforts in business development and licensing by **finding partners that can share the risks and rewards**.

While this seems like common knowledge, key employees inside **R&D and BD&L** – as well as in other areas like finance, sales, marketing, or production – often have a limited appreciation of **how these risks actually strike and how to reduce them**.

The course provides pharmaceutical professionals with a much better understanding of how the R&D and BD&L processes function and how they should work together. In addition, the session allows players to absorb the complexities easily and quickly.



“The Risky Business game is fantastic. The most valuable aspect was experiencing the discomfort of the high risk in the industry. Whether or not you are a seasoned portfolio professional, the game helps you make better strategic decisions.”

**Claus Due Ponsaing**  
Senior Portfolio Manager  
Strategic Marketing  
**H. Lundbeck A/S**

### What Risky Business is About

In the game, each participant takes the role of a pharmaceutical executive. The game gives players the **experience of the multi-year drug development process**, the design of corporate strategies, management of their R&D pipelines, and the execution of **partnering strategies**, from searches to negotiations.

The game lasts **3 to 5 hours**, during which participants experience project failures and successes, and watch licensing deals produce value or write-offs.

Ultimately, they will see the benefits and risks of different strategies: going it alone vs. partnering in development, manufacturing, or marketing & sales.

### How the Game is Played

- 12 to 24 participants form at least four groups, each representing the **executive team** of a pharmaceutical company. Larger groups upon request.
- During the game, nine turns are played, and the team with the **highest company value** wins. Different objectives can be set.
- During each turn, teams receive funds and Phase I projects, **invest in their projects or infrastructure**, and can **negotiate and arrange deals** with other teams.
- Each team completes its turn by **paying for investments and deals**, where applicable, and by **rolling the dice**, thus determining the **success or failure** of individual R&D projects.





## Who Should Play?

Risky Business can be played by professionals from inside and outside the pharmaceutical industry who wish to gain strategic insight into the financial decisions of R&D and BD&L.

The game can be played across all levels, from the executive board to operational functions.

Companies typically play Risky Business at departmental retreats, international workshops, global get-togethers, strategy processes, and as a part of human resources programmes.

Outside the industry, Risky Business has been played by pharmaceutical investors, insurers, pharmacists, physicians, patient advocacy groups and patients. Other groups include the press, politicians, as well as various stakeholders in the healthcare system.

## The Benefits

Risky Business is a fun, yet challenging team experience that deepens strategic thinking and understanding across all functions and levels in pharmaceutical companies.

The game is an effective way for pharmaceutical professionals to become more knowledgeable about their respective roles in two core processes of their company: R&D and BD&L.

Risky Business provides deep insight into the mechanics of pharmaceutical R&D, progress, risk and failure, areas which are not always fully understood outside the industry.

## Why a Game?

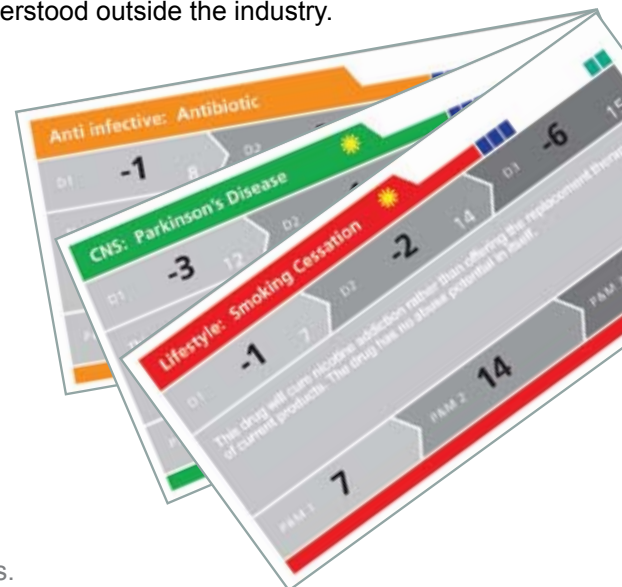
Risky Business helps pharmaceutical managers get to know each other in critical ways. The game provides a safe environment for highlighting problems, staging productive conflicts and, more importantly, learning how to resolve conflicts and produce the best outcome for an organisation.

Research on motivation has found that playing games is far more engaging than listening to lectures.

Studies suggest that challenge, curiosity, fantasy and control are critical to inspiring people to seek additional insights and knowledge. Risky Business incorporates all of these dimensions.

“You can discover more about a person in an hour of play than in a year of conversation.”

**Plato**  
Greek Philosopher  
427 BC to 347 BC



## Risky Business – The Game

This version runs 3 to 5 hours and includes short presentations delivered during the game on such topics as:

How does pharma R&D really work?

How are R&D projects and deals evaluated?

What are industry benchmarks of key R&D parameters like success rates, costs and duration per development phase?

FEES: € 5.000 + VAT per group of 12 to 24 participants.  
Larger groups upon request.

## Risky Business – The Game & Strategy Workshop

In this version, the game is played in the morning session.

The afternoon session offers an **in-depth workshop** and presentation on how to **use the insights** of the game to **review or develop a strategy**.

Details upon request.

FEES: start at € 8.000 + VAT per group of 12 to 24 participants, depending on the level of customisation. Larger groups upon request.



### About the Instructor

Dr. Matthias Krings heads The Catenion Academy and is a founding partner of its sister firm, Catenion. Matthias has worked for European and global client organisations on **pharmaceutical strategy** with a particular focus on R&D portfolio management.

### About The Catenion Academy

The Catenion Academy is the education arm of the management consulting firm Catenion.

The Catenion Academy helps **pharmaceutical professionals** to **reduce the risks** involved in bringing new drugs to the market and to **improve complex decision making** in R&D and BD&L.

We provide three types of educational programmes: **Risky Business**, a **strategy game** that provides profound insights into the complex mechanics of R&D and BD&L processes; **in-depth courses** on **decision analysis** techniques that improve investment decisions for R&D projects and portfolios; and **customised programmes** covering **specific topics** of client interest in pharmaceutical strategy. Our programmes help professionals both within and beyond the pharmaceutical industry, to gain strategic insight into the financial decisions of R&D and BD&L.



### How to Get Started

For more information, please contact

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