

Outsourcing Version 4.0

The changing landscape of sponsors expectations



01

1. R&D units were managed internally
2. Reluctance in outsourcing, as it was a new concept
3. Least important activities were outsourced

03

1. With the advent of technology and improved communication, outsourcing was revolutionized to expedite the overall turnaround time from discovery to market
2. Paradigm shifts in organizational setup and business models. 'Exclusivity' and 'Ring fence' were the buzz word
3. Outsourcing flourished until Recession and global slow down hit research related activities

02

1. More acceptance towards outsourcing;
2. Outsourcing consisted of some core activities and all other non core activities
3. Comparisons were made between in-house teams and vendor capabilities in terms of specialization, cost efficiency and time zone coverage

04

1. Fierce competition among vendors to become preferred vendors as Pharma companies started consolidation
2. The blockbuster era is over, development costs are skyrocketing, uncertainty around regulatory and reimbursement, patent cliffs. To remain competitive, drug makers are intensely focusing on generating more value and productivity from every dollar spent on R&D.
3. Focus on low cost destinations to bring cost efficiency and experience, and also skilled resource pool to leverage productivity and quality benefits