

5 Tips for a constructive budget conversation

#3 Facts

Facts trump assumptions, but you still need to make assumptions.

Let's be frank, we will never know everything, and our data points will never always be 100% accurate. The more facts you have to hand, the more plausible your assumptions will likely become, and the easier the story is to articulate.

Facts also lower the levels of stress throughout the entire process for everyone. If everything was 100% accurate, likely everyone might agree. Unfortunately, it is never that way, and we need to use facts to support the assumptions we make. Having a strong foundation of facts to draw on can almost start telling the story for you if you are following the direction clearly. Being able to lean on your fact base can also alleviate levels of stress, anxiety, frustration, and fear during the planning process. They can take the emotions out of the discussion.

There is a caveat in Pharma, we consume almost too much data. So much that it gets difficult to pull together all the facts to form a comprehensive and clear story. This is where it can become overwhelming, trying to knit it all together. Some facts are useful some not so much. However, you need to be diligent in extracting strong supportive facts that support your assumptions and your story.

Another caveat, what happens when there is simply not that many facts to work with? There will be gaps, plenty of them, but if the gaps are clarified early in the conversation and your assumptions are plausible, it is what it is. Following on from the previous series 'Be Honest', acknowledge the gaps openly but have a plan on how to mitigate or close them. Bring others into the conversation, there might be someone in the room who may have an idea or experience and help.

The more facts, the less gaps, the less gaps the less assumptions, the less assumptions the less risk, the less risk, the less work to mitigate them. It's not rocket science. Facts presented clearly can be the cornerstone of building trust during the process.

Think of facts like a clinical trial, the more you have, informing the same trend, the higher the statistical significance and confidence levels.



Adrian Dunstan
General Manager - BeiGene
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Adrian has a strong marketing tenure spanning different companies and countries. Australian born, he has worked in the APAC as well as the Middle East regions for different companies including Novartis and Takeda. He has recently returned to Australia as the General Manager for BeiGene ANZ, establishing their commercial footprint in Haematology and Oncology.



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For this series we will hear from Adrian Dunstan who has a lot of experience in the budget planning process. Being on both sides of presenting and being presented to.

Having been in many different marketing roles, what is your opinion around facts and the outcomes of negotiating?

Adrian – Be clear on what you know and what you don't upfront. Know your core numbers well and have back ups that support your core numbers where needed. Ensure you are consistent in what facts you are communicating, and be prepared to drill down where needed.

Facts are indisputable, providing they and their sources are relevant and plausible. It is one thing to present your facts but it is another to present your facts correctly. Brand and strat plans are full of statements and facts but not always presented in a manner that is easy to follow e.g. our engagement score increased to 83%, which was awesome, this just triggers more questions on what that actually means, for example, from what baseline? and is this relative to the purpose at hand?

Reference your statements and be honest about the limitations of the data. Present what is relevant and try articulate it clearly. Sometimes presentations can be that poor it creates doubt and distrust for all stakeholders so consider your audience too. Relevant facts, presented well in a meaningful way, positively contributes towards a good outcome for everyone.

Has there been a time when you were light on the facts? What happened and how did you feel?

Adrian – Yes, I felt ill-prepared and anxious. The anxiety and fear drove my behaviours which were more emotional and defensive. I knew I was not setting myself up for the best chance of success. The impact that had on the others was a decrease in confidence in me. The end result was one of non-acceptance, confusion and more questions. This led to more work, impacting everyone in the team, almost to the point of starting from scratch. The perception of the team was lower confidence in me as this is not the best use of everyone's time. It was a hard learn but a good one for my growth.

What do you encourage with your teams (3 points)?

Adrian –

1. Prepare properly and get the right facts presented in the right way.
2. Be consistent with the story
3. Anticipate questions

How would you describe the balance of facts vs assumptions?

Adrian – Clarity is the more important part here, you may have an extremely low amount of facts and have to make assumptions and decisions. Clarify why, and what the gaps are, and be very clear about the limitations. In that particular moment that's all you may have. Being clear and consistent on the data you present, makes it easier for everyone to understand and follow. Consistency of methodology, choice of facts and assumptions also helps recipients follow your pattern of thought. Think of it as a confidence interval, the tighter the better.

What 3 pieces of advice would you give to people heading into planning season?

Adrian –

1. Don't sandbag
2. Don't over commit
3. Be open and honest

What advice would you give when you have so much data its overwhelming?

Adrian - Prioritise your data sets based on relevance and significance. Be careful with big, complex data sets and models, as any assumption or input can be magnified significantly. Ask for help and get other people's perspective.

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