



2017 Asia Pacific MedTech HR Summit

Event Highlights



Thank you for joining us at the second edition of the Asia Pacific MedTech HR Summit jointly organized by Asia Pacific Medical Technology Association (APACMed) and Korn Ferry.



Under the theme “Rising to the MedTech Challenge: Building a Sustainable Talent Pool in Asia Pacific”, the event brought together over 70 attendees comprising of business leaders and senior HR practitioners from 27 leading organizations.

Featuring 9 sessions and 14 speakers and panelists, the summit addressed critical areas such as value-based healthcare, innovation, capacity building, organizational agility, culture transformation and understanding the millennial workforce.

We hope you have enjoyed the discussions and had the chance to network among your peers and look forward to seeing you again soon!

EVENT DETAILS

- Date: Tue, 20 June 2017
- Venue: Fullerton Hotel Singapore

Event Statistics

- 70 Attendees
- 27 Leading Organizations
- 14 Speakers & Panelists
- 9 Sessions

Best Regards,

Frederik Nyberg

CEO

APACMed

Gladdy He

Senior Client Partner

Korn Ferry



WELCOME ADDRESS

Mr. Fredrik Nyberg

CEO, Asia Pacific Medical Technology Association (APACMed)

Fredrik welcomed all delegates with an introduction of APACMed, the committee members as well as an overview of their calendar of events for the year.



OPENING ADDRESS: TRANSFORMING MEDICAL TECHNOLOGY INNOVATION

Mr. Vladimir Makatsaria

**Chairman of APACMed, Company Group
Chairman, Johnson & Johnson Asia Pacific**

Vladimir kicked off the summit with an insightful sharing of the revolution of the healthcare industry and how medical companies are also affected.

In Asia, rapidly increasing demand for healthcare, especially in emerging markets, combined with severe lack of healthcare infrastructure and resources are driving the need for innovation and disruption. Yet, human capital problems are constraining the growth of many medical technology firms in Asia. Among the hurdles: talent shortages, a need for both industry and local market expertise, generally high attrition, and embedding innovation. To overcome these challenges, he emphasized that HR leaders will need to play a key role in defining the future of the industry by working closely with different stakeholders to align incentives and objectives.





VALUE-BASED HEALTHCARE: A TRANSFORMATION FROM PROVIDING CARE TO MANAGING HEALTH

Dr. Hocking Cheng, Managing Director, Asia Pacific, International Population Health, Aetna

Following on from Vladimir's address, Hocking delivered the first presentation of the day around the topic of Value-based Healthcare (VBHC) and made a strong case for different industry stakeholders – from payer to healthcare provider and medical technology companies – to work together to deliver better value to patients and to society.

People are living longer, better, healthier lives largely due to medical technologies such as therapies, precision medicine, and breakthroughs in devices and drugs. As a result, spending on health care has risen. To address rising health care costs, clinical inefficiency and duplication of services, and to make it easier for people to get the care they need, VBHC is emerging as a solution to improving the health of those who have chronic conditions in an evidence-based, cost-effective way.

He emphasized that VBHC demands a reengineering of the way care is delivered in the following areas:

Health-care delivery model – Episodic vs Patient-centred Care

To move from episodic treatment (reactive care) where healthcare professionals rely on patients to contact the system only when they have noticeable symptoms to patient-centred (proactive and predictive care) where based on patient's data and medical records, learning data algorithms can ensure that preventive action is taken to intervene well before the onset of symptoms, predict risk and intervene even further upstream.





Payment/Reimbursement model – Volume vs Value

To move away from the traditional fee-for-service approach that rewards volume of visits, hospitalizations, procedures, and tests to a system that focuses on measuring value based on analyzing patient outcomes and costs holistically, from end to end, over an entire cycle of care. The entire value-based journey is about being paid for outcomes as opposed to being paid for an activity.

Provider adoption of value-based contracting – Bundled Payments & Accountable Care Management

The payment approach best aligned with value is a bundled payment structure that covers the full cycle of care for acute medical conditions and the overall care for chronic conditions for a defined period. The idea is that patients can choose where to get treatment, and would choose providers with the best outcomes and value for a particular condition. Bundled payments drive integrated care and stimulate competition to deliver better outcomes and value for specific medical conditions. Another model that provider can adopt to provide value is through accountable care management where a group of healthcare providers - primary care physicians, specialists, and hospitals have been incentivized with rewards (and/or penalties) to join forces and more efficiently and effectively deliver their services.

Leading by example, Hocking shared that Aetna and Medtronic have entered a new outcomes-based agreement for Type 1 and Type 2 diabetes patients who transition to Medtronic's insulin injectors. Medtronic will pay Aetna rebates for patients who switch from multiple daily injections of insulin to Medtronic's insulin pump and their health does not hit specified outcomes, according to the agreement that aims to increase accountability and lower the cost of care.

The agreement will allow diabetes patient to receive targeted education on an ongoing basis and more support to better control their disease. Simplifying the diabetes management routine will also enhance the quality of life of doctors. From an economic perspective, the average diabetes cost in the United States have dropped from USD16K to USD6K with clinical outcome also reporting reduction in hospital admission, complications (by 32%) and healthcare expenditure. This is a proven way in which payer, provider and MedTech companies can work together. to deliver better value to patients and to society.



ENABLING TRANSFORMATION THROUGH AGILITY AND EFFECTIVENESS

Presenter & Moderator:
Mr. Tonny Loh,
Senior Client Partner, Korn Ferry Hay Group

Panelists:
Ms. Lisa Tay, HR VP, APAC, Johnson & Johnson
Mr. Atul Khosla, HR, VP APAC, Middle East & Africa, Mondelez International
Dr. Ronald Ling, Co-Founder and Director, Galen Growth Asia

Tonny followed with a presentation on enabling transformation through agility and effectiveness. He shared that although innovation is on the top of mind for many CEOs, when surveyed, majority of CEOs said that they were still unsatisfied with innovation performance (94%), their business model is at risk (80%) and innovation typically fail within two years (66%). He mentioned that the challenges that caused most Medtech companies to innovate slowly on a smaller scale are because:

- the value of device is no longer only in the product;
- integrated services & business models are becoming more important;
- there is a need for higher level of innovation but lack formal processes;
- the industry is slower to apply new social, mobile,

Exacerbating the problem, 4 in 10 executives say agility-related changes don't stick and that it's not enough to train people in agile and then expect them to "just do it."

analytic and cloud technology

Tonny also shared that although there are multiple established frameworks for being Agile (LSS, DAD, SAF) there is limited guidance on organizational transformation. He cited the three most common failure modes exist in agile growth: lack of strategic focus; lack of leadership support/poor governance

and failure to see market opportunity despite good ideas. Agility therefore is both a mindset and a skillset and the need to recruit, reward and model the right behaviors to ensure it permeates throughout the organization is critical to making change stick.

Following his presentation, Tonny moderated a panel that continued the morning theme of managing convergence and disruption. The panelists all echoed the need for radical change of the ecosystem and the need to break down silos between pharma, Medtech and providers in order to find new ways of delivering healthcare.

Key takeaways from the panel session:

Culture change. Essential to the success of a merger is to harness common values and focus on the similarities rather than looking at what needs to be changed.

Overcoming barriers to agility and innovation. Model the FMCG industry approach of customer centricity innovation. Be driven by needs of consumers, not by what can be provided or produced.

Leadership and talent. With the frequent organizational disruptions, managing change is a critical task for leaders. And yet, Asia is underrepresented in terms of senior leaders and it's not for lack of talent. Hence, it is important to attract the right leaders, but also necessary to create the right space to develop and prepare high-potentials to managing change effectively.





FACEBOOK AND BUSINESS INNOVATION

Ms. Sandhya Devanathan, Country Director, Singapore, Regional Lead, Ecomm, Travel & Finserv
Facebook

Following the morning coffee-break, Sandhya delivered an inspiring session on how Facebook is hoping to improve how people connect to businesses and the economy. She shared that the organization strong sense of purpose in making the world more connected is the driving force that guides every employee in their work.

Beyond simply maximizing profits, they focus on their mission of building great services, which will in turn create the most value for their shareholders and partners over the long term — and this in turn, they believe, will enable them to keep attracting the best people. Simply put, they don't build services to make money; they make money to build better services.



Key takeaways from her sharing:

Focus on impact. To have the biggest impact, focus on finding the biggest problems to work on.

Move fast and break things. Companies grow, they slow down too much because they're more afraid of making mistakes than they are of losing opportunities by moving too slowly.

Be Bold. Building great things means taking risks. This can be scary and prevents most companies from doing the bold things they should. However, in a world that's changing so quickly, you're guaranteed to fail if you don't take any risks. Facebook encourage everyone to make bold decisions, even if that means being wrong some of the time.

Be Open. Facebook believe that a more open world is a better world because people with more information can make better decisions and have a greater impact. That goes for running their company as well. They work hard to make sure everyone at Facebook has access to as much information as possible about every part of the company so they can make the best decisions and have the greatest impact.

Build Social Value. Once again, Facebook exists to make the world more open and connected, and not just to build a company. The expectation at Facebook is to focus every day on how to build real value for the world in everything they do.

**Embrace the pivot,
Culture eats strategy,
Data wins arguments,
Stay humble, stay paranoid.**

**- Sandhya Devanathan
Facebook**



BUILDING CAPABILITY FOR SPECIALIST FUNCTIONS

Presenter & Moderator:

Ms. Gladdy He
Senior Client Partner, Global Life Sciences,
Korn Ferry

Panelist:

Dr. Amit Shankar
Chief Medical Officer, Asia/Australia/Middle
East/Africa, Boston Scientific
Ms. Cheryl Tan
HR Director, APAC, Hill-Rom
Mr. Chris Colwell
Senior Director, Public Affairs, APAC, Becton
Dickinson
Ms. Kathy Hanna
Senior Client Director, Korn Ferry Hay Group

Post lunch, Gladdy facilitated a panel session on the talent requirements and challenges in Asia and the panelists insights struck multiple chords with the audience.

Key highlights from the panel session:

Bridging East and West. Asia-Pacific is a hugely complex region in terms of culture, politics, economic development, fiscal stipulations, and regulatory frameworks. As the challenges are vastly different, specific local knowledge is essential in order to develop and implement effective go-to-market strategies. Consequently, it is crucial to develop specific business models and talent strategies accordingly. More global thinking, but also intimate local knowledge are required. Finding talent with the kind of international mindset that can be effective and relate to both East and West is a challenge.

Exploring alternative talent strategy. Many companies are struggling to identify and retain their local high-potential talent and develop a career path for them into senior leadership. Moreover, demand and competition for top-flight talent have intensified, and medical technology companies are competing with other—often better-known—industries for high-performing individuals. To combat talent shortages, clients are also sourcing for professional capability building by looking at adjacent capabilities eg: marketing to do public policy.

High potential competencies. The complex medical technologies market across Asia-Pacific will demand talent who can operate effectively in rapidly shifting and highly competitive environments. The panelists shared the most desirable traits they look for in a candidate:

- High learning agility
- Ability to influence without authority
- Socially flexible leadership style
- Creative, resourceful, and unafraid of change to lead others through new and uncharted challenges

HR Business partnering. The panelists also shared their wish list of how HR can be a partner to the business:

- Provide ideas and challenge to functional leaders, thus acting as a catalyst for change.
- Advise on people issues, supported by robust measurements and evaluation
- Be the expert and conduit on people challenges - especially talent, performance and change.





WORKING WITH MILLENNIALS: ATTRACTION, DEVELOPMENT & ENGAGEMENT.

Mr. Florian Wagner, Senior Principal, Korn Ferry Hay Group

The last session of the day was a workshop on attracting, developing and engaging millennials in the workforce delivered by Korn Ferry Hay Group Senior Principal, Florian Wagner. He shared several key trends that are shaping the millennial workforce such as:

- **Ubiquitous social media usage** as millennials live and breathe technology
- **Abundance** as they are a privileged generation
- **Diversity** matters to millennials because they embrace differences
- **Helicopter parenting** - open dialogue with their parents

He also shared some key millennial characteristics that will influence future workplaces such as **digital, conscientious, collaborative, experiential, flexible, and eagerness**. As millennials will radically “recast” traditional talent management paradigm, Florian facilitated a taster workshop to allow delegates to brainstorm how they can apply some actionable ways to attract, develop, retain and reward their millennials back at work.

The **2017 Asia Pacific MedTech HR Summit** closed on a high note with remarks from co-organizer Gladdy He from Korn Ferry, thanking all delegates for their participation.



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About Korn Ferry

Korn Ferry is the preeminent global people and organizational advisory firm. We help leaders, organizations and societies succeed by releasing the full power and potential of people. Our more than 7,000 colleagues deliver services through our Executive Search, Hay Group and Futurestep divisions.

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