



## Reader ROI

- The new role of chief performance officer in life sciences companies underscores the industry's need for data to support executive decision making.
- The CPO must understand the business context in which information is generated as well as the technical challenges in capturing and reporting it.
- The CPO must strike a balance between filtering the unnecessary details and providing enough insight to add value at an executive level.

# Defining the Role of Chief Performance Officer in Life Sciences

The new role of chief performance officer (CPO) in life sciences companies underscores the industry's need for data to support executive decision making.

The CPO must have a sufficient grasp of all aspects of the business—from drug development through commercial processes—in order to provide context for the information he or she collects and reports. Because the data must be complete and accurate to ensure informed decisions, the CPO also must understand the way data is generated and used by the company's business systems. This means the CPO must possess the skills of a business manager as well as those of a technologist—not to mention those of a data interpreter.

The CPO must have a thorough understanding of the business strategy and a grasp of the unique challenges facing a life sciences company. He or she must be able to discuss not only what is happening in the company, but also why it is happening, identifying and synthesizing data from all areas of the business.

The CPO must be a technical pragmatist, aware of the technology in use across the company and able to make use of data but not immersed in technical details. While information technology can enhance competitive positioning, a CPO will guard against creating overly complex solutions to information problems.

The CPO must also understand emerging trends in business intelligence and analytics, collaboration and workflow, and web technologies so that he or she can leverage additional opportunities for the business.

The company will look to the CPO function to interpret the data for various levels of the business. In that role, the CPO must have the flexibility to present information in different contexts. This will require that the CPO be viewed as a generalist rather than as a specialist in a single functional area.

This is a tall order for any individual. And while some organizations have adopted the chief performance officer as a single person, many equally successful organizations take a committee approach. In that way, individuals from the technology, compliance, finance, and marketing intelligence functions work together to fill the role.

Life sciences companies in the process of establishing a CPO function would also benefit from a review of their business intelligence systems. Capturing the right data is key. And having a structure in place for analyzing and reporting that data will enable informed decision making to enhance competitive positioning.



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