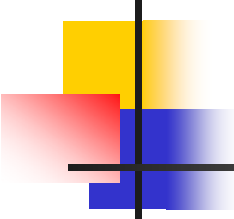




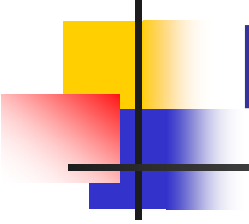
Virtual Proposal Teams: The PBM Perspective

Darryl Tahirali
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Virtual Proposal Teams: PBM Landscape—Macro View

- **Industry:** health care; pharmacy benefits mgmt. (PBM); prominent national presence
- **Market space:** Commercial (employer, union), public sector, Medicare; external, integrated (w/medical sister companies)
- **Size, locations:** Dedicated proposal dept.: ~50 FTE; main office: Irvine, CA; satellite office: Wausau, WI; 15 FT telecommuters



Virtual Proposal Teams: PBM Landscape—Macro View

- **RFP response environment:**
 - 800+ RFPs/yr. (2010 figures):
 - ~400 large (350+ questions)
 - ~200 medium (100 – 350 questions)
 - ~200 small (2 – 100 questions; incl. partner relationships)
 - Turnaround: 1 day (small) to 1+ mo. (big, ugly)
 - Trends: Questions more complex, legal/contractual requirements more onerous



Virtual Proposal Teams: PBM Landscape—Micro View

- Proposal Quality Assurance (QA) Team:
 - “Editors”: Content accuracy (complete, correct response), strategic focus (client-specific, differentiators), professional writing
 - One supervisor (CA), four reviewers (CO, MA, MO, WI)—presence in every cont'l. time zone!
 - Literally see each other once a year (dept. offsite mtg.)



Virtual Proposal Teams: PBM Landscape—Micro View

- Virtual QA team pros:
 - National talent pool to draw from; physical presence not required for QA function
 - Technological environment conducive to function:
 - Document, resource sharing via internet (e.g., email, SharePoint)
 - Teleconference (phone, Webex) for virtual meetings
 - Telecommuters: relaxed, comfortable home environment reduces distractions*

** This can be a two-edged sword*



Virtual Proposal Teams: PBM Landscape—Micro View

- Virtual QA team cons—functional:
 - No “water cooler,” “grapevine”—informal, casual information exchange bypasses telecommuters
 - Time-zone coordination can get complex (meetings, document delivery, etc.)
 - Lack of physical presence eliminates communication channel (can’t “get up, come over, point at screen”)
 - Impaired access to shared resources (e.g., network drives, hard-copy materials)



Virtual Proposal Teams: PBM Landscape—Micro View

- Virtual QA team cons—managerial:
 - Lack of physical presence challenges:
 - Training: Can't "point," "show" all materials
 - Informal contact (ad hoc, regular 1:1): Can't "stop by for quick chat"; non-verbal cues
 - Formal contact (performance evaluation, disciplinary): **non-verbal cues**
 - Group contact (team meetings): Must actively "go around the room" to elicit feedback from all
 - Telephone, email, IM, etc., access essential



Virtual Proposal Teams: PBM Landscape—Conclusion

- Virtual teams:
 - Offer flexibility (personnel, time)
 - Are compatible with “symbolic analysis” (e.g., writing, editing functions)
 - Hamper informal, non-verbal communication
 - Present technical challenges (e.g., resource sharing)

Bottom line: It's the future; the future is now; better get used to it.