

# Thriving in Challenging Times: An Opportunity for the Regulatory Profession



By Sherry Keramidas, PhD, CAE

Reminders of the current troubled economic conditions are all around us. The daily news brings frequent reports of job cuts from around the world, and many of us know at least one person who has lost a job due to cutbacks. Some of the layoffs are occurring in industries and organizations whose positions and business models are shifting in the rapidly changing economic landscape. In other cases, organizations are cutting jobs to manage dwindling budgets or enhance the balance sheets for investors.

The healthcare product sector is not immune to these economic challenges or the consequent downsizing. However, as healthcare is a basic human need, it is critical for corporations and government agencies alike to recognize the importance of healthcare and healthcare-related business to society and to the global economy. Healthcare product manufacturers simply must develop approaches that allow them to weather the current economic turbulence and ultimately be well positioned for the upturn.

Recent articles in leading business publications strongly encourage investing in staff and key areas that will help contribute to future capabilities and products. In the February issue of *McKinsey Quarterly*, authors Christie W. Barrett, Christopher S. Musso and Asutosh Padhi present a compelling case for investing in R&D during these difficult times. The authors do not advocate preserving “zombie” projects that are lingering, nonproductive efforts. They do suggest “using today’s difficult economic environment as an opportunity to upgrade the R&D organization’s focus, practices, and management. That path helps companies not only to cut their costs but also to raise productivity and speed up time to market—while positioning themselves for even greater success in the future.” The authors indicate that organizations should view the downturn as an opportunity to upgrade skills. They note that forward-looking organizations are searching for and cultivating talent in hopes of moving ahead of competitors.

Regulatory departments, like their R&D cousins, do not directly bring revenue to an organization and may be seen as an area for cutbacks.

But, just as cutting R&D may be disastrous, trimming regulatory units may also have severe consequences in the short and long term. Indeed, without an effective regulatory unit, products coming from R&D may go nowhere, and products already on the market may suffer the consequences of regulatory neglect. As with R&D, this is a critical time to invest in regulatory talent, position regulatory professionals and their departments to maximize their contributions and foster greater innovation in regulatory processes.

Based upon RAPS data from years of studying the profession, regulatory seems to have fared reasonably well during previous recessions. We have seen growth in the number and scope of practice of professionals, as well as robust career advancement. Will this economic period yield similar results? While we cannot know for certain, we are hearing anecdotal reports of investment in the regulatory function at organizations of all sizes

Regulatory professionals should develop a proactive approach to both their careers and their positions within their organizations. Develop a strategic value statement for your regulatory unit; begin to look for ways you can enhance the effectiveness of regulatory functions. Look toward the future with an eye on the present.

With your help, RAPS will continue to examine the professional regulatory environment and undertake research on the impact of the current global economic downturn on the healthcare product sector, on regulatory units within organizations and on the professionals in the field. We hope this will enable us to offer guidance and tools to help regulatory professionals thrive in this time of challenge and into the future. As we have said many times, the regulatory profession is a growing, global profession—and we don’t expect that to change any time soon.

A handwritten signature in black ink that reads "Sherry Keramidas".

RAPS Executive Director