

Life Sciences IT Spend on the Rise

12 May 2006 | News

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Life sciences companies today have realized the importance of Information Technology (IT) in their organization to increase productivity and optimize costs.

The pharmaceutical market place today is marked by fierce competition. New products are being launched frequently and face shorter periods of market exclusivity. These need to be supported by well-coordinated organizational efforts. Significant "time-to-market" pressures faced by the pharmaceutical companies, coupled with regulatory compliance needs, have made the life sciences companies to adopt extensive enterprise-wide collaboration for discovering, developing and introducing new products into the market. These are some of the reasons for the life sciences companies in India to adopt technology to sustain growth and competition pressures. This cuts across the industry-be it the CROs or the product companies.

iGATE Clinical Research International, a company focused on clinical research, for example, has been investing on IT and IT-enabled services to boost its process efficiency and productivity. Dr Vasudeo Ginde, founder and managing director, iGATE Clinical Research International, observed, "Started in 1997, we today have combinations of processes, software and other systems and solutions like ERP, CRF, MIS for labs, clinical data management, biostatistics, training, and project management tailor-made for clinical research and our needs."

Looking at the emerging growth of business opportunities in clinical research, Ginde said that there must be a common platform for easy access of metrics and information from across the company i.e., bottom-to-top. The information includes

operations, quality metric, costs, timelines, quality improvement, MIS, supply chain, inventory management, document management etc. Integration of this information has become the need of the hour.

Today, 18 months ago, iGATE Clinical Research International started developing a system called 360-degree Super Script under which every functional head in the company can access all kinds of relevant information at his fingertips. The reason: processes, research and development, sales and marketing, finance, HR, and other systems need to be integrated and access the information. "Now we have a system in place through which our customers can access this information like ERP at a basic basis. This helps the customers know the ground realities. We have started this with one client as a pilot project. With the success of this pilot project, we will extend this to other customers too," informed Ginde.

Dr Vasudeo Ginde, according to Dr. Hemant Nandigala, director, Virchow Biotech (P) Ltd, several IT solutions are being used these days. For example, "For regular accounting, we use an accounting package. This is the same one that helps us align our systems and processes with that of our group concerns. For our R&D, we use a LIMS package-Biotracker from Ocimum Biosolutions. This not only helps us share information across the organization but also helps our managers to monitor the progress and make informed decisions. For our sales and distribution network, we use a billing and tracking software that is installed at remote locations in sizes. Getting Regular IT needs like e-mail and website hosting are currently being handled by an independent third party. So business does not use independent systems for our various needs," said Dr Nandigala.

Take the case of Indian Immunologicals, a leading vaccines manufacturer. In its endeavor to provide affordable immunity, Indian Immunologicals constantly pursues measures that improve the efficiency and quality of its products. "IT is one such tool, which we use effectively to improve the process efficiency. We have started our IT initiatives about a decade ago and we have taken the benefits of the best technology available during that time. We have seamlessly integrated information systems, which give us online information pertaining to all the commercial activities. All our IT systems are designed with a promise to capture the data at the source either by way of software or data acquisition systems. Thus, by capturing the data at source, automating the process, and providing the necessary information, the IT systems form the base for decision support system, and improving the process efficiency at Indian Immunologicals," informed M Prabhakar Rao, general manager, commercial, who also heads IT deployments.

With companies today focusing on global presence, IT deployment is becoming a vital phenomenon. Look at Jubilant Organosys. "As the company is growing in size, getting into new business areas and spreading its footprints across the globe, IT becomes more of a necessity to integrate all functions of the company through a common platform and the need to communicate at a greater efficiency, with greater accuracy becomes indispensable," said Hari Bhartia, co-chairman and managing director, Jubilant Organosys.

Jubilant Organosys, as a part of the information technology initiative, has introduced BaaN, an ERP (Enterprise Resource Planning) system, which enables it to plan online across the globe. "Forecasting forms a vital part of planning and BaaN enables us to forecast to a greater and better extent through availability of all the information on a click of button. For example, this system enables us to get a product wise costing sheets, so when the prices of raw materials increase or decrease we automatically come to know our cost of production and accordingly price our products," added Bhartia.

It has also introduced tools such as Internal Control Mapping, which helps in process efficiency. With this all manually handled functions are getting transformed into IT driven applications and Jubilant is moving towards an automated and much more flawless and error free working atmosphere. Panacea Biotech.

Rajesh Jain, joint managing director, Panacea Biotech, felt the same. The company is increasingly using IT for its integration strategies relating to people, business processes and technology to gain operational excellence and competitive advantage.

"Today regulatory compliance is an integrated part of the business process. We focus on scalability and flexibility of systems to support our growing business needs. We are exploiting the strategic opportunities created by bioinformatics," said Jain.

Dr Hemant Nandigala, director, Virchow Biotech (P) Ltd, the company's IT expenditure has a positive correlation and alignment with the organization's vision and priorities. Its expenditure for IT projects was around 1 percent of the net sales in 2005-06. Panacea has invested intensively in some of these areas.

The IT systems form the base for decision support system and improving connectivity: All its locations and sales depots are connected through VPN/VSAT, which is getting the process efficient at few locations.

Indian Immunologicals."

M Prabhakar Rao, GM-commercial, Indian Immunologicals, Enterprise Resource Planning: SAP ALL-IN _ONE solution for pharmaceutical vertical has been implemented. SAP's HRMS implementation is starting in near future.

Communication and collaboration: Company is upgrading its communication and collaboration capabilities by

implementing standardized "Microsoft Exchange and Share Point Portal Solution" throughout the organization.

- Clinical Trial: Oracle Clinical Trial is already being implemented.
- R&D: Laboratory Information Management System and research tools are at various stages of implementation and up gradation.

And it plans to increase its technology expenditure further. "We plan to implement business intelligence and statistical analysis tools like BIW and SAS for statistical analysis. We are also looking at IT infrastructure enhancement and project management solution," said Jain.

Certain aspects of IT implementation in a big pharma are more or less similar to the applications in any other vertical. Where as, certain aspects are compounded as the Pharma and healthcare industry has the added responsibility towards the health of people.

IT plays a major role in ensuring that the Standard Operating Practices (SOPs) and policies are in place and is being adhered to-like the GXP (GMP, GCP, GPP, GLP) standards. From a compliance perspective, it helps in having proper application processes, controls and ensuring that the processes are being followed.

According to the IT head of a leading global pharma company in India, "The role of IT can be divided into four parts in a clinical trial. First is the complete planning of a trial as the trials are carried on multiple sites and many a times in different countries simultaneously. Then comes the actual execution of a trial followed by data capturing and processing. And finally doing a complete analysis of the trial from a quality and compliance perspective. The complete analysis also helps in improving the overall management of the trials including tracking and management of the inventory of products."

Normally, 1-1.5 percent of the annual sales revenue is spent on IT implementation in a pharma firm. "IT has to be very dynamic and aligned with the business needs. The IT implementations are increasing and the emphasis is on how to increase the efficiency and output by investing into technology and keeping a constant headcount," said the official. E business is the latest means of leveraging technology by way of webcasting and web conferencing.

Clearly companies are considering investing in IT to boost their efficiencies in product development and services.

Ch. Srinivas Rao with
Rolly Dureha in Delhi and
Narayan Kulkarni in Mumbai