



2009 Award Recipient

Veterans Affairs Cooperative Studies Program Clinical Research Pharmacy Coordinating Center

The Veterans Affairs Cooperative Studies Program (VACSP) Clinical Research Pharmacy Coordinating Center (the Center) is a federal government organization that supports multicenter clinical trials targeting current health issues for America's veterans. Located in Albuquerque, New Mexico, the Center focuses on the pharmaceutical, safety, and regulatory aspects related to designing and implementing clinical trials conducted worldwide by the VACSP and other federal agencies and industries. The Center manufactures, packages, stores, labels, distributes, and tracks clinical trial materials (drugs and devices), and monitors patient safety.

At any one time, the Center's 112 employees provide products and services for approximately 70 clinical trials, which last from six months to more than a decade. Over the past three years, the Center's work benefited more than 90,000 patients per year at approximately 1,600 sites using nearly 300 drugs.

With more than 75 percent of its extramural (non-VA) business coming from repeat customers, the Center has demonstrated its ability to consistently, rapidly, and effectively meet the needs of its diverse clientele.

Excellence for the Government and Beyond

While the Center focuses its efforts on improving the health of U.S. veterans, it also strives to be a leader and innovator in the broader community of organizations conducting pharmaceutical clinical trials worldwide.



Highlights

- The Center's financial results demonstrate its ability to maintain its competitive market position. Its budget from new studies grew 143 percent from 2002 to 2008, compared to 58 percent for the VA over the same period.
- The Center's 2008 productivity of \$221,000 per full-time employee compared favorably to eight top competitors, with the highest competitor's performance at approximately \$195,000.
- Seventy-five percent of the Center's customer relationships exceed 10 years. The majority of extramural funding is from repeat business, which achieved its highest level of \$11 million in 2008.
- Organizational culture and processes that embrace regulatory, quality, and performance-excellence management systems enhance the Center's capabilities. As the first VA facility registered with the International Organization for Standardization (ISO), the Center serves as a leader within the VACSP.
- Low turnover, a supportive learning environment, and leadership effectiveness are factors in the Center's recognition as a Federal Executive Board Employer of Choice for 2008 and 2009, and a top 10 ranking in the "New Mexico Best Places to Work for 2009."

The Center has five core values—leadership, customer service, safety, teamwork, and continuous learning—that support goals and help yield outstanding performance results, including the following examples:

- The Center's financial results demonstrate its success and sustainability; its revenues grew 143 percent from 2002 to 2008, compared to 58 percent for the VA over the same period.
- The Center's 2008 productivity of \$221,000 in revenue per full-time employee compares favorably to eight top competitors, with the highest competitor's performance at approximately \$195,000.
- 75 percent of the Center's customer relationships exceed 10 years. The majority of extramural (federal and industry) funding is from repeat business, achieving its highest level of \$11 million in 2008.
- Since 2001, zero quality defects in the Center's pharmaceuticals have been reported by customers for all but one of those years.

Such success stems from an agile, learning organization that supports sustainability through several team approaches: a fully deployed matrix-management system, an interlocking-

committee governance structure, and cross-functional strategic planning teams.

The matrix-management system creates teams from different functional sections at the outset of each clinical trial. With each employee serving as a member of both a functional section and a clinical trial team, the matrix organization ensures open communication, cooperation, and skill-sharing across the entire company.

The interlocking committee model begins with an inner ring representing the highest level of decision making (the Center Executive Committee, or CEC) and spreads outward to concentric rings representing more focused areas of organizational governance. Each committee includes one CEC representative to ensure consistent communication throughout the Center. Finally, the cross-functional teams provide input to the annual strategic planning cycle to help ensure customer-driven excellence by exceeding expectations.

Getting Engaged

Solid communication also is critical to the Center's ability to consistently provide the highest-quality service to and encourage repeat business from the group known as "engaged customers."

The workforce uses multiple methods to learn from and listen to customers, such as feedback from clinical trial studies, information from prospective suppliers and customers, and the tracking of customer complaints and retained customers. Early stage work on each clinical trial relies on "voice-of-the-customer" input to help the Center ensure that a customer's unique requirements will be met. This focus on open, two-way communication continues throughout the course of the trial, with the customer having direct access to the study's senior leader and on-call availability of an expert and tenured staff, including a pharmacist, dedicated to the project.

As a result, customer satisfaction ratings for the Center's efforts are overwhelmingly positive. Average customer ratings for overall satisfaction improved from 83 percent "good-excellent" in 2003 to 100 percent "good-excellent" in 2009. With significantly less than 3.4 complaints per million units shipped, customer dissatisfaction data have outperformed Six Sigma standards since 1999.

Emphasizing the Workforce

Performance excellence requires an organization to have an engaged workforce, as well as engaged customers. To keep that concept fresh in the minds of all who work at the Center, every employee badge is inscribed with the following mantra: "Our commitment to quality is integral to the way we conduct our operations, treat our employees, and honor our commitments to customers. We reinforce our commitment to quality through visionary leadership, employee development, continuous improvement, and a systematic focus on safety and our customers."

The Center sees engagement as the single most important criterion for workforce satisfaction. Excellence in the workplace, superior customer service, and personal involvement in organizational improvement are rewarded through the Center's performance management system with visible, tangible benefits, such as time off or cash. Both management and peers can use multiple methods to recognize a job well done.

The Center also encourages career and personal advancement for its workforce by providing financial and other support for education and training. In fact, application of formal and informal learning is required for employees to be eligible for the organization's highest performance rating.

The Center's ratings for workforce engagement have outperformed the Gallup Q12 75th percentile for the Professional, Scientific, and Technical Services segment from 2006 to 2008. For workforce satisfaction, results have exceeded Gallup's overall 75th percentile for four consecutive years, from 2005 to 2008.

Low turnover, a supportive learning environment, and leadership effectiveness are factors in the Center's recognition as a Federal Executive Board Employer of Choice for 2008 and 2009, as well as a top 10 ranking in the "New Mexico Best Places to Work for 2009."

Ethical Code of the West

Senior leaders at the Center personally promote legal and ethical behavior through multiple formal and informal systematic approaches, including using *Cowboy Ethics: What Wall Street Can Learn from the Code of the West* (©2004 James P. Owen from his book of the same name). This approach forms the foundation for behavioral expectations for managers and employees, such as "live each day with courage; take pride in your work; be tough, but fair; and ride for the brand."

In a 2009 employee survey on ethical behavior, the Center's leadership received a rating of 4.6 out of 5, up from 4.5 in 2007.

For more information:

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