

# Creating an Organization as a living organism: The case of Roche

Kostas Kefalakis  
Chief Business Excellence Officer  
Roche Hellas



# A bit about me... Kostas Kefalakis



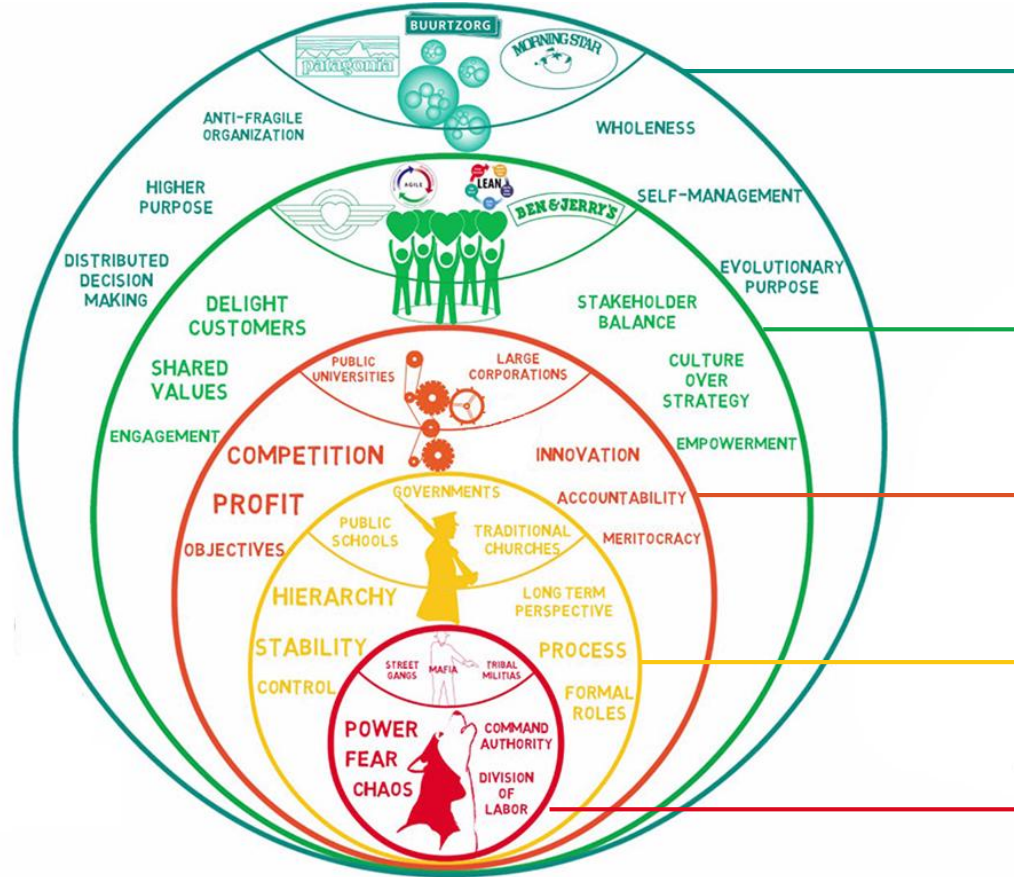
# Table of contents

- **5 Phases of Organizational Evolution**
- **The Case of Roche**
- **Results**

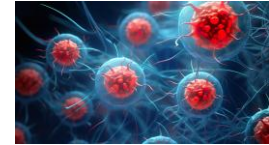
# **5 Phases of Organizational Evolution**

## **From 'Reinventing Organizations' by Frederic Laloux**

# Our inspiration: Reinventing Organizations by Frederic Laloux



**Organism**  
25 years ago



**Family**  
100 years ago



**Machine**  
300 years ago



**Army**  
3,000 years ago



**Wolfpack**  
10,000 years ago



# Vision: Aiming for an organization like a living organism



**Self-Organization**  
ENABLING CONSTRAINTS

*You can do anything unless an agreement prohibits it*



**Chaos**  
NO CONSTRAINTS



**BUREAUCRACY**  
GOVERNING CONSTRAINTS

*Nothing is allowed unless given permission*



# Roche at a glance

# Roche at a glance

Who we are and what we do



**128 years**

founded in Basel in 1896



**A leader in  
healthcare R&D**

with CHF 13 billion invested in  
2024



**3 Nobel prizes** and  
**44 Prix Galien**

since 1974



**CHF 60.5 billion\***

in Roche Group sales in 2024



**44 Roche medicines  
& 90 diagnostics\*\***

on the WHO List of  
Essential Medicines & Tests



**>100,000**

dedicated employees  
worldwide



**>26 million people**

treated with our medicines  
in 2024



**30 billion tests**

conducted with our  
Diagnostics products in 2024

\*Unless otherwise stated, all growth rates and comparisons to the previous year are at constant exchange rates (CER; average rates 2024) and all total figures quoted are reported in CHF.

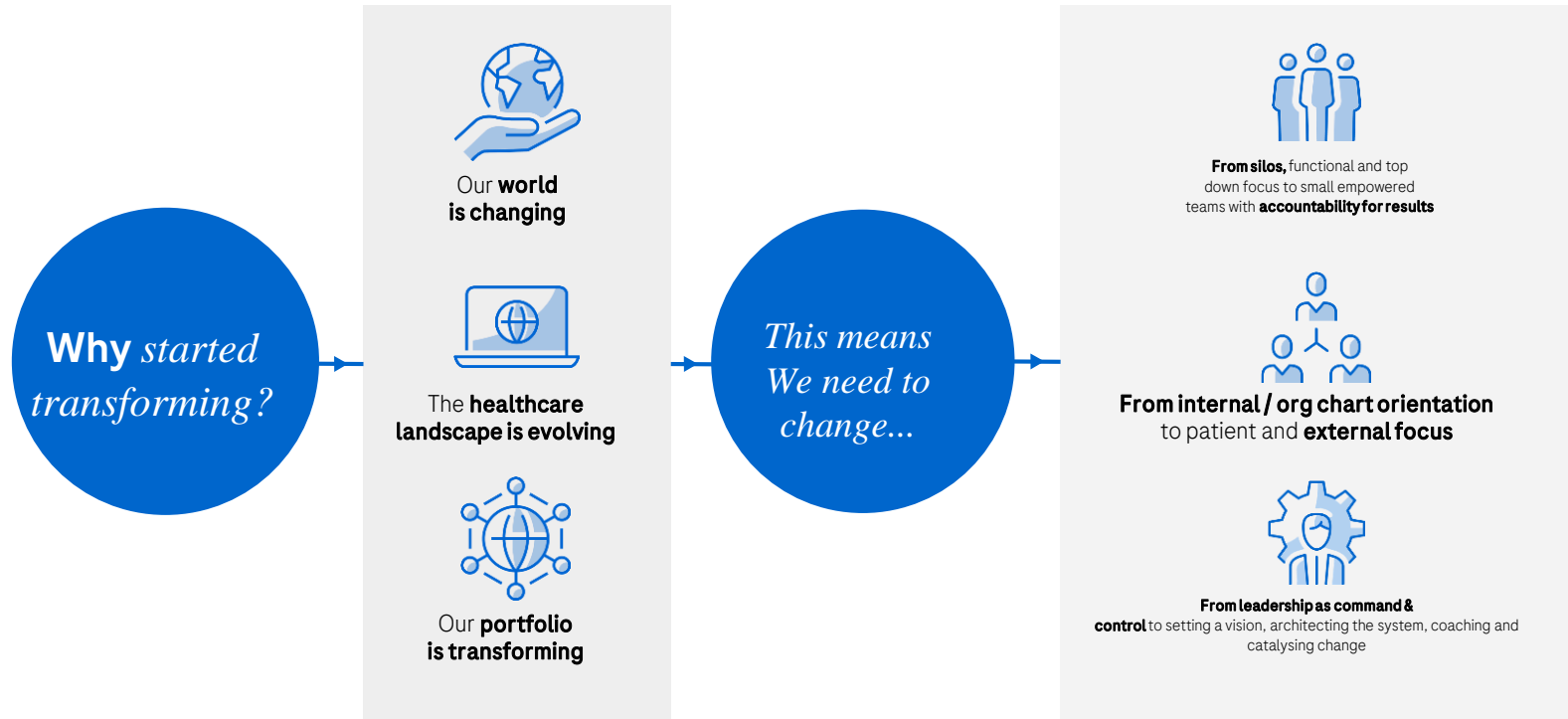
\*\* Medicines and tests that have either been developed or acquired by Roche





# A Brief history - in 2019 Roche decides to Transform

In order to achieve our strategy & create more impact to patients, the HC system & Roche



# A Global multi-phase program was created





# **Roche: Transforming our Leadership framework**

# Shifting the Leadership Paradigm

From organizations as machines to organizations as empowered networks



**The agile leader**



# We shifted our leadership roles & behaviors towards VACC

## From hierarchical and command-and-control ...

Maximize value for **your function** through developing and executing a **plan that exceeds a siloed target**



Strategist



Planner



Director



Controller



## To shared leadership and networked way of working...

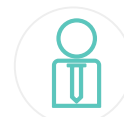
Maximize value for **all stakeholders** through creating a customer focused organization where **every employee can make meaningful progress for patients every day**



Visionary



Architect



Coach

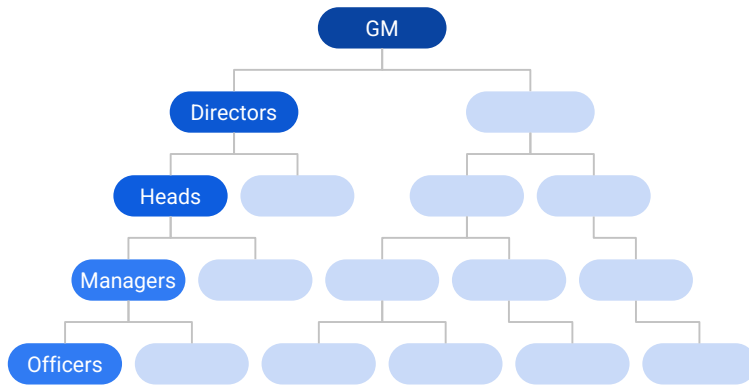


Catalyst

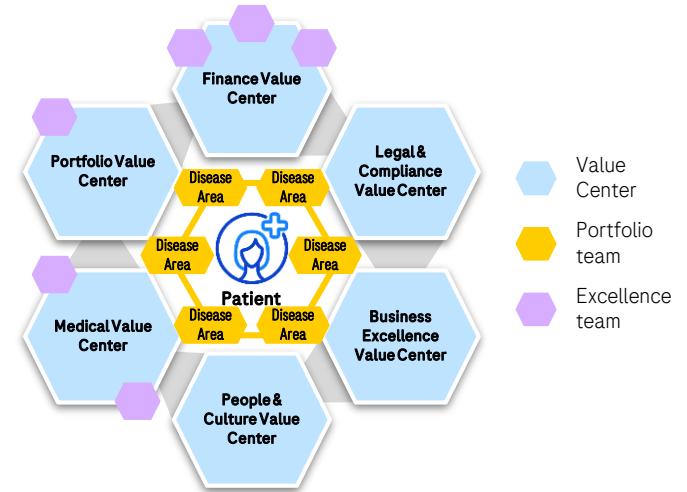
# Roche: Transforming our Structure

# We simplified our organizational structure

We had a multi-layer **hierarchical** structure resulting in long decision making time and needless alignment meetings



We have radically simplified organization where autonomous & empowered teams that across the affiliate to deliver **value to patients**

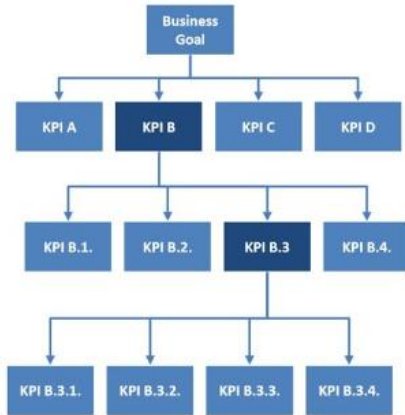


*The key is to create a structure based on **value***

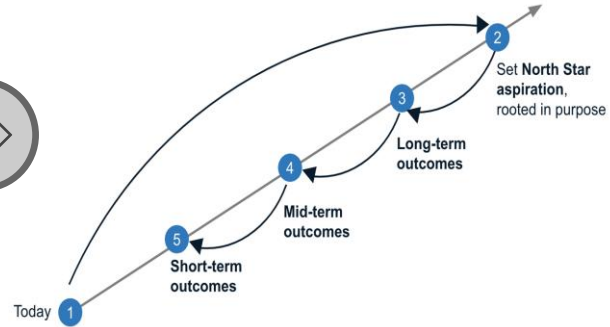


# We moved to Outcome Based Planning

We had a very traditional **KPI** driven approach focused on internal metrics



We have shifted towards **Outcome** Based Planning focused on Long, Mid & Short term 'outcomes'



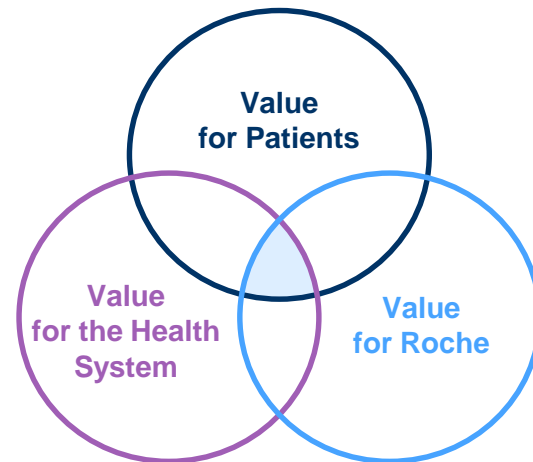
The key is to focus on triple win external **outcomes** and treat **signals as indicators** not KPIs

# We have 1 budget to reinforce focus on value & collaboration

We had yearly **team budgets** where little info was exchanged between teams on activities & priorities



We have **one budget** prioritized every 4 months focusing on the **most impactful work**



The key is to **dynamically re-prioritize** & allow new ideas / projects to come in mid-year to be more agile

# We redefined what careers mean for our people

We had structured career paths as a **ladder** that people follow in order to progress



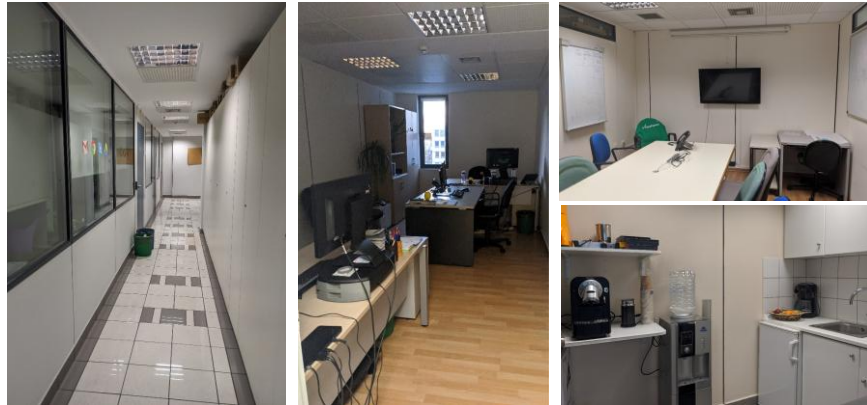
We put the employee in the center & enable them to cultivate what they are **passionate** about



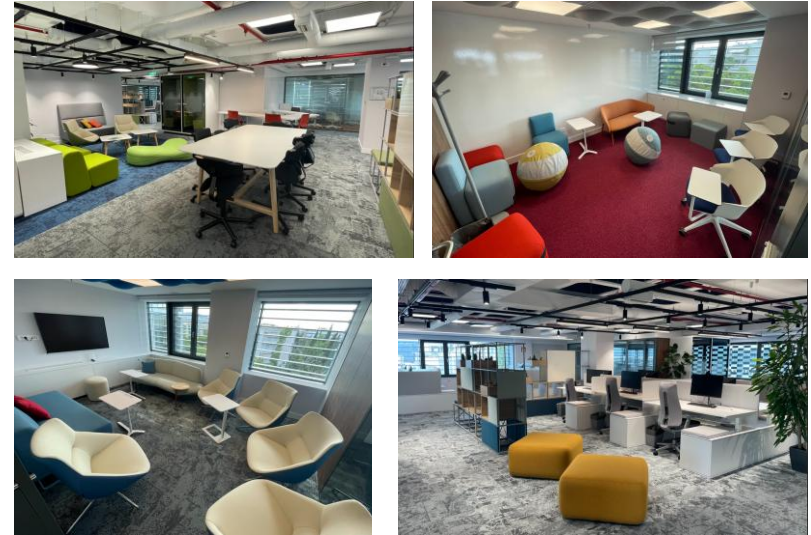
The key is to **allow** people to define where they want to develop and be open for **very open** for new possibilities

# We designed our new offices to promote our culture

We had a building that reinforced **silos** thinking, closed offices, thin corridors, departmental kitchens and uninspiring meeting rooms



We have an open office design that reinforces cross-pollination of teams where everyone can sit anywhere, promoting **creativity & collaboration**



*The key is to promote continuous moving of people to different floors to enhance **cross-team collaboration***



# Roche: Transforming our Culture

# Ingredients to develop a High Performing Organization

## DEEP TRUST

Humans are **wired to learn more and perform better** when deep trust is present

**Deep trust can be stimulated** by celebrating effort, providing feedback, appreciation, sharing information, promoting ownership, vulnerability & more



## HIGH AMBITIONS

Clear, motivating & meaningful **ambitions activates growth mindset**

High ambition environments provide **“stretch” challenges**, spur collaboration, excellence and focus not only on outcomes but also on learning, progress and mastery

**Deep Trust & High Ambition** teams  
create the conditions for people to do their **best work & thrive**

**KEY OUTCOMES**

[Link to original source](#)

# Boosting our behaviors & our culture & focusing on Trust



Mindset workshops



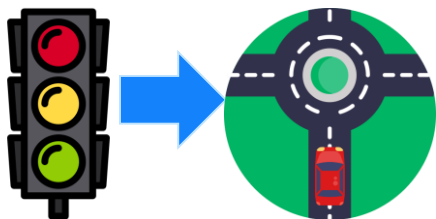
Design thinking workshops



Process impr. workshops



Team building workshops



Rewrote decision making



Embedded Feedback



Appreciation videos



Better luck next time

# Example of Results



# Our people are more engaged than ever



## Employee engagement Score +42% in 2 years



# Partnering on innovative solutions for patients & HC system



In Greece we have **at-home-care** but not at-home-therapies especially for cancer patients who need to travel to big hospitals



We partnered with one of the biggest oncological hospital in Greece, EY & the Ministry of Health to co-create an **at-home-therapy** program (Oikothen)



The **Greek Prime Minister** met and spoke with the medical and nursing staff running the new programme **OIKOTHEN** (At Home), which provides cancer patients with treatment and pharmaceutical support at home and thus improves their **quality of life**.

The program, which has been put into political implementation, serves 10 patients, with the goal of reaching 80 next month and discharging the structures by **30%**, according to ERT. 8th of June 2023

This was only possible with **Roche's new mindset** of partnership & ways of working to deliver value to patients

# Bringing innovation beyond the pill

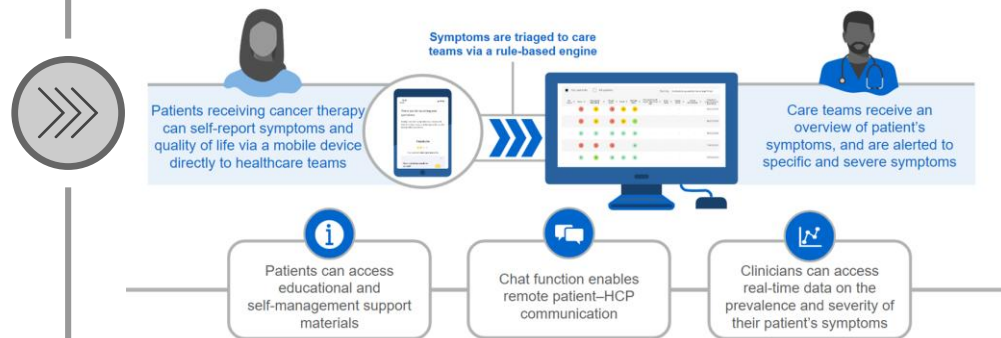


In Pharma we focused predominantly on **innovative therapies**



We expanded innovation beyond the pill & developed **digital health** solutions offering real impact to patients & the HC system

**Digital patient monitoring (DPM) solutions enable patients to report symptoms in real time**



This was only possible with **Roche's new mindset** to improve the patient journey



**Learnings**

# **We need to keep experimenting & learning**

Change comes the top... revolution from the bottom

- 1. Change comes from Leaders at the top... Revolution comes from the bottom**
- 1. Invest time to develop deep trust within teams**
- 1. Co-Create the change with people**
- 1. Don't underestimate the time required**
- 1. Make tough decisions - Do not tolerate toxic behaviors**
- 1. Celebrate successes of all sizes & acknowledge failures in trying something new**

# Bonus: Different types of people during change

Change comes the top... revolution from the bottom

**Drivers**



↑

**You can only afford to focus here**

**Tourists**



**Prisoners**



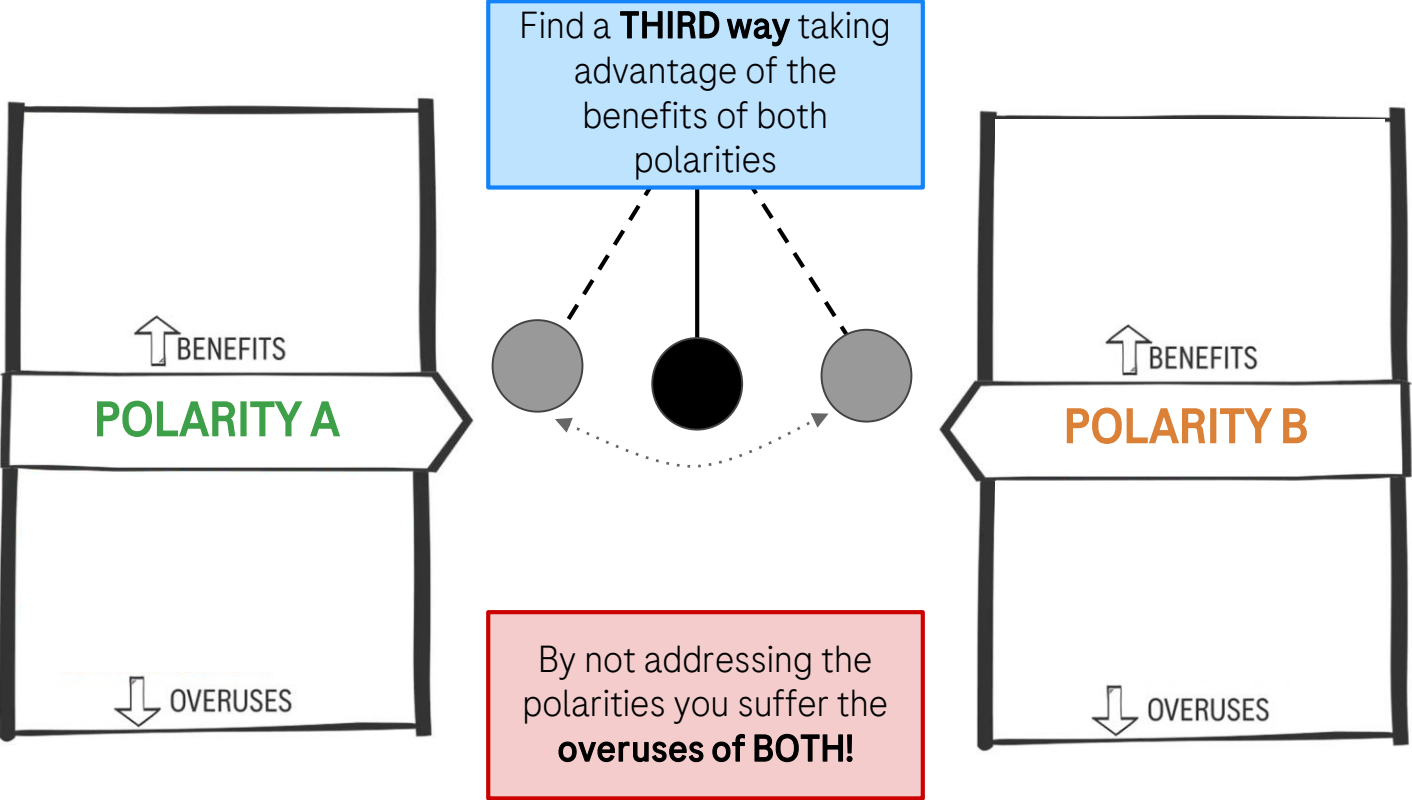
**Assassins**



**Where do we go from here?**

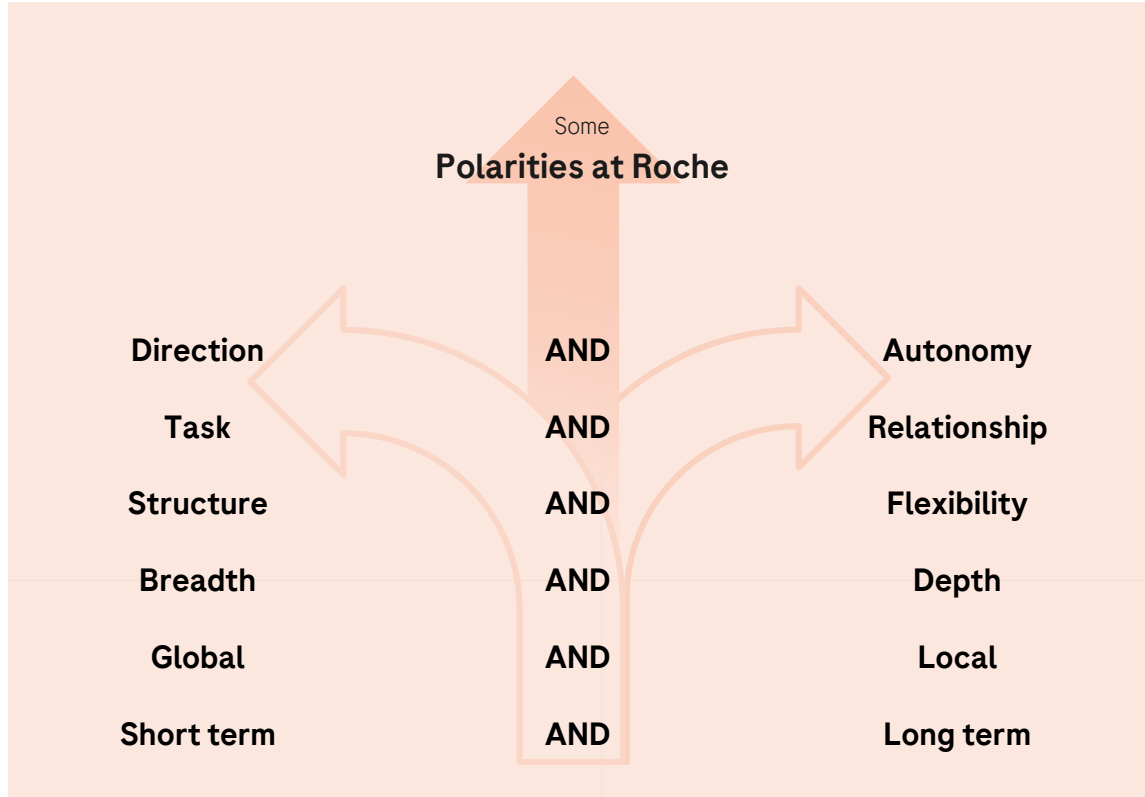
# Next Step: Tackling Polarities

Finding the 3rd way





# Examples of Polarities



**Doing now what patients need next**