



## Stanford eCorner

### Motivating a Biotechnology Workforce

Richard Scheller, *Genentech*

April 27, 2011

Video URL: <http://ecorner.stanford.edu/videos/2723/Motivating-a-Biotechnology-Workforce>

Genentech Executive Vice President Richard Scheller believes knowing their work truly impacts peoples' lives motivates his team. "The first thing is meaningful work," says Scheller. He also shares examples of real patient stories that were tremendously memorable, as well as some compensation strategies employed by the company.



#### Transcript

The question is how I'm sort of inward-looking and coming from academia and so on, worked in the lab, sort of been with my students and so on. But now, I have a thousand people that work for me, how do someone like me motivate folks? So, at Genentech, we work a lot on our culture. We spend a lot of time thinking about our culture. I have a leadership team. We motivate people by the fact that we are doing work that we believe will really, really help patients and sick people. And if you think about, if I think about, the kinds of molecules that we have in clinical development for things like Alzheimer's disease, asthma, cancer, infectious disease, psychiatric disorders, if our portfolio plays out reasonably successfully over the next decade, it could actually be the case that we will rather directly affect every family in the developed world. I mean, who doesn't know someone in their family that had one of those diseases? So, we really, really help patients and that is extremely motivating to me. And it's unblind, the clinical trial, especially on oncology clinical trial where you give half the patients the drug and half the patients a placebo. And the end point is how fast they die. I mean, to unblind the clinical trial like that and to see that you've made a difference is really, really...

Most, I mean the room usually starts crying. It's really really... So the first thing is, meaningful work. We believe we do meaningful work and we talk about it. So I had a town hall last week so all 2,000 people. We had a patient come and talk. The patient is taking a hedgehog inhibitor. It's for a number of diseases but largely basal cell carcinoma. This guy had a disease called Gorlin's Disease. It's fairly rare but it's a basal cell disease again where you get large growths and if they're not surgically removed, they can be...

Mostly they start on your face and then your trunk. He's had it his whole life, it can be fist size. And he's a salesman. And he said, "My whole life I went out doing sales and I had big scars all over." A chunk of his ear is gone. This is a targeted drug. It's a mutation in the pathway that gives rise to this disease. He takes our drug, all the lesions are gone. He doesn't had one since he started taking the drug. He was so thankful. I think that's a big, big motivator for our industry and it's maybe a little different than other industries.

I mean, I'm sure I love iPhones but they don't save my-probably does save my life actually. I couldn't say that. But it's a little different. So I think that's really the number one thing. And then we motivate people through, there's always compensation. So we have three components to our compensation: salary, stock and bonus. We target salaries at the 50th percentile of the market and we have a target bonus that's at the 50th percentile. But there's tremendous upside depending on the performance of the company and the performance of the individual. Did you move a molecule into the clinic? Did you publish a bunch of great papers? Were you the lead clinical scientist on a Phase II study where the design was terrific and it worked, et cetera, et cetera. So, bonus, and of course, stock which tracks with the overall performance of the company.

So, I think those would be-I can talk about that for a long time-but I think those would be the two major things.