

Drawing on industry-experienced professionals and an industry-tailored risk assessment, we can help your company address risk and control issues across the corporate value chain. PwC applies a structured methodology known as ORCA (objectives, risks, controls, alignment) to assist internal audit organisations with an industry-specific risk assessment and engagement planning process. We apply this knowledge to outline the risks that could impact the achievement of business objectives and to develop more effective control structures.

How can pharmaceutical and life sciences companies optimise the internal audit function in a rapidly changing risk environment?

To succeed in a highly competitive and rapidly evolving environment, pharmaceutical and healthcare products companies must find ways to enhance shareholder value, increase efficiency, contain costs and manage risk. The fast-paced changes within the industry call for a unique approach to risk management to successfully achieve corporate objectives.

Internal audit (IA) often plays a key role in the risk-management process. However, many IA organisations find it difficult to stay relevant in a constantly changing risk environment. PwC has worked with many companies in the industry to provide some or all of their IA functions and help improve their existing capabilities. Utilising PwC's IA services enables your organisation to focus on its core activities by providing you with access to a range of skills that a complex, global business demands but which few can maintain.

Hub and spoke operating model

Maximum value is achieved from the IA function when there is an understanding of not only the organisation, but also of its unique industry challenges, risk-management priorities, regulatory environment and the diverse needs of key stakeholders. We will build a successful framework for your internal audit function by understanding these elements and their impact on your business.

PwC has developed a unique “hub and spoke” operating model to support IA. The “hub” consists of a core team of industry-experienced partners, managers and staff who focus on traditional IA activities within financial and operational areas. These professionals can work independently or be integrated to “co-source” projects alongside a company's IA group. The “spokes” are experienced professionals with deep industry knowledge who provide global support. This model is flexible, scalable and enables your IA group to direct its efforts toward high-risk areas.



PwC Advisory Pharmaceuticals and Life Sciences Industry Group

Internal Audit Services

Our team of professionals offers significant experience and deep industry knowledge in areas such as:

Project risk

Continuity planning and resilience

ERP systems risk management

E-Business process and controls

Technology security

Business process improvement

Outsourcing

Treasury/finance risk management

Regulatory compliance

Transaction-related risk management

We focus on the following areas specific to the pharmaceutical industry (i.e., the “spokes”):

Internal audit function

- *Effectiveness reviews*
- *Training*

Managed care

- *PBM reviews*
- *Chargebacks*
- *Rebates*
- *Government pricing*

Supply chain

- *Vendor spend analysis*
- *Supply chain security assessments*
- *Procurement review*
- *Wholesaler audits and compliance*

Finance reporting and accounting

- *Actuarial*
- *Revenue recognition*
- *Claims*
- *Consolidation and month-end close process*
- *Risk management*
- *Forecasting and budgeting*

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Compliance

- *Compliance programme assessments*
- *FCPA*
- *Samples management*
- *Validation*
- *Risk culture assessment*
- *Outsourcing*
- *Field sales force*
- *Privacy*
- *SoX controls reviews*

IT

- *Security*
- *Governance*
- *Data quality*
- *Programme management*
- *Training*
- *Continuity*
- *ERP controls*
- *Project risk reviews*

In addition, we can conduct HR effectiveness reviews, M&A strategy and process reviews, and R&D operational planning assessments. The inclusion of these areas adds to the comprehensive nature of our approach and emphasises the scalability of the operating model.

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Global Pharmaceutical and Life Sciences Industry Group

The Global Pharmaceutical and Life Sciences Industry Group at PwC is dedicated to delivering effective solutions to the complex business challenges facing pharmaceutical and life sciences companies. A global leader in serving the pharmaceutical and life sciences industry PwC has extensive experience working with companies on industry-specific strategic, operational, and financial issues. Our expertise includes assurance, tax and advisory services, as well as specialised capabilities in regulatory compliance, risk management, performance improvement and transaction support. In helping our clients, we draw on the full knowledge and skills of PwC's professionals. More than 161,000 people in 154 countries connect their thinking, experience and solutions to build public trust and enhance value for clients and their stakeholders.