

in need of brand-aid

By Ganesh Ramakrishnan

Over the past decade, India has rapidly advanced up the pharmaceutical value chain. Today it is increasingly a destination for global pharmaceutical companies looking to outsource early-stage drug discovery.

The spillover effect of this contagion has also spread to local players. Prompted by the introduction of new patent laws in 2005, Indian companies such as Nicholas Piramal, Cipla, Dr. Reddy's Laboratories and Ranbaxy have risen to the forefront of the life sciences world with discovery programs of their own. Some of them have even gone on to acquire overseas companies. Growing market sophistication in India has since led to the development of specialist service providers in contract research and manufacturing services, medicinal chemistry, toxicology, and other niche areas.

The country boasts of a vast pool of trained manpower, significant cost advantages, and an increasingly favorable patent regime that supports innovation. While many of these growth supplements have put India's technology sector on the world map, the pharmaceutical industry seems to suffer one malaise – the ability to attract and retain the leadership that will help them capture all the opportunities before them.

“For the longest time, working in the pharmaceutical industry has been a profession of chance rather than of choice. The job of a medical sales representative in the Indian culture for example, has in the past not been viewed as favorably as that of retail management or clinical development,” explains Aparna Sharma, Human Resources

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Director at UCB India Private Ltd. “The perspective was that those in the industry tended to lack ambition. We need to correct these stereotypes.”

Symptoms, Causes And Effects

“Finding the right people is my biggest challenge today,” says Sandeep Gupta, Chairman and Managing Director, Eli Lilly India. “It takes more time than ever to fill the positions available, and attrition is a cause for concern across all levels. At the junior ranks, it can be as high as 40 – 45 percent. At the senior level, traditionally, executives rose through the ranks and there was little movement across industries. In the current environment, with the industry losing its brightest people to banks, technology firms and HR consultancies for example, there is a serious danger of leadership gaps at the very senior level.”

The IT industry for instance, has successfully translated their drive to scale the innovation ladder into a brand image that resonates with both customers and prospective employees, and is now a destination of choice. The Indian life sciences industry on the other hand, has failed to create similar buzz.

Where candidates were once willing to overlook short-term inconveniences for the sake of building stable long-term careers, the intense war for talent arising from India’s booming economy has meant that candidates are now very selective. The IT industry for instance, has successfully translated their drive to scale the innovation ladder into a brand image that resonates with both customers and prospective employees, and is now a destination of choice. The Indian life sciences industry on the other hand, has failed to create similar buzz.

“At the end of the day, money and perks are not the sole reasons why people stay with a company,” says Yatin Samant, former Country Managing Director for Allergan India. “In our industry, we have the opportunity to make a significant impact on millions of lives. Each employer has something unique to offer in this respect, and this forms a distinctive value proposition. Only a handful of companies in India have taken advantage of this,” he adds.

A Brand Health Check

The problem with the Indian pharmaceutical industry may actually lie in the disconnect that exists between product and corporate brands. With products being anchors of revenue, companies have tended to invest heavily to create distinct identities for them.

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Across a number of industries today, product brands have become very sophisticated – moving beyond mere logos to actively communicating physical and emotional benefits to their customers. Products in the pharmaceutical industry however, have limited, short shelf-life and ‘brand life spans’, compared to corporate brands.

With corporate brands not directly subject to such revenue pressures, less attention has been placed in creating distinct identities for them. As a result, few people outside a firm tend to know what values the firm upholds. And unless companies actively live these values, such as having original research to support a brand value of innovation or having extensive corporate social responsibility to support a brand value of integrity, they will have nothing more than a title and salary to attract a candidate.

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Furthermore, we are not aware of any Indian pharmaceutical company that has a dedicated team that actively communicates their corporate value proposition in an integrated and coordinated manner. Many still rely on employees across the board to play this role, often without any formal training, and neglect the fact that one slight mis-step with any of its many stakeholders, such as local government agencies, patients, educational institutions and the media, could have critical implications on their brand value.

Pharmaceutical companies could do well to adopt some best practices from other industries. One example would be to engage the mass media to tell the world about how they live their brand values. Technology leaders such as Cisco and Infosys have invested heavily in cutting-edge campuses and work facilities for their staff, and have taken steps to ensure that this is widely publicized in the media. For an industry that touts itself as one that cares about humankind, pharmaceutical players must demonstrate that they also care for their employees.

All this will hopefully change soon, as industry players rise up to the challenge of addressing the industry’s image issues.

Says Ms.Sharma of UCB India, “Our industry is a sleeping giant that has just awakened. Now, is the right time and environment to lead it in the right direction, to make it as attractive as sunrise industries such as BPO or IT /ITES (business process outsourcing or information technology enabled services). It will take consistent belief and effort by everyone in our industry to propel it towards becoming an industry that is known and respected for its work and merit.”

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Expressing a similar sentiment is Eli Lilly's Mr. Gupta. "For some reason, the pharmaceutical industry has not received its fair share of outstanding candidates. This is not a company specific issue. The industry as a whole needs to be more visible; we need to join hands and convey a compelling story together."

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