



ORGANIZATIONAL CLIMATE IN PHARMA SECTOR WITH SPECIAL REFERENCE TO SALES PERSONS

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Abstract

Due to the fast growing of the pharmaceutical sector, the demand of medicine is mostly fulfilled by the local industry. In the local market, the medicines are distributed and marketed by the Sales Person. The main objective of the study is to find out the job satisfaction and decision factors of Sales Persons. Job satisfaction has always been in debate by researchers and practitioners. It has gained much importance due to its significance for achievement of overall organizational goals. Rapid changes in the business world have made human resource the most vital asset for organizations. Now productive and efficient employees are need of time. This study is aimed to discuss the impact of various organizational factors on job satisfaction. This study is conducted in Pharmaceutical sector of sales persons are the target population of the study. Questionnaire was used for data collection. 200 questionnaires were distributed in 10 pharmaceutical companies located in major cities of Delhi Ncr. Likert Scale, based on five points, is used for data collecting. It is found that the most of the Sales Persons are not satisfied with their jobs and for this they are not motivated and for this their turnover tendency is high. The Sales Person are dissatisfied with their job security, social status, working load, visit to retailers' shop, sales target, no room for family, not getting the retirement benefit and not getting the family insurance support. And finally there is given suggestion by the force field analysis model for removing the restraining/negative forces factors for reducing the turnover rate. Employee productivity and effectiveness is outcome and result of their level of satisfaction with the job and organization as a whole.

Keywords: *Organizational Climate, Job Satisfaction, Pharmaceutical Sector.*

Introduction

Organizational climate (sometimes known as Corporate Climate) is the process of quantifying the “culture” of an organization, it precedes the notion of organizational culture. It is a set of properties of the work environment, perceived directly or indirectly by the employees, that is assumed to be a major force in influencing employee behavior. Every activity is directly or indirectly backed by human efforts. Organizations try to hire and retain best work force in order to get best out of them. Having employees and retaining them is not enough, having and making best use of employees is the core of game. For this purpose organizations should hold best employees. Best employees are those which are willing to put their best for the betterment of the organization. While selecting such employees the concentration really moves towards the satisfied employees. Satisfied employees offer huge returns to organizations.

Job satisfaction is an important variable as it is directly related with other organizational variables like employees engagement with organization, organizational citizenship behavior, organizational involvement, organizational commitment, organizational involvement, turnover, absenteeism, substance abuse, and deviant behavior of the employees at workplace (Judge, Thoresen, Bono & Patton, 2001; Kreitner & Kinicki, 2006; and Patterson, Warr & West, 2004). Employees who have higher level of satisfaction are less likely to quit their jobs, they are also less willing to opt for other jobs, they remain present in their job and their absenteeism rate is much low then other workers. This in return saves various costs of organizations like recruitment and selection cost, as new hiring would not be required. Similarly, it will save training cost as the existing workforce would be more knowledgeable (Smith, 1992).

Evolving the Pharmaceutical Sales Model to Improve Flexibility & Improve Return on Investment

The pharmaceutical sales model is one of the great success stories on Indian business. it has historically delivered exceptional returns on investment and has played a fundamental role in the greatest health care system in the

world. yet few would argue that the model is under siege. Many of the pharmaceutical sales executives I know spend a significant portion of their time thinking about how to evolve the model to meet the challenges that currently face our industry. Prevailing sentiment suggests that the model is not broken beyond repair. However, most agree that pharmaceutical sales forces need to become far more efficient in terms of their cost structure and their ability to rapidly shift deployments based upon the constantly changing needs of their portfolios. Accomplishing these new standards of efficiency will require some fundamental changes in the way field forces are assembled and managed.

The most successful future pharmaceutical sales organizations will include a significant variable component and will be engineered for agility and for greater cost effectiveness. These 'fit for purpose' sales organizations will be designed to more efficiently support all of the products in the portfolio according to the needs of both the brands and the customers who prescribe them. In so doing, they will deliver a better ROI for the company and achieve higher satisfaction ratings from physician customers.

After an average development cost of US\$ 900 Million, at launch its success depends largely on individual sales representatives effectively delivering complex information to a diverse audience of prescribing physicians, nurses and PAs, as well as to key opinion leaders (KOLs) and others. It is critical that these sales representatives be highly qualified, extremely well trained and capable of helping physicians evaluate the benefits of the drug and establishing where it fits in their practices. The objective is to establish a habit of prescribing that will continue throughout the life of the drug. These representatives are important and expensive resource as they are critical to building market share. But at this phase in the product's life cycle, the expenditure is essential.

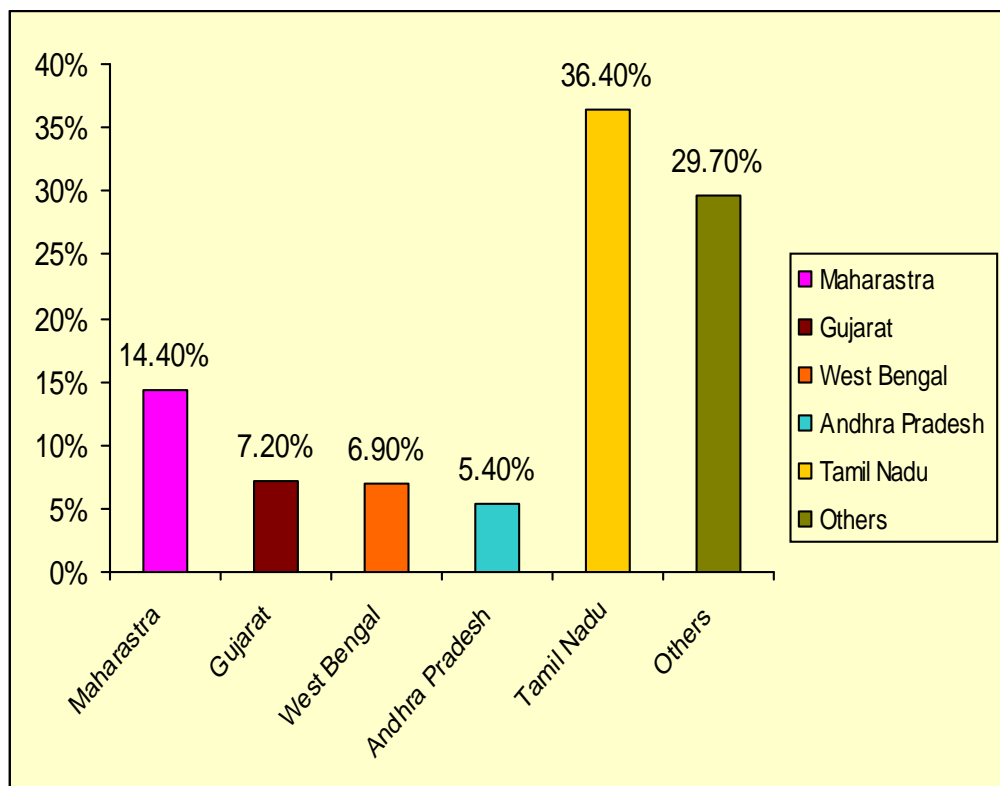


Figure 1:- Pharmaceutical Manufacturing Units in India

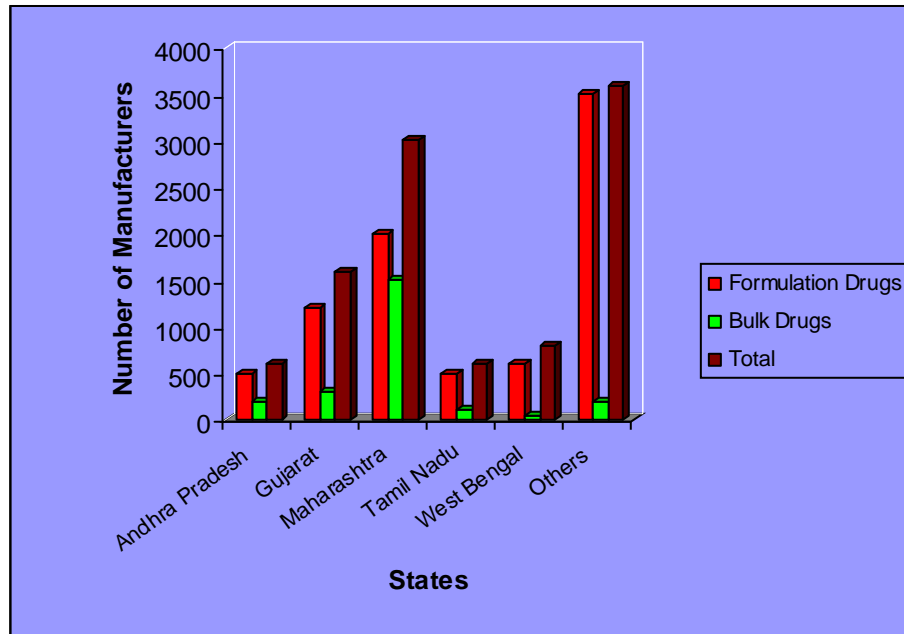


Figure 2 : Number of Formulation and Bulk Drugs Manufacturing Units in India

Objectives of the Study

This study aimed to investigate the level of satisfaction of sales persons with variable of organizational climate. It consists of seven variables i.e. company policy and administration; power of taking decision; Holiday / Leaves; compensation package; Technical supervision and professional effectiveness. Level of satisfaction of sales persons is given against each dimension of organizational climate:

Review Literature

Haydn (2004) suggests that the main problem might be that employees within organizations do not discuss the level of their job satisfaction, nor do they admit that their jobs might not be satisfying. Hence, managers also find it difficult to determine whether job satisfaction is experienced in the workplace. Cockburn and Haydn (2004) further contend that some employees might not even notice that they have a job satisfaction problem. Weallens (2000) suggest that most employees know when they have a satisfaction problem. A number of employees may feel that acknowledging the existence of satisfaction is tantamount to admitting failure. This conclusion serves to highlight the fact that it may be difficult to uncover the issues related to job satisfaction or the establishment of job satisfaction levels in an organization. Hence, the need for scientific studies (Carrel, Elbert, Hartfield, Grobler, Marx and Vander Schyft, 1998). (Whawho, 2008: Edem and Lawal, 2006) Studies within this perspective have contributed to our knowledge of job satisfaction by attempting to establish empirically the ways in which the wants and expectations that people attach to their work activity shape the attitudinal and behavioural patterns of their working lives as a whole.

Research Methodology

This study is conducted in pharmaceutical sector of Delhi (NCR). For the study purpose sales persons working in pharmaceutical sector are selected as population. In India there are number of local and multinational pharmaceutical Companies, and various sales persons are working in these organizations. Out of these units only 10 units were selected as sample using multistage sampling technique. Three cities of Delhi NCR were selected for collection of data: Delhi , Gurgaon and Noida. City wise distribution of population and sample for local & multinational industrial units is given in Table 1. In the second stage of sampling sales persons were selected as study sample. In this stage simple random sampling technique was used and personally administrated questionnaire were used for data collection. A total of 322 questionnaires were distributed among the sales

persons, out of which 200 filled-in questionnaires were received back with 82% response rate. A five point Likert type rating scale (a good technique to measure the attitude, Dawes, 2008), with scale points: strongly agree (SA), agree (A), undecided (UD), disagree (DA), and strongly disagree (SD), was developed, validated and used with scores 5 to 1 respectively. The polite testing of instrument is made and Cronach alpha was found 0.866 which is acceptable statistically. The 16 statements were finalized for the questionnaire to measure the satisfaction of sales persons with seven variables of organizational climate: satisfaction with internal communication (2-statements), satisfaction with organizational structure(1- statement), satisfaction with political climate (3-statements), satisfaction with professional development opportunities (2-statements), satisfaction with evaluation (3-statements), satisfaction with promotion (2-statements) and satisfaction with regard for personal concerns (3-statement).

Table 1 : City Wise Selected Sample Units

S.No.	Cities	Number of Industrial Units				Total
		Local		Multinational		
		Total	Selected	Total	Selected	
1	Delhi	05	03	04	02	05
2	Noida	02	01	01	02	03
3	Gurgaon	03	01	01	01	02
Total		10	05	06	05	10

Satisfaction with Company Facilities, Policy and Administration

Table 2 shows level of satisfaction of sales persons with factor of Company Policy and Administration. Findings show that majority of the respondents are either highly satisfied (45%) or satisfied (39%) in local organizations, which shows that sales persons of local organizations enjoy Company Policy and Administration, as the results are almost same in multinational organizations where 40% of the respondents are highly satisfied while 53% are satisfied. So both local and multinational organizations are offering Company Policy and Administration to sales persons and they are satisfied with it. Very few of the managers are dissatisfied or highly dissatisfied with the factor of Company Policy and Administration.

Table 2: Satisfaction with Facilities Company Policy and Administration

Level of Satisfaction	Local Organizations	Multinational Organizations	Total Organizations
	Percent	Percent	Percent
Highly Dissatisfied	2	0	1
Dissatisfied	6	7	6
Undecided	8	0	6
Satisfied	39	53	43
Highly Satisfied	45	40	44
Total	100	100	100

Satisfaction with Power of Taking Decision

Table 3 shows the satisfaction level of sales persons with the factor of participation in decision making. It reveals that in both types of organizations sales persons are part of decision making process. In local organizations (37% are highly satisfied and 31% are satisfied) while in multinational organizations (27% are highly satisfied and 33% are satisfied). In multinational a big amount (33%) of the sales persons assume either not to be satisfied or dissatisfied, but that number is quite low (18%) in local organizations. It shows that sales persons enjoy power of taking decision in both local and multinational organizations.

Table 3 : Satisfaction with Participation in Decision Making

Level of Satisfaction	Local Organizations	Multinational Organizations	Total Organizations
	Percent	Percent	Percent
Highly Dissatisfied	6	7	6
Dissatisfied	8	0	6
Undecided	18	33	21
Satisfied	31	33	32
Highly Satisfied	37	27	35
Total	100	100	100

Satisfaction with holiday / leaves

Table-4 shows the satisfaction level of sales persons with factor of holiday / leaves. Table shows that majority of the respondents 82% (62% highly satisfied and 20% satisfied) in local and 80% (47% highly satisfied and 33% satisfied) in multinational are satisfied with holiday / leaves in organizations. In summing up it can be inferred that both local and multinational organizations are having good culture offering holiday / leaves.

Table 4 :- Satisfaction with holiday / leaves

Level of Satisfaction	Local Organizations	Multinational Organizations	Total Organizations
	Percent	Percent	Percent
Highly Dissatisfied	6	Nil	4
Dissatisfied	4	13	6
Undecided	8	7	8
Satisfied	2	33	23
Highly Satisfied	62	47	59
Total	100	100	100

Satisfaction with Compensation Package (salary, fringe benefits)

Table 5 reveals the results of satisfaction of sales persons regarding compensation and reward packages being offered by the organizations. It reveals that managers of both local and multinational organizations are not happy with the rewards offered by the organizations; as dissatisfied managers are 63% (35% highly dissatisfied and 27% are dissatisfied) in local and 46% (13% highly dissatisfied and 33% dissatisfied) in multinational organizations. It reveals that compensation packages are not sufficient in both organizations, but local organizations are relatively low paying organizations. When we look at the satisfied managers, the satisfied managers are 40% in multinational organizations, while that ratio is only 24% in local organizations. Which proves that multinational organizations are relatively offering better packages?

Table 5 :- Satisfaction with Compensation Package (salary & fringe benefits)

Level of Satisfaction	Local Organizations	Multinational Organizations	Total Organizations
	Percent	Percent	Percent
Highly Dissatisfied	35	13	30
Dissatisfied	27	33	28
Undecided	14	14	14
Satisfied	12	20	14
Highly Satisfied	12	20	14
Total	100	100	100

Satisfaction with Technical Supervision & Professional Effectiveness

Satisfaction level of sales persons is given in table 6. Results reveal that majority of the respondents 80% (19% highly satisfied and 51% satisfied) in local and 87% (14% highly satisfied and 73% satisfied) in multinationals are satisfied with the Technical Supervision & Professional Effectiveness offered by their organizations. It shows that managers are provided with the professional development opportunities and they are Technical Supervision & Professional Effectiveness

Table 6 Satisfaction with Technical Supervision & Professional Effectiveness

Level of Satisfaction	Local Organizations	Multinational Organizations	Total Organizations
	Percent	Percent	Percent
Highly Dissatisfied	2	0	1
Dissatisfied	6	0	5
Undecided	22	13	20
Satisfied	51	73	56
Highly Satisfied	19	14	18
Total	100	100	100

Overall Job Satisfaction

Table-7 shows the overall job satisfaction of sales persons. It reveals that 62% (38% highly satisfied and 24% satisfied) in local and 74% (54% highly satisfied and 20% satisfied) in multinational organizations are satisfied with their job. It shows that majority of sales persons are satisfied but the satisfaction level of sales persons is slightly high in the multinational organizations. This table also shows that none of the sales persons was highly dissatisfied in the multinationals but 10% of the middle level sales persons were highly dissatisfied in the local organizations.

Table 7: Overall Job Satisfaction

Level of Satisfaction	Local Organizations	Multinational Organizations	Total Organizations
	Percent	Percent	Percent
Highly Dissatisfied	10	Nil	8
Dissatisfied	12	13	12
Undecided	16	13	15
Satisfied	24	20	23
Highly Satisfied	38	54	42
Total	100	100	100

Conclusions

If we make overall analysis it is revealed that sales persons working in local organizations are not satisfied with the pay and they are not overall satisfied with their job but the results are different for the multinational organizations where sales persons have positive view about the pay and they are relatively more satisfied with their job as well. So it can be inferred that pay and reward system is one of the important determinant of job satisfaction of employees (sales persons) in pharmaceutical sector of Delhi (NCR). Results of the study reveal that sales persons are satisfied in both local and multinational organizations; but sales persons of multinational organizations are slightly more satisfied then the local organization sales persons. When sales persons were inquired for all the dimensions of organizational climate it was found that there was not much difference in both local and multinational organizations on the facets of organizational climate except for pay and reward system. Sales persons of local organizations were not satisfied with the pay and reward system but the employees of the multinational organizations show that pay and reward system in their organizations are good and fair.



Future Directions of the Study

This study gives an insight of the factors of job satisfaction. As the findings reveal that pay and reward system is the prime source of job satisfaction in pharmaceutical sector of Delhi (NCR). Same sort of research should be conducted in other sectors of the economy as well to find out the main preference of workforce in Indian scenario. This will in result help business planners to devise compensation and reward packages and to get maximum out of the labor force. This study in itself reveals that in pharmaceutical sector if organizations want to increase the level of satisfaction of employees they should offer higher and better returns in shape of reward and compensation.

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