



S K Pharma Company

S K Pharma Company has its headquarters in Mangalore. It is manufacturing and marketing drugs and medicines. The company has met severe competition from large pharma companies with foreign collaboration. Mr. K V Nayak, Vice-president marketing, has been with the company for the last two years. He has ambitious plans for capturing a sizeable share of the South Kanara market and in Kerala.

As the company is medium-sized, Mr. Nayak has kept his marketing department and team lean and trim. The medical representatives were given aggressive targets and were pushed to reach their respective targets. The representatives worked hard to complete their respective targets. Mr. Nayak himself worked almost 12 to 14 hours a day. However, there was no formal appraisal and reward in S K Pharma.

During the last year, More than 25 medical representatives had left the company due to unsatisfactory increments and promotions. Those who left the company were excellent workers. Mr. Nayak did not care for this high turnover. He was overconfident that he would be able to hire freshers since S K Pharma paid the highest salary in the industry. Mr. Nayak also felt that he could select candidates who were not happy with their remunerations in other companies.

Mr. Nayak had never communicated to the Medical Representatives about their performance or reasons for not recognizing their outstanding performance.

Questions:

1. What do you perceive is the basic problem in S K Pharma? Suggest the steps you will take to correct the situation.
2. What type of post-appraisal interview would you recommend? Should the system include post appraisal rewards like increments and promotions. Give reasons.