

Novartis business hub to boost Hyderabad ops

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SWISS pharma major Novartis has decided to expand its Hyderabad base with a new business service centre following its cost consolidation strategy. The new centre is expected to open in late 2015 or early 2016 and will bring together all Novartis operations that are currently spread across three sites in Hyderabad.

"Novartis plans to move its existing operations in Hyderabad to a business services centre as a part of a consolidation strategy. We

expect this new business services hub to strengthen the Novartis culture of continuous improvement and contribute to greater value for its associates, businesses and stakeholders," a Novartis spokesperson told FE.

Though the centre will not focus on R&D, however, it will focus on drug safety and regulatory affairs, epidemiology and clinical trial support, publication activities besides finance and IT.

Novartis has been present in Hyderabad since 2007 with approximately 2,300 associates working in support of the development of innovative therapies as part of

its global operations.

The areas of activity include drug development, medical operations, commercial operations, finance and IT among others. "We expect that the site will increase in employees over time," he said.

"Our expectation is that group headcount will stay largely flat in 2014. To ensure the necessary resources for the large number of planned product launches and other growth areas in 2014, Novartis intends to free up, prioritize and reallocate resources primarily in the pharmaceutical area. We also need to increase our flexibility, and be faster and more effective. This is part of our normal business operations and reflects our need to respond to a dynamically changing healthcare environment. We expect that an equal number of jobs will be created, as are reduced, to maintain our headcount relatively flat in 2014," he said.

It was earlier reported in the international media that Novartis intends to cut or transfer up to 4,000 jobs, quoting an internal email. The plan, affecting up to 6% of its pharmaceuticals workforce, comes on top of a programme to reduce the number of production sites and is part of a larger drive to cut cost. The company is also conducting a review of its over-the-counter, animal health and vaccines businesses, which lack the global scale of its pharmaceuticals operations.

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