

Pharma salaries up 12% as India turns into top priority

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Salaries for pharma employees in India increased 12% on average in 2010, the highest pay growth in the industry in the South East Asian market, shows a recent survey by New York-based human resource consultancy Towers Watson.

India and China, which together account for about a third of the world's population, are emerging as top-priority markets for global drug makers, with growth slowing in traditional markets such as Europe and the US.

With competition coming in, some top pharma companies offered, perhaps for the first time, interim pay hikes to medical representatives, field staff who pitch their company's products to doctors, hospitals and other healthcare professionals.

"Our company gave interim hikes at a six-months interval to newly joined field managers, mainly due to shortage of experienced people and the need to meet the field force expansion, despite financial pressure within," said a senior marketing manager with India's fifth largest drug maker **Wockhardt Ltd.**

"On an average...a 15-20% growth took place in the basic

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pay for a field executive who joins fresh," the executive said, asking not to be identified.

The pay hikes came despite Wockhardt facing financial losses and accumulated debt the past couple of years.

Average basic pay for freshers in India's pharma industry increased to about ₹1.7 lakh in 2010 from ₹1.25 lakh the previous year, industry experts said. For pharma employees with about a year's experience, average salaries increased to ₹2.7 lakh from ₹1.75-2 lakh last year.

Analysing the general trend in the global industry post the downturn of 2008-09, Towers Watson's Compensation Planning report says: "In general, there is renewed focus on competitiveness of base pay, year-over-year increases in merit budget, and renewed focus on career development opportunities, succession man-

agement and executive competencies."

It said it also identified a continued focus on enhancing the performance management process and integrating talent management and other reward programmes in many industry sectors, including in the pharma sector.

Hiring momentum in India's pharma sector is gathering pace as well.

"In the last several months starting from end-2009 to 2010 December, the people churn was phenomenal in the industry and the hiring by both local and foreign firms were quite aggressive," said N. Ahmedali, managing director, **HR Cornucopia Pvt. Ltd.**, a human resources consultant in Bangalore for the pharma industry.

New recruitments were mostly in the space of field staff and marketing, he added. But this also led to an increase in attrition for some organizations as new recruiters offered pay hikes of 18-20%, he said.

Top US drug makers such as **Merck and Co.**, **Mylan Inc.** and **Abbott Laboratories** have outlined significant growth plans for India.

According to several surveys conducted between 2005 and 2009, one-third of India's nearly 1.2 billion population, mostly in remote rural areas, do not have access to modern healthcare. As reported by *Mint* on 15 December, Mylan plans to hire about 800 marketing professionals in India for its entry into the market.

French drug company **Sanofi Aventis SA** and the world's largest drug maker **Pfizer Inc.**, too, are looking at large expansions of their field staff as part of their initiatives to penetrate into India's small cities, towns and villages.