



What's wrong with our Pharmaceutical Industry?

I have worked in the Pharmaceutical industry for the past 24 years and prior to joining it knew very little about it, apart from the fact that they did a lot of R&D and had the money to sponsor many academic research projects in one form or another which I saw from my time spent at university.

I joined the industry because I wanted to contribute towards improving the health of patients and ensure that they received the treatments that they desperately needed.

Throughout my career I have had on occasions to explain to various friends and family why pharma companies have to make profits, reasons I am sure that we are all aware of based on the very high risk environment that they operate in. I'm not sure whether I gained many supporters but at least they left more aware of the way the industry works. However, with the recent press reports on the way some pharma companies have been doing business, I think I may have been wasting my time!

Let us consider two key points in the above paragraph: "the press" and "pharma companies business practices".

"the press" –

Love them or hate them they are a strong voice in communicating with the general public and can influence supporters and non- supporters alike. Companies making large profits are not often liked by the general public and the press can often take such stories, run with them and not really consider the consequences of their actions. How many times have we read stories or seen reports on certain industry topics where the full picture has not been conveyed? In fact, as I write this I am listening to the BBC news with a headline concerning the increase use in prescription drugs in the UK – where will this one go?

However, there are times when the press are needed to highlight poor and unethical practices and I applaud this approach.

This brings me onto the second point.

"Pharma Companies Business practices" –

As previously mentioned companies need to make a profit, in order to invest in future products and be compensated for the many drugs that failed to make it to market. However how such profits are made is important and the practice for achieving this must be ethical.

The challenge for global companies comes from operating with local business practices which may not be acceptable globally. Reports recently from companies operating in China where funds were allocated to boost sales using various "unethical" methods have highlighted this problem. How does the company ensure compliance with acceptable practices?



Training of staff demonstrates a willingness to comply but at the end of the day the reality is that the products must be sold and with individual sales linked to staff performance and ultimately bonus payments, ensuring things are done ethically becomes a challenge.

Also despite the fact that many companies have Health Care Business Integrity (HCBI) systems and processes in place and the role of QA is often to ensure these practices are adhered to, we are still faced with these unethical sales and promotional practices.

So, how can companies try and fix this problem and ensure that products which may benefit patients get to them? Here are some possible options to consider:

1. Restructure company sales bonus schemes by linking bonus payments with ethical and transparent business practices not simply linked to the number of units sold. For example, ensuring that the HOW component to selling is accounted for and monitored at defined intervals and factored into performance reviews at all levels of the organisation
2. Utilise an experienced independent QA function that would be able to work closely with the local sales and marketing groups to ensure that acceptable practices are adopted when promoting and selling company products. This could take the form of ensuring that:
 - a. Local sales processes are reviewed having been approved by local AND global management, and such processes could be shared across the industry to assure consistency in the market
 - b. Any other companies (e.g. third parties) involved with the selling and promotion of products would need to be assessed prior to use – QA could perform these assessments and have oversight of these if performed by the local operations
3. Companies could cooperate and share more information about the local markets to identify and report unethical business practices, and work with the local governments to eradicate poor business practices

I hope that this article will promote discussions and action amongst the various industry players so that in future the environment becomes a more ethical and transparent one to conduct business in.

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