Michael Fernandez Case Memo

**1. What issues are at stake with the business development function?**

Different from the plan/do/review cycle in the western world, India emphasized the action-oriented style. Despite the Fernandes’s expected business development function of a globally integrated organization, the Canadian and U.K. sectors were unwilling to feel stressful under the control by the Indian local government. The U.K. and Canada were conducting their business development outside the strategy agreed upon before the purchase of Avecia. After purchase, while the current NPIL’s head of European business development Grundy and the current NPIL’s director of NPIL’s PDS unit Scherrer-Pangka ought to work together under Ananth’s direction on global business development, Grundy complained about the exclusion from the core decision-making committee when in charge of European customers, and Scherrer-Pangka complained about the transparency of the information transmission about the event progresses. It suggested that the enterprise goal, management structure and communication mechanism were all in a mess.

(Note: The former McKinsey principal consultant, Michael Fernandes, helped Nicholas Piramal India Limited in making the significant decision to purchase Avecia, a British pharmaceutical firm with both manufacturing and sale operation in British and Canada, after the shift from the company to the pharmaceutical field driven by the crucial need from the public. Under the historical background where the Indian government adopted the loosened patent policy, unlike the reversing engineering of internationally patented drugs that many other domestic competitors did in the Indian industry or investing in the research and development sector to develop their own patented molecules, NPIL pursued the global custom manufacturing strategy to function as a stop shop for pharmaceutical clients. It would like to utilize the multinational corporations operating in India but wanted to exit the country to reduce the cost to run them efficiently.)

**2. What should Fernandes do, and how should he do it?**

Graduating from Indian Institute of Management, Fernandes has rich experience in NPIL accounting under the guidance of the consulting firm McKinsey. Given that Fernandes demonstrates a remarkable ability to synthesize the big data and figure out precise strategic plans for the next stage, I suggest that he should make full use of his data analytics to prove that the integration of technical companies and manufacturing company is workable and profitable for multiple sides. After that, rather than just asking Ananth, Grundy, and Scherrer-Pang to talk with each other on a round table, I think Fernandes may try to hold separate meetings with these persons in charge instead. He should keep the enthusiasm of Ananth by allowing him to coordinate with multinational companies at his will due to his great respect among pharmaceutical companies. And at the same time, he should also calm both Grundy and Scherrer-Pang down by implementing some detailed indicators of product quality and business performance (to ensure the cost-effectiveness for products) and improving the employee work assessment system (to prevent the free-riders for persons)

(Note: The fact is that the interpersonal conflict among Ananth, Grundy, and Scherrer-Pangka might affect the progress in NPIL’s long-term acquisition over Avecia. There is also no sharing of knowledge, expertise, and successes among the directors that the product delivery team and product quality team were not in coordination with each other due to lack of customer data analysis.)

**3. Imagine role-playing the breakfast meeting in class--what do you expect might happen? What sorts of interpersonal dynamics might you anticipate, if you were playing the role of one of the attendees? Feel free to speak from the perspective of Fernandes or another attendee.**

Never having some basic knowledge of negotiation dynamics and coming from the mathematical economics background, I would expect an in-depth industrial organization cost and benefit analysis and SWOT analysis to be conducted by Fernandes to persuade Ananth, Grundy, and Scherrer-Pang into staying with the NPIL for a win-win acquisition future rather than letting them flee away.

***Strength:***

* ability to reduce cost in NPIL
* reliable selling strategy of NPIL

***Weakness:***

* competitors’ outperforming aspects

***Opportunity:***

* technological improvement and market strategies to satisfy clients

***Threat:***

* Lack of effective communication mechanism among departments
* Lack of monitoring the product and service quality standards
* Lack of financial cash flow

Firstly, since Fernandes felt dreaded as the day just began, he might want to settle down with the others in silence for a while. Next, Fernandes might want to enliven the atmosphere by telling the attendants his professional career experiences and talked about how he managed to overcome them. Then, Fernandes might ask them to speak out some voiced concerns such as the coordination failure, the innovation process question, and the lack of transparent conversation. At the end of the day, to better incorporate them into a working group, Fernandes might provide the attendants with his prospect for the strict product quality standard and detailed business performance indicator.

Please offer responses to each of these prompts in approximately 1-2 paragraphs. This can be conversational in tone--more of a discussion or reflection piece than a formal paper assignment. You will not be graded on anything but (a) your knowledge of the case and (b) the depth of insight reflected in your responses.