# Decoding Indian Pharma Sales Managers' Leadership Behaviour

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## Abstract

The prescription medicines business in India is primarily driven by the field sales force of Medical Representatives (MRs). These MRs regularly visit the doctors to update them about the various medicines their pharmaceutical company makes/markets with an attempt to convince them to prescribe it for the patients. MRs also make sure that the medicines are available with the nearby retail chemist shops. Thus the MR's performance lays the foundation of his pharmaceutical company's success. The pharma sales managers who lead the team of MRs need to achieve their monthly sales targets; to do this, they need to get their team of MRs to deliver the expected results consistently. The leadership qualities of these sales managers play a crucial role in the performance of MRs under their control and hence, in the success of the organisation.

This paper establishes a connection between the leadership theory published in Harvard Business Review and the leadership behaviour of the Indian pharmaceutical sales managers. Goleman's six leadership styles theory is used as the base to study the self-perceived leadership behaviour of practicing pharmaceutical sales managers. Confirmatory Factor Analysis is employed using Smart PLS 3 and results are analysed. It was found that Goleman's classic leadership theory could not explain the Indian pharma sales manager's leadership behaviour. The paper also covers the use of Exploratory Factor Analysis to establish a new model explaining the Indian pharma sales manager's leadership behaviour and tests the model by employing the Confirmatory Factor Analysis.

**Keywords:** *Leadership, Pharma Sales Manager, Goleman, Confirmatory Factor Analysis, Indian Pharma Industry, MNC, Leadership Style, Leadership Behavior, Proficient Leadership Behavior*

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## Introduction

Globally, pharmaceutical sales management function is the backbone of the pharmaceutical companies, and if managed well, can bring about a sea change in the company's top and bottom line performance. However, effective management of a pharma sales department to achieve the periodic sales targets is not an easy task for practicing sales managers. Amongst the many challenges faced by the sales manager of a pharmaceutical company operating in India is the high employee turnover and hence, the department never really settles down as a well-established team. Hence, leadership and team management skills of sales managers play a crucial role of keeping the team motivated and all geared up to achieve the preset team targets. To embark on the journey of decoding Indian pharmaceutical sales manager's leadership behaviour, one must be well versed with the uniqueness of the Indian pharmaceuticals market and its related dynamics; hence, we dedicate the next few paragraphs to briefly cover essential and related aspects.

## Pharmaceutical Industry in India

To develop the Indian pharmaceutical industry after Independence, the Multinational Corporations (MNCs) were invited by the Indian Government to set up their manufacturing facilities in India. But before 1972, MNCs were not keen to manufacture in India due to underdeveloped infrastructure and unavailability of required skill levels in India; they only sold their medicines in India. As a result, the Indian pharmaceutical manufacturing industry remained underdeveloped, and at the same time, the prices of drugs remained high due to monopolistic market situations. In 1972, abolishing of the product patent protection eliminated the monopoly power of MNCs. The cost-efficient processes developed by the domestic sector, often with the help of government laboratories, used for manufacturing of latest drugs at a fraction of international prices, dislodged the MNCs from a position of dominance in the Indian market and India started walking the path of self-reliance. The MNCs and Indian Pharmaceutical manufacturers compete with each other in the volume driven Indian market today and continuously strive to learn and improve from each other for a better market position in the coming future (Chaudhari 2012).

As of November 2017, the Indian pharmaceutical market stands at Rs 10,291 crore and is growing at 8.1%. The acute, chronic and sub-chronic segments are growing at 2.9 %, 9% and 7.2% respectively. The key to this growth is a large and growing population with increasing life expectancy, Geriatric population to double in the next 15 years, high GDP growth rate (7 to 8%), and growing middle class with increasing spending power, high disease prevalence, and the increased health care access in rural India. The Indian pharmaceutical market is also changing due to the entry of new MNCs, launch of patented products by MNCs, increased licensing activity, increased R & D investment by local companies and emergence of organised hospital structure (Indian Healthcare overview 2017).

## Pharmaceutical marketing process and its challenges in India

The Indian pharmaceutical industry has unique selling/marketing process. The marketer of prescription drugs is not allowed to advertise its products to patients who are the ultimate consumers. In the typical selling process, the marketer employs field force called medical representatives (MRs) whose primary job is to generate prescriptions of the company's products from the doctor. MRs regularly visit doctors in their clinics or hospitals to update them about their company's products (detailing), request them to prescribe the company's products to patients, give free samples of the drugs, sometimes give utility

gifts to the doctors and try to develop a long-term relationship with the doctors. Along with this, the MRs also connect with the patients through medical camps and patient education/counselling programs. MRs also connect with the retailers and carry out sales promotion activities using gifts, trade offers/schemes. Retailers give MRs vital information about the ground realities about the company's drugs sales vis-à-vis competitors' drugs sales. Although the marketing team does use other channels such as advertising through journals and mailers to doctors, CRM activities to doctors and sometimes publicity of the parent company brand, the actual sales are only due to the efforts put in by company's MRs in the doctor's cabins. Pharmaceutical companies in India typically spend 15-20% of annual product revenues on the sales force expenses, but have to remain alert to avoid over-spending.

Some of the critical issues which Indian pharmaceutical companies face are:

• Greater competition as the same molecule drug with precisely the same properties is being marketed by many companies.
• Busy doctors are reluctant to give time to MRs' sales calls.
• High attrition rate of MRs; hence, high costs of training and retaining.
• Compromised quality of MRs.
• High territory development costs.
• Difficult to assess the effectiveness of sales calls of MRs.
• The number game may force MRs into unethical practices(Bhangale 2008).

Thus, the success of the pharmaceutical company lies in the winning efforts of the sales team of MRs, and the team's performance is influenced to a large extent by the leadership and team management skills of the pharmaceutical sales managers.

## Why this research?

Leaders across the world adopt different leadership styles to lead the teams and achieve the desired results. The subject of leadership styles is extensively researched, and various models are established. Daniel Goleman's six distinct leadership styles is an attempt to explain the complete range of leadership styles adopted by managers who lead teams of working professionals to achieve pre-decided results (Goleman 2000).The uniqueness of the way in which the pharmaceutical prescription business is run in India and the critical role of the pharmaceutical sales managers in driving the team to meet the sales target indicates the importance of leadership behaviour of Pharmaceutical Sales Managers(PSM). Top management of both MNCs and Indian pharma companies should obtain insights of their organisation's PSMs' leadership behaviour and systematically work to improve the same.

The research concern is to understand the leadership behaviour of PSMs using an earlier established model and understand the precise manner in which the factors assume importance in explaining the leadership behaviour of Indian PSMs. Therefore, the following research questions were raised:

1. Can the established Goleman's model explain the PSMs' leadership behaviour? If yes, what are the emerging precise structural model and its factors? In case the model does not explain the PSMs' leadership behaviour, can a fresh model be adapted? If yes, what is the structure of the model?
2. Is there any significant difference in the leadership behaviour of PSMs working in MNCs and Indian origin pharma companies?

Hence, the purpose of this paper is to decode the PSMs' leadership behaviour and establish a statistically significant model to explain it.

## Applicability and generalizability of the research

The classical models explaining leadership behaviours of management professionals were mostly originated in the western developed economies. In India and other developing economies, the business and social environment parameters are dramatically different in comparison to the developed economies. This is one of the prime reasons why there is a gap when we discuss the applicability of the westbound classical models in these economies. This paper illustrates such a gap inapplicability of western classical leadership behaviour theory by Goleman to the sales managers working in pharmaceutical companies in India.

The primary data of the research was collected from pharma professionals with relevant experience of sales management function in pharmaceutical companies in India comprising both MNCs and companies of Indian origin. The reason for choosing them as our sample unit is that these sales managers use their leadership skills in their day-to-day operations to get results from the team of medical representatives (MRs) they lead. Thus, we get first-hand data directly from the professionals who practice and implement the theoretical aspects of what is being discussed in this paper. This research establishes a new valid and reliable model to explain the leadership behaviour of the Indian pharma sales managers. The research shows that today's Indian pharma sales managers have become more proficient in leading the teams to get results due to the education and other exposures they are subjected to during their upbringing.

The established model would also apply to sales managers working in Indian companies in sectors other than the pharma sector since they share the same business environment. Also, with a bit of fine-tuning, the model can also serve to explain leadership behaviours of first-line sales managers working in the pharmaceutical and other industries of comparable developing economies. The applicability of the model can also be tested in developed economies around the world, and we foresee its adoption with some structural changes to account for the differences in the social and business environments. This is because the business world is become increasingly integrated due to the rapid pace of technological development; hence, geographical location of the company is becoming increasingly irrelevant. Hence, we believe that the model would find acceptance at the global level.

## Literature review

### From Taylor's Scientific Management to Leadership:

Although the paper's key topic of discussion is decoding the leadership behaviour of Indian pharmaceutical sales managers, we need to look at the origin of scientific management from which the leadership requirement has emerged.

In 1911, Frederick W. Taylor, the founder of Scientific Management, established a scientific approach to the decision-making process in addressing various business challenges. Taylor defined scientific approach as the approach of laying down facts based on research and experimentation rather than based on Rule of Thumb or guesswork or personal opinion or precedent or hearsay. Scientific management essentially involves a complete mental reorientation of all involved from the workmen to the board of directors and owners of the businesses(Taylor 1975).

Post the introduction of the concept of scientific management, the need for relevant organisational structure was felt across the organisations. Max Weber gave the theory of Bureaucracy in 1922. His explanation of bureaucracy was, 'An administrative structure based on legal and rule-oriented authority having an administrative hierarchy, rule-oriented system specifying the performance standards on the

work, selection of employee according to technical qualifications.' Weber proposed the rational organisation of jobs rather than of men in the workplace(George 1980).

The discussion on an effective span of control followed the administrative structure discussion. Henry Fayol gave his administrative approach in 1925 for effectively running business organisations. The approach was based on management's hierarchical structure following a top-down approach for the performance of activities of the organisation. The administrative theory stood on the two principles - Co-ordination and Specialisation. The hierarchical organisation took charge of coordination of the activities, making all the employees accountable only to the superior. For proper coordination and management, a limited 'span of control' was suggested. Subordinates were to perform all the routine activities so that the superior can attend to the special tasks. Specialisation, on the other hand, was to be achieved by distribution of activities in working groups, which are specially formed as a homogenous group based on purpose, process, customer type and/or geography. The combination gave a high degree of formalisation to the organisations yielding improved results (Fayol 1925).

Fayol is also credited with being the first to detail the functions of a typical manager in an organisation. He coined them as planning, organising, command, coordination, and control. These five elements together were referred to as 'the management process (Daniel A. Wren 2009).

The discussion on the different roles the manager plays in an organisation was initiated by Henry Mintzberg who gave ten managerial roles. He classified them into 3 categories, the first one being the Interpersonal Roles including: A) As the figurehead, the leader and the person who liaises with others to get the job done, B) the informational roles where he monitors the activities, disseminates the required information to the desired audience and becomes the spokesperson for the team, C) the role as decision maker taking entrepreneurial decisions, handling internal disturbances of the team, arranging for the needed resources for the team and negotiating in favour of the team to achieve the targets of the team. These roles are not easily separable, and they form a gestalt, an integrated whole. The amount of attention given by different managers managing different functions to the above ten roles may drastically differ from each other(Mintzberg 1990).

## Leadership as a role of the Manager

One of the interpersonal roles of a manager as given by Mintzberg is to be the leader of the employees working in the department under the manager. Every manager is responsible for the job done by employees in his/her department. To get the desired results consistently, it becomes mandatory for the manager to become an inspirational leader and has a primary responsibility of motivating the employees to perform their best(Mintzberg 1990).

Leadership skills can play a significant role in the success a manager achieves. Managerial skills are more about managing tasks whereas leadership skills are more about leading people and motivating them to achieve their best while performing the tasks. A manager usually works towards the targeted bottom line through the day-to-day chores, focusing on products and processes. He supervises the employees in his team and plans and schedules their day-to-day work. He gains authority over the team members due to his position in the organisational hierarchy. On the other hand, a leader influences the team members and gains authority due to his behaviour and positive mindset. An effective leader successfully influences the way other people influence themselves (McPheat 2010). The section below uncovers the latest discussion on leadership in the research fraternity.

## Current discussions on leadership

Published literature on the subject of leadership is vast; here is some recent research work on leadership. The U. S. military coined today's world as a VUCA world, with characteristics of volatility, uncertainty, complexity and ambiguity. To be successful in this era, organisations must demonstrate strong dynamic capabilities involving successful business model innovations. This is just impossible without an energetic and strategic leadership right from the top. The prime challenge the leadership faces is how to strike the required delicate balance among the various aspects and move forward consistently without much disturbance in the current operations. Paul and others give the six skills required to lead an organisation successfully. Skill to Anticipate –> Challenge –> Interpret –> Decide –> Align and –> Learn (Paul J. H. Schoemaker 2018).

Another recent paper discusses the effects of transformational leadership on the attitudes and behaviours of subordinates. In more challenging situations involving greater risk and stress, the presence of more transformational leadership results in subordinates delivering the expected task and perform meaningful work (Bennett J Tepper 2018).

Employees at all levels of hierarchy possess leadership behaviour. Jaya Ahuja and Nidhi Chaturvedi in their paper titled 'Job Crafting and Employee Engagement: A multivariate study' established that job crafting positively affects the employee engagement. Taking initiatives and leadership at work is not just the responsibility of the managers/leaders from the top management. Even the middle and entry-level employees take leadership for their work which gives them an opportunity to craft their jobs and also craft their growth within the organisation. Leadership today must recognise this and even allow 'co-crafting' by involving the employees working under them in designing their jobs. This would enhance the employee engagement and reduces the intention to seek a change of employment (Ahuja J 2017).

Leaders must possess high Emotional Intelligence (EI) quotient, which is the capability of a professional to recognise the emotion of the self, the boss, the colleagues, and the subordinates and effectively manage or adjust it to adapt to changes in the environment and drive success for the team. Along with the common leadership style in an organisation, the EI of the leader and managers can drive the organisation not only to achieve goals but to carve out a better future for the organisation. Desai and Srivastava in their paper titled 'Emotional Intelligence-the moderator of leadership styles and performance' established that EI positively moderates the impact of prevalent leadership style on the organisational performance. When EI is possessed and practiced by most of the managers/leaders within an organisation, it positively affects the organisation's financial performance. Thus today's leadership must understand the work on their EI capability (Desai D 2017).

The discussion of feminine and masculine leadership styles and their outcome has been researched extensively. Traditionally, the leadership domain has been considered as masculine with attributes such as aggression, ambition, being a go-getter and a taskmaster, which are a must for being an effective leader. At the same time, some studies indicated a feminine type of leadership with attributes such as cooperation and sensitivity, etc., which are more transformative. Verma, S. P., and Krishnan in their paper on Transformational leadership and follower's organisational commitment: the role of leader's gender indicated that an androgynous style of leadership has positive effects on continuance commitment of the followers. This suggests that the leaders who achieve a fine balance of feminine and masculine styles of leadership improve employee

retention(Verma S 2013).

'Servant Leadership' is the term coined for the leadership style where the leader shows complete commitment to serve others, especially employees working under him. Such a leader always places the good of those being led by him over his interest. George Kurian and Prathamesh Muzumdar in their study of 'Antecedents to Job Satisfaction' concluded that the Servant Leadership behaviour positively affects the feeling of empathy among the employees working under such leader and this, in turn, increases their job satisfaction (Kurian G 2017).

Daniel Goleman has done path-breaking work in the area of leadership styles which leaders adopt. In his classic HBR book, 'Leadership That Gets Results,' he described six styles of leadership and researched the various impacts of these styles on six different drivers of an organisation's working climate(Goleman 2000).

## Goleman's six styles of leadership

### Coercive Style:

Coercive Leadership Behaviour (COLB) characterised by a leader, who demands immediate compliance of his orders, sounds like 'Do what I tell you.' Although this style dampens employees' motivation and kills an organisation's flexibility, it proves very useful in crises situations in organisations and can kick-start a turnaround of low performing organisations especially suffering from the problem of low performing employees. Leaders following this style generally have an underlying drive to achieve results, taking initiatives in difficult situations and taking complete control over the operations.

### Authoritative Style:

A leader with the Authoritative Leadership Behaviour (AULB) uses his capability to mobilise people towards the vision and employs 'Come with me' approach. The leader with this style proves to be a change catalyst,

demonstrates empathy towards employees and usually has a high degree of self-confidence. The leader has an overall positive impact on the organisation's climate especially when the organisation needs to undergo a significant change in a definite direction. This style is less effective when the team members are superior to the leader with respect to working business knowledge.

### Affiliative Style:

A leader with an Affiliative Leadership Behaviour (AFLB) works from the heart and believes in building emotional bonds with the associates and followers. In this style of leadership, the most importance is given to the people. Empathy for others becomes the base of such leadership style, and usually, such leaders possess excellent communication skills. The style has an overall positive impact on the organisation climate especially when the teams suffer from internal stresses and rifts. However, sometimes the team members find themselves without support while dealing with challenges since this type of leader rarely offers any valuable advice to find any solutions to challenges faced.

### Democratic Style:

Leaders with the Democratic Leadership Behaviour (DMLB) believe in reaching consensus through participation of all the team members seeking their opinions on most decisions. This style yields a positive effect on the organisation when the team has many talented, specialised members whose valuable inputs are a must for proper decision making. However, sometimes this style may result in endless meetings and confused team members who desperately need a decision to move ahead.

### Pacesetting Style:

Leaders adopting Pacesetting Leadership Behaviour (PSLB) believe in first achieving high-performance standards themselves and then asking team members

to 'Do as I do, now.' Some team members who are also high performers get a motivational boost from such leaders as they learn from the leader ways to achieve higher performance, but most of the other team members feel negative about it as they experience an inferiority complex and don't believe that they can ever achieve what the leader has achieved. Hence, usually the overall impact of such leadership is a bit negative on the organisational climate, but can be very useful in case most of the team members are competent and motivated.

**Coaching Style:**

Leaders with Coaching (Mentoring) Leadership Behaviour (MNLB) believe in preparing the team members for the future by coaching them and creating a learning environment. They encourage the team members to 'Try out' and be perfect in their skills. The employees usually remain motivated as they keep learning and improving, and always feel that they are essential for the organisation and hence, this results in a favourable climate in the organisation. However, sometimes if the team members are resistant to change due to various reasons, this style of leadership may not always yield results.

Highly successful leaders learn and practice different styles mentioned above. The more the styles they master, the more mature they become in handling different situations. The use of an optimum mix of the above strategies is the key to be a successful manager in achieving organisational objectives.

Successful leaders are blessed with strong emotional intelligence competencies. Some of these are listed below:

i. Emotional self-awareness: Read and understand one's own emotions and their impact on performance at work, relationships with others, and so on.

ii. Accurate self-assessment: a realistic evaluation of one's strengths and weakness and limits.

iii. Self-confidence: a healthy and confident sense of self-worth.

iv. Self- management, which includes self-control by keeping disruptive emotions and impulses under control.

v. Trustworthiness though the display of honesty and integrity.

vi. Conscientiousness, i.e., the ability to manage oneself and one's responsibilities.

vii. Adaptability which is a skill to adjust oneself to the changing situation and overcoming obstacles in achieving the desired outcomes.

viii. Achievement orientation displayed by the drive to meet the predefined internal standard of excellence.

ix. Imitative, i.e., preparedness to seize opportunities as they surface.

x. Social- awareness: Can be divided into,

    a. Empathy, which is the ability of an individual to sense other people's emotions; see things from their perspective and to have a genuine interest in their concerns.

    b. Organisational awareness is to sense the currents in the organisation, build decision networks and fluently navigate politics.

    c. Service orientation is to understand and fulfil the needs of customers.

xi. Social skills: Which comprises of,

    a. Visionary leadership, which is the capacity to take charge of the situation and inspire the team members with a compelling vision.

    b. Influencing others which is the ability to persuade others using a range of tactics.

    c. Developing abilities of subordinates through feedback and guidance.

    d. Communication including listening and delivering a clear, convincing and adequately crafted message.

    e. Change catalyst is the proficiency in initiating improvements and taking others in that new direction.

f. Conflict management is the skill to resolve the disagreements and orchestrate amicable resolutions.

g. Building bonds is the capacity to cultivate and maintain a network of relationships.

h. Teamwork and collaboration is the competence of bringing individuals together and promoting cooperation amongst them to build strong teams.(Goleman 2000)

**Situational Leadership:**

An effective leader also has the ability to vary his style of leadership in line with the followers' characteristics. Hersey and Blanchard introduced the concept of 'Situational Leadership,' wherein the leader assesses the maturity level of the follower and adopts a proper relationship and task behaviour with the follower. They classified followers' maturity into four levels:

• Low (M1): Followers who cannot and are also not ready to take responsibility.

• Low to Moderate (M2): Team members who are willing but lack the ability to take responsibility.

• Moderate to High (M3): Followers have the ability but lack enthusiasm or self-confidence to take responsibility for the task. And,

• High (M4): Those who have both the ability as well as being motivated and willing to take responsibility for the task completion.

To get the best outcome, the leader needs to adopt different leadership styles while interacting with followers with different levels of maturity as below:

• For M1, the appropriate style of leadership is that of 'Telling' type, which is high on task and low on relationship behaviour. The leader needs to tell them what, when, how and where to perform. Supportive behaviour is not recommended as it implies approving of their unwillingness to take responsibility; instead, low relationship behaviour will yield the desired results and also push them on the path of higher maturity.

• For M2, the recommended style of leadership is that of 'Selling' type, which is high on both task and relationship behaviour. It involves an increased two-way communication with more stress on explanation rather than just telling about the job.

• For M3, the recommended style is one of 'Participating.' The approach is based on low task and high relationship behaviour. The leader is recommended to increase two-way communications to make followers take an active part in decision making and its implementation. The leader should only assume a facilitator's role.

• For M4, the leader should adopt low task and low relationship behaviour. The style is that of 'Delegating' type, and such members are permitted to decide how, where and when, and the communication/ supportive behaviour from the leader is minimum.

The keys to situational leadership are to assess the followers regularly and accurately, and to adopt behaviour accordingly. Also, the leader must be aware that the maturity level of the followers changes periodically and hence, the leader should fine-tune the task and relationship behaviour accordingly (Hershey Paul 1988).

**Leader's Power:**

P Hershey, K Blanchard, and W Natemeyer together studied situational leadership concerning the 'Leader's Power.' Leader's power is the leader's influence on potential, which enables leaders to induce compliance or influence followers. The leaders, while deciding which leadership behaviour to adopt, should not only assess the followers' maturity level, but also give attention to their view concerning the use of necessary power to influence people. Some of the important power bases mentioned in their article are as below:

• **Coercive power:** For this, the base is 'fear,' and usually failure would come along with some non-

severe to severe punishment.

- **Connection power:** It is based on the connections among essential or influential people the leader is perceived to have. Followers want to gain favour or at least make sure that there is no disfavour of powerful connection of the leader.

- **Expert power:** This is based on the expertise/skill/ knowledge possessed by the leader which induces the compliance of followers.

- **Information power:** As everyone wants valuable information, followers comply with the leaders who are perceived to have access to vital information.

- **Legitimate power:** This power comes with the position held by the leader, and it increases with the level of position held by the leader of the organisation. Followers believe that, by the position, the leader has the right to expect compliance from them, and hence, they get influenced by the leader.

- **Referent power:** Is based on the personality traits possessed by the leader, which exerts influence on the followers.

- **Reward power:** Is the ability of the leader to provide rewards to the followers. Rewards can be pay raises or promotions, which works to influence the followers.

Many studies indicate that the type of power which proves to be most effective in generating influence on followers depends on the circumstances and maturity level of the followers and hence, can be integrated with situational leadership styles.

Leaders need 'Coercive Power' while engaging the 'Telling Style' of leadership for effective handling of M1 maturity level followers. The followers get influenced by the perceived power of the leader to punish them in case of noncompliance. The punishment can be in the form of transfer, demotion or loss of job.

The 'Connection Power' of the leader aids both in 'Telling Style' and 'Selling Style' of leadership as the followers of both M1 and M2 maturity level aim to avoid getting punished and, at the same time, look forward to getting rewards emerging from the powerful connections of the leader.

The 'Reward Power' of the leader is of specific use for followers with M2 maturity level as they get motivated due to possibilities of rewards from the leader.

Both M2 and M3 maturity level followers get influenced by the 'legitimate power' of the leader who employs either 'selling or participating' type of leadership. 'Referent power' aids the leader following 'participating' style for M3 maturity followers as they like the encouragement and recognition as they get identified with the leader.

For leaders using 'participating or delegating' style at M3 and M4 levels of maturity of the followers, get more effective when having 'information power' on their side as the followers appreciate and look forward to accessing the essential pertinent information which only the leader can provide them.

The M4 maturity level followers appreciate leaders who use 'delegating leadership style' and have 'expert power' in their kitty. They understand the real value of that expertise/ knowledge/competence or skill which they lack and leader has.

In an organisation, as managers understand the relationships among leadership styles and the power bases they possess to be used in conjunction with the maturity levels of the employees in their teams, the organisation stands to become more productive, content and more matured (Paul, Kenneth and Walter 1979).

Russ Frederick A; McNeilly Kevin M and Comer James

M connected leadership styles of sales managers to their performance. They concluded that sales managers exhibiting transactional leadership are better performers, as they justifiably tie rewards to sales reps' efforts and do not encroach on sales reps' personal space unless it is needed. Also, high-performance managers exhibit a transformational style of leadership using charisma, consideration and intellectual stimulation, but it hardly contributes to the managerial performance of first-line sales managers. This may be because in standard business settings, the relationship between the sales manager and the sales reps is more business-oriented (A, M and M 1996).

## Leadership styles and ethical climate of the organisation

Jay P Mulki, Jorge F Jaramillo, and William B Locander studied the relationship between leadership and ethical climate, and salespersons' behaviours. They used the concept of two leadership styles the company leaders use as given by House (1971) and House and Dessler (1974):

(A) Instrumental leadership which is a mix of Coercive and Authoritative styles discussed earlier.

(B) Caring (supportive/ participative/ considerate) style which is a mix of Affiliative and Democratic styles discussed earlier.

They concluded that there exists a positive and significant relationship between the Instrumental leadership style and ethical climate of the organisation. Also, there exists a positive and significant relationship between Caring style and satisfaction with the supervisor.

Due to increased pressure to meet the targets of the top corporate executives, which gets ultimately transferred to the field salespersons, there exists a possibility of salespersons slipping into ethical gray areas. Here, the role of instrumental leaders assumes importance. When these leaders firmly hold onto the ethical rules and policies of the company and pass on the message that the long-term market impact of ethically correct behaviour in the field would far outweigh the short-term gains of getting customer orders by unacceptable means, then the ethical climate of the organisation starts improving (Mulki, Jaramillo and Locander 2008).

From the literature, it is evident that leaders adopt various leadership styles which knowingly or unknowingly influence the team's performance. The PSM plays a vital role in Indian prescription pharmaceutical business. The leadership behaviour adopted by PSM influences the performance of the team of MRs which, in turn, affects the business performance of the organisation. Hence, the need to decode the leadership behaviour of Indian PSMs, which is the prime objective of this study. Also, the study takes its second objective to find whether there exists a significant difference between the leadership behaviours of PSMs working in MNCs and Indian origin pharmaceutical organisations, which can bring learnings for both types of organisations in improving leadership behaviour of their PSMs.

## Research Methodology

The study adopted a quantitative methodology. The primary data was collected through a questionnaire employing five-point Likert agreement scale and seeking a response to twenty-five identified variables from Goleman's work (Refer Annexure A). The data was collected through online means by employing the snowball sampling method. The sampling unit was the pharma sales manager with sales management experience in the Indian pharmaceutical industry. The questionnaire was sent to about 200 professionals out of which 46 responded.

The data gathered was subjected to various types of

analysis. Confirmatory factor analysis using PLS 3 software was employed to test the Goleman's theory of 6 types of leadership behaviours. The test showed the model failed to establish discriminant validity of the constructs suggesting that a different structure may be adopted to explain the self-perceived leadership behaviour of the Indian Pharmaceutical Sales Manager (PSM-SPLB). Exploratory factor analysis done using IBM's SPSS 21 resulted in a different structural model which when tested using Confirmatory Factor Analysis demonstrated the desired construct validity, making it suitable to adopt as the model for explaining the PSM-SPLB of the Indian pharmaceutical sales managers. The established model can be used to decode the leadership behaviour of Indian pharmaceutical sales managers working to understand ways and means to fine-tune it further through organised efforts by the pharmaceutical company to achieve guaranteed success of the sales team working under the PSM.

## Rationale for the Technique

Initially, confirmatory factor analysis (CFA) was used to test Goleman's construct for its statistical validity and reliability. Although the reliability was acceptable, it failed on Discriminant Validity as given by Heterotrait-Monotrait Ratio of correlations (HTMT). Thus Goleman's constructs were not found to have clear discrimination among themselves, and hence, the model cannot explain the PSM – SPLB. It was then decided that a new structural model can be explored from the collected primary data to explain the PSM-SPLB.

Exploratory factor analysis (EFA) has been used in the second part to test the possible reduction in 25 observed variables to an optimised level and to group them in distinct constructs to give us the factors explaining the PSM-SPLB. This has been done employing the Eigenvalue cut off of 1. The methodology ensures the use of maximum variance of the data to give the structural model. To examine the model fit and inter-relationship between the constructs, CFA has been reemployed on the emerged constructs from EFA. After confirming the CFA, the structural model was validated along with the factor loadings. CFA evaluated the convergent and discriminant validity of the constructs. CFA validation establishes the Structural Equation Model (SEM) giving the relationships among the independent and dependent variables and emerged latent variables (factors).

**Data analysis with results and conclusions:**

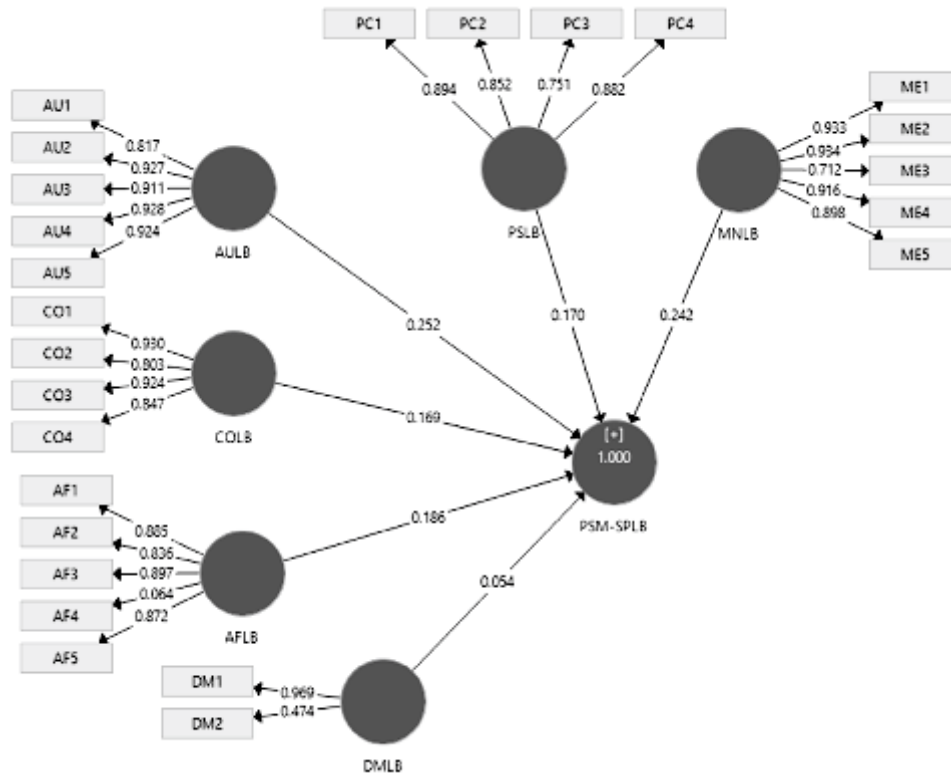**Part A: Analysing PSM-SPLB in line with Goleman's six styles of Leadership:**



**Figure 1: SEM showing outer loadings and inner path coefficients**

| Construct Reliability and Validity | | | | |
|---|---|---|---|---|
| | Cronbach's Alpha | rho_A | Composite Reliability | Average Variance Extracted (AVE) |
| AFLB | 0.787 | 0.898 | 0.868 | 0.61 |
| AULB | 0.943 | 0.947 | 0.955 | 0.815 |
| COLB | 0.901 | 0.918 | 0.93 | 0.77 |
| DMLB | 0.39 | 0.832 | 0.713 | 0.582 |
| MNLB | 0.926 | 0.936 | 0.945 | 0.779 |
| PSLB | 0.869 | 0.89 | 0.91 | 0.716 |
| PSM-SPLB | 0.97 | 0.98 | 0.975 | 0.524 |

**Figure 2: Construct reliability and Validity**

| Heterrotrait - Monotrait Ratio ( HTMT) | | | | | | |
|---|---|---|---|---|---|---|
| | AFLB | AULB | COLB | DMLB | MNLB | PSLB | PSM-SPLB |
| AFLB | | | | | | | |
| AULB | 1.034 | | | | | | |
| COLB | 0.87 | 0.819 | | | | | |
| DMLB | 1.09 | 0.845 | 0.876 | | | | |
| MNLB | 1.002 | 0.985 | 0.903 | 1.022 | | | |
| PSLB | 1.037 | 0.92 | 0.888 | 1.025 | 0.939 | | |
| PSM-SPLB | 1.06 | 0.991 | 0.924 | 1.076 | 1.016 | 1.005 | |

**Figure 3: Discriminant Validity- Hetrotrait to Monotrait Ratio**

## Results and conclusions (Part A)

Smart PLS3 is used to carry out CFA. Figure 1 gives the resulting structural equation model. Figures 2 gives reliability and validity of the construct. Figure 3 shows the discriminant validity of the constructs. Although Construct's composite Reliability and Validity are within acceptable norms, the model fails on the test of discriminant validity given as Heterotrait-Monotrait Ratio of correlations (HTMT). For a variance based SEM such as PLS, Fornell-Larcker criterion and the examination of cross-loadings are traditionally used to establish discriminant validity. Henseler, Ringle, and Sarstedt explained using simulation studies that Fornell - Larcker criteria are not reliable in everyday research situations and suggested the use of other criteria HTMT. HTMT is based on the multitrait multifactor matrix, and for a given pair of reflective constructs, HTMT ratio value of below 0.9 establishes the discriminant validity. Hence, the PSM-SPLB cannot be entirely explained by Goleman's Leadership style theory(J. Henseler and Sarstedt 2015).

## Part B: Exploratory Factor Analysis to explain PSM-SPLB

Exploratory factor analysis has been done using IBM SPSS 21. Annexure B lists the short forms of the variables used in the analysis.

### KMO and Bartlett's Test

| | | |
|---|---|---|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | 42 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 1068.714 |
| | df | 231 |
| | Sig. | .000 |

**Figure 4: KMO and Bartlett's Test for sampling adequacy**

Total Variance Explained

| Component | Initial Eigenvalues | | | Rotation Sums of Squared Loadings | | |
|---|---|---|---|---|---|---|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 12.620 | 57.364 | 57.364 | 10.984 | 49.928 | 49.928 |
| 2 | 2.058 | 9.353 | 66.716 | 3.073 | 13.968 | 63.896 |
| 3 | 1.458 | 6.628 | 73.345 | 1.763 | 8.015 | 71.911 |
| 4 | 1.172 | 5.327 | 78.672 | 1.487 | 6.760 | 78.672 |
| 5 | .918 | 4.171 | 82.843 | | | |
| 6 | .612 | 2.784 | 85.627 | | | |
| 7 | .523 | 2.377 | 88.004 | | | |
| 8 | .476 | 2.162 | 90.166 | | | |
| 9 | .415 | 1.886 | 92.052 | | | |
| 10 | .348 | 1.583 | 93.635 | | | |
| 11 | .263 | 1.196 | 94.831 | | | |
| 12 | .226 | 1.027 | 95.858 | | | |
| 13 | .188 | .852 | 96.710 | | | |
| 14 | .161 | .732 | 97.442 | | | |
| 15 | .136 | .620 | 98.062 | | | |
| 16 | .119 | .539 | 98.601 | | | |
| 17 | .091 | .414 | 99.015 | | | |
| 18 | .067 | .304 | 99.319 | | | |
| 19 | .059 | .266 | 99.585 | | | |
| 20 | .037 | .169 | 99.754 | | | |
| 21 | .029 | .132 | 99.887 | | | |
| 22 | .025 | .113 | 100.000 | | | |

Extraction Method: Principal Component Analysis.

**Figure 5: Total Variance Explained**

| | Component | | | |
|------|-------|-------|-------|-------|
| | 1 | 2 | 3 | 4 |
| a1 | .361 | .878 | -.101 | .025 |
| a2 | .253 | .812 | .089 | .327 |
| a4 | .841 | .377 | .139 | -.122 |
| a5 | .813 | .060 | .047 | .015 |
| a7 | .850 | .197 | .211 | .089 |
| a8 | .852 | .280 | .148 | -.136 |
| a9 | .908 | .218 | .100 | -.077 |
| a10 | .821 | .214 | .203 | -.111 |
| a11 | .753 | .163 | -.133 | .269 |
| a12 | .825 | .316 | .071 | .005 |
| a13 | .003 | -.003 | .192 | .692 |
| a14 | .874 | .004 | .103 | .172 |
| a15 | .744 | .213 | .069 | .127 |
| a16 | .071 | .185 | -.192 | .828 |
| a17 | .837 | .116 | .140 | .070 |
| a20 | .895 | .277 | .003 | .082 |
| a21 | .058 | .081 | .894 | .103 |
| a22 | .218 | -.161 | .803 | -.066 |
| a23 | .855 | .315 | -.070 | .091 |
| a24 | .860 | .328 | -.046 | .011 |
| a3 | .475 | .781 | -.109 | -.020 |
| a6 | .810 | .375 | .109 | -.045 |

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 6 iterations.

**Figure 6 : Rotated Component Matrix, highlighted values > 0.7**

Refer to Figure 4 for the results of KMO and Bartlett's test, which are the two recommended tests for assessing the suitability of the collected data for factor analysis. The Kaiser-Meyer-Olkin (KMO) index test measures sampling adequacy and is a necessary test when the number of variables to the number of samples ratio is less than 1:5. The KMO index lies between 0 to1, and an index greater than 0.5 is considered suitable for Factor Analysis. The Barlett's test of Sphericity measures homogeneity of variances across the samples, and the requirement is that the Chi-square value must be significant (p<0.05) for suitability of Factor analysis (Willians, Onsman and Brown 2010).

Figure 5 gives the total variance explained by the emerging latent factors and Figure 6 gives the rotated component matrix of the EFA.

## Results and conclusions (Part B)
The KMO index is 0.842 which indicates more than acceptable sampling adequacy. The Chi-square value for Barlett's test of Sphericity is significant indicating homogeneity of variances across the samples. Hence, requirements are fulfilled for conducting Exploratory Factor Analysis (EFA).

After dropping three variables viz. a18, a19 and a22 due to high loading on more than one component, the total variance explained by components having Eigen Value more than one, stands at 78.672%. For associating the observed variables to the latent variables, a minimum loading of 0.7 is considered. The first component has 15 variables with loading more than 0.7. The second component has 3, the third component has 2, and the fourth component has only one variable with loading more than 0.7.

## Explanation and naming of the components
The first component is a mix 15 variables viz. a4, a5, a6, a7, a8, a9, a10, a11 ,a12, a14, a15, a17, a20, a23 and a24. Out of these, five variables indicate Authoritative leadership style, and four variables indicate Affiliative leadership style, one each of Coercive, Democratic and Pacesetting leadership behaviour style and the remaining 3 indicate coaching style of leadership. This mix of leadership behaviour seems somewhat similar to the situational style of leadership given by Hersey and Blanchard, but it also goes beyond the description by Situational Leadership. We call this Leadership behaviour style as 'Proficient Leadership Style Behaviour' (PLB).

Pharma sales managers adopting PLB work with a wider business perspective and always try to align

their actions and their teams' efforts towards the objectives of the organisation as spelled by the top management. They behave very professionally and at the same time they have and positively demonstrate empathy towards the tough life of Medical Representatives. They work towards becoming the role model for Medical Representatives under them by demonstrating high performance. They are soft-spoken and aim to handle junior and senior Medical Representatives accordingly. The overall professional approach gives them the power required to lead the team effectively and get the expected results from the management.

The second component is a combination of 3 variables viz. a1, a2 and a3. The variable a1 captures the Coercive leadership style behaviour, and hence, we call this 'Coercive Leadership Style Behaviour' (CLB).

The two variables a21 and a22 form the third component. Both the variables capture Coaching or Mentoring leadership style behaviour and we name it as 'Mentoring Leadership Style Behaviour' (MLB).

The fourth and last component is a mix of 2 variables a13 and a16, which indicate Democratic leadership style behaviour. We term it as 'Democratic Leadership Style Behaviour' (DLB).

## Part C: Confirmatory Factor Analysis post-EFA

Confirmatory factor analysis has been done using the factors that emerged in the EFA, and the emerged Structural Equation Model (SEM) is tested for its reliability and validity.
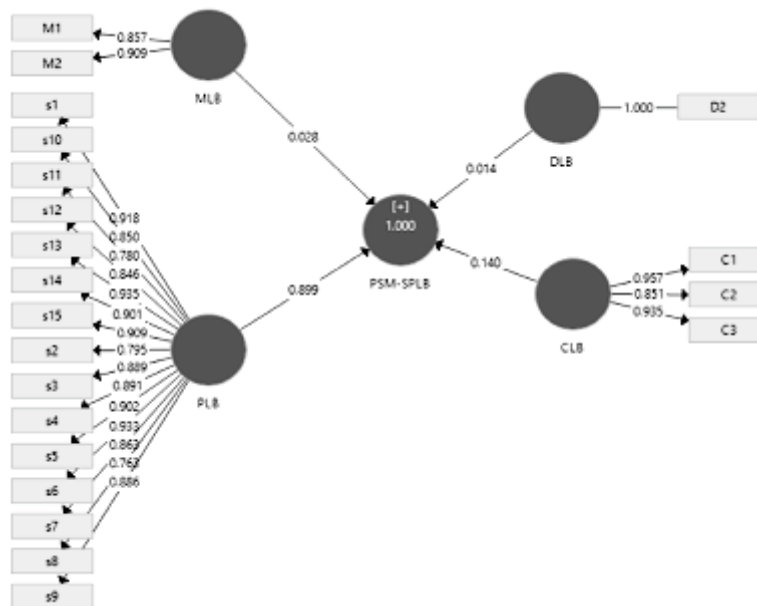


**Figure 7 : Structural Equation Model from CFA post EFA**

### Construct Reliability and Validity

| | Cronbach's Alpha | rho_A | Composite Reliability | Average Variance Extracted (AVE) |
|---|---|---|---|---|
| CLB | 0.903 | 0.918 | 0.939 | 0.838 |
| DLB | 1 | 1 | 1 | 1 |
| MLB | 0.722 | 0.745 | 0.877 | 0.781 |
| PLB | 0.977 | 0.979 | 0.979 | 0.761 |
| PSM-SPLB | 0.953 | 0.977 | 0.962 | 0.574 |

**Figure 8: Construct reliability and Validity**

| AVE Criteria , Greater than 0.5 and Greater than the cross loadings | | | | |
|---|---|---|---|---|
| | CLB | DLB | MLB | PLB | AVE |
| C1 | 0.957 | 0.189 | -0.1 | 0.572 | |
| C2 | 0.851 | 0.43 | 0.085 | 0.48 | |
| C2 | 0.851 | 0.43 | 0.085 | 0.48 | 0.838 |
| C3 | 0.935 | 0.17 | -0.049 | 0.648 | |
| C3 | 0.935 | 0.17 | -0.049 | 0.648 | |
| D2 | 0.275 | 1 | -0.106 | 0.124 | 1 |
| M1 | 0.026 | -0.022 | 0.857 | 0.161 | |
| M2 | -0.068 | -0.152 | 0.909 | 0.222 | 0.781 |
| M2 | -0.068 | -0.152 | 0.909 | 0.222 | |
| s1 | 0.652 | -0.025 | 0.217 | 0.918 | |
| s1 | 0.652 | -0.025 | 0.217 | 0.918 | |
| s10 | 0.393 | 0.164 | 0.203 | 0.85 | |
| s10 | 0.393 | 0.164 | 0.203 | 0.85 | |
| s11 | 0.501 | 0.19 | 0.205 | 0.78 | |
| s11 | 0.501 | 0.19 | 0.205 | 0.78 | |
| s12 | 0.456 | 0.141 | 0.251 | 0.846 | |
| s12 | 0.456 | 0.141 | 0.251 | 0.846 | |
| s13 | 0.62 | 0.181 | 0.149 | 0.935 | |
| s13 | 0.62 | 0.181 | 0.149 | 0.935 | |
| s14 | 0.635 | 0.219 | 0.094 | 0.901 | |
| s14 | 0.635 | 0.219 | 0.094 | 0.901 | |
| s15 | 0.641 | 0.14 | 0.098 | 0.909 | |
| s15 | 0.641 | 0.14 | 0.098 | 0.909 | |
| s2 | 0.41 | 0.035 | 0.204 | 0.795 | 0.761 |
| s2 | 0.41 | 0.035 | 0.204 | 0.795 | |
| s3 | 0.633 | 0.083 | 0.193 | 0.889 | |
| s3 | 0.633 | 0.083 | 0.193 | 0.889 | |
| s4 | 0.512 | 0.097 | 0.28 | 0.891 | |
| s4 | 0.512 | 0.097 | 0.28 | 0.891 | |
| s5 | 0.564 | 0.016 | 0.246 | 0.902 | |
| s5 | 0.564 | 0.016 | 0.246 | 0.902 | |
| s6 | 0.561 | 0.021 | 0.229 | 0.933 | |
| s6 | 0.561 | 0.021 | 0.229 | 0.933 | |
| s7 | 0.48 | -0.011 | 0.276 | 0.863 | |
| s7 | 0.48 | -0.011 | 0.276 | 0.863 | |
| s8 | 0.469 | 0.351 | 0.066 | 0.763 | |
| s8 | 0.469 | 0.351 | 0.066 | 0.763 | |
| s9 | 0.598 | 0.072 | 0.169 | 0.886 | |
| s9 | 0.598 | 0.072 | 0.169 | 0.886 | |

**Figure 9: Cross loadings for AVE criteria**

| Fornell-Larcker Criterion | | | | | |
|---|---|---|---|---|---|
| | CLB | DLB | MLB | PLB | PSM-SPLB |
| CLB | 0.915 | | | | |
| DLB | 0.275 | 1 | | | |
| MLB | -0.03 | -0.106 | 0.884 | | |
| PLB | 0.625 | 0.124 | 0.22 | 0.872 | |

**Figure 10: Construct reliability and Validity,
Fornell Larcker criteria**

| Heterotrait-Monotrait Ratio ( HTMT) | | | | | |
|---|---|---|---|---|---|
| | CLB | DLB | MLB | PLB | PSM-SPLB |
| CLB | | | | | |
| DLB | 0.303 | | | | |
| MLB | 0.109 | 0.116 | | | |
| PLB | 0.657 | 0.135 | 0.258 | | |

**Figure 11: Construct reliability and Validity,
HTMT Ratio, <0.9 highlighted**

| | PSM-SPLB |
|---|---|
| CLB | 0.14 |
| DLB | 0.014 |
| MLB | 0.028 |
| PLB | 0.869 |

**Figure 12: Path coefficients for PSM-SPLB**

## Results and conclusions (Part C)

Refer to Figure 7 showing the Structural Equation Model obtained from PLS 3. The model explains the PSM-SPLB using the four components of EFA - PLB, CLB, DLB, and MLB.

Figure 8 gives the construct reliability and validity from PLS 3; note all the values are green showing the results fall within acceptable ranges. Cronbach alpha values of 0.8 indicate a good scale, 0.7 indicates an acceptable scale and 0.6 indicates a scale for only exploratory purposes. Since all the values for the established SEM are more than 0.8, it indicates that the scale used has excellent reliability. The composite reliability varies from 0 to1, 1 being perfect estimated reliability, greater than or equal to 0.8 is considered to be good for confirmatory research, 0.7 to 0.8 for considering an adequate model for confirmatory research and 0.6 to 0.7 for a model for an exploratory purpose only. In this case, the composite reliability is above 0.7 for all the factors classifying the model as suitable for confirmatory research (Garson 2016).

Figure 9 gives the cross-loadings based on the AVE (Average Variance Extracted) criteria. AVE is a test which can be used for both divergent and convergent validity. AVE reflects the average communality for each latent factor in a reflective model. AVE's requirement for an adequate model is that it should be greater than 0.5 and also should be higher than the cross-loadings. In this model, we can say that the model stands the AVE test and thus has both divergent and convergent validity (Garson 2016).

Figure 10 shows the results of construct reliability and validity using the Fornell-Larcker criterion. This criterion compares the square root of AVE, which appears in the diagonal cells in the table and the correlations with other latent variables. The requirement for discriminant validity is that the square root of AVE should be higher than its correlation with any other latent variable. So the top diagonal numbers in any factor column should be higher than the numbers below it for qualifying the discriminant validity requirement. In this model, we can see that there exists discriminant validity in the scale based on this criterion given by Fornell- Larcker.

Figure 11 shows the results of construct reliability and validity using the Heterotrait – Monotrait (HTMT) ratio test. HTMT ratio is the geometric mean of correlations of indicators across the constructs measuring different phenomena (Heterotrait) divided by the average of the correlations of indicators within the same construct (Monotrait). In a well-fitting model, HTMT should be below 1, but a value below 0.9 establishes discriminant validity between a given pair of reflective constructs. In this model, all the values for HTMT ratios are well below 0.9, and hence, the discriminant validity of the constructs is further established (Garson 2016).

Figure 12 gives the path coefficients of the established SEM model for explaining the PSM- SPLB. The path coefficients tell us that the PLB plays the dominant role in explaining PSM-SPLB followed by CLB, MLB, and DLB in that order of importance.

## Part D: Independent Sample T-test, based on the type of company

To check whether there exists a significant difference in the self-perceived behaviour of the pharmaceutical sales professionals working in MNCs as against those working in Indian origin companies, an independent sample T-test has been employed.



**Figure 13: Independent sample T-test based on the type of company**



**Figure 14: Mean values of the significant variables**

Figure 13 gives the result of the independent sample T-test for the type of company the PSM belongs to - MNC pharma company as against Indian pharma company. The test gave 7 significant variables considering 90% confidence level. Out of 7, 5 are significantly based on Levene's test of equality of variance and 3 are significantly based on the test of equality of means. For these variable indicators, the actual values of the means for the two types of companies are captured in Figure 14.

## Results and conclusions (Part D)

Refer to the highlighted values in Figures 13 and 14. Although the differences between the two counterparts are not large, they are definitely significant and clearly show that the two sets of sales managers are different in some ways. From the values, we can conclude that the pharma sales managers of an Indian company expect their MRs to follow all of their instructions without missing anyone thus giving less freedom and doing more of micromanagement of the team members. However, at the same time, they tend to exceed in motivating the team members in comparison to their MNC counterparts. The pharma sales managers working for Indian origin pharma companies tend to drive their MRs more than their MNC counterparts by setting an example of high performance and expecting the MRs to learn from it. They also expect low performing MRs to learn from high performing MRs. With respect to expecting more conclusive meetings, pharma sales managers working with MNCs are more particular about this aspect than their Indian origin company counterparts. With respect to having empathy towards their MRs, pharma sales managers from Indian origin companies marginally exceed compared to their MNC counterparts, but when it comes to demonstrating empathy towards MRs, the MNC pharma sales managers score better than their counterparts working in Indian origin organisations.

## Managerial Implications

The pharma sales manager has a crucial role to play in pharmaceutical organisations operating in India. The bulk of the revenue is generated by field sales efforts of the sales teams comprising of MRs working directly under the pharma sales managers. Pharma sales managers' team management and leadership skills prove to be the key to sales performance of the sales teams. In light of this, the top management of pharma companies should be attentive to the research discussion on pharma sales managers' leadership

behaviour and any clarity in the theoretical aspects explaining the said leadership behaviour would contribute to fine tuning the top management's decisions in this regard.

Goleman's classical model with six traditional leadership style behaviours fell short in explaining the PSM-SPLB. The reason could be that today's sales managers are comparatively more qualified compared to their predecessors a decade ago. Also, the managers operating in markets of developing countries like India face many different and difficult challenges compared to those operating in developed countries like USA. Hence, Indian managers have to adopt different leadership styles to ensure successful outcomes from their teams. Also, most of the Indian Pharma sales managers nowadays are equipped with primary management education which broadens their thinking horizon and makes them more agile and proficient in handling the dynamic market conditions and use their teams most effectively to get the most out of the available opportunities in the market.

The four-component model given by EFA explains PSM-SPLB adequately and passes all of the statistical quality requirements of an acceptable confirmatory model. The four reflective components are labelled as, Proficient Leadership Behaviour (PLB), Coercive Leadership Behaviour (CLB), Mentoring Leadership Behaviour (MLB) and Democratic Leadership Behaviour (DLB). The relative importance of these four components as given by the path coefficients indicate that the PLB leads in explaining the pharma sales manager's leadership behaviour followed by CLB, MLB, and DLB in that order of importance.

A pharma sales manager following the Proficient leadership behaviour (PLB) can be described as a manager who conveys the organisations' vision/ mission and objectives to the team members and motivates the team to work towards achieving them.

Such a leader has a high degree of self-confidence, but is also soft-spoken. He becomes a role model for the team members by demonstrating high sales performance and taking charge in difficult business situations. He is a team person and works towards developing individual emotional bonds with the team members. He has and demonstrates empathy towards MRs, identifies the training needs for MRs, relates to junior and senior MRs equally, freely delegates the authority to take decisions to senior and capable MRs, works towards taking a consensus of every team member in new decisions and actively resolves conflicts in the team.

Coercive Leadership Behaviour (CLB) is in line with the Coercive leadership style given by Goleman, whereas the Mentoring Leadership Behaviour (MLB) is in line with the Coaching leadership style of Goleman. Democratic Leadership Behaviour (DLB) also coincides with Goleman's Democratic leadership behaviour.

There is not much difference in the leadership of pharma sales managers working for an MNC or an Indian company. Sales managers in Indian companies are more particular than that of MNC companies in expecting MRs to follow their orders meticulously. The reason could be quality of MRs working with Indian companies is a bit inferior to the quality of MRs of MNCs, which may be due to several factors like higher salaries, quality recruitment, better training and access to more resources.

## Recommendations

Top management of pharmaceutical companies should study the Leadership behaviour of their sales managers and strategically make them more proficient. They should reduce the extent of their coercive behaviour through strategically planned intermittent training programs for them. Coercive behaviour gives temporary success which cannot be sustained for years to come whereas proficient

behaviour will always fetch success. During the recruitment of sales managers, the management must remember that there is not much difference in sales managers' leadership behaviour among MNC and Indian pharma companies. Pharma companies should also invest in MRs' quality/ maturity improvement programs and help sales managers in getting their team members trained in areas pointed out. The practicing sales managers working with both MNCs and Indian origin pharmaceutical companies should focus on their transformation towards becoming more and more proficient leaders, should periodically perform gap analysis concerning the desired skills with current skills, and work towards bridging them. This will gradually transform the behaviour of pharma sales managers who would emerge as a more proficient leaders, leading teams to achieve excellence in their performance.

## Limitations of the study

Professionals working in most of the pharmaceutical companies operating in India are not willing to participate in any surveys due to the confidentiality agreement they have to sign with the organisation. Hence, even after personal requests telephonically after sending the links, many professionals abstained from responding to the questionnaire. There exists a need to devise a more efficient data collection process to improve the ratio of respondents.

## Scope for further research

This research focused on the self-perceived leadership behaviour of pharma sales managers, but the workforce working under them may have a different perception of their superior's leadership behaviour. Further research can be done to understand the gap between the self-perception of the pharma sales manager and perception of the team members working under the manager. If there exists a significant gap, then one can research the reasons for this. The research would help the pharmaceutical companies to resolve the leadership crises at the field level.

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**Annexure – A**

## Survey on Pharmaceutical First line Sales Manager's leadership beh

Form Description

To answer this questionnaire, consider you are responding as a first line sales manager from*

[                    ▼]

Pharma Sales Managers ( to whom medical reps report) , *
Rotate your mobile to see all 5 answer options

| | Strongly Disagree | Disagree | Neither agree nor disagree | Agree | Strongly Agree |
|---|---|---|---|---|---|
| Give specific Instructions w.r.t. daily calls | ○ | ○ | ○ | ○ | ○ |
| Insist on MR following all the instructions | ○ | ○ | ○ | ○ | ○ |
| Are task masters | ○ | ○ | ○ | ○ | ○ |
| Take charge of difficult business situations | ○ | ○ | ○ | ○ | ○ |
| Regularly discuss company's vision and mission with MRs | ○ | ○ | ○ | ○ | ○ |
| Motivate MRs to fulfill company's objectives | ○ | ○ | ○ | ○ | ○ |
| Mobilize MRs for effective organizational changes | ○ | ○ | ○ | ○ | ○ |
| Possess high degree of self-confidence. | ○ | ○ | ○ | ○ | ○ |
| Have empathy towards the MRs. | ○ | ○ | ○ | ○ | ○ |
| Develop emotional bonds with MRs. | ○ | ○ | ○ | ○ | ○ |
| Are soft spoken. | ○ | ○ | ○ | ○ | ○ |
| Able to manage conflicts with in the team | ○ | ○ | ○ | ○ | ○ |
| Do not provide advice to MRs in resolving difficult business situations | ○ | ○ | ○ | ○ | ○ |
| Demonstrate empathy for the MRs. | ○ | ○ | ○ | ○ | ○ |
| Take consensus from all the team members before decision making | ○ | ○ | ○ | ○ | ○ |
| Do not mind even if the meetings are inconclusive. | ○ | ○ | ○ | ○ | ○ |
| Acts as a role model and demonstrate high performance | ○ | ○ | ○ | ○ | ○ |
| Expect similar high performance from the MRs. | ○ | ○ | ○ | ○ | ○ |
| Expect low performing MRs to improve by self-learning from high performers. | ○ | ○ | ○ | ○ | ○ |

**Contd….**

Your current / last role in Pharmaceutical organization is / was.'

Your Name ( Optional)

Name of the organization you work/ last worked for ( Optional)

To answer this questionnaire, consider you are responding as a first line sales manager from'

## ANNEXURE - B

### Nomenclature of Variables' short forms

For a1 to a 25 - The statement starts with: ' Pharma Sales Managers to who Medical Reps Report'...

| Symbol | Variable |
|---|---|
| a1 | Give specific Instructions w.r.t. daily calls |
| a2 | Insist on MR following all the instructions |
| a3 | Are task masters |
| a4 | Take charge of difficult business situations |
| a5 | Regularly discuss companyís vision and mission with MRs |
| a6 | Motivate MRs to fulfill companyís objectives |
| a7 | Mobilize MRs for effective organizational changes |
| a8 | Possess high degree of self-confidence. |
| a9 | Have empathy towards the MRs. |
| a10 | Develop emotional bonds with MRs. |
| a11 | Are soft spoken. |
| a12 | Able to manage conflicts with in the team |
| a13 | Do not provide advice to MRs in resolving difficult business situations |
| a14 | Demonstrate empathy for the MRs. |
| a15 | Take consensus from all the team members before decision making |
| a16 | Do not mind even if the meetings are inconclusive. |
| a17 | Acts as a role model and demonstrate high performance |
| a18 | Expect similar high performance from the MRs. |
| a19 | Expect low performing MRs to improve by self-learning from high performers. |
| a20 | Work on identifying training needs for the MRs. |
| a21 | Regularly assess on the job maturity level of the MRís |
| a22 | Strive to increase the MRís on the job maturity by mentoring them |
| a23 | Completely delegate decision making for highly matured MRs |
| a24 | Is able to relate to junior and senior MRs |
| a25 | Nurture senior MRs for higher positions |
| MNIN | To answer this questionnaire, consider you are responding as a first line sales manager from an MNC Pharma company operating in India or Indian Pharma company |
| Role | Your current / last role in Pharmaceutical organization is / was, |
| - | Your Name ( Optional) |
| - | Name of the organization you work/ last worked for ( Optional) |

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