

# Ken frazier case study

Business



Ken Frazier Case Study Ken Frazier Case Study Question The most significant demonstration of Ken as an effective crisis leader occurs when he successfully defended the company against various lawsuits for alleged distribution of the drug Vioxx that caused a heart attack. Despite being an attorney, his exceptional performance and activities to rescue the company from a major hurdle in the pharmaceutical industry stands out (Lussier & Christopher, 2013). Basing the argument on the potential effect of such allegation to the companys future, a time curbing the spread of the claims was the most decisive action. In addition, the cost of the case outweighs the potential reputational damage that would have resulted from the case. In this effect, Ken single gave the company its modern status by redeeming it from a possible pit that it would not rescue itself.

#### Question 2

A learning organization depends on initiative and innovation as its greatest and valuable assets. In addition, it embraces employee empowerment, creativity and takes risks in a desire to achieve its objectives. Based on this explanation, the Merck Company is a learning organization based on the risk it takes in appoints Ken as its CEO (Lussier & Christopher, 2013).

Furthermore, it prioritizes innovation and creativity in its scientific application and the process of drug manufacturing. Specifically, this is through investing millions of dollars in a drug process whose certainty is unclear.

#### Question 3

Enhancing innovation is imperative for its success. In that accord, there are several actions that the CEO should eliminate or put in place to facilitate this practice. First, he should avoid the creation of rules on how activities are

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carried out (Lussier & Christopher, 2013). Instead, he should create a possibility box that can contain all the ideas of the workers and other essential stakeholders. Additionally, he eliminates fears of failure, making mistakes, and the fear of looking foolish and assumes an active personality.

#### Question 4

Frazier has articulated a strategy that gives the customers a center stage by carrying out market research and analysis to determine the requirement in the market. As confirmed by a board member William B. Harrison, Ken has the strategic vision, operational experience, and passion for leading the company in achieving its goals (Lussier & Christopher, 2013).

#### Question 5

Among the supporting factors that lead to the appointment of Ken as the CEO is the talent he displayed in handling a crisis in defending the Vioxx drug. Additionally, he carried out a market research in a special way that gave the firm its competitive edge (Lussier & Christopher, 2013). Finally, his dedication and passion for the success of the company is exceptional as illustrated in the previous managerial positions he held in the firm.

#### Question 6

In proving that drug, research is expensive and time-consuming process, where only one out of 5000-10, 000 compounds screened becomes an approved drug. In addition, it is said that it takes an average of 10-15 years at an average cost of more than US \$1 billion to develop a successful medicine (Lussier & Christopher, 2013). Based on these statistics, there are many trials and errors in different stages and scientific application that determines if a compound becomes a drug. The cost of the drugs becomes expensive and time-consuming as some drugs pass all the manufacturing

stages only to be disapproved by the government agencies.

#### Question 7

Frazier is a risk taker who encourages innovation and does what he feels to be right regardless of the public opinion. In other words, he has a courageous personality that is not undermined by people's opinion. His determination and intelligence are essential characters that will facilitate his drive to achieve the company objective.

#### References

Lussier, Robert N. and Achua, Christopher F. (2013). Leadership: Theory, Application, & Skill Development (5th Ed.) Southwestern: Cengage Learning.