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# MODERN STATE OF PERSONNEL MANAGEMENT IN PHARMACEUTICAL ENTERPRISES

Personnel management is a fundamental element of quality system in pharmaceutical industry. The present article describes modern tendencies of personnel management in Ukrainian pharmaceutical enterprises in order to estimate the current level of personnel management and its correspondence to international quality standards and due practices. Further research into the issues of personnel management optimization is stipulated by its crucial role in ensuring competitiveness and effective performance of pharmaceutical enterprises.

**Key words**: personnel management, employee turnover, personnel motivation, salary, working conditions, pharmaceutical enterprise.

The urgent need for the effective system of personnel management in pharmaceutical enterprises is presupposed by the fact that their final performance is ultimately dependent on the efficiency of personal deployment and management. Practice shows that the current system of workforce formation and development, which is effective in the majority of pharmaceutical enterprises, is not efficient enough. In order to create a more comprehensive picture of the current state of personnel management in pharmaceutical industry, the results of labor market research in pharmaceutical sphere have been summarized and Ukrainian pharmaceutical labor market tendencies have been compared with the pharmaceutical sector of other countries. The aim of the research is to diagnose problems and peculiarities of personnel management in pharmaceutical industrial enterprises in order to define reserves for workforce stabilization in pharmaceutical companies and ways of creating effective system of personnel management, as well as implementing modern mechanisms of corporate policy concerning the personnel. In order to achieve the above mentioned aim, the following objectives were outlined: to study modern approaches to training highly-qualified personnel; diagnostics of the current state of personnel deployment in pharmaceutical enterprises in the frame of implementing international quality standards and due practices requirements; assessing the extent to which personnel is interested in improving financial and economic performance of Ukrainian pharmaceutical enterprises.

Nowadays, personnel management in pharmaceutical industry experiences a number of problems. Thus, the Strategy of pharmaceutical industry development in Ukraine for 2010-2020 claims that the lack of highly-qualified workforce is one of the main problems in this field. It is mainly caused by the fact that pharmacy is a fast-developing industry, which causes pharmaceutical companies to go through considerable expense of trying to find and retain highly-qualified personnel [1, p. 6].

The draft program "On the Current State and Prospects of Pharmaceutical Industry Development in Ukraine" suggests the following solutions to this pressing problem: improving the system of staff recruitment in the pharmaceutical industry; benefits for long work record paid to pharmacists employed in public medical services; one-time bonuses at the amount of five minimum salaries paid to graduates of pharmaceutical (medical) universities who are going to work in rural areas; bonuses at the amount of 25% from the usual salary paid to those pharmaceutical workers who are employed in public health care institutions located in rural areas with the purpose of involving specialists to work in these areas [2, p.23].

One of the key prerequisites of the successful implementation of the Strategy of pharmaceutical industry development in Ukraine is ensuring advanced training and retraining of highly-qualified specialists. A serious problem here is insufficient practical training received by

graduates, which is a consequence of underdeveloped material and technical base of Ukrainian HEIs and insufficient financing on the part of the government. The problem of training a sufficient number of highly-qualified specialists becomes even more important in the context of implementing quality management systems in pharmaceutical enterprises. It is essential that each employee is fully aware of their personal responsibility which is documented in a due way. The entire personnel should understand the overall policy of their company in terms of quality and good manufacturing practices (GMP) requirements related to their activity. Moreover, the personnel should receive primary and follow-up training according to their duties and responsibilities, including training in sanitary requirements. In this respect, level of education plays a crucial role in requirements to personnel.

It is known that the majority of employers prefer hiring those people who have a university degree. However, nowadays the proportion of workers employed in pharmaceutical industry who have received specialized training is not sufficient enough, although there has been some improvement in this aspect over the last few years. At the moment Ukrainian pharmaceutical enterprises lack specialists in various fields (engineers, specialists in quality control of pharmaceuticals, biotechnologists, bioengineers, medical workers, experts in analytical chemistry, bio-informatics, microbiology, computer-aided modeling of pharmaceuticals, specialists in clinical research, project managers, logistics specialists, economists and market specialists who have expertise in pharmaceutical industry) [4, p.16].

At the same time there is a profound lack in employees who would really meet the company's needs. In the majority of cases it is caused by the fact that companies require specialists who have not only the appropriate level of education and relevant work experience, but who are also able and willing to work in this particular company with its peculiar corporate culture. Thus, nowadays chief executive officers of pharmaceutical industrial enterprises set higher requirements to applicants. A person who wants to get a highly-paid position is expected not only to be a qualified specialist, but also to be fluent in foreign languages (especially, English), to be PC-literate, to have scientific publications in respected periodicals and to have had some training abroad. Those were the results of the research made by the Research center of recruitment portal hh.ua [4, p.67]. Thus, over the year of 2012 the number of vacancies in pharmaceutical industry increased by 54%. However, the requirements to applicants increased too. For instance, 19% of vacancies require IT expertise and knowledge of some particular software.

The analysis shows that 11% of vacancies require fluency in English, and sometimes even several foreign languages. For example, in Ivano-Frankovsk and Zakarpatye regions employers require the knowledge of English and/or Slovak. Besides, applicants are expected to have certain experience in scientific research and participation in joint international projects with Europe and the USA. In some cases companies prefer hiring employees who have no bad habits, and quite frequently applicants are required to have a driving license, "B" category, and some driving experience as well (having a personal car can be one of the requirements too).

An applicant's sex can be one of the employer's expectations. According to the research into the gender segmentation of the pharmaceutical market in Ukraine in 2012, pharmacy was one of the top-10 professional spheres where employers prefer hiring women. In 3.3% of vacancies employers expect to hire female workers, while the expectation to hire a male employee appears 2.5 times less frequently.

Pharmacy is traditionally considered to be a female sphere. The proportion of female employees in pharmaceutical industrial enterprises accounts for 68 %. 75% of CVs in this sphere are submitted by women, and 80% of students in pharmaceutical universities and faculties are also women. Therefore, it can be concluded that the proportion of women employed in pharmaceutical industry will remain unchanged in the near future. Among other frequent requirements there is ability for effective communication and presentation skills; orientation towards corporate success; striving towards professional growth; responsiveness; accountability; ability to learn fast.

Employers in the pharmaceutical sphere pay careful attention to the work experience of an applicant. However, according to recent research, nowadays, employers prefer to hire workers with

little experience. Thus, 66% of vacancies are aimed at applicants with 1-3 years of experience and another 18% of vacancies are targeted at young specialists without any work experience at all. Only in 15% of cases applicants are required to have 3-6 years of work experience, and 6 years of experience is required only in 1% of vacancies. As far as the personnel's attitude to work is concerned, the following criteria can be outlined: accountability, diligence, self-discipline and insistence on following the discipline rules on the part of other people, certain level of aesthetics and ethics of behavior at work. These characteristics are crucial for pharmaceutical manufacturing enterprises since each employee in their individual workplace is responsible for the quality of pharmaceuticals which are produced. If a worker makes a mistake in the initial stage of production process, it causes further deviation from the standards. As a result, the produced pharmaceuticals do not meet the required quality standard, which causes both patients and pharmaceutical enterprises to sustain losses. In this case, accountability for one's own actions means that an employee who made a mistake should promptly inform the supervisors of this fact, so that this mistake could be rectified on the early stage of production.

The development of personnel's competences in the process of training and experience accumulation should be focused on acquiring technical and technological expertise; knowledge of market conditions, consumers' demands and expectations, legal norms and regulations, corporate standards, operational procedures.

Improvement of working conditions is an important factor which influences the performance of every pharmaceutical enterprise in the context of implementing integrated systems of quality management. The research shows that around 20% of workers employed in Ukrainian pharmaceutical enterprises work under conditions that do not meet safety requirements. The research also shows that workforce stability still remains one of the most serious problems of personnel management in pharmaceutical enterprises. According to the analysis made by the Research center of recruitment portal hh.ua [4, p.41], the current average rate of employee turnover in pharmaceutical industry is 20-25%, while the global practice shows that normal rate should be no more than 5%. It means that every 4-5 years Ukrainian pharmaceutical enterprises experience total renewal of workforce. Since personnel management policy is normally developed for a longer period of time, it is practically impossible to ensure its effective realization under the conditions of super-fast renewal of workforce. Moreover, the constant process of selection, recruitment, adaptation and training new employees puts the company to considerable expense. The research into the reasons for excessive staff turnover and employees' dissatisfaction with their place of work has shown the following results. Only 30% of workers employed in pharmaceutical industry have no intention to change their place of work in the near future. The remaining percentage of workers are considering other alternatives and waiting for attractive job offers. Salary is the most frequent reason which makes pharmaceutical workers look for another job. People are attracted by higher salaries even considering higher requirements set by employers and more difficult working conditions. However, it is worth mentioning that pay rates in pharmaceutical industrial enterprises are higher than the average salary rate in Ukraine.

Conclusions and prospects of further research. It has been proved that personnel management in pharmaceutical industry experiences a number of problems which require immediate solution. In particular, one of the serious problems is insufficient practical training received by graduates who obtain a university degree in pharmacy. The above stated conclusions prove the necessity to introduce measures that would improve the current system of personnel management in pharmaceutical enterprises, by means of adopting modern approaches to motivation and social security.

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