УДК 334:316.334.2 (075.8): 615.1

O. V. POSYLKINA, YU. S. BRATISHKO, G. V. KUBASOVA

National Pharmaceutical University

# DIAGNOSTICS OF CURRENT PROBLEMS OF PERSONNEL MANAGEMENT IN PHARMACEUTICAL INDUSTRIAL 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.

## PROBLEM STATEMENT

Nowadays the level of personnel deployment and management in the majority of pharmaceutical enterprises is not efficient enough, which affects their financial and economic performance. One of the major resources of personnel management improvement is the implementation of advanced technologies of personnel formation that comply with modern assessment methods, and creating appropriate conditions for personnel development that help to stabilize the workforce and improve its quality.

#### ANALYSIS OF RECENT RESEARCH WORKS AND PAPERS

Major notions of personnel management in the context of pharmaceutical industry have been described in the works of the following Ukrainian scholars: V.P.Chernykh, V.A.Zagoriy, M.Zarichkova, A.A.Kotvitska, T.M.Krasnyanska, Z.M.Mnushko, A.S. Nemchenko, O.V.Posylkina, T.M. Ponomarenko, V.M.Tolochko [1-9, 12-16].

The informational basis of the present research is formed by works of leading Ukrainian and foreign scholars that deal with the issues of creating a system of social development in the context of pharmaceutical industry; legal norms and regulations of Ukraine; international quality standards; official statistical data from the National commit-

© Posylkina O. V., Bratishko Yu. S., Kubasova G. V., 2014

tee of statistics, information collected from pharmaceutical enterprises, scientific periodicals, Internet resources.

## DEFINING ASPECTS OF THE GENERAL PROBLEM THAT NEED FURTHER RESEARCH

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.

#### **OBJECTIVES OF THE PAPER**

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.

[16]

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.

The main results of the research. 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 manufacturing companies to go through considerable expense of trying to find and retain highly-qualified personnel [10].

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 [11].

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 [2, 7].

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 (fig. 1).

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) [16].



# **Fig. 1.** Changes in the percentage share of workers with a university degree, employed in pharmaceutical industrial enterprises in Ukraine.

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 PCliterate, 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 (fig. 2) [16]. 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.



# Fig. 2. Additional requirements to applicants set by pharmaceutical enterprises in Ukraine

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 (fig. 3) 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 (eliminated) on the early stage of production.



Fig. 3. Employers' requirements to work experience in pharmaceutical industry

Another essential requirement to applicants is their ability for re-training and adaptation to new conditions, especially in the context of certification of pharmaceutical enterprises as being able to meet GMP requirements [5].

Moral and ethical features of character (honesty, decency, steadiness, personal integrity, politeness, persistence, friendliness, modesty, neatness, precision, good health) help to create a favorable corporate culture within the enterprise [1].

[18]

In the context of quality management implementation, the effective performance of pharmaceutical enterprises in Ukraine becomes highly dependent on the improvement and qualitative changes in the process of personnel management by means of ensuring its comprehensiveness and consistency. It means that personnel departments should try to achieve maximum integration of all aspects of human resources management in all stages: from the moment of hiring people to their retirement.

According to ISO standards, series 9000 and 9004, that deal with personnel management and development, pharmaceutical enterprises are supposed to facilitate the development of professional expertise by means of recruitment, continuous training, team work and creating favorable conditions for promotion; to supervise the performance of activities aimed at the overall progress of the enterprise by means of giving individual and team assignments with subsequent assessment; to involve employees in the process of decision-making and encourage their initiative with the help of various incentives; to guarantee social dialogue by means of continuous supervision of employees' needs; to use information technologies in order to facilitate feedback from the personnel [13; 14].

In order to guarantee personnel's competence on the basis relevant education, training, expertise and experience, pharmaceutical enterprises should perform staff rotation. The level of competences, which is necessary in order to solve current and future assignments, should be identified and described in the requirement procedures for personnel selection, recruitment, qualifications and training. The requirements to competences should be duly documented [2; 4].

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 [3, 8].

In order to implement these approaches, pharmaceutical enterprises have to create and maintain the following systemic procedure: to indentify the need for competent employees and their training, to provide relevant training in accordance with identified needs; to assess the effectiveness of training after a certain period of time; to keep record of personnel training, their expertise and experience. Besides, enterprises should create and stick to procedures that enable their employees to understand their personal responsibility and influence on the overall performance and quality – actual and prospective, as well as advantages that arise from better performance of the employees.

Practice shows that certification system alone is not enough to ensure successful performance. In order to guarantee long-term progress, this system has to be designed and developed on the basis of TQM methods and principles [1; 7].

Personnel management in pharmaceutical enterprises is also regulated by

OHSAS system [14] based on the "domino" effect which shows that flaws in management lead to losses. Human loss as well as loss of occupational capacity means financial loss which is rather substantial and decreases the company's profit. It is obvious that the society is interested in reducing these losses to minimum. Thus,

OHSAS cares about every person employed in a pharmaceutical company regardless of their responsibilities. It should be mentioned that over the last years many Ukrainian pharmaceutical enterprises have lost this particular culture of occupational safety, and their technological processes do not always meet modern requirements. Therefore, the introduction of OHSAS system is the only way for pharmaceutical companies to perform risk management in the right way and consequently diminish their losses caused by health deterioration of workers. As more and more pharmaceutical enterprises begin to pay attention to this issue at the moment, they all become increasingly aware of the necessity to create a system of managing health and safety in the workplace. In this respect, OHSAS standard 1800, which is an instrument for implementing such system, is becoming widely spread.

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 [1]. Instead of improving working conditions and creating a more appropriate environment, the majority of companies prefer to spend extra funds (twice as much) in order to make compensation for occupational hazards (less working hours, pay rise, free healthy meals, early retirement) [12].

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 [16], 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 superfast 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 (fig. 4).

Nowadays, young applicants seeking employment in pharmaceutical industrial enterprises expect to earn 3,900-5,200 UAH a month. In Kyiv, 70 % of vacancies offer 5,000 UAH as a minimum salary set by the employer. In 25 % of vacancies the offered salary ranges from 10 to 12 thousand UAH, and in 9 % of vacancies it is more than 12 thousand. However, these figures vary a lot from one region of the country to another.

According to the opinion poll, low salary ranks the first place among the major reasons for staff turnover (fig.5) experienced by Ukrainian pharmaceutical enterprises. The research shows that 63 % of workers employed in pharmaceutical industry are not satisfied with the current pay rate. Lack of career opportunities ranks second among the reasons for staff turnover. Although 58% of respondents expressed their dissatisfaction with the lack of career planning system in pharmaceutical enterprises, only 47 % mentioned it as a serious reason for leaving a job. The third most frequent reason for leaving a job mentioned by 38 % of respondents is conflicts with administration and colleagues. Payment delays, lack of opportunities for self-development, absence of social security, and unchallenging assignments were mentioned by every third respondent as a potential reason to resign from a job. Among other reasons mentioned by respondents there were the following: negative atmosphere in the team (28 %), unofficial employment (22 %), lack of freedom in taking decisions (18 %) and inflexible working hours (15 %).

#### CONCLUSIONS AND PROSPECTS OF FURTHER RESEARCH

1. 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



Fig. 4. Changes in the average monthly salary rate in Ukraine and in pharmaceutical industrial enterprises

[20]



 ${\bf Fig.~5.}\ Reasons\ for\ staff\ turnover\ in\ pharmaceutical\ industrial\ enterprises$ 

insufficient practical training received by graduates who obtain a university degree in pharmacy.

2. The research has shown that there is a strong need for applicants who would really meet the requirements of modern pharmaceutical companies. In the majority of cases it is caused by the fact that employers prefer to hire specialists who have not only appropriate level of education, but who also have experience of working in a similar position.

3. Pharmacy has always been predominantly a feminine industry, since women account for 68 % of the total workforce employed in pharmaceutical industrial companies.

4. The analysis has shown that approximately 20 % of people employed in pharmaceutical industrial enterprises work under conditions that do not meet safety requirements.

5. The research has proved that high turnover of employees, which amounts to 20-25 %, is still a burning problem experienced by pharmaceutical industry. It is mainly caused by low salary, inflexible working hours, lack of career opportunities, etc.

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.

#### BIBLIOGRAPHY

1. Загорій В. А. Науково-теоретичні обґрунтування та практичні заходи щодо підвищення ефективності використання кадрового потенціалу фармацевтичних підприємств : метод. рек. / В. А. Загорій, О. А. Носенко. – К., 2006. – 30 с.

2. Краснянська Т. М. Ретроспективний аналіз та сучасний стан кадрового забезпечення фармацевтичної галузі України / Т. М. Краснянська // Фармац. журн. – 2005. – № 4. – С. 5–9.

3. Мнушко З. М. Комплексная оценка персонала в целях эффективной работы фармацевтических организаций / З. М. Мнушко, Н. Н. Скрылева, И. Л. Оккерт // Провизор. – 2008. – №8. – С. 4 – 10.

4. Моделі і методи соціально-економічного прогнозування: підручник / В. М. Геєць, Т. С. Клебанова, О. І. Черняк та ін. – Х.: ІНЖЕК, 2005. – 396 с.

5. Належна виробнича практика лікарських засобів / під ред. Н. А. Ляпунова, В. А. Загория, В. П. Георгіївського, Е. П. Безуглий. – К. : МОРИОН, 1999. – С. 56.

6. Носенко О. А. Аналіз чинників, що впливають на ситуацію у трудових колективах підприємств фармацевтичної галузі / О. А. Носенко // Створення, виробництво, стандартизація, фармакоекономічні дослідження лікарських засобів та біологічно активних добавок : матеріали наук.-практ. конф., 12-13 жовт. 2006. – Х. : НФаУ, 2006. – С. 301.

7. Пономаренко Т. М. Формування кадрового потенціалу належного освітянського, професійного та кваліфікаційного рівня відповідно до вимог GMP. Повідомлення І / Т. М. Пономаренко // Фармац. журн. – 2004. – № 4. – С.25-29.

В. Посилкіна О. В. Роль корпоративної культури в управління трудовим потенціалом фармацевтичних підприємств / О. В. Посилкіна,
 Ю. С. Братішко, О. А. Яремчук // Фармацевтичний часопис. – 2008. – №1(5). – С. 22 – 25.

9. Проект Стратегії розвитку фармацевтичної промисловості України на 2010-2020 рр. (Бібліотека офіційних видань).

10. Проект програми «Про сучасний стан та перспективи розвитку фармацевтичної галузі України». (Бібліотека офіційних видань).

11. Управління трудовим потенціалом фармацевтичних підприємств в умовах менеджменту якості: Монографія / О. В. Посилкіна, О. В. Доровський, Ю. С. Братішко, М. І. Сидоренко; За ред. проф. О.В. Посилкіної. – Х.: Вид-во НФаУ, 2010. – 422 с.

12. Управління фармацією: підруч. для студ. вищ. навч. закл. / В. М. Толочко, І. В. Міщенко, Д. Л. Великий та ін.; за ред. В. М. Толочка. – Х.: НФаУ, 2004. – 388 с.

13. ISO Advisory Group on Social Responsibility. Working Report on Social Responsibility. –
2004. – April 30. – 90 p.

14. OHSAS 18001 (Occupational Health and Safety Management Systems) – международный стандарт по разработке систем управления охраной здоровья и безопасностью персонала.

15. SA 8000 (Social Accountability 8000) (Социальная ответственность 8000) – стандарт для оценки социальных аспектов систем управления.

16. hh.ua – офіційний сайт Дослідницького центру Міжнародного кадрового порталу.

# УДК 334:316.334.2 (075.8) : 615.1 О. В. Посилкіна, Ю. С. Братішко, Г. В. Кубасова ДІАГНОСТИКА АКТУАЛЬНИХ ПРОБЛЕМ КАДРОВОГО МЕНЕДЖМЕНТУ

#### ПРОМИСЛОВИХ ФАРМАЦЕВТИЧНИХ ПІДПРИЄМСТВ

В статті висвітлені актуальні питання вирішення проблем соціального розвитку фармацевтичних підприємств в умовах впровадження систем менеджменту якості, дослідженні тенденції управління професійно-кваліфікаційним рівнем фармацевтичного персоналу, управління плинністю фармацевтичних кадрів, а також знайшли відображення сучасні методи мотивації та соціального забезпечення персоналу у фармації.

*Ключові слова:* кадровий менеджмент, управління персоналом, плинність кадрів, мотивація персоналу, заробітна плата, умови праці, фармацевтичне підприємство.

#### УДК 334:316.334.2 (075.8): 615.1

#### А. В. Посылкина, Ю. С. Братишко, Г. В. Кубасова ДИАГНОСТИКА АКТУАЛЬНЫХ ПРОБЛЕМ КАДРОВОГО МЕНЕДЖМЕНТА

ПРОМЫШЛЕННЫХ ФАРМАЦЕВТИЧЕСКИХ ПРЕДПРИЯТИЙ

В статье освещены актуальные вопросы решения проблем социального развития фармацевтических предприятий в условиях внедрения систем менеджмента качества, исследовании тенденции управления профессионально-квалификационным уровнем фармацевтического персонала, управление текучестью фармацевтических кадров, а также нашли отражение современные методы мотивации и социального обеспечения персонала в фармации.

*Ключевые слова*: кадровый менеджмент, управление персоналом, текучесть кадров, мотивация персонала, заработная плата, условия труда, фармацевтическое предприятие.

Адреса для листування: 61140 м. Харків, вул. О. Невського, 18 Кафедра управління та економіки підприємства НФаУ Тел. (057)771-81-47 E-mail: kaf.ep.nfay@rambler.ru Надійшла до редакції: 17.01.2014

Управління і економіка в фармації

[22]