CHAPTER SIX
TALENT RETENTION STRATEGIES ADOPTED BY PHARMACEUTICAL SECTOR

Selection and placement of talented employees is important for the business, as employees are the heart and soul of the business. They are the mechanism to run the business perfectly and enable business to implement idea and policies of management. An intelligent business management intends to keep talented employees, who possess the capability to attend the assigned task faithfully and work for prosperity of the business. Business sector provides attractive emoluments to persons and expect to prosper business with their sincere efforts and hard work. Employer tries to provide all requisite facilities to employees and expects similar return in the form of production.

Bad employees affect the employer by driving down production and sales, costing the company unwanted expenses due to negligence or lack of motivation. In many cases, bad employees affect the customer also, with their rude behaviour and improper response. Once customer has experienced bad employee, it automatically affects the employer in obvious ways. It is uncanny, as most employers overlook such situation, due to time constraint to effectively deal with the problem or lack of better judgment. In all such cases, sales get driven down and production slowed for the reason. The customers feel quite disheartened and business group is seriously affected.

The first and foremost requirement of a business group is to get right employees to manage the work effectively by moving things in right direction from the beginning. Beginning for an employee in business group need to be done in proper manner, as every thing has its own relevance and overlooking the slackness, irregularity and haphazard working need to be controlled from the very beginning, but the approach must be polite and straight. Once an employee is put into mainstream of the work in proper manner, the work environment would automatically be streamlined.
The management selected their employees on the basis of one or two interviews and once they have joined, the employer thinks that they must fend from themselves. The employee gets impression from the work environment of the business company and tries to fit in the atmosphere in suitable manner. The first interaction of an employee is with the supervisor or manager to whom he reports for work and expected to work in his guidance. The work atmosphere prompts the new employee to understand the task and work in the guidance of supervisor or any other senior person, who provides proper guidance for working in the manner where the quality is perfect and production is substantial.

In relation to customer service, it is worthwhile to consider employee interest first than the customer, as putting the employee over the customer is earnest approach to prosper the business and happy employee attends all the customers attentively and leaves no instance to receive complaint from the customer about employee. Relying the employee and expressing confidence in employee is the mode to create conducive environment at work place and work would be carried out smoothly. Retention of the employee can be thought in environment where work place conditions are quite satisfactory and employees assigned to work feel quite satisfied and responsive.

6.1 NECESSITY OF RETENTION OF TALENT:

In the present aggressive business environment, sustaining business in competitive environment occupies most challenging task. The business sector has to face various challenges starting from the policy of the government, maintaining level of production and marketing of the produce to entire satisfaction of customers. One single policy change of the government can create serious problem to business sector and continuing business in changed situations can be very difficult. Imposition of taxes and duties is most burdensome task for the business sector to maintain the cost of production.

In addition, electricity is the most necessary item for production and power cut puts adverse impact on the business sector, where payment to employees remains essential and electricity problem puts excess burden on the cost of production. The
state governments have their own taxation system as part of state resources and rise in the tariff on electricity and raising tax rates are burdensome to the business, where other states keep the rates unchanged. Some states attract business groups to establish their unit in the state and provide various facilities for flourishing the business.

In addition to infrastructure and facilities to business groups, the continuance of employees is most critical factor, as top talent persons remain in search of higher remuneration for their talent. Employees working in business group understand the technical and functional aspects of their task. After some training for capacity building and skill development, the employees become efficient to result oriented functioning. All these issues are essential factors for smooth functioning of the business. One talented person leaving the business is most devastating, as there is vacuum for short duration, till arrival of new person and becoming equipped to handle the task smoothly.

Attrition has serious impact on the business, as new person takes its own time to become acquaint with the work culture and there remains fear of capability of new person to accelerate the speed of work to earlier level or better than earlier. Usually business sector remains prepared for occurring of vacancies due to retirement, death, disability etc, which are issues beyond control of the organization. Retirement remains known and some well thought arrangement is foreseen in advance, while other situations create problem in view of circumstance based issues and working arrangement is made by providing additional responsibility on some employee capable to handle such situation without suffering business much.

Problematic issue for the business company is resignation of employee for various reasons, which creates severe problem on the continuity of work with same speed and early selection of suitable person becomes necessary. The problem aggravate further when the cases of resignation are more and managing total task in such situation becomes difficult. In all such conditions, there are varied reasons of leaving of employees from the business firm, as high remuneration cannot be only
factor in each case. There is necessity to understand common causes of attrition, as well as specific reason of the business group in particular.

It is certain that attrition can be minimized but cannot be mitigated completely. The attrition related issues are those, where one or more employees take decision to leave the organization. If the issue relates to one person, there is possibility of personal problem, where remuneration factor also remain present but this can be problematic when more than one person decides to leave the organization. In all attrition related issues, it is necessary to examine and analyze the causes of attrition related to business firm related matters of the mindset of employees to leave the organization. It becomes easier to consider over retention, once causes of such situation are known.

Retention of talented employees is in the interest of the business organization, as there are substantial opportunities for employees to get work in other business firms at better remuneration and this issue is further intensified with the liberalization and globalization conditions, specially in India, where the Government of India has opened various sectors of business for foreign direct investment up to 100 percent. Various foreign companies are attracted to start their business mainly for the reason that talented manpower is easily available in the country of global competence. In addition, various business groups remain in search of talented and experience persons for acceleration of their business.

Retention of employees is necessary for business organizations for smooth functioning and there is necessity to adopt all possible measures for retention of their own employees to be most possible extent. Success in retention depends on the measures to identify the causes of attrition in general and in the business organization, which are essential to curb the attrition problem suitable after understanding the reasons. Usually the department of human resources is assigned the task of selection and upkeep of employees and accordingly this is the responsibility of the department to understand the causes of attrition within the organization, as it is possible to adopt possible measures to curb such issues of attritions. (1)
6.2 PROBLEM OF RETENTION IN PHARMACEUTICAL SECTOR:

Pharmaceutical sector is one of the fast developing industries and this sector has highest attrition rate of about 35 percent in India, which is alarmingly high in comparison to global rate of 8 to 10 percent. This industry has got momentum after 1970 with the enactment of Indian Patent Act 1970, which helped Indian business groups to start their activities in the country. International affairs like General Agreement of Terrif and Trade and World Trade Organization have helped in origin and development of Indian pharmaceutical sector at the alarming speed, where foreign pharma industries were dominating in the country market before 1970 and India people were compelled to purchase costly medicines.

In that duration, only high and middle class families could get treatment, as those persons could afford to cost of treatment as well as surgery. Dominance of Indian pharmaceutical firms helped in availability of cheaper medicines, as well as India machines for clinical tests and surgery. Now the medical tourism is one of the prominent industry of India, where people of various countries reach for surgery and treatment at reasonably low cost in comparison to developed country. Indian doctors have proven their potential to work in various developed countries in view of high talented education and laboratory facilities in the country.

Earlier it was treated as brain drain, as Indian doctors and para-medical staff was selected in developed and developing countries in view of their capability, but that situation has been set right with availability of world class talent in the country and medical services have reached up to the level of blocks of the districts and cluster of villages in the form of primary health centres and family welfare services. All these units require availability of medicines at free of cost or affordable price. Now the country is capable to meet 95 percent medicines of domestic requirement to 121 crore persons according to their faith in various systems of medicines.

Inspite of development in medical and health services and growth of pharmaceutical companies to meet country and global requirements, Indian pharmaceutical industry is facing serious problem of attrition at the rate of about 35 percent, which is mainly due to tremendous growth of pharma industries and
presence of foreign companies creating most tough competition in the sector and each pharmaceutical company is gripped with the problem of attrition of varied intensity. It is worthwhile to mention that Government pharmaceutical undertakings and units are suffering great loss and unable to cope up their work even after continuous assistance and other facilities.

Even after facing neck-to-neck competition and serious problem of attrition, the Indian pharmaceutical industry is developing at substantial rate in terms of turnover and production. The global market has also helped in acceleration of the industry, but it is essential to assess the problem of leaving of talented persons at alarmingly high rate. This is serious problem for smooth functioning of the pharmaceutical units and curbing the problem is the best treatment to keep sustainable environment. Causes for such a situation in pharmaceutical industry are analyzed including the intensity and magnitude. (2)

6.2.1 Cost of Departure Remains Unseen:

The cost of defection of talented employee from pharmaceutical company is quite substantial in money terms as well as work performance. There are some known issues like production losses due to vacation of position, but the unforeseen causes are reduced production and productivity from the departing employee, who is inevitably distracted during job search and contributed less to the organization. It is the fact that any employee working in an organization, decides to leave in view of unsafe work conditions, as business sector has least job security to the person. The person started searching new job remains confident that getting job in other units, while working in any organization is easy.

The employee decided to leave the organization remains confident that getting alternative job in another organization is easier while working in any organization and getting higher remuneration is necessary. If the same person is terminated from the job, the first question being asked by new company about the cause of retrenchment and the issue becomes matter of suspicion. In such situation, getting job becomes difficult, as such employ loses its work performance ability in
the eyes of new employer. Therefore, any employee fearful for being removed from job takes its own course, prior to any strict action by employer.

Total cost and loss to business organization due to departure of key functionary is quite substantial and selection of new person, training and starting working on the same position take time in attaining the level of smooth functioning. In pharmaceutical sector, the employees engaged in research and development, production, marketing of medicines have serious setback but departure of talented person engaged in research of new medicine at the verge of completion of the task has serious loss to the company, new patent is submitted in the name of company and not any person.

Person engaged in marketing and sales of medicines is also valuable and departure of such person from the pharmaceutical company creates serious loss, as company may lose retail shops, which he had attained with personal efforts, though working for the company. The grass root employees make business linkages with personal relations and such retailers as well as doctors know the person and there is least affect of the banner of company. Influencing the doctor remains easier for the person through established relations and product of earlier company is diminished from such area. Maintaining personal relations, while working in any pharmaceutical company becomes easy to some field functionaries.

Company is able to understand the situation quite late, when the field functionary has snatched the business of one group and carrying out business for another firm also is also issue of concern, as newly established companies find it difficult to manage new grass root functionaries and engage persons of other companies for boosting sale of other company in addition to its own company. Newly established business groups start their activities with the persons on some remuneration and the employee of another firm accepts such proposal as doing total work in one spell. Such persons hide the secret task from their seniors.

When the business of newly established company is geared up to requisite extent with the help of employees of other business group, company increases
commission of such persons and such grass root persons cause serious harm to the company, which pays salary and other benefits. Some employees of pharmaceutical field unit are most cunning and manage extra work, without any insistence. Company paying salary and other benefits to such employees and expect business could be known at much later stage, when the cumulative losses of the company are observed from individual person.

In real sense, the employee leaves the pharmaceutical company can be honest enough in comparison to such employees, who put the company into loss through illicit means. Even the persons working in one company visit another company for few hours to help in technical matters, which is an essential component of business. Thus in pharmaceutical industry, there are some unknown issues creating harm to the company through various modes. There are multifaceted problems in the pharmaceutical sector, where left out employees are really harmful to significant extent, but working employees are also problematic issue. In many cases, the illicit issues cause serious problem than known factors of leaving the job.

6.2.2 Reason of Stay and Leaving of Employees are Different:

Many organizations remain unaware about the reason of working of their employees and leaving the job. Employees leaving one organization and getting job in other pharmaceutical firm report the reason as better remunerations, but such situation is not always the same. Many employees avoid revealing the actual reason of their departure from one company in the fear of their own deficiencies. There are various instances, where employees remain changing their organizations frequently, but remuneration is not the main factor for their departure. In some cases, the reason for departure remains lack of professional development and such situation is true with various new units, where such facilities generally lack.

Usually employees leave their organization for their own deficiencies, e.g. lack of proper efficiency to complete sale targets, inability to maintain quality work and lack of research initiatives. In all such cases, the reason is given before new employer as high remunerations, possibly in the fear of retribution. In many cases, the employees remain well aware about their termination of low efficiency and
search for new job to remain safe from such humiliating condition and getting employment in such situation becomes difficult. Work performance of all the employees is not altogether same and this is associated with intellectual property of person.

Usually talented persons get regular calls from business organizations, which is an issue associated with their own intelligence as well as grasping power of work at various spells. It is also true that employees frequently changing organizations loose proficiency level, which they could have attained while working at one place in total duration. Obviously, when organizations unknowingly misdiagnose the situation and fail to surface the most critical factors contributing to their departure from the earlier organization. In such cases, solution to correct the problem falls short of the mark, resulting in to bad diagnosis leading to improper prescriptions.

6.2.3 Managers’ Role is Paramount but Underplayed:

In pharmaceutical organizations, where the departure of employees is quite substantial, the managers are found for not justifying their role perfectly and usually report the reason of departure as issues out of the organization. This is common feature of human weakness, not to disclose the correct reason, which may put him in to humiliating situation. In many cases, the managers could understand about the departure of an employee, but fail to adopt sincere efforts and show to remain unaware of the situation. This is one of the most prominent factors of high rate of departure of the employees from the organization, where managers fail to perform their responsibility as representative of the organization.

The managers are most important component of the organization and hold higher responsibilities in comparison to subordinates. They are supposed to remain conscious of the development among the employees, where issues of dissatisfaction, personal relationships between supervisors and employees occur and take furious position, but all such issues are reported as personal problem of employee for departure from organization. It is certain that conscious managers help in controlling the departure of employees in cases of internal issues of organization and control the
position before becoming serious. Usually personal ego remains the prominent factor in various differences at different levels.

The organization is also responsible for various issues of departure of employees for internal conflicting issues and need to be taken up effectively. The managers need to be given due weightage for managing the attrition problems to best possible extent. They should be encouraged to play their natural role and the organizational management need to keep dialogue with the managers about the internal issues of the organization, where issues of conflict responsible for departure of employees, issues affection on production and productivity, quality and marketability are issues, which need to be covered in keeping the managers aware and rather encouraged.

The span of control of manages need to be enlarged and the management need to keep the managers into confidence for various acts, where their role can be effectively played and can be quite fruitful. In most of the cases, managers avoid various issues for not being relished by the management and treated as interference in the spare of the highest body of the organization. The managers can play their role in controlling attrition and also in other important issues of the organization, where employees should treat them as their reliable boss and able to solve all the personal and work place related problems.

6.2.4 Prevention is Best Medicine:

Loss of key employees, even in small, can be devastating for the pharmaceutical company. This issue is most important for the reason that all possible efforts need to be taken to stop departure of key functionaries in particular and all the employees in general. The sudden vacuum in the company and total process of making new person up to functional level is long and time consuming issue, where financial, production, functional and capability of the organization to compete in the market smoothly remain at the stake. The preventive measures can set aside all the incoming problems before the organization.
As part of preventive measures, it is the duty of the management to express confidence among their managers, who are backbone of the company and able to control the ongoing problems effectively. The managers can perfectly perform their duties treating the control of departure of employees as high priority issue and treating them as part of their management. The spirit of treatment as servant and discouraging their efforts in presence of others discourages the decision-making skill of the managers, which is most sensitive issue. There are events and situations, where the management is not satisfied with the decisions of the managers, they need to be interacted in isolation in most respectful manner.

Shouldering the confidence of the management is quite difficult task, as management has feelings of being owner of prestigious company and the manager is merely a servant, to work according to their wishes. There are various issues, where management is unable to take appropriate decisions and hearing views of managers before taking any decision, is not the issue of undermining the powers of management, but managers can gather confidence, when they are associated in strategic issues of the company, not for the reason that they would become masters of the company, but for the reason that they possess appropriate of market conditions better and can suggest better options.

This issue needs to be treated as empowerment of the managers in decision making process and take appropriate decision while hearing the views of the managers patiently and interact with them about the long term future consequences of suggested issues. With this process, the managers would take suitable measures to streamline total process starting from hearing the personal as well as workplace problems and take suitable measures to mitigate their problems. Usually employees convey their problems, when they have faith in the manager and adhere their convincing views.

In most of the cases, the managers receive resignation of employees and after understanding the real cause of leaving the organization, try to convince for the mistake in leaving the company. Such situations can be tackled suitably, when the managers are able to assure about future prospects with the help of management.
such situations, if management is ready to take sympathetic view, mentioning that the company can take view of expansion of the work, if the employee assure to work hard for increasing production and productivity. There remains a communication gap between the management and the employees, where managers have no powers to assure employees about the future prospects.

In many cases, employees leave their resignation on table and hope to be persuaded by the managers or management with appropriate decision to hike their emoluments or assure for promotion. In many cases, where the response from management is not positive or totally overlooked the issue, the employee has to start efforts to get job in other companies. In such condition, the employee is bound to leave the job, as without taking such initiative, there remains fear to weaken the position of employees. If there is some positive response to consider the issue within few months, there is no insistence from the employee and fear of leaving of any employee is over.

6.2.5 Retention has Unrecognized Impact on Customer:

Managers are well aware of the impact of their function, when a valued employee leaves. Even manages of customer contract functions, fail demonstrate sensitivity to the impact, attrition has on the customers. Often key employee leave customer contract functions, customers usually experience a discontinuity in relationship, negative impact on productivity of company and time wasted orienting new employee to operation and work culture. Such relationship represent as value added partnership, the change in account managers or service providers can set such relationship back months and give competitors a weighty advantage.

In marketing and sales of product of pharmaceutical company, the relationship between company and retailer are established through medical representative, who visits the retailer shop frequently, meets doctors and Paramedical staff and remain conscious about the role of competitors in disturbing the sale of medicines of company. The supervisor can ease the problems of medical representative by convincing the manager about the problems cropped affecting the sale, which need to be set right In case the supervisor is not satisfied with the
approach of medical representative, there is clash of interest and medical representative has to streamline the process or leave the job.

In cases, where medical representative is unable to maintain the sale of medicine to retail shops for various reasons, beyond the control of the person, the role of seniors starts to find out the actual situation and take suitable measures. Even the seniors are unable to bridge the conditions in requisite manner, it becomes clear that the explanation of medical representative was convincing. In such situations, the management has to take appropriate decision to wait for suitable opportunity to reactivate the situation or concentrate over other areas, where the situation is favourable. If the medical representative assures to set right the condition in reasonable time, the seniors should rely over his version.

6.3 **TALENT RETENTION PRACTICES REQUIRED:**

Talent retention is most essential component for the Indian Pharmaceutical industry and every organization is seriously affected with the problem. The intensity and magnitude of the problem is quite severe, as 35 percent attrition rate is most devastating for the business. The problem is further intensified, when the one single case of attrition affects five to ten firms as a vicious circle. The quantum of attrition is quite severe as more than one-third of the staff of the company remains on rolling into the problem of resignation, selection and training the persons to work effectively.

One of the prominent factor is growth of pharmaceutical companies at the approximate rate of 10 percent, as the businesspersons find the task quite remunerative. Most of the new companies required talented and experienced staff to run the business smoothly. The business starts with preparation of existing medicines in branded names, where the patent time duration has no barrier. Usually the research and development work is attended by existing companies and even new companies can attend the task subject to access to talented persons. If new pharmaceutical company is able to register few patents and get the approval in time, the company has wide scope of preparation of new medicines.
All the new companies require most talented and experienced staff to establish the company in the market. The business group remains well aware that first two to three years duration is necessary to manage all the formalities and start production. The talented persons help in managing the linkages with government departments and getting branded names of medicines. If new company is able to establish its production units duly approved from the Drug Controller of India and able to get permission of marketing the medicines in other countries, the business group manages its sound base in the country and outside market.

Usually established business group start their pharmaceutical company, as they are fully equipped to establish all the linkages with their own efforts. The companies required staff of various disciplines, which is available from existing pharmaceutical companies and persons possessing requisite experience in desired disciplines get opportunities. In such cases the remuneration is higher but the persons are well versed with the system and market conditions. New business companies want staff of various disciplines and offer attractive salary to earmarked persons. The problem of attrition starts from such new industries, as they have to establish the company, which is possible with talented and experienced persons.

Companies from where the persons have joined face the problem to search for requisite experienced persons and the vicious circle of resignation and appointment process continues in various companies, which face problem due to such situations. It is certain that all the new pharmaceutical companies established might not survive long and such units become sick units, which are taken over by other existing or new groups to initiate process further. Many new companies establish in the greed of assured land availability at subsidized rate within industrial estates and also manage loan and assistance for machinery and equipments.

Existing pharmaceutical companies require persons due to expansion of their activities in existing or new area within or outside the country. Under such conditions, some positions are filled from promotion of existing employees and new positions are filled in through advertisement. Every pharmaceutical company in need of talented and experienced persons, create problem for other industrial groups of
same sector and once the attrition and recruitment process started in one company is bound to affect other companies of varied intensity. In total process, the pharmaceutical companies able to manage retention in the organization remain unaffected and face no problem.

Every pharmaceutical company remains vigilant to retain its employees through various measures, but these measures are not able to control the problem in view of enormous opportunities exist in various pharmaceutical companies. In many cases, the employees prefer to resign to seek better opportunities in other companies. Persons employed in smaller pharmaceutical companies prefer to get job in big concerns for gaining vast experience of working in different disciplines. Pharmaceutical companies having research and development facilities remain attraction for most talented persons.

Usually research, production and marketing are three distinct units having enormous opportunities to gain experience and facing the challenges is helpful in assessment of own potential and capability to handle various adverse conditions. Pharmaceutical companies having distinct research and development units get support from various laboratories of the government and individual company. Seeking patent of few new medicines is helpful in expansion of business in view of monopoly rights of patented formulations. There are various measures for retention of employees in general and talented persons in particular, which are discussed as under.

6.3.1 Building a Retention Culture:

Ability to retain top talent is most critical and success of pharmaceutical companies. Keeping in view of the serious attrition problems, companies have started commitment from employees in the form of bond between selected employee and the organization, which has become an essential feature for retention of employees. For this purpose bond duration is notified in the advertisement for keeping the persons well informed with the duration of working with the organization. In the bond duration, the employee is required to work with the
organization for specified duration and has to submit resignation notice before the specified duration.

In most organizations, the chief executive officer sets the tone for treating employees. Assessment of employees is carried out on the fixed output frequently for individual employee or for group as a whole. Budget is the upper limited to perform specific task in identified monetary terms. Managers are held accountable for building talent culture within a team and in a department. The work culture is helpful in determining work-life satisfaction determined by relationship between employee and manager. Self managed agile organizations create work culture, where employees learn the task continuously and take suitable decisions.

In various situations, employers face an unexpected predicament, where economy is robust, technology is helpful in expansion of capacity and global market provides new customers. However, the companies do not have enough competent staff to get the work done. Retaining right people is strategic imperative. Managers and employing organizations understand the expectations of talented employees and meet those through various modes. Diverse employees want to control their own destiny and make significant contributions to the organization through their work.

Research demonstrates that most employees shift their loyalties to new employer for various non-monetary reasons. Usually talented employees leave their jobs for various typical reasons comprising of: (i) the company mission, vision and values seem incongruent with their experience, (ii) leaders do not communicate the valuation process of employees, (iii) inadequate resources and information, (iv) no opportunity for advancement and (v) compensation issues of varied nature. There are important strategies the companies need to implement to provide solution for retention of valuable employees associated with specific pharmaceutical company culture.

(a) Create statement of values of the organization, share common vision and offer open management style.
(b) Provide career growth, learning and development; create exiting work and challenges and provide purposeful work with the intention to expose the talent of employee.

(c) The organization remains flexible over the working hours, dress; work rules and telecommuting; develop culture to work together as team.

(d) Create trust in senior leadership, provide job security to possible extent and minimize work related stress.

(e) Increase competitiveness of rewards. Provide opportunities to apply skills on the job; trust employees and never express feeling of mistrust against any employee or group of employees.

(f) Appreciate excellent things of employees on regular basis and reward leaders, who listen and act on employee input.

(g) Provide proper resources, encourage creativity and innovation and establish learning culture.

(h) Provide performance-based rewards, involve employees in decision-making at different levels and encourage collaboration.

(i) Build employees self-esteem, demonstrate integrity in all business endeavours and provide support with managing change.

(j) Facilitate open communication, make work fun and create balance between work and family.

(k) Assign coaches or mentors to help employees with specific jobs but developing their careers.

These are measures to create work environment convenient to employees and make sure that every employee of the organization leaves the work with smiling face, having no tension, work fatigue and feelings of monotonous job. It is sure that employee devote their valuable time at the workplace and try to work at best of the ability, few words of appreciation and trustworthiness are helpful in retention of the employees to greater extent. Guidance by managers and management is helpful in disguised situation, where there can be various options of working but only most appropriate mode to be chose. (3)
6.3.2 Practices to Retain Best Talent:

Best talent of pharmaceutical companies remains at the serious risk of attrition in view of human nature to run at better remunerations and attractive benefits. It is certain that leaving best talent of the organization is most devastating and it is also not possible to retain such person by monetary benefits. In most of cases, the aim of the competing company remains to divert talent of best performing company in the most competitive environment. There is necessity to give serious thought to prepare an excellent team of persons to work in group to attain good performance. The team of persons needs to be decided according to the preference of talented person.

Usually best talented persons want appreciation of their work in suitable manner, which is necessary for the manager and the management. The best person of the organization is not available for indefinite time for varied reasons. Associating willing persons with the talented person can help in creating healthy environment, where the associated persons remain conscious to develop best practices in themselves by learning and with their own vision. Sometimes the associated team gets similar culture in many of the employees, if not in all the associated employees. These persons need appreciation through the mode to get excellent caliber under guidance of the talented person.

This mode is purposeful to get various objectives of the company, as the talented person as head of team feels proud for possessing excellent caliber to train the team members effectively and the associated persons feel encouraged for attaining best practices with the able guidance. In case the talent as team leader intends to leave the organization for any reason, the alternative team is nurtured in the company, where best performer need to be placed as head of the team. In this manner, there would be no vacuum in the company if one or more persons left the company.

The person heading the team needs perks for superb performance and company should not hesitate in providing some financial and other benefits for creating valuable environment of teamwork. Such culture need to continue and for
keeping the group fully thrilled with appreciation, think for creating competitive situations among the group members, without hurting the sentiments of the team leader. The group members working under the person can search new and innovative modes of bringing the performance level high within the team. Creating challenging opportunities is one of the modes to extract best practices as outcome.

Biggest challenge for business leaders is to retain best performers, which is possible by creating competition and making job opportunities sound fantastic. In such an environment, the least talented employee remains conscious to adopt innovative things with sincere efforts. The management needs to watch their acts, as there can be jealous atmosphere within the group members for various reasons and it is utmost essential to curb such situations in work atmosphere. The competition must remain healthy and exciting, which is essential to encourage production and productivity. Such efforts are most purposeful for enhanced performance of the company.

The team under talented person need not always awarded with the task of increase production, but there can be assignment related to problematic issues creating hindrance in the smooth functioning of the company. Top talent usually thinks many steps ahead and solution of some inherent problem can be possible with the diverse alternatives of the solutions. The management need to consider the best suited alternative and keep other views in reserve to consider in case the best mode is not feasible to desired extent. There is necessity to have presentation of successful events before total employees as part of encouragement.

Family issues of employees are most tedious issues, where management needs to have sensible approach. If child of employee is sick, concentration on work becomes difficult to any person. Such issues need to be tackled in sensitive manner, which enriches the respect for the manager for understanding the problem of employee. It is certain that work is priority for the organization and allowing employee to avail leave can disrupt the work, but these practices need to be taken on humanitarian ground and remaining liberal to grant leave in such situations.
Distorting the sentiments of most junior employee are not justified and every employee feel hurt with such approach. (4)

6.3.3 Retention Practices in Research and Development:

Many of pharmaceutical companies of the country remain conscious for research and development activities. Usually companies keep 10 to 15 percent funds for research work, which is treated as important function of the companies. The persons engaged in the research work remain devoted to the task and generally results are mixed, as this is quite tedious task to arrive at the success in the work. Importance of research become most essential and prestigious task of pharmaceutical companies after enactment of Indian Patent Act 1970, where the government protect rights of the firm or individual during total process and the patent granted is valid for 20 years to guarantee monopoly rights to the company.

In pharmaceutical organization, the patent is filed in the name of the company and the grant of patent is given to the company with due authorization to manufacture the formulation in the country and global market under the brand name approved by the Drug Controlled of India. The pharmaceutical company receiving patent of new drugs have ownership of the product and no company can manufacture the medicine without the consent of the authorized company. This situation helps the pharmaceutical companies to engage team of experts in the requisite discipline and remain watchful of their activities.

The employees engaged in research and succeed in their efforts are creditworthy, but the ownership remains with the company, which remains frustrating task to the team members in general and head of the team in particular for the reason that their efforts benefit to the company. From the organization point of view, the investment over research work is the expenditure of the organization and employees are given opportunities to get excellent facilities of laboratory and testing equipments as per requirements. In this situation, the employees getting salary and other benefits are the remuneration of their work. In such situation, employees feel some appreciation and reward of their task.
Research work is quite difficult and quantification with investment and success can be achieved within limited time or may take long time. This usually depends on the teamwork of talented persons to get success in their task. In total process, the company is appreciated by the government and pharmaceutical discipline about the new addition to the medicine helpful for treatment of new diseases. Usually the outcome of research is prestigious in the sphere of new diseases, where the treatment is new mode of application and company getting patent is able to attain benefits of their efforts. Demand of such medicine increases suddenly depending on the number of patents suffering from the problem.

Usually pharmaceutical industry management engages a team under the guidance of one talented person, while members associated is also capable to assist in positive manner. Involvement of team of talented persons is necessary to continue the work in case the team leader or any one or more talented persons leave the organization. Efficient persons remain well aware that they are given the remuneration for their work, but the patent remains in the name of the organization to avail all the monopolistic benefits by the company. There remains every possibility that the talented persons engaged in research activities left the organization to benefit other company.

Usually the management remains vigilant of the status of research and kind of medicine to be prepared for treatment of some strategic disease, having benefit potential to large number of patents worldwide. The team members are given maximum facilities and benefits for working long duration to succeed in their efforts. There remains strict vigil over the team members to remain concentrated on the work and remain sincere to the organization. After success in their task the team leaders and members are suitably rewarded for their task to keep the team intact. In case any member has some problem for quitting the organization, efforts are made to ease the problem and convinced to continue to work.

In case the team leader or members leave the organization, the efforts are made with the remaining members to speed up the work and submit patent to avail rights of the research findings. In case the persons so quitting for getting the patent...
in the name of other company did not succeed. In such cases, there are various litigation cases filed in patent office and benefits of the research work reach to the company submitted the patent on earlier date. Even such cases are filed in High Courts about the piracy by any company and the efforts of genuine company are delayed to requisite extent. Company learn lesson from each aspect of leakage and remain vigilant in future course of action. Piracy in research findings has intensified in view of attractive benefits of monopoly of price and use for 20 years.

Research work is most critical issue for a company and person joining from other company is kept away for legitimate duration to adjudge its integrity and honesty. Any person joining the company for monetary benefit can leave the company after having some secret information of research findings. Usually the team leader and members are kept from the company employees having tested integrity and trustworthiness. It is also expected from the team leader and members to keep the total task secret in view of most sensitive issue and leakage for any lapse can be harmful to the organization.

Some companies have series of successful research work got patented in the name of the company and medicines are used by strategic patients. Past literature in Sanskrit has series of formulations, which are used by experts to arrive at the suitable results. India has benefit of series of books on various diseases based on natural plant contents. Many formulations are based on old practices and branded by such company to avail the benefits. There remains problem of monopoly rights of 20 years duration over the contents known for long past and used now by any company for its own benefits.

Information of copying from old literature is disclosed by team members after quitting the organization or convey the position to others with contents of old literature. Pharmaceutical companies gathering information from old literature is kept secret, but there remains one critical issue of proportion of contents, which are not mentioned to appropriate extent. In such cases the permutation and combinations continue till the formulation is the most appropriate and succeed in treatment of any
Chapter -6: Talent Retention Strategies Adopted by Pharmaceutical Sector

There remains necessity of interpreters to transcribe the contents in legible form and arrive at a platform to start research work.

After successful research and patent, importance of research team is known to other companies. Usually the manager incharge of research work keeps all the information sources and transcription from past records and convey the research team the legible contents over which the research is expected. Secrecy of the source of information keeps the company continues series of research works and getting patent for various medicines. Maintaining secret of the source of information is the success of the company and there is no problem to file litigation cases against the company.

It has been visualized that series of research findings are based on past records, as there was no legal protection for medicines but the research over the past system is quite difficult task unless the reliable person to convey the source of each content and proportion to be mixed for deriving the assured result. Arriving at the final formulation is possible, if the information is received to the company to nearest correct version. Later, the research team of the organization carries out task to test the formulation as per prescribed system. Each pharmaceutical company keeps some base from different sources to attempt over the formulations.

Some pharmaceutical companies remain vigilant about the research work being carried out by different organizations, universities and others, who purchase patent rights from source and start preparation of medicines as per agreed terms and conditions. Retention of research team is the main necessity, which the companies manage in their own manner and adopt various precautionary measures to continue their research work without any interruption. Purchase of patent rights is easiest way of research work, where the company need not to work at its own and get patent rights after making one time payment to the authorized person or institution. (5)

6.3.4 Retention of Marketing Staff:

Marketing is most essential and critical work for pharmaceutical companies, where production in the factory needs to be sent to various destinations as per
demand of the area. Every pharmaceutical company has its own network of marketing staff from manager to medical representatives. The medicines are sold by retail shops as per prescription of doctors and doctors prescribe medicines of different companies as per their discretion. This aspect is most critical, where every pharmaceutical company has to persuade doctors to prescribe medicines of their company. About 70 percent of medicines are prescribed by government doctors and remaining by private doctors.

Network of government medical institutions has reached up to block levels and some dispensaries are established in villages to cover surrounding areas. Medical representatives are required to meet doctors at different levels to prescribe medicines of their company and every medical representative has to convince the doctors about the qualities of medicines prepared by their company. Doctors are well aware of the competition of pharmaceutical companies and try to maintain balance in between various companies after being convinced with the system to prescribe medicines of different companies.

Retail medical shops keep medicines, which are usually prescribed by the doctors and this depends on doctors to prescribe medicine of any company as contents of generic drugs are usually common, having some specialty which the doctors and pharmaceutical company representatives remain well aware. Marketing representatives of each pharmaceutical company remain in constant touch with the doctors, where doctors prescribe medicines of various companies, as per their own discretion and this discretion has its importance. Each pharmaceutical company provides funds to their marketing representatives to convince the doctors to prescribe their medicines, which is dependent on the marketing representatives communication capabilities to convince the doctors suitably.

Usually well-established pharmaceutical companies having quality medicines manage their network outside India, as there is potential market of their product and keep reasonable share in country market. The medicines of such companies are usually effective to treat diseases to substantial extent, but such well known companies need to approach doctor through their market representatives for
prescribing their medicines. Thus government and private doctors have large range of discretion to prescribe medicines of various companies. The marketing representatives have their target to push the medicines through doctors.

In this sphere, role of medical representatives and their seniors remain critical to adhere to given target and their assessment is made on the basis of performance to push medicines through various modes. Company managers have to rely over their marketing persons for selling large quantity of medicines and spent significant amount on the process to prescribe their medicines. There are three situations, affecting the marketing staff of each pharmaceutical company. In the first situation, the marketing staff is capable to achieve the requisite target and money spent by them is justified. In other situations, the marketing staff spent money for establishing linkages for pushing medicines but results are not substantial. In such conditions, the integrity of marketing staff is questioned.

In some situations, the marketing staff spent substantial money on network and get success in cumulative increasing manner. In cases, the medical representatives and their seniors could not justify their performance to desired extent; the employees try to run away from the company in the fear for retrenched by management. In such situation, the senior persons have to adjudge the situation in low performing area and try to assess the situation, whether the deficiency exist for inefficiency of their field employees or there are other factors beyond their control. Keeping in view the fiend findings, company revises the policy of marketing and reorients their employees to work with revised strategy.

Marketing is most critical function of pharmaceutical companies in view of competition of various companies engaged in preparation of medicines. The production is seriously affected due to low performance of field functionaries. Usually, pharmaceutical companies having low network concentrate on areas, where disease of particular type is highest. The field functionaries are the backbone of the company and remain aware of the prospects of product of their company from marketing point of view. Medical representatives and their senior work under well set policies of pushing the medicines in the market.
In addition to the reputation of pharmaceutical companies, role of medical representatives is also significant, who have better communication skills to convince the doctor about the specific qualities of the medicines. Each government and private doctor remains surrounded by number of medical representatives of different companies, who have common problem to convince doctor through various modes and success in the task is the ability of the medical representative as well as their supervisors. In such situation role of managers of marketing division remains critical to understand the problems of their field functionaries.

Medical representatives have some inherent capabilities to push the medicines in the market with their sincere efforts and their performance is adjudged with capability to push medicines in the market above the target. It is also true that medical representatives manage network with doctors in any possible manner to achieve success and such employees of pharmaceutical companies are most vulnerable for attrition. They can resign from the company at any time, where the marketing of the company get serious setback as the person leaves with capability to establish similar linkages for other company selected in view of good performance.

The managers of the pharmaceutical company keeps close vigil and manage performance oriented perks and field benefits on high performance. If the field functionary is satisfied with the monetary benefits availed to him, retention remains continue and chances of leaving the company are dim. Generally pharmaceutical companies concentrate their field staff quite attentively and listen the problems being faced by the person in establishing requisite linkages. In case of established linkages, reason of low quantity of sale is questioned from supervisors and justification given by them is examined seriously.

In cases, where the sale of specific area is decreasing continuously, the role of area specific field functionaries is examined at company level and authenticity of version of medical representative and their supervisors is adjudged through secret modes, as there are various possibilities of adverse performance. Usually medical representatives are indulged in illicit modes in association of smaller pharmaceutical companies having no established linkages in view of low funding and try to manage
links with medical representatives of other companies to push their medicines in the market with established qualities of field functionaries.

In such elicit linkages, the field functionary of one pharmaceutical company start working for other company secretly, which provide attractive benefits for the task. The field functionary manages a balance between two companies, but the company where he is employed is put to severe loss as the remuneration and other expenses could yield diminishing return. This is worst situation, as the medical representative has to attend same persons and balances his influence for two companies. Usually companies having no field network provide performance-linked benefits to medical representative, as this practice is beneficial to the company.

In case the company, where the field functionary is employed and illicit linkages could be known to the company, the manager tries to instruct the person to stop illicit linkages, as there is fear of being absorbed in another company for which the person was working secretly and total market of that area would be snatched by that person. This is most critical situation of any pharmaceutical company and another person placed to work in that area has to struggle hard and chances of success remain doubtful. Generally reputed companies do not publicize for illicit field linkages of their employee in the fear of defamation.

Large companies having network throughout the country do not bother for single issue and terminate person found guilty of working for other company and try to advice new person to handle earlier person attentively. The company network has capabilities to bear minor field level problems, but in case any company is engaged to disrupt marketing network of the company with illicit measures, cases are filed against the company and such defamed company get serious setback in pharmaceutical field. The field level problems are more than attrition and retention related issues, as company is known about illicit linkage of its own person after long time, due to decreasing performance.
6.3.5 Retention of Production Staff:

Production employees are less vulnerable for attrition related problems, as the production work is generally linked with the new medicine preparations and existing preparation of drugs as per approved list of the formulations. The production manager has to keep close links with marketing conditions and number of piled up stock to be dispatched to various destinations as per demand. The company manages linkages with the outside marketing agencies with assessment of requirement of specific medicines having potential in outside areas.

The staff working under the guidance of production manager and work for the duration of preparation of medicines in one or more shifts as per potential of pushing the medicines in the domestic and external market. The employees in this unit are talented and aware of the ingredients of the medical contents to suffice the quality requirements. Talent persons in production unit are well versed with the task starting from purchase of quality material, mixing, preparation of tablets, capsules, liquids, injections etc. The talented persons are retained by the company through various modes and manager of production unit remains vigilant of their problems and intending to resign.

Mostly the production unit is situated at one destination, where supervision and management of all employees is possible. In case the production has to function round the clock, junior staff is added to meet the requirement of total task. The excise duty on the production stock is levied when the production is out to various destinations as per demand and payments are managed to keep the marketing work smooth for respective destinations. In cases of spread of specific disease in small or large areas of the country or outside, the production work is speeded up to meet the excess demand.

Pharmaceutical companies remain aware that immediate requirement of medicines in disease affected areas is most priority issue, as there is every possibility to availing the benefit by other company and duration of disease remains for limited duration. In such situation, assessment of the management remains critical issue as delay in dispatch of medicines may disrupt total process and piled up stock need to
be thrown out due to expiry date problems. Talent persons take advantage of such situation and submit their resignation to build up pressure on the management. The organization management remains aware that tackling such person is best mode of retention.

Usually, company provides enhanced remuneration in such situations to keep the employees satisfied with the situation and work for extra duration to meet the commitment of the company. In cases, the manager is able to tackle the situation effectively, the work continues without any disruption and staff is also benefited to requisite extent. The added advantage to employees is high remuneration, which can only be possible while remaining in the company, as new company may take reasonable time to prepare and dispatch medicines to problematic areas. In many cases, managers shoulder extra responsibilities over the experienced staff in view of task of limited duration.

In some cases, the pharmaceutical company gets opportunity to send medicines in developing country as special offer of additional task and the manager, is required to assess the situation for requiring new staff to manage the additional task in time bound manner. In such cases, the senior and experienced employees get opportunities to get more remuneration for added responsibility. In such situation, the task is limited to specific company; the staff prefers to remain intact to avail the benefit of position. If the enhanced task is for longer duration, the existing employees get promotion to work as team leader with new staff and have to handle the task effectively. Chances of resignation from existing staff are limited and company has to manage the situation effectively.

In cases, where the company is compelled to decrease the production for low market demand, the employees try to show their performance to be retained by the company and opt for new company, when it is necessary to curtail the staff to significant extent. In developing environment, such situation can occur in any specific company in view of internal problem, the employees are compelled to leave and management also convince them to search for employment before the decision of retrenchment is taken. This situation occurs in respect of new pharmaceutical
companies, which could not manage the market linkages properly and have to slash down the production to great extent.

Integration and take over of pharmaceutical companies is also regular feature, where new management has to take decision to retain some staff and retrench staff to significant extent as deteriorating condition of the earlier company reached in view of inefficiency of management and staff. Most of the government owned pharmaceutical companies have been compelled to close their business in view of recurring losses and recommended by the authorized government agencies to close those units. Private sector of pharmaceutical companies has also similar problems but to limited extent and integration and take over of such companies by existing companies is helpful in utilization of created potential.(7)

6.3.6 General Features of Retention of Employees

Fluctuating economic conditions and impact of globalization, employers of pharmaceutical companies find it difficult to retain talented employees. This is general situation of Indian pharmaceutical companies, as the rate of attrition is about 35 percent, which is highest in comparison to global level problem between 8 to 10 percent. Organizations with large number of employees retention concentrates on creative distinct culture that keeps the employees focused on the organization and its goals. Strategies of retention of employee have become problem of individual industry and each one has to tackle the problem in its own manner.

Generally the pharmaceutical companies concentrate over effective retention culture keeping in view of intense focus on choice, balance, development and care. The culture of choice in respect of employees is looking for the choice in the method applied for completion of job, the benefit receive from work and reporting system of work performance. In multiple discipline companies, employees prefer to work in the department of their choice and work to the entire satisfaction of the management. In such situations, employees are ready to apply innovative methods with the concurrence of the manager.
Working in desired discipline is associated with the efficiency as every employee is not able to perform desired performance in every sphere of even the pharmaceutical company. The choice of working in desired discipline gives satisfaction and exposure of the talent in requisite manner. Usually management also prefers this approach, where employee takes interest in the work and functions in satisfactory manner. This approach is helpful in minimizing the problem of dissatisfaction responsible for leaving job at the earliest and creating problem for the organization with bringing new person.

The culture of balance is the situation where increased acceptance of flexibility of time and work culture, employees report high stress at workplace environment. Employees with low turnover recognize the worker satisfaction by maintaining balance between home and workplace conditions. This trend may be due to growing number women having talent and efficiency better than men employees. The typical domination of men is decreasing and male members working in the organization with low efficiency could not balance with the changed situation. Progressive managers understand the problem and encourage the male employees to work efficiently and work without hesitation.

Culture of development is cultivated through variety of tools, training, mentoring and clear career path, which is possible with the active role of supervisor and managers to demonstrate the work potential and convey them to attain the level for success in their own interest. Growing the concept of high potential and support in achieving high target is the mode of developing feelings to attain higher goals and such feelings help in retention of the employees, who are convinced that attaining higher goals is in their own interest and such challenge prompt them to work hard and forget running away.

Culture of care is kind of motivation the employees get inspired from work environment, which is not possible through induced approach. With this approach the employees feel sense of inspiration to fully commit to their task. In organizations, where retention level is high, employees find some level of aspiration from their job, which help in attaining high production and productivity with the
concerted efforts. In cases, where an employee is unable to attain the desired goals, the supervisor and managers inspire to develop the culture to attain the target, which is essential to attain. Such feeling in employee inspires to put extra efforts and assess its own weaknesses in working hard. (8)
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