

The pharmaceutical workforce: creating change and keeping competitive

Making better-informed people-decisions to improve competitiveness



Questionmark Viewpoint

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Introduction

In pharmaceuticals, change is nothing new. Scientific discoveries, new technologies and new clinical conditions have always driven innovation. One decade in pharmaceuticals will always look vastly different from the one that preceded it.

In recent years, the pace of change has accelerated. Shifts in regulations around the world have fuelled greater innovation in the market. The decision by the US Food and Drug Administration (FDA) to fast track approvals on 'orphan drugs', designed to treat specialist conditions, has sharpened the focus of new product development.

During 2020 and 2021, several companies are expected to face a 'patent cliff' as blockbuster drugs become available for generic production. Losing exclusivity will compromise revenue and can put the future of the company in question. The threat from competitors is set to increase.

All of these changes have to be managed in a world where employers are adjusting to managing remote workforces due to Covid-19. Much attention has been devoted to the role that pharmaceuticals have to play in developing tests and creating a vaccine. Less has been given to the challenges that social distancing measures place on them as businesses and employers.

Many employers recognize that their people will be at the heart of meeting these challenges. It is their efforts that will determine whether the business succeeds. Research and development (R&D) teams need to rethink innovation. Sales functions must digest and retain information on a wider range of products. Leaders must foster a more agile culture.

Managing this change means it is more important than ever that employers make the best possible people-decisions. But do they have the information they need to base these decisions on? Crucial new questions must be answered.

- What specific skills does the workforce lack?
- Do new recruits truly have the skills that are missing from the current workforce?
- What attitudes are getting in the way of transforming culture?
- Is the training that companies are investing in working?
- Do employees understand relevant regulations and how to navigate risk?

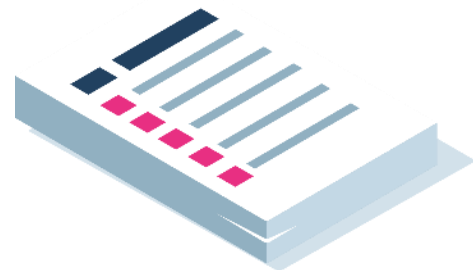
Online assessments of the workforce are a simple and effective way for employers to get the information they need to answer these questions and make better people-decisions.

Assessments will reveal where strengths and weaknesses lie across teams and business functions. They can show whether training is effective. By assessing potential recruits before hiring them, employers can be sure they have the skills they will need to hit the ground running.

We work with pharmaceutical companies around the world. This white paper explores how we are helping them unlock the potential of their workforce and take advantage of new opportunities. It outlines common pressure points across the industry. It explains how assessments can generate the crucial information needed to make good decisions about meeting those challenges.

Questionmark Viewpoint

Questionmark Viewpoint is a series of white papers and reports that we produce to explore the challenges that our customers are facing, and which we help them address. These papers are based on what we are hearing from customers, and on research from other experts.



Understanding the challenge

The challenges facing the pharmaceutical world have no 'silver bullet' solution. The ability of companies to overcome hurdles and take advantage of new opportunities will largely depend on the agility of the workforce.

Every employer will face a different set of circumstances. Some will face pressures in particular territories that are distinct from problems and opportunities arising in other markets. However, six people-related challenges are common across the global pharmaceutical industry.

1) Pace of change

In recent years, there has been a huge shift in the speed at which pharmaceutical companies need to operate.

Each year, different companies face the threat of a 'patent cliff', whereby multiple products lose their exclusivity at around the same time. This represents a potential loss of revenue. Customers can turn to several competitors. This problem is nothing new. However, in 2020 and 2021 many patents will expire.¹ Sales teams will now have to extol the virtues of specific brands over and above competitor generic products, which will often be cheaper.

However, as well as defending their traditional territory, pharmaceutical companies are also having to deal with radical changes in the market. A shift in approach from regulators has seen a flurry of 'orphan drugs', designed to treat specialist conditions, brought to market.²

This increases growth opportunities. It also requires R&D teams to be more agile. Leaders must be more flexible. Sales teams need to digest and retain a greater amount of specialist information around new product development (NPD).

¹ <https://www.drugpatentwatch.com/p/expiring-drug-patents-generic-entry/>

² https://www.stantonchase.com/wp-content/uploads/2017/06/SC_WP_HR_Pharma_A4_LR-1.pdf

Does the current workforce have the skills, attitude and aptitude to ensure these opportunities can be successfully exploited?

2) Seeking a shift in culture

To face new challenges, employers are recognizing that working culture needs a revolution. As well as a detailed understanding of science and the research process, R&D teams need to be mindful of market drivers in order to create distinctive products. Sales teams need to understand complicated medical conditions.

Some pharmaceutical companies have recognized that many of these skills, and the cultures that foster them, are not currently present in the industry. They are looking to learn from cultures outside the sector which are more agile and innovative.³

This could mean recruiting people into sales, marketing and research roles who do not have previous experience in the industry. But when recruiting from outside the industry, how can employers be sure that new recruits have the technical skills to do the job or the aptitude to develop them?

3) Shortage of technical skills

A recent report found that nine out of ten UK pharmaceutical companies are struggling to recruit for high-skilled roles.⁴ Companies in the US are having problems finding staff with the skills to manage automation, computer science, and process modeling. Without these skills, innovation could be hindered.⁵

The skills shortage is not just hitting the highly specialist roles. Studies suggest that doctors are increasingly unimpressed by the performance of sales reps. They find them to be too scripted and unable to provide meaningful new information.⁶

³ https://www.stantonchase.com/wp-content/uploads/2017/06/SC_WP_HR_Pharma_A4_LR-1.pdf

⁴ https://www.raytheon.com/sites/default/files/2019-04/Raytheon%20Industry%20Report_Pharma_web.pdf

⁵ <https://www.labmanager.com/insights/skills-shortage-could-the-pharmaceutical-industry-be-in-trouble-21301>

⁶ <https://www.bluenovius.com/healthcare-marketing/pharma-sales-reps-struggling/>

Employers need to judge during the recruitment process, which potential candidates have the aptitude to understand and articulate the benefits of a product. But even when they reference qualifications or previous experiences, it can be hard for employers to truly know if they have what it takes. Eighty-five percent of job applicants admit to lying on their resume or CV.⁷

4) Staff retention

Figures for staff turnover within the pharmaceutical industry are not outlandish when compared to many other sectors. However, given the loss of specialist knowledge and sensitive information, replacing colleagues can be costly. Some studies estimate that replacing an employee can cost 2.5 times their salary.⁸ The lack of a sense of career development has been cited as a major factor in staff disengagement.⁹

5) Ineffective training

Learning and development (L&D) teams feel they are not equipped to meet the demand for upskilling the workforce. Just 34% of L&D staff have the skills for live online delivery and 32% for supporting on-going workplace performance.¹⁰

How can employers be confident that the training programs they are investing in are working, given that those delivering them do not feel set up to succeed?

6) Complying with complex regulations

People working in pharmaceuticals must navigate a complicated landscape of regulations. In 2019, the FDA issued more warning letters to makers of finished medicinal products than ever before.¹¹

⁷ <https://www.inc.com/jt-odonnell/staggering-85-of-job-applicants-lying-on-resumes-.html>

⁸ [http://ijepr.org/panels/admin/papers/ij4%20\(1\).pdf](http://ijepr.org/panels/admin/papers/ij4%20(1).pdf)

⁹ https://www.raytheon.com/sites/default/files/2019-04/Raytheon%20Industry%20Report_Pharma_web.pdf

¹⁰ https://www.raytheon.com/sites/default/files/2019-04/Raytheon%20Industry%20Report_Pharma_web.pdf

¹¹ <https://www.thefdagroup.com/blog/2019-fda-warning-letter-inspection-observation-trends>

As well as ensuring products are made to the satisfaction of health authorities around the world, robust rules around marketing practices and data use must be followed. Employers must ensure that team members understand the rules of the game to help avoid costly fines and a risk to reputation.



Transforming decision making with assessments

To meet the challenges of a changing world, employers need to reevaluate how they make decisions about their people.

Pharmaceutical companies, by their very nature, are experts at reviewing available data and making evidence-based decisions. However, too often, they fail to use the same scientific method when making important decisions about the people they employ.

Regular testing and assessment of employees can reveal where strengths and weaknesses lie and it can point to the solutions.

Assessments can specifically help pharmaceutical companies through:

- **Improving the quality of hire** – testing candidates before they are offered a job can ensure that new recruits have what it takes to hit the ground running and drive innovation. Scientific and medical knowledge can be tested.

The right assessment can indicate aptitude to learn. After implementing assessment technology, 76% of corporations have seen an increase in the quality of hire.¹² In a world where employers are seeking new skills – including soft skills – assessments can reveal which candidates possess them.

- **Discovering the barriers to culture change** – assessing staff can reveal which team members have the right attitude to drive change. Once employers have identified how culture needs to shift, assessments can reveal which staff have the mentality to help make that a reality.

Assessments can also highlight which attitudes and beliefs might be hindering a shift in culture. Only once the problems are clear, can interventions be developed to tackle them.

¹² Brandon Hall Group, Assessing Assessments: Value and Impact

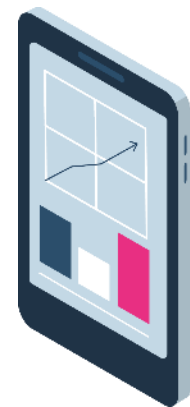
- **Introducing internal certification programs** – setting milestones for staff and testing that they have achieved them, gives team members clear goals to work toward. By awarding internal certifications that demonstrate progress, a sense of career development can be increased, improving staff engagement.
- **Building a culture of compliance** – getting staff to attend training on the relevant regulations is not enough. Employers must test staff after training to ensure that the right information has been imparted and that it has stuck. Staff that have failed to learn what they should, can be retrained. Where the course is failing to make an impact, the content and delivery method can be revised.

Testing staff also enables employers to demonstrate to regulators, customers and other stakeholders that necessary and robust measures have been taken.

We have worked with pharmaceutical companies around the world, helping them to make better decisions and meet the challenges outlined in this paper.

If you are interested in beginning a conversation with us please visit our website and book a demo:

<https://www.questionmark.com/sectors-and-uses/pharmaceuticals/>



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About Questionmark

We help organizations and their people unlock their potential to deliver better performance. Questionmark provides a secure enterprise-grade assessment platform and professional services to leading organizations around the world, delivered with care and unequalled expertise. Its full-service online assessment tool and professional services help customers to improve their performance and meet their compliance requirements. Questionmark enables organizations to unlock their potential by delivering assessments which are valid, reliable and fair, which can be defended.

Questionmark offers secure powerful integration with learning management systems (LMS), learning record stores (LRS) and proctoring services making it easy to bring everything together in one place. Questionmark's cloud-based assessment management platform offers rapid deployment, scalability for high-volume test delivery, 24/7 support, and the peace-of-mind of secure, audited U.S., Australian and European-based data centers.

Working with Questionmark

To further explore how Questionmark could work for your organization, or to book a free consultation and demo, please see: <https://www.questionmark.com/request-demo/>

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