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Scouting for best talent

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Pharma companies are always on the lookout for the best talent and there is a rat race among them to hire the appropriate candidate. However, poor retention plans by companies and the human resource department, higher attrition rates etc. are some of the hurdles, when it comes to going in for the right talent. Lucrative salaries and better job prospects are the likely possibilities to get rid of the obstacles in finding the right candidates.



The words talent and talent crunch are intertwined and we come across these terms from various companies' CEOs, CFOs, HR and social media posts. Despite India being one of the most populous nations in the globe, there seems to be something amiss when it comes to going in for the right talent. Above it, unemployed-friendly stringent HR policies restrain the right talent to join a firm. The pharma and the life sciences sector is no exception to this where leaders have been often speaking about the need for the right talent.

The life sciences industry, particularly in the pharmaceutical and biopharmaceutical sectors, has been experiencing rapid growth and significant technological advancements. The development of innovative therapies, personalised medicine and biotechnological breakthroughs has increased the demand for specialised talent with expertise in areas like gene editing, immunotherapy and bioinformatics. Advances made in artificial intelligence (AI) and machine learning (ML) have created a massive need for data scientists and researchers. Diagnostics and medical devices sector is also seeing a major talent need in product development and sales.

Struggles

The life sciences industry, like several other non-tech sectors, has come to rely heavily on emerging technologies, ranging from AI/ML to data analytics and robotics. Hence, the obstacle is finding qualified tech candidates with niche skill sets that are in demand across industries. Proficiency in digital skills and domain knowledge becomes imperative to the growth of the industry.

According to **Munira Loliwala, Assistant Vice President, TeamLease Digital**, “Ageing workforce, creating a shortage of skilled workers to replace at senior and specialised roles, becomes challenging when multiple companies are vying for the same pool of skilled professionals. Regulatory challenges-compliance with these regulations requires specialised knowledge and expertise. The complexity of roles and limited investments in training and development due to lack of time are some of the reasons that lead to constant attrition.”

Sometimes, mergers and acquisitions disrupt the workforce, leading to redundancies, and potential talent drain are some of the key reasons for the talent crunch. According to industry estimates, 69 per cent or more professionals are constantly looking for other jobs in lieu of professional development and monetary gain, thus leading to high attrition across this sector.

Other contributing factors include fresh graduates and candidates lacking industry exposure and relevant internships, making it difficult for them to meet specific pharmaceutical company requirements. Stringent regulatory requirements also demand high levels of compliance, increasing the complexity of hiring and retaining talent in the industry.

The ageing workforce poses challenges as experienced professionals approach retirement age, necessitating the need for skilled replacements. Additionally, with digital transformation becoming prevalent, there is a growing demand for professionals with expertise in data analytics, artificial intelligence, and digital marketing, which are in short supply within the pharmaceutical talent pool.

Attrition

The industry is currently confronted with a critical challenge - a severe shortage of skilled professionals and a high attrition rate in pharmaceutical companies, with double-digit attrition standing at 15.67 per cent. These factors are hindering the industry's growth and innovation potential. Furthermore, the elevated attrition rates worsen the existing talent gap, underscoring the importance of companies adopting comprehensive strategies to attract, retain, and develop skilled talent.

According to the Society for Human Resource Management (SHRM), the impact of inflation is particularly noteworthy, with one in four life sciences and pharma leaders stating that it has negatively affected their business. Moreover, 76 per cent of these leaders anticipate that uncertainty about the economy, inflation, and labour costs will influence their hiring strategies, surpassing the global average of 66 per cent by 10 basis points.

Says **Achal Khanna, CEO – SHRM India, APAC & MENA**, "The causes of the skills shortage in the pharmaceutical industry are multi-faceted. Firstly, the current educational programmes may not align with industry demands, leading to a workforce that is not adequately prepared for the pharmaceutical sector's evolving needs. Additionally, the lack ofsubstantial investment in research and development has resulted in a scarcity of skilled researchers and scientists, impacting the industry's ability to pioneer innovations. Moreover, the allure of better opportunities abroad has led to a brain drain in the pharmaceutical sector, with skilled professionals seeking employment opportunities in other countries. This situation is compounded by competition from other sectors like IT and e-commerce, which are also vying for the same pool of skilled workers."

Talking on the same lines, **Sachin Alug, CEO, NLB Services** (a talent solutions company, providing workforce solutions globally) says, "It was reported that the post-pandemic attrition rate in the sector was over 20 per cent higher than the pre-pandemic levels. This shift can be attributed to the high demand for superior tech skills across verticals. Through the right skill sets, candidates can obtain better opportunities in various industries, causing the attrition rate to further spike. Technology can play an important role to manage attrition in organisations. It can help businesses to find gaps in employee experience and company expectations. Aligning the two can go a long way in retaining employees and finding a path that's mutually beneficial to both employers and employees. Fostering a positive workplace culture that motivates and recognises employees also helps control attrition."

Talking more about the attrition issues, **Punam G Kaushik, Deputy Managing Director of Meteoric Biopharmaceutical**, opines, "Indeed, attrition levels have been a cause for concern. The highly competitive nature of the industry, coupled with the ever-evolving opportunities in research, development, and product commercialisation, has led to a revolving door of talent. Top-tier and middle-tier professionals are constantly seeking new career challenges and advancements, creating a challenge for organisations to retain their best minds. Biopharma companies are placing greater emphasis on talent retention strategies to address the attrition challenge."

Darren Punnen, Pharma and Life sciences Practice, Leader, Europe Practice, Nishith Desai Associates says that the current dip being seen in the market is also from the decrease in overall graduates entering the workforce from STEM courses. He adds, "The main focus should be to bring back interest in the STEM field in order to increase the talent pool. While the interest is gradually rising again, organisations should attempt to keep the student community aware of the various opportunities in this field, so that the trend does not seize."

Talking about the attrition, he goes on to mention that attrition levels tend to be relatively high as there are a number of organisations competing to attract a small talent pool. When the role requires relevant work experience, there is even more competition with high incentives, causing increased movement between organisations. At an employee level, a smaller workforce means higher workload per person. Additionally, projects in this sector are fairly long-term, so employees are not able to see a tangible outcome for years together."

The way out

Investment in skills and skilled candidates is a way worth exploring. To keep up the dynamism and adaptability of employees and the organisation, skilling and training initiatives must become an integral part of talent management. In order to stop falling back on reactive hiring, companies must create access to a readily available talent community and strengthen their talent pipeline for the future.

Suresh Pattathil, President, the Organisation of Pharmaceutical Producers of India (OPPI) states, "The pharmaceutical market in India is rapidly evolving, pivoting towards specialised innovative molecules and products. This shift necessitates a robust influx of talent across key functions such as medical affairs, manufacturing and regulatory affairs, and a specialised

high-calibre professional cohort well-versed in advanced scientific concepts. India currently possesses a reservoir of skilled professionals in these domains; with an expected increasing need which is witnessed by the large scale Global Business Centre's established by OPPI members companies to support the global pharma markets, recruiting and training large numbers of talent building the intellectual capital for the India healthcare environment."

Mayank Chandra, Managing Partner, Antal International mentions, "These days this has been observed that few companies (including some global ones as well) have decreased the percentage increment while doing internal appraisals. Taking care of proper and defined career progression, providing enough autonomy and double-digit appraisals might help to minimise attrition**.** Other factors like flexibility at work/hybrid working model, upgraded talent management practices, and competency mapping are also very relevant while attempting to retain talent."

Appreciations in terms of rewards and recognition/defined career progression/autonomy / approachable management/flexible work culture (timing, mode etc) / proper employee engagement and team bonding activities are some of the measures that will help to retain talent. Better talent management practices and competency mapping, quicker interview process are some of the other things that need to be looked into.

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As per the India Skill report 2022, there has been slight improvement in employment and job readiness level in the pharma sector to 44 per cent. However, there is still a long way to go and there is an urgent need for enhanced coordination between the Indian pharmaceutical industry, academia and government to improve the employability of the pharmaceutical students.

Industry-academia collaboration is vital to developing curricula that align with industry needs and provide students with practical experience. Increased investment in research and development can attract skilled researchers and scientists to contribute to ground breaking discoveries. Government support in terms of incentives and encouragement for research, development, and innovation can bolster the industry's talent pool.

Creating attractive career opportunities by offering competitive salaries, a supportive work environment, and appealing career growth prospects can aid in retaining skilled talent. Companies can also focus on employee engagement through effective orientation programmes, providing quality equipment and supplies, and promoting open communication to reduce turnover.

The Indian pharma sector has taken several proactive steps to combat the talent gap and address attrition. The Indian Pharmaceutical Association (IPA) has collaborated with educational institutions to develop curricula that meet industry requirements effectively. Sun Pharmaceutical Industries established dedicated research and development centres to promote innovation and attract skilled researchers. Also, companies like Reliance Life Sciences, Serum Institute of India, Dr. Reddy's Laboratories, Biocon and Cipla offer competitive salaries and appealing career opportunities, making them desirable workplaces for skilled professionals.

Pharma Patashala, a pharma skills development centre, by Granules India, is addressing the skill deficit in pharmaceutical manufacturing. The programme provides training to selected candidates, creating a talent pipeline for the industry.

Organisations must prioritise employee-friendly measures. Flexible work arrangements, such as remote work options and flexible hours, can foster a healthy work-life balance. Comprehensive health and wellness programmes and financial wellness initiatives can reinforce the organisation's commitment to employee welfare.

Moreover, providing clear career growth paths, mentorship programmes, and opportunities for skill development can enhance employee engagement and retention.

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