

GIBBSHYBRID

Tech expertise is key for pharma firms to maintain global momentum

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While most sectors are still recovering from the 2008 economic crash, the global pharmaceutical industry has emerged as a powerhouse of consistent growth. PwC's Pharma 2020 report predicts that the international industry will be worth a staggering 1.6 trillion by 2020, commenting "in some respects, pharma's never had it so good".

Such growth is always driven by a skilled and experienced workforce, yet this is becoming one of the biggest challenges the industry. This is especially relevant as companies are increasingly forced to rethink their entire business model to incorporate technology and meet new challenges in productivity and quality assurance. For example, product serialisation and traceability have become increasingly important as the industry seeks to combat the prevalence of dangerous counterfeits and grey market trading. Legislation such as the Drug Supply Chain Act coming into effect in the US this year and the Falsified Medicine Directive in the EU placed an even greater pressure on companies to track their products.

The roots of the STEM shortage

Meeting the stringent requirements of these new regulations requires the latest in data management technology and the integration of enterprise resource planning (ERP) software across all operations. Aside from meeting regulations, having a single, unified view of all data - from raw materials and production capacity to market demands – through implementing ERP and other data processes is now essential for the successful completion of many projects. Strong data management enables pharmaceuticals to power growth by greatly enhancing their productivity, decreasing costs and improving market agility. Achieving this requires the work of skilled experts, while on-going maintenance requires superbly talented technical staff across the board. Unfortunately, world-class employees are rarely available for long, so companies need to make sure they are embedded in the candidate market to avoid missing top talent.

Working with some of the world's biggest companies, we have found that those set on growth are encountering more difficulty accessing the staff they need to implement these changes and successfully expand. A pervasive lack of interest in STEM (science, technology, engineering and maths) subjects has led to a growing global shortage of the experienced, qualified technical workers pharma firms now desperately need.

The situation has intensified because the popularity of disciplines such as cyber-security, cloud and big data means technical specialists are in demand across the board. Pharma firms aren't only competing against each other for the most skilled workers, but against insurers, retailers and utility companies. These sectors are all desperate for qualified data analysts and are now looking to poach qualified workers from other disciplines.

Research from the Confederation of British Industry (CBI) found that nearly 40 per cent of firms looking for STEM-based staff encountered problems when recruiting – and roughly half thought the situation was getting worse. Meanwhile, the Change the Equation survey of the CEOs of 126 major corporations in America found that almost 98 per cent believed the current skills gap threatens their business.

Negotiating a scarce market

One impact of the shortfall is that wages for the most in-demand technical roles have increased as companies fight to attract the best talent from a dwindling pool. This increases the already significant risks of making a bad hire – something which can have negative ripple effects across an organisation.

The result is that more companies are looking to try and develop talent internally, an important and valuable trend. However, while this new workforce gets up to speed, the answer to the skills deficit may lay abroad in the meantime. Hiring within a country is generally the best option, but many markets have burgeoning skilled workforces that can be drawn upon when needed, particularly in the digital space. Eastern Europe for example has become an increasingly valuable area, aided by the ease of migration within the EU. For this reason, we recently established an offshore/onshore development centre in Lithuania to help meet the high demand.

The war for talent shows no sign of abating but leading companies are constantly innovating to try and offer the most attractive incentives, work cultures and growth prospects to retain the very best. Moving beyond this, the most forward-looking firms are making sure they are constantly engaged in the market, understanding the shifts and trends in order to adjust and capitalise. If the pharmaceutical industry is to maintain its position as one of the leaders in global growth, firms must think outside the box to secure a skilled technical workforce against fierce competition around the world.