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KEY NOTE ADDRESS BY PHARM. YAKUBU GOBIR

MAN POWER DEVELOPMENT IN COMMUNITY PHARMACY PRACTICE – ADOPTING GLOBAL BEST PRACTICES

Your Excellencies', The Governor of Enugu State, President of the Pharmaceutical Society Of Nigeria (PSN) ; The Registrar Pharmacists' Council of Nigeria; President of ACPN; The Members of the board of PSN, Members of the press, distinguished guests, ladies and gentlemen;

It gives me great pleasure to be amongst colleagues and to address you on this highly important topic for discussion. I felt compelled to share this because there appears to be a consensus that as pharmacists we MUST start to look beyond our confines, become dynamic and grow our dear profession in line with global expectations as well as best practices.

As a first line to this address, it is our collective responsibility to ensure that we have an enduring, respectable, professional and impactful delivery of pharmaceutical services in the community setting.

To achieve this, manpower development is nonnegotiable.

I would like to clarify certain points as we proceed:

- Manpower development is a process which involves planning, implementation and results.
- Manpower development in community pharmacy practice is not limited to Pharmacists alone but to all staff involved in the running of the Pharmacy.
- “Manpower” can be used interchangeably with “human resources”.
- This address will view the community pharmacist as a pharmacy professional, retailer and entrepreneur. Along the way, I will also suggest some books that can help my colleagues who want to learn more about the topics that are discussed.
- Adopting global best practices in community pharmacy practice is the path to promoting the impact of our profession in national health development goals.
- In adopting best practices, mediocre practices will have to be identified and reformed.

Background

It is July 1st, 2104 at the height of the Ebola pandemic, the Nigerian Medical Association (NMA) declares a strike by its 16,000 member strong National Association of Resident Doctors. On August 15, 2014 the Federal Government of Nigeria decides to fire all striking doctors. By the

way, the Nigerian Medical & Dental Council has 72,000 members on its roll. Out of this only 30-35,000 doctors actually practice in Nigeria going by NMA's records.

Which means over half of Nigeria's doctors are not in practice, have gone abroad, or have died (and not had had their name struck of the list of registered doctors). What would have happened if there was a full blown outbreak of the Ebola epidemic in Nigeria? The WHO recommends that there should be 1 doctor to every 600 citizens. Nigeria has a ratio of 1 doctor to 3,000 citizens. We would need 237,000 practicing doctors to meet this goal. There is a no gainsaying that there is a serious manpower deficit in the healthcare sector. It is also in my view, a national security risk.

In 2014, there were 19,000 registered pharmacists in Nigeria. This number grew to 20,507 in 2015. However, only 11,837 are licensed to practice. What has happened to about half of the Nigeria's registered pharmacists, considering that there is a serious manpower deficit in the healthcare sector? Again, there were 2,185 pharmacy technicians registered in 2014 (only 283 were licensed). By 2015 there were 2,748 (600 were licensed). Why are qualified pharmacy technicians not practicing? What other career options have they chosen, when there is a serious manpower deficit in the healthcare sector?

Let us look at the data for community pharmacy. In 2014, there were 2,705 registered pharmacies in Nigeria (the vast majority of them in Lagos State). In 2015, this number grew by 26% to 3,426 with the majority still in Lagos. On the other hand there were 50,301 registered patent medicine shops in 2014 (5,527 were licensed). In 2015, remarkably (thanks to the efforts of the Pharmacists Council of Nigeria) out of the 52,644 patent medicine stores registered – 14,250 were licensed. A growth rate of 58%. Why is there a sudden surge in the number of licensed patent medicine dealers? Please bear in mind, the serious manpower deficit in the healthcare sector.

When we compare these last figures to global standards, there are huge discrepancies. The United Kingdom, a developed country with a population of 64 million people and a successful National Health System has 2,500 Boots stores alone. There are 47,391 registered pharmacists (82% of them - 38,867 in England). There are concerns that there is an oversupply of pharmacists in the UK. On the other hand South Africa – a BRICS country with a population of 53 million has 13,475 registered pharmacists (8,134 female; 5,345 male). Stakeholders are worried that there is a huge shortage of pharmacists in South Africa

Importance of Manpower development

1. Improvement of Organization's profit figures - human beings constitute the ultimate basis of a nation's wealth. This also applies to any organization or service delivery system. When a business offers extensive training and worker enrichment programs, workers who benefit from the training become more valuable. Development of the

human resource skills and competencies lead to improved service deliveries which culminate in higher patronage and ultimately higher profits.

2. Branding/ Competitive advantage – In establishing a strong and successful brand, attention must be given to the human resource factor in projecting the right image. Branding is one of the most important aspects of any business, large or small. An effective brand strategy gives the company a major edge in increasingly competitive markets. Simply put, your brand is your promise to your customer. It tells them what they can expect from your products and services, and it differentiates your offering from your competitors. Proper manpower development of an organization allows the human resource factor to align with the company branding strategy.
3. Professional Image – A profession is a vocation founded upon specialized educational training, the purpose of which is to supply scarce counsel and service to others, for a definite compensation. The uniqueness of a profession is based on “specialized training”. Therefore in upholding and substantiating a professional image, the place of man power development is critical.
4. Loyalty – When organizations invest in their staff, the staff become loyal to the organization and offer their intellectual and emotional commitment to the achievement of its targets. The organization also maintains a higher level of employee retainment. Jack Phillips, author of "*Managing Employee Retention*," explains that workers are less likely to seek other job opportunities when employers have a stake in their growth and development."
5. Job Satisfaction - According to Dharendra Kumar, author of the book, "*Enterprise Growth Strategy*," one of the most critical components of job satisfaction is the belief that the position offers room for growth and improvement. Manpower development assists the organization with imparting this sense of worth onto the worker. When staff of the Pharmacy is satisfied, they are motivated to put in their effort into best practices.
6. Increase in productivity – Developing man power leads to increases in productivity levels. It increases their capacity to offer more valuable services.

How to develop man power within a body or organization

As established earlier, man power development is a process rather than just a passive activity. It involves planning, implementation and results. Man power development's key is training.

For man power development to be effective within an organization it must be deliberately planned and included into staff provisions; the plans must be implemented and the results from the human resource training must be measurable.

There are three major ways training of man power in an organization can be implemented:

1. Formal training- This includes induction training (for new workers), skill acquisition programs, and skill development programs. Organizing formal training towards man power development can also produce positive attitude change thereby improving productivity.
2. On the job training – Man power skills and competencies can be developed by experience on the job. The experience factor is key in building man power contributions towards organization success.
3. Professional training – Organizations can encourage and sponsor professional training and continuing education programs for its staff. This ultimately contributes to increased productivity and profit.

The Challenges of Man power development in Community Pharmacy

1. Misplaced Priorities – Community pharmacy practice entails offering of products and services which makes it a unique organization. Most pharmacies as with other profit based organizations pay the most attention to physical and capital resources rather than investing into the human resources which ultimately works the other factors of business into maximizing profit yields.
2. Lack of incentives / rewards to personal development – Lack of motivation such as pay raises or promotion to match personal skill development reduces the enthusiasm of community pharmacists and other support staff towards engaging in man power development programs.
3. Passive competition – The absence of active competition among Pharmacies does not encourage man power development.
4. Attitude of Pharmacists – The attitude of employed community pharmacists and community pharmacy owners towards continuing education/ post graduate studies discourages man power development in attaining global best practices. A number of pharmacists become complacent with just offering products and making profits on sales while leaving out important gaps in community pharmacy services and pharmaceutical care that is impactful to its customers/ patients and the overall perception of the profession to the public.
5. Lack of vision driven Pharmacies- Pharmacies without a clear vision do not set impactful goals according to global best practices and do not therefore see the necessity of investing into man power or developing excellent practice systems.

Manpower development in Community Pharmacy practice in Nigeria; Where are We?

In comparing the standards of practice of Nigerian community pharmacies with global best practices, there seems to be paradigm shift towards global standards.

The emerging “new face” of pharmacy in the country as perceived by the public shows a good positive step towards best practices. However, a lot more attention to man power development has to be in place in order to distinguish the pharmacy from a patent medicine store.

A number of community pharmacists are beginning to develop skills and competencies in offering patient care services along with quality product delivery.

According to global best practices, the community pharmacy holds a number of benefits as a setting for public health activities. With extended opening hours, no appointments needed for advice, the pharmacy has become the most accessible health setting to the public. The introduction of pharmaceutical care has further strengthened the impact of pharmacists to the community. Pharmacists now have the clinical expertise to make a difference in the way patients manage chronic conditions, use over the counter medicines/ prescription medicines and improve the safety of drug use in the public. Importantly, Pharmacists are beginning to work with other health care providers like the Doctors and Nurses towards a sustained healthcare delivery. This is in tandem with global best practice and should be encouraged.

With the community pharmacy often serving as a community health centre and pharmacists acting as the first point of care, developing man power within community pharmacy practice is imperative towards adopting global best practices. The Pharmacy management must ensure training and retraining of the pharmacist, pharmacy technicians, sales persons, helpers and all staff that are involved in the running of the day to day activities of the pharmacy. Important Skills for Community Pharmacists to develop include:

- ✓ Problem solving skills
- ✓ Communication
- ✓ Business management skills
- ✓ Team work
- ✓ Time management

Practical Steps to man power development in community pharmacy

1. Community Pharmacists should be more service oriented by investing more in their work force training in order to increase productivity and quality service delivery.
2. Community Pharmacists should have a change of attitude towards formal training/ continuous education even while on the job.
3. Incentives and rewards no matter how little should be introduced to personnel that undergo any form of skill development.
4. Community Pharmacy owners should build their business with global standards at heart.
5. Community pharmacists should see themselves as ambassadors of the profession to the public.
6. Pharmacy bodies such as the PSN and PCN should intensify discussions towards making policies to regulate and ensure man power development and continued training within community pharmacy practice in Nigeria.

Community Pharmacist As A Retailer

20 years ago I changed my career path and became a retailer – purely by accident. Over the years, I have had the privilege of working with iconic brands such as L’Oreal, Unilever, Nike, Levi’s, Swatch, Tommy Hilfiger, T M Lewin, etc – and I have learnt a lot about brand building and retailing from them

The Nigerian community pharmacist needs to start thinking and operating like a retailer. This is the reason why:

According to the US National Retail Federation out of the Top 100 Retailers in the USA in 2015 – Walmart came first with worldwide sales of \$508b. No 5 was Walgreen - \$72b. No 7 was CVS Caremark – \$69b. No 16 was Rite Aid with worldwide sales of \$26.5b. It is important to note that two of the Top 10 retailers in the United States of America are pharmacy retail chains.

In UK Retail Week’s release of the Top 100 Retailers in the United Kingdom for 2015; Tesco came in at No 1 with UK sales of £43b. No 7 was Cooperative Group (Food & Pharmacy) with £8b. Alliance Boots (Opticians & Chemists) came in at No 8 with sales of £6.7b. Lloyds Pharmacy was No 21, and Superdrug was No 32. Again, it is pertinent to note that two of the Top 10 retailers in the United Kingdom are pharmacy retail chains.

Clicks in South Africa has 496 stores (384 pharmacies) and sales in 2015 of ZAR 12.1b (approx. \$1b – subject to exchange rate fluctuations). Dischem has 100 stores, but because it is a privately held company it does not declare its figures.

So, there is a lot of money in retail pharmacy if it is done properly.

To do retail properly community pharmacists need retail training. I remember fondly, late Frederick Adenika's book '*Pharmacy Practice in Nigeria.*' I would recommend '*Four Legs of The Table*' written by Raymond Ackerman (the founder of South Africa's food retail giant – Pick n' Pay). In it Ackerman recommends that the "four legs" in effective retail management are:

Leg 1 is Administration – this includes funding, managing cash, controlling expenses, controlling shrinkage and ethical corporate governance.

Leg 2 is Merchandise - consumer sovereignty and successful business practice, branding, price wars, consumer sovereignty and South African Food Prices

Leg 3 are Promotions/ Social Responsibility. This includes advertising, public relations, social responsibility.

Leg 4 is People. Ackerman insists that this is the soul of the corporation. He advocates decentralization; investing in people; structuring and succession planning.

I would also recommend Sam Walton's '*Made in America*' where the founder of Walmart narrates how he built the Walmart empire from just one store.

As retailers, community pharmacists have to be data driven in their decision making.

Location, location, location – of course proper research in choosing the right location is paramount. A very good Point of Sale system has to be in place. It does not have to be expensive. However, it is important to measure the following metrics:

1. Number of Customers/ Day (Footfall) - pay attention to the number of visitors and the number of customers. The latter can be seen from your point of sale history. Use loyalty programs, so your customers identify themselves at the counter, then it's much easier to understand if your retail traffic is growing with new users, or you are just relying on repeat customers. Number of customers is the only metric you can grow almost infinitely.
2. Conversion Rate = No of transactions / Customer traffic x 100. This can be used to measure how good your sales people are. Improvements in sales effectiveness can easily be seen and improved upon through training. You can never get 100!
3. Average Sale (Average Basket or Average Order Value) = Naira Value of Sales/ Number of Transactions. This is by far the most powerful and the most effective measure of the

productivity of the sales system. You get more people to your pharmacy store, they do actually buy more often, but the order average is falling? Watch out, you might be pushing well paying customer away. More visitors means more hassle, you need more sales associates and your store might become too crowded. On the other hand, it can be fine if the average sale order value is not growing. In many retail businesses it is not possible to sell more expensive stuff, or buy more at the time. Spending power of the consumer and the price of the items are a limiting factor that must be considered.

4. Units Per Transaction - In general terms, if your average purchases are going up, the item count rises, too. However, it would be better, if the item count is slower to rise than sales value average. The goal is to sell for more money, not just sell more. There are ways to increase this, for example by running promos such as buy 3 for the price of 2.
5. Gross Margin = Revenue per item – Cost of items and selling process. Gross margin is what your pharmacy lives on. This has to cover all the costs of selling, including salaries, taxes, rent, transport and any other costs. If your business has debts to pay, these also must be covered by the margin, otherwise it would be impossible to survive. Generally, set the gross margin high enough so you have plenty of room to cut back. Even a successful retail business will have some goods that are harder to sell. These must be discounted to clear.

Community Pharmacist as an Entrepreneur

Traditionally, an entrepreneur has been defined as "a person who organizes and manages any enterprise, especially a business, usually with considerable initiative and risk for a profit. Rather than working as an employee, an entrepreneur runs a small business and assumes all the risk and reward of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes.

I have however come across a better definition by a Professor of mine at Harvard – Lynda Applegate who describes entrepreneurship as 'The relentless pursuit of opportunity, without regard to the finances at hand.' This for me captures the entrepreneurial spirit. Once you have a compelling business proposition, and a good business plan you can raise funding.

All community pharmacists as far as I am concerned are entrepreneurs. To succeed you need to have a strong appetite for calculated risk. The ability to see opportunity that is often not visible to most, and the ability develop a strategy to actualize that vision. You also need a huge dose of tenacity and perseverance to see the venture through to success.

There is a huge body of research that suggests that entrepreneurs are born with that gift, but I believe it can be taught. Entrepreneurship is an essential part of the manpower training needs

of community pharmacists globally. As a start, I recommend Robert Kiyosaki's *'Rich Dad, Poor Dad'* (if you haven't read it yet); and Mark McCormack's *'What They Don't Teach You At Harvard Business School'*. It is packed with important tips on starting and building your own business.

Two schools of thought exist on how to strategize and develop an action plan for your business. One is built on Harvard Professor – Michael Porter's "Five Forces" which analyses Competitive Rivalry, Threat of Entry, Threat of Substitution, Buyer Power and Supplier Power. This tool tries to determine where power is in a business situation, and who is capturing and retaining value. Success depending on the outcome of the analysis is to come up with a Differentiation Strategy. Please recall our earlier discussion about Branding and Competitive Advantage.

The other approach is Blue Ocean Strategy developed by INSEAD Professors Kim & Mauborgne. This focuses on finding "uncontested space" which renders competition irrelevant. Success with this approach relies on coming up with a Value Innovation Strategy. It is a 'Reconstructionist' view. Community Pharmacists under this methodology must reconstruct the actions and beliefs of industry players, becoming Reconstructors themselves. It is all about innovation. Joseph Schumpeter (renowned Austrian Economist), called this type of innovation "Creative Destruction".

Conclusion

If you have been made fearful by some of the suggestions that I have made in this address, let me conclude by reading you a poem *'It Couldn't Be Done'* by Edgar Guest.

Somebody said that it couldn't be done,

But he with a chuckle replied

That "Maybe it couldn't," but he would be one

Who wouldn't say so till he'd tried.

So he got right in with the trace of a grin

On his face. If he worried he hid it.

He started to sing, as he tackled the thing

That couldn't be done, & he did it.

Somebody scoffed: "Oh, you'll never do that;

At least no one ever has done it";

But he took off his coat & he took off his hat,
And the first thing we knew he'd begun it.
With a lift of his chin & a bit of a grin,
Without any doubting or 'quit it',
He started to sing as he tackled the thing
That couldn't be done, & he did it.

There are thousands to tell you it cannot be done.
There are thousands to prophesy failure;
There are thousands to point out to you one by one,
The dangers that wait to assail you.
But just buckle in with a bit of a grin,
Just take off your coat & go to it;
Just start in to sing as you tackle the thing
That "cannot be done," & you'll do it.
--Edgar Guest.

THANK YOU