I recently had a meeting with a CEO to help solve his company’s pain points. He was in need of a big dose of a strong analgesic. Falling prices, suffocating complexity, poor product development, supply chain disruption, product shortages, increasing operational costs and unhappy investors were taking him beyond his pain threshold. One pain point jumped off the screen: poor recruitment and retention. They had an attrition rate of 14 percent. “We just can’t find good people,” he said.

I told him he wasn’t alone.

TOP THREE ROADBLOCKS TO FINDING THE RIGHT PEOPLE

1. Exam obsession is dangerous! Most educational systems are obsessed with teaching to the test. Our industry is at risk from a future workforce who can pass exams but struggles with what’s needed most – excellence in problem-solving, and critical and creative thinking where high emotional intelligence is more important than IQ. When we teach to the test we kill the passion for learning. For our industry to prosper we need an agile workforce; a workforce of enthusiastic lifelong learners with the ability and passion to master new skills quickly.

Exam obsession also engrains a dangerous behavior, fear of failure. Teaching to the test installs a belief that only perfection (the right answer) is acceptable. In this imperfect world where ‘failing fast’ is key, we need a workforce (and a culture) comfortable with failure. People who use failure as an automatic springboard to more creative, innovative solutions. If we are to succeed, failure must be embraced, not feared.

2. The demographic time bomb is about to explode. How dependent is your company on loyal Baby Boomers (born 1945 – 1964)? This demographic group makes up most of the global workforce, but now for the scary part, most will have left full-time employment by 2025. How much knowledge and experience is about to walk out the door? It gets scarier. Falling birth rates will mean fewer people to replace them. The War for Talent hasn’t even started yet.

Your company’s future depends on other generational cohorts. Generations Y (1980 – 1995) and Z (born after 1995) who, immersed in a world of social media, have different social habits that could dramatically alter your workplace and working practices.

3. India and China are educational powerhouses. It’s a numbers game. With a joint population of 2.8 billion by 2020 and 3 billion by 2050, India and China will be the talent pools of the world. Indian universities produce 1.5 million engineering graduates every year. By 2025, 85 percent of STEM (science – technology – engineering – math) graduates will come from India and China.
SO, WHAT’S THE BIG DEAL?

In this VUCA (volatile, uncertain, chaotic and ambiguous) world, successful companies will be different from the rest. They will:

- Have a **high trust culture** across their supply chain from top to bottom
- Have a learning through mistakes culture and allow their people to **fail fast**
- **Never accept the status quo**, encouraging people to challenge rules, not blindly follow them
- **Fix problems and make decisions** by those closest to the action, not by management
- Excel at **brutal simplification**
- Be **risk smart**, not risk averse

We all know our products and services are only as good as our people. Those who can master these essentials will be in very short supply for two reasons. The first one has already been covered. Most educational systems teach to the test, not how to think. Secondly, our industry doesn’t invest enough in teaching people how to solve problems and think critically and creatively.

In short, successful companies will embrace the reality of a chaotic, ‘boom and bust’ world and plan for it by recruiting and developing an agile workforce.

WINNING THE TALENT WAR: HOW TO STAY OPEN FOR BUSINESS

1. **Keep your Baby Boomers** (and their legacy knowledge and experience) for as long as possible. This will mean adopting more flexible working practices to entice them to stay. You must then invest in mentorship programs that allow them to spend 30+ percent of their time coaching and mentoring leaders of the future.

2. **Brutally delegate... and expect mistakes.** To develop people, you must let go and allow them to fly solo. When they crash, and they will, focus on lessons learned - not punishment.

3. Make sure your **recruitment process focuses on values and talent**, not exam grades. Focus on the who, not the what. You can teach the rest. Challenge aptitude and expertise in what matters most for your future:

   - Creative and critical thinking. Ask them about their thoughts on De Bono, Claxton, Buzan and other ‘thinking’ experts.
   - Risk-based decision making. Get them to describe their decision making process. Give them some risk scenarios.
   - Problem-solving. Give them a problem to solve. Getting to the right answer is not the goal. It’s about the process they used. Were they systematic and data driven? More logical than emotional?
   - The ability to spot patterns and trends in data. Gone are the days of moving data to authority for a decision. We must now move authority to the data for fast analysis and decision making.
   - Emotional intelligence. Look for people who are naturally open-minded and comfortable with thoughtful disagreement. People who can naturally get beyond disagreement.

Make sure your in-house education programs are developing these skills and talents to the next level and beyond to achieve institutional mastery. Your future depends on doing these to Ph.D. level. Just focus on
finding the talent (not the qualification) and developing it. Remember, you are hiring people for the future, not the here and now.

4. **Take a walk on the wild side. Stop your obsession with BScs, MScs and Ph.D.s** as entry requirements. A lot of very intelligent and talented people don’t go to university. Look to recruit talent from other industries. If you want expertise in the supply chain, hire from fast-moving consumable goods. Want good problem-solvers? Take a look at the automobile sector. Once you’ve got the non-pharma talent, be open to their ideas and suggestions. Don’t slam the ‘compliance’ door in their face.

5. If you are based in the EU or the Americas, **establish strong relationships with the top Indian universities.** This is your future talent pool.

And a reminder for our governments and policy makers:

- When creating education policies, please talk with industry first.
- Any society that is allowed to undervalue the importance of teachers is making a perilous error. Teachers and educators should be the best of the best and rewarded accordingly.

And finally:

> "Democracy can’t succeed unless those who exert their choice are prepared to choose wisely. The real safeguard of democracy, therefore, is education". FD Roosevelt.

Amen to that.

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