

EXECUTIVE SUMMARY

The prime objective of this management field study project report is to propose solutions towards reducing the existing new hire turnover of marketing front liners at Pharmaceutical Division of Sunshine Healthcare Lanka Ltd (SHL) to a reasonable level. Being the first business entity of the Sunshine Groups, SHL is currently holding the second position in the market in terms sales volume with the unique competitive advantage of having its own distribution arm and its own retail pharmacy chain. While examining the identified issues, three managers were interviewed to gather information, in addition the company internal records and publications were used for the study.

Pharmaceutical marketing industry itself is treated as special due to some of its own unique features. Since most of the drugs are prescription based and general marketing strategies are not valid unlike in other industries. Therefore, relationship with medical practitioners is the most crucial factor of revenue generation and having an effective marketing force is a blessing for such a business. Urbanization and modernized lifestyle has led for rise in non-communicable diseases creating lots of opportunities for proactive healthcare service providers. Unfortunately, SHL pharmaceutical division has failed to grab the opportunities due to unusual new employee turnover among marketing front liners. When overall employee turnover ratio is reported as 21% for FY 2017/18, marketing front liner's ratio had recorded 33% for the same period, where the industry ratio is running about 20%. According to the historical data, 45% of marketing front liner turnover has been represented from the employees who have a short tenure, less than a year. The company has been losing approximately 4% of revenue annually due to this new hire turnover issue while wasting lots of other resources to find replacements.

During the study, several factors were revealed which have contributed in creating this situation. Out of which, employee value proposition, selection process and orientation process were recognised as key areas which have made the highest impact. Therefore, solutions to address this issue have been developed under four project components aiming to bring down the new hire turnover ratio from 45% to 20% by 31st December 2019. Also, it is expected to increase the average number of respondents for a company vacancy advertisement from 6 to 20, to enhance the skill level of the middle level managers on hiring decisions, to reduce the employee turnover due to the gap in orientation process in parallel

with accomplishment of the main objective. It has been estimated LKR 3.2Mn as total increment cost of the project and it is expected to receive net financial benefit of LKR 20.5Mn as outcome of the project. In addition to this financial benefits, number of non-financial benefits are expected at the successful completion of the project. Finally, recommendations have been brought forward by the author towards successful implementation of the project covering critical factors applicable to each solution. In addition, it has been recommended to establish proper exit interview procedure, as it is useful in measuring and monitoring successfulness of the project.