

UNIVERSITY OF LJUBLJANA
SCHOOL OF ECONOMICS AND BUSINESS

MASTER'S THESIS

**ENHANCING TALENT MANAGEMENT STRATEGY FOR THE
PHARMACEUTICAL COMPANY**

Ljubljana, April 2025

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ABSTRACT

Slovenia is becoming an international hub for the pharmaceutical industry, with several factors contributing to the advancement of the overall Slovenian pharmaceutical sector. The rapidly growing demand for talent, low unemployment, and increasing competition for skilled professionals pose a challenge for pharmaceutical companies. These companies must adapt or develop new talent management strategies to ensure sustainable growth and maintain a competitive edge.

This master's thesis is based on an in-depth understanding of current human resource practices and the specific needs of the industry, with a focus on local talent, expanding HR strategies to international markets, creating new opportunities within local community, and fostering adaptability. Key outcomes include the improvement of digital platforms for talent acquisition, the establishment of clear career paths, and the promotion of continuous professional development for employees.

Practical implications also include the implementation of the measurement of strategic objectives through key performance indicators and regular feedback collection. This will not only enhance the company's HR practices but also foster a culture of excellence, innovation, and inclusion — enabling the achievement of long-term goals and setting new standards in the pharmaceutical industry.

KEYWORDS: Talent Management, Pharmaceutical Industry, Human Resource Strategy, Attraction and Retention, Strategic Workforce Planning

SUSTAINABLE DEVELOPMENT GOALS



POVZETEK

Slovenija postaja mednarodno središče farmacevtske industrije, pri čemer k napredku celotnega slovenskega farmacevtskega sektorja prispeva več dejavnikov. Hitro rastoče povpraševanje po talentih, nizka brezposelnost in vse večja konkurenca za usposobljene strokovnjake predstavljajo izziv za farmacevtska podjetja. Ta morajo prilagoditi obstoječe ali razviti nove strategije managementa talentov, da bi zagotovila trajnostno rast in ohranila konkurenčno prednost.

Magistrska naloga temelji na poglobljenem razumevanju trenutnih praks managementa človeških virov in specifičnih potreb industrije, s poudarkom na lokalnih talentih, širitvi kadrovske strategije na mednarodne trge, ustvarjanju novih priložnosti znotraj lokalne skupnosti ter spodbujanju prilagodljivosti. Ključni rezultati vključujejo izboljšanje digitalnih platform za pridobivanje talentov, vzpostavitev jasnih kariernih poti in spodbujanje stalnega strokovnega razvoja zaposlenih.

Praktične implikacije vključujejo tudi uvedbo merjenja strateških ciljev s pomočjo ključnih kazalnikov uspešnosti in rednega zbiranja povratnih informacij. To ne bo le izboljšalo kadrovske prakse podjetja, temveč tudi spodbudilo kulturo odličnosti, inovativnosti in vključenosti — kar bo omogočilo doseganje dolgoročnih ciljev in postavljanje novih standardov v farmacevtski industriji.

KLJUČNE BESEDE: Management talentov, farmacevtska industrija, strategija managementa človeških virov, privabljanje in zadrževanje zaposlenih, strateško načrtovanje kadrov

CILJI TRAJNOSTNEGA RAZVOJA



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LIST OF ABBREVIATIONS

sl. – Slovene

DEI – (sl. raznolikost, pravičnost in vključenost); diversity, equity, and inclusion

EVP – (sl. ponudba vrednosti delodajalca); employer value proposition

HR – (sl. človeški viri); human resources

HRM – (sl. management človeških virov); human resource management

KPI – (sl. ključni kazalniki uspešnosti); key performance indicator

R&D – (sl. raziskave in razvoj); research and development

SHRM – (sl. Strateški management človeških virov); Strategic human resource management

SME – (sl. mala in srednja podjetja); small and medium-sized enterprises

1 INTRODUCTION

The pharmaceutical industry plays a pivotal role in global health and economic development, driving advancements in medical treatments, healthcare delivery, and overall human well-being. As a sector defined by rapid innovation, strict regulatory environments, and complex global supply chains, maintaining a highly skilled workforce is essential for sustaining competitiveness and growth. Over the last few decades, Europe has solidified its position as a global leader in pharmaceutical R&D, production, and market distribution. Within this context, Slovenia has rapidly emerged as a noteworthy contributor, establishing itself as a hub for pharmaceutical excellence and innovation.

Several factors have contributed to Slovenia's emergence as a pharmaceutical centre. The country benefits from a strategic geographical location, connecting Western Europe, Central Europe, and the Balkans, which offers logistical advantages for companies operating in the region. Additionally, Slovenia's favourable business climate, regulatory framework, and supportive government policies have attracted both domestic and international investors to its pharmaceutical industry. One of Slovenia's most valuable assets is its highly educated and skilled workforce, particularly in the fields of life sciences, chemistry, and engineering. This skilled talent pool has played a key role in driving the growth and success of the pharmaceutical sector, fostering an ecosystem that encourages scientific research, product development, and process innovation.

Slovenia's pharmaceutical landscape is anchored by major players such as Krka, Lek, a Sandoz company, and Novartis, which have a long-established presence in the country. These companies not only contribute significantly to the Slovenian economy but have also set high industry standards through their investments in R&D and production capabilities. Their operations encompass research and development, production, marketing, and distribution, creating a comprehensive pharmaceutical value chain within the country.

In addition to these large multinational companies, Slovenia's pharmaceutical industry has witnessed the rise of dynamic small and medium-sized enterprises (SMEs) such as Bia Separations, AciesBio, Niba Labs, etc. These companies focus on specialised areas of biotechnology, life sciences, and bioprocessing, contributing to a diverse and innovative ecosystem. The entry of such SMEs and other global players like Porton has not only expanded the scope of pharmaceutical activities in the country but also brought fresh approaches to R&D, production, and technology transfer. The combination of established corporations and agile SMEs has positioned Slovenia as an attractive destination for pharmaceutical innovation, investment, and talent development.

This growth is further emphasised by recent significant investments announced by various companies, demonstrating the industry's robust future outlook. Sandoz, for example, is currently undertaking the largest single investment in Lek's history—a high-tech biosimilar

production centre in Lendava. Alongside this, a state-of-the-art biosimilar development centre is being established in Ljubljana, both of which are expected to become operational by 2026 (Lek, 2023). These investments are not only a testament to Slovenia's growing role in global pharmaceutical manufacturing but also signal a strong commitment to advancing biosimilar development, which is a key area of focus for the pharmaceutical sector worldwide.

Similarly, Novartis has laid out plans for the establishment of a Biocampus in Mengeš, a cutting-edge facility designed to support pharmaceutical R&D and production activities. In Ljubljana, Novartis is further enhancing its capabilities with the development of a new aseptic production facility (Novartis, 2023). Bia Separations, a leader in bioprocess solutions, has also announced the creation of new R&D facilities in Ajdovščina, aimed at accelerating the development of bioprocess technologies and expanding its innovation capacity (RTV Slo, 2023). Collectively, these investments are reshaping the Slovenian pharmaceutical landscape, signalling a period of growth, technological advancement, and increased global competitiveness for the industry.

However, this rapid expansion and investment also bring significant challenges, particularly in the area of talent management. The core issue addressed in this thesis is the growing talent gap in Slovenia's pharmaceutical industry, which threatens to hinder growth and competitiveness. As the pharmaceutical sector expands, there is an increased demand for highly skilled professionals across scientific research, production, regulatory affairs, and business operations. Currently, the Slovenian labour market is experiencing record-low unemployment rates (Statistični urad Republike Slovenije, 2023), making it increasingly difficult for companies to find, attract, and retain the specialised talent necessary to meet their strategic objectives. This talent shortage not only affects production capacities but also impedes innovation, research capabilities, and overall industry growth.

This "war for talent" highlights an urgent need for pharmaceutical companies to develop robust talent management strategies. Such strategies encompass a range of HR practices, including talent attraction, recruitment, development, and retention, aimed at building a sustainable workforce to meet both present and future demands. The challenge is intensified by competition not only among pharmaceutical companies but also from other industries that seek similar skill sets, as well as the migration of talent to larger markets abroad. This makes it crucial to explore how pharmaceutical companies in Slovenia can enhance their talent management practices to address these challenges effectively and ensure a competitive advantage.

This thesis, "Enhancing Talent Management Strategy for the Pharmaceutical Company," seeks to address the growing talent gap in a particular Slovenian pharmaceutical company by providing insights into how the company can effectively build its talent pipeline, align HR practices with business objectives, and foster an environment that supports the development and retention of top talent. The purpose of this research is to develop strategic

solutions that not only meet the immediate talent needs of the company but also ensure its long-term competitiveness in the rapidly evolving pharmaceutical sector.

The aim of this study is to evaluate current talent management practices, identify gaps and challenges, and propose recommendations to bridge these gaps. It will explore how HR practices can be enhanced to align more closely with business goals and support sustained growth in a competitive market.

The growing emphasis on talent management is not only relevant for individual companies but also for the broader pharmaceutical ecosystem in Slovenia. Ensuring a steady and sustainable pipeline of skilled professionals is essential for the industry's continued growth, innovation, and global competitiveness. As Slovenia continues to establish itself as a pharmaceutical hub, effective talent management will play a central role in enabling companies to meet their strategic objectives, adapt to market changes, and respond to evolving industry demands.

In light of these challenges, this thesis sets out to explore key questions that will guide the research into how the pharmaceutical company in Slovenia can enhance its talent management strategies to meet current and future demands. These questions are essential for identifying gaps in existing HR practices and formulating actionable recommendations for strengthening the company's workforce. The specific research questions that this thesis will address are:

- How can the pharmaceutical company enhance its talent attraction, recruitment, and retention strategies to address local talent shortages and strengthen its competitive advantage in the Slovenian market?
- What are the most effective approaches for expanding talent acquisition into international markets, and how can these strategies enrich the pharmaceutical company's workforce with diverse perspectives and skills?
- How can the pharmaceutical company's HR practices be adjusted to better align with the evolving needs of the pharmaceutical industry, particularly in navigating organisational change and fostering leadership development?
- What role do early talent engagement and local community initiatives play in creating a sustainable talent pipeline for the pharmaceutical company?
- How can technology and data-driven HR practices be leveraged to improve recruitment efficiency, candidate experience, and the overall success of talent management strategies in the pharmaceutical sector?

By addressing these research questions, the study will contribute to a deeper understanding of the strategic HRM challenges facing the Slovenian pharmaceutical company. It aims to provide a comprehensive framework for HR practitioners, industry leaders, and policymakers to develop solutions that not only fill current talent gaps but also support the long-term growth and competitiveness of the company. The findings and recommendations

will help shape talent management strategies that drive the pharmaceutical company's success while reinforcing Slovenia's position as a competitive and innovative hub in the global pharmaceutical industry.

The structure of this master's thesis is designed to systematically address the research aim and the core research questions, aligning theoretical insights with practical applications in the pharmaceutical sector. The thesis begins with an Introduction that sets the context, outlines the research objectives, and emphasises the importance of talent management in ensuring the company's long-term success and competitiveness.

Following this, the Human Resource Management Frameworks chapter provides a foundation by reviewing relevant HR theories, approaches, and the role of HR in organisational effectiveness. This serves as a theoretical backdrop for the research, allowing a deeper understanding of how HRM frameworks inform talent management strategies. The discussion will begin with exploring the foundational theory of Human Resource Management and its importance in organizational success. This section provides various definitions of HRM, traces the evolution of HRM function over time and highlights how the importance of HRM has become prioritized in both theoretical and practical aspects. Several frameworks and approaches to HRM will be examined, such as soft and hard models, the Harvard framework, The Resource-Based View model and several others, with the purpose of providing a theoretical foundation for the research.

The Talent Management chapter delves into key processes such as attraction, recruitment, onboarding, and retention—central themes of the research. It examines the theoretical frameworks of talent management by defining talent and how different approaches to talent lead to different approaches to talent management strategies. This section also addresses the importance of talent management in establishing a sustainable competitive advantage and overall organisational success.

This section will focus on several HR practices such as attraction, recruitment and selection, onboarding and retention, by providing a theoretical framework for how these practices are crucial for the execution of talent management strategies. This section's structure mirrors the primary research question on enhancing talent attraction, recruitment, and retention. It also highlights gaps in the company's current strategies, paving the way for actionable recommendations later in the thesis.

The chapter on Human Resource Strategy and Its Implementation is crucial as it examines the alignment between HR strategies and business objectives. The focus is on the theoretical framework of Human Resource strategy, defining its enablers and obstacles, drawing from both classical and contemporary studies in the field. The principles of Change Management are also discussed alongside the most commonly used Change Management models, such as Kotter's model, Lewin's model, McKinsey 7s model and several others. Additionally, the chapter explores the question of Change Management from the perspective of its enablers.

Finally, the importance of leadership in shaping successful HRM strategies and change management is emphasised, supported by literature on leadership theory. The theoretical background of this section highlights how leaders play a pivotal role in the implementation of HRM strategy and in the process of change. This chapter ties directly to the second research question, which explores how HR practices can better align with the company's goals and the dynamic nature of the pharmaceutical industry. Subsections on leadership and change management address the strategic challenges identified in the research questions regarding fostering leadership and navigating organisational change.

The Empirical Research section employs both quantitative and qualitative methods to analyse the talent needs of the Slovenian pharmaceutical company within the broader industry context. This chapter responds directly to several research questions by providing an evidence-based analysis of local and international talent markets, including strategies for attracting and retaining talent. The insights gathered here facilitate a nuanced discussion of the company's competitive strengths and weaknesses, directly linking empirical findings to the proposed strategic solutions.

Finally, the Results and Findings and Strategic Recommendations chapters provide a detailed analysis of the research outcomes. These sections distil the data into actionable strategies, answering the final research questions on related leveraging technology, early talent engagement, and expanding international recruitment. The strategic recommendations are organised around four pillars, which reflect the core themes of the research, offering clear, targeted solutions to enhance talent management and ensure long-term success.

This structured approach ensures that each chapter progressively builds towards addressing the research aim and questions, blending theoretical insights with practical, data-driven recommendations to create a comprehensive talent management strategy for the pharmaceutical company.

2 HUMAN RESOURCE MANAGEMENT FRAMEWORKS

Theoretical backgrounds are crucial in guiding the exploration of complex research problems, offering a structured lens through which the subject matter is analysed and understood. This section provides an overview of the key theories and frameworks that inform the study of Human Resource Management, with a particular focus on talent management. By presenting an overview of the comprehensive theoretical framework, this thesis aims to position the research within existing academic discourse and provide a solid foundation for the analysis of talent management strategies.

Through this theoretical examination, the thesis integrates various perspectives to demonstrate how strategic HR practices can contribute to the overall success of organisations, particularly in the context of the pharmaceutical industry. This theoretical

background will guide the subsequent research and analysis and interpretation of the research findings.

The emphasis on human capital is not a recent development; the importance of people within organisations has long been recognised. At the end of the 20th century, Benjamin Schneider titled one of his papers “The People Make the Place”, highlighting the importance of individuals for the organisational success (Schneider, 1987). Jain (2023) further argues that human capital remains the most valuable asset for achieving long-term organisational goals. These perspectives reinforce the argument that effective talent management is key to ensuring sustained competitive advantage in today’s dynamic business environment, especially in the complexity of the pharmaceutical industry.

2.1 Human Resource Management

Human Resource Management (HRM) is a fundamental aspect of any organisation, encompassing the strategies, practices, and policies related to managing people within an organisation. The role of HRM has evolved significantly over the years, transitioning from a purely administrative function to a critical strategic partner in achieving organisational goals. As Armstrong and Taylor (2006) define it, HRM is a "comprehensive and coherent approach to the employment and development of people" within an organisation. When defining HRM it is important to consider the “issues concerned with the tension that can exist between the fundamental requirement on the one hand to help the organisation to achieve its aims as a business or a public or voluntary sector body, and the need on the other hand to respect and promote the interests of the people working in the organisation” (Armstrong & Taylor, 2020).

Historically, HRM was primarily concerned with personnel management, focusing on employee relations, payroll, and compliance with labour laws (Cowling & Mailer, 2013). Companies, particularly in the US and UK, have faced competition from Japanese firms, dealt with economic downturns, and sought to achieve excellence, the language used to manage their workforces evolved. The term "personnel management" is being replaced by "human resource management" or the more strategic "strategic human resource management”. This concept gained attention and sparked debate as the terminology implies that an organisation's people are assets to be developed and fully leveraged, rather than simply a variable cost to be reduced. This perspective suggests that the way employees are managed is a matter of paramount strategic importance. HRM posits that employees require less micromanagement and oversight, and more freedom and autonomy. Rather than being seen as liabilities, employees are viewed as valuable assets worthy of investment, thereby enhancing their inherent worth (Storey, 2014).

The contemporary view of HRM integrates various functions such as talent acquisition, training and development, performance management, and employee engagement. The transition from personnel management to HRM reflects a shift in organisational priorities,

where the focus is now on aligning human resource practices with business strategy to drive organisational performance (Cowling & Mailer, 2013).

2.2 Importance of Human Resource Function within Organisations

The significance of HRM is particularly evident in the pharmaceutical industry, where the ability to attract, develop, and retain top talent is crucial for maintaining a competitive edge in a highly dynamic and innovative sector. The pharmaceutical market in the European Union (EU) is projected to reach a market volume of US\$244.40 billion by 2028 (Statista, n.d.), underscoring the importance of strategic HRM in supporting this growth. In this context, HRM is not merely a support function but a key driver of business success, enhancing the organisation's capacity for innovation, efficiency, and adaptability.

The human resource (HR) function is a critical component of any organisation's structure, playing a pivotal role in driving organisational success. The significance of the HR function extends beyond traditional administrative tasks, encompassing strategic responsibilities that directly impact an organisation's performance and competitive positioning.

One of the primary roles of the HR function is talent management, which includes attracting, developing, and retaining skilled employees. In industries like pharmaceuticals, where the demand for specialised knowledge and expertise is high, effective talent management is essential for maintaining a competitive edge. Additionally, the HR function is responsible for fostering a positive organisational culture, promoting employee engagement, and ensuring that the workforce is aligned with the organisation's strategic goals (Kulik & Perry, 2023).

Moreover, the HR function plays a crucial role in managing organisational change. As businesses navigate the complexities of globalisation, technological advancements, and shifting market dynamics, the ability to manage change effectively becomes a key determinant of success. The HR function supports this by facilitating organisational development initiatives, providing training and development programmes, and ensuring that employees are equipped to adapt to new challenges (Becker & Gerhart, 1996).

In addition to these strategic responsibilities, the HR function is integral in ensuring compliance with labour laws and regulations, managing employee relations, and promoting diversity and inclusion within the workplace. These efforts contribute to creating a fair, equitable, and inclusive work environment, which is essential for attracting and retaining top talent and enhancing organisational reputation (Legge, 2020).

Overall, the importance of the HR function within organisations cannot be overstated. As organisations continue to operate in an increasingly complex and competitive environment, the role of HR in driving strategic initiatives, managing talent, and fostering a positive organisational culture will remain central to achieving long-term success.

2.3 Approaches and Frameworks of Human Resource Management

The approaches to HRM can be broadly categorised into two models: the hard and soft models of HRM, as identified by Storey (1989). These models represent different philosophies and practices within the field of HRM, each with its unique focus and implications for organisational management.

The hard model of HRM, also known as the instrumental approach, emphasises the quantitative, rational, and strategic dimensions of managing an organisation's workforce. This approach views employees as resources to be managed in a way that maximises organisational performance and achieves a competitive advantage. From this perspective, HR policies and practices are tightly aligned with the organisation's overall business strategy, with a strong focus on performance metrics, cost-efficiency, and labour productivity (Storey, 1989).

On the other hand, the soft model of HRM places a greater emphasis on the humanistic and relational aspects of managing people. This approach advocates enhancing organisational performance by prioritising employee satisfaction, motivation, and well-being. It emphasises the importance of creating a supportive work environment and fostering trust, cooperation, and adaptability among employees (Hecklau et al., 2016). The soft model aligns with the broader organisational goals such as building a positive corporate culture, promoting employee engagement, and encouraging collaboration and innovation. While it acknowledges the importance of HR policies and strategic dimensions, the soft approach promotes organisational performance and competitive advantage through job satisfaction, adaptability, cooperation and trust (Stone et al., 2020).

Both approaches have their merits, and in practice, organisations often adopt a hybrid approach that incorporates elements of both the hard and soft models. The choice of approach depends on various factors, including the organisation's strategic objectives, industry characteristics, and the external environment. In the pharmaceutical industry, where innovation and agility are paramount, there is a growing trend towards adopting the soft approach, particularly in light of global workforce shortages and the increasing demand for specialised talent (Franzino, et al., 2021).

The distinction between these models is not merely academic but has real-world implications for employee retention and organisational success. For instance, organisations that lean heavily on the hard model may face higher turnover rates if employees feel they are treated as expendable resources rather than valued contributors. This can lead to dissatisfaction, decreased morale, and a lack of long-term engagement. In contrast, organisations that adopt the soft HRM model often experience improved retention rates, as employees are more likely to feel loyal and committed when their well-being and development are prioritised (Armstrong & Taylor, 2020). Furthermore, research indicates that organisations balancing both models tend to foster a more resilient workforce, as they combine the efficiency-driven

focus of the hard approach with the engagement-driven benefits of the soft approach (Marchington, 2015).

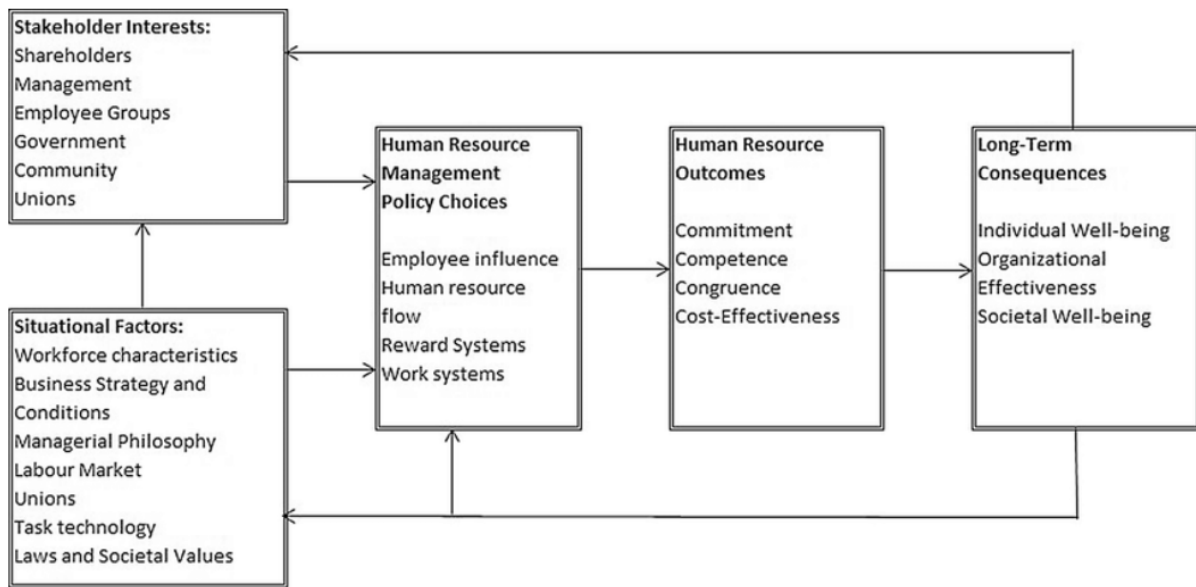
In the context of talent management, the hard and soft HRM models provide contrasting yet complementary frameworks for developing strategies that align human resource practices with broader organisational goals. By integrating elements from both models, companies can create more holistic talent management strategies that not only focus on performance and results but also foster an environment where employees can thrive and contribute meaningfully to long-term success (Schuler & MacMillan, 1984). This balanced approach is particularly crucial in industries facing rapid change and intense competition, such as the pharmaceuticals.

In addition to the hard and soft models, the Harvard HR model, developed by Beer et al. (1984), offers another significant approach to Human Resource Management. This model, developed at Harvard University, presents HRM as a more holistic and integrative approach, emphasising the importance of considering the interests of various stakeholders, including employees, management, shareholders, and the wider community (Figure 1).

The Harvard model proposes that HR practices should not only focus on the economic outcomes of the organisation but also on the well-being of employees and the broader societal impacts. This model highlights the importance of four HR policy areas: human resource flows (e.g., recruitment, selection, placement), reward systems, employee influence, and work systems. By balancing these areas, organisations can achieve harmony between their business objectives and the needs of their employees (Beer et al., 1984).

One of the core strengths of the Harvard model is its emphasis on the long-term consequences of HRM decisions. Unlike the hard model, which often prioritises short-term performance metrics, the Harvard model advocates for a more sustainable approach to managing people, recognising that the well-being of employees is crucial for long-term organisational success. This approach aligns with the growing emphasis on corporate social responsibility (CSR) and ethical business practices in today's globalised world.

Figure 1: The Harvard Framework for Human Resource Management



Source: Beer et al. (1984)

In addition to its long-term orientation, the Harvard HR model also emphasises the interconnectedness of various HR practices and their alignment with organisational strategy. It views HRM as an open system where decisions in one area—such as recruitment or employee development—can have far-reaching impacts across the organisation. For example, effective human resource flows can enhance not only employee engagement and retention but also contribute to organisational agility in responding to market changes. Similarly, the development of fair and transparent reward systems is seen as critical to fostering employee motivation and satisfaction, which, in turn, enhances productivity and loyalty (Beer et al., 1984).

Another distinctive feature of the Harvard model is its focus on employee influence and participative decision-making. This model advocates for giving employees a voice in the organisation's decision-making processes, which aligns with theories of democratic leadership and inclusive organisational cultures. By involving employees in discussions about work systems, job design, and other critical issues, the organisation benefits from diverse perspectives and greater buy-in from the workforce. This participatory approach contrasts with the more top-down, hierarchical nature of the hard HRM model, where decision-making is often centralised. Moreover, by incorporating employee input, the Harvard model aligns HR practices with broader organisational goals, facilitating a culture of trust, cooperation, and innovation, elements which are vital for sustained competitive advantage in today's complex business environments (Brewster, 2016).

Beyond the hard, soft, and Harvard models, several other approaches to HRM have emerged over the years, reflecting the evolving nature of work and the diverse needs of organisations. One such approach is the Resource-Based View (RBV) of HRM, which posits that an

organisation's human resources are a source of competitive advantage when they are valuable, rare, inimitable, and non-substitutable (Barney, 1991). According to this perspective, the strategic management of human resources can create a sustained competitive advantage by developing and leveraging the unique skills, knowledge, and abilities of employees. Other authors also emphasise that HR practices are a significant source of competitive advantage (Schuler & MacMillan, 1984).

The Resource-Based View (RBV) of HRM shifts the focus from external market conditions to internal organisational resources, particularly human capital, as the key drivers of sustained competitive advantage. This perspective argues that the unique capabilities and competencies of an organisation's workforce—when effectively managed—can lead to superior performance that competitors cannot easily replicate. By investing in the development of employees through tailored training programmes, fostering innovation, and creating a strong organisational culture, firms can ensure that their human resources are both unique and difficult to imitate (Wright et al., 1994). This aligns with the idea that HR practices should not merely be reactive to market demands but should actively shape the firm's strategic capabilities through the continuous improvement and engagement of employees.

Furthermore, the RBV framework suggests that organisations should focus on creating and maintaining "strategic assets" within their workforce, such as high levels of employee engagement, institutional knowledge, and a collaborative organisational culture. This contrasts with the more transactional approach seen in the hard model of HRM, where the primary focus is on cost efficiency and labour productivity. By treating employees as strategic assets, organisations can foster higher levels of innovation and adaptability, which are critical in dynamic industries like pharmaceuticals. Additionally, research suggests that aligning HR practices with the RBV can also improve employee retention, as employees who feel valued and integral to the organisation's long-term success are more likely to remain loyal and committed (Boxall, 1996).

Another approach is the Best Fit approach, which emphasises the alignment of HR strategies with the specific context of the organisation, including its industry, business strategy, and external environment. This approach argues that there is no one-size-fits-all solution to HRM; instead, HR practices should be tailored to the unique needs and circumstances of each organisation. The Best Fit approach is often associated with the idea of contingency theory, which asserts that the effectiveness of HR practices depends on how well they align with both internal organisational factors and the external environment. This approach suggests that HRM should not be viewed in isolation but as a key component of the broader organisational strategy. For example, organisations operating in highly competitive and fast-paced industries may benefit from adopting flexible HR practices that emphasise agility, innovation, and employee empowerment. On the other hand, companies in more stable environments might focus on standardising processes and ensuring efficiency. Ultimately, the Best Fit approach promotes the idea that HR practices should evolve in response to

changes in the organisation's lifecycle, external market conditions, and strategic direction to maintain competitive advantage (Boxall & Purcell, 2003). This adaptability is crucial in industries such as pharmaceuticals, where rapid technological advancements and regulatory shifts require HRM strategies that support continuous learning, innovation, and agility.

The Best Practice approach, on the other hand, advocates for the adoption of a set of universal HR practices that are believed to lead to superior organisational performance, regardless of the context. This approach is based on the idea that certain HR practices, such as extensive training and development, performance-based pay, and employee participation, are universally effective in enhancing employee motivation and productivity. The Best Practice approach contrasts sharply with the Best Fit approach by suggesting that there are specific HR practices that can yield positive outcomes across a variety of organisational contexts. Proponents of this approach argue that implementing a core set of effective HR practices can help organisations achieve higher levels of employee engagement, satisfaction, and overall performance, regardless of their specific circumstances. For instance, practices such as selective recruitment, comprehensive training programmes, and performance management systems are viewed as essential elements that foster a high-performance work environment (Pfeffer, 1998) This perspective is supported by empirical research indicating that organisations that adopt these best practices tend to outperform their competitors in terms of productivity and profitability (Huselid, 1995).

Boselie (2010) further expands the discussion on HRM by introducing the concept of different types of relationships in the employment context. According to Boselie, the employment relationship can be understood through three primary lenses: unitarist, pluralist, and radical perspectives.

The unitarist perspective views the organisation as a cohesive whole, with a single source of authority (management) and a common set of goals shared by all members. From this viewpoint, conflicts within the organisation are seen as rare and are usually attributed to miscommunication or the actions of a few individuals. The unitarist approach aligns with the hard model of HRM, where management's role is to enforce organisational goals and maintain order.

The pluralist perspective, in contrast, recognises the existence of diverse groups within the organisation, each with its own interests and objectives. This perspective accepts that conflict is an inherent part of organisational life, resulting from the different interests of management and employees. The pluralist approach advocates for negotiation, collective bargaining, and the establishment of formal mechanisms to resolve conflicts. This perspective is more aligned with the soft model of HRM, which emphasises employee voice and participation.

Finally, the radical perspective, rooted in Marxist theory, views the employment relationship as inherently exploitative, with conflict arising from the fundamental power imbalance

between capital (employers) and labour (employees). This perspective challenges the legitimacy of the capitalist system and calls for a more equitable distribution of power and resources within the organisation. While less common in mainstream HR practices, the radical perspective provides a critical lens through for examining the structural inequalities that exist in the workplace (Boselie, 2010).

Understanding these different types of relationships in the employment context is crucial for companies, as it helps them to navigate the complexities of managing people in diverse organisational settings. By recognizing the underlying dynamics of the employment relationship, HR managers can develop more effective strategies for managing conflict, promoting cooperation, and fostering a positive organisational culture.

Boselie also examined human resource management through the lens of the relationships that exist between employees and the organisation. He identified four distinct types of contracts that define this work relationship:

- Legal Contract: This contract establishes the rights and obligations of both the employee and employer within the employment relationship.
- Economic Contract: This agreement reflects the mutual understanding between the employee and employer regarding the level of effort the employee will invest in their job, which is evident in the number of working days. In return, the employer compensates the employee for this effort through salary.
- Psychological Contract: This encompasses the unwritten expectations that both the employee and the organisation hold. It includes elements that are not explicitly stated but are anticipated by both parties. For instance, an employee may choose to invest extra time in a project with the expectation that such efforts could lead to future promotions.
- Sociological Contract: This aspect represents the social relationships that employees maintain with one another within the organisation. It encompasses the interpersonal connections and networks among employees, such as those formed through teamwork and collaboration.

Overall, the importance of the HR function within organisations cannot be overstated. As organisations continue to operate in an increasingly complex and competitive environment, the role of HR in driving strategic initiatives, managing talent, and fostering a positive organisational culture will remain central to achieving long-term success.

3 HUMAN RESOURCE STRATEGY AND ITS IMPLEMENTATION

Strategy plays a pivotal role in an organisation's success by defining its long-term goals and objectives, as well as guiding the allocation of resources required to attain these aims. Chandler (1962) contends that an organisation's structure should be designed to align with

its strategy, thereby enhancing operational efficiency and effectiveness. This congruence between strategy and structure is essential for maintaining a competitive advantage and fostering organisational growth.

Human Resource strategies have increasingly become vital to achieving organisational goals in a rapidly changing business environment. By aligning HR practices with broader company strategies, organisations can enhance their competitive advantage. This builds upon the theoretical framework provided, expanding on the critical elements of HR strategies, the enablers and obstacles that influence their success, and the roles of change management and leadership in their implementation.

3.1 Human Resource Strategy

Human Resource Strategy refers to a deliberate and systematic plan aimed at aligning the human resources function with the overall strategy of the organisation. The primary objective of an HR strategy is to ensure that the company's human capital contributes to achieving its strategic goals (Renk, 2018). The development of an HR strategy involves understanding the internal and external environment, defining the desired outcomes, and determining the HR policies, practices, and processes that will drive these outcomes.

According to Porter (1996), the essence of any strategy is to perform activities differently or to perform different activities than rivals, which leads to a sustainable competitive advantage. An effective HR strategy achieves this by ensuring that the company's human capital is utilised in a way that differentiates the organisation from its competitors.

Strategic human resource management (SHRM) has evolved as a field, moving from traditional HR practices to a more integrated approach where HR functions are aligned with strategic objectives. This alignment is critical in industries like pharmaceuticals, where innovation and knowledge are key drivers of success (Collings & Mellahi, 2009). The integration of HR strategy with the company's overall strategy ensures that the organisation's human resources are not only supportive of business goals but also play a proactive role in achieving them.

The strategic alignment between HR practices and organisational objectives is not merely a theoretical concept but a practical necessity in today's business environment. Companies that fail to align their HR strategies with business strategies may find themselves at a competitive disadvantage. For instance, in the pharmaceutical industry, where the competition for top talent is fierce, a well-crafted HR strategy that aligns with the company's innovation goals can make the difference between leading the market and falling behind (Iles et al., 2010). This alignment ensures that the human resources within the organisation are not only competent but also motivated and engaged in achieving the company's strategic goals.

Moreover, the concept of strategic agility is becoming increasingly important in the implementation of HR strategies. Strategic agility refers to the ability of an organisation to rapidly adapt to changes in the external environment, a capability that is particularly crucial in fast-paced industries (Kotter, 2014). HR strategies must, therefore, be flexible and dynamic, capable of evolving as the business landscape changes. This requires not only forward-thinking leadership but also an organisational culture that supports continuous learning and innovation.

Strategic workforce planning is an essential element of HR strategy, particularly in knowledge-intensive industries like pharmaceuticals. It involves anticipating future workforce needs and developing plans to ensure that the organisation has the right talent in place to achieve its strategic objectives (Cappelli, 2008). This process includes analysing current workforce capabilities, identifying gaps, and developing strategies to attract, retain, and develop talent. In the pharmaceutical industry, where specialised skills and expertise are critical, strategic workforce planning enables companies to remain competitive by ensuring a steady pipeline of talent. Furthermore, strategic workforce planning supports organisational agility by enabling companies to respond quickly to changes in the external environment, such as new regulatory requirements or technological advancements (Boudreau & Ramstad, 2007). Effective strategic workforce planning also involves scenario planning, which helps organisations prepare for various future possibilities and ensures that HR strategies are resilient and adaptable (Kottke & Pelletier, 2006).

The integration of digital technologies into HR strategies is becoming increasingly important in the modern business environment. Digital transformation in HR involves the use of technology to streamline HR processes, enhance decision-making, and improve employee experiences (Parry & Tyson, 2011). Technologies such as artificial intelligence, big data, and cloud computing have revolutionised HR practices, from recruitment and talent management to performance evaluation and employee engagement (Marler & Boudreau, 2017). For example, AI-driven recruitment tools can analyse large volumes of candidate data to identify the best fit for a role, while big data analytics can provide insights into employee performance and predict future workforce trends. Additionally, digital platforms enable more flexible and remote working arrangements, which are increasingly in demand in the post-pandemic world (Deloitte, 2021). However, the successful implementation of digital HR strategies requires careful consideration of data privacy and security issues, as well as managing the organisational changes that accompany new technologies (Stone & Dulebohn, 2013).

In addition to strategic alignment and agility, the role of technology in HR strategy cannot be overlooked. Technological advancements have transformed how HR functions are executed, from recruitment and selection to performance management and employee development (Kulik & Perry, 2023). Companies that leverage technology in their HR strategies can gain a competitive edge by improving efficiency, reducing costs, and enhancing employee experiences. However, the integration of technology into HR strategies

also presents challenges, such as ensuring data security and managing the change associated with new technologies.

It is essential to consider the global context in which many companies operate. Globalisation has led to an increasingly diverse workforce, and HR strategies must be designed to manage this diversity effectively. This includes understanding cultural differences, promoting inclusion, and ensuring that HR practices are fair and equitable across different regions (Cowling & Mailer, 2013). By doing so, companies can leverage the diverse perspectives and experiences of their global workforce to drive innovation and growth.

3.2 Human Resource Strategy – Enablers and Obstacles

The successful implementation of an HR strategy depends on various enablers and can often be hindered by certain obstacles. Enablers of HR strategy include organisational culture, leadership commitment, and the alignment of HR policies with business objectives (Daft, Benson, & Henry, 2020). Organisational culture plays a pivotal role as it influences how employees perceive and react to HR initiatives. A culture that supports innovation, continuous learning, and employee engagement can significantly enhance the effectiveness of HR strategies.

Continuous learning and development are critical to the success of HR strategies, particularly in industries characterised by rapid change and innovation, such as pharmaceuticals. Organisations that invest in employee development are better positioned to adapt to new challenges and seize opportunities in the marketplace (Garavan et al., 2016). Learning and development initiatives not only enhance individual capabilities but also contribute to organisational resilience by fostering a culture of continuous improvement and innovation (Aguinis & Kraiger, 2009). Furthermore, in the context of HR strategy, continuous learning supports the alignment of employee skills with the evolving needs of the business, ensuring that the workforce remains competitive and capable of driving the organisation's strategic objectives (Noe, 2017). In addition, leadership development programmes are essential for preparing future leaders to navigate the complexities of the business environment and effectively implement HR strategies (Day, 2001). By prioritising continuous learning and development, organisations can enhance employee engagement, reduce turnover, and build a strong foundation for long-term success.

Communication is a fundamental aspect of effective strategic management. Mintzberg (1987) suggests that strategies are not solely conceived by top executives but are also shaped through interaction and dialogue among various organisational levels. This iterative process ensures that strategies are understood, adapted, and implemented effectively throughout the entire organisation.

Successful implementation hinges on a company's ability to overcome the most important obstacles that prevent successful strategy execution, as the execution itself is the most crucial

part of the strategy. Several key obstacles, if addressed properly, can be overcome. Addressing key obstacles adequately can pave the way for their resolution. Those key obstacles are:

- Inability to overcome internal resistance.
- Poor or inadequate information sharing between individuals or business units responsible for strategy implementation.
- Unclear communication of responsibility for execution decisions or actions.
- Lack of feeling of “ownership” of a strategy or execution plans among key employees.
- Lack of incentives or inappropriate incentives to support execution objectives.
- Insufficient financial resources to execute the strategy.
- Lack of upper-management support for strategy execution (Hrebiniak, 2005).

3.3 Change Management

According to Burnes (2004), change is a constant aspect of organisational life, impacting both operational and strategic levels. Therefore, it is crucial for organisations to have a clear understanding of their future objectives and effectively manage the necessary changes to achieve those goals. Resistance to change is a common challenge, particularly in organisations with deeply entrenched practices and a workforce that may be hesitant to adopt new ways of working.

Change management is a critical component of implementing HR strategies, especially in dynamic industries such as pharmaceuticals. According to Tand and Tang (2019), change management is essential in modern organisations, as it not only helps sustain the diversity of current operations but also guides the organisation’s future direction. It involves a structured approach to transitioning individuals, teams, and organisations from a current state to a desired future state (Kotter, 2014). According to Kotter (2014), change management is not just about managing the logistics of change, but also about leading and inspiring people throughout the process. He introduced an eight-step model for leading successful change, which includes creating urgency, building a guiding coalition, developing a strategic vision, and removing obstacles (Figure 2). This structured approach is critical for minimizing disruption during the implementation of new HR strategies and ensuring that the changes take root within the organisation.

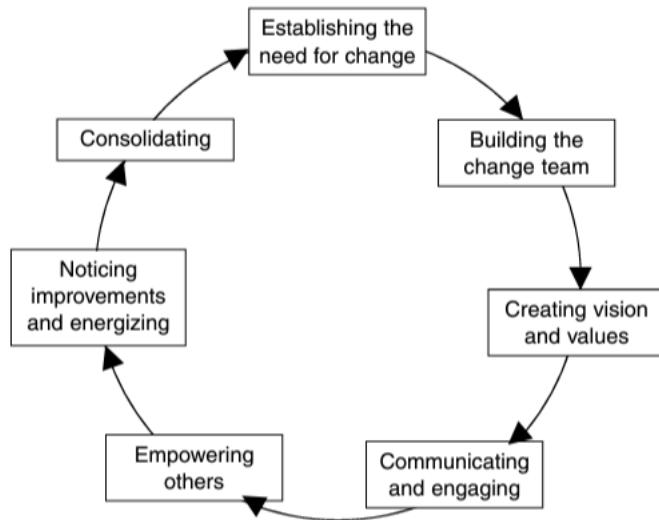
Figure 2: Kotter's 8-Step Change Model

1. **Establish a sense of urgency.** Discussing today's competitive realities, looking at potential future scenarios. Increasing the 'felt-need' for change.
2. **Form a powerful guiding coalition.** Assembling a powerful group of people who can work well together.
3. **Create a vision.** Building a vision to guide the change effort together with strategies for achieving this.
4. **Communicate the vision.** Kotter emphasizes the need to communicate at least 10 times the amount you expect to have to communicate. The vision and accompanying strategies and new behaviours needs to be communicated in a variety of different ways.
The guiding coalition should be the first to role model new behaviours.
5. **Empower others to act on the vision.** This step includes getting rid of obstacles to change such as unhelpful structures or systems. Allow people to experiment.
6. **Plan for and create short-term wins.** Look for and advertise short-term visible improvements. Plan these in and reward people publicly for improvements.
7. **Consolidate improvements and produce still more change.** Promote and reward those able to promote and work towards the vision. Energize the process of change with new projects, resources, change agents.
8. **Institutionalize new approaches.** Ensure that everyone understands that the new behaviours lead to corporate success.

Source: Kotter (1995)

Kotter's eight-step model is based on insights gained from his consulting experience with 100 organisations undergoing change. However, it is criticised for not emphasising enough the need for managers to be involved in all the steps (Cameron & Green, 2019). As a result, authors have developed their own model for practical use, which shares parallels with Kotter's model, however, it views change as a circular process, rather than a linear one (Figure 3).

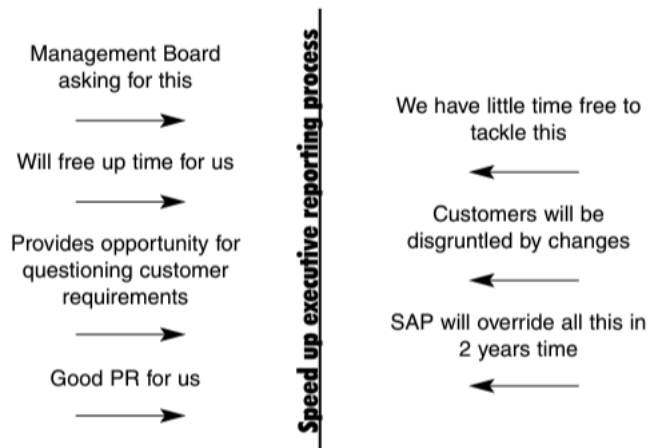
Figure 3: Cycle of Change



Source: Cameron & Green (2019)

Within the change management theory, there is a well-known model, older than Kotter’s, introduced by Kurt Lewin (1951). The main principle that underlying this model is that the driving forces of change should always outweigh the resisting forces of change (Figure 4). Lewin’s model consists of three steps: Unfreeze, Move and Refreeze. First step “Unfreeze” involves defining the current state, bringing to the surface both driving and resisting forces and visualising the desired final state. The second step “Move” involves moving to a new state by taking actions, participating and involvement. The third step, “Refreeze”, involves stabilising the new state, making it permanent and rewarding for that success.

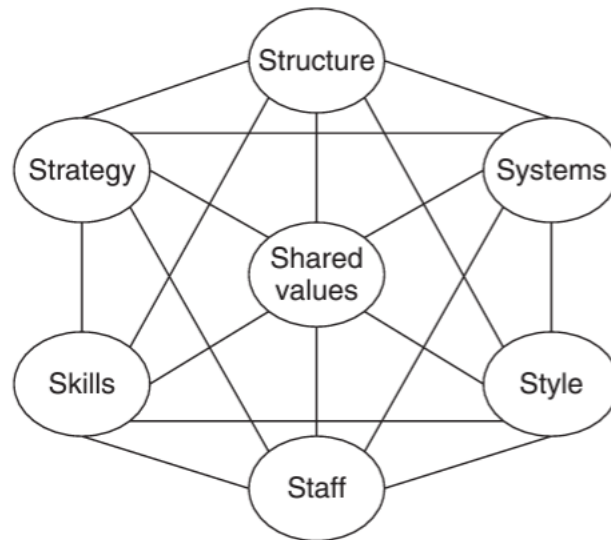
Figure 4: Lewin’s Force Field Analysis



Source: Lewin (1951)

One more change management model that is widely used in practice, was presented by McKinsey, a consultancy firm, which based its model on extensive experience in their consultancy practice (Channon & Caldart, 2015). The model is called the “7S model” and it links structure not only with the strategy but also with other elements of the organisation’s ecosystem (Figure 5).

Figure 5: The McKinsey 7S Model



Source; McKinsey & Company (2008)

We can see that the 7S model specifies the importance of different elements in the change management process (and not the only model that includes this context). As previously mentioned, organisational culture plays a pivotal role in implementation of HRM strategies. In the process of change, organisational structure can either facilitate or hinder progress. As Schein (2010) suggests organisational culture must be aligned with the change initiative to ensure long-term success. Organisational cultures that are flexible, innovative, and open to new ideas are more likely to adapt to change smoothly.

One of the key challenges in change management is the emotional and psychological resistance that employees may experience. As highlighted by Ford, Ford, & D'Amelio (2008), resistance is not always a negative reaction but can stem from a variety of concerns, including fear of the unknown, perceived threats to job security, and the potential loss of familiar routines or relationships. Understanding these underlying concerns is essential for HR managers and leaders to address resistance proactively. Engaging employees early in the change process, providing clear communication, and offering opportunities for feedback can help reduce anxiety and build trust in the change effort. Research by Armenakis, Harris, and Mossholder (1993) underscores the importance of creating a shared understanding of the change and fostering commitment through clear communication and involvement of employees in the change process.

And finally, leadership plays a crucial role in change management. As highlighted by Armstrong and Taylor (2006), leadership commitment is crucial for sustaining change. Leaders must not only endorse the change but also model the desired behaviours, demonstrating their commitment to the new direction. Leaders act as change agents, providing guidance, support, and direction to their teams throughout the transition. When leaders are visibly involved in the change process, it sends a strong signal to the workforce that the change is both important and necessary. This can help alleviate resistance and foster a culture of adaptability within the organisation. Furthermore, leadership engagement helps in managing the emotional aspects of change by reassuring employees that they have the support needed to navigate the transition successfully.

Importance of Leadership

As previously highlighted, leadership is a critical factor in the success of HR strategies as well as change management. Strong, effective leadership serves as the driving force behind an organisation's ability to adapt and thrive in a rapidly changing business environment. Leaders are not only responsible for crafting the vision for change but also for steering the organisation through the challenges that inevitably accompany such transitions. According to Kotter (2014), leaders must create a sense of urgency around the need for change, clearly communicate the vision, and build a guiding coalition to champion the change effort. Without strong leadership, change initiatives are likely to falter, as employees may feel uncertain about the rationale behind the changes or lack the motivation to adjust their behaviours. Leaders must ensure that change is framed not as a disruptive or negative process, but as an opportunity for growth and improvement that aligns with the organisation's long-term goals. By providing a clear and compelling narrative for why change is necessary, leaders help to reduce resistance and build a shared commitment to the change initiative. Effective leadership ensures that HR strategies are not only well-designed but also successfully implemented across the organisation. Leadership is responsible for translating strategic objectives into actionable HR practices that drive organisational performance (Ulrich, et al., 2012). Additionally, leaders must navigate complex organisational dynamics and address resistance to change, ensuring that the workforce is aligned with the company's strategic goals. The involvement of top management in HR strategy is critical as it signals the importance of HR initiatives to the rest of the organisation and fosters a culture of accountability and continuous improvement (Kotter, 1995).

According to Beer and Nohria (2000), successful change initiatives often involve leaders who are not only committed to the change process but also empathetic to the concerns of their workforce.

We have discussed the importance of a flexible corporate culture as one of the enablers of change and successful implementation of strategies, and as Schein (2010) argues, leaders are the primary architects of organisational culture, and their actions and behaviours can either reinforce the status quo or promote a shift towards a more adaptable and innovative culture.

In terms of HR strategy, this means that leaders must cultivate a culture that values continuous learning, diversity, and adaptability—key factors that contribute to long-term success in a changing business environment.

Furthermore, leadership is essential for the sustainability of change efforts. One of the common pitfalls in change management is that organisations may successfully implement initial changes but fail to maintain momentum over the long term. Leaders must ensure that change becomes an integral part of the organisation's operations and not just a temporary initiative. This requires sustained effort, continuous communication, and the reinforcement of new behaviours and practices. As shown in Kotter's (2014) eight-step model, consolidating gains and producing more change is a critical step in ensuring that the benefits of the initial change are not lost. Leaders must be vigilant in identifying areas where further change is needed and continue to push the organisation forward, even after the initial objectives have been achieved.

Finally, leadership plays a critical role in fostering an inclusive work environment, which is increasingly recognised as a key component of successful HR strategies. In today's diverse and global workforce, leaders must champion diversity, equity, and inclusion (DEI) initiatives as part of the overall HR strategy. Thomas and Ely (1996) highlight that inclusive leadership creates a work environment where all employees feel valued and are given equal opportunities to contribute and succeed. This is particularly important in the context of change management, where different employee groups may experience change in different ways. Inclusive leadership ensures that all voices are heard and that change initiatives are sensitive to the needs and concerns of a diverse workforce.

Overall, leadership is a critical element in the success of both HR strategies and change management initiatives. Leaders provide the vision, direction, and motivation needed to navigate the complexities of organisational change, while also ensuring that HR strategies are aligned with broader business objectives. Their role in addressing resistance, shaping organisational culture, and sustaining change efforts cannot be overstated. Ultimately, strong leadership is the cornerstone of a successful HR strategy, driving not only the implementation of change but also the long-term success and adaptability of the organisation.

4 TALENT MANAGEMENT

Talent management has emerged as one of the most prominent topics in people management and development, gaining significant attention from both practitioners and academics (Collings, 2014). Talent management is a comprehensive approach to attracting, developing, retaining, and utilizing people with the required skills and aptitudes to meet current and future organisational needs. The concept of talent management has gained significant attention in recent years, particularly as organisations recognise the critical role that talent

plays in achieving a competitive advantage. Collings and Mellahi (2009), define talent management in a way that integrates a number of streams of thinking on talent management: “activities and processes that involve the systematic identification of key positions which differentially contribute to the organisation's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organisation”. CIPD defines talent management as the “systematic attraction, identification, development, engagement, retention, and deployment of those individuals who are valuable to an organisation because of their potential or the critical role they have” (CIPD, 2023). Meyers & van Woerkom (2014) refer to talent management as “the systematic utilisation of human resource management (HRM) activities to attract, identify, develop, and retain individuals who are considered to be “talented””. Talent management is not just a function of HR, it is a critical business process that involves collaboration across all levels of management (Beevers et al., 2019) and it is “of a vital importance to organisational viability and business success” (Meyers, 2016). While HRM concentrates on policies and practices that are universally applicable, talent management emphasises differentiation and segmentation by tailoring policies, practices, and resource allocation according to the significance of specific positions and individuals. This approach implies that certain individuals may receive disproportionately greater attention (McDonnell & Wiblen, 2020).

In practice, the way companies compete to get the best talent demonstrates that talent is crucial. Organisations around the world are becoming increasingly aware of the challenges in effectively managing talent to achieve their strategic goals (Collings et al., 2017).

The roots of talent management can be traced back to the early 20th century with the development of human resource management (HRM) practices. However, it was not until the late 1990s that the concept of talent management emerged as a distinct field of study. The increasing globalisation of business, the rapid pace of technological change, and the growing importance of knowledge-based economies have all contributed to the rise of talent management as a critical organisational function (Lewis & Heckman, 2006).

Talent management encompasses various HR practices, including talent acquisition, talent development, succession planning, and talent retention. The goal of talent management is to create a high-performance workforce that can drive organisational success. This requires a strategic approach that aligns talent management practices with the organisation's overall business strategy. In this context, talent management is not just about managing people; it is about managing the organisation's most valuable asset - its people (Collings & Mellahi, 2009). According to Goestjahjanti et al. (2020) findings “talent management has a positive and significant influence on employee engagement”.

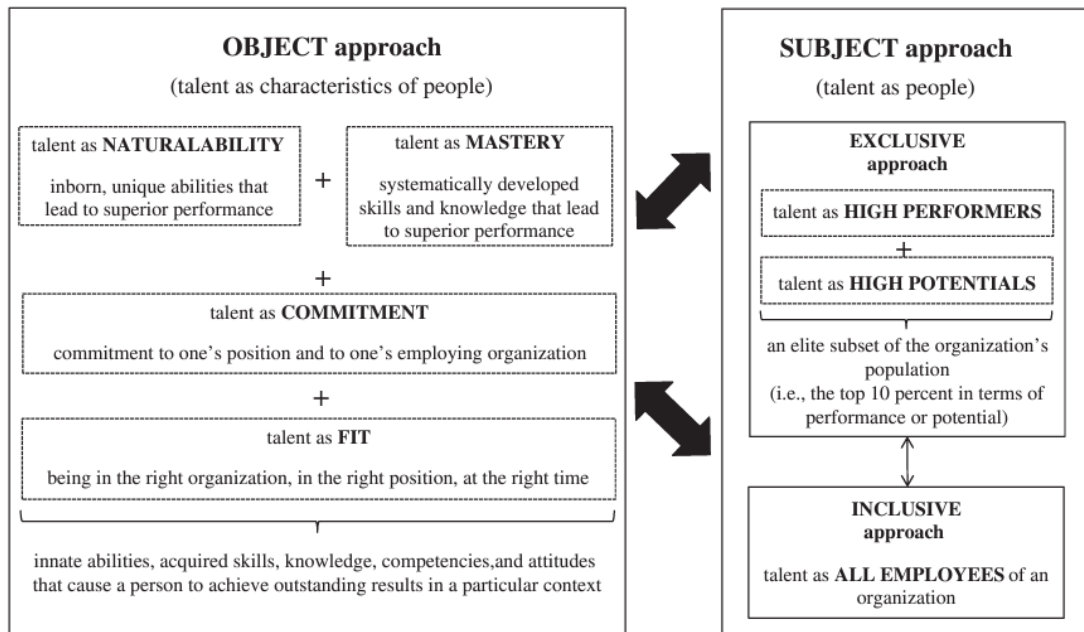
In the pharmaceutical industry, where innovation and specialised knowledge are key drivers of success, talent management is particularly important. The ability to attract, develop, and

retain top talent is crucial for maintaining a competitive edge in this rapidly evolving sector. Companies that excel in talent management are better positioned to navigate the challenges of the global market and achieve long-term success (Franzino et al., 2021).

Gallardo-Gallardo et al. (2013) propose a comprehensive framework that organises theories of talent management into two main approaches: talent as an object and talent as a subject (Figure 6). In the first category, talent is viewed as a set of attributes or qualities inherent to an individual. This perspective breaks down talent into four distinct dimensions: natural ability, mastery, commitment, and fit. "Talent as natural ability" refers to innate skills or competencies that individuals are born with, which are critical for high performance in specific roles. "Talent as mastery" focuses on the expertise individuals acquire through experience and learning, making them valuable contributors to an organisation. "Talent as commitment" emphasises the importance of dedication and effort, suggesting that individuals who are deeply committed to their roles can drive organisational success. Lastly, "talent as fit" highlights the alignment between an individual's abilities and the organisational culture or specific role requirements, arguing that the right fit is essential for unlocking an individual's potential and maximising their contribution to the organisation.

The second category, the subject approach, views talent through the lens of who is considered talented. It encompasses two primary interpretations: "talent as all people" and "talent as some people." In the "talent as all people" perspective, every employee is seen as having unique strengths and potential, with the focus on creating opportunities for all employees to develop and contribute. This inclusive approach aligns with the belief that organisations should nurture the potential of all individuals, promoting broad-based engagement and development. In contrast, the "talent as some people" perspective adopts a more exclusive view, focusing on identifying and investing in a select group of high-potential or high-performing individuals who are deemed critical to achieving the organisation's strategic objectives. This exclusive approach is often associated with the traditional "war for talent" mindset, where resources are concentrated on a limited pool of top performers to maximise organisational impact.

Figure 6: Framework for the Conceptualisation of Talent within the World of Work.



Source: Gallardo-Gallardo et al. (2013)

Further exploration into talent management reveals two perspectives: exclusive-people and inclusive-people approaches. Iles et al. (2010) highlight that the exclusive-people approach focuses on individuals with the highest performance and potential. This approach to talent is supported by many organisations in practice, and the Chartered Institute of Personnel and Development (CIPD), as a globally recognised institute, has based their talent definition on this approach (CIPD, 2023). The inclusive-people approach, on the other hand, considers every employee as having potential talent. Both perspectives are relevant, but their application depends on the organisation's strategic goals. Historically, the exclusive-people approach to talent management has been the dominant paradigm, but today an equal number of organisations are adopting more inclusive methods (Dries & Kaše, 2023). Recent studies indicate a growing trend towards the inclusive approach, particularly in organisations that emphasise employee development and engagement. Nevertheless, companies need to be very transparent and careful in their communication on what talent is, as Björkman et al. (2013) highlight the potential for subjective bias in talent identification, as it often relies on managerial judgment, which can be influenced by personal perceptions and organisational politics.

The field of talent management has experienced significant growth and advancements over the past few years, becoming a crucial area of research, especially in examining contemporary talent management topics relevant to the modern workforce and organisations (Tarique, 2021). This significance is understandable, as in organisations that invest in people, employees are more likely "to reciprocate these corporate investments in positive

ways” (Khoreva et al., 2017). Research also shows that talent management has a positive effect on retention (Kusuma et al., 2023).

The theoretical framework of talent management provides a solid foundation for understanding how organisations can effectively manage their human capital to achieve strategic goals. Building on these talent management concepts, several key HR practices come into play and will be explored in this thesis. The first HR practice to be defined is attraction, involving various strategies used by companies to position themselves as desirable employers and appeal to talented individuals. The next crucial process that will be explored is recruitment and selection, which ensures that the right candidates are chosen, aligning with the organisation's needs and cultural fit. Following recruitment and selection, the next phase of the employee life cycle, onboarding, will be described, as effective onboarding facilitates a smooth integration into the organisation, helping new employees to quickly adapt and contribute. Finally, retention strategies will be included, as they aim to keep valuable employees engaged and committed, reducing turnover and maximising organisational stability. Together, these HR practices form a cohesive system that supports the organisation's talent management framework, fostering both individual and organisational growth.

4.1 Attraction

Attraction is a process that involves identifying and appealing to potential candidates who possess the skills, knowledge, and attributes needed by the organisation. This phase is crucial as it lays the foundation for building a strong talent pipeline. Effective attraction strategies are closely linked to an organisation's employer brand, which is the perception of the organisation as an employer by current and potential employees (Edwards, 2010).

Employer branding plays a vital role in the attraction process, as a strong employer brand can differentiate the organisation from its competitors and attract high-quality candidates. Organisations with a strong employer brand are perceived as desirable places to work, which can lead to higher levels of interest from potential candidates (Backhaus & Tikoo, 2004). This is particularly important in industries such as pharmaceuticals, where the demand for specialised talent often exceeds the supply.

One of the critical aspects of the attraction process is the psychological contract, which refers to the unspoken, informal agreement between an employer and employee regarding mutual expectations (Rousseau, 1995). The psychological contract can significantly impact a candidate's decision to join an organisation. If candidates perceive that an organisation is likely to fulfil their psychological contract, they are more likely to be attracted to that organisation (Guest & Conway, 2002). The alignment between the employer's promises and the perceived fulfilment of those promises is crucial in the attraction phase. When an organisation has a reputation for honouring these psychological contracts, it strengthens its

employer brand and enhances its attractiveness to potential candidates (Conway & Briner, 2009).

In addition to employer branding, attraction strategies may also include targeted recruitment efforts, such as job fairs, campus recruitment, and social media campaigns. These strategies are designed to reach potential candidates in various settings and create awareness of the organisation and its opportunities. In the pharmaceutical industry, companies often collaborate with universities and research institutions to attract top talent in scientific and technical fields (Breugh & Starke, 2000).

The attraction phase also involves understanding the factors that influence candidates' decisions to join an organisation. These factors may include compensation and benefits, work-life balance, career development opportunities, and organisational culture. By understanding and addressing these factors, organisations can develop more effective attraction strategies that resonate with their target audience (Chapman et al., 2005).

As mentioned, the concept of organisational culture plays an important role in the attraction process. A strong, positive organisational culture can be a powerful attractor for potential candidates, particularly those who prioritise the work environment and value alignment in their job search (Schein, 2010). Organisations that clearly communicate their cultural values through their employer branding and recruitment efforts are more likely to attract candidates who are a good fit for their culture, leading to higher retention and job satisfaction (Chatman & O'Reilly, 2016).

The growing emphasis on diversity and inclusion in the workplace has also influenced attraction strategies. Companies that are perceived as being genuinely committed to diversity and inclusion are more likely to attract a diverse talent pool, which can enhance creativity, innovation, and performance within the organisation (Hunt et al., 2018). Diversity and inclusion initiatives must be integrated into the employer brand and communicated clearly to potential candidates to maximise their impact on attraction efforts (Barak, 2016).

The use of digital platforms has also revolutionised the attraction process. Social media, professional networks like LinkedIn, and online job boards have become essential tools for reaching a broader audience and engaging with potential candidates in real time. This shift towards digital recruitment has made it easier for organisations to connect with talent across the globe, but it also requires a strategic approach to online engagement and brand management (Pandita, 2022).

The rise of artificial intelligence (AI) in recruitment has further transformed the attraction landscape. AI tools can analyse large volumes of data to identify the most suitable candidates, enabling organisations to target their recruitment efforts more effectively (Esch & Black, 2019). AI can also personalise the candidate experience, providing customised job recommendations and interactions, which can enhance the attractiveness of the organisation.

Another key consideration in the attraction process is the understanding of labour markets. Taylor and Woodhams (2022) emphasise that organisations must have a clear understanding of local, regional, and global labour markets to identify where potential talent resides and how best to attract it. They need to track those conditions as they vary considerably over time (Taylor, 2018). This understanding helps organisations to adapt their attraction strategies to the specific characteristics of their target markets, whether that involves focusing on local talent or expanding their reach to global candidates. It is important to take into consideration expectations that those different talent pools can have (Zupan et al., 2017).

Finally, organisations need to understand different generations and their needs when creating any attraction strategy. For example, Generation Z is soon to become a majority of the workforce in the near future, alongside Generation Y. Organisations need to understand that they cannot “hold fast to old” methods and expect to change the lifestyle and work attitude of the whole generation. They need to adjust their expectation and strategies (McCrinkle & Fell, 2019). Despite those challenges, younger generations bring increased creativity and digital skills, which presents an opportunity for organisations (Zupan et al., 2022).

4.2 Recruitment and Selection

According to Bratton and Gold (2017), "Recruitment is the process of generating a pool of capable people to apply for employment to an organisation. Selection is the process by which managers and others use specific instruments to choose from a pool of applicants a person or persons most likely to succeed in the job(s), given management goals and legal requirements."

Recruitment refers to the process of generating a pool of qualified candidates for a particular job or role. This process may involve various activities, such as job postings, employee referrals, recruitment agencies, and headhunting. The goal of recruitment is to attract a diverse group of candidates who meet the organisation's requirements (Breaugh & Starke, 2000).

Selection, on the other hand, involves assessing and evaluating the candidates who have applied for the job to determine the best fit for the organisation. Selection methods may include interviews, assessments, background checks, and reference checks. The selection process is critical, as hiring the right person for the job can lead to higher levels of job performance, job satisfaction, and organisational commitment (Ryan & Tippins, 2004).

In the pharmaceutical industry, recruitment and selection processes are often highly specialised, given the technical and scientific nature of many roles. Companies may require candidates with specific educational backgrounds, certifications, or experience in certain areas of research and development. As such, recruitment and selection strategies must be tailored to meet the unique needs of the industry (Cooke et al., 2014).

One of the key challenges in recruitment and selection is ensuring fairness and avoiding bias in the process. Organisations must implement best practices to ensure that all candidates are evaluated based on their qualifications and potential to contribute to the organisation. This may involve using structured interviews, standardised assessment tools, and diverse hiring panels (Ployhart & Holtz, 2008).

The recruitment and selection process is also closely linked to the organisation's overall talent management strategy. By selecting individuals who align with the organisation's values and culture, companies can build a workforce that is not only skilled but also engaged and committed to the organisation's success (Chatman, 1989).

Recent developments in recruitment and selection have seen the incorporation of advanced technologies such as Artificial Intelligence and data analytics. These tools help organisations to streamline the recruitment process, enhance the accuracy of selection methods, and reduce bias. For instance, AI-driven recruitment platforms can analyse large volumes of applicant data to identify the best candidates, predict job performance, and match individuals to roles that align with their skills and experience (Upadhyay & Khandelwal, 2018). However, the use of AI in recruitment also raises ethical considerations, particularly concerning bias and transparency (Bogen & Rieke, 2018). Organisations must navigate these challenges carefully to ensure that their use of AI does not undermine their employer brand or deter potential candidates

Moreover, the concept of “recruitment marketing” has emerged as a crucial aspect of the recruitment process. Recruitment marketing involves using marketing strategies and tactics to promote job opportunities and attract candidates. This approach is particularly useful in a competitive labour market, where organisations need to stand out to attract top talent (Reis et al., 2021).

One of the emerging trends is the use of data analytics to refine recruitment strategies. Organisations increasingly rely on data-driven insights to understand which attraction strategies yield the best results and to continuously improve their recruitment processes (Marr, 2018). By analysing data on candidate behaviour, organisations can identify patterns and trends that inform their attraction strategies, allowing them to target their efforts more effectively and improve their employer brand (Roth et al., 2020).

4.3 Onboarding

Understanding attraction and, recruitment and selection processes is not enough. They are just the initial phases of the employee lifecycle. Following is another crucial phase of an employee's lifecycle – onboarding.

Onboarding is the process of integrating new employees into the organisation and helping them become productive members of the team. Effective onboarding programmes are

essential for ensuring that new hires are well-prepared to succeed in their roles and contribute to the organisation's goals (Bauer, 2010). It is a process of “systematically socialising” newcomers to assist them in the adoption phase and to smooth the transition as much as possible, as the new hires are at a high risk of quitting (Snell & Morris, 2018).

Onboarding typically begins with orientation, which introduces new employees to the organisation's policies, procedures, culture, and values. This phase may also include training on specific job-related skills and tools that the employee will need to perform their duties. The goal of orientation is to provide new hires with the information and resources they need to get started in their new role (Bauer, 2010).

Beyond orientation, onboarding also involves ongoing support and development during the employee's first few months on the job. This may include mentoring, coaching, and regular check-ins with managers to ensure that the new hire is adjusting well and has the support they need. Effective onboarding can lead to higher levels of job satisfaction, better job performance, and lower turnover rates (Klein & Polin, 2012).

In the pharmaceutical industry, onboarding is particularly important given the complex and regulated nature of the work. New employees must quickly become familiar with industry-specific regulations, safety protocols, and quality standards. As such, onboarding programmes in this industry may involve extensive training and support to ensure compliance with these requirements (Klein & Polin, 2012).

Onboarding is not just about getting new hires up to speed; it is also an opportunity to reinforce the organisation's values and culture. By providing a positive onboarding experience, organisations can help new employees feel welcomed and valued, which can lead to higher levels of engagement and commitment (Cable et al., 2013).

In addition to traditional onboarding practices, virtual onboarding has become increasingly important in the context of remote work. The COVID-19 pandemic accelerated the shift towards remote work, prompting organisations to develop virtual onboarding programmes to ensure that new hires could integrate into the organisation even when working from home (Godinho et al., 2023). Virtual onboarding presents unique challenges, such as fostering a sense of belonging and ensuring effective communication, but it provides organisations with distinct opportunities to utilise technology for developing innovative and adaptable onboarding experiences. A successful virtual onboarding process can help new employees feel integrated into the team, grasp the company culture, and acquire the necessary knowledge and skills to thrive, even in a remote setting. To accomplish this, organisations might need to adopt new tools and practices, such as virtual mentorship programmes, online training modules, and consistent virtual check-ins, to ensure that employees receive adequate support throughout the onboarding journey (Gartner, 2020).

Furthermore, onboarding is not a one-time event; it is an ongoing process that can extend over several months. The most effective onboarding programmes continue to support

employees long after their initial orientation, helping them to build relationships, understand their roles, and contribute meaningfully to the organisation. Organisations that invest in comprehensive onboarding programmes are more likely to see higher levels of employee engagement, satisfaction, and retention (Bauer & Erdogan, 2011). Therefore, the duration of the onboarding process should be tailored to the unique requirements of each industry or organisation, ensuring that new employees are afforded sufficient time to assimilate and attain the expected level of performance.

4.4 Retention

Attracting, recruiting, and onboarding candidates are challenging tasks, however, if a company is not able to retain its employees, it will not only have implications on the company's results but also on employees morale (Snell & Morris, 2022). While companies discuss engagement and its importance, it is necessary to define engagement clearly, the drivers and enablers of engagement in companies, and how it can be measured and enhanced. Engagement can be defined as a positive feeling that an employee has toward the job. An employee is engaged if they are motivated and passionate about it and completely immersed, dedicated, and committed (Truss et al., 2006).

One way to ensure employees stay engaged is to have proper retention policies (Armstrong & Taylor, 2006). Retention refers to the ability of an organisation to keep its employees and prevent turnover. Employee retention is a critical aspect of talent management, as high turnover rates can lead to increased costs, loss of institutional knowledge, and disruptions in organisational performance. Several factors influence employee retention i.e. explain why employees stay or quit, including job satisfaction, organisational culture, extrinsic rewards, advancement opportunities, flexible work arrangements etc. Organisations that prioritise these factors are more likely to retain their top talent and maintain a stable workforce (Hausknecht et al., 2009).

In the pharmaceutical industry, retention is particularly important given the specialised knowledge and skills required for many roles. Losing key employees can have significant consequences for ongoing research and development projects, regulatory compliance, and overall organisational performance. As such, companies in this industry must implement targeted retention strategies to keep their top talent (Frank & Taylor, 2004).

One effective retention strategy is to provide opportunities for career development and advancement. Employees who feel that they have a clear career path within the organisation are more likely to stay and contribute to its long-term success. This may involve providing training and development programmes, mentorship opportunities, and clear pathways for promotion (Kraimer et al., 2011). Companies that invest in learning and development foster a workforce that feels valued and equipped to face industry challenges, thereby increasing their inclination to remain with the company (Hall & Moss, 2018). When creating career development strategies, it is crucial to bear in mind the vital importance of employee

retention in the effectiveness of succession planning. Damer (2020) contends that maintaining high-potential employees is critical for establishing a strong internal pipeline of future leaders.

Another important retention strategy is to create a positive organisational culture that fosters employee engagement and satisfaction. This may involve promoting a healthy work-life balance, recognising and rewarding employee contributions, and creating a supportive and inclusive work environment. By creating a culture where employees feel valued and appreciated, organisations can increase their chances of retaining top talent (Saks, 2006). Flexible working hours, telecommuting options, and supportive leave policies can contribute to a satisfactory work-life balance, which in turn enhances job satisfaction and retention (Kossek & Thompson, 2016).

Competitive compensation, including salaries, bonuses, and benefits, is a direct strategy for retention. Organisations need to ensure their compensation packages are competitive within the industry to prevent talent from moving to competitors. However, monetary compensation should be balanced with non-financial benefits such as health insurance, retirement plans, and employee wellness programmes, which play a significant role in an employee's overall satisfaction and their decision to stay with an employer (Milkovich et al., 2014).

Effective leadership is crucial in maintaining a high retention rate. Leaders who are approachable, fair, and supportive influence their teams' satisfaction and commitment levels. Training managers to become better leaders can have a profound impact on retention, as they are the primary interface between the company and its employees (Goler et al., 2016).

Retention strategies must be aligned with the overall talent management framework, ensuring that the organisation's approach to attracting, developing, and retaining talent is consistent and cohesive. This alignment helps create a work environment where employees are not only satisfied with their jobs but are also motivated to stay and grow within the organisation (Collings et al., 2009).

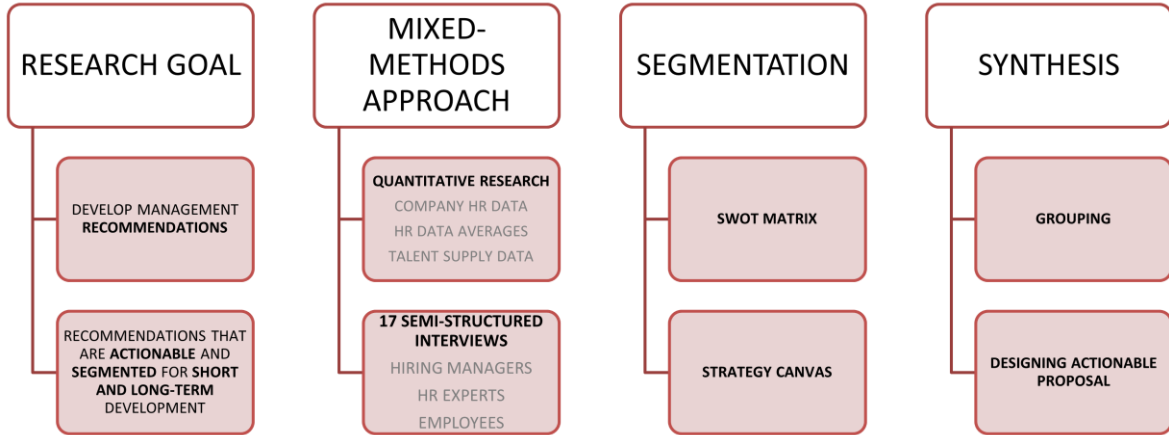
Effective employee retention is a vital component of successful talent management. By understanding the factors that influence retention and implementing strategies that address these factors, organisations can reduce turnover, retain their top talent, and maintain a stable and productive workforce. In the competitive landscape of the pharmaceutical industry, where specialised talent is in high demand, investing in retention strategies is not just beneficial but essential for long-term success (Frank & Taylor, 2004).

5 EMPIRICAL RESEARCH

We employed a mixed-method research approach, integrating qualitative and quantitative techniques (see Figure 7). On the quantitative side, we have analysed internal and external

environment data and summarised the findings in the SWOT. Qualitatively, we have analysed data derived from interviews and summarised the findings in the Strategy Canvas.

Figure 7: Methodological Framework



Source: Own work.

We analysed the potential of the current talent pool in Slovenia and the wider regional to understand the opportunity for talent mobility. This helped us find ways to enhance the pharmaceutical company’s talent pipeline and boost robustness for the identified threats that the company can expect to face in the future.

We performed correlational and regression analyses for quantitative data to identify relationships between current HR practices, employer reputation, and competition performance. For qualitative data, we employ thematic analysis to identify common themes and patterns from the responses, offering more profound insights into underlying issues and the needs of hiring managers, as well as the expectations of candidates and employees. These methods were used to identify strengths and weaknesses.

Finally, we used visualisations like SWOT and Strategy Canvas to highlight the identified areas and their impacts on the pharmaceutical company’s ability to meet its future talent needs. The SWOT analysis was used to present strengths and weaknesses as internal factors, and opportunities and threats as external factors.

After performing the analysis, we defined factors which we then cross-checked with existing HR practices to define the most critical gaps. We used a Strategy Canvas to present the gaps divided into three groups:

1. Excellent - meaning no improvement needed;
2. Good - meaning there is room for improvement;
3. Poor - meaning they do not exist, or the scope is too narrow.

For developing proposals, we focused on two groups, the good and poor factors.

The findings of this analysis were then used to identify the gaps in HR practices and develop strategies to improve them. The outcome of this thesis research is a strategic framework, organised into four pillars, encompassing recommendations for further HR improvements.

To enhance comprehension of the external environment and established HR practices, additional sources were consulted. These encompass diverse online information, including online articles, blogs, news reports etc. In the document, we refer to these data as "other sources".

This methodology provided a detailed and accurate analysis of the pharmaceutical company's HRM strategies, broader external and industry environment, and competition landscape. In the thesis, we use the terms "market analysis" for the analysis of the external environment and "comparative analysis" to describe the qualitative analysis of interviews' findings.

5.1 Quantitative Research

In addition to publicly available data, this thesis draws on internal information provided by the pharmaceutical company. This includes anonymised HR data related to talent attraction, recruitment, onboarding, and retention. The data were redacted as needed to ensure confidentiality and were used exclusively to support the analysis and the development of strategic recommendations.

To understand the current labour situation and the effectiveness of current HR practices within the pharmaceutical company we gathered the company's internal data. It was provided by the pharmaceutical company's HR team based on our list of required data regarding employees' statistics, attraction, recruitment and selection, onboarding, and retention practices (see Appendix 1). Later on we compared this data with the industry averages.

We also used data from outsourced surveys such as the four "MojeDelo Ideal Employer Brand" reports, which provided us with insights into the company's employer brand reputation, and its competitive position. It also allowed us to determine benchmarking companies (MojeDelo, 2021a; MojeDelo, 2021b; MojeDelo, 2022a; MojeDelo, 2022b). Another important source was the "Best Practices Report" issued by the Association of Slovenians Educated Abroad. It helped us determine the willingness of these Slovenes returning to Slovenia (Hodak et al., 2021).

Additionally, we used various macroeconomic and other indicators like GDP per capita, Healthcare index, Unemployment rate, Quality life index, etc. to analyse the external

environment in Slovenia and the broader region and better understand talent supply trends in the pharmaceutical industry.

The term 'region' in this context is used to encompass a selection of Slovenia's neighbouring and proximate countries. The inclusion of these countries is based on factors that influence labour mobility and talent attraction to Slovenia, such as GDP per capita, healthcare index, unemployment rate, quality of life index, pollution index, average wage, and comparative living standards. Specifically, the 'region' consists of Slovenia's direct neighbours as well as countries from which the pharmaceutical company has successfully sourced talent in the past (Bosnia, Macedonia, and Serbia). Moreover, it includes nearby countries characterised by a strong pharmaceutical industry presence and similar market dynamics (Czech Republic and Slovakia). Finally, the 'region' also extends to additional countries with a relatively lower standard of living, based on the parameters mentioned above, and that possess a well-established pharmaceutical sector (Romania and Bulgaria). This approach to defining the region enables a comprehensive analysis of labour markets that are both relevant and potentially beneficial for sourcing talent to meet the company's needs.

5.2 Qualitative Research

Qualitative research was conducted by gathering internal data. The pharmaceutical company's HR team provided us also with descriptive answers (Appendix 1). In addition, we searched for good practices in the already mentioned "Best Practices Report" and through conducting interviews. We conducted 17 in-depth interviews with 4 different focus groups:

1. Internal hiring managers from development and production units (4) (see the questions in Appendix 5),
2. HR experts and consultants from the pharmaceutical company (1) and competitors (3) (see the questions in Appendix 6),
3. A student worker (1) and employees at competitors (6), some of whom went through an unsuccessful selection process at the pharmaceutical company (2) (see the questions in Appendix 7),
4. A current employee (1) or a student worker (1) who has experienced other competitors' HR practices. (see the questions in Appendix 7)

Our goals were different from one focus group to the other. On the one hand, the first group helped us determine effective and ineffective HR practices based on their hiring needs. The second group helped us to explain internal HR processes and to find good practices across the competition landscape. On the other hand, the last two groups helped us to gain insights into the "candidate's experience" and "employee's experience" in the pharmaceutical company and its competitors. We used the empathy roadmap – a Design Thinking method, with which we defined the most "frustrating" and "rewarding" touchpoints.

We compared these insights with the strengths and weaknesses from the “Ideal Employer Report” to see how much frustration comes from excessive expectations, and *vice versa*. This helped us to later develop strategic proposals.

Overall, we identified 12 national and international competitors for benchmarking. Most of them are from the pharmaceutical industry (7), while some are from other industries (5). The latter are common employers for workers in the production and support units. In addition, we gathered good practices and insights from the 4 of these companies and one HR Consulting company. All companies are listed in the Appendix 2.

5.3 The Pharmaceutical Company and its Talent Needs

The pharmaceutical company is a prominent pharmaceutical company in Slovenia, recognised for its significant contributions to the healthcare sector through the development, production and distribution of high-quality medicines. The company's strategic vision is to pioneer access to advanced medicines and to improve patient treatment options globally. To realise this vision, the company places a strong emphasis on scientific innovations and collaborations with research organisations both within Slovenia and internationally.

The pharmaceutical company's projections indicate substantial growth in its workforce requirements over the coming years, with an average of several hundred new employees needed annually. Historically, the company has already successfully managed to hire a similar number of employees per year in the last few years. However, the intensifying competition in the Slovenian talent market, driven by the robust growth of the (bio)pharmaceutical industry, necessitates a revision of the company's human resource management practices.

The company foresees a significant demand for new talent across all its functions, with the highest need in production sites, which are expected to account for 65-70% of total new hires in the next few years. The company also places a strong emphasis on early talent engagement through student work, internships, scholarships, and Erasmus+ internships, predicting an average engagement of more than 200 early talents per year.

Despite these efforts, there remains a notable gap between talent demand and supply, highlighting the need for targeted activities and programmes to attract both early and experienced talents. The pharmaceutical company has a long tradition of different talent initiatives employed to bridge this gap. However, the persistent low employment rate and the uncertainty regarding the return on investment from these initiatives raise questions about the efficacy of the current talent acquisition strategies.

The significant future talent demand, combined with record low unemployment rates and intensified competition for suitable talent, underscores the necessity for a comprehensive review and enhancement of the pharmaceutical company's talent strategy. This includes

revisiting and potentially adjusting its talent attraction, recruitment, selection, onboarding, and retention practices to better align with the evolving needs of the business and the competitive landscape.

5.4 Analysis of Broader and Industry Environment

The pharmaceutical industry operates within a complex and dynamic broader environment influenced by economic, regulatory, and market factors. Analysing these factors is crucial to understand the external conditions impacting talent supply and demand, and to develop strategies that align with the industry's needs and opportunities.

5.4.1 Talent Supply in the Pharmaceutical Industry

The pharmaceutical market has been growing in the region and the European Union. The European pharmaceutical market reached US\$187.20bn in 2023. Revenue is expected to show an annual growth rate of 5.48%, resulting in a market volume of US\$244.40bn by 2028 (Statista, 2023). The pharmaceutical industry in the EU is the industry with the largest trade surplus, which means that a significant part of the 865,000 jobs in the pharmaceutical industry is driven by developing and manufacturing medicines in the EU. Furthermore, the industry contributes €131bn per year to the EU gross value added and it is a cornerstone of the EU economy (Copenhagen Economic, 2023).

The success of the pharmaceutical industry growth in the EU is inherently tied to its ability to attract and keep top talent. Recruiting and retaining talent is the biggest challenge the pharmaceutical industry is facing today (PharmExec, 2023). The industry demands a workforce with diverse skill sets, ranging from scientific expertise to regulatory acumen, business acuity and production workers. Attracting individuals possessing the required set of skills is a complex task, given the specialised nature of the pharmaceutical field. The global nature of the pharmaceutical industry adds another layer of complexity to talent management. Companies operate in various regions, each with its unique cultural nuances, regulatory environments, and healthcare systems. Effectively recruiting and retaining talent necessitates an understanding of these diverse factors and the ability of the company to tailor strategies accordingly.

In many aspects, the life sciences industry is at the forefront of the Slovenian economy. It is the most R&D-intensive industry and features some of Slovenia's best-performing companies. It is one of the fastest-growing and the second-highest exporting sector. In relative terms (production per capita), Slovenia is one of the five largest drug-manufacturing nations in Europe, according to the European Federation of Pharmaceutical Industries and Associations (EFPIA) (Slovenia Business, 2023).

In addition to the overall growth of the pharmaceutical industry in Slovenia, it is important to point out that the country's strategic investments in biosimilar development and production will strongly contribute to a growing emphasis on the biosimilar footprint in Slovenia, aligning with the overall expansion of the biosimilar market in Europe (Imarc, 2023). With its expected operational status by 2026, this initiative will position Slovenia as a unique destination in the pharmaceutical industry.

5.4.1.1 National Talent Market Supply

Slovenia's economic vitality, as evidenced by its high GDP per capita and quality of life indices, serves as a magnet for talent from both within and outside the country. The country takes pride in its exceptional education system, contributing to its global reputation for academic excellence and producing a highly skilled workforce. Notably, Slovenia has the highest rate of PhDs per capita in the world (World population review, 2023), underscoring its commitment to advanced education and research. This strong emphasis on education is supported by a robust research sector, which plays a pivotal role in driving innovation and maintaining the competitive edge of the country's industries, particularly pharmaceuticals. The healthcare system, characterized by a competitive healthcare index, further enhances Slovenia's appeal to professionals seeking a superior quality of life.

While Slovenia's educational system is currently producing a sufficient volume of well-educated talent to support the pharmaceutical sector's growth, its ability to quantitatively meet future demands remains uncertain. The limited size of the domestic talent pool, coupled with the sector's rapid expansion, necessitates exploring opportunities beyond national borders to ensure a steady and diverse supply of skilled professionals in the coming years. This strategic approach is crucial for sustaining the long-term development and competitiveness of the pharmaceutical industry in Slovenia.

5.4.1.2 Regional Talent Market Supply

The pharmaceutical company's strategic location in Slovenia is a significant advantage, allowing it to access talent pools of neighbouring countries. Countries such as Bosnia and Herzegovina, Serbia, Macedonia, Bulgaria, Hungary, Slovakia, and Croatia present viable options for sourcing talent. These countries offer a blend of economic conditions and educational systems that consistently skilled professionals. However, the limited number of pharmaceutical companies in some of these countries restricts the availability of experienced industry professionals.

5.4.1.3 Country Canvas: Talent Sourcing Countries

As the pharmaceutical industry expands in Slovenia, the challenge of recruiting and retaining top talent becomes increasingly pronounced. With Slovenia's limitation in terms of size on

one hand and low unemployment rate on the other, the companies will need to explore opportunities for talents beyond national borders. But how to begin? Where should the focus be? Which country/region might be the best potential talent pool? To answer these questions, our starting point was macroeconomic data analysis considering the following parameters: GDP per capita, Healthcare index, Unemployment rate, Quality of life index, Pollution index, Average wage, and Same standard comparison or the comparison of living standards.

5.5 Analysis of Competitive Strengths and Weaknesses

The comparative analysis is structured to align with the list of TA phases, i.e., attraction (employer branding), recruitment and selection, onboarding, and retention.

5.5.1 Attraction – Employer Branding

In the comparative analysis of the pharmaceutical company's and its competitors' HR practices, the pharmaceutical company has demonstrated exceptional performance in attracting talent. An interview-based approach supports that in many aspects the pharmaceutical company is already well-equipped to attract talent. Still, some challenges remain in attracting experienced researchers/experts and production workers. Both talent pools are limited, and to successfully recruit them, the company will need to implement targeted strategies.

5.5.1.1 *Local Talent: The Ideal Employer Report*

Insights from this report highlight ways the pharmaceutical company can enhance the communication of its employer branding and employer value proposition. As the pharmaceutical company has been recognised as a reputable employer, we have revised areas where the competition is outperforming according to this report.

The MojeDelo Ideal Employer Brand reports analyse 40 attributes across four categories: Employer Reputation & Image (ERI), People & Culture (PC), Remuneration & Advancement Opportunities (RAO), and Job Characteristics (JC). The four reports from 2021 and 2022 (MojeDelo, 2021a; MojeDelo, 2021b; MojeDelo, 2022a; MojeDelo, 2022b) show that competitors outperformed the pharmaceutical company in 10 attributes.

Table 1: Attributes where Competition Outperformed the Pharmaceutical Company

Non-Academic¹ - 2021 and 2022 Attributes where competition performs better than the pharmaceutical company.	Academic² - 2021 and 2022 Attributes where competition performs better than the pharmaceutical company.
1. Inspiring leadership (ERI)	9. Encouraging work-life balance (P&C)
2. Team-oriented work (JC)	10. Corporate social responsibility (ERI)
3. Embracing new technologies (ERI)	7. Variety of assignments (JC)
4. Inspiring purpose (ERI)	8. A friendly work environment (P&C)
5. Flexible working conditions (JC)	
6. A creative & dynamic working environment (P&C)	
7. Variety of assignments (JC)	
8. A friendly work environment (P&C)	

Source: MojeDelo (2021), MojeDelo (2022)

The analysis reveals that competitors surpassed the pharmaceutical company in 10 attributes. These attributes are primarily attributed to the Employer Reputation & Image category (4 attributes), followed by People & Culture (3), and Job Characteristics (3). The pharmaceutical company’s Remuneration & Advancement Opportunities rank competitively. Notably, 'Variety of Assignments' (JC) and 'Friendly Work Environment' (PC) spread to both groups – non-academic and academic professionals, but there were also some specifics. Under non-academics six unique attributes, fall under the umbrella term 'Inspirational Collaboration', while academics, we have two unique attributes, indicating different expectations between the two groups. Many of the attributes on this list are also the ones in the top 45% of attractive attributes among both groups, making them worthy of consideration.

Based on these reports we identified several companies we wanted to include in the interviews. To ensure the privacy of the interviewees, their respective employers are not disclosed; however, we can list them here in random order:

1. Slovenske železnice;
2. Akrapovič;
3. Johnson & Johnson;

¹ Non-Academic professionals are individuals with high school degree, higher vocational education degree, and no degree.

² Academics, on the other hand, include individuals with attained Bachelor’s, Master’s, MBA, and PhD degree.

4. Petrol;
5. Lek;
6. Gen-I;
7. Krka.

5.5.1.2 *The Pharmaceutical Company's Attraction Practices*

As outlined in the opening chapter on the pharmaceutical company's talent needs, the pharmaceutical company is putting a strong effort into attraction activities. A specialised unit named Special unit carries most of the responsibilities here. Together with the pharmaceutical company's HR team, and business support, they form a strong alliance for forging a wide pool of talent, focusing primarily on local and early talent for development and support functions.

The Special unit was established within the organisation to focus specifically on talent attraction and engagement, dedicating resources, and expertise to this crucial area. The unit has hosted, co-created, and participated in events aimed at the development of innovations, talents, and collaboration with educational and research institutions, economic chambers, and professional associations and organisations, both domestically and internationally (Pharmaceutical company, 2022). While primarily targeting early talent, but not excluding expert talents, they are aiming to open new horizons and career opportunities in the pharmaceutical industry through company visits, speed dating, and career fairs. These events present opportunities for scholarships, practical training, and the completion of academic work, diplomas, master's degrees, and doctorates in science. Key to this was the strong collaboration of professional and business functions, mentors, and internal ambassadors of the company, who have contributed with their knowledge and motivation in discussions, workshops, forums, and other activities. They have co-organised presentations and collaborations at various professional forums, events, conferences, and the national science festival (Pharmaceutical company, Pharmaceutical company internal data, 2023).

Here are the pharmaceutical company's most important activities and practices supported by the Special unit:

- Company event – a scientific and professional event for outstanding students of natural sciences and business from Slovenia and abroad;
- Scholarships for many Students for the current year;
- Internships for numerous Students yearly;
- Erasmus+ Internships;
- Company Visits (High School Students, University Students, Foreign Students);
- Career Fairs;
- Collaboration with Universities;
- Promoting Diversity, Equity, and Inclusion activities.

In summary, the wide range of activities undertaken by the unit showcase a robust foundation. However, to fully meet the pharmaceutical company's talent acquisition needs, the unit should expand its activities and partnerships to attract and engage a broader spectrum of professionals, including those in production and expert roles, as well as talents from abroad.

Also, managing such a broad range of numerous activities can sometimes makes blur objectives and targets. To get a better assessment of its return on investment, the unit should place a stronger emphasis on developing KPIs for its activities, measuring the pharmaceutical company's brand reach, and its effect on employment rate. KPIs that connect the Special Unit with the HRM Unit are essential for addressing the pharmaceutical company's future employment needs while enabling the unit to optimize its resource allocation more effectively.

5.5.1.3 Junior and Experienced Experts

The pharmaceutical company's proactive approach to talent scouting is perceived positively by both junior and expert candidates, surpassing industry competitors. The Pharmaceutical company excels not only in the sheer volume of activities but also in actively communicating employer's branding on platforms like LinkedIn and Instagram. This has been acknowledged even by the competition, with one interviewee stating "You are light years ahead of us!" regarding the pharmaceutical company's online presence. These social media channels are particularly instrumental in attracting early talents and experts, with LinkedIn being a valuable resource for seasoned professionals, and Instagram serving as a vital tool for engaging with the younger talent pool.

During an interview with a hiring manager, it was proposed that, alongside successful activities for attracting young talents, the company should introduce initiatives more focused on experienced professionals (at least 3 years of experience). Given the constantly growing pharmaceutical industry described in market analysis, it is obvious that the pharmaceutical company needs to expand this pool. It needs to tailor separate employer branding propositions for production workers and development functions and both early and expert talent. Sources for this talent can range from Slovenians living abroad to international professionals. IEB report, the Best Practices Report by Association of Slovenians Educated Abroad (Hodak et al., 2021), and insights for interviews provide sufficient information to tailor EVPs and compensation packages for this specific talent pool.

For early talents, whether in production or development, our interviews have unveiled three key insights that could significantly enhance the attraction of early talents.

Students expressed a desire for programmes structured around rotation and job shadowing at the company level. These initiatives would provide invaluable exposure to different facets

of our organisation and enable students to gain insights into various departments, shaping their understanding of the work environment.

In addition, students highlighted the need for live corporate presentations featuring representatives from different departments. Such presentations would allow students with diverse interests, ranging from sales and marketing to research, to gain a firsthand understanding of what specific roles entail. This approach fosters informed decision-making among potential recruits.

Lastly, students expressed a keen interest in educational content. By leveraging company visits, the pharmaceutical company could provide this educational content by combining lectures on production with site visits to the pharmaceutical company's production or development facilities. Alternatively, the pharmaceutical company could present this content in hosted podcasts or vlogs. This comprehensive approach would offer students a comprehensive and engaging learning experience.

The pharmaceutical company can adopt more programmes designed to attract early and experienced talent from the Association VTIS. The report shows that the members are looking for employers that emphasise company culture, offer professional growth opportunities, and flexible working arrangements, and encourage teamwork to attract talent. An ideal compensation package should include competitive salaries, a range of benefits (like health insurance, and retirement plans), stock options, performance bonuses, professional development support, work flexibility, wellness programmes, and family-friendly policies (VTIS, 2021). For more details, see Appendix 3.

The pharmaceutical company should use VTIS members to reach out to other students via the member's university. The pharmaceutical company could also do that by using past events, participants, Erasmus+ Interns, and other international "liaisons", the pharmaceutical company's "talent ambassadors". For example, by designing the pharmaceutical company's early talent international alumni platform, the pharmaceutical company would leverage its wide early talent reach. Of course, this platform should include the pharmaceutical company's domestic talent pool.

Before all that, the pharmaceutical company needs to put in place the documentation process for the foreign recipients of scholarships and internships.

5.5.1.4 Production Workers

The industry-wider need for production workers makes the question of ensuring secure pipeline one of vital importance. Following the insights from the IEB report for Non-Academic professionals is one part. Now let us see how comparative analysis can help. The second biggest reason for not choosing the pharmaceutical company among local workforce

for production is the location (MojeDelo, 2021a; MojeDelo, 2021b; MojeDelo, 2022a; MojeDelo, 2022b).

When attracting local talent, accessibility is a key driver of effective recruiting. The pharmaceutical company could benefit from strategies that reduce commuting time and improve accessibility to their work locations. This might include offering flexible shift timings to avoid rush hours and providing transportation services. Family relocation packages could be another option. Additionally, to attract the local talent pool, HR needs to strengthen its presence and advertising in local newspapers and local online media for a skilled workforce.

Drawing inspiration from Hemofarm's successful model in addressing talent shortages and enhancing employee experience, the pharmaceutical company could consider implementing similar innovative practices (see Appendix 4). By establishing visionary settlement projects, forging partnerships with the local community to support cultural events, and investing in sports and educational initiatives, the pharmaceutical company has the opportunity not only to attract and retain skilled professionals but also to become an integral part of the local community. Embracing a comprehensive approach like Hemofarm could position it as a leader not only in the pharmaceutical industry but also as a socially responsible and community-oriented organisation, fostering a positive impact beyond its immediate workforce.

In regard to early talent, the pharmaceutical company already employs good practices of collaboration with academia and research and development centres in Slovenia, which are used to develop talent pools for academics. The practices should be expanded to the high schools in Slovenia and the region to catch early talent for production. Special units should further develop the company's events dedicated to early talents in production, and expand some of the activities in place for university students to technical schools in Slovenia, and later abroad.

Skilled talent for production can be attained by scanning for factory closures in the region. A case from a regional competitor gives insights into workable solutions. M&A are frequent in the pharmaceutical industry, and a closure of production site(s) are not a rare part of it. The regional competitor gained access to a pool of skilled production workforce by involving a local agency. The pharmaceutical company could be involved through an agency's outplacement programme, which is one of the possibilities.

However, as the pharmaceutical company's production workers need to understand, speak, and read Slovene, this presents an obstacle that can be overcome in two ways. One is to adjust working conditions to facilitate a multilingual workforce (like translating work instructions into a specific foreign language and selecting leaders who can speak the foreign language). The other is to get a foreign workforce that can speak Slovene.

For the current operational phase, production workers should possess proficiency in Slovene. This linguistic requirement facilitates the recruitment process, particularly from Slavic nations, as individuals from these regions will likely acquire Slovene language skills. Sourcing talent from other countries, such as Kosovo and Albania, presents significant challenges due to language barriers. For senior or expert roles, English proficiency is deemed sufficient, eliminating the necessity for Slovene language skills. This approach allows for a broader international talent pool, enabling recruitment from a diverse range of countries.

In this respect, the foreign citizens living in Slovenia and immigrants, especially from Ukraine, are appropriate targets. Given that this workforce is motivated and does not need relocation, it is worth considering its attraction activities.

5.5.2 The Pharmaceutical Company's Recruitment and Selection Practices

To make the strategy successful, and to achieve the “bridging KPIs”, the other side of the HR process needs to be well and functioning. The comparative analysis showed inconsistencies between internal and external perceptions of this TA process. As hiring managers are overall satisfied with the tools, procedures, and the pool (except for minor issues), the candidates expressed discontent and critique. For what it is worth, the recruitment and selection process was widely critiqued across the whole competitive landscape. Still, to realise the TA strategy, to go from a candidate to an employee, this part of the process is crucial. For this reason, we have identified improvement opportunities in recruitment and selection processes and tools in our analysis.

Internal data showed that for hiring managers the process is clear and that they are mostly satisfied with the quality of candidates presented to them and with the offered tools that they can use. Nevertheless, the recruiters, especially for production and development functions, are eager to further improve the process as they have difficulties finding talent.

Analysing the recruitment process, we see that from the job post till the offer being presented to the candidate there are about 45 to 60 days according to internal data. The competitive analysis showed this is the same or even shorter than the competition.

We observed that the pharmaceutical company has a rich landscape of assessment tools used for various positions. The hiring managers' high satisfaction with the utility of recruitment tools, further supports the quality side of the argument. Among the many available resources that assist hiring managers in adequately preparing for their hiring roles and making better decisions are (Pharmaceutical company, Pharmaceutical company internal data, 2023):

- Document with Tips for hiring managers;
- Access and Instruction for Usage;
- EVP Hub;
- Interview training for Hiring managers;

- Scheduling tool;
- Instruction for Interviews for people with disabilities.

Nevertheless, several challenges have been identified by the comparative analysis. The main challenges include refining candidate selection and screening processes, providing flexible and effective interview options, fostering diversity in candidate educational backgrounds, enhancing transparency in referral programmes, and gaining insights into effective recruitment channels.

In general, hiring managers would prefer to involve a person with the relevant expert background in the TA team so that less relevant candidates would be left out at the beginning of the screening process. Also, hiring managers would prefer to have the possibility to choose if the final interview should be conducted in person, so they can have more understanding if the person fits the team. Meanwhile, candidates feel the absence of businesspeople and experts in the recruitment process. This alignment of perspectives presents an opportunity to strengthen the hiring process. The pharmaceutical company should think of offering hiring managers an option for an in-person interview at the final stage of the recruitment process even though the global directive predicts a fully remote recruitment process.

Hiring managers would also like to see improvements in the pharmaceutical company's referral programme, making it more transparent for external candidates and that they understand what the process will be like. Another important thing is feedback. In addition, they would appreciate receiving feedback on which recruitment channel is the most effective for their specific positions, so they can support those channels through promotion.

Lastly, the hiring managers in the production department would prefer to be presented with more relevant candidates for the shop floor positions that require high school education so that they have a more efficient selection process. In the development, the hiring managers would like to have better access to candidates with an educational background in chemistry or biology, so that they can create multidisciplinary teams. This can be addressed with focused targeting via attraction activities.

Insights from the candidates show they are expecting more and better. No matter which functions, candidates frequently find job advertisements challenging to interpret in terms of core responsibilities and duties. Some candidates have reported needing extensive communication with current employees to grasp the nature of the work and assess whether they should apply. Enhancing the clarity of job postings could alleviate this issue and streamline the application process. This is supported by the finding from the IEB Report, stating that unclear job ads are the third most frequent reason the pharmaceutical company is losing job applicants.

Expert candidates that applied to job ads raised the issue of transparency and communication. Recruiters have been critiqued for their lack of transparency and active communication regarding the next steps, and follow-up deadlines. In instances where candidates were called for an interview for consecutive times, candidates were treated as “the first time” candidates with no apparent progress in the selection process. The lack of transparent communication or as a candidate said, “keeping me in the dark” approach is frustrating for the candidates. On a positive note, candidates who were “headhunted” via referral expressed a higher level of satisfaction with the recruitment process.

Candidates also reported that the online application platform is too complicated, and overly structured, as some of them said “takes a lot of time from you”, and “you need mental preparation to tackle that beast”. We reviewed the candidate’s journey and discovered three additional pinpoints that are not to the pharmaceutical company’s advantage. Firstly, an applicant is transferred from one page to another as soon as they want to apply for a chosen job ad. Secondly, job ads between the two systems are not updated. In many cases, a job ad visible on the page is expired, as you discover later after being transferred to the other one. Thirdly, the page incorporates all global career options. To see career options in Slovenia you need to filter the ads, but this subpage’s URL cannot be used independently for dissemination during events, career fairs, etc. It always redirects back to the starting point – all global career options. This calls for a thorough streamlining and improvement of candidates' journey.

Adding the fact that it is not mobile-friendly means the pharmaceutical company is losing access to a highly valuable early talent pool. This undermines effective communication of the pharmaceutical company’s employer brand on social media as was noted in the previous chapter. It is also a missed opportunity, since early talent reports a high level of satisfaction with internship or student work experiences in the pharmaceutical company. They cite inclusiveness, trust, and purpose as the key differentiating factors that set the pharmaceutical company apart from its competition. “I was immediately given my project, not like in some other firm where they didn’t know what to do with me,” said one of the student workers.

5.5.2.1 How Digitalisation and Structured Data Can Help Improve Recruitment and Selection Process?

The pressing need for good digitalisation practices in the pharmaceutical company's recruitment and selection process, along with the above observations, is also highlighted by the low response rates to satisfaction surveys - among both the hiring managers and candidates (Pharmaceutical company, Pharmaceutical company internal data, 2023). These low response rates suggest challenges in engaging participants and making the survey process accessible and appealing.

All this calls for a stronger data-driven approach in the recruitment and selection processes. Implementing good digitalisation practices in recruitment and selection can significantly

enhance these processes for the pharmaceutical company. Utilising structured data enables better sorting and matching of candidates to job requirements. AI-driven tools can analyse resumes and applications more efficiently, leading to a more relevant pool of candidates. This alignment with job specifications not only speeds up the recruitment process but also increases the likelihood of finding the right fit for the role. Other benefits include cost savings through automation and improved decision-making with data analytics.

A multinational pharmaceutical and healthcare company faced challenges in talent acquisition for its operations in Japan. By implementing a customised Recruitment Process Outsourcing (RPO) programme, the company was able to overcome talent scarcity and improve its time to hire by 32.8%. This approach enabled them to find, attract, and hire talent more efficiently, benefiting from rapid access to high-quality pharmaceutical talent and maintaining full visibility and control throughout the process (Randstad sourceright, 2023).

For the pharmaceutical company, adopting such digitalisation practices in recruitment and selection not only aligns with the technological advancement but also enables good management of the talent pools. The latter is needed to meet the hiring managers' needs for richer and more responsive selection process, making recruitment more efficient and facilitate that last step towards employment.

5.5.3 The Pharmaceutical Company's Onboarding Practices

The onboarding process is a critical phase in an employee's journey, setting the tone for their future at a company, but it also requires additional resources and costs.

A comparative analysis reveals inconsistencies within the onboarding process at the pharmaceutical company. These inconsistencies stem from its reliance on hiring managers. While some new hires experienced a smooth transition due to a well-structured onboarding plan prepared by their line managers, others encountered challenges. Issues included delays in receiving essential equipment like computers, confusion about HR contact points, etc.

During an internal data analysis of onboarding data, we identified the absence of a systematically organised mentoring programme. Firstly, it leads to a lack of support and guidance for new employees, which negatively impacts their integration into the company. Secondly, it can result in a lack of consistency in the onboarding process, which leads to variations in the quality of the onboarding experience for new hires. We also identified the absence of a dedicated satisfaction survey specific to the onboarding process, can signify a missed opportunity to gather comprehensive feedback and insights from new employees regarding their onboarding experience.

A standout practice from a competitor involved a structured orientation programme where new hire interacted with different contacts across various roles. This approach not only provided in-depth insights into the company's operations, products, and culture but also left

a highly positive impression on new employees. The process, contrary to the initial concerns of the new hire, was not burdensome for existing employees, who were well-prepared with presentations and resources. As the interviewer said, “I was one of the many before me, and more will come after me. I am genuinely impressed.”

Another good practice that was mentioned during the interviews, as observed in competitor companies, is the formal implementation of a 'buddy' system. This could address the need for more structured support and mentorship highlighted as a gap.

5.5.4 The Pharmaceutical Company's Retention Practices

Attracting, recruiting, and onboarding candidates are challenging tasks, however, if a company is unable to retain its employees, it will not only affect the company's results but also the employee's morale (Snell & Morris, 2022).

The pharmaceutical company's internal data reveals a low turnover rate (Pharmaceutical company, Pharmaceutical company internal data, 2023). While it is difficult to define what percentage of turnover can be damaging for the company, external data for Slovenia for 2021 show that the average overall turnover rate for researchers, engineers, science, and engineering technicians is higher (CEDEFOP, 2023).

Despite the pharmaceutical company's turnover rate, retention remains crucial, especially in case of talent scarcity. Satisfied employees are valuable assets in attracting talent, and the financial implications of losing a skilled or “regrettable loss” type of employee are significant, up to a cost of 200% of an employee's annual salary (Gilsdorf et al., 2017). Additionally, a high turnover rate can have negative effects such as employee disengagement, which can result in higher absenteeism, more accidents, lower business profitability, etc. (Gilsdorf et al., 2017). This context sets the stage for discussing findings from a comparative analysis of retention practices.

Prior to delving into the primary factors influencing employee retention, it is crucial to emphasise that all these elements simultaneously affect employee well-being (Kirton, 2023). The pharmaceutical company's internal data show a low level of employee satisfaction with their well-being. While the pharmaceutical company has implemented certain programmes aimed at enhancing employee well-being, as will be discussed subsequently, internal data reveals that there is room for improvement.

The crucial elements of employee retention that we have included in our comparative analysis are:

- Compensation and Benefits;
- Rewards and Recognition;
- Work environment;
- Company culture;

- Professional development (BambooHR, 2023).

5.5.4.1 *Compensation and Benefits*

Even though compensation and benefits are far from being the only factors that influence employee retention, compensation is linked to an employee's livelihood (Snell & Morris, 2022). According to the internal data of the pharmaceutical company, the compensation scheme in the pharmaceutical company is competitive and outperforms pharmaceutical industry practice. Additionally, through our interviews, we observed overall satisfaction with this factor.

However, although employees in the pharmaceutical industry tend to switch companies less frequently, they are open to change when presented with better compensation packages (Skilohr, 2023). In a competitive landscape, where compensation packages are similar, certain practices stand out for their positive impact. Notably, one interviewee mentioned that one of the pharmaceutical company's competitors enhances its employees' well-being by providing comprehensive remote work equipment, including monitors, docking stations, chairs, and well-known branded speakers, in addition to computers.

Additionally, the external data revealed that one of the pharmaceutical company's competitors in the industry offers loans to new employees, a practice that, with some adjustments, could serve as an effective tool for fostering loyalty and commitment among (production) workers - a credit line.

5.5.4.2 *Rewards and Recognition*

Internal data reveals that the pharmaceutical company's total rewards package includes a wide range of rewards - from jubilee bonuses, annual bonuses based on company and employee performance, Christmas bonuses, accident insurance, outstanding achievement bonuses, solidarity assistance, well-being programme, the pharmaceutical company recognition awards, etc. Most of the external data show that these practices in one form or another are recognised as good practices.

5.5.4.3 *Work Environment*

Internal data indicates that the pharmaceutical company has been designed to be “simple”, empowering, and adaptable to the diverse needs of the business and teams. The new hybrid working approach is built around three principles:

- commitment to flexibility;
- managed-led & business-focused;
- trust-based.

During one of the interviews, a business leader noted that employees in production work in shifts, and those night shifts can be challenging in the long run for associates with young families. However, we have not identified any good practice for this challenge - how the pharmaceutical company can adopt more flexibility in shift scheduling for production employees working night shifts and retaining those with (young) families.

Hybrid work is a core strength for the pharmaceutical company compared with the competition. The external data shows more rigid systems across the competition landscape. These systems are perceived as less flexible and trustworthy among interviewees.

5.5.4.4 *Professional Development*

Internal data indicate that the pharmaceutical company has diverse development activities already in place.

Tools and activities available to all associates:

- Referral Programme;
- From Hire to Retire Programme;
- Employee Relations;
- Training and Learning;
- Rewards Programme;
- Well-Being Programme;
- Monthly online meetings to present relevant topics to all associates.

Those managers who have direct reports and employees who are recognised as future leaders have access to additional training tools and activities:

- Academy for Leaders is a program tailored for individuals assuming a leadership position for the first time.
- Quarterly online meetings to present relevant topics to the current leaders.

Regardless of the strong development tools, several challenges have been identified. In general, business leaders would prefer to have more targeted training for experts so they can improve those skills necessary for their development, as it will allow the pharmaceutical company to close specific skills gaps and help invest resources effectively. Secondly, our interviews reveal that business leaders would like to have a defined transparent career path for their employees so that their team members understand what the development potential is. A transparent process is crucial for retaining top talent, as it gives a clear understanding of the potential roles and advancement opportunities. When it comes to the production unit, the interviewee expressed concern about the perception of employees that promotion in the production unit is based on the relationship between the worker and the leader, rather than merit. As mentioned above, a transparent career path is a strong tool for employee retention.

A comparative analysis of development programmes among competitors reveals a landscape of similar practices with some standout features. The practice of growth assignments is

particularly notable. This approach, where employees are encouraged to take on tasks beyond their usual responsibilities, enhances their promotion prospects and provides a clear, transparent path for career advancement. Such assignments demonstrate to employees how they can progress within the company, making the criteria for advancement more tangible and less opaque. Moreover, it is one way to facilitate the call for “increased transparency in the promotion process” from the internal data. Stretch assignments within one’s current role, like managing an additional region, further contribute to this transparency. These assignments clearly delineate the skills and achievements required for promotion, allowing employees to understand and work towards specific goals discussed in evaluation interviews.

When looking into external data regarding focused training for experts to enhance specific skills, a notable practice among competitors involves annual visits from external experts who provide specialised insights tailored to the employees' fields. This approach is well-received by professionals.

5.5.4.5 Company Culture and Values

As per the pharmaceutical company's external website, the pharmaceutical company cultivates a collaborative culture guided by its values. Corporate culture plays a key role in employee retention as it shows us if this is the place where employees want to be and if they feel empowered and engaged.

An interesting insight was brought to our attention from external data. The interviewee said: - "I see we are putting a lot of effort into having happy/satisfied employees, but we get countereffect. People do not appreciate what they have. For example, complaining about the time they needed to find a parking space while not realizing that just having a place to park is a privilege in Ljubljana nowadays."

Comparative analysis reveals a significant opportunity for strategic development in HR practices. All the interviewees who experienced multiple corporate cultures, including the pharmaceutical company’s one, stated that the pharmaceutical company prides itself on a culture of openness, trust, and flexibility. However, a critique highlights that excessive openness can sometimes prolong decision-making and lead to other ineffective outcomes.

Analysing external data, we came across a particularly inspiring example of how deeply embedding company culture can transform a workplace into something extraordinary. One interviewee vividly illustrated this about the pharmaceutical company’s competitor that does not just display its core values of honesty, strong relationships, and hard work but genuinely lives by them. This is evident in their approach to workplace conduct; for instance, any form of bullying is met with zero tolerance, as shown when two individuals who violated this ethos were let go. It is a powerful message about what the company stands for.

5.5.4.6 *Exit Interviews*

Conducting exit interviews and analysing data is one of the ways companies can improve employee retention. However, we could not find any relevant internal data about this process.

One observation from external data is the widespread use of exit interviews among competitors. These interviews are not only essential for collecting feedback but also serve as a strategy to ensure departing employees feel welcome to return in the future. This practice, especially in cases of regrettable losses, could be a valuable addition to the pharmaceutical company's approach to employee engagement and retention.

5.5.4.7 *Retention of Production Workers*

When we move to the examination of production workers, internal data indicate that there are two groups of production workers. One group is employed by the pharmaceutical company and the other by an external company. The internal data we gathered did not include sufficient information about HR practices specific to the external company, however, it stated that all employees employed by both the pharmaceutical company and the external company receive the same compensation and benefit package.

External data reveals that one of the pharmaceutical company's competitors in the production worker segment experiences issues related to worker commitment and ambition. Workers often transition between companies, posing retention challenges. In contrast, a company located near the Croatian border successfully retains local workers, including Slovenian employees, due to positive internal relationships and opportunities for career advancement, even for those starting at entry-level positions.

As it becomes evident that retention is influenced by a multitude of factors, there is insufficient data to identify the reasons behind the high turnover rate in the case of agency workers. Therefore, we suggest that the pharmaceutical company investigates this challenge separately.

6 RESULTS AND FINDINGS

This chapter provides a detailed analysis of the research outcomes. It segments the data into actionable strategies, answering the final research questions on leveraging technology, early talent engagement, and expanding international recruitment. The process that was finalised in the strategic recommendations, is organised around four pillars, which reflect the core themes of the research.

6.1 Quantitative Results

In this subchapter, we present the quantitative results derived from various data sources that provide deeper insights into the pharmaceutical company's HR practices and the broader talent management environment (Appendix 1). The qualitative data includes internal information provided by the company's HR team, addressing key areas such as employee statistics, attraction, recruitment, onboarding, and retention. Additionally, external sources such as the four "MojeDelo Ideal Employer Brand" reports from 2021 and 2022 offer insights into the company's employer brand reputation and competitive positioning. The "Best Practices Report" from the Association of Slovenians Educated Abroad provides insight into talent repatriation trends, while macroeconomic indicators, including GDP per capita, Health care index, Unemployment rate, and Quality of Life index, help contextualise the external environment and talent supply dynamics in the pharmaceutical industry.

6.1.1 Quantitative Results from Internal Data

Based on the internal quantitative data provided by the pharmaceutical company, as well as as well as consideration of unavailable data and the confidentiality of the information, the following is a summary of the key results.

6.1.1.1 *Quantitative Results from General Data*

The internal quantitative data provided by the pharmaceutical company, while maintaining confidentiality, reveal several key findings. Notably, there is an absence of recorded data on absenteeism or overtime hours. This lack of data limits the company's ability to anticipate employee behaviour, despite the potential value such metrics could offer in predicting trends like burnout or disengagement.

In terms of turnover, the company demonstrates relatively positive results in key areas. Early turnover, early voluntary turnover, and voluntary turnover rates are lower than the national averages for researchers, engineers, and science and engineering technicians in Slovenia (CEDEFOP, 2023). However, a significant challenge is observed in the turnover rate of production workers hired through agencies, which is considerably high.

Regarding recruitment, the time-to-hire rate aligns with industry averages, despite a general increase in hiring times across sectors. This indicates that the pharmaceutical company is performing adequately in comparison to its peers (Behbahani, 2023).

Diversity metrics reveal a strong, positive outcome for the company. It is shown to be genuinely diverse across gender, cultural, and generational lines, reflecting an inclusive workforce that is well-positioned to benefit from a wide range of perspectives and experiences.

6.1.1.2 Quantitative Results from Candidate Attraction & Recruitment Data

The analysis of candidate attraction and recruitment data reveals several gaps and insights. Notably, the pharmaceutical company lacks comprehensive data on the effectiveness of its various attraction and recruitment channels, activities, and programmes, with the only data being tracked related to one major event under the Strategic Programme. This limits the company's ability to assess the broader success of its recruitment strategies.

A positive finding is observed in the referral programme, which operates independently from other channels and demonstrates a high hiring rate from referred candidates. This suggests the referral process is an effective recruitment tool. Additionally, while results from the candidate satisfaction survey are generally favourable, the low response rate diminishes the reliability of these insights and points to a need for improvement in engagement with candidates during the recruitment process.

Another notable gap is the absence of data on employee satisfaction with the onboarding and orientation process, leaving the company without critical feedback that could help refine and improve these experiences for new hires. Engagement reports indicate that overall employee engagement across the organisation is positive, with only minor variations between different units. These variations do not present significant concerns. However, employee satisfaction with well-being is consistently low throughout the company, as is the alignment with the organisation's core values, signalling areas that need attention.

Furthermore, the company does not track the completion rate of exit interviews, missing an opportunity to gain valuable insights into the offboarding process. The absence of an employee Net Promoter Score further limits the company's understanding of overall employee satisfaction, preventing a clear view of how likely employees are to recommend the organisation as a place to work.

6.1.1.3 Quantitative Results from Retention Data

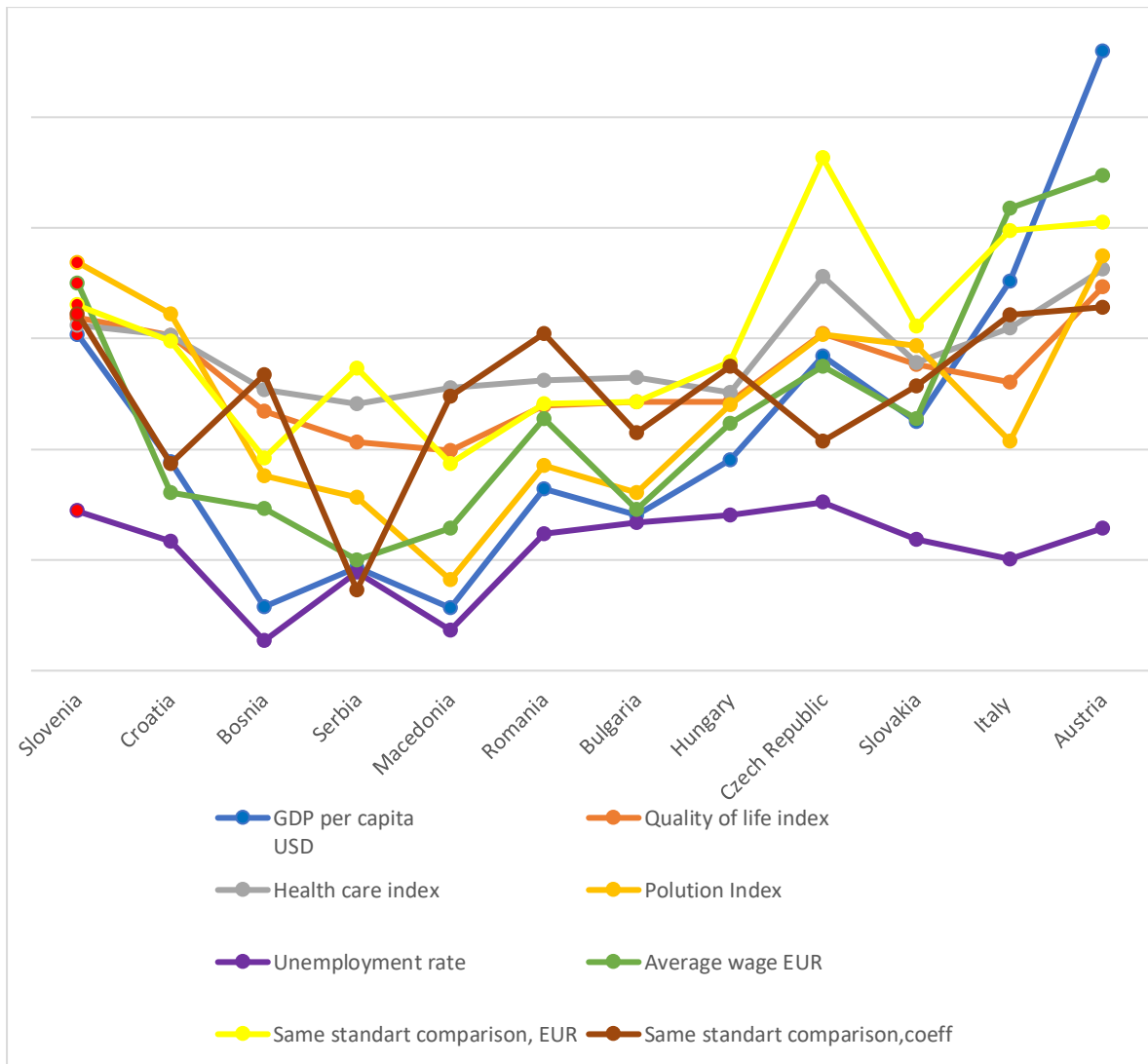
Although the pharmaceutical company lacks internal data on salary, an analysis of available mandatory statistical data indicates that the company offers its employees a competitive salary, aligning well with industry standards. This suggests that compensation is not a major issue for the organisation in terms of attracting or retaining talent.

In terms of internal promotions, the company shows favourable performance when compared to the industry-wide average. The promotion rate reflects positively on the company's ability to provide career advancement opportunities for its employees, reinforcing its position as a supportive environment for internal growth (Acorn).

6.1.2 Quantitative Results from the Talent Market Data

With the GDP per capita that outshines many neighbouring countries, Slovenia’s economic vitality could serve as a magnet for talents from both less affluent nations - such as Bosnia and Herzegovina, Serbia, Macedonia, and Bulgaria as well as from stronger economies such as Hungary, Slovakia, and Croatia.

Figure 8: Country Canvas



Source: own work.

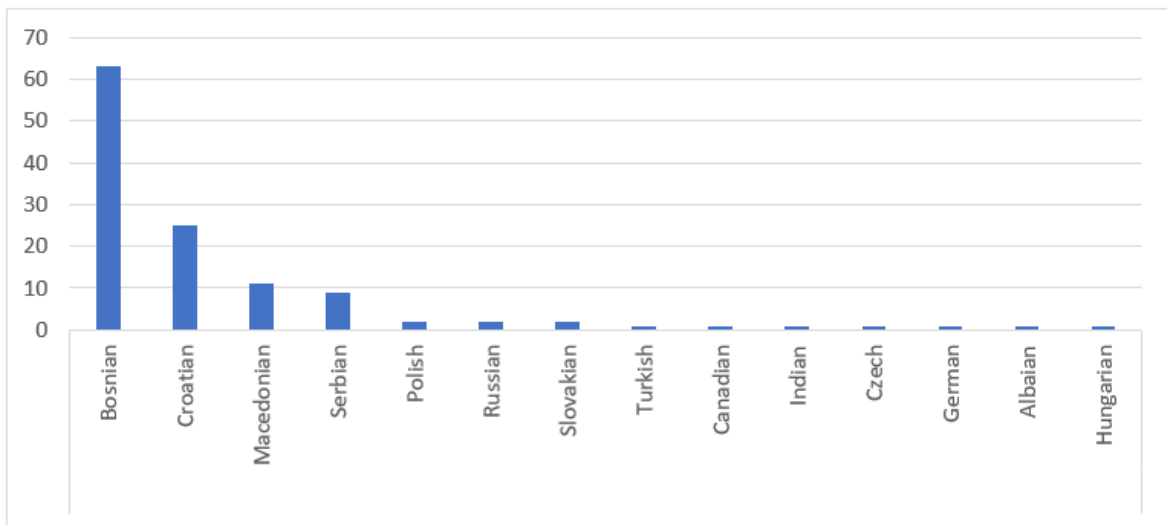
With a Quality-of-Life Index that sets it apart from all countries in the region - including Italy and Austria - Slovenia offers an environment that professionals crave, a blend of professional fulfilment and personal well-being. This distinction in living standards makes Slovenia a beacon for those yearning for a superior quality of life, one that promises more than just occupational satisfaction (Numbeo, 2023). The country's healthcare system, showcased by its competitive Health Care Index, reflects a commitment to medical

excellence and innovation. This suggests that foreign employees coming from countries with lower healthcare indexes (only Italy and Austria have a higher healthcare index) might find Slovenia's health system more appealing, indicating better overall healthcare services.

Finally, Slovenia's economic landscape is notably vibrant, indicating that Slovenia's economy is dynamic, healthy and has a strong and active economy with growth, a variety of economic activities and potentially a good environment for business and investment. This vibrancy is particularly relevant in the context of attracting professionals, as it implies that there are likely to be opportunities for employment, advancement, and economic stability. Financial attraction is magnified by the cost-of-living adjustments (see Same standard comparison, Coeff curve, Figure 8) which reveal that Slovenia's wages carry substantial purchasing power - a fact that resonates deeply with those in less advantaged economies.

This economic potential is further supported by data on the pharmaceutical company's past talent sourcing efforts (see Figure 9), proving that talents from Bosnia and Herzegovina, Croatia, Macedonia, and Serbia tend to migrate to Slovenia.

Figure 9: Past (two years period) Employment from Foreign Countries



Source: Pharmaceutical company internal data (2023)

However, it is evident that the number of pharmaceutical companies in these countries is not significant and consequently the talent pool of experienced pharma industry professionals is limited (see Figure 10).

It's also crucial to note that the aforementioned Balkan countries lack biosimilar manufacturing and development sites. This implies that these nations may not serve as suitable talent pools for experienced professionals in biosimilar production plants and biosimilar development laboratories.

Figure 10: European Pharmaceuticals Map 2021, Western Balkan Region



Source: adapted from OCB pharmaceutical (2023)

The talent pool challenges in the pharmaceutical company's traditionally targeted countries for foreign workers, coupled with its ambitious plans to enhance development and production capabilities, underscore the necessity of exploring alternative regions for potential talent sourcing.

Referring to the EU pharmaceutical map (see Figure 11), Hungary, the Czech Republic, and Slovakia have robust pharmaceutical industries. Additionally, Romania and Bulgaria should also be considered (see Figure 10).

According to EFPIA, more than 34,000 employees are working in the pharmaceutical industry in Hungary and more than 66,000 people are employed in the Czech Republic, Romania, and Bulgaria (EFPIA, 2023). Combined with Quality of life index data, this fact suggests that there is a significant potential talent pool nearby and that an appropriate strategy needs to be in place to attract and retain these talents.

Figure 11: European Pharmaceuticals Map 2021, Central Europe



Source: adapted OCB pharmaceutical (2023)

Based on the insights we gathered from the markets, it seems there exists a significant pool of potential employees, including both scientists and skilled labourers that can be sourced from competitor countries in the region, especially Serbia and Croatia. This opportunity arises from insight data on retention of human capital in the region and from high turnover rates, low engagement, and enablement rates in local companies.

Furthermore, data gathered on Slovenians educated abroad offers another promising avenue for talent acquisition. According to a 2018 survey, over 55% of Slovenians abroad expressed intentions to return to Slovenia within the next five years. Their primary motivations include the opportunity to work in a healthy workplace environment with strong relationships and a positive culture, as well as the chance to take on complex and responsible work challenges. These returning professionals also value involvement in their company’s vision and decision-making processes, while maintaining connections with the international community. Flexibility in working hours and work-life balance are additional significant factors that make returning to Slovenia an attractive prospect for highly skilled professionals. (VTIS, 2021). This data reveals a strong potential for Slovenia not only to retain its local talent but also to attract skilled Slovenians from abroad, further reinforcing the country’s status as a destination for talent in the pharmaceutical industry.

Additionally, the Serbian government is boosting its biopharmaceutical sector by financing the construction of a new bio campus (The Government of the Republic of Serbia, 2023). This development provides the pharmaceutical company with a promising opportunity to actively recruit fresh talent. The establishment of this campus will not only energise the local bio-industry but also create a reservoir of skilled individuals who could be potential employees for the pharmaceutical company. By engaging in this expanding talent pool, the pharmaceutical company could leverage the intellectual and technical resources being fostered within Serbia's shores.

To conclude, Slovenia's economic strength, exceptional living standards, progressive healthcare infrastructure and competitive wages fuse to create a strong centre for pharmaceutical expertise. The anticipated operationalisation of the biological development and manufacturing plants further cements Slovenia's status as a focal point for talent, particularly from nearby nations, with reduced economic strength. As 2026 approaches, Slovenia is set to solidify its role as a central player in the pharmaceutical area, offering a supportive and secure environment for professionals seeking to accelerate their professional growth within an innovative and supportive environment.

However, in addition to the promising developments in Slovenia's pharmaceutical landscape, it is crucial to address the challenges associated with talent acquisition from both within the European Union (EU) and beyond. While Slovenia boasts a vibrant economic atmosphere, exceptional living standards, and a burgeoning pharmaceutical sector, navigating the immigration procedures for employing non-EU nationals poses a substantial challenge.

The intricate immigration landscape can be a significant hurdle for Slovenian companies seeking to attract talents from regions outside the EU. The bureaucratic complexities and stringent requirements inherent in the immigration process necessitate a strategic approach to streamline the entry of non-EU professionals into the Slovenian workforce.

Furthermore, Slovenia's complicated foreign degree validation system represents a notable obstacle. This system, designed to recognise and acknowledge foreign academic qualifications, is a crucial step for Slovenians educated abroad as well as for foreigners aspiring to contribute to the country's pharmaceutical industry. The intricacies involved in this process can lead to delays and uncertainties, impacting the seamless integration of qualified individuals into the workforce.

Described challenges underscore the need for proactive measures and policy adjustments to facilitate a more streamlined and accessible talent acquisition process. Addressing these immigration and qualification recognition complexities is vital to ensuring that Slovenia can tap into a diverse pool of global talents effectively. As the nation positions itself as a key player in the pharmaceutical sector, fostering an environment that attracts and retains talents from both EU and non-EU countries is essential for sustained growth and innovation in the industry.

6.1.3 Quantitative Results from MojeDelo's Ideal Employer Report

Based on the benchmarking of the pharmaceutical company's brand reputation and attraction ability for two target groups – academics (research functions) and non-academics (production, support functions) we gathered the following insights.

Improving the pharmaceutical company's visibility in the talent market could attract more candidates. Promoting the pharmaceutical company's core strengths, as the retention part

will show, like hybrid work and a culture of flexibility, respect, and openness can address several key attributes simultaneously. Additionally, focusing on 'Inspiring Leadership' and 'Corporate Responsibility' is crucial, as these and 'Ethical Standards' are top priorities for academic professionals. Non-academics place 'Market Success' highest, with other priorities aligning with those of academics.

Strong attraction ability is vital for the pharmaceutical company's investment plans, especially knowing how scarce the expert talent pool is for biopharmaceutical companies. Hosting events for experts and young talent, offering them opportunities to network and educate, alongside vlogs, podcasts, and social media engagement can make a decisive difference when competing with other employers (in the industry). In Appendix 6 we have added relevant extracts from the reports that can help the pharmaceutical company's communication and HR team form content with which the pharmaceutical company will come closer to its target's expectations.

Additionally, 70% of those asked said the first three reasons they are not applying for the pharmaceutical company's job interviews are:

1. I am not qualified to work there (Non-Academics and Academics);
2. The geographical location does not suit me (Non-Academics) or the competition to get a job is too intense (Academics);
3. I do not find job opportunities that fit me (Non-Academics and Academics).

Pharmaceutical companies can improve their appeal to academics by addressing concerns about qualifications and competition. Initiatives like clear job descriptions highlighting diverse skill requirements and a transparent, supportive recruitment process can alleviate fears of intense competition and qualification mismatches. Additionally, showcasing successful academic hires and their career growth within the pharmaceutical company can provide relatable success stories.

To attract non-academics, the pharmaceutical company should focus on clarifying job requirements and creating more tailored opportunities. Highlighting flexible work options or potential relocation assistance can address geographical concerns. Emphasising roles suited to various skill sets and career paths, and providing clear, approachable job listings can help candidates find fitting opportunities, reducing the perception of a qualification gap.

Finally, most candidates rely on the current employees at the company when selecting an employer, so a satisfied employee is the best promotion for the company. This suggests that attraction is indirectly affected by retention practices. In the comparative analysis, we have seen the importance of leadership in the majority of retention aspects. The same can be deduced from the report. The retention data strongly suggests that leadership has a forceful impact on workers' satisfaction and loyalty. The three measures of the relationship between trust and retention, namely employees' trust in the organisation's vision, in the leaders of their organisation, and employees, show a strong correlation. The people, both academics

and non-academics, who trust the vision, and the leadership, and feel that the company trusts them; have a low percentage of those who would be willing to change jobs in one year's time. This makes leadership the core concept and role that needs to be empowered to walk the talk and deliver on promises.

6.1.4 Quantitative Results from Association VTIS's the Best Practices Report

When thinking of attracting and retaining Slovene talent working abroad, the findings from the Association VTIS's Best Practices Report are worth considering. The Best Practices Report from the Association VTIS provides valuable insights into what highly skilled Slovenian professionals educated abroad seek in potential employers. The report identifies key practices for both attracting and retaining talent, emphasising the importance of a proactive and holistic approach to recruitment, flexibility in employment processes, and the need for companies to have a clear organisational culture. Additionally, the report highlights the significance of professional growth opportunities, work-life balance, and accessible leadership. These factors are particularly important to VTIS members when deciding on employment opportunities, with company recognition in the industry, professional development, and flexible working conditions ranking as the most critical. The report also notes that while some Slovenian companies already excel in these areas, there is room for improvement, particularly in promoting work-life balance and leadership accessibility.

When crossmatching of findings from the MojeDelo Reports and the Best Practices Report from Association VTIS, we found several areas where the pharmaceutical company's strengths align with the expectations of VTIS members, as well as some key gaps to address.

The MojeDelo Reports highlight the pharmaceutical company's strong points, such as its culture of flexibility, respect, openness, and hybrid work options. These qualities resonate with VTIS members, particularly as the Best Practices Report emphasises the importance of flexible working hours and work-life balance. However, the VTIS report also notes that flexibility in work schedules and work-life balance are areas where many Slovenian employers, including the pharmaceutical company, still fall short compared to international standards. Thus, while the company's hybrid work culture is a strength, there is room to further enhance flexibility to meet the high expectations of VTIS members.

The reports underscore the importance of inspiring leadership and corporate responsibility as factors that contribute to employee retention. According to the MojeDelo Report, leadership plays a crucial role in employee satisfaction and loyalty. This corresponds with the VTIS finding that accessible leadership is a key practice valued by talent educated abroad. While this leadership culture is still underdeveloped in many Slovenian companies, improving it could help the pharmaceutical company attract and retain top talent from VTIS.

In terms of professional growth, the MojeDelo Reports highlight a need for clearer job descriptions and showcasing successful internal promotions to attract academic talent. This

aligns with VTIS members' priorities, as the Best Practices Report points out that constant professional development is one of the top three conditions when choosing an employer. The pharmaceutical company's internal promotion rate, already a strength, corresponds well to these expectations, but further promoting these opportunities could enhance its attractiveness to highly skilled professionals.

Additionally, company visibility is critical for both reports. MojeDelo Reports suggest improving visibility through more active engagement (e.g., events, social media), which matches the VTIS focus on employer brand recognition as a decisive factor in talent attraction. Increasing the pharmaceutical company's prominence in its industry could fulfil VTIS members' desire to work for well-known and respected companies.

In conclusion, while the pharmaceutical company already demonstrates strengths in leadership, professional growth, and some flexibility, addressing gaps in work-life balance and further enhancing leadership accessibility and visibility can help it better align with the expectations of talent educated abroad, as represented by VTIS members.

6.2 Qualitative Results

The qualitative results in this section are based on internal data from the pharmaceutical company's HR team (Appendix 1), the Association VTIS's e Best Practices Report, and 17 in-depth interviews with key focus groups, including hiring managers, HR experts, employees, and competitors. Insights from these interviews, along with benchmarking against 12 national and international competitors, helped identify key HR practices and inform the analysis.

6.2.1 Qualitative Results from Internal Data

Based on the internal qualitative data provided by the pharmaceutical company, as well as the data that was unavailable, and with due consideration to the confidentiality of the information, the following is a summary of the key results.

6.2.1.1 Qualitative Results from General Data

The pharmaceutical company has recently implemented a new hybrid working guideline, offering employees a high level of flexibility in how they approach their work. This new policy reflects a growing trend in the industry, where flexibility in work arrangements is increasingly becoming a key factor in employee satisfaction and retention. The company recognises the importance of adapting to the changing needs of the workforce, particularly in balancing work-life commitments. However, while the hybrid working model provides much-needed flexibility, there is still room for improvement in terms of its consistent

application across different departments, as some teams may face challenges in implementing this model uniformly.

6.2.1.2 Qualitative Results from Candidate Attraction & Recruitment Data

When it comes to candidate attraction and recruitment, the pharmaceutical company maintains an active presence on popular social media platforms. This online presence plays a significant role in reaching potential candidates, especially younger generations and early talent, who are more likely to engage with digital content. However, there is an opportunity for the company to further diversify its digital recruitment channels. By expanding its presence to other, more niche platforms, the company could potentially reach untapped candidate pools, including those with specialised skills or international backgrounds.

In addition to its social media activity, the company engages in a range of promotional events and programmes designed to enhance its employer brand. These efforts are characterised by a high level of activity and strong engagement, underscoring the company's commitment to attracting top talent. However, while the referral programme is well-structured and actively utilised, there is a notable absence of a formalised word-of-mouth attraction and recruitment strategy. Word-of-mouth recruitment, when properly organised, can serve as a powerful tool, leveraging the company's existing employees to promote its culture and opportunities. The lack of such a strategy represents a missed opportunity to tap into a potentially significant recruitment channel, one that could complement the company's existing digital and event-driven efforts.

The onboarding and orientation process within the company is another area that requires attention. While the company does have procedures in place for integrating new employees, the process is not formalised across all departments, leading to inconsistencies in the experiences of new hires. A more structured and standardised onboarding process would not only improve the initial employee experience but also enhance long-term retention by ensuring that new recruits feel supported and well-integrated into the company from the outset. Additionally, the absence of formal exit interviews prevents the company from fully understanding why employees choose to leave, which is critical for improving retention strategies. By systematically gathering feedback from departing employees, the company could gain valuable insights into areas that require improvement, whether related to working conditions, career development opportunities, or other aspects of the employee experience.

6.2.1.3 Qualitative Results from Retention Data

In terms of retention, the pharmaceutical company offers a comprehensive total rewards package that includes a wide range of benefits designed to cater to the diverse needs of its workforce. This package not only provides competitive salaries but also includes various development tools aimed at fostering professional growth for all employees. These tools play

an essential role in employee satisfaction, as they offer avenues for career progression and continuous learning. However, while the total rewards package is robust, there are still areas where the company could enhance its retention efforts. For instance, increasing transparency around the promotion process and ensuring that professional development opportunities are accessible to all employees would likely improve engagement and reduce turnover.

6.2.2 Qualitative Results from the Interviews

In this chapter we present insights gathered from 17 in-depth interviews, using a design thinking approach to explore each phase of the HR process. We employed open-ended questions to capture a broad understanding of both positive and negative experiences, aiming not only to identify pain points but also to highlight practices that contribute to employee satisfaction. By focusing on emotional responses and documenting both the frustrating and rewarding aspects of the candidate and employee experience, we were able to pinpoint key areas for improvement and recognise effective practices within the benchmarking landscape. This method allowed for a more comprehensive understanding of the HR process, informed by both internal and competitor perspectives.

6.2.2.1 Attraction – Qualitative Results

In summarising the pharmaceutical company's current initiatives to attract talent, it is encouraging to note that they are meeting the necessary standards to keep the talent pool so big that the selection of appropriate candidates for recruitment will be rich. To tackle the shortage of production and expert talent pools, the pharmaceutical company will need to embrace the internationalisation of its attraction. Simultaneously, the pharmaceutical company needs to keep the local pipeline alive as "obsessing about attracting local talent pays off" (Sanandaji et al., 2021). To measure its return on investment, no matter if at home or abroad, the pharmaceutical company should put in place KPIs connecting appropriate attraction activities with employment rate.

The pharmaceutical company's Employer value propositions, including compensation packages, should break with the market norms. These strategies involve understanding who the best recruits could be and creatively attracting them by offering what is most valuable to them, beyond the traditional salary package, like making sites more accessible or offering daycare for families with young children, and even relocation packages – for local and regional talents.

6.2.2.2 Recruitments – Qualitative Results

In the selection process, there is an opportunity to bridge the gap between hiring managers' requirements and candidates' needs and close the gap between attraction and recruitment. Personalising the interview experience, including the option for in-person interviews, aligns

with hiring managers' desire to assess team fit and candidates' need for transparent communication. Effective feedback and communication strategies during the selection process will enhance the experience for candidates. Streamlining the selection process to acknowledge previous candidate interactions will improve efficiency and candidate experience, meeting hiring managers' desire for a more effective process.

In the recruitment process, there is a clear need to align the requirements of hiring managers with the expectations of candidates. Again, enhancing job descriptions will attract more relevant candidates, addressing hiring managers' need for clearer, role-specific candidates and candidates' desire for more understandable job ads. Prioritising effective recruitment channels, optimising candidate's journey, and simplifying the application process will satisfy both hiring managers' need for efficiency and candidates' preference for a more user-friendly experience. The involvement of subject matter experts in the recruitment process aligns with technical and cultural requirements sought by hiring managers and the expertise expected by candidates. Improving the transparency and efficiency of the existing referral programme will benefit both groups, ensuring a smoother recruitment process and higher candidate satisfaction.

6.2.2.3 Onboarding – Qualitative Results

As the pharmaceutical company foresees the induction of new hires annually over the next years, optimising and enhancing the onboarding process is not only aimed at improving the employee experience but also represents a strategic initiative toward operational efficiency and cost savings.

The implementation of a mentorship programme is expected to facilitate the better integration of new employees into the company culture and enable them to achieve autonomy in a shorter period. Furthermore, this initiative is anticipated to have a positive impact on reducing the turnover rate and increasing employee satisfaction (Huron, 2023).

Additionally, a buddy system could be implemented. An onboarding buddy is a dedicated employee who will help a new employee's transition. The buddy system helps to provide new hire with the context and boosts productivity (Klinghoffer et al., 2019).

Still, many of the “small things”, but vital details could have more direct and centralised access. Creating a 'one-stop window' (shared document) that consolidates important, yet often overlooked details such as email setup, LinkedIn banners, and practical training (like document sharing protocols and printer usage) can significantly streamline the onboarding process. This approach ensures that all necessary information and instructions are easily accessible, saving time for both the new employee and their colleagues.

Introducing a dedicated satisfaction survey for the onboarding process could provide valuable feedback to improve the onboarding experience.

In conclusion, adopting these best practices could enhance the onboarding experience at the pharmaceutical company. By standardising the process through a mentoring and buddy system and, a centralised structured orientation programme, the pharmaceutical company can empower new hires very effectively and consistently and support teams in this process.

6.2.2.4 Retention – Qualitative Results

With a reasonable degree of confidence, it can be asserted that the pharmaceutical company possesses strong retention tools, contributing significantly to the organisation's low employee turnover rate. Nonetheless, given the multifaceted nature of retention, compounded by the projected annual expansion of the workforce, it becomes imperative for the pharmaceutical company to address several primary challenges outlined in this section.

The comparative analysis indicates that the pharmaceutical company currently offers competitive compensation and benefit packages. Nevertheless, to sustain its competitive edge over competitors, further exploration into tailored, customised approaches of compensation and benefit packages suited to the specific requirements of distinct employee groups is advisable.

Even though internal data shows that development opportunities in the pharmaceutical company are widely present, improving transparency in the promotion process, targeting specific employees' needs and personal approach to learning could lead to higher engagement (Keswin, 2022).

Incorporating practices at the pharmaceutical company, like expert hackathons, could serve multiple objectives. These events not only offer targeted skill development but also engage employees who might feel under-challenged. Linking such initiatives to the promotion process could further enhance transparency in career progression, aligning with the need for clear advancement pathways. This comprehensive approach can effectively contribute to employee retention and satisfaction while fostering a culture of continuous learning and growth.

Implementing these practices can directly address the internal concerns about transparency in the promotion process. Pharmaceutical companies can foster a more engaged and motivated workforce by clearly defining the pathways for career advancement and ensuring that these pathways are communicated effectively. This approach enhances employee satisfaction and contributes to retaining top talent, as employees see a clear and achievable future within the organisation.

There are two highly effective development tools that the pharmaceutical company can make available for their employees - upskilling and reskilling. As the business environment and technology evolve, jobs are also reshaped, and different competencies are required all the

time. By adopting these two programmes, the pharmaceutical company can prepare for those changes in a very efficient way.

Investing in leadership development is essential, with a focus on training leaders to embody empathy and adaptability. It's equally important to provide them with the tools and guidance needed to support them through various processes. Regular assessments of leadership effectiveness through anonymous employee feedback can help pinpoint areas needing improvement.

Merely implementing HR practices is not sufficient to ensure their maximum effect. Although the pharmaceutical company has already adopted many well-known practices, the corporate values and culture are not embedded in everyday practices. By promoting values and culture more intensely, the pharmaceutical company could ensure a greater sense of belonging and purpose for its employees (AIContentfy, 2023). Integral to the success of these endeavours is the pivotal role of effective leadership. By having its leaders not just talk about values but actively demonstrate them, they can set a powerful example. This kind of leadership can profoundly shift employee attitudes, nurturing a culture of gratitude and appreciation, as mentioned in the example from comparative analysis. It is a clear testament to how leaders can meaningfully shape and elevate a company's culture. Empower leaders to lead³ (the pharmaceutical company website, 2023).

Incorporating exit interviews as a valuable source of information regarding the reasons for employees leaving the company could assist the pharmaceutical company in gaining insights into areas for improvement. Exit interviews, when conducted thoughtfully, can provide valuable feedback and insights that can contribute to enhancing employee engagement, retention, and organisational effectiveness. By leveraging the data obtained from exit interviews, the pharmaceutical company can identify trends and patterns related to employee turnover, thereby informing the development of targeted retention strategies and improvements in HR practices (Spain & Groysberg 2016). Furthermore, certain companies are incorporating "stay" interviews as a method to optimise employee retention, and the pharmaceutical company can benefit from implementing this practice as well (Center for Human Capital Innovation, 2023).

Even though our comparative analysis lacks data on the retention of production workers, we have seen in our analysis an example that leadership quality and company culture emerge as pivotal factors in retaining a diverse production workforce. Effective leadership is essential

³ Leading by example is one of the four values that pharmaceutical company adopted: (1) Team up to break barriers. Work together to drive access; (2) Be as ambitious as our purpose. Be bold to make change happen. (3) Lead by example. Commit to making a difference. (4) Open minds, open doors. Create new opportunities.

for maintaining a stable and committed workforce, particularly for employees from diverse backgrounds.

In conclusion, regardless of the HR practices the pharmaceutical company decides to adopt, these insights underscore the significance of strong and supportive leadership that will help the pharmaceutical company navigate the changes and promote corporate values, that lead to a more engaged and satisfied workforce. Enhancements across these improvements are anticipated to consequently elevate employees’ overall well-being.

6.3 Segmentation of Results

As mentioned before, an integrative comparative SWOT analysis was utilised to provide concise insight and findings from market and comparative research. Following the comparative analysis, we categorised the identified 27 factors into three tiers: excellent, good, and poor, based on their current effectiveness. When developing the strategy, our focus was directed towards the good and poor categories.

6.3.1 Summarizing SWOT Portrayal

Summarizing SWOT Portrayal visually presents a clear view of internal and external factors impacting the pharmaceutical company and its HR practices in four quadrants. It provides the identification of improvement areas.

Table 2: Summarizing SWOT Portrayal

Strengths	Weaknesses
<ul style="list-style-type: none"> • The pharmaceutical company is a reputable employer in Slovenia. • The pharmaceutical company has a well-established employer brand. • The turnover rate in the pharmaceutical company is low • Flexible working models are in place. • Well-established relationship with academia and educational institutions. • The pharmaceutical company has a special unit for attracting and engaging with talents – A special internal unit. 	<ul style="list-style-type: none"> • Students, interns, and scholarship holders' management is lacking. • The onboarding process in the pharmaceutical company is not standardised and structured, and satisfaction with the process is not measured. • The exit interview practice is not in place • The pharmaceutical company is weak in externally promoting its leadership. • Documentation for early talents from abroad, for foreign scholarship and internship receivers is not available. • The production processes are not adjusted to non-Slovenian speaking workers.

To be continued

Table 2: Summarizing SWOT Portrayal (cont.)

Opportunities	Treats
<ul style="list-style-type: none"> • The Serbian Government is planning to build Bio Campus • The EU is working on a more independent drug supply. • Slovenia ranks high in quality-of-life rankings, GDP per capita, and low pollution index. • The scope of digital reinforcement of HR is widening. Companies utilise it for many purposes like strategic alignment, data-driven decision-making, increased employee satisfaction, reduced costs, etc. 	<ul style="list-style-type: none"> • The pharmaceutical industry ranks highest in lacking work-life balance. • Slovenia has a complicated foreign degree validation system. This presents a big obstacle for Slovenians educated abroad as for foreigners living in Slovenia. • The talent pool for experienced experts in pharmaceuticals is limited. • The immigration procedure for employing non-EU nationals is challenging. • There are no similar manufacturing sites in the region.

Source: own work.

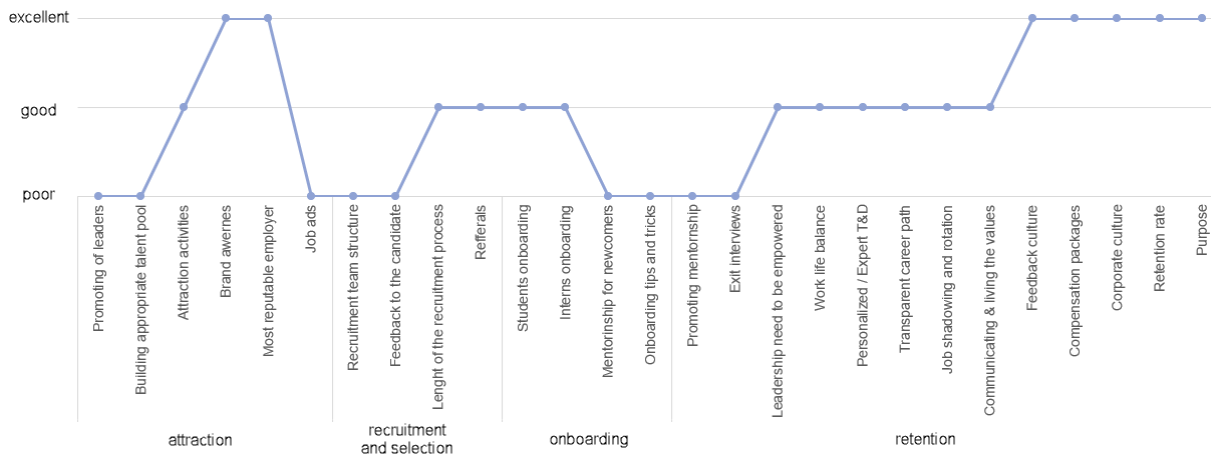
6.3.2 Strategy Canvas

Following a detailed comparative analysis, we categorised the identified 27 factors into three tiers based on their current effectiveness and the necessity for improvement within the pharmaceutical company's HR practices. These tiers are:

1. **Excellent:** These factors indicate areas where the pharmaceutical company's practices are currently effective, with no further improvement necessary.
2. **Good:** This category includes factors that are functioning adequately but have been identified as having the potential for enhancement.
3. **Poor:** Factors falling into this category either do not exist within the company's current HR practices or are present but with an inadequate scope.

For strategy development purposes, our focus was directed towards the good and poor categories. For each of these factors, we formulated strategic objectives and specific activities to address the identified gaps. To prioritise these objectives, we employed an impact/effort matrix, evaluating each factor based on the anticipated impact and the required effort for improvement. The impact was assessed in terms of the extent to which the objectives would fulfil business needs, while effort was determined by the necessary time investment and additional resources required to achieve the objectives. This prioritisation enables a targeted approach to strategy development, ensuring that resources are allocated efficiently to areas where they can have the greatest effect on the organisation's HRM efficiency.

Figure 12: Strategy Canvas



Source: own work.

6.3.2.1 Good HRM Factors

In the process of evaluating the pharmaceutical company's HR practices, 11 factors have been identified that demonstrate a solid foundation and are currently functioning at a satisfactory level. These “good factors”, while effective, have been recognised as areas with potential for further enhancement to elevate the company’s HRM to a level of excellence. The subsequent refinement of these practices could lead to more robust and efficient outcomes. The good factors identified in the graph are:

1. Attraction activities
2. Length of the recruitment process
3. Referrals
4. Student onboarding
5. Interns onboarding
6. Leadership needs to be empowered
7. Work-life balance
8. Personalised / Expert T&D
9. Transparent career path
10. Job shadowing and rotation
11. Communicating & living the values

Each of these elements presents an opportunity for strategic development, aiming to transition from good to excellent by addressing specific gaps and introducing incremental improvements.

6.3.2.2 *Poor HRM Factors*

In our comprehensive analysis of the pharmaceutical company's HR practices, we have pinpointed 9 factors that are either absent or insufficiently developed, classified as “poor”. These factors are critical areas that require immediate attention and substantial improvement to meet the standards of effective HRM. Addressing these shortcomings is essential for building a robust HR infrastructure that supports the company’s objective. The poor factors identified in the graph, which signify opportunities for significant development, are:

1. Promoting leaders;
2. Building appropriate talent pool;
3. Job advertisements;
4. Recruitment team structure;
5. Candidate feedback;
6. Mentorship for newcomers;
7. Onboarding tips and tricks;
8. Promoting mentorship;
9. Exit interviews.

Interventions in these areas are crucial for establishing a more competitive edge in HR practices. This will not only enhance the overall employee experience but also position the pharmaceutical company as a desirable employer in the competitive pharmaceutical industry landscape.

6.4 Strategic Recommendations

The strategic objectives involve developing a multifaceted approach to talent acquisition. This analysis is aimed at attracting a diverse pool of talent, both from local and international backgrounds. A key focus of this approach is early engagement, which involves building connections with potential candidates at the start of their careers.

Another crucial element is the implementation of improved recruitment methods. This includes leveraging digital platforms for talent acquisition and utilising social media for employer branding. Additionally, the strategy aims to capitalise on Slovenia's growing reputation in the pharmaceutical industry to attract top talent. Retaining top talent is as critical as acquiring it. Offering competitive compensation and benefits is also essential to ensure that the remuneration packages are attractive and commensurate with industry standards.

Furthermore, providing clear career paths is fundamental for talent retention. Associates should have a clear understanding of their potential growth within the company and access to opportunities for professional career development. This includes regular training

programmes, mentorship opportunities, and the possibility of taking on challenging and rewarding projects that contribute to personal and professional growth.

6.4.1 Outlining Four Main Strategic Pillars

Our findings suggest that while the pharmaceutical company currently leverages well-established HR practices for successful talent attraction, recruitment, onboarding, and retention, strategic interventions remain essential to sustain this prominent level of success. Moreover, to meet future requirements, the pharmaceutical company must augment its talent pool beyond national boundaries. This endeavour necessitates the incorporation of a complete set of new activities throughout the talent acquisition process. Furthermore, considering the announced future investments, special attention should be directed towards the region of future investments. Having all this in mind, we propose a strategic framework, structured around four pillars: Obsessing about local talent, Spreading your reach, Creating new opportunities, and Navigating change with strategy.

In the following sections, we segment each pillar, outlining strategies for nurturing local talent, extending recruitment efforts internationally, fostering strong bonds with the local community, and proposing how to effectively navigate organisational changes. This approach aims to boost the pharmaceutical company's competitive advantage in the pharmaceutical industry by focusing on holistic and efficient talent management practices.

6.4.2 Pillar 1: Obsessing about Local Talent

The pharmaceutical company's first step in enhancing its talent management strategy is to build on the strengths it already possesses within the local talent market and improve instruments of retention. This involves a thorough evaluation and augmentation of existing practices in attraction, recruitment and selection, onboarding, and retention. By focusing on these areas, the pharmaceutical company can more effectively tap into the pool of local talent, fostering a workforce that is deeply connected to the company's core values and cultural ethos.

The strategic recommendations for enhancing the company's local talent attraction and recruitment processes focus on building stronger connections with potential candidates and improving recruitment efficiency. The recommendations for improving the pharmaceutical company's onboarding and integration process focus on creating a more seamless and supportive transition for new employees and students into the organisation. The recommendations for enhancing retention within the pharmaceutical company emphasise creating a supportive and growth-oriented environment that fosters long-term employee engagement.

6.4.2.1 Pillar 1: Recommendations for Talent Attraction

In terms of talent attraction, the pharmaceutical company should expand its employee referral programme, encouraging current employees to refer individuals from their personal networks, and tapping into local talent pools.

Additionally, improving employer branding is key to increasing visibility in the talent market. This involves promoting the company's core strengths, such as hybrid work and a culture of flexibility, respect, and openness, which can appeal to academics, alongside highlighting inspiring leadership, corporate responsibility, and ethical standards.

For non-academic roles, emphasising market success is essential. The company should also target production workers by organising events, advertising in local media, and improving job accessibility through measures like organised transportation and family-friendly compensation packages.

6.4.2.2 Pillar 1: Recommendations for Recruitment and Selection

For recruitment and selection, tailored recruitment campaigns should resonate with local culture and values. Collaborating with hiring managers to create clear, detailed, and role-specific job descriptions will make it easier for candidates to visualise their day-to-day responsibilities. Using content management systems with SEO optimisation will ensure job descriptions are both engaging and easy to find online, while analytics will help track engagement and improve postings based on data insights.

The candidate journey on the company's career website needs optimisation, making the application process more user-friendly and accessible across devices. Data analytics should be employed to monitor the candidate journey, identifying points where candidates drop off and addressing these to improve the experience.

Involving subject matter experts or hiring managers in crafting job descriptions and screening applications is crucial for aligning the recruitment process with the company's needs. For the final selection phase, offering candidates a choice between virtual and in-person interviews will add flexibility to the process.

To streamline the selection process, the company should leverage past interactions with candidates to expedite decision-making. Implementing a candidate relationship management system will help track and utilise candidate data effectively, improving recruitment efficiency.

Lastly, the company must enhance communication and feedback throughout the process. Clear and transparent communication, supported by automated yet personalised updates, will keep candidates informed. Providing constructive feedback after interviews—whether

positive or negative—should become standard practice, using digital platforms to gather and deliver timely feedback to candidates.

6.4.2.3 Pillar 1: Recommendations for Onboarding and Integration

To optimise the onboarding process, the company should develop specific programmes aimed at integrating new hires into the company culture and working environment. This includes establishing a centralised and easily accessible platform for critical operational information, which is often overlooked but essential for new employees.

Introducing mentorship and buddy systems will further facilitate this transition, allowing new hires to pair with experienced associates for smoother integration into their teams. Continuous feedback mechanisms, such as regular check-ins and feedback sessions, should be implemented to monitor progress and address any challenges early on, ensuring new associates acclimate successfully.

A structured job shadowing programme should be designed, including rotational assignments and shadowing opportunities for both new hires and students. This will give participants a comprehensive understanding of different units and roles within the company, enriching their practical experience and improving their transition into their positions.

For student onboarding, the current application platform needs enhancement. Simplifying the system and making it more intuitive will reduce complexity and save time. Additionally, optimising the platform for mobile devices will open up opportunities to attract early talent more effectively.

6.4.2.4 Pillar 1: Recommendations for Retention

A key focus is on promoting work-life balance by developing a strategy that nurtures an inclusive workplace culture. This approach highlights the company's commitment to innovation, employee development, and maintaining a healthy balance between work and personal life, raising awareness about well-being and mitigating burnout risks.

To encourage career advancement, the company should implement a transparent career path strategy. This involves establishing clear promotion processes that demonstrate the steps employees can take to grow within the organisation. By encouraging associates to take on responsibilities beyond their regular roles, the company provides a clear and understandable route for career development.

Reskilling and upskilling programmes are also essential. Introducing micro-credential programmes, offering short, targeted training opportunities, and setting up training centres for technical and soft skills development will help employees stay aligned with the industry's

evolving demands. Promoting a culture of continuous learning ensures that skill development is linked to career progression and overall job satisfaction.

To strengthen the company's culture, a strategy for communicating and living the values should be enhanced, deepening employees' sense of belonging and purpose. This can be reinforced through clear communication of the company's core values and integrating these values into daily operations. Organisations must have a clear understanding of local, regional, and global labour markets to identify where potential talent resides and how best to attract it.

Mentorship programmes should be promoted to help new associates transition into their roles smoothly, while also allowing mentors to develop leadership and communication skills, positioning them for potential management roles.

Lastly, improving the exit interview process is critical. Encouraging departing employees to participate in exit interviews will provide valuable insights into the reasons behind employee turnover, allowing the company to address attrition issues effectively.

By focusing on these key areas, the pharmaceutical company can effectively enhance its appeal to local talent, ensuring a robust and committed workforce that is well-aligned with its strategic objectives and cultural values.

6.4.3 Pillar 2: Spreading Your Reach

The pharmaceutical company's next strategic move is to internationalise its talent management activities and practices. This requires modifying existing practices, inventing new ones, and adding relevant activities, especially for engaging with the regional talent market. This approach should be tailored to meet the needs of various positions of employees, such as experts and production workers, and encompass the stages of attraction, recruitment, and onboarding.

6.4.3.1 Pillar 2: Recommendations for Talent Attraction

For talent attraction, the company should expand its reach by utilising global job advertising platforms and participating in international career fairs to showcase opportunities to a broader audience. Internally, the company needs to prepare documentation for foreign early talents, making scholarships and internships available to international candidates.

Further, establishing collaborations with overseas educational institutions for talent exchange programmes and addressing foreign degree validation issues through strategic university partnerships will facilitate smoother transitions for international graduates. Leveraging associations like VTIS can also help attract talent from abroad, focusing on company culture, professional growth, and flexible work arrangements. Finally, creating an Alumni Event community will foster ongoing engagement with international talent.

The company's approach to specific groups, including experts and production workers, should be tailored to their distinct needs. For experts, the focus should be on offering specialised opportunities in research, development, and leadership. For production workers, the company should scan regional markets for factory closures, collaborate with local agencies, and participate in outplacement programmes, emphasising stability, skill development, and the appeal of a modern production environment.

To effectively expand into the global talent market, the pharmaceutical company's strategy includes an approach tailored to two specific categories of associates - experts and production workers. Each has distinct needs and aspirations, necessitating a targeted approach to talent attraction and retention. This approach ensures that each category of associates is engaged in a manner that resonates with their professional and personal aspirations, thereby enhancing the pharmaceutical company's appeal as a global and reputable employer.

6.4.3.2 Pillar 2: Recommendations for Recruitment and Selection

In terms of recruitment and selection, the company should establish culturally diverse recruitment panels to ensure an inclusive and culturally aware selection process, which will enhance the fairness and appeal of the hiring process for international candidates.

6.4.3.3 Pillar 2: Recommendations for Onboarding and Integration

For onboarding and integration, the pharmaceutical company should develop cultural integration programmes to help international hires adjust to both Slovenian culture and the corporate environment. Additionally, providing comprehensive relocation support—including visa processing, housing, and family integration services—will be key in ensuring a smooth transition for international employees.

6.4.3.4 Pillar 2: Recommendations for Retention

Regarding retention, the company should offer competitive global compensation packages that are attractive and aligned with local standards and expectations. Establishing international employee networks will further foster cross-cultural understanding and collaboration, enhancing retention by providing a support system for international hires and facilitating knowledge-sharing across regions. The general approach involves creating an inclusive and appealing environment for international talent. This includes showcasing the pharmaceutical company's commitment to innovation, employee development, and a healthy work-life balance. Specifically, for experts, the emphasis should be on career growth opportunities and engaging in innovative research, while for production workers, the focus should be on offering a stable, safe, and technologically advanced working environment.

By adopting these strategies, the pharmaceutical company can effectively broaden its talent pool, attracting and retaining skilled professionals from various regions, thereby enriching its workforce with diverse perspectives and expertise.

6.4.4 Pillar 3: Creating New Opportunities

The pharmaceutical company should adopt a strategy of investing in projects that are not only sustainable for the company's current and future employees but also beneficial to external stakeholders, particularly the local community. This approach involves integrating considerations for the location, culture and values, and leadership into the planning and execution of these projects.

One key area is community development projects, where the company can invest in initiatives that improve the local region. This includes enhancing healthcare facilities, supporting educational programmes, and contributing to the improvement of public infrastructure, which in turn strengthens the overall social and economic fabric of the area.

Local hiring and training programmes are essential for boosting regional economic growth. By prioritising local hires and offering training programmes to upskill local talent, the company not only strengthens its workforce but also contributes directly to the economic development of the surrounding community.

The company can also promote cultural exchange programmes, which allow employees to experience different working environments within its global network. These exchanges help broaden employees' perspectives, fostering a deeper understanding and appreciation of diverse cultures, and enriching the company's internal culture.

Finally, leadership training programmes should be implemented to develop leaders who are ethical, empathetic, and capable of driving positive change both within the organisation and in the wider community. These programmes will ensure that future leaders are equipped with the skills and mindset to lead responsibly and inclusively.

Drawing on the case study from Serbia Hemofarm (see Appendix 4), the pharmaceutical company can learn valuable lessons about increasing location attractiveness for the local and regional talent pool while ensuring the local society is receptive and welcoming to new employees. In this context, the role of the company is pivotal in bridging the gap between incoming talent and the existing community.

While retention is not the direct focus of our proposal, it is inherently connected to these initiatives, particularly through the impact of positive word-of-mouth. When employees feel valued, supported, and proud of their company's contributions to the community, they are more likely to stay and advocate for the company. This positive internal sentiment often translates to an enhanced external reputation, making the pharmaceutical company an attractive employer. By investing in the well-being of employees and the local community,

the pharmaceutical company indirectly strengthens its employee retention through increased job satisfaction and a keen sense of belonging. This approach not only benefits the current workforce but also serves as a powerful attraction tool for potential talent who value corporate responsibility and a supportive work environment.

6.4.5 Pillar 4: Navigating Change with Strategy

Several obstacles can impede the success of an HR strategy. These obstacles include resistance to change, inadequate resources, and misalignment between HR and business strategies (Hrebiniak, 2005). Resistance to change is a common challenge, particularly in organisations with deeply entrenched practices and a workforce that may be hesitant to adopt new ways of working. Inadequate resources, both in terms of budget and talent, can also limit the scope and impact of HR strategies. Furthermore, if HR strategies are not aligned with the broader business strategy, they are likely to fail in delivering the desired outcomes.

However, for the pharmaceutical company, navigating this change involves not just the introduction of new strategies but also maximising the potential of existing tools and procedures. A prime example is the onboarding process. While the pharmaceutical company already has numerous tools for onboarding, their inconsistent use by leaders has led to a varied experience for new candidates. Addressing this requires a two-pronged approach: first, ensuring that leaders are fully aware of and trained in these tools, and second, establishing a standardised process that leverages these resources effectively. This will not only streamline the onboarding experience but also signal to new employees a commitment to a cohesive and supportive entry into the company.

6.4.6 Empowering Leaders with New Knowledge and Competencies

The next step for the pharmaceutical company is to empower its leaders with the knowledge and competencies needed to lead through these changes effectively.

This firstly involves leadership development programmes that should prioritise key skills such as change management, cultural competency, and effective communication. These skills are essential for leaders to guide the organisation through transitions and adapt to an evolving business environment.

To keep leaders current with the latest trends, the company should offer regular workshops and seminars that cover industry advancements, technological innovations, and best practices in talent management. These sessions will ensure that leaders are informed and prepared to respond to emerging challenges.

Finally, fostering a supportive leadership community is crucial. By encouraging leaders to share their challenges, solutions, and experiences, the company can create a collaborative environment that promotes continuous learning and improvement, enhancing both individual leadership capabilities and overall organisational resilience. As the pharmaceutical company

moves forward, it is crucial to maintain a balance between utilising existing resources and introducing new strategies. This involves a continuous evaluation of processes, regular feedback from employees, and a commitment to adapting strategies as per the changing needs of the workforce and the industry. To truly capitalise on the strategic HRM advancements, it is necessary to establish clear KPIs for each objective and proposal. By doing so, the pharmaceutical company can ensure that its approach to talent management is not only effective but also resilient and responsive to the dynamic nature of the pharmaceutical industry. The objective is to create an environment where change is not just managed but embraced as an opportunity for growth, innovation, and enhanced employee engagement.

7 DISCUSSION AND CONCLUSION

The analysis and strategic framework presented in this thesis offer a multifaceted approach to addressing the talent management challenges faced by the specific Slovenian pharmaceutical company. This study provides valuable contributions to both theoretical and practical understandings of HRM, especially in industries where specialised talent is in high demand. By grounding the recommendations in a comprehensive analysis of the company's current HR practices and aligning them with broader trends in the pharmaceutical industry, the strategy sets a strong foundation for sustainable growth and operational efficiency.

7.1 Theoretical Contributions

This thesis builds upon the established theoretical frameworks outlined earlier; various HRM models such as soft and hard approaches in HRM and their implications (Storey, 1989) were discussed. Through the analysis of data from a pharmaceutical company, it is evident that a hybrid approach has been adopted. This approach integrates both the performance-driven focus of the hard model and the humanistic, relational aspects emphasised in the soft model, fostering a supportive work environment and prioritising employee well-being. In terms of talent management, the findings indicate that the pharmaceutical company employs a more exclusive approach, prioritising individuals with the highest performance and potential, as aligned with the talent-as-some perspective (Iles et al., 2010). Furthermore, as this thesis offers strategic recommendations for the company, it identifies key obstacles to effective strategy execution, as highlighted by Hrebiniak (2005), which must be addressed to ensure the successful implementation of the proposed HR strategies.

The analysis of the pharmaceutical company's retention strategies demonstrates alignment with theoretical insights, which suggest that organisations prioritizing factors such as organisational culture, extrinsic rewards, opportunities for development and advancement, and flexible working arrangements are more likely to retain top talent and maintain a stable workforce (Hausknecht et al., 2009). These strategies highlight the importance of a holistic

approach to retention that addresses both the professional and personal needs of employees, reinforcing the company's commitment to long-term talent retention and workforce stability.

One significant theoretical contribution is the hybrid approach developed in this thesis, merging local and global talent acquisition strategies. The analysis emphasises that in highly specialised sectors like pharmaceuticals, organisations must adopt a flexible and diversified recruitment strategy, leveraging both internal resources and external opportunities to stay competitive. The incorporation of digital tools and data analytics into HR processes, discussed in the thesis, aligns with the evolving literature on the digitalisation of HRM, particularly the increased role of data-driven decision-making in recruitment and talent management.

7.2 Practical Implications

The practical implications of this thesis are highly relevant for the pharmaceutical company and extend to other industries facing similar talent management challenges. The four strategic pillars—Obsessing about local talent, Spreading your reach, Creating new opportunities, and Navigating change with strategy—provide a structured, actionable framework for addressing these challenges.

The first pillar, Obsessing about local talent, underlines the importance of strengthening the local talent pipeline. By refining recruitment, onboarding, and retention processes, companies can position themselves as employers of choice in their regions. This strategy highlights early talent engagement through internships and partnerships with local universities, which is particularly relevant in regions with emerging specialised talent.

The second pillar, Spreading your reach, emphasises the importance of internationalising recruitment strategies. In industries where specialised talent is scarce, tapping into global talent pools becomes essential. This approach includes not only expanding digital outreach but also addressing the complexities of international recruitment, such as visa processes and certification validations.

The third pillar, Creating new opportunities, expands the company's role beyond traditional corporate responsibility by investing in the local community. Strategic initiatives like improving healthcare facilities and supporting educational programmes can build stronger ties with the local community, simultaneously enhancing the company's appeal to potential employees.

The final pillar, Navigating change with strategy, stresses the importance of leadership and adaptability in an evolving industry. By empowering leaders with the knowledge and tools needed to standardise key processes and navigate industry changes, companies can transform challenges into opportunities for growth.

7.3 Limitations and Future Research Ideas

Although this thesis provides a robust analysis, it is not without limitations. The study focuses on a single pharmaceutical company, which may limit the generalisability of its findings. Expanding future research to include multiple companies within and outside the pharmaceutical sector could provide a more comparative analysis and test the broader applicability of the strategies proposed.

Moreover, while the thesis uses internal company data, this may introduce bias. Future studies could incorporate external data sources, such as industry benchmarking or employee surveys, to provide a more balanced view of HR practices. Longitudinal studies would also add value by tracking the long-term impact of these HR strategies on key performance indicators such as employee retention and organisational growth.

Lastly, while leadership was identified as crucial to the success of HR strategies, this thesis did not explore the specific leadership behaviours that most effectively drive engagement and retention. Future research could investigate which leadership styles and practices are best suited to industries with high talent demands, like pharmaceuticals.

7.4 Conclusion

To conclude, the analysis and strategic proposals for the pharmaceutical company reveal that while challenges lie ahead, they are accompanied by immense opportunities. The strategy developed in this thesis, rooted in a deep understanding of the pharmaceutical company's current HR practices and the pharmaceutical industry's demands, is not just designed to address immediate HR gaps but also to establish a foundation for sustainable growth and long-term efficiency.

The pillar of Obsessing about local talent highlights the company's potential to become a leading employer by focusing on local talent development, enhancing recruitment, selection, onboarding, and retention practices. The pillar of Spreading your reach emphasises the importance of global recruitment strategies, bringing in diverse perspectives and skillsets. Creating new opportunities reflects the company's commitment to societal development while building a sustainable talent pipeline. Lastly, Navigating change with strategy underscores the need for empowering leadership and standardising processes to successfully manage the dynamic and ever-evolving landscape of the pharmaceutical industry.

Immediate action recommendations include enhancing digital platforms for recruitment, building clearer career paths, and fostering a culture of continuous learning through mentorship and reskilling programmes. Success will be measured through continual evaluation of these strategies, using KPIs, employee feedback, and market analysis to ensure alignment with both internal objectives and external dynamics.

In conclusion, the company's journey is not only about refining HR practices but also about cultivating a culture of excellence, innovation, and inclusivity. Embracing the strategies outlined in this thesis will not only help the company meet its HR objectives but also set new standards in the pharmaceutical industry. As John F. Kennedy famously said, "Change is the law of life. And those who look only to the past or present are certain to miss the future." With this forward-looking approach, the company is well-positioned to turn challenges into opportunities, harnessing its human capital to drive sustainable growth and success.

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APPENDICES

Appendix 1: Quantitative and Qualitative Data – the Pharmaceutical Company’s Internal Data

For the purpose of thesis research titled “Enhancing Talent Management Strategy for the Pharmaceutical Company“, please provide the following quantitative and qualitative data. All data should include the period 2021-2023 for the dynamic to be seen.

Quantitative Internal Data

General Data

1. Number of employees.
2. Number of employees’ years of service in the.
3. Employees’ gender.
4. Number of overtime hours per employee.
5. Absenteeism – days per employee.
6. Early turnover (turnover within one year of being hired).
7. Early voluntary turnover (voluntary turnover within one year of being hired).
8. Turnover rate.
9. Voluntary turnover rate.
10. Regrettable loss.
11. Time to hire.
12. Staff Diversity and Inclusion – any data on this topic.

Candidate Attraction & Recruitment

1. All attraction channels’ efficiency data (reach/visits, interviewed and hired candidates by channel).
2. All types of promo events’ efficiency data (reach/visits/participants, hired candidates by event).
3. All types of programmes’ efficiency data (reach/visits/participants, hired candidates). Please include all programmes such as university programmes, summer schools, case study shows etc.
4. Do you have referral programmes? If yes, please provide the success rate.
5. Do you use Word-of-mouth recruitment? If yes, please provide the success rate.
6. Candidate experience survey data (hire process).
7. Onboarding/orientation survey data.
8. Employee satisfaction/engagement survey results.
9. eNPS results.
10. Exit interview data.

Retention

1. Salary level (what you aim for and where you are ex. 25 percentile, median etc).
2. Salary Benchmark data.
3. Internal Promotion rate.

Qualitative Internal Data

General Data

1. Remote, hybrid or full-time office/premises possibility

Candidate Attraction & Recruitment

1. Description of all attraction channels
2. Description of all types of promo events
3. Description of types of programmes. Please include all programmes such as university programmes, summer schools, case study shows etc.
4. Do you have referral programmes? If yes, please describe
5. Do you use Word-of-mouth recruitment? If yes, please describe
6. Describe the process of the candidate journey with stages, touchpoints with candidates and time frames of processes.
7. Describe your onboarding/orientation programme/process with stages.
8. Reasons for leaving from exit interviews.
9. If any additional practices are not mentioned in the questions above, please describe them.

Retention

1. Benefits (including non-material motivation) description.
2. Recognition programmes description.
3. Office/premises amenities description.
4. Flexible working model possibilities.
5. Description of any activities related to job purpose.
6. Training and development opportunities.
7. Performance review process
8. If there are any additional retention tools, that are not mentioned in the questions above, please describe them.

Appendix 2: The Lists of Companies and Interviewees

List of companies represented by the interviewers:

Code	Benchmarking	National or international company
COMPANY 1	Support function	National
COMPANY 2	Support function	International
COMPANY 3	Production	National
COMPANY 4	Production & Development	National
COMPANY 5	Support & Production	National
COMPANY 6	Development & Production	International
COMPANY 7	Development	National
COMPANY 8	Development	National
COMPANY 9	Production	International
COMPANY 10	Support	National
COMPANY 11	Production	International
COMPANY 12	Production	International
COMPANY 13	Production	National
COMPANY 14	All	National

List of interviewees for benchmarking:

Code	Supp/ Dev./ Prod.	Type	Company code	Interviewee data
INTERVIEWEE 1	Support	Ex-employee	COMPANY 1	Female 5 years of experience
INTERVIEWEE 2	Support	Employee	COMPANY 2	Female 2 years of experience
INTERVIEWEE 3	Production	HR Consultant Gave insights for:	COMPANY 14 COMPANY 3 COMPANY 10 COMPANY 13	Female 8 years of experience
INTERVIEWEE 4	Production	Ex-employee Employee	COMPANY 4 THE PHAR. COMP.	Male 10 years of experience
INTERVIEWEE 5	Production & Supp.	Employee	COMPANY 5	Male 2 years of experience
INTERVIEWEE 6	Development	Employee	COMPANY 4	Male 12 years of experience
INTERVIEWEE 7	Supp.	Ex-student worker Ex-student worker Student worker	COMPANY 4 COMPANY 6 THE PHAR. COMP.	Male 3 years of experience

INTERVIEWEE 8	Development	Ex-employee Employee	COMPANY 7 COMPANY 6	Female 12 years of experience
INTERVIEWEE 9	Development	Ex-student worker Student worker	COMPANY 6 COMPANY 8	Male 2 years of experience
INTERVIEWEE 10	Production	Ex-employee Employee	COMPANY 8 COMPANY 9	Male 10 years of experience
INTERVIEWEE 11	All	HR Expert	COMPANY 11	Female 8 years of experience
INTERVIEWEE 12	All	HR Expert	COMPANY 12	Female 5 years of experience

List of interviewees (Pharmaceutical company’s associates) for assessing the effectiveness of HR practices:

Code	Position	Interviewee data
INTERVIEWEE 13	Hiring Manager	Female 16 years of experience
INTERVIEWEE 14	Hiring Manager	Female 12 years of experience
INTERVIEWEE 15	Hiring Manager	Female 9 years of experience
INTERVIEWEE 16	Hiring Manager	Female 14 years of experience
INTERVIEWEE 17	HR Expert	Female 9 years of experience

Appendix 3: Attraction of Expert – VTIS Insights

The document "Best practices_Društvo VTIS, 2021" outlines various best practices for attracting and retaining talent in organisations. Here is a summary of the key points on attraction and compensation packages.

Here are listed the attraction activities:

Active Involvement in Selection Procedures: Engaging employees, headhunters, and other stakeholders in the recruitment process.

Inspiring Employment Team: Introducing candidates to personnel departments, management, and future colleagues, possibly through visits or team dinners.

Establishing a Talent Base: Creating a database of talent and sharing it across departments for effective placement.

Adaptability and Responsiveness: Tailoring the employment process to candidates' needs, including adapting job roles and conditions.

Clear Company Culture Communication: Emphasising company values and culture fit during the hiring process.

Recognition and Innovation: Attracting candidates by being recognised as a leader in innovation and technology.

Professional Growth Opportunities: Providing structured mentoring, education investment, and opportunities for career development.

Encouraging Teamwork: Organising team-building activities and fostering an environment for effective group work.

Flexible Working Arrangements: Offering options like working from home, part-time work, or focusing on results rather than hours worked.

Reimbursing Expenses: Covering transportation, equipment, and other work-related costs.

Accessible Management Culture: Investing in leadership training and ensuring management accessibility.

Work-Life Balance: Providing support for a healthy lifestyle, cultural engagement, and family life.

Here are listed the components of the Ideal Compensation Package:

Competitive Salary: Adapting to the market standards, especially for hard-to-find skill sets.

Benefits and Perks: Including health insurance, retirement plans, and other standard benefits.

Stock Options or Shares: Offering shares or options in the company as a form of long-term incentive.

Bonus Programmes: Implementing clear evaluation and reward processes based on individual performance and company success.

Professional Development Support: Funding for further education, certifications, and training.

Work Flexibility: Providing the ability to work remotely or have flexible hours.

Wellness Programmes: Offering gym memberships, wellness activities, or health-related benefits.

Family-Friendly Policies: Providing benefits like extended parental leave, childcare support, or family-oriented events.

These practices and compensation elements are key to attracting and retaining top talent while fostering a positive and productive work environment.

Appendix 4: Case Study: Enhancing Talent Acquisition - Hemofarm's Innovative Settlement in Vršac, Serbia

Hemofarm, a pharmaceutical company from Serbia, located in Vršac, (8 km from the Romanian border and 80 km northeast from Belgrade) has embarked on a pioneering journey to address talent shortages and enhance the overall employee experience. This case study explores Hemofarm's innovative approach, not only in the development of a cutting-edge settlement but also in the establishing partnerships with the local community. The company's vision extends beyond its immediate workforce, incorporating support for cultural events, sports, and education initiatives.

The Background

As Hemofarm experienced substantial business expansion, the company recognised the need to attract and retain skilled professionals. In response, it initiated a visionary settlement project in the mid 1990s, setting the stage for a multifaceted approach to talent acquisition and employee satisfaction. At that time, the banking system was at its lowest level due to the devastating effects of the UN sanctions on the local economy. Educated professionals have been leaving the country due to the lack of opportunities for stable salaries and home ownership. With the banking sector unable to provide housing loans, Hemofarm's initiative arrived at a right moment. Employees received a unique opportunity to access credit (from the company rather than the bank) with a 0% interest rate, and repayment period of 20–30-years.

In a strategic move to integrate with the local community, Hemofarm forged partnerships to support cultural events. By acting as a catalyst for cultural enrichment, the company not only strengthened its community ties but also contributed to the vibrant cultural environment in Vršac. Additionally, Hemofarm demonstrated its commitment to community engagement by founding a basketball team, which achieved significant success by winning the ABA League in 2005 and bringing pride to both the company and the local community.

Beyond sports and culture, Hemofarm extended its impact to education. The company established scholarship programmes to support young talents in pursuing their educational goals. This initiative not only nurtures academic excellence but also aligns with Hemofarm's commitment to investing in future generations.

Conclusion

Hemofarm's holistic strategy, encompassing a visionary settlement, cultural partnerships, successful sports ventures, and educational support, has created a ripple effect of positive outcomes. The company not only addresses talent shortages but also becomes an integral part of the Vršac community, contributing to its social, cultural, and educational environment. In 2006, German pharmaceutical company Stada acquired Hemofarm for €494 million, which is considered the best sale after democratic changes in Serbia. Today,

Hemofarm is the leader in the pharmaceutical market in Serbia. Accounting for over 70% of Serbia's total of pharmaceutical exports, the Vršac-based company is at the same time the largest Serbian exporter of medications, manufacturing approximately 6.6 billion tablets and capsules annually.

Appendix 5: Questionnaire – Interviews with Hiring Managers and People Partner

Interview Purpose:

This questionnaire has been designed to measure your satisfaction with the recruitment process, HR support, and employee retention practices that you've encountered as a hiring manager. Your sincere responses will provide valuable information that can guide us in suggesting improvements and ensuring that the P&O team aligns with your needs and those of your team.

Activities to Attract Talents

Pharmaceutical company is organising a wide range of activities to attract talents, collaborating with different institutions.

Do you participate in these activities?

Do you find those activities beneficial?

Talent Acquisition

Does HR take into consideration all your preferences about the desirable candidate?

Do you receive regular updates from the HR team throughout the recruitment process?

How would you rate the quality of candidates that were presented to you by the HR team during the selection process?

Do you think you have been provided with the necessary resources and tools to effectively assess and select candidates, such as interview guides, assessment tests, or other evaluation tools?

Can you provide any suggestions or feedback on how the recruitment process could be improved to better meet your needs as hiring managers?

Employee Onboarding

How satisfied are you with the onboarding process for new hires in your department?

Were new employees adequately prepared for their roles?

Is there anything missing in the onboarding process that you think should be included?

Training and Development

Do you assign mentors to your newcomers?

Do you have a structured mentoring programme in place?

Retention

What are the primary reasons employees leave our company?

How satisfied are you with the company's efforts to retain top talent in your department? Are there specific retention strategies or practices that have been particularly effective?

Have you experienced any challenges related to employee turnover in your team, and if so, have you worked with HR to address these challenges?

How does HR support you in identifying and addressing the factors that contribute to employee turnover, such as career development opportunities, work-life balance, and compensation and benefits?

Have you had opportunities to work with HR in identifying and addressing skills gaps or talent development needs within your team?

Pharmaceutical company has a very diverse workforce, from BB to Generation Z. Do you think HR provides you as a manager with enough tools to meet the needs of all?

In your opinion, what role should HR play in helping to improve employee retention within your department, and how well do they currently fulfil that role?

Appendix 6: Questionnaire – Interviews with HR Experts in Benchmarking Companies

How do you prioritise talent acquisition for different roles, especially in development, support and production?

What strategies have proven most effective in attracting top talent in the pharmaceutical industry in recent years?

How do you ensure the quality of hires, especially in a competitive market?

What skills training and development programmes have you implemented to ensure the continued growth of your employees?

How do you measure the ROI of your talent acquisition strategies?

How are you differentiating your talent acquisition from competitors?

How do you address the challenge of low unemployment rates in attracting the right talent for support functions?

What partnerships or collaborations have you established to ensure a steady pipeline of top talent?

How do you engage and retain talent in the initial months of their employment?

Appendix 7: Questionnaire – Interviews with Employees or Job Candidates

In the manner of design thinking, we used open-ended questions related to each of the four phases of HR, supported by follow-up questions to gain a deeper understanding of the emotional aspect of the user's experience. In contrast to the common practice of focusing solely on unpleasant experiences, we aimed to gain insights into pleasant experiences as well. We wanted to understand what the competition does to make employees satisfied, identifying best practices within the benchmarking landscape. By documenting these emotional states, we pinpointed which steps are particularly painful or enjoyable for interviewees. This helped in understanding what aspects of the candidate/ employee experience need improvement and which ones are functioning well.

Open-ended and follow-up questions:

Can you describe a time when you felt satisfied/ frustrated while applying for the job ad?

- What specifically made you feel satisfied/frustrated during the application process?
- How did you handle the situation?
- What could have improved your experience?

Can you describe a time when you felt satisfied/ frustrated while having a job interview and receiving feedback after?

- What aspects of the interview process contributed to your satisfaction/frustration?"
- How did the feedback you received impact your feelings about the job?
- What would have made the feedback process better for you?
- What aspects of the interview process contributed to your satisfaction/frustration?
- How did the feedback you received impact your feelings about the job?
- What would have made the feedback process better for you?

Can you describe a time when you felt satisfied/ frustrated while being onboarded?

- What parts of the onboarding process were most satisfying/frustrating?
- How did your onboarding experience affect your initial impression of the company?
- What changes would have made the onboarding process more effective?

Can you describe a time when you felt satisfied/ frustrated while working?

- What specific tasks or situations led to your satisfaction/frustration?
- How did you cope with these feelings?
- What support or resources would have improved your work experience?

Can you describe a time when you felt satisfied/ frustrated while receiving Training & Development benefits?

- “What aspects of the training and development were most beneficial/frustrating?
- “How did these experiences impact your professional growth?
- “What improvements would you suggest for the training programmes?

What about the compensation package, how do you feel about that?

- What elements of the compensation package do you find most satisfying/frustrating?
- How does the compensation package compare to your expectations?
- What changes would make the compensation package more appealing to you?

What about the promotion opportunities, how do you feel about that?

- What has been your experience with promotion opportunities in the company?
- How do you feel about the criteria and process for promotions?
- What would make the promotion process more transparent and fair?

What about the team dynamics, how do you feel about that?

- Can you describe a specific instance where team dynamics were particularly positive/negative?
- How do team dynamics affect your daily work and overall job satisfaction?
- What suggestions do you have for improving team collaboration and communication?