Drug Makers Adopt ‘Benching’ Model to Address Attrition

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Hyderabad: Alarmed by attrition rates as high as 25%, several drug makers in India, both local companies and multinationals with operations here, are devising novel ‘benching’ models to manage employee turnover.

These firms are increasingly joining hands with recruitment process outsourcing (RPO) companies to maintain a pool of readily available people with specialisation in R&D and marketing so that they could fill up a position within a week of it falling vacant. RPOs are offering these ‘benching’ services to manufacturers such as Novartis, Abbott, Pfizer, Lupin, Sun Pharma and Mankind.

Sources in RPOs said the drug-makers are worried about rising attrition rates that could hamper their growth, and are accordingly availing of their services for quick hiring. The Indian pharmaceutical market reported growth of 13% in fiscal 2015 at around 60,000 crores.

“Bench” concept means keeping buffer or additional resources with anticipation of more business demand or to manage attrition. A pool of experienced applicants is created through passive or active hiring and this pool is absorbed based on the demand,” said Ramesh Tinwala, assistant VP at TeamLease, a provider of HR services.

According to Tinwala, it has been a volume game for medicine manufacturers post the 2013 drug price control order with an extended reach to small cities. “In the pharmaceutical industry, any position vacant in a territory is a loss of business to the organisation. Firms are now recruiting more people within a territory segment to ensure the business continuity. The bench model reduces the time spent on the entire hiring cycle in case of exigencies,” he said.

Admitting that the RPO trend is fast catching up in the drug industry, Glenmark Pharmaceuticals Executive VP and global head (HR) Rajendra Ambekar said it was mostly confined to mass hiring in the sales space at present.

“Attraction of talent to the pharma industry is a challenge as it is not most sought after. It is also critical to have the feet on ground most of the time or the space would be taken away by competitors. In this scenario, the turnaround time for hiring becomes extremely critical. In this background creating a bench staff helps a lot in immediate staffing of vacant positions.”