

# ***How did the war affect the pharmaceutical personnel market in Ukraine? Current figures and forecasts***



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*13th specialized conference-workshop "Sales Force Effectiveness-2022"*

*Kyiv - June 30, 2022*

# ***War. Economic impact on pharmaceutical industry in Ukraine***

- ***Economic downturn: gross domestic product (GDP) in Ukraine is expected to decline by 45-50% by the end of the 2022.***
- ***The income of the population is expected to decrease by 25%.***
- ***Devaluation of UAH and rise in price of medicines - the cost of medicines increased by an average of 20%.***
- ***According to preliminary data for May 2022, the rate of decline in sales is 24% in monetary terms and 33% in physical terms.***

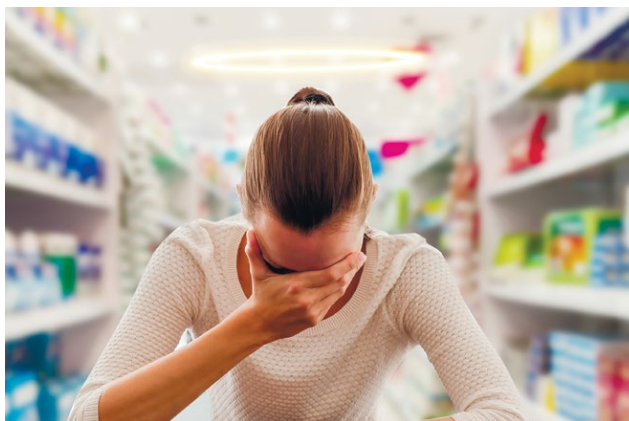
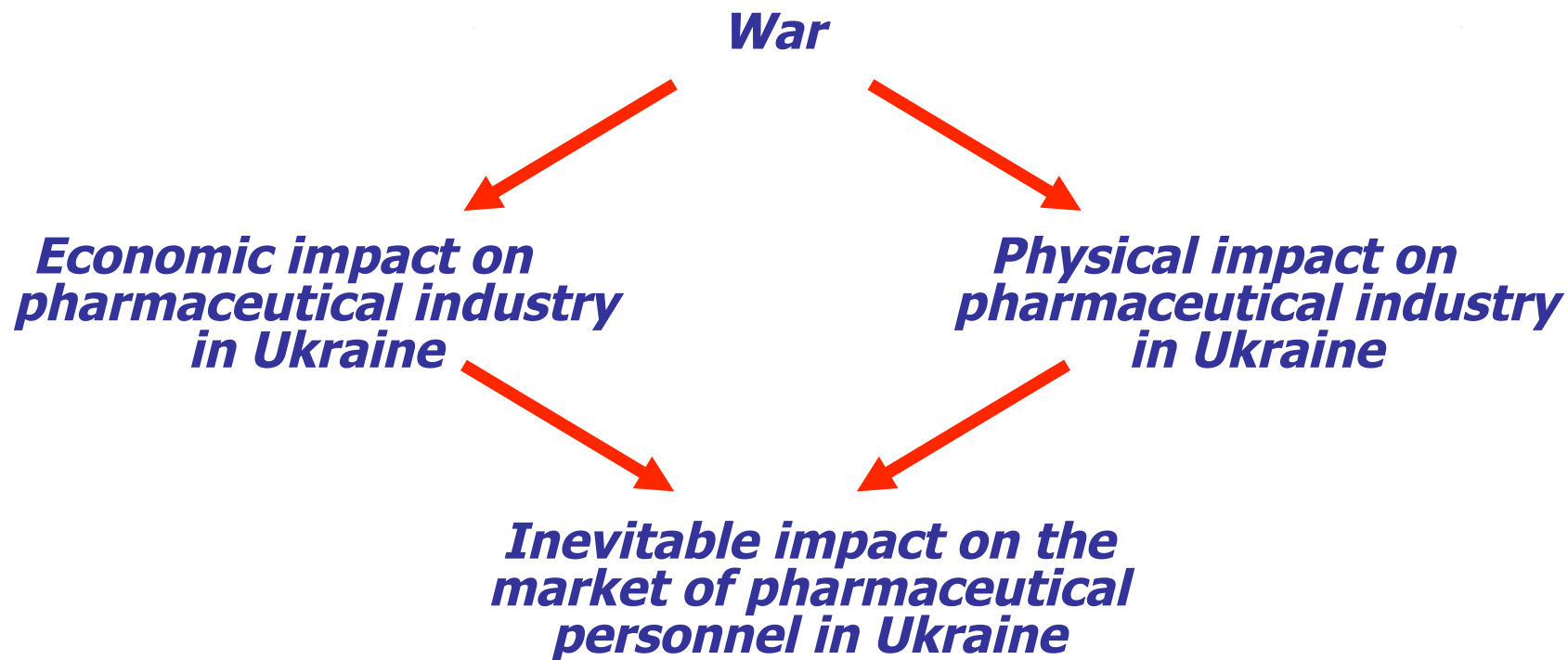


Dynamics of the retail pharmaceutical market during the war –  
UDT 27/06/2022

№ 12/13 (1333/1334) June 13, 2022  
<https://www.apteka.ua/article/637791>



# ***War. Influence on the market of pharmaceutical personnel in Ukraine***



# Analytical research of the company "PHARMA PERSONNEL" in 2022

- ❑ *January-February 2022: "Salary Survey - 2022" - direct questionnaire data collection from 27 pharmaceutical companies (3100 employees)*
- ❑ *January-February 2022: "Pharma Personnel Index (PhPI) - 2022" - a study of the staffing structure of pharmaceutical companies in Ukraine (27 companies, 3100 people)*
- ❑ *March 2022: "Study on the impact of the war of the Russian Federation against Ukraine on the HR-policy of pharmaceutical companies - 2022" (status on March 24, 2022) - data from 32 companies*
- ❑ *June 2022: Addendum to the "Salary Survey - 2022" (status on 31.05.2022)*

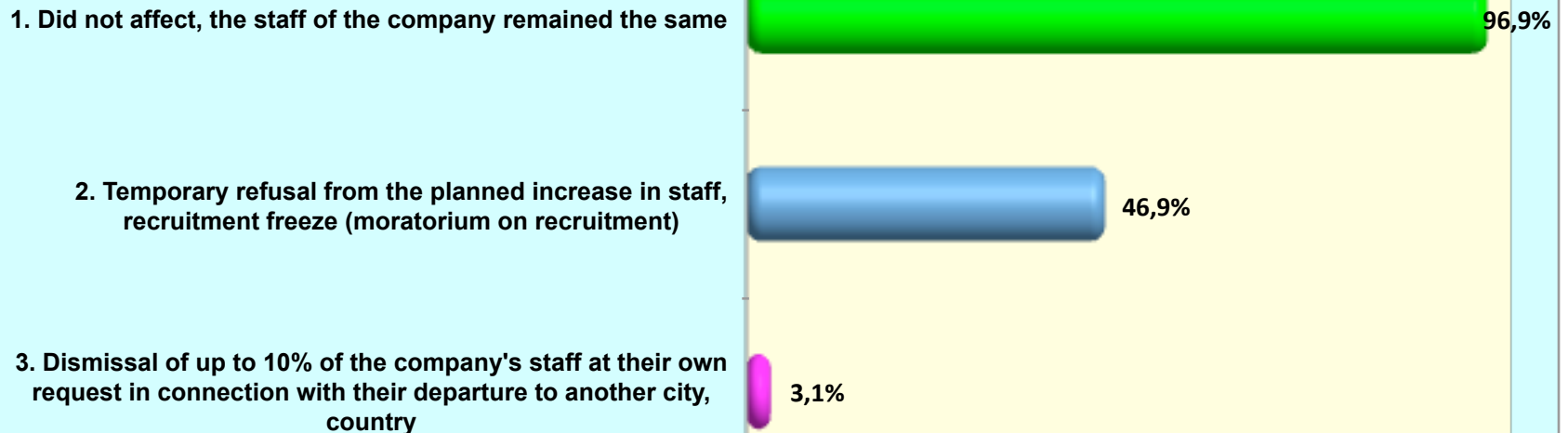


# *Trends in the **recruitment policy** of pharmaceutical companies*



# Trends in the **recruitment policy** of pharmaceutical companies

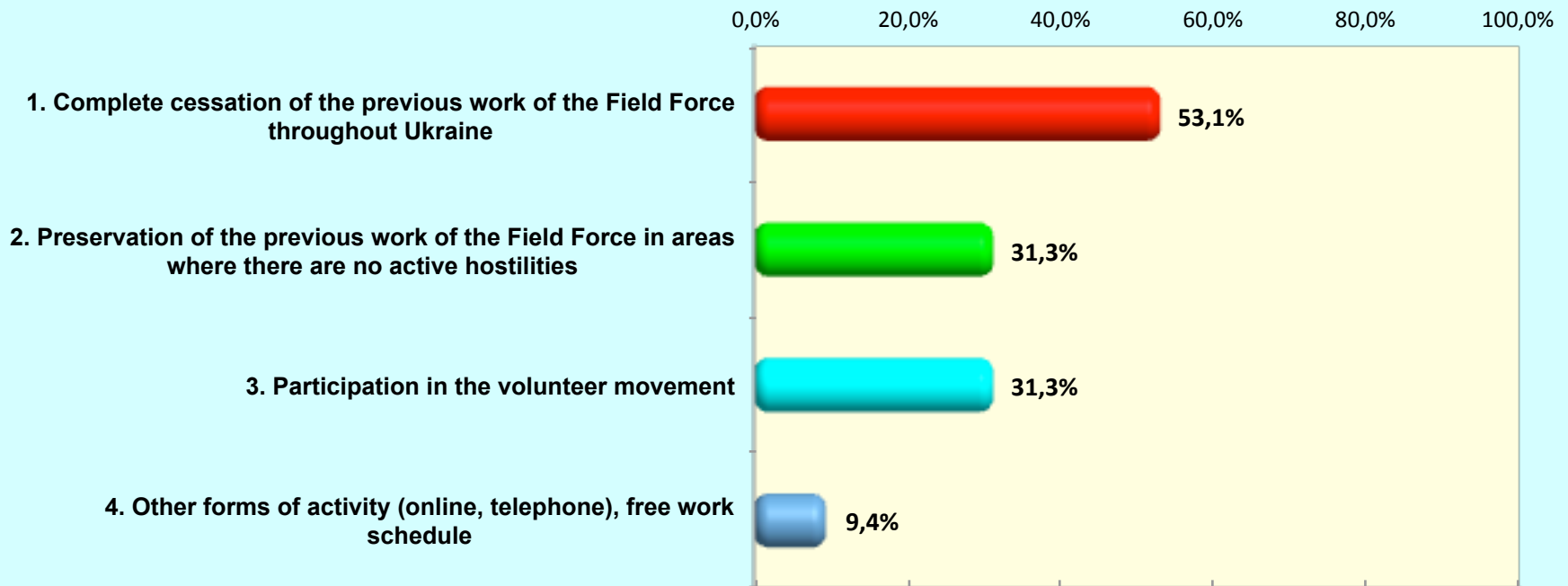
Diagram. How did the war of the Russian Federation against Ukraine affect the recruitment policy in the company?



❑ March 2022: "Study on the impact of the war of the Russian Federation against Ukraine on the HR-policy of pharmaceutical companies - 2022" (status on March 24, 2022) - data from 32 companies

# Trends in the **recruitment policy** of pharmaceutical companies

**Diagram. Changes in the work of the Field Force staff of companies in connection with the war of the Russian Federation against Ukraine**



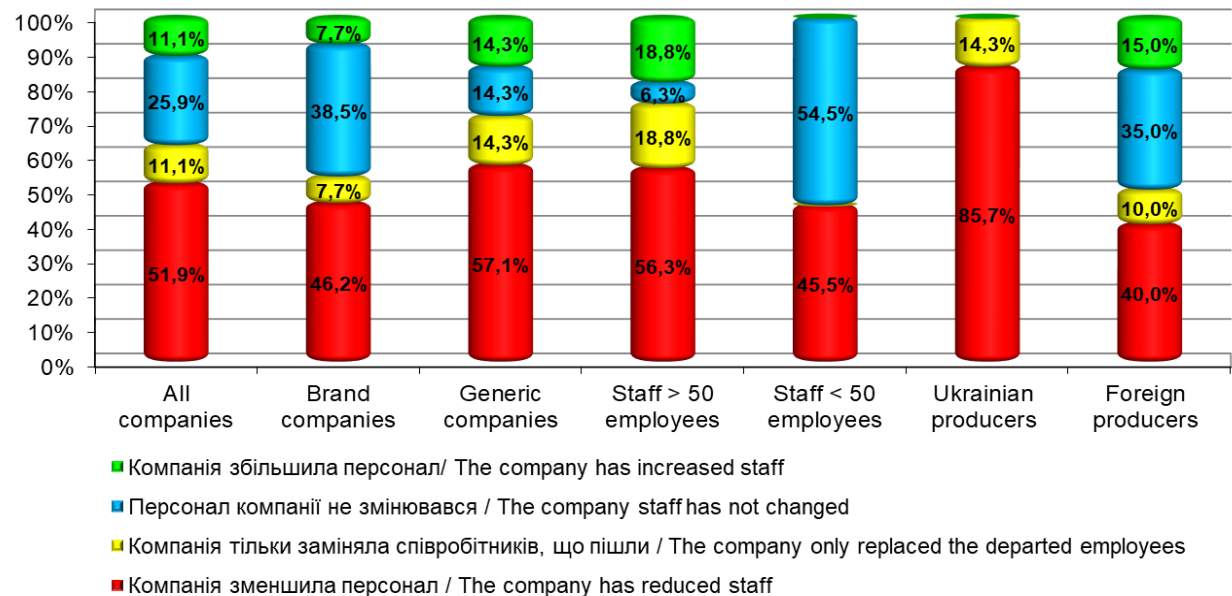
❑ March 2022: "Study on the impact of the war of the Russian Federation against Ukraine on the HR-policy of pharmaceutical companies - 2022" (status on March 24, 2022) - data from 32 companies



# Trends in the **recruitment policy** of pharmaceutical companies

*From December 31, 2021 to May 31, 2022:*

- **11.1%** of companies increased their staff,
- in **25.9%** of companies the staff did not change,
- **11.1%** of companies only replaced outgoing employees,
- **51.9%** of companies reduced their staff.



# Trends in the **recruitment policy** of pharmaceutical companies

	Зміна загальної кількості працівників на момент 31 травня 2022 року порівняно з 31 грудня 2021 року/ Personnel quantity changes 31 December 2021 vs 31 May 2022	Зміна кількості працівників на момент 31 травня 2022 року порівняно з 31 грудня 2021 року / Personnel quantity changes 31 May 2022 vs 31 December 2021		Запланована зміна кількості працівників до кінця 2022 року/ Changes of employees number by the end of 2022
		Прийнято працювати, %/ Hired, %	Пішли з компанії, %/ All fired, %	
Усього співробітників / Total employees number	-1,1%	4,9%	-6,0%	0,2%

*From December 31, 2021 to May 31, 2022:*

- **The number of pharmaceutical personnel in Ukraine decreased by 1.1%.**
- **Staff turnover is low – 6,0%.**

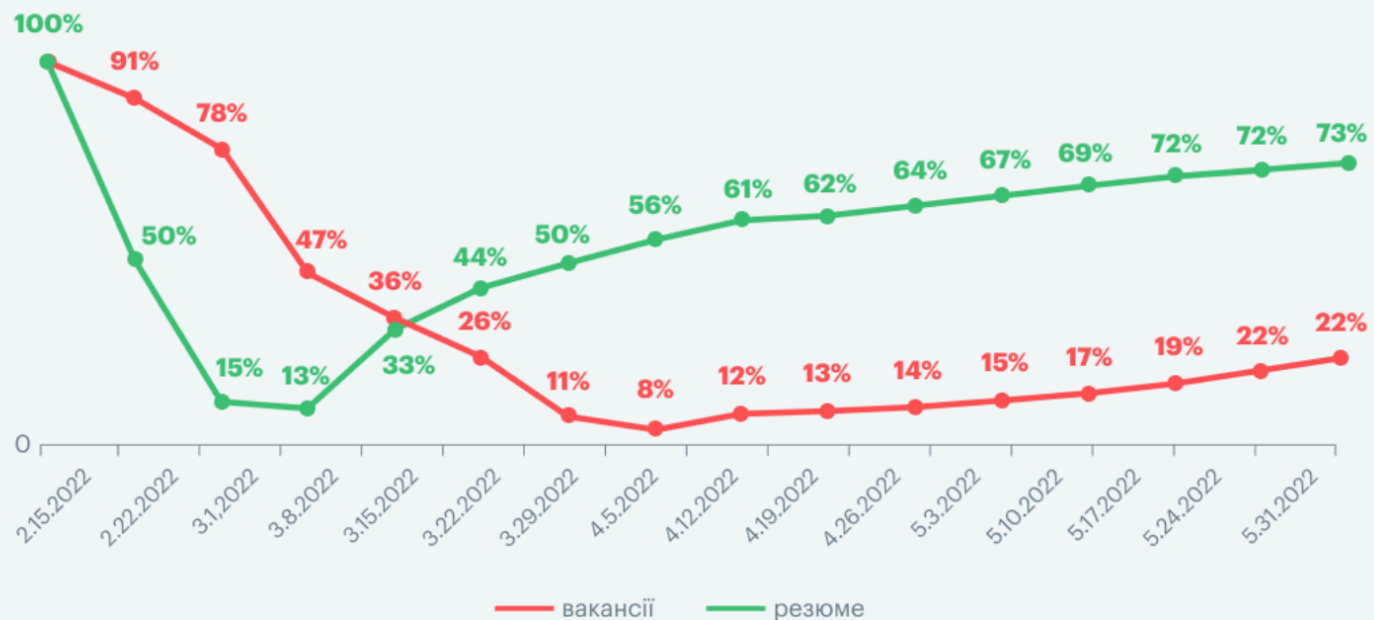
## *Planned recruitment policy in companies by the end of 2022*

- **11,1%** of companies plan recruitment
- **48,1%** of companies will only replace departed employees
- **25,9%** of companies do not plan to replace departed employees
- **3,7%** of companies plan to reduce staff
- **11,1%** of companies will decide later



# Trends in the **recruitment policy** of pharmaceutical companies

## Динаміка вакансій та резюме (усереднений показник)



100% – базова точка стану ринку на 01-02-2022. Відсотки на графіку – стан ринку у % від базової точки

# Trends in the **recruitment policy** of pharmaceutical companies

## **Characteristics of the labor market in Ukraine:**

- ✓ ***Huge decrease in the number of vacancies (at 5-10 times)***
- ✓ ***Basically, vacancies for doctors in medical institutions and pharmacists in pharmacies***
- ✓ ***There are almost no vacancies in the promotional sector of the pharmaceutical market***
- ✓ ***The activity of candidates is also reduced***

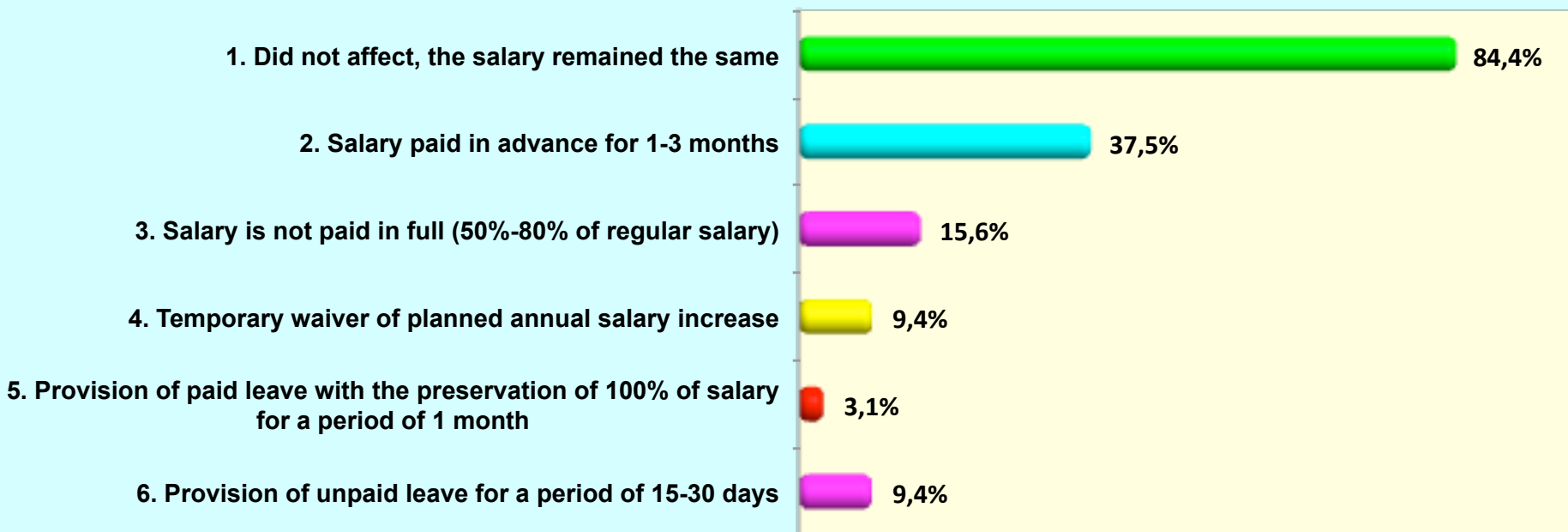


# *Trends in the **salary policy** of the personnel of pharmaceutical companies*



# Trends in the **salary policy** of the personnel of pharmaceutical companies

Diagram. How did the war of the Russian Federation against Ukraine affect the salary policy in companies?



# Trends in the **salary policy** of the personnel of pharmaceutical companies

- **48.1%** (**37.0%** in January + **11.1%** in February-May) of companies increased the level of salaries of their employees.
- **3.7%** - reduced salaries.
- **3.7%** of companies postponed the previously planned salary increase from the first half to the second.
- **29.6%** canceled the previously planned salary increase by the end of the year.
- **14.8%** of companies did not plan to change salaries in 2022.





# Trends in the **salary policy** of the personnel of pharmaceutical companies

*From 01.01.2022 to 31.05.2022, the increase in salaries in UAH on average in the market of pharmaceutical companies in Ukraine was **4.4%**.*

Зміна заробітної плати у гривнях у фармкомпаніях у 2022 році / Changes in wages in hryvnia in pharmaceutical companies in 2022	Усі компанії / All companies	Оригінальні компанії / Brand companies	Генеричні компанії / Generic companies	Компанії зі штатом понад 50 співробітників / Companies with staff more than 50 employees	Компанії зі штатом менше 50 співробітників / Companies with staff less than 50 employees	Компанії – українські виробники / Companies – Ukrainian producers	Компанії – закордонні виробники / Companies – foreign producers
У січні 2022 року / In January 2022	4,9%	3,2%	5,2%	5,3%	0,9%	1,8%	7,2%
У лютому-травні 2022 року / In February-May 2022	-0,4%	-2,4%		0,2%	-6,5%		-0,8%
У січні-травні 2022 року / In January-May 2022	4,4%	0,8%	5,2%	5,5%	-5,6%	1,8%	6,4%
План змін до кінця 2022 року / Change plan until the end of 2022	0,3%		0,4%	0,3%			0,5%
Загальний план змін на 2022 рік / Total change plan for 2022	4,7%	0,8%	5,6%	5,8%	-5,6%	1,8%	6,9%

# Trends in the **salary policy** of the personnel of pharmaceutical companies

## Медичний представник/ Medical Representative

### 1. Заробітна плата за сегментами / Average market salary in different segments Январь / January 2022

Сегменти / Segments	Заробітна плата на місяць, брутто, грн / Salary per Month, Gross, UAH						
	Частка компаній, %/ Share of companies, %	Мінімальна/ Min	1 квартиль/ 1st quartile	Медіана/ Median	Середня/ Average	3 квартиль/ 3d quartile	Максимальна / Max
Виробники оригінальних препаратів/ Brand products producers	<b>77%</b>	17 623	24 884	<b>28 571</b>	28 620	31 510	49 000
Виробники генеричних препаратів/ Generic products producers	<b>93%</b>	14 750	24 845	<b>28 257</b>	27 692	30 500	40 250
Компанії зі штатом понад 50 співробітників/ Companies with staff more than 50 employees	<b>94%</b>	14 750	25 000	<b>28 400</b>	27 909	30 500	40 250
Компанії зі штатом менше 50 співробітників/ Companies with staff less than 50 employees	<b>73%</b>	17 250	22 400	<b>26 100</b>	26 854	29 900	49 000
Українські виробники/ Ukrainian producers	<b>100%</b>	15 607	21 000	<b>26 614</b>	26 968	31 214	40 250
Закордонні виробники/ Foreign producers	<b>80%</b>	14 750	26 600	<b>28 400</b>	28 466	30 500	49 000
<b>Вся група/ Total group</b>	<b>85%</b>	<b>14 750</b>	<b>24 845</b>	<b>28 400</b>	<b>27 819</b>	<b>30 500</b>	<b>49 000</b>

□ January-February 2022: "Salary Survey - 2022" - direct questionnaire data collection from 27 pharmaceutical companies (3100 employees)

# Trends in the **salary policy** of the personnel of pharmaceutical companies

Регіональний менеджер/  
Regional / District Manager

1. Заробітна плата за сегментами / Average market salary in different segments  
Январь / January 2022

Сегменти / Segments	Заробітна плата на місяць, бруто, грн / Salary per Month, Gross, UAH						
	Частка компаній, %/ Share of companies, %	Мінімальна/ Min	1 кuartиль/ 1st quartile	Медіана/ Median	Середня/ Average	3 кuartиль/ 3d quartile	Максимальна / Max
Виробники оригінальних препаратів/ Brand products producers	54%	32 606	47 051	55 538	55 084	60 890	82 250
Виробники генеричних препаратів/ Generic products producers	100%	28 000	46 000	51 619	51 935	55 508	71 000
Компанії зі штатом понад 50 співробітників/ Companies with staff more than 50 employees	88%	28 000	47 287	52 325	52 833	58 300	71 000
Компанії зі штатом менше 50 співробітників/ Companies with staff less than 50 employees	64%	32 500	39 500	47 000	48 673	48 500	82 250
Українські виробники/ Ukrainian producers	100%	28 000	44 000	49 700	48 529	53 144	65 168
Закордонні виробники/ Foreign producers	70%	32 500	47 765	55 000	56 446	66 000	82 250
Вся група/ Total group	78%	28 000	46 000	51 914	52 363	57 330	82 250

## How did the war affect the pharmaceutical market in Ukraine? Conclusions:

- ✓ *The personnel market turned out to be **quite stable**. There are no significant redundancies - as of 31.05.2022, **the number of staff decreased by 1.1%**.*
- ✓ *There is **a decrease in activity in the personnel market**: a decrease in staff turnover, a small number of new vacancies in the market, the inactivity of candidates in search of new vacancies.*
- ✓ *Pharmaceutical companies are trying to keep the salaries of their employees. Compared with 01.01, as of 31.05.2022, the average salary increased in UAH **by 4.4%**.*
- ✓ *By the end of 2022, pharmaceutical companies plan to keep the number of staff and salaries at about the same level.*

