

Low Income Rate Causing the Lack of Pharmacist

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ABSTRACT

The pharmacist was accounted as one of special group or talented who hold special skills on managing customer experience while diagnosing the symptom and delivering the right pills in accordance with doctor diagnosis. In Thailand, there are plethora drugstores located throughout the country both privately own and chain store from abroad. It is mandatory by Thai's law to employ pharmacist in every store. The pharmacist in both private and franchise stores will preliminarily diagnose customer's symptom, as well as interact with customer nicely to retain the customer's loyalty. Furthermore, the right diagnosis and dispense the remedies healing the sickness is far more important. A knowledgeable with social skills pharmacist could distinct the service among rivals. The organization must, therefore, attract and retain them for a long time. The measure used to retain is compensation and benefits 1. It is in line with 2 saying that compensation for talent is greater than other employees. This academic paper presents both theoretical and strategic practice as an educational case for human resource students, and human resource professional applied. Since, in the workforce market still lack of pharmacist specifically in remote area.

Keywords: Strategic, Compensation, Talent, Benefit

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INTRODUCTION

Investing in education for a person's future comes with both direct and indirect expenses. This is to the prospect of earning future returns from working. The employees perform work for their employers using knowledge, skills and experiences gained through learning or from their past jobs that have been accumulated through experiences. The organization responds to employee's motivation by using incentives in the form of wages and benefits at different levels for the organization's performance³. In a business, organization consists of a wide variety of people, but the groups of people who formulate the organization's policies, goals, missions and strategies are executives, while a group of talented people is responsible for important matters in the organization. The talented group are persons who have specialized knowledge of the company's affairs. People in the talent group hold two similar characteristics: that are strategic importance in the organization. If the talent group's work is not successful, it will affect the overall organization; the position of the talent group is prone to conflict as a result of the desires of the discordant group members².

The talent group in an organization⁴, which can be broken down by the following categories: salary, position seniority, the importance of the position, hierarchy in the organization or combining all of these criteria. For the compensation, revealed that the high amount of compensation sometimes it has little significance to the success of an organization, which means that extremely high compensation does not benefit the organization as it should be⁵. For this reason, this review article proposes that organizations need to carefully plan strategies for paying and benefiting the talent by taking into account the overall benefits of the organization survival and competitive advantage. In this article, it is covering strategies and compensation, benefit and the wages component in the theoretical concerned.

THEORETICAL REVIEW

A strategy is a course of action that aims and guiding plan to deal with the situation. Strategy is for anticipating changes. It is planning for the future where the strategy

and organizational structure must be interrelated⁶. The nature of a good strategy must be linked to both internal and external factors. It is a critical view of senior management on organizational competence plans as a group of options to consider as environment changes. It is for a competitive advantage, so strategies should be flexible⁷. The strategic perspective of² related to compensation determination strategy. It is the fundamental direction that an organization neither chooses to take nor to abandon, with a focus on sustainable competitive advantage. The most suitable approach was used through the design of compensation namely the best fit approach. It is a compensation approach based on the context of the environment, that based on the assumption of no one approach works well for all organizations. Another approach is best practice approach. It is the best practice and applicable to all organizations. This approach is the integration of the compensation system into the different strategies of the organization, the more consistent it is, the greater the effectiveness of the organization.

The compensation refers to all forms of financial compensation and services that employees are exposed to, including the benefits that employees receive from the company which are considered as part of their employment. The main objective of payment are: to enhance the performance which increase the quality that affects the happiness of customers and shareholders, and to control labor costs⁸.

Benefit refers to the compensation that the company offers to its employees in addition to the hourly wages or salary, such as the employees on vacation are also paid, life insurance for employees, or tuition fees. The basic characteristics of welfare consist of 3 issues: (1) the prevention plan is to provide welfare to the employee's family, promoting employee health and income loss prevention in the event of an unexpected incident that affects employees resulting in serious illness, disability or termination; (2) paid time-off is an organizational policy, when employees are on vacation, they still receive regular wages and (3) accommodation and enhancement benefits, for example: providing opportunities for family members of employees to work, managing class on stress

management, flexibility of working schedule or payback of scholarships to employees who further their education⁹.

In addition, Martocchio represents the relationship between the compensation strategy and the compensation decision-making method. That is what strategies the organization has and how it will assess its payments, such as (1) competitive strategy is defined as planning on using corporate resources, technology, employee capital to create a sustainable competitive advantage or else differentiating strategy. It is a strategy to differentiate the service unique product. (2) The human resource strategy is the use of various strategies of human resource personnel in line with the organization's competitive strategy. And (3) the compensation strategy: is a compensation and welfare management must coordinate with human resources and finance executives to plan a combined compensation strategy that promotes an organization's competitive strategy. There are three key factors including; paying compensation is suitability within the organization the competition is equal to the labor market, and the awareness of each employee's dedication to his or her duties.

The theory of compensation⁵, addresses five theories and elements related to the ultra-high pay phenomenon: There are five issues: Agency theory, Tournament theory, Market forces, the perceived importance of management and by the remuneration committee can be described as follows; (1) Agency theory It is based on the notion that business owners earn honesty from their managers or agents through high pay. This is because the business owner cannot completely control over the manager, sometimes hired talents may only do it for their own interests. Therefore, it is imperative to use a financial compensation system to incentivize behavior change and to focus on the benefits of the organization as expected by the business owner. (2) Tournament theory explains that high paying for talent affects prices, and that talent strives to pursuit the organization success. When competitors know the effect of high paying, the compensation of the organization will rise against each other. (3) Market forces it is because the organization feared losing talent to competitors, so organizations have to pay higher to retain the talent. (4) A natural perception of the importance of talent, which is the belief that people value the business that talent is the one who could create shareholder value. (5) Remuneration committee resulting from the corporate governance principle that the compensation policy must be consistent with the effectiveness of risk management, and linked to financial performance. The remuneration committee is, therefore, set up to provide advice on the talent compensation.

However, organizations that are successful in managing compensation must pay both extrinsic rewards and intrinsic rewards which known as psychological income. The psychic income is such as the working environment learning and development opportunities, authority and independence to make decisions in harmony with corporate strategy.

However, the remuneration management also has to take into account the size and operating cycle of the business. For instance; as a start-up business, the growth of business or a business that is saturated and enters the decline stage. According to the theory, short-term payroll and incentives, benefits and privileges for talent in start-up companies. The organization should pay lower than the market and long-term incentives should pay higher

than the market. Whereas, the companies that are entering to the growth stage, the organization should pay a salary, short-term compensation, and benefit at equal rate to the market. Though, it should be higher than the commencement of the organization. While, the long-term compensation should be higher pay, where the benefit is paid at low rate.

In Thailand, the pharmacist accounted as talent and special group which still lack of manpower to serve hospitals, private drug stores, and chain stores. Due to the production of pharmacist serving the market needs require around 5-6 years for each individual pharmacist. It is mostly equal to produce the doctor or dentist. In the other hand, the doctor and dentist could earn more revenue and get recognition than pharmacist. As a result, there are not many students interested to learn in pharmaceutical field. Moreover, the graduate pharmacists tend to work for private drug company, private hospital, and open their own drug stores rather than working for the public services. The important reason is low compensation for working in government hospital, or public services in remote area. Lately in 2018, Thai government¹⁰ agency namely Food and Drug Administration tried to solve the lack of pharmacist by issuing the Drug Act by allowing non-pharmacist able to sell and dispense the medicine for patients by referring the doctor's prescriptions. However, the workforces in public health against this idea. The government should focus to the production of pharmacist rather than allow non-pharmacist to dispense the drug. Since, it might cause severe loss and jeopardized to people. Meanwhile, the compensation and benefit should be considered to attract pharmacist to work for the public services.

As the studied of¹¹ proposed the concept of public administration in Singapore that the use of compensation for attracting, recruiting the smartest people to work in the public sector. The researcher conducted a comparative study of government compensation payments in Southeast Asia including Indonesia, Malaysia, Philippines, Singapore and Thailand. Quah found that Singapore paid the highest compensation with the idea that high wages will attract good people to work in the government sector. The compensation and employee benefits are perceived as fair, and high compensation motivates employees to work their best and should be rewarding, promoting good people. From this principle, Singapore sees the importance of paying government official very seriously to prevent employee corruption. Since, the low paid might cause the lack of manpower and the problem of corruption. It is because of the economical reason that the compensation should more than enough to live individual life and social status. It would minimize the corruption problems.

From the author's perspective, as it clearly can be seen that this article Singapore has rarely seen corruption due to reasonable compensation, strictly law enforcement. And a conscience of morality and ethics towards the country that the educational system of Singapore cultivate its population since childhood on ethics and morals. Hence, the compensation and benefit for pharmacist in remote area of Thailand should include; base salary and bonus, hardship allowance, housing allowance, and home-leave to prevent the lack of pharmacist.

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