

A Study of Implementation of Self-Managed Team (SMT) Philosophy in Pharmaceutical Industry

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Abstract— The objective of the paper is to provide an understanding on the effect of implementation of Self-Managed team as a necessary step towards improving the operational efficiency in pharmaceutical manufacturing Industry. Indian Pharma Industry is the second largest Industry in terms of export of generic pharmaceutical products. High quality products and on time delivery are the success criterions for this Industry, and hence, improving operational efficiency was a paramount importance of business sustenance. Manpower being a crucial variable in the production process, it was chosen as a primary focus area. Talent required for the industry needed to be well trained in all the manufacturing processes. Developing a Self-Managed Team, specifically trained in all aspects of pharmaceutical manufacturing was considered to be quintessential. A study was conducted to understand the principles of self-managed teams and its adoption to pharmaceutical manufacturing industry. It involved review of literature in the areas of self-managed teams, empowered working culture and organisational psychology. Based on this study a framework of Self-Managed Team was drafted and reviewed for implementation. A pilot implementation project enabled the management to understand the effectiveness of accomplishment of intended benefits in the areas of operational efficiency. With the initial success, the self-managed team philosophy was then broad based and implemented in all the areas of manufacturing operations successfully. This philosophy became a case study in the area of engaging empowered self-managed teams and hence was also adopted for implementation by other Indian pharmaceutical organisations.

Key words: Self-Managed Teams, Multi-Skilling, Operational Excellence

I. INTRODUCTION

India is the largest exporter of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume. Indian pharmaceutical sector is estimated to account for 3.1 – 3.6 per cent of the global pharmaceutical industry in value terms and 10 per cent in volume terms. The Indian pharmaceutical market size is expected to grow to US\$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanisation, and raising healthcare insurance among others. Pharma sector's revenues are expected to grow by 9 per cent year-on-year through fiscal 2020 (IBEF, 2018).

The pharmaceutical companies in India, in the quest for positioning themselves up in the pharma value chain, worked towards transforming them from being a manufacturers of mere Active Pharmaceutical Ingredients (bulk drug) to manufacturers of Generic / Branded Formulation products. This transformation required sustained efforts and focus on Process Research. As the generics industry was driven by high quality products, supplied in the right time with lower price, there was a strong focus on continuous improvement and excellence in operations. To

ensure this objective, there was a need for people with right skills and knowledge in all functional areas of pharmaceutical manufacturing capable of multi-tasking and high learnability. Whereas, the strong gap between knowledge and skill required, and the available talent in the market, continued to daunt the pharmaceutical companies.

In this context, one of the pharmaceutical company (where the author was employed) decided to invest on internally building the right talent required. A study was conducted to understand the knowledge, skills and attitudes required, the roles and responsibilities of employees in the renewed way of working, with more emphasis on "self-managed teams & empowered culture". It was proposed to come up with a framework of self-managed teams, which shall be robust to support the sustainable talent requirement and dynamic business scenario. A task force team comprising of the functional experts in the organisation was formed to complete the assigned activity.

II. SELF-MANAGED TEAMS

A self-managing team, by definition, has authority and accountability for executing and managing the work, but within a structure and toward purposes set by others (Wageman, 2001). A self-managed team is a team in which the members take collective responsibility for ensuring that the team operates effectively and meets its targets. Typically, members of self-managed teams are employees within an organisation who work together, within a broad framework of aims and objectives, to reach a common goal (Open Learn 2017). Self-managed teams and their implementation are continuing to gain momentum as organisations are constantly looking for new ways to engage the workforce in order to increase productivity (Relational Strategies 2017).

Thus, it can be summarised that a self-managed team is a group of employees who are responsible and accountable for all or most aspects of producing a product or delivering a service. Traditional organizational structures assign tasks to employees depending on their specialist skills or the functional department within which they work. A self-managed team carries out supporting tasks, such as planning and scheduling the workflow and managing annual leave and absence, in addition to technical tasks. Management and technical responsibilities are typically rotated among the team members.

III. METHODOLOGY

A. Selection, Training & Orientation

The task force team (including the author), designed the framework of self-managed team and their operational philosophy and implementation plan. The work also included a study of the operations currently being performed by the employees and defining the proposed roles to be performed by the SMTs, in the new scenario. A detailed agenda for the theoretical and practical orientation was prepared in

consultation with the respective functional experts. The first batch of SMTs were selected for the pilot study, in their green field project site in the state of Andhra Pradesh, India. The SMTs in the age group of 18 – 20 years, were freshers straight from the higher secondary schools. Once the employees were on-board, they were taken through a structured orientation program. The orientation includes the SMTs meeting with senior management team, who shared their thought process in the new way of working and also assured their commitment in implementation of this SMT philosophy. To impart the requisite knowledge and skills required for the SMTs to perform their activities effectively, the organisation partnered with leading educational institutions in the region. A 90 days theory session was conducted encompassing all the basic functional areas of pharmaceutical manufacturing operations. After completion of this class room training, the employees were extended practical training in all the functional areas of manufacturing operations, safety and quality, followed by an extensive hands on experience, for a period of 6 months. All these training programs were part of the first year training / orientation plan and enabled the trainee employees in seamlessly moving into the main stream operational activity.

B. Continuous Learning

In order to continuously support and guide the SMTs during their development phase, a group of experienced operations team members were identified, as hand holding team (HHT). These HHT members nurtured the young talent in the day-to-day operations and enabled the structured skill development of the SMTs. The organisation also created various learning forums like “LEARN-TEACH-LEARN”, and “Social Learning through Community Living”, etc. The SMTs were motivated and supported for a under graduation program, in association with various leading Universities, in India.

C. Multi Skilling

To enable enrichment of operational skills on a continuous basis the company adopted a program named as “Skill Based Progression System” (SBPS), as part of the SMT framework. The levels of competence were clearly defined for each skill blocks (Production, Quality, Safety, Environment, Engineering, etc) by the 4 step model namely “Learn-Execute-Excel-Propagate” (LEEP). To motivate all these SMTs for upskilling themselves the organisation came up a reward and recognition mechanism were employees on completed of each skill level in the block were paid incentives according to the number and levels of skills they pick up in each year of experience.

As they pick up higher order skills they became champions (STAR-CAPS) of their respective skill blocks. They were enabled to learn more skills as part of the multi-Each star-cap acts as a functional expert / champion like Planning, Safety, Quality, Productivity, Resources, etc, and the roles were rotated to give them more enrichment in the operations. The SMTs were grouped into Work teams with clear performance objectives / scorecard. The performance scorecard was defined “S-M-A-R-T” ly as exhibits in the communication boards. The work teams daily assemble at the assembly points to discuss and review the scorecards every day, during the shift assembly / tool box meetings. To encourage healthy competitive spirit, the teams brand

themselves with various names and professionally compete with each other keeping in mind the larger interests of the organisation.

D. Self-Governance

A highly empowerment organisation is expected to take care of their short comings also though a proper governance mechanism. The SMTs themselves drive and run the machinery of Value Governance System (VGM). The vehicle which enables VGM is known as “Human Value Action Team” is a great effort in that perspective. The HVAT has representation of SMTs and HHTs (Hand Holding Team) and they review any deviation of practices by any of their team members from any accepted standards of implementation of SMT philosophy, and other functional guidelines.

IV. IMPLICATIONS

The SMT philosophy implementation, helped the pharma company to develop the right talent with appropriate knowledge and skills required for running the manufacturing operations. Continuous focus on the SMTs development were enabled by the Hand Holding Team (HHTs), who guided them both technically and operationally. The highly focussed management team also formed a separate organisation under the HR department to monitor the progress and highlight the issues as and when it cropped out for remedial action. The SMTs are currently trained and developed to handle all the pharma manufacturing operations, following the 10 pillar SMT philosophy / framework. With the initial success in the pilot project, the management decided to extend it to all units of manufacturing operations. There was a steady increase in operational efficiency in matters related to safety, quality and productivity, due to the implementation of SMTs.

V. CONCLUSION

The SMT philosophy implementation in pharmaceutical manufacturing operations has been a great step towards improving the operational excellence, which was evident from the increase in the value of Operational Equipment Efficiency (OEE). This intervention which started with a pilot group of 60 SMTs, with all its commendable success grew up to the engagement level of more than 1000 SMTs, within a period of 3 years. Increase in productivity and improvement in performance standards of the SMTs have led to the organisation enabling their vision of “Providing affordable and innovative pharma products”. Few other pharmaceutical companies are also studying the success of the SMT implementation, and are wanting to implement this philosophy in their respective organisations. This novel (SMT) philosophy is gaining momentum in various industries beyond pharmaceutical industry too, like confectionary, paints, speciality chemicals and lots more.

The challenges or limitations of SMT philosophy implementation would be the huge time consumed for the study, design and deployment. The initial cost implication in establishing this process, expenses of training centre, tie up with institutes for continuous education, etc. would be difficult for industries smaller in size. The time consumed for training the SMTs will make it more challenging for operations where there is dynamic resource ramp up

requirement. While lot of companies have adopted this SMT philosophy, there is huge scope for development in this area, and continuous research and analysis will lead to reaping better benefits, in the areas of skill, knowledge and competencies required in making this SMT philosophy a successful business proposition.

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