TALLINN UNIVERSITY OF TECHNOLOGY

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THE IMPACT OF STRATEGIC HUMAN RESOURCE MANAGEMENT ON THE ORGANIZATIONAL SALES PERFORMANCE: CASE OF NATIONAL PHARMACEUTICAL COMPANIES IN PAKISTAN

Masters' thesis

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Supervisor: Mike Franz Wahl, PhD

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I hereby declare that I have compiled the thesis independently
and all works, important standpoints and data by other authors
have been properly referenced, and the same paper
has not been previously presented for grading.
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ABSTRACT

The current research is conducted to identify the factors behind the problem of poor performance of National pharmaceutical companies of Pakistan (Gul et al., 2021, 2). This problem is not addressed and it is still not much studied in pharmaceutical industry of Pakistan and empirical evidences are not existed. In future direction recommended an exploration of the effective role of strategic human resource management (SHRM) in improving organizational performance (Do et al., 2020, 700). On the basis of literature and theory of social exchange (Blau 1964, 453), resource based theory (Barney 1991, 111), expectancy theory (Oliver 1974, 244), person-environment fit (Kristof-Brown et al 2005, 284), competency theory (Horn 2014, 156), and knowledge management (Wiig 1997,8) hypotheses proposed that SHRM strategic recruitment & selection (SRAS), strategic training & development (STAD) strategic reward & compensation (SRAC) positively associated with the sales performance. The research methodology is used as a mixed method research; quantitative data for large-scale surveys for data collection from sales employees and qualitative data semi-structured interviews conducted from managers to cross check and expert opinions on the driving factors of sales performance and to collect additional insights and understand the driving factors and reasons concerning why employees responded to the survey items the way they did. The data analysis for the quantitative is used SPSS, and the qualitative data is analyzed using thematic analysis. The findings of both analyses are consistent as sales employees perceive in survey data that SRAS (38.9%), STAD (12.1%), SRAC (48.9%) positively changes the sales performance of national companies. These entire three dimensions of SHRM contribute 28% in the sales performance of organization. The managers revealed in interviews that inappropriate hiring and not pay attention for sales employees as well as lack of trainings programs national pharmaceutical companies are unable to retain the intellectual assets and leads to issues like incompetent sales person. Moreover, they have not strategic plans of pay raise, incentives, bonuses, guaranteed income plans and other compensations given to employees as result employee's burnout and demotivation rises. Other factors are limited resources, no strategic long-term vision, no continuous medical education (CME), generic branding, doctor's role, COVID-19, DRAP ignorance, unethical practices, NCs shortcuts, personal relationships, and lack of R&D leads to poor organizational sales performance.

Keywords: Strategic Recruitment and Selection (SRAS), Strategic Training and Development (STAD), Strategic Reward and Compensation (SRAC), Organizational Performance, National Pharmaceutical Companies (NCs).

INTRODUCTION

The problem statement starts with the sales market share segmentation revealed in statistics available on Multinational companies (MNCs) and National companies (NCs) in Pakistan reveal that the total number of MNCs in Pakistan is 3%, whereas NCs account for 97% of the total firms in Pakistan. Contrary to the expected market share holds, MNCs capture 67% of the total sales, whereas NCs bag only 33% of the sales. Looking at these numbers, the market division is alarming, which calls for an insight into the reasons why NCs in Pakistan capture such a small share of the market, despite being greater in number (3% MNCs vs. 97% NCs). The number of national pharmaceutical companies is round about 620 that are registered with the (DRAP) Drug Regulatory Authority of Pakistan and less than 30 are (MNCs) multinational companies (Shabbar 2020; ICAP 2018; DRAP 2021; Gul et al., 2021, 2) (Figure 1). Sales are an essential metric in the pharmaceutical industry, and the management of national companies needs to focus for call of efficient sales employee performance to bag maximum market share of sales value (Pustelnik & Hallberg 2013) because human resource is an asset (Puett & Roman 1976, 50). Previous research states that a perfect alignment of human resources is needed with the organization's vision, mission, goals, and objectives (Kuipers & Giurge 2016, 3180). This alignment is required in order to attain sales performance of National pharmaceutical companies because human resource-related problem are prevailing in developing countries such as low level of income, poor standards for valuable presentation, low incentives, and poor scale of employment, absence of good compensation for employee's hard work and poor supervisor management as well as motivation towards employees (Shabbir 2014, 628). So, National pharmaceutical companies are ignoring strategic human resource practices in Pakistan; as a result, employee performance is becoming poor, which ultimately decreases organizational sales performance (Shabbir 2014, 629). It calls for rigorous research and planning regarding workforce culture, behavior, and competencies of its employees to execute the business strategy (Bruns 2014, 4). Here, strategic human resource management plays a crucial role in sales performance of organization to enhance the market share so; the current literature is rather unclear on the effectiveness of SHRM, and the related factors in sales performance of organization (Ghani 2015, 63).

Figure 1. Market composition of national companies by sales
Source: Institute of charted accountant of Pakistan (ICAP, 2018; Gul et al 2021, 2).

The figure represents the low sales value of national pharmaceutical companies being 97% number of companies in market of Pakistan.

Strategic Human Resource Management is a future-oriented process that concerns developing and implementing human resource programs to address business issues and any recurrent problems in an organization (Adresi & Darun 2017, 2). It contributes to the long-term business objectives and helps organizations achieve targets and goals (Sagar 2019, 215). Globalization has accelerated the changes in labor markets, and new businesses are now focused on devising strategies that would facilitate the selection of the right candidate, the retention of skilled employees, and the provision of ethical and cultural leadership to sustain organizational sales performance (Pustelnik & Hallberg 2013).   According to the Combs et al (2005, 260) organizational performance is a broad and multidimensional construct, there are different dimensions of organizational performance in different context and sales are also one of that. Thus, the current research focuses on exploring the possible factors that can affect organizational sales performance. It has been planned to see that how strategic concern improves the sales performance of human resource management. In a developing country like Pakistan, the concept of strategic human resource management is still emerging. To improve the performance of its organizations, national companies (NCs) will have to engage in a strategic approach of hiring, training, and devise appealing reward mechanisms to attract the talented candidates, and retain them (Collins & Kehoe 2009, 219). This problem is not addressed and it is still not much studied in pharmaceutical industry of Pakistan and empirical evidences are not existed in literature. The pharmaceutical companies are an important pillar in the industrial backbone of a country, and its success can significantly contribute to the benefit of the country (Khan, 2021). However, unless the root cause for such poor performance is identified, no progress can be made. The available literature on SHRM and organizational sales performance of the pharmaceutical industry lacks specific and targeted studies in third world countries like Pakistan. This constitutes a

considerable research gap, and diverts any attention drawn this way (Rasheed et al 2019, 2). Examining the current literature, there are multiple variations of the practices and strategies of people management, but there is very little empirical evidence regarding the role of SHRM in the pharmaceutical industry, and its relationship with organizational sales performance to be specific. In light of the research problem, the current research aims to study SHRM and related factors in organizational sales performance. The primary aim for this study is to identify the factors of SHRM that intervene in employee sales performance, given the context of national pharmaceutical companies in Pakistan. For this, the research study proceeds to find an answer to the central research question:

CRQ: What factors of SHRM influence sales in National pharmaceutical companies of Pakistan?

RQ1: How factors of SHRM impact sales in National pharmaceutical companies of Pakistan?

RQ2: Why factors of SHRM influence sales in National pharmaceutical companies of Pakistan?

The study takes on a mixed method research (Creswell 1999, 456) where the research design includes a large-scale survey followed by semi-structured interviews. While the survey data help to identify the main factors in SHRM and analyze the current challenges, the interviews provide additional valuable insights concerning the current state of NCs in Pakistan, specifically pharmaceutical companies. The mixed data collected is used to answer the research questions and achieve the aim of this research study. Moreover, the data collected also serves as the basis of hypothesis testing, and the findings.

This thesis spans over three chapters, where Chapter 1 serves as the literature review to propose the hypotheses Chapter 2 is dedicated to research methodology where the study comprehensively present and describe the research design, data collection, and instrument of study. Chapter 3 presents the findings and discussion of results data analysis answer the research questions and comment on the hypothesis. In last, conclusion includes (the solution of research problem); limitations, significance and recommendations are presented.

1. LITERATURE REVIEW

This chapter presents a literature review to understand the basic concepts and related theories. First, a brief overview of organizational sales performance has been presented to provide the background, and then SHRM and related items have been described comprehensively. Following this hypotheses are driven based on the current information, and the theoretical framework.

1.1. Organizational sales performance

In this competitive circumstance, companies require to pay heed to their performance. For this reason, researchers are tempted to explore various possible side of organizational performance. The performance of the organization has a lot of different views. It has been highlighted and dealt with as the profitability of the firm. Previous authors have explored that knowledge retaining resources can improve the key performance indicators. The same study mentioned that performance is not one entity; instead, it is represented by various key performance indicators. It has been stated that knowledge-sharing activities can affect the firm's key performance indicators in a positive way (Sunday *et al* 2015, 16). According to the Combs et al (2005, 260) there are different dimensions of organizational performance in different context and sales is also one of that. Organizational sales performance is also identified in the literature in related to the sales performance of organization (Rodriguez, Peterson & Ajjaz 2015, 636). In most of the studies related to human resource management or strategic management and organizational behavior as well, organizational performance has been treated and searched as the dependent variable (March & Sutton 1997, 670). Authors have always found it difficult to define organizational performance in one direction. It has multiple dimensions depending upon the structure and point of view of the researcher (Combs, Russell & Shook 2005, 262). As economic activities are one of the major concerns of any organization, organizational performance has been dealt with as the economic output or change in revenue of a firm. In a behavioral context, organizational performance has been defined as the loyalty and level of motivation and commitment in employees within an organization. From a finance perspective, it is revenue, returns on investment, and other financial parameters. All of these views are acceptable and well justified in the literature. Shareholder return is also viewed as organizational performance (Gurbuz & Mert 2011, 1816).

Some authors have highlighted that organizational performance is an outcome, so it can be affected by many factors. Such factors comprises with internal or external processes, transformational or process issues. The factors of internal and external includes regulatory of existing bodies and power together with influential relationship. Additionally, process issues involve employees dealing and all procedures of managerial processes. The issues in transformation include the extent of support between employees, innovation and change acceptance. It is found that employees, investors and customers are solution factors which change the sales performance of organization with their behavioral or intellectual influences (Vinesh 2014, 214). In order to improve the employee's contribution to organizational sales performance, guidance together with leadership has been found as important variables. Similarly, literature emphasizes on that how may firm employee's motivation also changes the organizational performance. Highly motivated employees can acquire greater performance indicators rather than demotivated employees (Onwuka & Onwuchekwa 2018, 42). Sales performance of organization improves through inspiration (Pustelnik, & Hallberg, 2013). For instance, this study (Yasmeen, Umar, & Fahad 2013, 939) indicated that the sales performance of telecommunication was down, which resulted in the overall in-efficiency of the telecom sector. Given this, sales performance is a driving force for overall organizational performance. The behavior of sales employees indicates their job performance and assessment that contributes into the organization's sales objectives (Babakus et al 1996, 347). While this study is essential as it highlights that the effective performance of the sales people management is important for developing a business organization, there is no comprehensive study on salespeople's performance in other sectors like the pharmaceutical industry.

The three dimension of strategic human resource management is chosen that is strategic recruitment and selection; training and development; reward and compensation due to their dealing with the direct people management and the effectiveness of people management emphasizes in the literature for increasing the performance.

1.2. Strategic recruitment and selection impacts on organizational sales performance

Recruitment and selection of employees have been considered as one of the most typical and causal processes within an organization. With time the concept and its significance have become

clear. Recruitment and selection are both terms used collectively. As per literature, both are interlinked as the purpose of these processes is to bring the most attractive employees in the organization. It helps to bring the best potential from the market. The selection of the right employees is one of the keys to gaining a competitive advantage among competitors. The recruitment and selection process is considered one of the most critical factors that can continue/discontinue the competitiveness of the firms (Abraham et al 2015, 339). In the past few years, employees' skills and abilities have gained more attention as key contributors to organizational performance. Many past authors for employee recruitment have highlighted four basic steps. These involve the development of recruitment objectives, strategy development, recruitment activities, and evaluation of recruitment outcomes. All of these steps ensure that recruitment is planned and executed properly to bring the best caliber, which will ensure the achievement of organizational goals and objectives. It shows the need for strategic recruitment (Wang 2011, 308). The resource-based view (Barney 1991, 111) justifies this process by telling how the right selection can help the competitive need of a firm because this view believes that the organization is acquiring the best resources (here they are employees) to sustain a strong and better position in the industry.

The selection process of employees has been defined as Person-Environment fit (Kristof-Brown et al 2005, 284). It means a person should fit with the environment of the organization. The organization of the firm contains vision, mission, objectives, values, and certain cultural aspects. A chosen person should be able to fit with those values and standards. Mismatch personalities will not feel comfortable and will reduce the work efficiency of the organizational processes. In P (person's part), his knowledge, abilities, skills, values, personality traits, expertise, and experience are checked and acknowledged. In the dimensions of the environment (which is inside the hiring firm), climate, work conditions, compensation system, reward strategy, politics, job demand, and goals are counted. Both P and E should be collaborated at their best when selecting employees to avoid the failed work in the long run (Kehinde 2012, 39)

In his research, the author has also stated that the strategic recruitment and selection process is vital to achieving the organizational objectives that keep the company on its right track. This recruitment involves a proper vision which clearly defines the exact requirement of employees (Argue, 2015). It has also been highlighted by Hsu and Leat (2000, 430) that the strategic value of hiring has been increased because of the specialization of the employees in a specific field. It has been mentioned that SHRM is more about the adaptation and integration of different activities for achieving shared goals. It has also highlighted in their research that the recruitment

policies of a firm are the factors that decide the long-term success or failure of the organization. If these are not designed carefully, the firm will eventually fail due to a mismatch between expected outcomes of employees and a mismatch between the company's objectives. Based on all the literature above, it can be seen that alignment of the recruitment and selection process with the firm's objective and vision is important. It can directly affect organizational sales performance (Saviour et al, 2017). Thus, in the current research, it has supposed that:

Hypothesis 1**:** Strategic recruitment and selection positively affect sales performance of national pharmaceutical companies.

1.3. Strategic training and development impacts on organizational sales performance

Strategic human resource management is not a simple process and doesn't consist of only one process or strategy. It is based on multiple practices. Recruitment and selection of employees is the first process which just assures that the right people are selected for the right job. It doesn't assure that people have understood the environment and expectations of the employer. Instead, the right guidance is required to meet that level of organizational work. Among other strategic human resource management practices, strategic training and development is another vital practice that ensures that the employee has understood and practiced his role well. In this era, human resources are being recognized as core to organizations. Employee competency is considered an organizational capability (Shokat, Shajn & Kumar et al 2019, 78). The core competency motivation theory (Horn 2014, 156) of employees has brought an emphasis on skills, knowledge, and learning, and it is the heart of strategic management. Training is given to employees to assist organizations. Organizations use this training to achieve productivity, quality, flexibility, and agility. Previous authors have defined three main goals of employee training as outcomes of HR practices. The first one is to make managers able to think and act strategically. Second one is to make employees able to formulate strategic plans. 3rd goal is to plan a training session that will fulfill the strategic needs of the company. Organizational sales performance depends upon employee performance. That's why they are given training so that they can perform best (Khan et al 2011, 65).

The performance of employees depends upon many factors like knowledge management (Wiig 1997, 8) and job satisfaction, but the relationship between training and employee performance is

closer. The perspective of knowledge management is a complete perspective that believes that the performance of an individual and firm increases when his/her knowledge is shared and utilized in continuity. Another author has suggested that organization should increase their spending on the training of employees to increase the efficiency and effectiveness of the organization. For an efficient outcome of the organizational training, the right design of the training is very important. Training should be planned according to the need of a job and organizational tasks. Training is not only needed at the start of the job. Instead, it's a continuous process given to employees' time to time to update the knowledge and information of the workforce (Almatrooshi, Singh & Farouk 2016, 844). Another author has also defined in his research that training and development decrease the ambiguities of employee's minds, which make them more confident in their work. Work confidence will reduce the intention to quit a job, and it will help to increase job performance as well (Mansoor, Shah & Tayyaba 2015, 788). Previous research has proven that investment in training programs, teamwork, and interpersonal relations getting maximum output from these activities. The purpose of strategic training is to align the skills of employees in the interest of the organizational goals (Adeyi et al 2018, 2). Development of HR is also described as the use of human resources to deal with economic and environmental challenges. It also focuses on improving the interpersonal and personal skills of the employees. It helps to prepare them for future vacant seats. Organizations provide opportunities to the employees internally with the help of training. It motivates them (with chances of growth) to work for the organization in a better way (Afiouni 2007, 126). The most important benefit gained through training is identifying the employee's weaknesses and improving them, increasing job performance of employees and improving the quality of services. The theory of social exchange (Blau 1964, 453) justifies this concept because companies spend on the employees in training and develop them; in return, they perform excellently to contribute to the firm's strategic position. It has also been reported in his work that the employee's personal needs also increase the positive or negative impact of training. Training content should be wisely chosen, and only that content should be chosen, which can increase the knowledge of employees. The knowledge management approach (Wiig 1997, 8) is also applicable here because training is a way to increase the employees' existing knowledge and can give strategic benefits to the firm against competitors in the industry. Training is a practice-based approach to apply and use the value of knowledge to its fullest. By keeping all of these studies under view, it can be seen that how an organization performs has a link with the training provided by the company. Thus, 2nd hypothesis of the research is:

Hypothesis 2: Strategic training and development of employees positively affect sales performance of national pharmaceutical companies.

1.4. Strategic reward and compensation impacts on organizational sales performance

The strategy of compensation and reward is basic dimension of strategic people management. The advantage of rewards becomes deficient if employees are not efficiently motivated as a result their performance becomes restricted. An employee with high commitment performs progressively comparatively to non-committed employees with their work (Tsai, 2005). When employees understand that they receive a reward for their work even of their extra work consequently, they will be superior in a way. Rewards differ from every organization to organization rely on the structure and budget. Normally, rewards depend on the performance and employees are assigned with specific tasks so that awarded with benefits after the completion of effective tasks. The tasks are associated with the firm's objectives and goals (Onwuka, & Onwuchekwa 2018, 41). Furthermore, in literature it is studied that various human needs types depends on the extrinsic or intrinsic motivation. A firm requires giving intrinsic motivation along with appreciation, giving title and with fine word of mouth. Firms in extrinsic motivation require giving to employees with monetary benefits. Organizations need to decide the reward strategy in accordance with their objectives and financial status. Employees dissatisfaction rises in the absence of organization's any reward or compensation as a result it may reduce the strategic position of firm otherwise employees compares the own organization with the rivalry's reward strategy and starts keeping intention to switch the job to others. Numerous researchers proved that compensations positively influences on the organization's success or performance (Tsai, 2005). The author has defined that organizational climate changes the performance level of employees as well. If the companies can make a positive environment for them, they will have more integrity to work, and if not, then they will be leaving after a short time. Recruitment, selection, and training of employees take a lot of cost and spending from the organization. If employees switch in a short time due to a lack of compensation strategies, the company will be facing wastage of resources. That's why it's believed that firms that have good reward strategies will have a high value in the human resource management process (Ali, Shen, Rehman & Anjum 2015, 44). The resource-based view (Barney 1991, 115) of the assets also mentions that whatever is invested by the company is to make worthy resources that will pay back in the future

against competitors (Ruiz et al 2019, 236). In another research, resource based view theory (Barney 1991, 99) has been used to explain the relation of strategic human resource management and its impact on the firm's strategic position. Firms are dependent on retaining the best resources, which can change the overall performance of the company. Reward and compensation are considered strategic practices that generate fit between human resource practices and the firm's performance. Workplaces should use motivation and performance-enhancing activities to take the best work from every individual. Expectancy theory (Oliver 1974, 244) also explains that employees have certain expectations of career growth, learning, and earning. If those expectations are met, they become highly engaged with the firm; if not opposite occurs. Reward and compensation strategies help companies to fulfill those expectations and meet the need of employees. Workers are the actual assets that help to utilize the functions of other resources as well (Chowhan 2016, 117). According to social exchange theory (Blau 1964, 452) still; the process of strategic reward and compensation is positively linked with employee performance. This employee performance will yield high profits for the firm. The employment process is seen as an exchange process. Employees are providing their skills, expertise, and knowledge to the employers in exchange for compensation. This compensation is decided at the time of hiring. The most strategically planned compensation strategy will attract the most of the employees and vice versa. Pay/ salary have a strong impact on an employee's life, as this will be used to fulfill the needs and to maintain a specific standard of life. Even employees chose jobs after looking at services like pension, gratuity, etc., which are a long-run part of the employment. Compensation is defined as monetary and non-monetary rewards of the firm (Kehinde 2012, 41).

As per discussion and gained insight of the previous literature, it can be seen that strategic compensation and reward strategy can have a significant effect on the performance of employees, which can yield a positive or negative change in the organization. According to San, Theen and Heng (2012, 221), has compared two firms one with extra benefits and development plans and the second company without having those benefits. These authors have stated that the one company that is providing better plans to the employee has a high-performance team. Thus, all of above literature helps to generate a third hypothesis of the study that:

Hypothesis 3: Strategic compensation and reward strategy positively affect sales performance of national pharmaceutical companies.

1.5. Summary

Organizational performance is the broad and multidimensional construct used in the literature but in this research sales performance is measured as a part of organization performance. A high level of sales performance national pharmaceutical companies can achieve through the maximization of their sales people resources. There are different parts of strategic human resource management but this study chose three of parts due to the direct dealing of people management and it is emphasized the importance in the literature. The effective and efficient right recruitment and standard selection of sales employee may increase the sales performance of organization. As human capital is the asset for organization to improve performance so, organization needs to consider the effects of appropriate strategic implementation of recruitment and selection on the improvement of sales performance of organization. To more utilize the human capital it is essential to conduct strategic training and development programs in order to maximize the resources and proper utilization to gain maximum market share. Sales performance of organization could better achieve through proper trainings of sales employees because performance of organizational sales totally depends on the sales employees that how much they have knowledge and skills to sale the products. As much as products would sell the market share will increase by national companies of Pakistan pharmaceuticals. Additionally, in order to keep motivated, committed towards sales target it is necessary to focus on the strategic rewards and compensations for sales employees so that they could attached to organization and contribute in the sales performance as well as organizational goal, visions and targets.

All three hypotheses proposed on the basis of literature and theories further it will be tested in analysis section. Before hypothesis testing methodology section comes to design the research, techniques to collect data from sample and collection medium. So, research methodology chapter is discussed below.

2. RESEARCH METHODOLOGY

2.1. Research Design

Research design refers to the systematic procedure involved in data collection, and using the relevant data to answer the research questions (Figure 2).
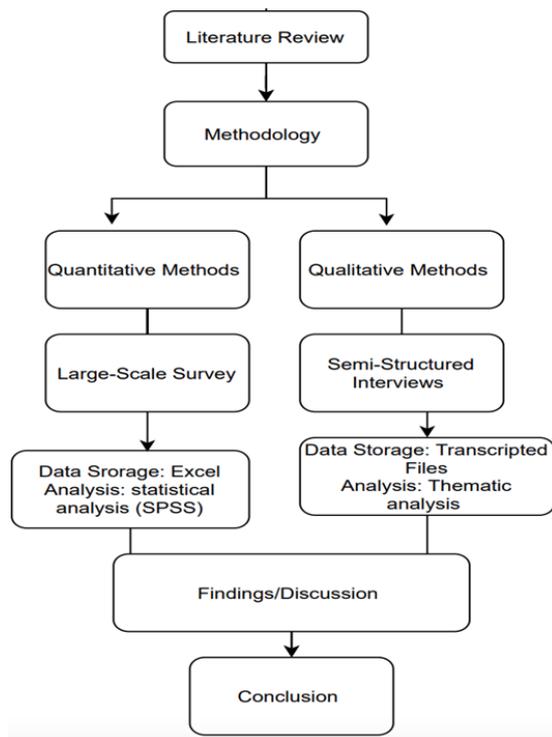

Figure 2: Research Design of this study
Source: author's drawn

This study follows a mixed method research design, where a quantitative large-scale survey has been used for the data collection, and qualitative semi-structured interviews have been used for the collection of additional insights and expert opinions. Referring back to the main research question for reference, RQs: What, how and why factors of SHRM influence sales performance of National pharmaceutical companies of Pakistan? This study aims to identify the factors of SHRM that intervene in employee sales performance, given the context of national pharmaceutical companies in Pakistan. Moreover, the mixed data collected to answer the research questions and achieve the aim of this research study. Moreover, the data collected also serves as the basis of hypothesis testing, and allows author to propose the hypotheses in light of the findings. The large-scale survey is used to collect the data from the sales employees of

national pharmaceutical companies in Pakistan, which means that the sample population is sales employees from the pharmaceutical companies, and the sampling is done following a non-probabilistic and convenience method. The sample size for this study has been determined as per the suggestion of Hair et al (1998, 214) who recommends a ratio of 5:1. The sample size for the current study is 90 employees of local pharmaceutical companies (5*18=90). These will be specifying the context of the study, as it is mentioned above. Furthermore, the survey questionnaire is circulated in national pharmaceutical companies (NCs) and the sales employees are encouraged to provide their responses as honestly as possible. In addition to this, before the circulation of the survey, it is ensured that the participants are aware of the nature of the study, and they understand the significance of their responses. While they are ensured about the confidentiality of their responses, the ethical use of the data collected is considered throughout the data collection phase. The data is collected over a three-week time period, and it is access to the author's drive only. This quantitative data is then used for statistical analysis to comment on the research question, and further understand the broad trends of SHRM in national pharmaceutical companies (NCs). Next, the proceeded to conduct five interviews with the senior management in NCs where the focus remained on understanding the reasons behind the current practices in SHRM the factors that lead to poor performances and the participants' experiences in the NCs are also considered to draw on additional insights. The interview frame consisted of semi-structured open-ended questions to allow the participants to address the questions comprehensively (Roulston 2016, 70). It is important to add here, that the data collected through surveys provided the responses from a sales employee's perspective, whereas the interviews provided the data from a senior management perspective. Both data collection methods allow concluding results to better understand the reasons and factors affecting sales performance.

2.2. Instrument

The survey instrument is a close-ended questionnaire with three constructs. It is based on continuous data techniques, and the data has been collected on a five-point Likert Scale (Likert 1947, 199). Data is collected through Google Forms, and the items on the questionnaire are adopted from the research study (Alaraqi 2017, 9). The first construct of the questionnaire relates to strategic recruitment and selection and aims to collect data regarding various selection and recruitment procedures as currently observed in the NCs. The next construct is related to strategic rewards and compensation and aims to collect data regarding strategies adopted for

rewards and compensation. The Last construct is related to strategic training and development to ascertain the current practices in this domain as observed in NC's. In the end, three items related to organizational sales performance have been added to get a better understanding of how employees view this relationship. The first three constructs have five items each, whereas three items have been added at the end for organizational performance. The interview Frame on the other hand, consists of seven open-ended questions related to different organizational strategies, and SHRM strategies like recruitment, rewards and the training and development of employees. Please find the frame attached in (Appendix 2).

2.3. Ethical Considerations and Research Protocol

Ethical considerations hold fundamental importance in any research. In the primary data collection, it is ensured that no imposing had been made on the respondents and that they are aware of the nature and purpose of the study. Consistent with the research protocols, consent is obtained from all survey respondents in written form, and the interview participants are also asked for their consent before proceeding with the interviews. In addition to this, the anonymity and confidentiality of respondents are duly ensured. None of their information is shared, and the data collected is used for this research study only. Respondent's comfort is the priority of the researcher, hence; in the beginning, respondents are asked about the availability and responsiveness. The name of the researcher or related live streaming site is not mentioned anywhere in the research.

2.4. Data Analysis

Firstly, common errors of biasness are minimized through examining the questionnaire wording. The instruments are separately managed in order to avoid the issues regarding scale length, item briefing effects and biasness of measurement the context. The data stored in excel, and analysis is done using the SPSS software. Cronbach alpha is calculated to check the reliability of the data. Then, descriptive analysis is performed to see the mean and standard deviation in the data. For Model fitness, values of R square, F-value, Durbin Watson, and chi-square are calculated by utilizing the Regression model fitness table. These ensure that data does not have any issue of multicollinearity and autocorrelation. A correlation table found as this is correlational research.

To test the hypotheses of the research, regression analysis has been used. Direct effects are calculated, which are represented by standardized and unstandardized coefficients (Hair et al 1998, 217). For the qualitative analysis, thematic analysis is used to analyze semi-structured interviews and extract the themes to better answer the research. After obtaining the interview data, the recordings are transcript, and the transcripted files are then filtered out for any personal information. After removing the personal information, contact details, and consent of the participants, the following steps of thematic analysis are followed (Maguire & Delahunt 2017, 9; Kiger & Varpio 2020, 847).

2.4.1. Reliability

Reliability of the data/questionnaire represents the consistency or trustworthiness of the results. It means if the test will be repeated after time intervals on same data, results will remain same. The check of reliability helps to assume the authenticity of overall research. There are three independent and one dependent variable in the research. Firstly, it has calculated the reliability for overall questionnaire and data to see the overall consistency of the data. In the second step reliability is calculated for each of the variable separately/individually. The value of reliability is calculated by measuring the value of Cronbach's Alpha. The accepted range of value of alpha for acceptance resides between 0.6-0.9 (Martz & Waller 1982, 704). The values of alpha are given for the current research. Table number 1 represents the value of Cronbach's alpha. The reliability coefficient for this dataset as illustrated in table 1 is 0.825. It means that overall data of the research is reliable and consistent for further analysis or results with *value of Alpha > 0.6.

Table 1: Reliability of overall questionnaire

Value of Cronbach's Alpha	No. Of. Questions
0.825	18

Source: author's calculations

Table 2: Reliability of variables

Variable's Name	Alpha's Value	No. of Items
Strategic Recruitment and Selection	0.681	5

Strategic Reward and Compensation	0.654	5
Strategic Training and Development	0.798	5
Organizational Performance	0.807	3

Source: author's calculations

Table number 2 represents the score of reliability for each of the variable separately. The value of Cronbach's alpha for SRAS 0.681, SRAC 0.654, STAD 0.798 and Organizational performance is 0.807. It means that the all the variables is acceptable in range of reliability and can be further used/treated for data analysis. Overall and all variables of the research have scored +-very good values of reliability; it shows that the data of research is consistent and reliable for hypotheses testing. After reliability, validity of the research is also major concern as this questionnaire is adapted not developed so that its validity is already measured and proved to be appropriate for the use of further analysis.

2.4.2. Demographics

Frequencies and percentages of gender, age, education and professional experience are calculated to see the demographic characteristics of the respondents. It helps to give an idea about the sample and population of the study.
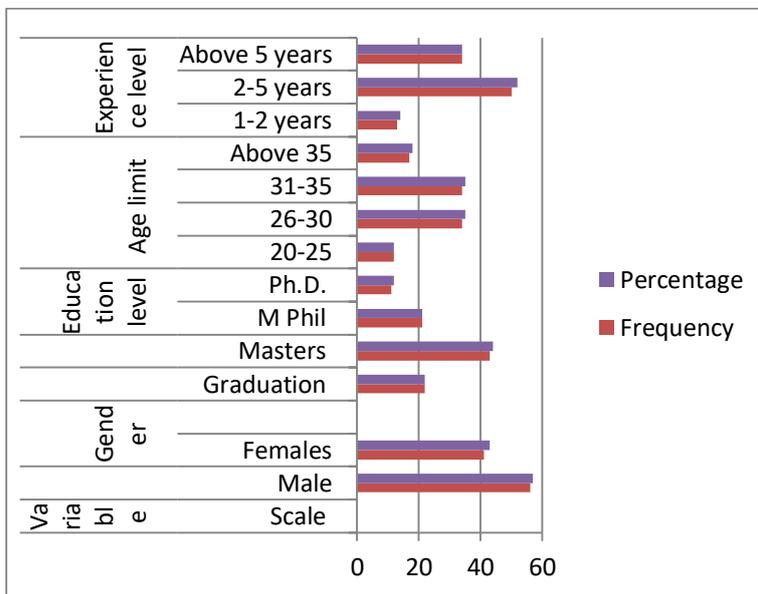

Figure 3. Bar chart of demographics
Source: author's calculations

In bar chart Purple color represents the percentage of demographics and red color represents the frequency of respondents. The bar chart demonstrates the percentage and frequency value for male and female respondents. In the current research, 57 percent are males and only 43 percent females participated. With respect education, 22 percent are graduates, 44 percent are masters, 21 are M.Phil. and 12 percent are Ph.D. It shows that majority of the respondents are masters in their education. In age group limit, only 20 participants belonged to 20-25 age group. 34 respondents belong to 26-30 and 31-35 age groups each. Only 17 people belonged to the age group above 35. 14 people had experience of 1-2 years in their field. Majority of respondents belonged to 2-5 years of experience bracket by 52 percent. There are 34 percent participants of research which had experience more than 5 years. In the next heading descriptive of variables are given.

2.4.3. Descriptive Statistics

Data is managed management that all items of questionnaire are summed up in the form of one variable. These variables are calculated by transforming their means of responses. That's why the value of mean for each one variable can represent that what response on average has been given by respondents. Means also give idea of normality of the data. Mean is known as the average of the data set, or the central tendency of the data. The other measured entity is standard deviation. In all of the quantitative analysis, it is known that the data cannot have 100 percent absence of error, instead, there is always a chance of biases and error. To evaluate it, the standard deviation of data is calculated. It shows that how much dispersion is there in the data with respect to its mean value. The higher dispersion shows higher margin of error and low values nearer to 0 shows lesser margin of error. In table number 3 the values of means and standard deviations are given for four of research's variables. Questionnaire is based 5-point Likert scale. It has 0-4 value. 0 represented strongly disagree, 1 represented disagree, 2 represented neutral, 3 represented agree and 4 represented strongly agree. The value of mean for Strategic Recruitment and Selection (SRAC) is 2.148. It shows that majority of the respondents have been neutral or agreed to given statements. Its standard deviation is 0.68. The value of mean is 2.5567 for strategic reward and compensation (SRAC). It also demonstrates that most of the respondents have been neutral or agreed to the given statements. Its standard deviation is 0.688. The value of mean is 2.946 for strategic training and development is near 3. It means for this variable majority of the respondents agreed to the given statement. Its standard deviation is 0.653. All of these three variables are independent variables and dependent variable,

organizational performance, the value of mean is 2.553 and standard deviation is 0.723. It shows that on average the employees responded neutral to the given statement.

Table 3: Descriptive statistics of variables

Variables	Mean	Standard deviation
Strategic Recruitment and Selection	2.1486	0.680
Strategic Reward and Compensation	2.5567	0.688
Strategic Training and Development	2.9464	0.653
Organizational Performance	2.5533	0.723

Source: author's calculations

The mean of all variables showed that SRAS maximum sales employees agreed to the observed favoritism and impartiality in the organization while others are neutral it means that they faced somehow according to the circumstances. Moreover, SRAC and STAD shows average response agreed to the most statements are related to the motivators of good performance, and the fact that most participants agree, indicates the need for better practices. It will be discussed comprehensively in the findings section. The final items are related to organizational sale performance, and responses are neutral at 2.5. It is indicative of a steady organizational sales performance where the pharmaceutical industry has not observed any significant increases in sales in market. Furthermore, the minimum standard deviation of variables near to zero represents the normality of data and low margin of error in data.

2.4.4. Correlation Analysis

It is known as Pearson correlation analysis for linear relationship. Its value is represented by ―r‖. The value of r represents how 2 or multiple variables are associated with each other. The values with ** P shows that values are significant ** < 0.05. The positively correlated values represent that with one unit increase of a variable, the value of second variable will also increase. It means with positive change of one variable, positive change in another variable will occur (Benesty, Chen, Huang, & Cohen 2009, 2). The values of correlation are presented in table 4.

Table 4: Correlation Analysis

Correlations		SRAS	SRAC	STAD	OP
SRAS	Pearson Correlation	1	.369**	.420**	.412**
	Sig. (2-tailed)		.000	.000	.000
	N	90	90	90	90
SRAC	Pearson Correlation	.369**	1	.280**	.470**
	Sig. (2-tailed)	.000		.005	.000
	N	90	90	90	90
STAD	Pearson Correlation	.420**	.280**	1	.193
	Sig. (2-tailed)	.000	.005		.039
	N	90	90	90	90
OP	Pearson Correlation	.412**	.470**	.193	1
	Sig. (2-tailed)	.000	.000	.019	
	N	90	90	90	90
**. Correlation is significant.					

Source: author's calculations

The value of Pearson correlation between SRAS and SRAC is 0.369. It is a significant value of r which means both of these variables (strategic recruitment and selection and strategic reward and compensation) are positively and strongly correlated to each other. It means both will increase or decrease in the same direction. The value of correlation —r‖ between SRAS and STAD is 0.420. It is also significant and positive. It means both of these variables are positively associated with each other. SRAS is also significantly and positively associated with Organizational performance. Its value of —r‖ is 0.412. It shows that an increase in SRAS will also increase the organizational performance and vice versa. SRAC has a significant and positive correlation with STAD with the 0.280. It has scored value of —r‖ is 0.417. Both of these variables are positively associated with SRAC. Organizational performance and STAD has positive and significant correlation with each other with value of —r‖ is 0.293., all of the variables of the model are positively correlated with each other.

2.4.5. Hypotheses Testing

The test implied in the current research to test the hypotheses is linear regression. This is a technique to test the relationship among multiple variables. Regression analysis has properly defined independent and dependent variables. It helps to see how changing units of independent variables changes the unit of dependent variables. In the current research, there are 3 independent variables (SRAS, SRAC, and STAD). Regression analysis is used to test the

relationship between these variables (Seber & Lee, 2012). There are two main parts of regression analysis. First one is about testing of model fitness and other one is about testing the hypotheses of research with help of unstandardized coefficients. There are also few assumptions which should be fulfilled before running the final test. All of these assumptions, model fitness and regression coefficients are checked and analyzed below. Regression analysis helps to test multicollinearity in research model along with hypotheses testing. In the current research, the model fitness is tested first. Table number 5 presents the value of R-square. In the current research, the value of R-square is 0.287. It means there is 28.7 percent variance in dependent variable due to independent variables. In other terms, it can be said that independent variables (SRAS, SRAC, and STAD) explains the variance of organizational performance by 28.7 percent only. Rest 70 percent variance is explained by other variables (Creswell & Creswell, 2017). Next value in the table number 5 is the value of Durbin Watson. It is believed for multiple regressions that the error terms of the variables should be not related to each other. It means auto correlation shouldn't exist in any model to be testable through regression analysis. The value of Durbin Watson is 1.685 in the current model of research which is less than 2. It is considered acceptable with good margin. It means that the current model of research fulfills the notion of no-auto correlation in the research. It indicates its model fitness. The P value for model is 0.000 which is lesser than 0.05 and F-value is greater than 5. Both values show that there is no error. It means there are no extreme outliers in the data. It also fulfills the next assumption of regression and again indicates the model fitness.

Table 5: Model fitness

R-square	Durbin-Watson	P-value	F-value
0.287	1.685	0.000	12.005

Source: author's calculations

Table 6: Regression analysis

Dependent variable: Organizational performance

Model 1	Beta	Std.Error	T-value	Significance	VIF
SRAS	0.389	0.136	2.859	0.005	1.325
SRAC	0.489	0.127	3.893	0.000	1.184

| STAD | 0.144 | 0.119 | 3.335 | 0.038 | 1.242 |

Source: author's calculations

Table number 6 includes the unstandardized coefficient of regression which is known as beta. The value of regression coefficient β is 0.389 for SRAS; it has T-value of 2.859. Significance or P-value for this variable is 0.005. For accepting a hypothesis, the T-value should be greater than 1.95 and significance value should be less than 0.05. The value of VIF is lesser than 5, it is acceptable and shows no issue of multi-collinearity. If there it is above 5 but less than 10. In the current analysis, the value of VIF is 1.325 for strategic recruitment and selection here; all values are in acceptance region which means that there is a significant relationship between SRAS and OP. For second variable the value of regression coefficient is 0.489. Its T-value is greater than 1.96 and is equal to 3.893 and its P-value is also lesser than 0.05 and equal to 0.000. The value of VIF is 1.184 for strategic reward and compensation. It indicates that there is a significant relationship between SRAC and OP. Last variable STAD also has T value > 1.96, = 3.335 and its P-value is 0.038<0.05. Both values are acceptable according to minimum threshold. The value of VIF is 1.242 for strategic training and development. It means there is also a significant relation between STAD and OP. the regression weight for this variable is 0.114. The beta coefficients, all are positive, it means all variables have direct relation with organizational sales performance. Further details are given in the discussion section. With this analysis, the dataset supports all three hypotheses, and it can be concluded that the hypotheses are supported by this dataset. The results are in table 7:

Table 7: Hypotheses – supported

H-1: Strategic recruitment and selection positively affect organizational sales performance.	Supported
H-2: Strategic training and development of employees positively affect organizational sales performance.	Supported
H-3: Strategic compensation and reward strategy positively affect organizational sales performance.	Supported

Source: author's calculations

2.5. Thematic Analysis

After the quantitative analysis, it is proceed to qualitative analysis, the semi-structured interviews. A total of five interviews are conducted for this research. Thematic analysis is applied to identify the recurrent themes and practices organizational sales performance, and its relationship with the strategic human resource management. First, the respondents are profiled based on their gender, country, and organizational position. Next, the interview data is prepared and coded to eliminate any personal information. Participant names, and other contact information is filtered out, and the interviews are coded so that the analysis is done free of bias. The interview duration is also noted, and the transcription time for each interview has also been mentioned. After the preparatory data, it is proceeding to the analysis part where each question is analyzed first, and then the recurrent themes are noted to comment on the findings (Maguire & Delahunt 2017, 9; Kiger & Varpio 2020, 847).

2.5.1. Respondent's Profile

Four interviews (*n*=5) are conducted for additional insights. All interviews are done via Zoom, and after participants' consent, they are recorded for the analysis purpose. To main anonymity, and considering the ethical limitations of qualitative studies, all names of the participants are coded, and all personal information of the interviewees is filtered out.

Table 8: Profile of interviewee participants

N	Age	Designation	Experience	Gender	Country
1	32	Medical advisor	7 years	Male	Pakistan
2	41	Sales executive	10 years	Male	Pakistan
3	42	Product manager	7 years	Male	Pakistan
4	35	Sales executive	7 years	Male	Pakistan
5	45	Sales manager	15 years	Male	Pakistan

Source: author's calculations

Next, the interviews are converted to transcripts and analyzed for themes and keywords. First, the data is prepared, and then the analysis is done by looking for similarities, differences, and the narratives presented in the form of experiences and opinions. The summary of preparation work is as follows.

Table 9: Preparatory Data

N	Code	Duration	Transcription Keyword
1	RZK	44:00	4 h 15 min
2	FRQ	32:00	3 h 5 min
3	BLA	34:00	3 h 30 min
4	AND	35:00	3 h 35 min
5	MFR	18: 00	2 h 10 min

Source: author's calculations

Once the data is organized, it is continued to investigate the themes. Considering that there is no speculation detailed toward the start, carried out open coding and kept drawing topics and inferences from the given dataset. All records are featured for the relevant topics and set apart for the likenesses and dissimilarities in the members' definitions, feelings, insights, and encounters. Certain words and topics are rehashed; added them to fieldnotes and kept on searching for any remarkable assessment or experience the members had shared. In brief, the qualitative analysis is done through coding names and personal informal and identifying reviewing the themes.

2.5.2. Summary of Qualitative Data

The qualitative data is collected through semi-structured interviews, and throughout the interview, participants are encouraged to answer the questions based on their experiences, observations and opinions. This is to collect raw insights to answer the research question, and further draw on the qualitative data to better understand the reasons for poor organizational sales performance.

The interview is conducted with a medical advisor from Pakistan, with 7 years of experience in the field of Pharmaceuticals. The interview is comprehensive, lasting 44 minutes before the permission to record the audio and the discussion allowed for noting multiple factors of SHRM responsible for poor sales performance of NCs. The interviewee RZK mentioned that selection and recruitment criteria vary from post to post. Salespeople are selected based on references, whereas for higher posts experience counts; Limited resources are a constraint on recruiting educated and talented candidates. It falls on the company to train and groom such employees which is the main challenge for all pharmaceutical NCs in Pakistan. Employees are trained on-the-go, but formal training sessions (three-days) are conducted twice a year; Separate medical

and sales departments work by collaborating; Rewards are given solely on the basis on sales performance; Drug regulatory authorities are not functional, which leads to unethical practices; however, things are slowly better given the competition among NCs; Need for law enforcement, as it would benefit the NCs. Unless sufficient resources are allocated, NCs cannot compete with the billion-dollar budgets of MNCs. The primary factor for poor performing NCs is the lack to resources, which further leads to issues like incompetent salesperson, lack of research and development, and unethical practices and shortcuts to boost sales (Interview RZK, 2021).

The interview is conducted with a sales executive from Pakistan, with 10 years of experience in the field of Pharmaceuticals. The interview is lasting 32 minutes before the permission to record the audio and the discussion revealed additional factors that could potentially boost sales in the NCs. The interviewee FRQ stated that Jobs are advertised and the candidates are called for interviews after the initial screening, and then they must undergo a three-step process for final selection; Quarterly training sessions, and the services are obtained from third parties that focus on skill-development, personal grooming and product knowledge. The main challenge is compliance and familiarization with medical terminologies; Rewards are commission based, and other incentives include different allowance, transport, housing and health; Sales is a skill which is why right candidates boost sales, but given the limited resources and cutthroat competition, NCs are doing what they can. Compliance teams for unethical practices and strict actions taken against those who violate the code of conduct, but as per observations, the industry takes shortcuts to generate sales numbers and attain a higher ranking; Branding is another significant issue, and affects NCs' sales considerably because the customer asks for the brand name and not the drug/medicine – this is where the role of doctors comes in; No focus on R&D, only reproducing what MNCs offer; Need to maximize reach and market-penetration and focus on branding can help boost NCs' sales (Interview FRQ, 2021). The participant highlighted that in the pharmaceutical industry in Pakistan, the corporate culture is such that companies and salespeople are reliant on reproducing products offered by MNCs. The primary reason for this is lack of resources to invest in R&D and to hire competent and educated employees which is why most sales employees come from different educational backgrounds, and some also have 14 years of education instead of 16. However, their skill and experience matters.

The interview is conducted with a product manager from Pakistan, with 7 years of experience in the field of Pharmaceuticals. The interview is comprehensive, lasting 34 minutes before the permission to record the audio and the discussion allowed for noting multiple factors of SHRM responsible for poor sales performance of NCs. The interviewee BLA mentioned that

"Salespeople are selected based on references, while for higher posts aptitude tests are conducted and market reputation of the candidates is also checked; No continuous medical education (CME), but training sessions are done at the time of joining and once during the year – annual training sessions because of budget constraints; No R&D departments, and no emphasis on research and product knowledge; COVID-19 boosted MNCs' sales because of the little risk involved, and the doctors prescribed verification; DRAP needs to intervene and put an end to unethical practices but given the corporate culture it is unlikely to bring any changes; Lack of resources limit companies to offer the best rewards and incentives to their employees which is why they continuously look for better options; Rewards are given upon meeting sales targets – no other incentives or benefits given to the employees (Interview BLA, 2021). This participant emphasized the need for regulatory authorities to counter unethical practices so that NCs can work up to their full potential.

The interview is conducted with a sales executive from Pakistan, with 7 years of experience in the field of Pharmaceuticals. The interview is comprehensive, lasting 35 minutes before the permission to record the audio and the discussion allowed for noting multiple factors of SHRM responsible for poor sales performance of NCs. The interviewee ADN stated that Interviews are conducted for selection, and it is a three-step process where the final interview is conducted by the product manager; Recommendations are entertained for vacant positions, but the final decision is made based on competence; skilled employees will generate more sales and be an asset to the company; Sales performance largely depends on personal relations with doctors and hospitals; Rewards are based on sales performance; unethical practices are the primary reason for poor sales performances, and the lack of functional organizations further promotes such practices – DRAP not functional!; MNCs focus on quality, whereas NCs focus on providing services and this is the primary reason behind standard and unethical practices not being followed; Training sessions are done twice a year to educate employees, motivate them and refresh what they are doing and have learned; Job threat serves as the main motivation for employees to give their best; Must focus on education and the link between universities and pharmaceutical industry to attract educated people. The increasing unethical practices are because the NCs must meet targets for which they take shortcuts. Doing things ethically would require more time and resources and cost the companies a great deal which is why the need for functional regulatory authorities and their active intervention cannot be stressed enough. NCs remain focused on using minimum resources for maximum outcomes which demotivates employees and pushes them to meet the targets (Interview ADN, 2021). This interviewee

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highlighted that selection and recruitment process, training methods and the incentives offered. But the primary reason for poor performance has been identified as unethical practices. Such practices extend to using personal relationships for sales purposes and having doctors on-board to prescribe their products. Now, the patient cannot go against the doctor's prescription, but if the doctors continue to prescribe certain brands to reap benefits for their own sake, it will affect the sales performance of NCs. The participant further added that 90% of the NCs are involved in such practices, and those who are not, are pushed to do so because they have to meet their sales targets. Furthermore, companies want maximum quality work at minimum salaries and resources which leads to employee burnouts and demotivation (Interview ADN, 2021).

The interview is conducted with a sales manager from Pakistan, with 15 years of experience in the field of Pharmaceuticals. The interview is comprehensive, lasting 18 minutes before the permission to record the audio and the discussion allowed for noting multiple factors of SHRM responsible for poor sales performance of NCs. The interviewee MFR stated that employees from different fields are selected on the basis of references, and sometimes on the basis of aptitude tests; No major investments in training and personal development; Training is mostly basic, and remains focused on the fundamental product knowledge necessary for sales; It is not satisfactory; Training is costly, which is why companies prefer not to invest in such activities, but on the job and basic training is provided to the sales employees so that they can make the sales. however, companies are forced to resort to such measures; Quizzes and surveys are conducted to judge employees and keep them engaged in terms of development and training - it has been added as the routine; Companies should clear objectives and policies regarding which type of students they want to hire; Universities must be linked to the industry so that students can develop and obtain experiences accordingly (Interview MFR, 2021). Overall it is noticeable that national companies requires to make strategic policy regarding selection and training the sales employees along with providing rewards in or to keep motivated them.

3. FINDINGS AND DISCUSSION

3.1. Findings

This part includes the findings of analysis results, which explain the interpretations of the data better. In the current research, it is aimed to identify factors in strategic human resource management that can change organizational sales performance in the context of the national pharmaceutical industry of Pakistan. A rigorous data collection and analysis has been done to ensure the quality of work, and reliability of the results. The quantitative analysis helped identify the current standing of the NCs, and the perception of the employees regarding recruitment and selection, training and development and rewards. The survey data revealed that most employees had a neutral stance on all items on the questionnaire, and in certain instances, they agreed to certain demotivating factors like favoritism, no incentives and bonuses, quantity over quality in terms of the product, maximum quality work at minimum salaries and resources which leads to employee burnouts and demotivation. While all these are important considerations, the reasons for such factors are identified through the qualitative data. It is found that National companies are bound by limitations of resources and talent, which leads to unethical practices. The entire scenario of the Pakistani NCs is somewhat struggling, which is why they cannot compete against the billion-dollar budgets of MNCs. As stated by one of the participants, the NCs and MNCs have a similar grip on the market share, but because the customers look for brand names and not the product, it affects NCs. Likewise, doctors and paramedics also prefer using products by MNCs given the little health risk involved, but if we compare the products, NCs and MNCs are at similar levels. The distinction here is the investment in sales employees, their training, development, skill-building, and product knowledge. MNCs invest heavily in their employees; whereas NCs focus on providing services and making ends meet. This is an important factor why sales employees in NCs leave after they gain experience and product knowledge. Hence, the data obtained through surveys and semi-structured interviews are consistent, and both reflect demotivated sales employees in the NCs due to limited resources.

The quantitative regression analysis has shown that the value of beta is also positive, it means there is a positive and significant relationship between strategic recruitment and selection and organizational sales performance of national pharmaceutical companies of Pakistan. It means if the value of SRAS is changed by one unit, there will be a change of 38.9 percent in

organizational sales performance. This notion helps to accept the first hypothesis of research. It means the first hypothesis which states that SRAS has a positive effect on organizational sales performance is accepted. This information doesn't only support the first hypothesis. It also helps to achieve the first objective of the study, which aimed to see the positive or negative change caused by SRAS in organizational performance. It also helps to answer the first question of the research, which is about the existence of impact. Analysis of the study supports the claim that there is a strong relationship between SRAS and organizational sales performance. Strategic planning of hiring employees helps attain the competitive advantage, which contributes to the organization's performance. Employees have been major component which can change the performance of the firm dependent upon the right recruiting procedure and the right hiring of employees. If employees' capabilities will not match the needs of organizations, chances of bad performance will increase.

Through regression analysis, it has also been observed that strategic training and development strategies beta coefficient value is 0.121, and it is positive; it means that a changing unit of STAD will change the organizational performance by 12.1 percent. It means if the STAD increases, organizational performance will also increase. It helps to accept the second hypothesis of the research, which states that: there is a positive effect of SRAC on sales performance of national pharmaceutical companies of Pakistan. Acceptance of this hypothesis doesn't only contribute into the findings of the research but also helps to achieve the second objective of study which aimed to see that is there impact of STAD on OP. It can be seen that training and development is important to take the perfect knowledge use from employees. After recruitment and selection employees need proper training to work within an organization and to understand its policies and strategies in the right way. Lack of training might suppress the actual ability of the employees (Ruiz et al 2019, 236). A good understanding of employees will lead to a positive performance of the organization and lack of understanding will cause a problem. Updated knowledge will also produce good organizational sales performance. Employees are believed to be the company's assets; with changing technology, assets should also be updated to meet the need of market and perform in updated form. Through regression analysis, it has also been observed that strategic reward and compensations strategies value of the beta coefficient is 0.489, and it is positive, it means that a changing unit of SRAC will change the organizational performance by 48.9 percent. It means if the SRAC will increase, organizational performance will also increase. It helps to accept the third hypothesis of the research which states that: there is a positive effect of SRAC on organizational sales performance. It can be seen that right

compensation is one of the major needs of employees. If they will not be paid good or justified, their performance might lack, bringing down the overall organizational sales performance. Employees need intrinsic and extrinsic rewards from organizations to keep their morale of work high. The motivation of the employees will cause a significant change in their performance. If they are given the right and justified rewards, they will be happier to work with firm. It will change NCs performance positively as a result loyalty towards firm will bring organizational sales performance up to the mark and make a difference in the market. The current research also fills the gap and adds literature on theories by explaining that firms will benefit in exchange for their employees. Acceptance of all hypotheses contributes into the findings of the research as well as significant for boosting the sales of pharmaceutical NCs in Pakistan.
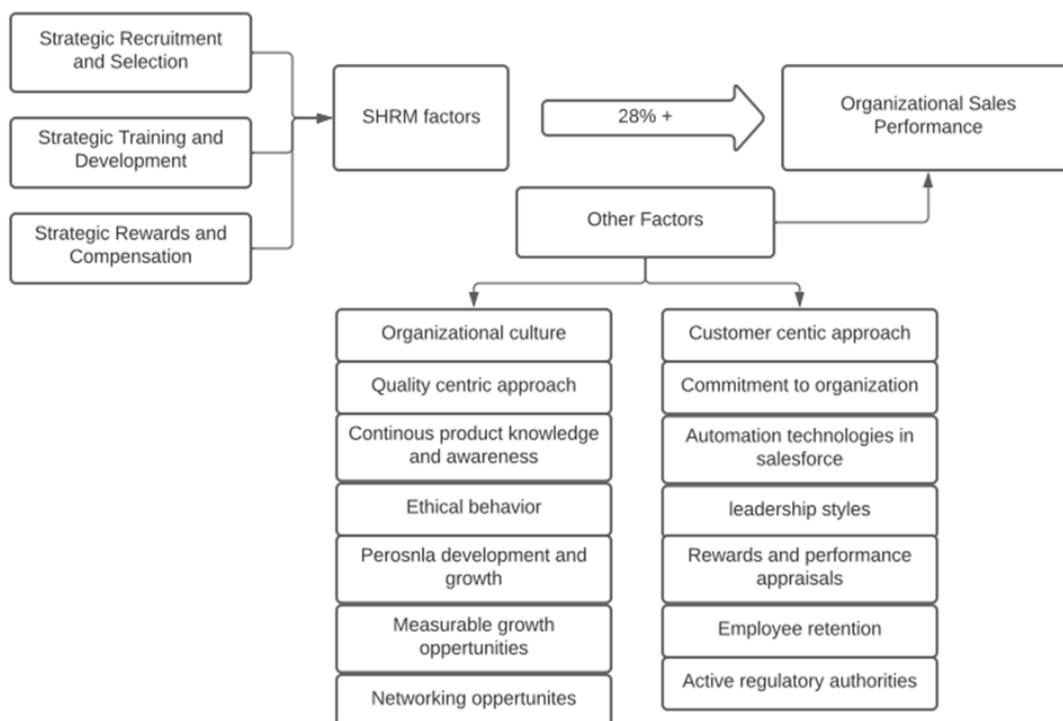

Figure 4. Variance of other variables than SHRM on organizational sales performance
Source: author's drawn

These three dimensions of strategic human resource management (SRAS, STAD and SRAC) with the value of r square 28.7 percent variance in dependent variable due to independent variables. In other terms, it can be said that independent variables (SRAS, SRAC, and STAD) explains the variance of dependent organizational sales performance by 28.7 percent only. Rest 70 percent variance is explained by other variables (Creswell & Creswell, 2017). Further other factors are analyzed in results that are discussed in discussion below.

3.2. Discussion

The current research is conducted on the question that is raised from the problem what is the reason behind the more than 600 national pharmaceutical companies' with 97% of market composition by number gaining only 33% market composition by sales value as compare to the Multinational companies which are only 25 in numbers (3%) however, having 67% market composition by sales value. So, while reviewing the literature it is identified that poor strategic human resource management may lead to the poor sales performance of National companies (ICAP, 2018; DRAP, 2021; Gul et al., 2021, 2). This study found a gap in the literature about the linkages between strategic human resource management and organizational performance and it is still not much studied in pharmaceutical industry of Pakistan and empirical evidences is not existed So, the objective of this research unclouded to identify the factors of strategic human resource management influences the sales performance of National pharmaceutical companies of Pakistan. On the basis of literature and theories hypotheses proposed that in SHRM (strategic recruitment and selection, training and development, rewards and compensation) positively associated with the organizational sales performance. The research methodology is devised based on the literature review, which follows a mixed approach (Creswell 1999, 456); quantitative data for large-scale surveys and qualitative data for additional insights and expert opinions. Firstly quantitative Haddon (2011) survey data collected from sales employees of national pharmaceutical companies of Pakistan. The data allowed for noting multiple factors of SHRM responsible for poor sales performance of NCs. After analysis using SPSS Schulte (2003, 126) tool results showed that sales employees perceive that strategic recruitment and selection positively changes the sales performance of companies with 38.9% and strategic training and development positively changes with 12.1% in the sales performance of organization. Similarly, strategic reward and compensation positively changes with 48.9% in the sales performance of companies. It reflects that the increase in SHRM leads to the increase in national pharmaceutical companies of Pakistan. These entire three dimensions of SHRM contribute 28% in the sales performance of organization.

The sales employee perceptions are positive however, they are not facing the right implementation of SHRM. Quantitative results revealed that employee perceive that appropriate hiring is beneficial for sales performance whereas they are facing partiality, nepotism, favoritism, not merit based sometimes irrelevant of background recruited. The national companies do not pay attention to the strategic recruitment and selection. Moreover, sales

employees agreed that training and development program motivates them, assist them to achieve their sales target and enhance their productivity as a result they can contribute their effort in the organization's vision, mission, objective and sales performance. Unfortunately due to the lack of training programs national pharmaceutical companies are unable to retain the intellectual assets. Moreover, employee's perception regarding strategic reward and compensation revealed that this factor is highly motivated and satisfied factor for them whereas national pharmaceutical companies have not strategic plans of pay raise, incentives, bonuses, guaranteed income plans and other compensations given to employees. Little commission is given to those who meet the sales target. So it concludes that national pharmaceutical companies have poor SHRM as a result it impacts on the sales employee's performance ultimately to the company's sales performance. Further in next step interviews conducted from the sales managers positions to gain the expert opinions and research more deeply. The interview conducted with 5 managers after that data analyzed with thematic analysis in which results are consistent with the quantitative survey data as well as more other factors revealed. After analyzing the interviews thematic analysis, Kiger and Varpio (2020, 847), the results revealed that the recruitment and selection procedures in national pharmaceutical companies occurring partiality where Sale employees are facing biasness while hiring in terms of nepotism and favoritism. Similarly the managers revealed in interviews that they don't pay much attention to the sales employees recruiting process whoever recommends the candidate we consider his reference in order to hire. Mostly national companies for higher posts aptitude tests are conducted and market reputation of the candidates is also checked. We don't conduct special interview panels for hiring the sales employees whereas manager hires them as a result it leads to issues like incompetent salesperson. Other participants stated that the national pharmaceutical companies suffering from limited financial resources so that they don't utilize much resource on the recruiting procedures of the sales employees. furthermore, the sales employees perceives that training and development can assist them in achieving more sales target, retain motivated, and to enhance the ultimate company vision of the sales performance however, interviews revealed that no continuous medical education (CME), but training sessions are done at the time of joining and once during the yearly formal training sessions of three days conducted in which in class room projector method uses to convey the only product knowledge to the employees. The managers revealed that training and development programs are the cost for company so that it is difficult to arrange in more strategic way due to the limited resources. Moreover, The quantitative survey of national pharma companies' sales employees perceive that the rewards and compensations in terms of raising pays, bonuses, commissions, incentives and guaranteed income plan can enhance their job

performance and productivity in sales. However interview results revealed that such rewards provided only on the basis of sales achievements. only those employees gain bonuses and commission who earn sales target whereas companies does not have SOPs to raise the pay and incentives plans, benefits and guaranteed income plans for given to sales employees. National companies want maximum quality work at minimum salaries and resources which leads to employee burnouts and demotivation. As per observation, participants is also demotivated in their job, but still determined to put in extra efforts because there are not many opportunities for growth anyway Moreover, the result showed that Branding is another significant issue, and affects NCs' sales considerably because the customer asks for the brand name and not the drug/medicine – this is where the role of doctors comes in. During COVID-19 boosted MNCs' sales because of the health risk involvement, and the doctors prescribing habits. MNCs focus on quality, whereas NCs focus on providing services and this is the primary reason behind standard and ethical practices not being followed.

The other factor revealed that drug regulatory authority of Pakistan (DRAP) are unable to implement the law and regulation according to drug law which unfortunately lead to unstandardized medicine product are being formalized which reflect that unethical practices are existing. Such unethical practices extend to using personal relationships for sales purposes and having doctors on-board to prescribe their products. Now, the patient cannot go against the doctor's prescription, but if the doctors continue to prescribe certain brands to reap benefits for their own sake, it will affect the sales performance of NCs. The participant further added that 90% of the NCs are involved in such practices, and those who are not, are pushed to do so because they have to meet their sales targets. NCs remain focused on using minimum resources for maximum outcomes which demotivates employees and pushes them to meet the targets. The industry takes shortcuts to generate sales numbers and attain a higher ranking.

The managers in interview concluded by defending themselves that unless sufficient resources are allocated, NCs cannot compete with the billion-dollar budgets of MNCs. They don't spend in research and development department even though some national pharmaceutical companies does not have R&D department so mostly corporate culture is such that companies and salespeople are reliant on reproducing products offered by MNCs. The primary reason for this is lack of resources to invest in R&D and to hire competent and educated employees which is why most sales employees come from different educational backgrounds. This discussion summarized that all these factors are the reasons behind the poor performance of National pharmaceutical companies of Pakistan.

CONCLUSION

The current research was conducted given the context of the National pharmaceutical companies of Pakistan. Every employee is an asset, and if developed and trained accordingly, they can prove to be an asset for the company. They are considered a competitive asset that decides how a firm will incorporate its abilities to get a competitive advantage. For this reason, the primary objective was to identify the factors that influence the organizational sales performance of pharmaceutical companies in Pakistan. First, an extensive literature review was conducted to get acquainted with the literature and further understand the context before proceeding with the study. The research methodology was devised based on the literature review, which follows a mixed method research (Creswell 1999, 456) quantitative data for large-scale surveys and qualitative data for additional insights and expert opinions.

The values of regression coefficients and research literature have indicated that strategic recruitment and selection of the employees positively changes the organizational sales performance. The interview data further emphasizes that the organization can witness a big sales boost with the selection and recruitment of competent employees. Any competent individual with product knowledge and awareness of how things work in the market will bring excellence and positively influence the organizational culture. It means that Pakistani firms should focus on making the right job application process. Hiring and selection procedures should be more strategically planned to find the right skillful employees for the organization. Gaining more skillful employees means the company owns a better resource than others, eventually generating more profit for the firm. In the same way, research has proven that strategic training and development programs will generate high organizational sales performance. It means firms should arrange proper training and provide proper development programs to their employees to get the best out of their knowledge. It is also essential to keep their knowledge and skills according to the updating environment to meet the standards of globalization and technological advancement.

In the same manner, it has also been found that strategic compensation and reward strategies are also mandatory to keep the working morale of employees high. It will provide them with incentives and intrinsic and extrinsic motivation by giving them proper rewards and compensation for their extra efforts. The gain of reinforcements will make them work better than

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ever, benefiting the employees and the firm. Thus, it can be concluded that overall strategic human resource management can yield better organizational sales performance.

While positive factors contribute to organizational sales performance, negative factors like unethical practices, shortcuts to boost sales, favoritism, and using personal relationships with doctors to promote sales are the primary hindrance. Moreover, lack of resources and limited budgets further restrict NCs from competing with MNCs because companies with a budget of a hundred million cannot compete with billion-dollar budget companies. Still, it has been identified that NCs are doing the best they can and working at their total capacity to meet the sales targets. This research has also added knowledge into the implication of the social exchange theory, which means that companies should spend on these activities. In return, they will get better growth, market share, and monetary benefits.

Like every research, this research also has some limitations that bind its work to a limited scope, and it guides the future authors to proceed with the research in a better way. The first limitation of this study is the limited sample size. The study is conducted with a sample of 100 survey participants and five interview participants, which means that only an overview of the factors could be attained. I believe that a bigger sample size would have contributed to a more reliable study and a more valid dataset. Secondly data collected at one point time the longitudinal study would be more reliable. Moreover, this research is conducted specifically on the national pharmaceutical companies of Pakistan so there is a limitation of generalizability of research. Furthermore lack of resources in which fewer interviews is conducted from professionals so it is also constrained to contact with more professionals if maximum number of professionals involved then it would be more various results. In summary main limitations are observed during this study are limited sample size, time constraints, lack of resources and generalizability of research.

The significance of this research is to highlight the essential issues facing by national pharmaceutical companies; as a result it would be beneficial in creating awareness to the government institutions DRAP (drug regulatory authority of Pakistan) to analysis the every aspect of national pharmaceutical companies, the provisional manufacturer councils, and industrial, ministry of industries and production and ministry of commerce. Moreover, this research helps the ministry of labor to regularize the rewards system and essential recruitment system for every national pharmaceutical to enhance the productivity of pharmaceutical organizations

Furthermore, this research identified the most alarming factors which can significance the Pakistan medical and dental council to conduct extensive research on unethical practices performed by pharmaceutical organizations, Doctors, surgeons and paramedical. This will help to regulate the system of generic prescribing habit or brand prescribing which ultimately benefits the national pharmaceutical of Pakistan. This research is also worthy of attention to direct the ministry of education alliance of national pharmaceutical companies with medical universities to enhance the research culture, more extensive research must be conducted on R&D, DRAP (drug regulatory authority of Pakistan) and ministry of education to formalize the structure.

Hence, based on the findings of this research the future research directs towards the rising unethical practices in the pharmaceutical industry are an interesting area of research, and future research must look into this area to identify the reasons, drivers, and facilitators of such practices. Moreover, the role of drug regulatory authorities also constitutes an exciting area of research, and the current functionality of DRAP and other drug regulatory authorities in Pakistan are worthy of a thorough look into. It is recommended for future researchers to work on these two areas to identify the drivers of unethical practices and the functional role of drug regulatory authorities given the context of Pakistani pharmaceutical companies.

Thesis is concluded and hope that the results presented so far will motivate and encourage future researchers to evaluate the pharmaceutical industry and fill the gaps left in this research.

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APPENDICES

Appendix 1: Questionnaire

1. **Gender**   Male☐   Female☐
2. **Age (in years)** 20 - 25 ☐   26 – 30☐ 31-35 ☐ 35 years or above ☐
3. **Level of education** Graduation ☐ Master's Degree ☐ M.Phil. ☐ PhD ☐ Other (specify) ………
4. **Experience**   1-2 ☐ 2-5 ☐   5 years and above ☐

Please read each descriptive statement carefully and indicate your degree of agreement or disagreement with it by circling the appropriate number (on a 5-point scale given below), that is, the number that best describes how you feel about the statements. Allow yourself to remember that your answer will keep confidential and use only for educational purposes.

1	2	3	4	5
Strongly Disagree	Disagree	neither agree nor disagree	Agree	Strongly Agree

Strategic Recruitment and Selection	1	2	3	4	5
The recruitment and selection processes in your organization are impartial					
Favoritism is not evident in any of the recruitment decisions made in your organization					
Interview panels are used during the recruitment and selection process in your organization					
This organization does not need to pay more attention to the way it recruits people					
All appointments in this organization are based on merit (i.e. the best person for the job is selected regardless of their personal characteristics)					
Strategic Reward and Compensation					
Pay raises for employees are based on job performance					
Employees have the opportunity to earn individual bonuses (or commission) for productivity, performance or other individual performance outcomes.					
A large portion of employees' compensation is based on performance.					
The amount earned by employees is determined primarily by an incentive plan rather than by a guarantee-income plan.					
In our company, compensation is decided on the basis of competence or ability of the employee.					

Strategic Training and Development					
Training motivates employees to achieve more.					
Employees training and development help increase organizational performance.					
Employees training and development assist organization to achieve increased productivity.					
Training and development assist firms in retaining its intellectual assets.					
Training of employees helps organization to achieve their objectives.					
Organizational Sale Performance					
Organization market share has increased over the past 5 years as compared to your competitors					
We have invested substantial amounts in acquiring new plant and equipment					
Our profits are steadily increasing					

Appendix 2: Survey Responses

https://docs.google.com/spreadsheets/d/1jjlbQcpXs5sYJ1Dk7QtzVTXnBvHJaJj5Xt_MliYal5U/edit?usp=sharing

Appendix 3: Interview Guide

Q1: What is your current position in your organization?

Q2: Please explain the selection procedure at your workplace. How did you get selected? Can you explain your recruiting steps?

Q3: Do you think recruitment and selection procedures in your organization affect organizational sales performance. Would you please explain in light of your experiences?

Q4: How would you explain your training and development process? Do you get on-the-job training, workshops, and other skill-based training (computer training) - or does the organization rely on day-to-day operations for experience and employee development.

Q5: What do you feel is the most significant challenge employees face in skills development?

Q6: How would you define the rewards strategy at your organization?

Q7: In your opinion, does the national pharmaceutical industry mishandle the rewards and compensation for sales employees, or is the decision fair? Please reflect on your experiences.

Appendix 4: Interview Recordings

- **Interview 1 with RZQ**

https://drive.google.com/file/d/1NStS0me6jH82Lg-e7tgb28sfqnszey-8/view?usp=sharing

Written interview

https://docs.google.com/document/d/1orR0w7uZWRtrqqJXwikMbYQBSIUYeo7q/edit?usp=sharing&ouid=103064691881869899762&rtpof=true&sd=true

- **Interview 2 with FRQ**

https://drive.google.com/file/d/1yzK-5W9AoR3c8Doe0Pitj8HkHUmjRRgg/view?usp=sharing

- **Interview 3 with BLA**

https://drive.google.com/file/d/1Ro1_YiJKC0_Zd8LqodphOgWVqoafKM_q/view?usp=sharing

Written interview

https://docs.google.com/document/d/1nQXpcE8reUZRBaU-V7fXfAWw5JkIHOiw/edit?usp=sharing&ouid=103064691881869899762&rtpof=true&sd=true

- **Interview 4 with ADN**

https://drive.google.com/file/d/1IQkwQZJ3Dk08aRbHi8DOQ9EUPpvx1AWT/view?usp=sharing

Written Interview

https://docs.google.com/document/d/1MLPQkuB30Zkp2mPHWYXrGk_QZkvRujm6/edit?usp=sharing&ouid=103064691881869899762&rtpof=true&sd=true

- **Interview 5 with MFR**

https://drive.google.com/file/d/1-1cMWOT3fGF2oQl9o-JYUunT0KgQXPP9/view?usp=sharing

Written interview

https://docs.google.com/document/d/15Kk_9ZvHkT0qkjm9OYLGsz71sZ334f0N/edit?usp=sharing&ouid=103064691881869899762&rtpof=true&sd=true

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