

Evaluation of Business Survival Strategies Among Community Pharmacists in Malaysia: a Preliminary Finding

Mohamed Izham Mohamed Ibrahim^{1*}, Subish Palaian²

¹*Professor of Social & Administrative Pharmacy, College of Pharmacy, Qatar University,*

Doha, QATAR

²*Associate Professor of Pharmacy Practice, College of Pharmacy, Gulf Medical University, Ajman, UNITED ARAB EMIRATES*

Received: 11 March 2017;

Accepted: 10 April 2017

***Correspondence to:**

Dr. Mohamed Izham Mohamed Ibrahim,
PhD, Professor of Social & Administrative Pharmacy, College of Pharmacy, Qatar University, Doha, Qatar.
Email: mohamedizham@qu.edu.qa

Copyright: © the author(s), publisher and licensee Indian Academy of Pharmacists. This is an open-access article distributed under the terms of the Creative Commons Attribution Non-Commercial License, which permits unrestricted non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

Abstract

Objective: This preliminary study aimed to determine the challenges faced by community pharmacists in Malaysia and identify the scope of their survival and future in their business environment. **Methodology:** The study populations were the community pharmacists in Penang and Kedah, two northern states in Malaysia. A survey was carried out to collect the data on respondent's demography, business profile, challenges and obstacles faced by community pharmacists in business and the future role of community pharmacists in the next five years. Respondents were selected based on convenience. Chi Square test was used to measure the association of categorical variables; independent t-test was carried out for continuous variables; alpha level=0.05. **Findings:** A total of 103 pharmacists participated in the study. Less than half of the respondents (n=40, 38.8%) felt that franchise pharmacy such as 'Watson Pharmacy' and 'Guardian Pharmacy' do affect their business. More than three-fourth (n=81, 78.6%) felt that pharmacists will have their dispensing rights in the near future. From the total number of respondents in town, 44.3% (n=27) agreed that franchise pharmacy had significantly influenced their business while 55.7% (n=34) disagreed with the statement. Both town and suburb pharmacies felt that 'management skill' is the most needed skill in the future for a pharmacist. Half of the chain pharmacy respondents felt that 'counseling' is the most needed skill in the future while 38.8% (n=37) of the independent pharmacy respondents think that management is the most important skill required. **Conclusion:** The community pharmacists perceived several threats to their future business survival. Among the threats, the major one being the 'dispensing doctors' which are a widely accepted practice in the country.

Key words: Business Survival, Community Pharmacists, Malaysia, Business Strategies, pharmacy owner, Pharmacy practice.

INTRODUCTION

Community pharmacy is one of the important pharmacy practice areas. A community pharmacist is the one who dispense medications, advice physicians on patients' medications therapy, counsel patients on the use of prescription and over-the-counter medications, and also advise patients on general health topics like diet, stress management and exercise.^[1] In many parts of the world, community pharmacists are very accessible to the community and providing the role as health-related advisor.^[2]



The responsibility of a community pharmacist also includes identifying, preventing, resolving drug related problems and reducing negative medication outcomes. They are also involved in health promotion programs such as smoking cessation program, diabetes self-management. By providing patient care services in a community setting, this can reduce medication errors, improve patients' outcome and decrease costs. As time passes by, the profession of a community pharmacist faces more and more challenges in business. One of the challenges currently faced by community pharmacist is to establish strong collaboration with physicians, nurses, patients, families and indeed the whole communities as trusted team members and leaders in patient care and public health enterprise.^[3] Integration of pharmacists into the team was felt to have positive patient outcomes by improving team drug-therapy decision-making, continuity of care and patient safety.^[4] In order to achieve patients' best outcome, effective communication become one of the powerful skill that must be acquired and mastered by every pharmacist. Through effective communication, pharmacists can provide patients with knowledge on drug therapy and thus, increase their compliance.^[5] In addition to professional activities; community pharmacist must know how to handle any business and financial issues effectively.^[6] In Malaysia, about one-third of 13,147 registered pharmacists (registered under the Registration of Pharmacists Act 1951) are practicing in community pharmacy setting.^[7] One of the issues that had caused concern among the Malaysian community pharmacists is regarding the dispensing separation. The pharmacists are not given the right to dispense medication unlike other developed and developing countries such as the United States, United Kingdom, Australia, Taiwan or Republic of Korea. Malaysian general practitioners (GPs) are allowed to dispense medications i.e. dispensing doctors. Pharmacists have fought for their right to dispense medications for more than three decades, but these efforts still lead to failure.^[8] The GPs are reluctant to give away this right because there are making good business from selling medicines in addition to their consultation fees.

The problem is that in Malaysia, both doctors and pharmacists do not really recognize and appreciate each other's job well.^[9] Therefore, another great challenge need to be faced is to achieve mutual insight into each other's professional roles and also to avoid any conflicts between both parties.^[9]

One of the survivals is that the job options for pharmacists have dramatically increased in the past few years. Thus, skills are relatively important for pharmacists from various setting.^[10] Pharmacy nowadays prepares to shift toward a profession-wide, patient-centered practice model. Therefore,

it is worth to focus more on effective collaboration between pharmacy educators provide advance experiential education, raise student professionalization and develop new patient-centered practice model.^[11] In addition, the practicing pharmacist must be willing to change and transform itself from a primarily product-centered profession to a patient care-oriented profession.^[10]

In this paradigm of pharmaceutical era, pharmacists have to provide a greater frequency of public health services. The pharmacists should make a wise use of a precious national resource. This is to ensure the long term survival of pharmacy as a health profession. The various strategies adopted by the community pharmacists in Malaysia to cope with the challenging business environment are not known. Hence, the present preliminary study was conducted with the following objectives:

1. To determine the challenges faced by community pharmacists in Malaysia.
2. To examine the business survival strategies adopted by Malaysian community pharmacists and their future direction.

MATERIALS AND METHODS

Study design: A cross-sectional study was carried out to examine the business challenges and survival strategies of community pharmacists in the next five years. **Study population:** The population of the study was all the community pharmacists in northern Malaysia. The selected subjects were the community pharmacists in two of the 14 Malaysian states, Penang and Kedah. According to the Malaysian Service Division, there are about 219 and 119 community pharmacists in Penang and Kedah, respectively.^[12] **Sampling method:** Convenience sampling method was adopted in this study. As it is a preliminary stage, the study is not intended to be generalized to the whole community pharmacists in the country. **Questionnaire development and data collection:** The questionnaire was developed from the information gathered from the literature review and consultation with the experts from School of Pharmaceutical Sciences of Universiti Sains Malaysia (USM), Penang, Malaysia. The questionnaire had 5 sections: *Section A:* demographic data of respondents (3 questions); *Section B:* the business profile of the respondents (9 questions); *Section C:* challenges and obstacles faced by community pharmacists in business (9 questions); and *Section D* was regarding the future role of community pharmacists in the next five years (4 questions). For *Section C*, a 5-point Likert scale was employed to measure the parameters. **Data analysis:**

The data was analyzed using the Statistical Package for the Social Sciences (SPSS version 22.0). Descriptive statistics was applied and presented in the form of frequencies and percentages. Kolmogorov-Smirnov test was used to test for normality. Chi Square test was chosen to measure the association of categorical variables. Independent t-test was carried out for continuous variables. A p-value of ≤ 0.05 was considered statistical significance.

RESULTS

Demographic profile of the respondents: Of the total 103 (31%) respondents (103/338), 50.5% (n=52) were females, while 27 (26.2%) were of 'Malay' ethnic group, 67 (56%) were 'Chinese' and 9 (8.7%) were 'Indians'. Most of the respondents (96.1%, n=99) had a bachelor in pharmacy degree and only a few (3.9%, n=4) had masters degree.

Pharmacy setting of respondents: of the respondents, 92.2% (n= 95) were from 'independent pharmacies' and 7.8% (n=8) from 'chain pharmacies'. Most of the respondents (59.2%, n=61) chose to work in 'town', while others in 'suburban' (36.9%, n=38) and 'rural' areas (3.9%, n=4). More than half of the respondents were involved in business for the past 6-10 years (50.5%). Others were in business for

5 years or less (27.2%), 11-15 years (14.6%) and more than 15 years (7.8%). The average of business hour per day is 10.2 ± 1.8 . Median average of number of workers needed when first started the business was 2.0. Results revealed 43 or 41.7% of the respondents were getting number of customers in the range of 51-100 people per day while the others were 1-50 (19.4%), 101-150 (17.5%) and more than 150 (19.4%) people.

Business challenges of community pharmacists: When asked about their perception on effects of franchise pharmacy towards their business, less than half of the respondents (n=40, 38.8%) felt that franchise pharmacy such as 'Watson Pharmacy' and 'Guardian Pharmacy' do affect their business while 63 (61.2%) respondents does not felt the same. Majority of the respondent (n=93, 90.3%) felt that the management training must be experience-based rather than solely relying on conceptual. From the results, 96.1% of the respondents felt that pharmacy would become a patient care oriented profession in the future.

More than three-fourth (n=81, 78.6%) felt that pharmacists will have their dispensing rights in the near future. Further details are listed in Table 1.

Table 1: Perception of respondents from different pharmacy settings towards the challenges in business.

Statements	Chain Pharmacist (n=8)	Independent Pharmacist (n=95)	p-value
	Mean \pm sd		
1. Lack of focus in business and unclear about their goals	2.75+1.04	2.56+0.95	0.588
2. Lack of interpersonal skills such as communication skills	3.00+1.31	2.59+0.95	0.258
3. Lack of management skills and critical thinking	3.25+0.89	2.63+0.95	0.078
4. Lack of reimbursement for health care activities	3.13+0.84	3.30+0.87	0.588
5. Shifting from a dispensing focused service to a patient focused service	3.13+1.13	3.45+0.86	0.315
6. Unable to meet the need of patients due to shortage of pharmacists	3.13+0.84	3.16+0.97	0.926
7. Too conservative and resist any changes in business	3.38+0.92	2.85+1.09	0.192
8. Dispensing separation has caused a great concern among community pharmacists	2.88+0.64	3.40+0.94	0.125
9. Technology drives community pharmacists away in dispensing prescriptions and provides drug information to the patients	2.75+0.71	3.08+0.92	0.318

Perception of community pharmacists towards franchise pharmacies: Perception of respondents from different workplace on the effects of franchise pharmacy towards their business was assessed. From the total number of respondent in town, 44.3% (n=27) of the respondents (community pharmacists) agree that franchise pharmacy has significantly influenced their business while 55.7% (n = 34) of the respondents disagreed with the statement. No significant difference was found between the pharmacy

workplace i.e. town, suburban or rural areas ($p=0.383$). Chi-square test indicated no significant difference between the type of community pharmacy and the effects of franchise pharmacy towards their business ($p=0.936$). It was seen that 38.9% (n=37) of the respondents from the independent pharmacies agree with the statement and while the rest disagreed. When assessed the perception of respondents with different business experiences on the struggle to maintain potential customers, according to respondents

who have involved themselves in business for 0-5 year, 75.0% (n=77) of them strongly agree and agree that they are struggling to maintain the potential customers and 10.7% (n=11) of them were strongly disagree and disagree. Chi-Square test indicated no significant difference between the number of years in pharmacy business and their level of agreement ($p=0.364$).

Chi-square test did not indicate any significant difference between perception of respondents with different business experiences on the effects of franchise pharmacy towards their business ($p=0.594$). It was seen that 61.2% (n=63) of respondents feel that franchise pharmacies like Watson Pharmacy and Guardian Pharmacy do not affect their business much and the rest think the opposite response. Overall, community pharmacists rated 'shifting from a

dispensing focused service to a patient focused service' as the most challenging factor in pharmacy business, followed by 'lack of reimbursement for health care activities', while aspect on 'lack of focus in business and unclear about their goals' was the least concern (Table 1).

Future skills and knowledge needed for business survival From the results, both town and suburb pharmacies feel: that management skill is the most needed skill in the future for a pharmacist. The details are listed in Table 2.

From the results obtained, 50% (n=4) of the chain pharmacy respondents feel that counseling is the most needed skill in the future while 38.8% (n=37) of independent pharmacy respondents think that management is the most important. Details are listed in Table 3.

Table 2: Perception of the community pharmacist from different pharmacy workplace towards the scope of skills or knowledge required the most in future.

Work place of pharmacy	Scope of skills or knowledge required the most in future (%)						p-value
	Dispensing	Counseling	Management	Leadership	Health promotion	Others	
Town (n=61)	28.8	26.9	30.8	3.8	7.7	1.9	0.187
Suburban (n=38)	21.6	18.9	45.9	2.7	5.4	5.4	
Rural (n=4)	100.0	0.0	0.0	0.0	0.0	0.0	

Table 3: Perception of community pharmacist with different pharmacy settings towards the scopes of skills or knowledge needed the most in the future

Pharmacy Setting	Scope of skills or knowledge required the most in future (%)						p-value
	Dispensing	Counseling	Management	Leadership	Health promotion	Others	
Chain Pharmacy (n=8)	25.0	50.0	0.0	0.0	25.0	0.0	0.046*
Independent Pharmacy (n=95)	29.4	20.0	38.8	3.5	4.7	3.5	

DISCUSSION

This study evaluated the various strategies adopted by the community pharmacists in Malaysia to cope up with the business challenges. It was noticed that almost two-third of respondents who think that franchise pharmacies do not significantly affect their business. Although the franchise pharmacies may be able to promote their products at a lower price, however they could not provide a very well patient-based counseling session. On the other hand, most of the community pharmacies highly emphasize on patient counseling. This will build up a better and closer relationship with the customers and will definitely increases the business or money making rate.

It was seen that a high percentage of respondents suggests that management training must be experience-based rather than conceptual-based. This shows that most pharmacists think that experience-based is more important than conceptual-based in order to operate a pharmacy. To be part of the pharmacist management organization, experience is the core elements required,^[13] otherwise one cannot gain any trust from the organization itself. This situation has become a compulsory terms to gain level in any organization in Malaysia or any other country.^[13]

A very high percentage of the respondents agreed that pharmacy will become patient care-oriented profession in the future. Patient care depends on pharmacists. Pharmacists

not only expert in drug properties, site of administration and mode of action of drugs but they are also expert in patient health care. Pharmacists not only distribute the prescribed drugs to individual but they also provide counseling and drug information to their patients, as well as physicians and other health practitioners, on the selection, dosages, interactions, and side effects of medications.^[14] Pharmacists responsible in monitoring health progress of patients to make sure the safety and effectiveness of medication. In addition, they also advise patients on general health topics such as diet, exercise, and stress management, and provide information on products such as durable medical equipment or home health care supplies.^[14] With this, pharmacists will get closer to the patients and gain more trust from the patients in the counseling process. Generally, most pharmacists work in a community setting, thus, there is no other reasons on why pharmacy could not become a patient care oriented profession in the future.

Most of the respondents are hoping that pharmacist manage to get their dispensing right in the future. In Malaysia, pharmacists are still fighting hard in order to be the only drug dispenser. Over decades ago, when doctors were accorded the legal right to dispense medicine, there were very few pharmacists and pharmacies in the country.^[15] However, this issue faded slowly. There are 9143 pharmacists registered under Malaysian Pharmacy Board (as of 2012).^[16]

The findings suggest that the aspect of struggling to maintain potential customers is not affected by workplace of pharmacy. Nowadays, there are lots and lots of pharmacy being set up since there is an increase in demand of the public for the healthcare provider. Thus, competitions are everywhere. The pharmacies keep on compete with each other by promoting discount prices, free screening and others services to attract customers. In order to achieve patients' best outcome, effective communication become one of the powerful skill that must be acquired and mastered by every pharmacists. Through effective communication, pharmacists can provide patients with knowledge on drug therapy and thus, increase their compliance.^[5] This is what every pharmacist are trying their best to achieve, thus the services provided is therefore increase the potential customers significantly without affecting potential customers for different workplace of pharmacy. In addition, most of the respondents from chain pharmacies agree that conservative and resist to any business changes in business is one of the challenges for community pharmacists. From their point of view, community pharmacists need to be innovative and are willing to overcome the risks in business in order to survive. Resist changes in business will leave them behind in this competitive world.^[17] However, for the

respondents from independent pharmacy, mostly of them remain neutral for the statement.

Experience, contacts, and timing are key factors that needed when preparing to make a transition into a new pharmacy career.^[18] This according to results, most of the respondents feel that franchise pharmacies such as Guardian Pharmacy and Watson Pharmacy do not affect their business much. This is due to the difficulty to meet the demand of customers. Normally, there is no pharmacist in Watson Pharmacy and only few sale workers promote the healthcare products. Patients find it hard to consult with pharmacist on their personal health problems. Therefore, they prefer go to community pharmacy which has more concern in patient care. When we think of franchise pharmacies such as Guardian Pharmacy and Watson Pharmacy, healthcare product such as toiletries and cosmetic are the things that will come into our mind. Patients seldom get their prescribed drug and have limited chances to consult the pharmacists at franchise pharmacy. Besides that, franchise pharmacies normally located at specific area such as in the shopping mall. As such, this does not significantly affect the pharmacy nearby although the prices for product at franchise pharmacy are cheaper.

In this competitive environment, a good management skill will ensure the survival of the pharmacy in the future. From our results obtained, high proportion of our respondents feel that management skill is the most important skill in the future. Due to the increasing number of pharmacists in the community setting, it is essential for a community pharmacist to manage the pharmacy to ensure that pharmaceutical care is provided. Due to the rapid pace of change in health care, pharmacy managers must act with both speed and effectiveness.^[17] The future health care environment may hold many opportunities for pharmacists if the leadership and management of the profession can respond quickly to focus the profession's efforts on improving patients' drug therapy outcomes.^[18]

The most obvious role of the community pharmacist in the future is transformation from a primarily product-centered profession to a patient care-oriented profession based on patient oriented services such as providing drug information and counseling service.^[18] Around half of the respondents from chain pharmacies consider counseling as the skill that is needed the most in the future for community pharmacists compared to one-fifth in the independent pharmacies. For chain pharmacy, most retail employers will provide training for hospital-based pharmacists who want to move into retail pharmacy, although they may first require a signed contract.^[18] The opportunities for

additional training vary, but many chain pharmacy have developed internal management training programs for pharmacists.^[18] Therefore, they feel that management skill is not so essential compared to counseling skill. In one of the study, 25% of pharmacists never communicated with their customer, and 47% of all customers never received any oral drug information from pharmacy staffs.^[13] It raises several concerns about the content and style of counseling that is provided with new prescriptions.^[17] Pharmacists routinely must conduct patient counseling and involved in patient drug therapy decision-making, and consistently intervene to prevent and resolve drug-related problems.^[19] Therefore, there is essential for the community pharmacist to master counseling skill in the future to ensure a better pharmaceutical care is provided.

Limitations

There are few limitations in our study. The first limitation is the small sample size that was used in order to elicit their responses towards perspective on their business in the future. This could affect the external validity. Secondly, the respondents were conveniently selected which could have led to a bias. It is not the intention of the study to generalize to the community pharmacists in the country but rather to explore the business survival strategy in just one part of the country.

CONCLUSION

In summary, community pharmacists rated 'shifting from a dispensing focused service to a patient focused service' as the most challenging factor in pharmacy business, while aspect on 'lack of focus in business and unclear about their goals' was their least concern. For business survival, they perceived counseling, dispensing and management are the important skill and knowledge-related factors most required by community pharmacists.

REFERENCES

1. The Role of the Pharmacist in the Health Care System. Report of a WHO Consultative Group, New Delhi, India. 1998;13-16.
2. Smith F. Community pharmacy in Ghana: enhancing the contribution to primary health care. *Health Policy Plan.* 2004;19(4):234-41.
3. Schommer JC, Pedersen CA, Doucette WR, Gaither CA, Mott DA. Community pharmacists' work activities in the United States during 2000. *J Am Pharm Assoc.* 2002;42(3):399-40.
4. Makowsky MJ, Schindel TJ, Rosenthal M, Campbell K, Tsuyuki RT, Madill HM. Collaboration between pharmacists, physicians and nurse practitioners: a qualitative investigation of working relationships in the inpatient medical setting. *J Interprof Care.* 2009;23(2):169-84.
5. Young MD. Research on the effects of pharmacist-patient communication in institutions and ambulatory care sites, 1969-1994. *Am J Health Syst Pharm* 1996;53(11):1277-91. PMID:8725202.
6. ACCP public and professional affairs committee. Pharmacist and Industry: Guidelines for Ethical Interactions. *Pharmacotherapy.* 2008;28(3):410-42.
7. Malaysian Community Pharmacy Guild. <http://www.mcp.org.my/>.
8. Idris MSM. Dispensing medicine, enough pharmacists for a switch. *New Strait Times.* 2009 July 17.
9. Hassali MA, Shafie AA, Jayabalan T, Subish P. Medicine dispensing in Malaysia: A case for separation of roles. *Ind J Pharm Pract.* 2009;2:84-5.
10. Kostick JH. Pharmacy careers: A Prescription for change. 2006 Feb 10. Available from: URL:<http://www.medscape.com/viewarticle/5450791>.
11. Manasse HR Jr, Zellmer WA. A vision of pharmacy's future roles, responsibilities, and manpower needs in the United States. *American Society of Health-System Pharmacists. Pharmacotherapy.* 2001;21(1):123-5.
12. Bilangan Farmasi Komuniti di Malaysia Mengikut Negeri Available at <http://www.pharmacy.gov.my/v2/ms/content/bilangan-farmasi-komuniti-malaysia-mengikut-negeri.html>.
13. Dessellee SP, Zgarrick DP. *Pharmacy management: Essentials for all practice settings.* 2nd ed. McGraw-Hill Medical, New York, 2008.
14. Anderson C, Blenkinsopp A, Armstrong M. Feedback from community pharmacy users on the contribution of community pharmacy to improving the public's health: a systematic review of the peer reviewed and non-peer reviewed literature 1990-2002. *Health Expect.* 2004;7(3):191-202.
15. Whiddett S, Hollyford S. *The Competencies Handbook.* 1st ed. London: Chartered Institute of Personnel and Development; 2000.
16. Bahari S. Pharmacy Transformation planning reform for Universal Access to Medicines. Asia Pacific Conference on National Medicines Policies, 26- 29th May 2012 Sydney, Australia. Available from <http://www.apcnmp2012.com.au/files/4fd7f6d298c78.pdf>.
17. Kostick JH. Pharmacy Careers: A Prescription for Change. *Medscape.* 06. Available at http://www.medscape.com/viewarticle/545079_1. 8. Anon. A vision of pharmacy's future roles, responsibilities, and manpower needs in the United States. *Pharmacotherapy.* 2000;20(8):991-1020.
18. Svarstad BL, Bultman DC, Mount JK. Patient counseling provided in community pharmacies: effects of state regulation, pharmacist age, and busyness. *J Am Pharm Assoc.* 2004;44(1):22-9.

Cite this article as: Ibrahim MIM, Palaian S. Evaluation of business survival strategies among community pharmacists in Malaysia: a Preliminary finding. *J Pharm Pract Community Med.* 2017;3(3):97-102.