



Quality Efficiency Indicators of Pharmacy Management: Characteristics, Current Features, Opportunities and Threats of the Development

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Abstract

The purpose of this work is a comprehensive research, analytical study and systematization of the pharmacies' management (networks) feature and trends in Ukraine in accordance with qualitative criteria. The objective is to determine the features and possibilities of improving the quality of pharmacies' management (networks), existing threats (risks) of their achievement, which allowed to highlight the topical issues and directions of the decision in the management of pharmacies and their networks. On the bases of scientific literature, regulatory documents, statistical data, information sites of the Internet and structural-logical, analytical methods, generalization, comparison, grouping, and formalization of reasoning were identified problems and trends in this area. The main groups of qualitative criteria for the pharmacies' (networks) management effectiveness are: provision of pharmacy (network) management process; managerial decisions making; customer service; social management efficiency; the personality of the head; work with personnel. According to the results of the research, individual differences in ensuring the effective management of pharmacies and their associations (networks) are highlighted. It is shown that qualitative indicators of effective management of pharmacies (networks) are characterized by their dependence on the social and economic processes in society, changes in legislation, state and change of health protection, implementation of government social programmes, market and pharmacies informatization, consumer attitudes to treatment and their solvency, etc.

Keywords: Pharmacies, Qualitative criteria of management efficiency, Possibilities of strengthening the management efficiency qualitative criteria, Threats.

Introduction

Pharmaceutical enterprises are characterized by social-oriented management, which involves identifying the components of intangible assets with the achievement of the appropriate degree of correlation between them and the combination with material assets, which allows them to obtain a synergistic effect on the basis of their qualitative and quantitative assessment.

At the present stage of pharmaceutical companies' development, this problem becomes a priority, as, under the influence of significant economic, technological and social changes, the most radical changes in the

management of personnel and organizations as a whole took place [1].

Pharmacies and their associations (networks) occupy a special place in the society as health care institutions and business enterprises, which significantly influences the range of their activities, the importance of internal and external effectiveness. The effectiveness of pharmacy management matters directly to the organization, for other entities of the market, for the state and society as a whole.

In evaluating the activities of pharmacies, different criteria and approaches are used,

each deserves attention. Despite the presence of a certain number of publications in the scientific literature and diverse coverage of certain aspects concerning the pharmacies' management, this topic has not been sufficiently developed.

Material and Methods

The research materials were the laws of Ukraine, government resolutions, orders from the Ministry of Health, statistics, scientific publications, materials of public organizations' activities in pharmacy and scientific forums, information sites of the Internet, structural and logical, analytical methods, generalization, comparison, grouping, and formalization of reasoning were used to determine the problems and trends of pharmacy management's effectiveness.

Results and Discussion

In the scientific literature, there are different approaches to the interpretation of the concept and criteria of effective organizational management. Generally, the term "efficiency" means effectiveness, performance, and productivity.

Efficiency is evaluated as a corresponding ratio between the result and the goal or the result and the cost of its achievement. The expanded characteristic of the "efficiency" concept includes:

- Concrete result;
- Match of the result or process to the maximum possible, ideal or planned;
- The quantitative description of satisfaction with the functioning of the organization, unit, employee;
- The likelihood of meeting the performance targets [2-5]. The effectiveness of management is seen as the effectiveness of a specific management system, which is reflected in various indicators as an object of management (organization as a whole and its units), and the subject of management (direct management activities). There are different approaches to the interpretation of effective enterprise management components. The most common of them is the division into economic, social and socio-economic. There are also quantitative and qualitative

criteria or indicators of management efficiency [6].

Considering the effectiveness of management in the broad sense, it should be noted that it includes a performance of management apparatus members, management process, functions, methods, decisions, communications; production, personnel, marketing, social, financial, information potential and its usage. Attention is drawn to the special significance of social and psychological efficiency indicators (qualitative), such as an increase in the scientific and technical level of management; the integration level of management processes; professional development of managers; increase of the decisions validity level; formation of organizational culture; system manageability; satisfaction with labor; gaining public trust; strengthening social responsibility of the organization [7].

It is worth noting that the part of indicators in the field of management (improvement of the management personnel's skills, quality of work, improvement of working conditions, substantiality of managerial decisions, management culture, and others) are not measured or are incompletely measured at all [8, 9].

At the same time, as a result of the enterprise management system improvement, they receive an economic and social effect. The criteria for the effectiveness of the organization are also proposed to be located around the four poles: the mechanism of internal coordination; motivation procedures; information systems; decision-making structures. (It also distinguishes quantitative and qualitative indicators of management efficiency).

The socioeconomic efficiency of pharmacies in Ukraine is under the influence of an unstable political and economic environment, legislative changes, reform of the medical sector, the implementation of state social programs, informatization and digitalization the market, consumer attitudes towards treatment and their solvency, etc. In the retail segment, there are now about 20.6 thousand pharmacy points. It is worth noting that for Ukraine characterized by the widespread formation and development of pharmacy networks, which affects the management peculiarities of individual pharmacies, the effectiveness of

management, both individual organizations and the network as a whole [10, 11].

In connection with the gradual decrease in the number of communal property pharmacies, the main competitor of pharmacy networks are individuals - entrepreneurs (PIF) who own separate pharmacies. At the same time, PIF is the most vulnerable retail player because it does not have access to large financial resources and reliable legal support [12].

It is also believed that the distribution of pharmacy networks negatively affects pricing policy [10]. Due to the saturation of the pharmacy market, the growth of the market share of pharmacy networks and associations (pharmacy - the wholesale firm-producer), suggestions are made regarding the introduction of certain restrictions on the retail pharmaceutical market.

In particular, the restrictions on the number of pharmacies at the disposal of one physical or legal person, the regulation of the distance between the pharmacies, the right to own a pharmacy business only to persons with pharmaceutical education, and others are proposed and actively discussed [10, 13]. It is advisable to pay attention to a number of financial, informational, marketing, scientific and technological, managerial competitive advantages of pharmacy networks.

Purely managerial advantages include: attracting the best partners to the network, excluding the use of incompetent performers; high level of network participants' actions coordination; enhancing the position of each member of the network through network support; increase in flexibility and ability to carry out tasks promptly [14, 15]. One of the most influential factors in the activity of pharmacies is the state of health of the population and the medical system.

In Ukraine, in recent years, a nationwide survey [16] is being conducted, the purpose of which is to study the attitude of people towards medical care, its satisfaction and relevant to health issues. According to the results of the research, it was established that: four out of five Ukrainians consider their health to be good (43.1%) or mediocre (40.8%); two out of five Ukrainians (36.4%) reported having chronic or long-term illness; half of the polled (50.2%) believed that they were mediocre for their health.

It is worth noting that the proportion of people reporting chronic or long-term illnesses, as well as hypertension or diabetes mellitus, decreases with each passing year. There is a reduction in financial barriers to medical treatment during ambulatory care. On the basis of generalization of the scientific literature data, discussions of practical questions of the pharmacies activities at various national forums [17-20], the use of prior studies [21], we have identified groups and components of the quality characteristics of the pharmacies (networks) management effectiveness. The table 1 presents the features, the possibilities of positive impact and the existing threats to quality indicators of effective management.

Let's dwell briefly on the characteristics of certain indicators. Providing the management process of the pharmacy (network) involves the achievement of the goals of the organization, its diversification, expansion of product and services range, the establishment of organizational order, etc. It should be noted that at the level of pharmacy networks, provision of the management process is more efficient at the expense of the specialist's work of various qualifications - pharmacists, managers, marketers, lawyers, economists, etc. Negative influence on the efficiency of the pharmacy management system (network) has an insufficient level of modern managerial and special competencies of managers.

In this regard, it is worthwhile to mention the advantages of pharmacy networks, where competencies of different specialists have a possibility to create synergy. However, under the influence of social phenomena, administrative costs increase, which affect the financial and economic outcomes.

The management of the pharmacy (network) assists the use of innovative management technologies and models, optimization of the structure of the pharmacy (pharmacy network) and management personnel, creation of mechanisms for the promotion of the most successful, active specialists and managers, development of the corporate culture of the organization. It should be noted that a positive impact on the provision of the pharmacy (network) management has cooperation with the authorities and public organizations, in fact, the use of GR-technologies.

Among them: the formation of public support; lobbying; participation in various forums, seminars, organized by state authorities; analytical activity; publications on various political and state topics; corporate social responsibility programs; sponsorship; participation in expert councils. At first glance, it may seem that ties with the government are a communicative technology that is used only by a very narrow circle of specific organizations. In fact, GR can be beneficial to each organization [22].

For pharmacies (networks) this is especially important when discussing changes to legislation, creating state standards, planning state and local budgets, etc. [23, 24]. In the conditions of the environmental variability, the adoption of managerial decisions is considerably more complicated. In pharmacy networks, the validity of managerial decisions is ensured through the involvement of different specialists, the ability to collect and analyse large volumes of information in determining market prospects and market strategy.

It is more effective to control and organize the implementation of decisions. Accordingly, the value of expert analysis of managerial decisions, the use of information systems, mathematical models of forecasting, etc., is increasing. Certain risks include unpredictable changes in the country's legislation (for example, licensing conditions, pharmacy taxation, the introduction of social programs), in the political, economic situation, internal resistance to changes in the organization, etc.

Negative influence on the efficiency of the pharmacy (network) management system has an insufficient level of modern managerial and special competencies of managers. One of the most important quality criteria for pharmacy management is to work with customers (consumers). It is worth taking into account health indicators, the structure of the target segment by age, mentality and consumer behaviour (wealthy, average plus, average minus, low income) [18], by type of treatment for drug prices and GWP, for awareness etc. Of great importance are the appointments of doctors, the availability of a privileged contingent of consumers, cooperation with the medical institution.

Increasing the contingent of consumers is promoted by discount cards, discounts for

pensioners, discounts for medical workers, the introduction of joint discount cards with commercial organizations operating in various spheres of the economy.

The work with the clients of pharmacies is characterized by a considerable amount of consultations, the need for compliance pharmacist protocols (pharmaceutical care), standards of service, implementation of customer loyalty programs, etc. Working with clients requires a lot of attention from both managers and pharmacy specialists. Along with the good location and price policy of a pharmacy, significantly influences the effectiveness of this component the client-oriented approach.

The possibilities of this include the formation of a client base and CRM systems, compliance with pharmaceutical care, the introduction of additional services and the determination of their effectiveness, the use of modern methods for determining quantitative indicators of the work success with clients and their satisfaction. For example, the definition of indicators could be used as such: the dynamics of the general consumer base; the audience loyalty dynamics or degree of satisfaction with the pharmacy; the dynamics of negative reviews about the pharmacy; the dynamics of positive feedback and recommendations [19]. Other indicators of customer service performance can be as follows: the number of regular customers, the average cost of the purchase (check), the average customer service time, the customer satisfaction index, %, etc [21].

Positive trends in cooperation with customer's pharmacies create the use of the Internet, mobile devices for informing and accepting orders for medicines and GWP, the use of SPIN technology [17] and others. The risk of managing the pharmacy's "Clients" criterion is to reduce their number as a result of lowering the loyalty to the pharmacy, reducing the incidence (although it is positive for the society), the impact of seasonality, consumer solvency, etc.

The content of social effectiveness is complex and multifaceted. In particular, stand out:

- General social efficiency - characterizes the results and consequences of the functioning of any management system, and the main is to fix the contribution of such a

management system to the welfare and development of society;

- Special social efficiency - is intended to show how organized and function the subject of management, how are distributed functions of management and technology activities;
- Specific social efficiency - focuses on individual elements of management, specific management decisions and actions, acts of behaviour of officials and other managers [25].

The social effectiveness of management of a pharmacy or a network should be assessed from the internal and external positions. Internal management effectiveness of pharmacies and their networks should be aimed at ensuring the satisfaction of the team members with various aspects of work (relations with colleagues and heads of structural units, working conditions, wages, etc.); assistance in motivating employees; ensuring the proper working conditions and life of employees. These components are interconnected and in fact, the absence of any of them causes dissatisfaction with individual employees or the team. For example, in some pharmacies limited opportunities to use some motivational incentives (career growth, tuition, inpatient or sanatorium treatment), which sometimes leads to the transfer of employees to another organization, even at a lower wage.

Women's pharmacies are also specific, which creates certain psychological and communicative complications. Internal social efficiency is connected with external due to financial and economic indicators, the pharmacy loyal customers' contingent formation, the image of the pharmacy as an appropriate advisory institution, etc. External social efficiency implies the fulfilment of obligations of pharmacies and pharmacy networks as business enterprises and at the same time - health care institutions.

Improvement of social efficiency promotes introduction of additional services in pharmacies, determination of their effectiveness, carrying out measures of sanitary-educational and preventive work among the population, participation in state social programs on provision of pharmaceutical aid to certain contingents of

patients [27], reaching the level of customer satisfaction. In general, this creates a positive image that has a reverse effect on the social effectiveness of the pharmacy.

However, it is difficult to determine the social effectiveness of the pharmacist and the organization work as a whole, which is one of the important features of the pharmaceutical market. The main feature of the pharmacy manager's work as a component of the quality indicators of the management effectiveness is the combination of managerial and production-trading functions, while the director of the pharmacy network is engaged in purely managerial activity.

However, in each case, increasing the efficiency of the management process and making management decisions is based on the use of modern management methods and technologies, the introduction of models G2B, P2P, B2B, B2C, personalization service in the B2B segment, the use of Internet marketing, the implementation of mathematical models, the functioning of CRM systems etc. Modern trends in society create new demands for the managers of pharmacies and networks. Among the necessary competencies, along with purely pharmaceutical ones, to their list for managers (directors) of pharmacies include: monitoring compliance with legislative and regulatory provisions, introducing innovations, conducting SWOT- and PEST-analyses, defining a competitive rating, developing a strategy, managing change, creation of a knowledge management system, control over personal development, organization of interaction with suppliers and other business partners, with state and supervisory bodies, implementation of social responsibility measures. Significant amount of work is marketing management: market research, consumers, creation of customer databases (CRM-systems), formation of product range, use of categorical management, optimization of commodity stocks, pricing, effective logistics, enterprise image creation, advertising, merchandising, customer loyalty and others, aimed at ensuring the commercial success of the firm.

The positive influence of the manager's personality on the effectiveness of pharmacy management depends on constant development: the increase of the qualification level and mastering of modern competences; strengthening of authority in a team; the

effective use of various communication forms, the proper level of organizational skills' manifestation, etc. The threats to effective pharmacy management are low level of

professionalism and authority of the head, lack of flexibility, incommunicability, injustice, conflict, etc. In the scientific literature, attention is drawn to the fact that managers should learn how to evaluate current and future employees according to the following indicators:

- Motivation (the real desire to succeed in achieving an unselfish purpose);
- Curiosity (the desire to experience, see, learn new, readiness to learn and change, the ability to perceive criticism);
- Perspicacity (the ability to collect and comprehend information that opens up new perspectives);
- Ability to persuade (ability to interact with people, emotionally and logically convince them, communicate their ideas to them);
- Purposefulness (readiness to tackle difficult tasks and ability to recover from stress) [28].

Logical, systemic, structured thinking, communicative skills, ability to cooperate, and to solve principally new tasks, flexibility, leadership, etc. are important for managers and ordinary employees of pharmacies (pharmacy networks).

The objectives of assessing the personnel management effectiveness in the organization are to determine the economic, social and organizational effectiveness [29]. For example, social efficiency of personnel management can be assessed using the following indicators: conditions and quality of work; organization of the labour process; professional and skilled structure; wage level; social and psychological conditions in the team; staff turnover. The concept of personnel social effectiveness implies the harmonious development of each employee as a person, improving his professionalism, forming a favourable psychological climate, stimulating a social activity and a healthy lifestyle.

Qualification requirements for pharmacy staff are determined by the law and existing

job descriptions. The central competence of pharmacy workers is to ensure effective interaction with consumers (patients, clients) during the release of medicines and medical devices (GWP). Increasingly relevant in their work are acquiring: the modern level of pharmaceutical advisory, the use of protocols of pharmacist, management of self-medication of drug users (which is quite common in Ukraine), promotion of proper drugs' administration, compliance with the regime of use and management of medicines, participation in implementation of pharmacovigilance (pharmacists involved in monitoring therapy-collect information on the efficacy and side effects of drugs, also help the patient wherein the supply of similar information). There are changes in the work of pharmacists and in connection with the introduction of digital technologies [30].

Modern measures to strengthen the staff capacity of pharmacies and their networks are the work of the competent service of personnel management, provision of the staff competencies forming on different levels according to their occupied positions; implementation of KPI-Drive's automated management and motivation system; system creation of employee motivation to capitalize knowledge, development of criteria and control mechanisms in the knowledge management system.

It is expedient to use internal personnel marketing (professional and age structure, turnover, employee satisfaction, training and retraining needs). Such tools as facilitation (organization of the group work process aimed at discussing a complex problem, task performance), mediation (conflict resolution method with the participation of an independent mediator) may be used [31].

Among the above, it is worthwhile to emphasize the feasibility of using KPI-Drive [30], especially in pharmacy networks. This program provides several types of indicators, through which the manager can monitor the effectiveness of staff, reward employees and pay for work, based on their effectiveness:

- Economic KPI (indicators of goal achievement);
- Assignments (indicators of tasks execution);
- Assessments (indicators of quality and timing of works).

Table 1: Features, development opportunities and threats of quality criteria for the effectiveness of pharmacy (network) management

Groups and components of qualitative criteria	Features for pharmacies (pharmacy chains)	Possibilities for positive change	Threats (negative impact, risks)
<p>Ensuring the process of managing a pharmacy (network):</p> <ul style="list-style-type: none"> achievement of goals; Diversification (expansion) of goals, nomenclature of goods, services, etc.; establishment of organizational order; establishment of a rational sequence of management work; uniform workload, consistency and unity of staff actions; 	<p>It is more effective at the pharmacy network level.</p> <p>It is important to use the principles of strategic, budgetary, adaptive, anti-crisis, marketing management.</p> <p>A combination of administrative, industrial and commercial functions of pharmacy managers.</p> <p>The benefits of pharmacy chains are in the involvement of various specialists</p>	<p>Use of innovative management technologies and models.</p> <p>Effective use of components of trade marketing.</p> <p>Creation of perspective structural units of the pharmacy network.</p> <p>Determining the effectiveness of the management system.</p> <p>Creation of mechanisms to encourage the most successful and active employees. Increasing personal motivation of managers.</p> <p>Organizational culture development. Creation and maintenance of favourable relations with public authorities, participation in activities of public organizations, use of GR-technologies</p>	<p>Negatively affect insufficient current competencies of managers; increase in the share of administrative expenses;</p> <p>unpredictable changes in society</p>
<p>Management decisions:</p> <ul style="list-style-type: none"> • validity; • organization of implementation; • control over the implementation of decisions; 	<p>The validity of the management decisions of pharmacy chains is ensured through the involvement of various specialists (pharmacists, financiers, managers, lawyers, marketers, etc.). More effective is the control and organization of decisions execution.</p>	<p>The development and implementation of information technologies contribute to positive changes.</p> <p>Provision of the decision-making at the lowest possible levels</p> <p>Use of market intelligence - information on the company's target markets, collected and analysed specifically for accurate and informed decision-making in determining market opportunities, market penetration and development strategy in a particular market</p>	<p>Threats - unpredictable changes in the country's legislation, political, economic situation; internal resistance to change in the organization</p>
<p>Work with customers:</p> <ul style="list-style-type: none"> • level of service, advisory service; • Customer loyalty and the ability of the firm (pharmacy) to retain them. 	<p>A considerable part of consultative, informational and educational work; the need for adherence to protocols of the provider, standards of service; implementation of customer loyalty programs; formation of a client base; adherence to ethics principles in communication between a pharmacist and a pharmacy client, etc.</p>	<p>Positive - formation of client base and CRM-systems.</p> <p>Calculations of quality indicators of work with consumers (clients).</p> <p>Informing the population through the Internet; use of mobile information devices. Using SPIN technology.</p> <p>Introducing additional services, determining their effectiveness.</p> <p>Formation of pharmacy image</p>	<p>Risks of customer outflow due to decreased loyalty to the pharmacy; reduction of morbidity, influence of seasonality, solvency.</p>
<p>Social management effectiveness:</p> <ul style="list-style-type: none"> • Satisfaction of team members with various aspects of work (relations with colleagues and managers, working conditions, wages, etc.); • employee motivation; • proper working and living conditions for employees; • dynamics of wage growth; • stability of personnel; • opportunities for training and career development; • the socio-psychological climate in the structural units and in the enterprise as a whole, etc. 	<p>There are certain complications regarding the satisfaction of the team members with various aspects of work (relations with colleagues and executives, working conditions, salary, etc.); limited opportunities for employee motivation</p>	<p>Contribute to increasing - introduction of additional services, determination of their efficiency; conducting activities of sanitary and educational work among the population; formation of a pharmacy's positive image; participation in state social programs</p>	<p>Threats - the complexity of determining the social performance of a pharmacist; limited means of motivation</p>
<p>Personality of the head:</p> <ul style="list-style-type: none"> • level of qualification (professional competence); 	<p>The main feature pharmacy head's work - a combination of management, production and</p>	<p>Positively affect raising the level of qualification and mastering modern competences;</p>	<p>Possible threats - low level of professionalism and authority of the manager,</p>

<ul style="list-style-type: none"> • authority of the leader (s) in the team; • organizational skills; -socio-psychological features 	trading functions. The need for knowledge and use of modern management technologies and models.	strengthening authority in the team; effective use of various forms of communication, proper expression of organizational skills, etc.	lack of flexibility, incompatibility, injustice, conflict and more.
<p>Work with staff:</p> <ul style="list-style-type: none"> • clarity of qualification requirements for staff; • availability of a training system and advanced training of personnel; • compliance of work with personnel with the requirements of the labour legislation 	<p>Qualification requirements for staff are determined by law; there is a system of training and staff development. There is a need to organize seminars and trainings systematically or to participate in them.</p> <p>Conflicts occur due to the inconsistency of the work with the personnel with the requirements of the labour legislation, due to labour intensity, deficiencies in the motivation system, etc.</p>	<p>For pharmacy chains - the ability to create a competent staff management service.</p> <p>Using the KPI-Drive automated control and motivation system.</p> <p>Creation of employees` competences list of different level according to their positions.</p> <p>Allocation of employees` central competencies.</p> <p>Formation of self-assessment system. Creation of employee motivation system for knowledge management.</p> <p>Development of criteria and control mechanisms in the knowledge management system</p>	<p>Restricted use of motivation aids; decrease in employee satisfaction index; staff turnover; significant costs of staff training and retraining have a negative effect</p>

Thus, the KPI-matrix of the pharmacy manager reflects the effectiveness of the institution; therefore, the economic indicators are profit margins and turnover of the pharmacy. The KPI-matrix of the pharmacy manager shows various assignments: purchasing goods and communicating with suppliers, performing social programs, consulting work, etc. The leader's assessment includes 3 indicators, which are the main areas of the pharmacy's activity, - organization of management of the retail unit, product portfolio management and control of compliance with licensing requirements - and is carried out by the direct manager of the pharmacy network (the head of the sales department) with a check-sheet. The matrix of the pharmacist includes the following KPIs, such as the personal employee's margin income indicator (which has the highest weight) and marginal revenue by priority.

Thus, the remuneration to a large extent depends on the personal effectiveness of the pharmacist. The threats to the management effectiveness of the "staff" may include: a high proportion of employees with special education and, accordingly, higher wages, limited use of motivation means; decrease in the employee satisfaction index and staff turnover (for example, pharmaceutical specialists often go to work in medical offices of foreign firms, large wholesalers and wholesale and retail associations); the need for time spent on training and retraining of staff (days per year). From the point of view of the possibility of the pharmacy (pharmacy network) influence on the factors of effective

organization management, they can be managed and unmanaged. However, as a rule, it is difficult to divide them, because within the same index exist or there are both managed and unmanaged components.

In order to evaluate the effectiveness of pharmaceutical organization`s management by qualitative indicators, we propose the following algorithm:

- Determination of the assessment purpose;
- Substantiation of evaluation criteria,
- Determination of the weight of each criterion (indicators) expertly,
- Conduction of a score assessment for qualitative indicators,
- Development of the final assessment scale;
- Expert evaluation;
- Determination of an integral indicator for each pharmacy;
- Analysis of compliance with the established rating scale;
- Analysis of drawbacks, omissions, risks;
- Development of measures to eliminate or reduce the negative impact on quality management efficiency indicators.

For example: pharmacies with a maximum assessment of management effectiveness (Group I); pharmacies with a high amount of points (II group); pharmacies, the

effectiveness of which is at the middle level (group III); pharmacies that have a low level of activity and management. The same approach can be used by a separate pharmacy, analysing the obtained integral indicator in dynamics or, if there is a possibility, comparing it with another pharmacy - a competitor. The evaluation of the management effectiveness by qualitative criteria also reveals the negative manifestations of functioning and pharmacy networks, in particular: the inadequate use of the potential of the network and its assets, low use of marketing, inadequate pricing policy, lack of management efficiency from the coordination centre.

Conclusion

Positive tendencies of the quality criteria of network (pharmacies) management contribute to the introduction of modern management technologies, the development of the organization's culture, mechanisms for encouraging the most successful and active

employees, the proper use of information on target markets, the formation of CRM-systems, raising the skill level of specialists and managers, mastering modern competencies ; development of criteria and control mechanisms in the knowledge management system, etc. Qualitative criteria for network (pharmacies) management have a significant impact on financial and economic outcomes.

There are a number of threats (risks) for quality management performance indicators that are associated with current external and internal factors. The use of the proposed algorithm for determining the integral indicator of quality pharmacy (networks) management criteria allows providing a comparative assessment of the work of individual network's pharmacies, changes in time, with indicators of organizations - competitors, to identify reserves for improving the efficiency of management in general.

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