





# Organisational Resilience as a Business Strategic Imperative in Times of Crisis: Case of Hikma Pharma Algeria

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**Abstract:** In light of the COVID-19 health crisis, organisational resilience appears more than ever to be a necessity, a strategic imperative for companies during this unprecedented crisis. Companies that were able to adapt their business model to the particular circumstances created by the COVID crisis are those that were able to adjust quickly to deal with the emergency by developing new working practices or by responding flexibly to customer needs. Thus, organisational resilience refers to the ability of organisations to resist and overcome crises by developing resilience mechanisms that enable them to achieve high performance and ensure their sustainability. The main objective of this research is to explain, through a case study, the importance of organisational resilience for a pharmaceutical company in times of crisis, how the company demonstrated resilience during the COVID-19 health crisis and to identify the company's resilience mechanisms. To achieve this objective, we conducted a qualitative study based mainly on document analysis and semi-structured interviews with managers of the pharmaceutical company Hikma Algérie, a subsidiary of Hikma Pharmaceuticals, a Jordanian generic pharmaceutical company based in London. Like other sectors, the pharmaceutical industry has also been impacted in its operations by the COVID-19 pandemic. It has faced significant challenges, including limited availability of workers, reduced working hours and export restrictions on certain pharmaceutical ingredients, and has therefore had to organise itself to avoid disruptions in the supply of medicines. The results of the study identify various resilience factors that helped propel the company through the pandemic, such as capital resilience, strategic resilience, relational resilience and cultural resilience. It resulted in increased sales, a stronger strategic position and market share gains, demonstrating the strategic importance of organisational resilience to the pharmaceutical company in times of crisis.

**Keywords:** health crisis, organisational resilience, pharmaceutical company, resilience mechanisms, strategic importance.

JEL Classification: M19, L25.

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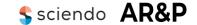
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# Organisational Resilience as a Business Strategic Imperative in Times of Crisis: Case of Hikma Pharma Algeria

### 1. Introduction

Today, more than ever, organisations must cope with the multiple turbulences generated by an unstable and constantly changing environment. They are trying to move from one turbulent period to another, adapting and resisting these disruptions without being affected themselves and with a minimum of risk. The COVID-19 health crisis suddenly turned the global economy upside down and dramatically changed the corporate world as we know it. Indeed, the COVID-19 pandemic took many organisations out of their comfort zones, creating organisational and economic crises and imposing many challenges on businesses. As a result, companies faced a significant problem: how to adjust quickly to deal with the urgency of the crisis.

This is where organisational resilience comes in, as it refers to an organisation's ability to resist, cope with and bounce back from disruptive events while adapting to and benefiting from them. In other words, it is simply becoming stronger through adversity. Far from being a new concept, organisational resilience was introduced into the fields of management and leadership around the 1990s, where it came to encompass the fields of risk management, change management, crisis management and high-reliability organisations (Chen & al, 2021). Organisational resilience is spreading exponentially, and now more than ever, it appears as a necessity, a competitive advantage that companies must develop and integrate into their strategy. Researchers and practitioners have recognized the role that organisational resilience can play for companies. It is seen as a way of recovering quickly from a crisis and working around it, using the crisis to develop and achieve growth. (Chen et al., 2021).

However, those who found themselves at the heart of this health crisis were indeed the pharmaceutical companies. In the aftermath of this global pandemic, the entire pharmaceutical industry had to deal with the substantial consequences of this unprecedented crisis, as these companies tried, on the one hand, to ensure the propulsion of demand for medicines while at the same time, adjusting to the constraints posed by sanitary measures such as general containment and border closures.

This is the background to the research problem:

What is the value of organisational resilience for a pharmaceutical company? What resilience mechanisms has Hikma Algeria mobilized in times of crisis?

The research aims to:

- ➤ Understand how a pharmaceutical company coped with the COVID-19 health crisis;
- ➤ Identify the company's resilience mechanisms;
- ➤ Understand the importance of organisational resilience.

To this end, this article is structured as follows:

The first point refers to the literature review, which deals with previous work on our subject of study. It also provides definitions of the key notions of organisational resilience. The second section presents our methodological and organisational framework. The final point presents and discusses the results we obtained from our investigation, followed by a general conclusion.

#### 2. Literature Review

**2.1 Organisational Resilience as a Strategic Lever for Companies.** Resilience is a concept that has only recently emerged in management, particularly in organisation. However, the notion has become increasingly popular over the last ten years. Researchers now recognize organisational resilience as an essential strategic asset for the long-term survival of organisations. Indeed, authors are adopting a new vision of organisational resilience as not just an acquired skill but a strategic capability for organisations. This is what Koronis & and Ponis (2018) argue by proposing a conceptual framework for a resilience strategy based on a review of existing literature. They revisit organisational resilience as the new strategic direction for crisis management, which requires the organisation to develop strategic capabilities specific to resilience.







According to these authors, preparedness, responsiveness, adaptation and learning capabilities are the drivers of resilience that enable the organisation to survive crises and evolve under changing conditions (Koronis & Ponis, 2018). Barasa, Mbau, and Gilson (2018) conducted a qualitative study analyzing 34 articles on the healthcare sector and other sectors. Being the first empirical study in the healthcare sector, the aim is to explore how resilience has been represented, determine the factors that affect organisational resilience and how to maintain these factors to understand the characteristics of resilient structures and identify strategies for sustaining and increasing resilience and strengthening the healthcare system.

As a result, the authors thus identified nine factors as follows: "physical resources, preparedness and planning, information management, collateral pathways and redundancy, governance processes, leadership practices, organisational culture, human capital, social networks and collaboration" (Barasa, Mbau, & Gilson, 2018: 491). According to these authors, organisations can cope with crises if material resources are strategically exploited. They add that just as organisations outside the healthcare sector develop strategies to foster their resilience in the face of chronic and everyday shocks, so must healthcare systems focus on their day-to-day resilience.

In another study in the same sector, authors developed a quantitative study of 202 pharmaceutical firms to examine the relationship between organisational resilience and strategic foresight on organisational performance. (Fathi, Youssefi, Vatanpour, & Peiravian, 2021) They found a direct and indirect link between these variables. Thus, they found evidence that organisational resilience and its dimensions contributed to the financial and non-financial performance of pharmaceutical companies. For these authors, organisations need to take strategic foresight and resilience into account to maintain their performance to anticipate future trends and survive during a crisis.

Organisational resilience appears as a meaning-making process with key stages in response to a cosmological episode. Organisations must mobilize their structural, cultural and strategic resources to fuel this process (Autissier & Vandangeon-Derumez, 2021). The work of Razafimanitsony, Edjossan-Sossou et al. (2021) is based on a quantitative study according to three resilience criteria: adaptive capacity, vulnerability management, and situational awareness. The aim was to analyze how the pandemic was experienced by strategic actors at Senghor University (Alexandria, Egypt). Razafimanitsony, Edjossan-Sossou et al. (2021) find that the development of a business continuity plan is an indispensable strategic resilience tool for the organisation. In the retail industry, Välikangas and Romme (2013) look at how an organisation develops strategic resilience. Solicited by the company's Chairman and CEO, the authors inductively conduct a qualitative study of this American retail company through participant observation, semi-structured interviews, documentation, and an 18-month infiltration within the company.

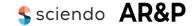
The research aims to develop strategic resilience mechanisms before the organisation needs them. Authors Välikangas & Romme (2013) emphasize that strategic resilience capacity must consider the combined role and impact of generative doubt, organisational slack and large-scale conscious commitment: these three conditions together contribute to strategic resilience. For their part, Heredia, Rubiños, Vega, Heredia, & Flores (2022) developed a comparative analysis of 1936 Chinese and 66 Central American firms to understand firm strategies in unpredictable situations. They use the strategic tripod to operationalize resilience theory and explain configurations leading to high organisational resilience in a crisis context. The authors stress the importance of understanding the strategies that can strengthen the organisational resilience of firms located in emerging economies.

**2.2 Organisational Resilience: Conceptual Clarification.** We owe the definition of organisational resilience in large part to Karl Weick, whose work made a significant contribution to the conceptualization of organisational resilience as "the ability of an organisation to maintain an organized system of actions in the face of an unusual situation in order to preserve the life of the organisation" (Weick, 1993). A few years later, he redefined organisational resilience as follows:

"A group can avoid organisational shocks by building continuous systems of actions and interactions designed to preserve the anticipations of different individuals about each other" (Weick, 2003). Other definitions of organisational resilience exist, inspired by other fields of resilience.

Organisational resilience has been the subject of many studies (Unguren, E., & Kacmaz, Y. Y, 2022). Since then, distinct perceptions of organisational resilience have emerged. Madni (2007) sees it as the ability to anticipate disruption, resist it by adapting, and recover by returning to the pre-disruption state. Similarly, McManus (2008) defines OR in terms of three functions: knowledge of the organisation's environment,





management of its vulnerabilities and its ability to adapt. Valikangas & Merlyn (2005), for their part, see resilience as a learning opportunity, explaining that the most resilient companies are those that are willing to face up to change and transform themselves to become stronger. Vogus & Sutcliffe (2007) address the issue of resource deployment, arguing that the ability to plan, anticipate and deploy resources rapidly and at the right time makes an organisation resilient. In summary, these different definitions highlight multiple new aspects of organisational resilience: anticipation, recovery capacity, knowledge of the environment, capacity to deploy resources, degree of adaptation and learning.

**2.3 Organisational Resilience: A Key Concept for Overcoming the Crisis.** Resilience and crisis are two concepts that, according to several authors, go hand in hand (Benhayoune, 2015; Knonickx & Teneau, 2010). Organisational resilience is only achieved when it attempts to anticipate or overcome a crisis. The following works demonstrate this.

Altintas & Royer (2009) look at the ability to learn from a crisis to increase an organisation's resilience in further turbulence. The authors proceed with a retrospective longitudinal case study of a company in the tourism sector, complemented by a study of three other processes over two periods of turbulence. The organisation undertook strategic and organisational changes to resolve the organisational weaknesses identified during the crisis. Altintas & Royer (2009) find that resilient companies increased their resilience primarily through post-crisis learning, including change. A study carried out in the same sector by Unguren, E., & Kacmaz, Y.Y. (2022) shows that corporate investment in human capital has a positive impact on staff commitment and consequently improves organisational resilience. McKinsey & Co (2021) studied 300 European companies to understand how some were more resilient than others during the pandemic crisis. The questionnaire results show that, on average, 42% of respondents say that the COVID-19 crisis has weakened their company's competitive position, compared with 28% who say that their company has increased their competitive advantage.

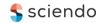
These resilient companies have adapted their strategies to meet the challenges and opportunities created by the crisis. According to (McKinsey & Co, 2021), those who have adopted new business models have tended to focus on five areas: 1 – new digital experiences, products and services in response to changing customer behaviours and needs, 2 – adjustments to the supply chain and operating model to manage risk, 3 – new partnerships, inside and outside the industry, 4 – changes to the sales model. 5 – faster product development through faster iteration. Furthermore, Bennis & Oudda, (2021) elaborated a literature review evoking the theoretical foundations of corporate resilience in the face of systemic crisis.

The authors state that: "to ensure effective management of their firms, managers are called upon to reconsider their role and their managerial approaches. The key to success is the development of organisational and managerial resilience, which helps them to develop mechanisms and processes of resistance and preservation of the company's continuity" (Bennis & Oudda, 2021). Chen, Xie, & Liu (2021), in their study, interviewed the managers of six companies considered to be the most resilient. The aim of their research was to develop a scale for measuring organisational resilience. The companies studied are very old – some have been in business for over 40 years – and have gone through major crises but emerged successfully and with stable growth.

The study underlines that detailed long-term strategic planning and effective operational action are essential for building organisational resilience and developing the associated skills. This takes time and cannot be achieved overnight. The authors conclude that organisations should circumvent crises by using them to develop and grow. It has also been shown that organisational resilience comprises five dimensions: "capital resilience, strategic resilience, cultural resilience, relational resilience and learning resilience" (Chen, Xie, & Liu, 2021: 2). Concerning the pharmaceutical sector, Tirivangani, Alpo, Kibuule and Gaeseb (2021) assess the impact of the COVID-19 crisis on the resilience of pharmaceutical systems in the resource-limited context of Namibia. The researchers adopt a qualitative study drawing on key informants from the public and private pharmaceutical sector.

The results show a negative crisis impact on supply chain resilience as access to essential medicines is limited, Tirivangani, Alpo, Kibuule, & Gaeseb (2021) infer from this study that it is important for governments to play a central role in ensuring the functioning of the supply chain system, particularly during crises, as exemplified by the current COVID-19 pandemic. In what follows, the authors present a study of organisational resilience for an Algerian pharmaceutical company in times of crisis. Given the limited work on the subject in the Algerian pharmaceutical field, we aim to contribute to the literature on organisational resilience by taking the COVID-19 health crisis as a crisis context.







## 3. Methodology and Research Methods

This research falls within the framework of organisation theory, which addresses the question of the impact of managerial practices, organisational learning and corporate culture on organisations. To answer the research question, authors opted for a qualitative case study approach using data triangulation.

**3.1 Data Collection Tools.** Consulting internal documents helped authors gain a better understanding of the company's structure and operations. They were able to consult the following documents: the financial statements for the last three years, the organisation chart, the annual management report, the business model and the new procedures and memos drawn up during the health crisis.

For the study, data collection was also carried out through semi-structured interviews with the managers of the various departments making up our host organisation, namely the sales manager, the operations manager (production, supply chain, quality, engineering), the human resources manager, the regional sales manager and the commercial director of excellence.

Table 1. Persons Interviewed and Length of Interviews

N°	Post	Duration of interview (min)
1	Sales manager	60
2	Operations manager	45
3	Regional sales manager	60
4	Human resources manager	40
5	Commercial Director of Excellence	30

Source: Compiled by the authors

To ensure the interviews ran smoothly, we drew up an interview guide comprising nine questions organized around three themes: general presentation, the crisis and organisational resilience. The aim was to understand the company's organisational behaviour before, during and after the health crisis and to identify its defense mechanisms.

- **3.2 Analysis of Qualitative Data.** The analysis of qualitative data was carried out in three essential stages. Before beginning the analysis, authors faithfully and objectively transcribed word for word the exchange that took place during the interviews. This step provided some concrete, written visual of the interview and enabled to organize and classify the information. After the transcription stage, authors proceeded to code the data. Coding is a meticulous process of classifying and ordering the information in the transcribed story to make it easier to process. The authors opted for an open, inductive approach. For the research, they chose semantic processing to process information, which involves studying participants' ideas, the words they use and the meaning of these words.
- **3.3 Presentation of the Studied Company.** The survey was carried out at Hikma Pharma Algérie, a subsidiary of Hikma Pharmaceuticals, a Jordanian generics company headquartered in London. The organisation was founded in 1978 in Amman, Jordan. It is present in the Middle East North Africa (MENA) region, with Algeria, Egypt, and Saudi Arabia its largest market share.

Hikma Pharma has been active in Algeria since 1995, initially as a liaison office in drug imports to serve public health institutions and learned societies in Algeria. It subsequently invested in local production, opening its first plant in Staouali (Algiers) in 2006 with an estimated investment of \$7.5 million. The Hikma Algeria plant is the Hikma Group's fifth worldwide, after those in the USA, Portugal, Tunisia, Saudi Arabia and Jordan. In 2011, the company launched its second plant in Sidi Abdellah, specialising in the manufacture of penicillin products, with a notable production capacity of 20 million vials per year. 2017 was the year of the acquisition of its third plant in Baba Ali, operated exclusively in the manufacture of Cephalosporin antibiotics. Next, it secured a new production unit in Staoueli specialising in oncology, a first in Algeria in 2019. Indeed, 2019 was marked by a significant investment within the company, as the graph below highlights.





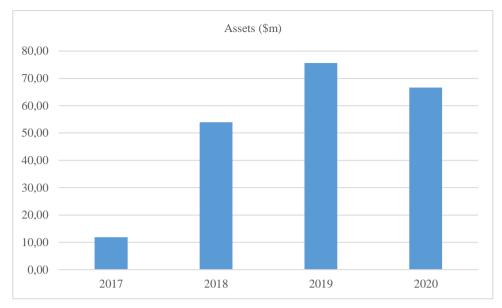


Figure 1. Hikma Algerie's Fixed Assets

Source: Compiled by the authors from the company's financial reports

Hikma Algérie's growth strategy consists of expanding and strengthening manufacturing, sales and marketing networks throughout the country, increasing production by expanding the product range, and developing production capacities. The aim is to achieve total customer satisfaction and export Algerian products from Algeria to the Maghreb region and other markets. The authors ask what impact COVID has had on this company and on the achievement of its objectives. In what follows, they examine how organisational resilience enabled this company to benefit from the health crisis.

## 4. Results and Discussion

**4.1 Resilience Mechanisms of Hikma Algérie in the Face of the COVID-19 Crisis.** The resilience factors we present below refer to the five components of organisational resilience, which we have already presented in our literature review.

**4.1.1 Capital Resilience.** It corresponds to the company's ability to return to normal after a crisis and to build up capital to face future risks. The authors discuss Hikma's organisational resources, i.e. the financial, material, human and technological resources available before the crisis. They are also talking about the external resources the company put in place after the pandemic. We show how Hikma was able to deploy and reconfigure these resources to cope with the COVID-19 health crisis to acquire and consolidate capital resilience.

## A-Internal resources

Hikma has a wide range of internal resources. First and foremost, however, it should be noted that the pharmaceutical sector, being highly regulated, must comply with some requirements and rules, particularly as regards organisational resources. Algerian regulations require pharmaceutical companies to hold at least three months' reserves in case of emergency or future needs. It is important to note that the company is listed on the stock exchange, which enables it to raise funds and have legal reserves. So, the authors can already see where Hikma Algérie stands regarding reserves.

Hikma Algeria has a substantial cash position thanks to its high financial profitability, which enables it to self-finance its activities. Its accumulated financial reserves have enabled it to cease all face-to-face activities during the first containment period from March 22, 2020, as a health precaution, unlike many companies outside the pharmaceutical sector. This financial independence has also enabled the company to avoid redundancies and retain all its staff. Hikma Pharma Algeria's financial situation bears witness to a highly resilient performance and an increase in sales since the pandemic outbreak.







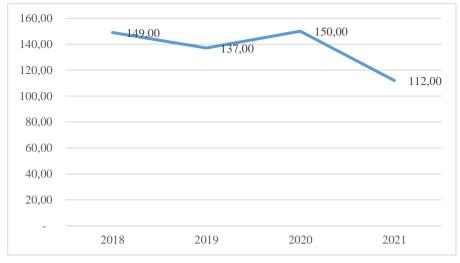


Figure 2. Hikma Algerie's Sales Growth from 2018 to 2021

Source: Compiled by authors from the company's financial reports

In 2019, Hikma Algeria's sales amounted to \$137 million, and the company has seen its sales increase to \$150 million in 2020 for many reasons, the first of which is the pandemic. The COVID-19 health crisis had a positive economic impact, as the company benefited from a reduction in organisational expenses, such as travel expenses for medical delegates and pharmaceutical delegates, who were unable to travel for visits. In addition, scientific demonstrations, events and product launches had to be held online for health reasons. Sales nevertheless fell in 2021, mainly due to the negative impact of exchange rates. The company expects sales to increase in 2022 following the implementation of a new oncology plant. The company was also boosted by the products used in the COVID-19 ministerial therapeutic protocol. Thanks to its diversified product portfolio, Hikma could access the ministerial protocol and was asked by the government to guarantee product availability. This propulsion translated into a significant cash flow and profit for Hikma Algérie. The company took advantage of these profits to invest and diversify its product portfolio in 2021 and the first half of 2022, recording strong revenue growth.

Hikma has focused on key chronic diseases such as diabetes and sclerosis to increase its market share and has been very successful, achieving a strong performance, particularly in the therapeutic area of diabetes. In terms of deployment and reallocation of resources, the company directs a large part of its income to finance its activities, notably through investment in R&D. In terms of human resources, Hikma Algérie employs almost 800 people nationwide, many of whom are qualified in medicine, pharmacy and biology. Thanks to its commitment to its employees by providing them with ongoing training and good career management, the company has expanded its workforce during this period thanks to its sound financial situation, enabling it to award bonuses. Staff costs have therefore risen sharply, as shown in Figure below:

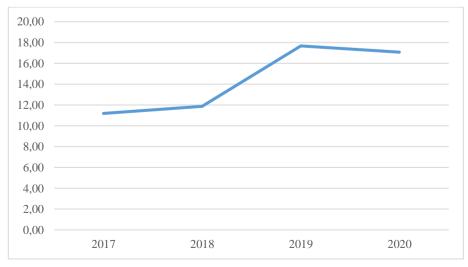


Figure 3. Hikma Algerie's Staff Costs

Source: Compiled by authors from the company's financial reports





Hikma Algérie has extensive material and technological resources. Four fully equipped manufacturing sites enable the production of four different molecules. Its stock of raw materials and the fact that it was able to produce locally during the border closure helped it maintain its financial income. In addition to this, the company holds several patents for its products, as well as computer software, to facilitate its operations in times of crisis. The authors cite the example of technical and statistical software enabling sales, medical and pharmaceutical representatives to track the progress of their tasks and objectives in real time. During the pandemic, the company added functions enabling representatives to report directly via this tool and maintain direct contact with customers.

#### **B-** External resources

As mentioned above, Hikma Pharma Algérie belongs to the Hikma Pharmaceuticals PLC group, which has a presence on four continents, enabling it to liaise directly with its international subsidiaries. During the COVID-19 health crisis, Hikma Algérie benefited from the support of the MENA region to which it belongs, giving it access to various resources available in terms of raw materials and products in this region to ensure continuity of service. The company has also benefited from the contribution of external experts and consultants from the same region. The company is listed on the stock exchange, enabling it to acquire and increase notoriety and visibility. It also facilitated the acquisition of external resources.

**4.1.2** Strategic Resilience. A company can ensure strategic consistency over the long term. It enables the detection and elimination of factors that could have a negative impact and always chooses the suitable business model. In this section, we look at the strategic factors relating to Hikma Algérie's ability to improvise and anticipate business model innovation and supply chain flexibility.

# A- The ability to improvise and anticipate

The authors take a closer look at anticipation and the ability to improvise because these terms came up most often as connected factors in their interviews with Hikma Algérie's department heads. Indeed, anticipation is one of the most recurrent factors in research on organisational resilience. It is considered vital for an organisation to cope with turbulence. It combines planning and preparation to ensure rapid, appropriate responses to crises. Hikma Algérie, thanks to its external relations, was able to prepare and anticipate the health crisis. The company held an emergency meeting with all its managers a week before the general lockdown to set up a Business Continuity Plan (BCP). It decided to stop 100% of its face-to-face activities and switch to telecommuting, given the difficult access to the pharmacy. The company also decided that medical and pharmaceutical delegates would continue their missions via tele-visits and telephone.

The HSE team introduced new procedures to safeguard employees' health, cancelling the time-clock system to minimize the risk of contamination, placing isolators to ensure distance between employees, providing employees with hydroalcoholic gel, and sending out weekly e-mails on prevention, vaccination and developments in the health situation. Improvisation is described as a strategic capability that companies need to develop to enable them to re-examine their strategic choices in the event of a crisis. As the pharmaceutical sector is highly dynamic and constantly changing, Hikma Algérie has faced several economic and political crises and has become accustomed to different situations, thanks to which it has developed, according to the interviewees, this strategic ability to improvise.

The exceptional situation of the health crisis led to an increase in demand, forcing pharmaceutical companies to keep pace. Hikma Algérie has responded to this by opting to reduce the production of some molecules in favour of drugs listed in the ministerial protocol in order to meet this explosion in demand. Because of the spread of the COVID-19 virus within the plant, Hikma Algérie had to improvise to replace contaminated employees to maintain its production rate. The company reassigned staff and changed the shift schedule from three 8-hour shifts to two 12-hour shifts daily.

# B- Business model and supply chain

The business model and supply chain are decisive and strategic factors for a pharmaceutical company, particularly during a crisis, and can represent a competitive advantage. The closure of borders has led to difficulties in the supply and distribution chain and to the need for companies to adjust their business model. The pharmaceutical industry, already subject to strict regulations, has to deal with new health and safety standards regularly and must follow Good Manufacturing Practices (GMP) and Good Distribution Practices (GDP).







Hikma Algérie has endeavoured to maintain supply availability. To achieve this, its procurement and sustainable development teams worked closely with suppliers. The company committed to patients and the community to continue producing and distributing its medicines. "We were working for the nation", said one manager during the interview.

**4.1.3 Relational Resilience.** Relational resilience corresponds to the company's mutual relationships with its stakeholders. It mainly concerns the intra- and inter-organisational relationships of trust maintained by the organisation, which gives it more access to various resources. In what follows, we present internal social capital, which concerns the company's proximity to its employees, ensuring good communication, transparency and employee involvement. Employee commitment and loyalty are essential in corporate resilience, as is the informal bond between employees and team cohesion. Relational resilience corresponds to the organisation's links with its ecosystem and the external relationships it maintains with its environment.

## A- Internal social capital

Hikma Pharma Algérie places its employees at the heart of its strategy, shaping and sharing an inclusive culture in which everyone can excel and has the tools they need to be the best at what they do. The company supports its employees throughout their career, offering them an environment conducive to learning and development. It invests in its staff by providing training to enhance and perfect their skills. During the health crisis, Hikma Algérie focused on the learning and development of its human resources, offering hybrid (virtual and face-to-face) programs. This way, the company increased its focus on leadership development through programs aligned with its culture. The company involves its employees in decision-making; for example, during the first lockdown, emails were sent to all employees to provide suggestions and points for improvement or changes to the new procedures. Hikma Algérie affirmed its commitment to the health and safety of its employees, monitoring and adjusting its mitigation strategies as new information and guidance on the health situation became available and providing medical support for employees suffering from COVID-19.

The company continued to send emails and prevention instructions to all staff and organized online workshops with different scenarios. For their part, Hikma Algérie employees showed great commitment to their company. Plant employees pulled together to replace their sick colleagues and keep the production running at full speed, demonstrating strong team cohesion. "When everyone was hiding, our soldiers were out in the field", says one of the managers we interviewed. The company rewarded its plant employees with bonuses for their dedication. This act of commitment also testifies to the bond and solidarity between staff. Employees maintain informal relationships and interact outside the workplace. These bonds created by shared values and traditions are a resilience factor that kept employees motivated and encouraged during the pandemic. During our visits to Hikma Algérie, the authors could observe the friendliness of the employees. Another important point is the closeness of supervisors to their teams in the field. Indeed, supervisors regularly accompany their delegates in the field and motivate them by adopting a communication style based on encouragement, enabling them to achieve their set objectives and contribute to the flourishing of the organisation.

## B- Collaboration and connection to the ecosystem

Hikma Algérie maintains a strong connection to its ecosystem, in line with its slogan: "Better health within reach, every day". It considers access to medicines to be one of its highest sustainability priorities. The company pays particular attention to its stakeholders and is keen to keep in touch with them, especially during the crisis. Hikma Algérie has found alternatives to keep in touch with its customers and partners during the lockdown, holding monthly telephone calls and videoconferences with its partner doctors and pharmacists to discuss and help where needed. For the scientific community, the company organized several online training courses on the current topic and held awareness-raising campaigns on COVID-19 via webinars inviting international speakers.

Hikma Algérie has also initiated disinfection programs for some 1,000 pharmacies and 200 surgeries nationwide. The company has also donated thousands of packs of masks and hydroalcoholic gels, as well as medicines for various public and private structures. Good relations with European suppliers have enabled the company to secure raw material resources to maintain its production, as it does for its relations with other Hikma Group subsidiaries in the MENA region. In addition, it has been asked by the government to guarantee the production and distribution of medicines. It has enabled it to forge a solid relationship with the government. It has also reduced our country's external expenditure through local production. Hikma Algérie worked closely with Algerian health authorities and healthcare professionals to raise awareness and communicate on the health situation. In an influence study in 2021, Hikma Algérie was rated the second-best





pharmaceutical company for its dedication and proximity to the players making up its ecosystem, as well as all its initiatives carried out during this pandemic. In recent years, Hikma Algérie has become increasingly concerned about protecting and preserving the environment. With the continuing threat of global warming, it is trying to be more ecological and integrate the environment into its strategy. The company is working hard to reduce the amount of fuel in the air and to manage water and waste use.

**4.1.4 Cultural Resilience.** Cultural resilience corresponds to the set of values, norms, beliefs, behaviours and fundamental assumptions shared by the members of an organisation, which promotes cohesion between them. An organisation's culture refers also to the set of rituals shared by its human capital and ecosystem. Vision, mission and human or professional values form the basis of this culture.

Hikma Algérie's values promote an innovative, collaborative and caring culture that ensures the company's longevity. It uses all its capabilities to produce and ensure the availability of high-quality medicines. As a company dedicated to bringing health within reach, we are committed every day to improving patient access to more affordable healthcare. Hikma Algérie's culture is essentially based on belonging: "Together, we can do more, thanks to support, progress and the pursuit of our collective goal: to contribute daily to improving the health of all". The company takes the time to build relationships based on understanding, fairness and respect. In this way, Hikma Algérie is collaborative without losing sight of the common goal that unites it with its human resources and guides its development. For the company, each member has a role to play in developing the culture.

Hikma Algérie is a responsible and sustainable company and uses its activities to promote positive change. That is why the company has identified four priority areas in which it can make a positive impact:

- > Progress in health and well-being;
- > Empowering people;
- > Protecting the environment;
- ➤ Building trust through quality in everything it does.

Thanks to its innovative, collaborative and caring culture, Hikma Algérie has been able to anticipate the crisis and acquire external resources thanks to its good relations with its national and international collaborators and the commitment of its employees who have mobilized to maintain production and the confidence of its customers.

**4.1.5 Learning Resilience.** It is about the company's ability to guarantee to learn within the organisation and to cope with its constraints. In the following, we discuss Hikma Algérie's adaptation during and after the general containment of the COVID-19 pandemic and the practices it adopted as a result of learning from this crisis. Adaptation and adoption were recurrent in our interviews, referring to a transformation and reconfiguration of organisational structure and behavior. The COVID-19 health crisis was a first of its kind, requiring organisations to be agile and flexible to cope.

For Hikma Algérie, adapting to the new practices demanded by the pandemic was no mean feat. First, the company's digitalization process was turned upside down and accelerated by the switch to telecommuting. Employees had to adapt to the new constraints of working remotely – a "stressful but compulsory period" – and the company supported its employees during this period, enabling them to adapt quickly and keep moving forward. In addition, the company had to find solutions to adapt its organisational activities to the current situation. Hikma Algérie proceeded with a product launch via a virtual event, where it held a webinar presenting its product with internationally renowned communicators and experts.

Although for some, the subject of COVID became repetitive, the real difficulty lay with the older generation of doctors who were not very familiar with the technological tools, as well as the lack of mastery of the Zoom platform. The company took on supporting these doctors and adopting other solutions to keep in touch with them, such as telephone calls and SMS messages. During the deconfinement period, the company gradually resumed its face-to-face activities, using a hybrid approach: 80% face-to-face and 20% remote for support functions. As a result, Hikma Algérie was able to adopt these practices even after containment, "it became our daily routine", meetings via Zoom, the employee rotation system, and the installation of hydro-alcoholic gel dispensers available in every corner of the company.







- **4.2 Discussion of Results.** Through the study, the authors were able to present Hikma Algérie's defence mechanisms, where they could understand how the company coped with the COVID-19 health crisis. To better understand Hikma Algérie's organisational resilience, we classified the company's organisational resilience factors into five main dimensions.
- Capital resilience refers to the company's financial capacity and the various resources it possesses, whether internal or external.
- > Strategic resilience corresponds to a company's ability to ensure its strategic consistency over the long term, supported by its capacity for improvisation and anticipation, as well as the flexibility of its business model and supply chain.
- ➤ Relational resilience highlights the company's social network and collaborations and its reciprocal relationships with its environment.
- ➤ Cultural resilience refers to the set of human and professional values that the company shares with its entire ecosystem.
- ➤ Learning resilience explains the lessons learned from the crisis and the degree of adaptation to it.

The authors can see from the results that favourable circumstances prior to the health crisis assisted Hikma Algérie during the latter due to its sector of activity and financial resources. However, Hikma Algérie was able to take advantage of the crisis and circumvent the consequences in its favour to evolve as recommended by authors (Chen, Xie, & Liu, 2021) and (Koronis & Ponis, 2018). Like other studies on resilience mechanisms, this study found that the company's financial reserves and its anticipation of the crisis as a result of the several resources it had at its disposal enabled it to maintain adequate cashflow (Chen, Xie, & Liu, 2021) and also enabled it to quickly find a new normal and adapt to the changes induced by the crisis and increase the organisation's chances of survival and sustainability (Koronis & Ponis, 2018).

Thus, good relationships with its ecosystem and collaborations enabled it to acquire necessary resources during the crisis, which in turn strengthened resilience by providing for alternative modes of action, which concurs with the study of (Barasa, Mbau, & Gilson, 2018) as well as that of (Fathi, Youssefi, Vatanpour, & Peiravian, 2021) that the practice of reciprocal relations fosters the commitment of all stakeholders to the company, thereby strengthening relational resilience and helping the company to emerge from the crisis. (Chen, Xie, & Liu, 2021). Organisational culture is an oft-repeated concept in the resilience literature (cited in all the works mentioned above), which we also found in our results. The company Hikma Algérie holds an inclusive and collaborative culture that influences all its activities but, above all, has resulted in a strong relationship with its employees.

The study by McKinsey&Co (2021) found that companies that adopted their strategies with an innovative business model and demonstrated supply chain agility increased their competitive advantage, which is in line with our results where the company, thanks to its diversified portfolio and solid supply chain, gained the confidence of its customers enabling it to acquire market share. The reconfiguration of its resources and the new procedures to adjust enabled it to find a certain normal and continue its activity, testifying to its adaptation as evoked in the study by Koronis and Ponis (2018).

However, the company has encountered some difficulties, such as the lack of motivation of some employees during the remote period and the acceleration of the digitization process. The company should work even harder on improving the relational aspect, strengthening teamwork and employee motivation, and organizing workshops to develop rapid adaptability among staff and ensure ongoing support as soon as a new crisis arises. The authors can see from this analysis that resilience factors are interconnected. Indeed, some factors have enabled or encouraged the development of others, and the link between them and their impact testify to the importance of resilience for organisations. In the wake of the COVID-19 health crisis, Hikma Algérie saw a considerable increase in sales, an acquisition of market share, and a strengthening of its strategic position in the Algerian generic market.

### 5. Conclusions

The present research aimed to understand how Hikma Algérie coped with the COVID-19 health crisis and to identify its resilience mechanisms by answering the following question: How important is organisational resilience for a pharmaceutical company in times of crisis? To answer this question, the authors first presented a review of the literature, which highlighted the strategic importance of organisational resilience in times of





crisis. To carry out the work, the authors adopted a qualitative methodological approach, particularly in the analysis of internal documents provided by the company and semi-structured interviews with the heads of Hikma's various departments.

This study shows that Hikma Algérie demonstrated solid organisational resilience in the face of the COVID-19 health crisis, taking advantage of the crisis to its advantage by transforming threats into opportunities. The circumstances preceding the crisis and the company's sector of activity can be seen as additional factors that enabled it to strengthen this resilience. Following the research work, the authors reached the following results in terms of organisational resilience factors in times of crisis for Hikma Algérie:

- The financial situation is a key ingredient in staying afloat in times of crisis;
- ➤ The adaptation of strategic functions represents a solution for continuing operations and adjusting during a crisis;
- > Stakeholder relations are necessary if essential or additional resources are required during a crisis;
- The ability to learn and learn from the past helps to overcome future crises;
- > Organisational culture acts as a foundation for the above factors.

The results of this organisational resilience for Hikma Algérie were a considerable increase in sales, the solidification of its strategic position and the acquisition of market share, all of which ensured that the company's activities would be sustained over the medium to long term, thus testifying to the strategic importance of organisational resilience for a pharmaceutical company such as Hikma Algérie.

However, one should point out that organisational resilience is a vast theme, covering many aspects that require more in-depth research. Also, the results obtained are specific to Hikma Algérie and cannot be generalized to other companies in the same sector. The confidentiality of certain documents compromises the exploration of other potentially important factors. In conclusion, the authors propose to explore resilience in another sector that the health crisis has negatively impacted and to develop a comparative study of the organisational resilience of several companies in the same sector.

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