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retail

R O U N D - U P

Delving into diagnostic testing in pharmacies

Screening for conditions such as vascular disease and diabetes will be offered to all through the NHS, according to Prime Minister Gordon Brown. Pharmacy will be asked to help deliver this initiative, but will it be economically viable? Gareth Malson reports



Grafissimo/Stockphoto.com

Screening patients to determine their risk of developing a disease is an initiative that Prime Minister Gordon Brown wants the NHS to deliver to all, it was announced this month. The intention is to develop a service that delivers "preventative" healthcare, and not just "curative" healthcare.

Health minister Ben Bradshaw has confirmed that pharmacists and nurses would have an important role to play in delivering this initiative.

So, at some point in the future, pharmacies may be funded by the NHS to provide screening services. However,

there is no reason why pharmacies cannot offer a privately-funded service now, if the members of the local population are happy to pay for it. Regardless of the source of funding, pharmacy managers or owners will have to decide whether offering this service is in the best interest of the business, and this will require some market research.

What do people want?

Investing in a new service will only prove fruitful if the local population uses it. There are several options for assessing whether a market exists among

the local population for a particular service.

Contact the PCO Primary care organisations will have priorities for the services that they want to set up. Raj Nutan, pharmacy business manager at the National Pharmacy Association, emphasises that being aware of the PCO's agenda and preparing to deliver services that are tailored to its needs will improve your chances of securing NHS funding. "Delivering a service in line with PCO priorities may well help your case when it comes to submitting a business proposal for the service to be commissioned," he said.

UK pharmacist made MBE

Community pharmacist Barry Shooter has been made an MBE for his services to pharmacy in the 2008 New Year honours list. Mr Shooter runs a pharmacy in Aldeburgh, Suffolk, and teaches at the School of Pharmacy, University of London. He said: "I'm thrilled that [community pharmacy] has been recognised. In some ways, I feel this [honour] is for all community pharmacists."

Save on business utility bills

UK businesses are spending too much on gas, electricity and telecoms, a survey says. Utility Watch, a utility procurement and brokerage consultancy, surveyed over 300 businesses and concluded that 90 per cent were paying more than they needed to. Greg Shepherd, director of Utility Watch, said: "Savings can be made in the region of 20–25 per cent. Few [businesses] realise that help in obtaining comparative quotations is free."

Bowel health tool

Pharmacy consultations on bowel health have been made easier by the launch of a "bowel health consultation room flip chart". The chart aims to promote dialogue between pharmacy staff and patients about bowel health and overcome any potential embarrassment. It has been produced by Boehringer Ingelheim Consumer Healthcare. Further details at www.bowel-health.co.uk.

Patient surveys Undertaking patient surveys is a mandatory component of the pharmacy contract, but can also be invaluable for determining the needs of the local community. Mr Nutan suggests that the next patient survey that you produce includes the following questions:

- What health screening services would you like the pharmacy to offer?
- What health screening services would you be prepared to pay for?
- How much would you be prepared to pay for a health screening service?

If patients are prepared to pay for the service themselves, this may avoid some of the difficulties that have been experienced by some pharmacists in getting funding through practice-based commissioning.

Ask local companies All businesses will benefit from ensuring their staff are in good health. Mr Nutan suggests that pharmacy proprietors should contact local businesses to see if they would be prepared to pay for health screening for all of their employees. This could include regular blood pressure checks, testing cholesterol levels and offering smoking cessation advice.

Retail Round-up

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Panel 1: Costs to consider when setting up a new service

Raj Nutan, pharmacy business manager at the National Pharmacy Association, says costs that a pharmacy must consider before setting up a new service include:

- Devices — Capital will be required to purchase (and eventually replace) devices such as blood pressure monitors and cholesterol testing kits.
- Consumables — Equipment such as test strips, cotton wool or disposable gloves will be required every time the service is used.
- Disposal services — The provision of some services will create medical waste, which requires separate disposal arrangements to normal pharmaceutical waste. The primary care organisation may collect medical waste from local surgeries and might add your shop to the collection route. Otherwise, a disposal service will need to be contracted.
- Insurance — If your pharmacy's insurance policy does not provide cover for the additional service, an extra premium may be required.
- Vaccinations for staff — Staff members that handle sharps require vaccination against hepatitis. The local GP may agree to fund vaccinations through the NHS.
- Margin — It is up to the individual manager to decide what margin of profit will be passed on to the consumer. Typically, a margin of 30–40 per cent should be factored in.

Most of these costs will require an initial, one-off investment. This investment can either be written off as a set-up expense or added to the service fee for the patient (eg, divided among the first 100 service users). On the other hand, if funding will be received from the PCO, any set-up costs are likely to be paid for by the NHS.

What are the costs?

The costs incurred in running a service need to be calculated to determine whether it can be profitable. The types of direct financial cost that need to be considered are outlined in Panel 1.

These costs are not the only consideration when deciding whether to offer a new service. Some other factors will indirectly incur a financial impact.

Purchasing quality equipment Patients will lose confidence in pharmacy-based services if the results they receive turn out to be inaccurate. Alastair Buxton, head of NHS services at the Pharmaceutical Services Negotiating Committee, says: "Quality assurance of results will be key to ensuring consumer confidence and securing funding from PCOs. The GPs and nurses at local surgeries may be able to offer advice on which manufacturers are the most reputable."

In addition, leading manufacturers may be able to train staff on the correct use of their device. This could be negotiated in advance of agreeing to purchase that particular device.

When to refer Once the results of health screening services have been interpreted, some patients will need to be referred to the GP. Mr Nutan recommends engaging the local GPs and the PCO to determine guidelines for when a patient should be referred to see a doctor or other healthcare professional.

Writing SOPs The pharmacist may not have time to perform every task required to deliver an additional service personally, so some tasks may have to be delegated. Mr Nutan highlights the importance of putting in place standard operating procedures to ensure the support staff are aware of their responsibilities. Improved skill mix makes any service more economically viable.

Setting a service fee

Once the costs of running a service have been established, a service fee can be suggested. Running costs (and possibly set-up costs) should be factored in.

The proposed service fee could be compared with the price that the patient is willing to pay (if market research has been undertaken) or the service fee that the PCO or local company is offering. The manager will then have to decide whether the predicted profit is sufficient to warrant the use of staff time. Alternatively, the manager may decide that the service will create additional footfall into the pharmacy, justifying the investment.

An estimate of the actual costs of each type of service will be examined in more detail in subsequent *Retail Round-up* articles.

Vascular risk screening

An article in the next issue of *Retail Round-up* will look at setting up a screening service for vascular disease.

Has the season for goodwill hunting passed for pharmacists?

At the beginning of last year, record levels of goodwill payments were paid for pharmacy businesses. However, goodwill has already been hit by some of the events of 2007 and may be further affected during 2008. Anne Hutchings reports



Atrelio/Dreamstime.com

At the start of 2007, goodwill values for UK pharmacy businesses achieved record highs. Not only were pharmacies that dispensed large numbers of NHS items in demand but also

What is goodwill?

Goodwill is the value of a business, taking into account its reputation, established client base and profitability. It includes the acquisition of the pharmacy's dispensing contract.

When purchasing a pharmacy, goodwill usually comprises the majority of the finance required. Fixtures and fittings are normally included as part of this cost. Other costs which are in addition to goodwill include:

- Stock
- Freehold premises (if available)

pharmacies that dispensed around 2,000 items per month.

This situation had been building since 2003 for two reasons. First, the number of independent pharmacies has continued to dwindle, resulting in a reduced number of sellers. Second, the implementation of the new community pharmacy contract resulted in an increase in gross profit for many pharmacy businesses. The result was a strong "seller's market", in which demand outweighed supply.

During 2007, some events weakened this trend and, furthermore, there are some events on the agenda for 2008 that may cause goodwill values to fall. Anyone who is considering buying or selling a pharmacy should take note.

Category M clawback

During October 2007, the Government made substantial reductions to Category M pricing in response to "greater than expected" pharmacy purchase profits. With

the intention to clawback £400 million, this will have a significant effect on pharmacy profits.

For a pharmacy dispensing 7,000 items per month, this could equate to a loss of around £40,000 in profit per year. This has resulted in pharmacy buyers reducing the amount they are prepared to pay for the goodwill. In addition, some lenders have reduced their valuations of pharmacy businesses, therefore restricting the finance available to buyers.

Generally, this Government clawback has resulted in a 10–20 per cent reduction in goodwill value. The pharmacies that have been most affected are those that dispense high volumes of prescriptions.

Capital gains tax hike

Also in October 2007, the Government announced plans to increase the rate of capital gains tax from 10 per cent to 18 per cent, on the disposal of business assets made after 5 April 2008 (*Retail Round-up* October 2007, p1).

Panel 1: Example of the effect of rushing a sale

Mr Boat bought his pharmacy in 2002 for £300,000. He now decides to sell.

Scenario A: In a rush to secure a deal, he agrees to sell for £800,000.

Capital gain	£500,000
Tax (before 5 April 2008)	£50,000
Sale value after tax	£750,000

Scenario B: After a few months, he agrees to sell for £900,000.

Capital gain	£600,000
Tax (after 5 April 2008)	£108,000
Sale value after tax	£792,000

Many pharmacy owners have brought forward their decision to sell, in an effort to beat the 5 April deadline. This has resulted in more choice for buyers, who can now afford to be more discerning. However, as long as the pharmacy has been marketed properly and offered to the

right buyers, pharmacy sales have continued to be agreed at the best price achievable.

Anyone thinking of putting their pharmacy on the market now would find achieving a sale before 5 April extremely difficult. The legal process alone normally takes two to three months, assuming there are no delays. This would leave virtually no time to market the pharmacy to achieve a good price.

Buyers are always looking for a bargain. Pharmacy sellers should consider whether a better offer at a later date would outweigh the increase in tax bill, before accepting the first offer they receive. An example is shown in panel 1.

Where are we now?

At the start of 2008, the pharmacy acquisitions market can still be regarded as a "seller's market". Under current conditions it is difficult to see this changing. With so few independent pharmacies left, demand still vastly outweighs supply. However, there are some uncertainties, which could rock the pharmacy market.

White Paper and Galbraith review

A White Paper that sets out proposals for the development of pharmaceutical services

is expected to be published by the Government shortly. It will also incorporate a response to the Galbraith review regarding pharmaceutical contractual arrangements. Uncertainty over the content of the White Paper has led to speculation in the pharmacy market. If the Government chooses to revisit the idea of lifting restrictions on control of entry, this could lead to a reduction in pharmacy goodwill payments. However, nothing is certain as yet.

Credit crunch

Since the downfall of Northern Rock bank last summer, there has been increased awareness of problems in the wholesale money market. This has yet to filter down into the business lending market. However, if it does, restrictions on borrowing for pharmacy buyers could reduce goodwill prices. There has been no evidence of this yet, but only time will tell.

In the meantime, the pharmacy market remains buoyant. However, goodwill values will continue to fluctuate according to market conditions.

Anne Hutchings is chief executive of Hutchings Consultants Ltd, Amersham, Buckinghamshire.

Business basics — answers to your common retail problems

By business contributor Reg Peplow

Job reference

Question Am I obliged to provide a departing employee with a job reference?

Answer Contrary to popular opinion there is no obligation to provide references, except for those working in the finance industry. Where a reference is expected, it is now common practice to limit this to a simple statement of employment dates, job title and a description of duties. Taking into account the number of recent, high profile and costly legal cases on the subject, most employers no longer comment on an individual's competency or suitability for any future role.

Paying the rates

Question What action can I take if I am having problems paying my business rates?

Answer It is important that you do not ignore this demand. It is not unusual to ask your council's rating officer about changing the amounts and dates of your payments. If you can prove that you are suffering financial hardship, the council may help you towards claiming up to 100 per cent relief. You may also be able to claim this if your business is particularly important to the local community. If you own your property the council may agree to taking a charge against this for up to three years — this is a legal agreement that acts as its security. If this means that if you have not paid your rates in full before the property is sold, you will meet the debt from the money made from the sale.

Bridge that gap

Question I am the part-owner of three small but flourishing businesses. I have been told

that the Government has approved establishment of an Enterprise Capital Fund which will help me to bridge our equity gap. I am not aware that I have such a gap and do not know what an Enterprise Capital Fund is. Please can you explain?

Answer When a company seeks investment below £500,000 the owners can most likely get financial help from friends, family and possibly banks and business angels. On the other hand, once a business needs funding of £2m or more it is usually quite established, and therefore seen as a lower risk, and able to secure funding from institutional investors. The gap between these two financial situations is known as the equity gap or finance gap. The Government has a multi-million pound scheme — the Enterprise Capital Fund — to help businesses in these situations.

Customer complaints — why ignorance is not always bliss

Dealing with a customer complaint does not have to be a negative experience. Lin-Nam Wang finds out why it is in a business's interest to give effective complaint management a high priority

Never receiving a complaint does not mean that all your customers are satisfied. According to the Office of Consumer and Business Affairs in southern Australia, a typical business only hears from 4 per cent of unhappy customers. The rest keep quiet and 91 per cent will simply withdraw their custom. It is also estimated, however, that a dissatisfied customer will tell over eight people about his or her problem and, nowadays, this could include posting criticisms on the internet. So, for businesses, ignorance is not bliss.

Furthermore, a survey conducted in the US into the complaints handling procedures of some of America's leading companies revealed that the "best in business" want their customers to complain. They use feedback from their customer services departments, in addition to general customer surveys, to provide constructive ideas and improve their services. Complaints are an important form of communication — they could help you to better understand customer needs.

A complaint can also be viewed as a chance to turn an unhappy customer into a happy (and loyal) one. The Office of Consumer and Business Affairs says that seven out of 10 customers who complain will continue to give you their custom if their complaint is resolved in their favour and, if the complaint is resolved immediately, 95 per cent will return. Some companies use the term "opportunity" instead of complaint and Toyota Motor Sales in the US uses the following formula:

Doing the job right the first time	+	Effective complaint management	=	Maximum customer satisfaction and loyalty
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The key, it seems, is to have an effective complaints management system, which follows a few basic principles . . .

Welcome customer complaints Make it easy for customers to complain and invite them to tell you when they are unhappy. For example, you could have a customer charter, detailing your system for dealing with



Radu Razvan/Dreamstime.com

Not all unhappy customers complain — 91 per cent simply withdraw their custom

complaints. Pharmacies in England and Wales now have to complete patient survey forms as part of the community pharmacy contract. Surveys are to be undertaken annually, the first of which must be completed by 31 March.

However, patient surveys are "pretty useless for culling new ideas or solving customer problems", comments Noel Baumber, proprietor of Barrowbygate Pharmacy in Grantham, Lincolnshire. Mr Baumber suggests that consultation rooms could be used to deal with complaints. "Customers will appreciate privacy and hospitality if it is offered and it takes what might sound like an argument away from

the rest of your customers, preventing your reputation from suffering unjustly," he explains.

Deal with complaints quickly You might consider authorising all staff to deal with complaints so problems can be solved at the point of first contact. "I always encourage my staff to take the appropriate action so that I do not need to be involved — [the] buzz word [is] empower," says Alan Israel, manager of Boots the Chemists in Kilburn, London. If the complaint is written, or you have been left a message, acknowledge it as soon as possible, even if there is no immediate solution to the problem, is the

Tips for establishing a complaints policy

- Any complaints-handling policy should include a positive attitude towards consumers and a commitment to resolving complaints
- Consider what you are required to do under any relevant current legislation (eg, the Sale of Goods Act and other consumer protection laws) and what you will do (you might decide on a redress that is greater than legally required to keep customers happy)
- Anticipate potential complaints and determine solutions (eg, what to do if a customer order has not arrived, how to deal with an angry customer)
- Make sure that all staff know your policy and understand the reasons behind it
- Test the policy for three months, then assess how well it is working (discuss any problems with staff, ask your customers if they were satisfied in the way their complaint was handled) and make any necessary changes

advice from Chris Howland-Harris, proprietor of Ashgrove Pharmacy in Bristol.

Listen and empathise The customer is not always right, but he or she always has the right to be listened to, adds Mr Howland-Harris. Find out what the problem is and acknowledge it and how the customer feels. "We all like to be listened to and have our view respected, even if it is something nothing can be done about," he says.

According to research by Technical Assistance Programs Inc, the three things that a customer looks for most when complaining are an apology, an explanation and a reassurance that the problem will not reoccur.

"Often a customer simply wants to make their problem known. They're not looking for compensation. They just want to make

you aware," says Derek Williams, creator of the WOW! Awards, a UK-based award scheme to recognise customer service excellence.

Don't assume what the customer wants

— **ask** Mr Howland-Harris's top tip, however, is to ask: "What would you like me to do?" He explains: "That often defuses a situation. Many people expect a confrontation when they have a complaint, which can make them confrontational when they complain. To ask what they want to happen gives them back control, even if — as often happens — they don't know what can be done."

Stay calm Do not take things personally and get defensive. "Criticism is always difficult to accept no matter how positive you try to be. And the harder you are working to please the customer, the deeper the criticism cuts," adds Mr Williams. Even if the customer is angry or irritating, getting angry yourself will exacerbate the situation.

Explain the solution(s) you can offer If a proposed solution is accepted, act as soon as possible. If the problem will take some time to sort out, let the customer know when this will happen and keep this commitment. And make sure there is someone the customer can speak to if you are not at work.

If the customer wants more than their legal entitlement and you are not prepared to offer more, try to explain their rights. "It is rare that some sort of compromise cannot be reached so that the customer leaves satisfied and returns," Mr Israel told *Retail Round-up*. Mr Howland-Harris advises keeping things in perspective. He believes that the "life-time value" of each customer (ie, average spend x average number of visits x average adult life) should be considered and this usually comes to at least £1,500. "So even if you're sure they had that £1.50 tube of toothpaste in the bag when they left the pharmacy, isn't it worth giving them another?"

Be fair and honest Imagine you are the customer (what would make you feel your complaint has been resolved fairly?) and never make promises you cannot keep.

"Often a customer simply wants to make their problem known. They're not looking for compensation"

Thank the customer "Few customers are going to complain unless they've got a real problem. So when a customer does take the time and trouble to let you know that you've got a problem, don't reject them," says Mr Williams.

Record the interaction and outcomes

Records can be used to monitor your system and how well complaints are handled. They can also help to spot recurring problems, such as product defects or service failures.

The foundation beneath all these principles is to train your staff to handle complaints well, whether you would like them to handle complaints fully or simply to be sympathetic and know who to refer the customer to promptly. "I remind my staff that handling a complain correctly will win a customer over for life, so think of all the times in the future when the store will benefit from future shopping," says Mr Israel. Having a written complaints policy can help. If you don't have one, it is a good idea to involve your staff in putting one together (see Panel).

Dealing with complaints effectively shows the customer that your business cares.

When to draw the line

The subject of customer care will continue in the next issue of *Retail Round-up* with an article that will discuss when you should draw the line with a customer who is being overly demanding

"The customer is not always right, but he or she always has the right to be listened to"

Are you recruiting the best person for the job?

Recruiting the right staff is instrumental in enabling a business to run smoothly. Knowing the pitfalls of recruitment will help you to select the right candidate for the job. Ruth McGuire investigates



Solarseven/Dreamstime.com

Community pharmacy employment rates are booming. Longer hours and an ever-widening range of services has led to an increased requirement for pharmacists and pharmacy assistants, yet many multiples report a reduction in vacancy rates (The Pharmaceutical Journal 2007;278:769–70).

This situation is excellent for the profession as a whole, but for independent pharmacies that must compete with large multiples to attract the best candidates, recruitment can be a challenge.

Risks of recruiting

The recruitment of any new employee requires an element of risk. A candidate may over-exaggerate his or her experience or qualifications. In addition, a

candidate may appear suitable on paper or perform well at interview, but this does not guarantee an ability to perform well in the job.

The situation can be made worse if the manager responsible for recruitment does not have the knowledge and skills required to find the best candidate. Often, the final selection decision may be the result of a “gut feeling” about a candidate. This introduces an element of subjectivity that is

difficult to justify and potentially incorrect.

Recruiting a new member of staff is an expensive process. According to a recruitment survey undertaken by the Chartered Institute of Personnel Development, the average cost of filling a vacancy is £5,000 per manager, and £2,500 per technical member of staff. Therefore it is imperative to put measures in place that minimise staff turnover and ensure that the right candidate is recruited.

“The average cost of filling a managerial vacancy is £5,000”

Boots shortlisted for retail awards

Boots The Chemists has received nominations for two accolades at the World Retail Awards 2008. It is one of six retailers to be shortlisted for the “Employer of the year” award. In addition, its seven-step “Get beach gorgeous” plan has received one of the six nominations for “Marketing campaign of the year”. The winners of each award will be announced at the World Retail Congress (9–11 April) in Barcelona.

Online manager assessment tool

Managers can now have their performance assessed by colleagues using an online questionnaire. The nominated colleagues are required to rate the manager on a range of management skills such as communication and leadership, and return their responses by e-mail. A survey report is produced that provides the manager with a score for each skill, compares him or her to a benchmark and offers tips on how to improve. The service costs £20. The website can be accessed via PJ Online (www.pjonline.com/rrlinks)

Workers confused about sick leave

Cold and flu sufferers are receiving mixed messages from work colleagues about whether or not to call in sick when they are ill, a survey shows. While 47 per cent of UK workers want colleagues who are suffering from a cold to take time off work, a further 33 per cent considered time taken off because of a cold to be skiving. Consequently, 56 per cent of workers never take any time off to recover and potentially put their colleagues at risk of infection.

Attracting candidates

In buoyant economies, the balance of power in recruitment shifts from the employer to the candidate, so employers have to work hard to impress. Time and money may need to be invested to communicate your “brand image” (eg, mission statement, culture and values) to the outside world.

Jane Lumb, training manager for Numark Ltd, believes that there are advantages to working for independents compared with large companies, and that these should be emphasised when recruiting. She suggests that multiple organisations are “more likely to pigeon hole you into one type of role”, whereas working for an independent offers the opportunity to:

- Work closely with the community
- Build up personal knowledge and relationships with customers
- Work across a wide variety of areas

Human resources support

There is much an employer can do to increase the likelihood of selecting the right applicant. In larger companies and organisations, a team of human resources (HR) staff is usually responsible for recruitment and selection and provides advice on best practice.

Smaller companies often cannot afford the luxury of a HR specialist, let alone an entire team. Instead, such companies can choose to outsource the administrative element of the recruitment process to an agency, allowing the manager to focus purely on the selection process.

Jane Lumb, training manager for Numark Ltd, says that pharmacies that belong to groups such as Numark can benefit from access to a HR support service. She explains:

“The recruitment of any new employee requires an element of risk”

“In buoyant economies, the balance of power in recruitment shifts from the employer to the candidate”

“We offer structured training support...and access to a range of HR support materials and documents.”

Proprietors and managers who do not have access to external HR support need to be aware of the four basic stages of the recruitment process:

- Writing job descriptions
- Screening applications
- Producing a short-list
- Assessing candidates

Job descriptions

Successful recruitment requires matching the right candidate to the right job, and this process starts with writing an accurate job description. This should be written after completing a detailed analysis of the tasks required to perform the vacant post and may require discussion with the existing post holder. It should answer the following questions:

- What are the key duties of the post holder and what will he or she be responsible for?
- Where will the post holder fit into the company's structural hierarchy?
- Who will the post holder report to?
- How will the post holder contribute to achieving company objectives?

In a job application pack, the job description is often accompanied by a list of personal specifications that describe the attributes that the applicant should possess before starting employment, in order to perform the job satisfactorily. This is likely to include:

- Transferable skills
- Competencies
- Previous knowledge
- Qualifications
- Appropriate experience
- Personal qualities

These requirements are often separated into “essential” and “desirable”, to determine which are the most important.

Many companies send out equality monitoring forms with job application packs to help them examine their success in attracting a diverse group of candidates.

Applications

Potential candidates are usually asked to apply for a job by either filling in a standard application form, or by submitting a curriculum vitae (CV). There are advantages and disadvantages to both methods.

The application form offers a standard, format for information and gives the employer more control over the information that the candidate provides. This challenges the candidate to interpret what the employer is looking for and to ensure his or her experience and ability is communicated effectively.

If applicants are invited to apply by sending in their CV, this gives them control over what information is included, which may allow them the freedom to showcase some creativity. However, the range in quality and content of applicants' CVs can make it difficult for the employer to produce a short-list of strong candidates. Consequently, application forms are often preferred.

Producing a short-list

After the applications have been collated, the strongest applicants for the job must be short-listed for further assessment. This is accomplished using an agreed set of selection criteria.

The criteria should be objective and should relate to the advertised requirements for the post. Also, the information required to determine whether each criterion is met must be retrievable from the application form or CV.

Some employers use a simple scoring method to assess applications. This may involve attaching a “weighting” to each criterion and using a minimum score to select the candidates for further assessment.

If a personal specification has been designed for the post, applicants could be sorted initially by whether they meet the “essential” criteria, and then by whether they meet the “desirable” criteria. New criteria should never be introduced at this stage, to ensure that no candidate is discriminated against.

Once a short-list has been produced, successful candidates should be invited for further assessment (eg, interview). This stage of the recruitment process will be discussed in the next issue of *Retail Round-up*.

Further information about recruitment and selection can be accessed via *PJ Online* (www.pjonline.com/rllinks).

Handheld device for treating cold sores now available on NHS

From this month your customers may present with a prescription for a Virulite Cold Sore Machine — the first device for treating cold sores to be available on the NHS. Hannah Pike finds out how it works

The Virulite Cold Sore Machine (Virulite CS) is not a new invention. It has been available to buy via mail order or from a small number of community pharmacies since it was launched in 2001. It works by emitting light of a wavelength that its developers claim heals cold sores twice as quickly as using an antiviral cream.

Following a number of refinements to the device and two clinical trials, Virulite CS has now been accepted as an addition to part IX of the Drug Tariff for England and Wales, (and part 3 of the Scottish Drug Tariff), prescribable on the NHS from 1 January 2008.

Ben Eshelby, pharmacy manager at Calverton Pharmacy, Luton, has been stocking the device for about four weeks. "I would normally be sceptical about this type of product," he says, "but the fact that it has been included in the Drug Tariff means that it must have been looked into." Mr Eshelby says that he ordered ten devices after receiving an NHS circular announcing the addition to the Drug Tariff, and has sold eight of them so far. He says all of his customer feedback has been positive. "People with cold sores try the creams but they are never 100 per cent happy with them and are always going to be hunting for something else," he says.

How it works

James Haslam, an ophthalmologist and co-founder of Virulite Ltd, explains that the battery-operated device delivers low energy, non-thermal quantities of naturally occurring infra-red light to the area (wavelength 1072nm) from light-emitting diodes. He believes that this light enhances



The Virulite Cold Sore Machine emits infra-red light of a wavelength that is thought to increase the immune response to the virus

the local immune response. "Cold sores often occur when a person is run down, and their immune response is low," he explains. "Virulite CS restores the immune response to normal levels, allowing the body to heal itself more quickly."

The evidence

Results of a trial of 60 patients (published in the *Journal of Clinical and Experimental Dermatology* in 2001) showed that a single application of Virulite CS healed cold sores in an average of 4.3 days, compared with 8.1 days for topical aciclovir applied five times a day. A second trial, involving 32 patients (published in the same journal in 2006), showed that Virulite CS had a mean healing time of 6.3 days compared with 9.4 days for no treatment. Mr Haslam explains that

anecdotal evidence has shown that the device also reduces the recurrence of cold sores and this is the subject of ongoing research. The device is ISO 13485 compliant (an international quality standard for medical devices) and has CE approval (showing that the device complies with relevant European health and safety legislation). No side effects have been reported.

Cost

Community pharmacists can purchase the device for £18.50 (plus VAT) — price negotiable depending on order size. The recommended retail price is £45 and the NHS reimbursement fee is £18.50. The device comes with a three-year warranty (five years if prescribed), and can last for up to 10 years. Mr Haslam says the device can also save the NHS money when prescribed for patients on repeat antiviral prescriptions. "If a patient has seven prescriptions for aciclovir ointment in one year, that is the equivalent of the prescription of one Cold Sore Machine," he says.

As well as being stocked in a number of independent pharmacies, the device is expected to be available in Boots The Chemists stores from September.

Further details can be found at www.vcs.eu.com.

How to use the Virulite Cold Sore Machine

The device should be used as soon as the customer feels the "tingle" indicating that a cold sore is about to erupt. The customer holds the device against the affected area and presses the activation button. A visible light indicator lets the customer know that invisible infra-red light is being delivered to the area. After three minutes a "beep" lets the customer know that treatment is complete. Customers are advised to repeat the treatment 12 hours later. If the cold sore progresses, the device should be used four times a day for two more days.