



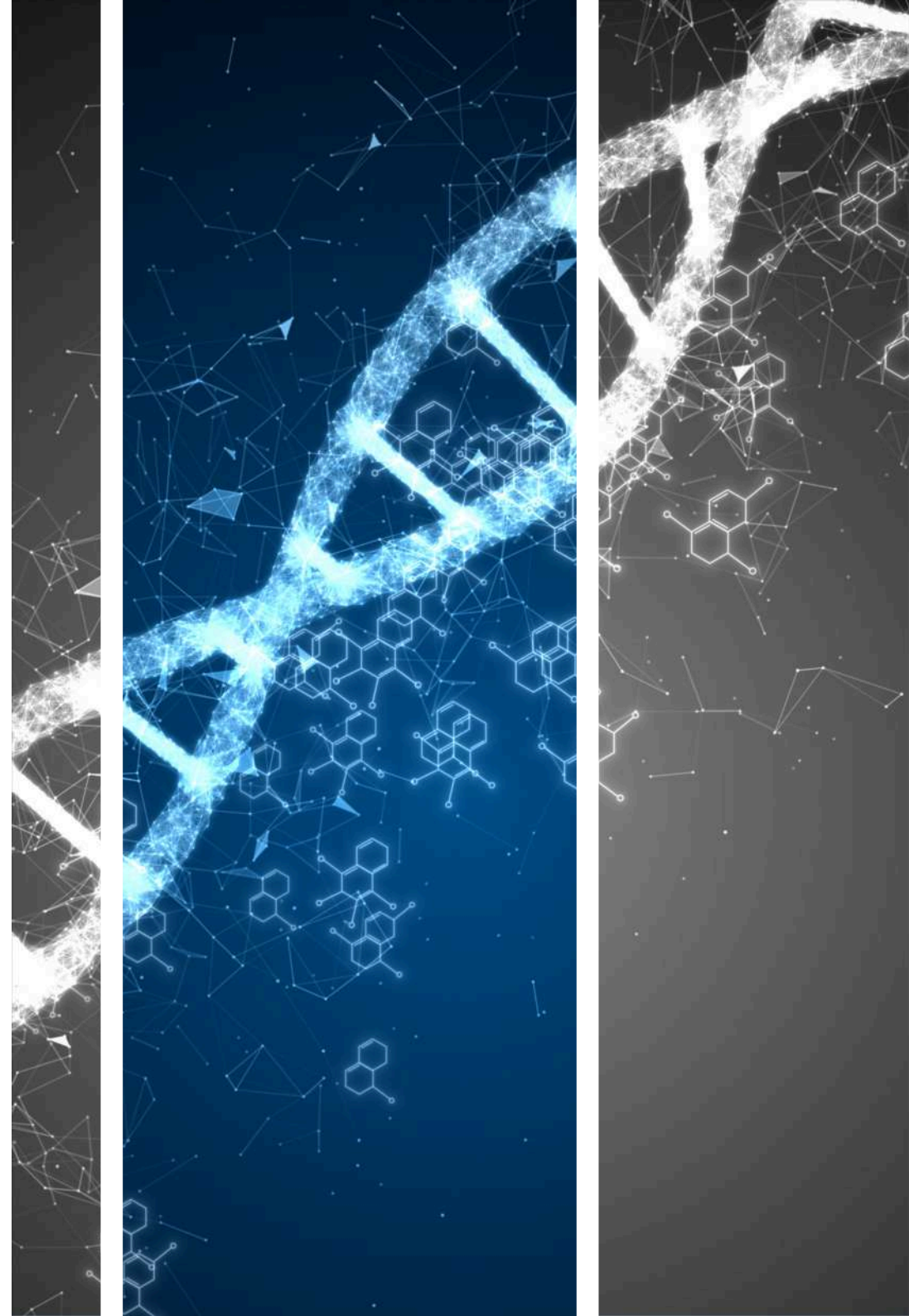
Insight: Competition for talent -
what to expect when looking for
work or hiring in the current
market

#clsinsights



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Executive Summary



There is an increase in the candidate pool due to recent industry redundancies and much more pressure on Talent Acquisition teams

Current economic conditions are primarily responsible for this with recent data suggesting 13% of life sciences companies considering redundancies. This therefore has an impact on Talent Acquisition teams having more pressure placed on them and receiving negative candidate feedback due to a lack of time and resources.



The increase in competition for roles increases the importance of a relevant resume to the job being applied for

Not only are there mass redundancies but there is also a record number of life sciences graduates than ever before. Candidate competition has seen some salaries decrease as much as 10% in some areas due to the rebalance of supply and demand.



Advantages on how a good recruiter can support candidates

A good recruiter who understands the industry can support with interview preparation, what hiring managers are looking for and general market coverage.



Advantages of how a good recruiter can support hiring communities and Talent Acquisition teams

How an industry-experienced recruiter is an investment by reducing the time to hire, take pressure off internal teams, and can provide a diverse range of candidates.

Introduction

In this latest article, Compass Life Sciences EVP & Country Head, David Jolley examines the current markets within the Life Sciences industry in the USA and provides advice for both candidates and clients.



David Jolley FREC, BA (Hons)

EVP & Country Head

+1 (919) 492 7658

+1 (984) 444 9984

djolley@compass-ls.com

After building a successful team supporting the European territories, David now leads our US organisation as EVP and Country Director based out of Raleigh, North Carolina.

Holding a dual role with full accountability for setting and implementing the strategic direction of the country, he remains hands-on delivering his own portfolio of staffing and search business-critical projects.

Increase in candidate pool due to mass lay-offs and redundancies

The last couple of years have been a turbulent time for mass layoffs and redundancies, especially when looking at other industries like the Tech Sector¹- the Life Sciences industry has also been no exception to this. It was reported in April 2023² that within the first four months of the year, more than 5,000 employees were let go from Biotech and Pharmaceutical companies.

A recent BDO report³ suggests that 13% of life sciences companies⁴ are considering turning to layoffs or furloughs in response to challenging economic conditions throughout 2023.

¹Stringer, A., (2023), A comprehensive list of 2023 tech layoffs, Tech Crunch +, URL: <https://techcrunch.com/2023/09/19/tech-industry-layoffs-2023/>

²Pagliarulo, N., (2023), Biotech layoffs gather pace as industry downturn persists, Biopharma Dive, URL: <https://www.biopharmadive.com/news/biotech-layoffs-job-cuts-industry-consolidation/647164/>

³BDO USA, (2023), BDO Life Sciences CFO Outlook Survey, URL: <https://insights.bdo.com/2023-BDO-Life-Sciences-CFO-Outlook-Survey.html>

⁴Buntz, B., (2023), Pharmaceutical industry layoffs continue: Bristol Myers Squibb, Novavax and Takeda the latest to announce cuts, URL: <https://www.pharmaceuticalprocessingworld.com/pharma-sector-layoffs-2023-economic-challenges/#:~:text=A%20recent%20BDO%20report%20suggests,slash%20costs%20and%20restructure%20operations>



Increase in candidate pool due to mass lay-offs and redundancies

Since the end of 2022⁵, every week there has been a significant number of companies announcing mass layoffs, restructurings or even closing their doors for good due to current economic uncertainty. It has been reported⁶ that some Biotech companies have made as high as 50% of their workforce redundant in a bid to mitigate any economic issues.

In 2023⁷ alone, layoffs in the Biotech industry have matched the total number of companies that cut staff in the whole of 2022, with 119 Biopharmas reporting workforce reductions so far this year.

As such, this has resulted in a significant increase in candidates applying for roles.

⁵BioSpace Editorial Staff, (2023), Biopharma Layoff Tracker 2023: ImmunityBio, NightHawk, Fresh Tracks and More Cut Staff, URL: <https://www.biospace.com/article/biospace-layoff-tracker-2023-athenex-shutters-facility-cuts-staff/>

⁶Peter, R., (2023), Brace yourself for a wave of biotech layoffs, LabioTech, URL: <https://www.labiotech.eu/in-depth/brace-yourself-for-a-wave-of-biotech-layoffs/>

⁷Masson, G. (2023), Fierce Biotech analysis: 2023 biopharma layoffs now match 2022's total, Fierce Biotech, URL: <https://www.fiercebiotech.com/biotech/biopharma-layoffs-reach-119-2023-hitting-last-years-total-mid-august>

Pressure on Talent Acquisition teams

Talent Acquisition teams are currently being streamlined and under much more pressure to deliver, as well as seeing fewer recruiters dealing with a tenfold increase in applications.

The points below address some of the issues surrounding this:

- Negative candidate experience – not being able to respond and provide feedback to everyone
- Slower delivery by Talent Acquisition teams for their hiring managers due to being spread thinly and having a limited budget to utilize external agency support
- Managers having to speak to more candidates and being more indecisive around making decisions (FOMO)



**Graduates from
within the Life
Sciences profession
grew by 79%
between 2001 - 2021
compared with 8%
growth for all U.S.
occupations.**

The increase in competition for roles increases the importance of a relevant resume to the job being applied for

Due to the increase in layoffs, we are seeing a much higher demand for competition with candidates for roles. The CBRE¹ also recently reported that more working professionals are now engaged in life sciences research in the United States than ever before, along with a record number of people who are graduating with life sciences expertise.

Graduates from within the Life Sciences profession grew by 79% between 2001-2021 compared with 8% growth for all U.S. occupations. This number is still increasing with more than 163,000 students graduating with Life Sciences related degrees in 2020, a record number and double the number just 15 years ago.

This highlights the importance of having a relevant resume for the job being applied for due to the increased competition with other professionals within the industry.

Due to the increase in candidate competition, we are seeing a trend of some salaries decreasing by as much as 10%⁸ in some areas due to the rebalance of supply and demand.

⁸CBRE, (2022), Life Sciences Research Talent 2022, CBRE, URL: <https://www.cbre.com/insights/reports/us-life-sciences-talent-2022>

Four reasons how a good recruiter can support candidates

- Get access to hiring managers
- Full market coverage with a range of options
- Support with interview preparation
- Support with resume presentation and formatting

Four reasons how using a good recruiter can help hiring communities

- Dramatically reduce the time involved in interviewing by having a lot of this work done for them
- Zero in on specific profile types and know you can appoint from a submitted shortlist
- Improved diversity of hire – a good recruiter will challenge you to make better and more diverse hiring decisions by having a more inclusive search
- Full market coverage – interview candidates from across the industry not just those who have applied for roles.





Four reasons why utilizing a good recruiter can support Talent Acquisition teams

- A good recruiter should be an investment and not a last resort as they can take pressure off by focusing on key positions allowing you to prioritize time on filling the rest, therefore increasing overall delivery
- External partners give you access to candidates who are put off applying due to the volume of other candidates who have applied, therefore improving the quality of hire
- Good recruiters can better manage your employer's value proposition and brand by covering more ground across the market
- Finally, a good recruiter as a partner is an investment in allowing Talent acquisition teams to focus on ensuring the best candidates are hired, and not just managing hiring processes and sifting through resumes

Conclusion

It is a challenging time due to the uncertainty of the current economic markets for clients and candidates alike. Using specialist recruiters who understand the industry can help alleviate time for internal recruitment teams and support candidates in applying for roles in a competitive market.



References

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- ⁸CBRE, (2022), Life Sciences Research Talent 2022, CBRE, URL: <https://www.cbre.com/insights/reports/us-life-sciences-talent-2022>