

## Robust UK Life Sciences Sector Prompts Efforts to Curb High Employee Turnover

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*The outlook for the UK life sciences sector is optimistic with aggressive hiring and employee turnover on the rise. The response? Firms are reinforcing their efforts to retain top performers.*

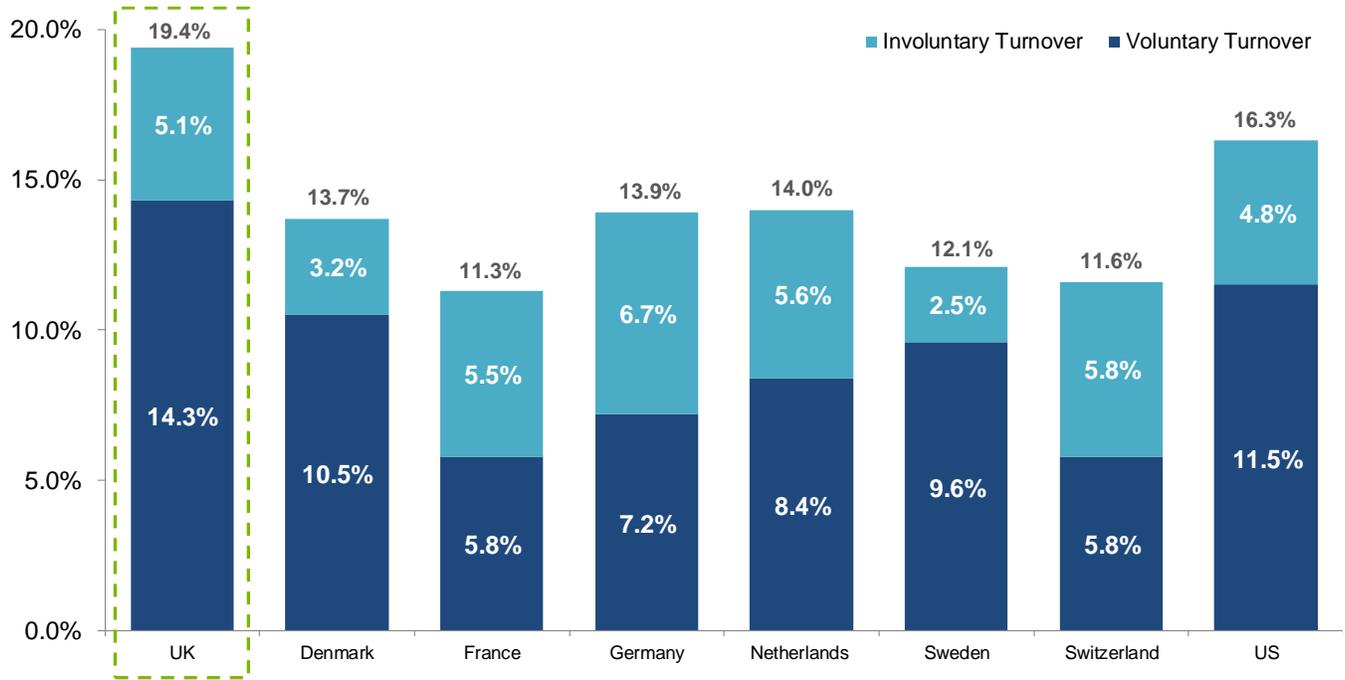
The life sciences sector in the United Kingdom (UK) is in a strong state of growth. That was the sentiment across the room when we brought together rewards leaders from some of the fastest growing life sciences companies in Europe at our recently held annual UK life sciences meeting.

Look no further than data reflecting the operational environment and workforce trends. On the research and development front, the UK has the strongest pipeline across Europe, according to the BioIndustry Association. The UK can also claim the highest rate of voluntary and overall turnover among seven European countries and the United States (US), according to the latest [Radford Global Life Sciences Survey](#) data (see more in Figure 1 below). This is a sign that employees in the field have plenty of job opportunities and companies need to work extra hard to retain their talent.

Brexit continues to cast a shadow of uncertainty on the UK life sciences sector, but it doesn't seem to be slowing down plans for workforce growth. We observe an increase in UK-based life sciences companies reporting aggressive hiring plans (defined as actively growing and recruiting for organizational growth), according to Radford's latest workforce trends report. The percentage of companies aggressively hiring rose from 5.8% in the first quarter of 2018 to 8.5% in the second quarter.

While robust economic data is positive, it also creates numerous challenges for HR professionals in the life sciences sector, particularly when it comes to attracting and retaining the talent they need to fuel growth—especially for hot job functions.

**Figure 1**  
**Global Turnover in the Life Sciences Sector**



Source: Radford Global Life Sciences Survey Workforce Trends Report, Q1 2018

## Hiring for Hot Jobs

In today's super-charged job market, life sciences companies often struggle to attract and retain people who possess critical clinical and business infrastructure skills. The force of industry convergence— whereby technical skills are in high demand at virtually all types of companies— magnifies this dynamic.

Figure 2 highlights the job families in the UK life sciences sector that are receiving the highest base salary increases this year. Most of these job families include roles that are highly specialized and technical.

**Figure 2**  
**UK Hot Job Families in the Life Sciences Sector**

Job Family	Base Salary Increase
Health Economics and Outcome Research Specialist	6.1%
Product Manager	6.1%
Pharmacovigilance/Drug Safety Management	5.8%
Biostatistician Management	5.8%
Staffing/Employment Representative	5.0%
Pharmacovigilance/Drug Safety Specialist	4.5%
Biostatistician	4.4%
Clinical Data Management	4.4%
Clinical Trials Administrator	4.4%
Medical Information Specialist	4.3%

Source: Radford Global Life Sciences Survey

In the US, our [Hot Skills & Competency Survey](#) found that in a growing number of cases, life sciences companies aren't afraid to dish out significant base salary, bonus or equity award premiums for those skill sets. The top five jobs survey participants said they are paying a premium for medical doctors, therapeutics, oncology, immune-oncology and network management. We know from working with our UK life sciences clients that pay premiums for hot skills are likely not as large as they are in the US (where average base salary premiums for hot skills average around 15%), but many companies still consider spending extra to hire the specific skills they need that are hard to find among the local labor pool.

## Retention Strategies

We often advise our clients to invest in differentiating their pay programs to conserve cash and equity for the top performers they can't afford to lose. You can free up a considerable part of your merit budget by reducing the amount of merit increases for your "meets expectations" performers and by reducing the participation of those receiving a merit increase. Companies that award twice as much of a merit increase to top-rated performers compared to their average performers gave merit increases to 87.2% of their workforce, according to our research. And companies that award a merit increase that is three times higher to top performers vs. average

ones saw participation in the merit increase drop to 77.1%. In other words, higher increases for top performers relative to average performers mean lower merit increase participation across the entire organization.

There are also several non-monetary programs companies can embrace. We studied high-performing life sciences companies in Europe (see our article [Learning From Rewards Practices at High-Performing European Technology Companies](#) for more details) and uncovered a number of practices they use that come at little to no cost. These include, but are not limited to, the following initiatives:

- **Communicating to your employees about rewards in a holistic fashion.** Total rewards includes everything an employee gets from their employer that they find rewarding. Knowing what is most important to an employee should influence how you talk to them about total rewards.
- **Empowering your managers to be great career developers.** Any leader needs to be a coach as much as a manager. Make sure they have the tools needed to be effective in this area.
- **Using employees as recruiters for the organization.** While referral bonuses provide a nice incentive, employees that love where they work will naturally be passionate to share it with others. Make sure to equip them with a consistent way of talking about the company to potential employee prospects to create some cohesion around your brand and culture.

To speak with a member of our compensation consulting group about rewards strategies, please write to [consulting@radford.com](mailto:consulting@radford.com). To learn more about participating in a Radford survey, please [contact our team](#).

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## About Radford

Radford partners with technology and life sciences companies to reimagine their approach to rewards, empowering them to achieve superior levels of people and business performance. Radford is part of Aon plc (NYSE: AON). For more information, please visit [radford.aon.com](http://radford.aon.com).

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