

THE BATTLE FOR TALENT

How to win the battle for talent
in a competitive life science
labour market!

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THE LIFE SCIENCE INDUSTRY IS A GROWTH DRIVER IN THE DANISH ECONOMY, AND NO OTHER INDUSTRY HAS HAD SO MUCH MOMENTUM IN THE PAST TEN YEARS

LIFE SCIENCE ENSURES GROWTH AND PROSPERITY

The life science industry is a real strength of the Danish economy and a key contributor to growth and prosperity in the country.¹ Every day, the industry contributes to the world-class Danish healthcare system and delivers quality products to healthcare systems and patients worldwide.

Between 2010 and 2021, the life science industry's share of total Danish export of goods increased from 12% to 22%,² and even during the COVID-19 crisis, the life science industry reached a new record level.

At the same time, the number of employees in the sector increased by 23% between 2008 and 2021³, and each employee in the life science sector creates an annual value of DKK 1.9 million. Life science is thus a highly productive industry with higher productivity than the rest of the Danish economy.⁴



THE FUTURE IS BRIGHT

However, this growth adventure does not seem to be stopping any time soon.

If Denmark manages to maintain the export growth of the past ten years up until 2030, the potential is enormous. In this ambitious scenario, life science export would increase by almost 9% per year, reaching a level of around DKK 345 billion in 2030.⁶

This not only underlines Denmark's position of strength on the world stage, but also underlines that we in Denmark can make a living from health as a business.⁷

MASSIVE DEMAND CREATES LABOUR SHORTAGES

That said, such a growth scenario assumes that companies will continue to be able to recruit highly qualified employees, and a shortage of employees may thus become the main threat to the sector's continued growth.⁵

In an increasingly nuanced life science landscape, consisting of both large and small Danish and international companies, the demand for qualified employees has be-

come so massive that a large number of companies are currently experiencing major challenges in filling their vacancies. At the same time, this demand is also having an impact on candidate behaviour and many companies have been forced to think in new and innovative ways to meet their recruitment needs.

At Compass, we have been helping companies in the life science industry with executive search and recruitment of specialists and managers since 1982. In this white paper, we focus on the industry's key challenges from a recruitment perspective and present ten pointers on how companies can meet their recruitment needs in a highly competitive market.

Along the way, we review the industry and its players, highlighting the three main challenges companies face in recruitment and how these challenges can differentiate between the different types of companies in the industry. Furthermore, we review how several global megatrends are shaping the life science industry.

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THE LIFE SCIENCE INDUSTRY IN DENMARK

THE INNOVATIVE AND SUCCESSFUL COMPANIES IN MEDICON VALLEY

A LEADING LIFE SCIENCE CLUSTER

Time after time, Nordic companies have contributed advanced technologies and therapies to the global market, with many of these companies based in Medicon Valley.

Spanning the Øresund region from the Copenhagen metropolitan area to southern Sweden, Medicon Valley is uniquely placed in Europe and is one of the continent's leading life science clusters. On the Danish side of Øresund alone, the industry employs 58,000 people⁸, and around 6 out of 10 of

the life science companies in Denmark are located in the Capital Region.⁹ These companies, large and small, have a massive presence in the region, with activities across research and development, manufacturing, and sales and distribution.

The life science industry is supported by a critical mass of talent, as well as world-class universities and research centres. These factors – together with our life science heritage and entrepreneurial spirit – continue to attract international companies.

In order to draw a picture of the challenges that characterise recruitment in the sector, it is necessary to understand the many different actors that characterise the Danish life science landscape. Denmark – and the Nordic region in general – is home to a large number of successful companies that are part of the impressive growth we are seeing in the life sciences sector.

These companies are at different stages of development and offer a wide range of innovative products and solutions.

COMPASS
HUMAN RESOURCES GROUP

THE ECOSYSTEM OF THE INDUSTRY

The life sciences sector is made up of companies operating in all or part of the value chain – including the manufacture of pharmaceutical products, including pharmaceutical and biotechnology drugs, as well as medical products ranging from medical devices to MedTech.

The industry can be described as an ecosystem of companies involved in research, development, consultancy, manufacturing, and sales, as well as educational institutions, research centres, and healthcare operators.

Additionally, there are suppliers of raw materials, sub-components, machinery and equipment, as well as companies providing engineering, regulatory affairs, IT or other critical functions.

Several of the established companies in the sector also outsource research and/or production to a greater or lesser extent to Clinical Research Organisations (CROs) and Contract Manufacturing Organisations (CMOs).

The industry also includes trade associations such as the Pharmaceutical Industry Federation (LIF) and consultancies specialising in the life sciences, such as DLI Market Intelligence.

THE ESTABLISHED COMPANIES

When discussing the life science sector in Denmark, conversation frequently centers around the major, well-established firms – including Novo Nordisk, Lundbeck, LEO Pharma, ALK, Coloplast, and Ambu – that have come to symbolize and dominate the industry.

While these companies are among the largest in the country, the life science industry is more than these pharmaceutical and medico companies. For many of the companies a common characteristic is that they are based on research into genetics, proteins, cells, yeast, bacteria, plants, animals and humans, as well as new bio-based forms of manufacturing.

The ecosystem of life science companies thus includes large and well-known companies such as Carlsberg, Chr. Hansen, Arla Foods, Novozymes, GN Group and

Radiometer. The research carried out in these companies has contributed to a large number of scientific breakthroughs over the last 15-20 years, creating the basis for many new products and new ways of applying life science technology. It is crucial to the success seen in Denmark that companies allocate large sums to research and development.

Recent years have also seen massive investment in factories and production facilities. Both Danish and foreign companies want to grow their activities in Denmark. Novo Nordisk has built new facilities in Hillerød, Måløv and Kalundborg, while Fujifilm Diosynth Biotechnologies is in the midst of a major capacity expansion at its Hillerød site.



START-UPS AND ENTREPRENEURIAL COMPANIES

The Danish life science sector is also characterised by numerous start-ups and entrepreneurial companies. In fact, the majority of companies in the sector – both medico and medicinal – consist of smaller companies with nine employees or fewer.

Start-ups and entrepreneurs also include companies that have reached a certain level of maturity. Here, the dynamics seen in start-up and entrepreneurial companies live on in the company's DNA, while the company grows and becomes more commercialised, and the organisational set-up becomes more complex.

Examples of this can be seen in companies such as Genmab, Zealand Pharma, Y-mAbs, Bavarian Nordic,

Ascendis Pharma, and others. A characteristic of the talent pool in the life science sector is that, compared to the rest of the Danish business community, there is a significantly higher representation of employees with extensive higher education or a PhD. The sector is knowledge-intensive, and skills in STEM (Science, Technology, Engineering and Mathematics) fields are particularly in demand.

However, the sector employs both unskilled and skilled employees, a large proportion of whom have technical or administrative qualifications.

NORDIC HEADQUARTERS AND SUBSIDIARIES

The ecosystem of life science companies also includes Nordic headquarters of large global companies, including Pfizer, MSD, Medtronic, Smith+Nephew, Convatec, Boston Scientific and GSK, among others.

Many of these companies have located their Nordic headquarters in Denmark and benefit from the highly competent workforce available in the country. With their established sales companies and production sites, they are all in a strong position to cover the Nordic market.

The presence of both companies with global headquarters in Denmark, as well as the many foreign companies with sales companies in the country, provides dynamism and good opportunities for employees in the sector to step into positions at national, regional, and global level within a relatively small geographical area.

For employers, this has both advantages and disadvantages in a recruitment context. On the one hand, this dynamism allows companies to benefit from the collective experience of the industry as a whole, while on the other hand it contributes to competition for the very best minds.

As demonstrated, the companies in the Danish life science sector range widely in business focus and organisation, but regardless of the type of company we focus on, there is a clear common denominator: growth! However, this growth is dependent on companies having the right people on board, and recruitment is therefore one of the most important areas for companies' continued success. The following section presents the three main recruitment challenges facing the sector, and how these challenges can play out differently depending on the specific situation that companies face.

KEY CHALLENGES FACING THE LIFE SCIENCES INDUSTRY

MAIN CHALLENGE 1 - COMPETITIVE RECRUITMENT ENVIRONMENT

COMPANIES OPERATE IN A COMPETITIVE RECRUITMENT ENVIRONMENT, BOTH IN TERMS OF ATTRACTING CANDIDATES AND RETAINING STAFF.

The fact that life science is a growing industry is particularly evident in the demand for qualified labour. Several companies are already reporting challenges in meeting their recruitment needs, putting companies in the sector in fierce competition with each other.

However, recruitment challenges and needs vary widely between start-ups, subsidiaries and larger established companies.

RISK, INFLUENCE AND INNOVATION AS CHARACTERISTICS OF START-UPS IN THE LIFE SCIENCE INDUSTRY

Start-ups will often demand fewer but more experienced specialists, who can embrace breadth and depth and address a range of both strategic and operational tasks. However, the smaller players in the market must punch above their weight in competition with the larger established companies, which attract many experienced employees and talents.

NEED FOR SPECIALIST KNOWLEDGE AND EXPERIENCE

Start-ups face several recruitment challenges when it comes to attracting and recruiting employees.

Among other things, start-ups may find it difficult to match the salaries of experienced employees from established companies due to funding constraints.

Additionally, an overall recruitment challenge can prove to be that a start-up may not yet have a well-known corporate brand in the market, despite their potentially ground-breaking research and well-established funding.

Unlike large established companies, start-ups also do not have the same opportunity to address their recruitment needs by hiring less experienced staff who can 'grow up' in the organisation and form a pipeline of talent.

The need for specialist knowledge is here and now, and there are often no resources or time for longer-term training, nor for building the competencies and skills of relatively newly qualified staff.





BROAD RESPONSIBILITIES ATTRACT CANDIDATES

However, start-ups also have a number of attractive qualities that larger, established companies struggle to match. In particular, these newer players will often be able to offer candidates a broader range of responsibilities, which for many experienced candidates will be attractive.

At Compass, we have repeatedly seen examples of start-up companies that are able to attract experienced management profiles. These profiles are willing to swap positions of responsibility in well-established companies for what is, in principle, a 'smaller' position in a start-up.

Here, candidates are chasing adventure and the potential for great rewards, both professionally and

financially, should the company succeed in launching a ground-breaking product or service in the long run.

Start-ups are also typically less locked into rigid procedures and processes, as can be the case in larger, established companies. As a result, employees will find they have a greater degree of freedom, agility and flexibility in these entrepreneurial companies, and the distance to decision-makers will often be shorter, the influence greater and the value of their work clearer.

However, as great as the rewards may be in terms of warrants, equity and options, there can be just as much uncertainty associated with start-ups, and so risk and reward will go hand in hand in these instances.



ESTABLISHED COMPANIES MUST COMPETE MORE INTENSIVELY FOR QUALIFIED LABOUR

In an increasingly competitive market also established companies find it much more difficult to fill empty seats. Unfilled vacancies, a decline in the number of applicants and a rise in 'time to hire' affect all companies.

It is no longer enough to have a well-known company brand. Even established companies must think outside the box to meet their recruitment needs.

ROUTINE AND NARROW JOB FUNCTIONS CAN RESULT IN A QUICKER EXIT THAN EXPECTED

Unlike start-ups, established companies have the advantage of being able to offer their employees plenty of development opportunities, which can be a major motivating factor for many candidates.

At the same time, it can help the company retain its employees for a longer period of time, as they will be able to develop and seek new challenges with their current employer.

For the candidate, it can often be easier to move between functional areas or to get their first management job by moving internally within a company rather than seeking a management position in a competitor where they have neither seniority nor a proven track record.

In established companies, however, candidates may face the challenge that positions are more specialised and therefore in some cases narrower in responsibility and more routine. At Compass, we find that strategic and project-oriented tasks are separated from operational ones, which dilutes certain positions and makes them less attractive to experienced staff.

This can make it harder for a company to retain staff who are looking for new directions when it comes to finding their next job. As a result, some employees will be lured to smaller companies or start-ups because responsibilities are broader, decision-making paths shorter and work tasks more varied.

1:1 RECRUITMENT CHALLENGES COMPENSATION PACKAGES

The most sought-after candidates are typically not actively looking for work and are already in jobs they are quite happy with.

As a result, they will often expect a pay rise if they are to consider new job opportunities, adding to salary pressure in the market. For the established company, this can be a challenge, as fixed salary bands are more common. In addition, the company will also have a larger pool of existing employees to consider.

For most companies, it would be unlikely to pay employees in the same function significantly different salary packages. At Compass, we see a trend that the more the position being recruited for resembles the candidate's current job, the more critical the salary package becomes in the candidate's decision-making process.

As a result, established companies may find it more difficult to recruit on a 1:1 basis because there will be a pay gap between what the company is able to offer and what the candidate will expect.

RECRUITMENT OF CORPORATE FUNCTIONS

A constant across established companies is the need for competent employees throughout the value chain and across corporate functions such as Finance, IT, Procurement and HR.

From a recruitment perspective, competition for these hires is not only with other companies within the life sciences sector, but also across all other industries.

This creates a number of opportunities as the talent pool is much larger, but also a number of clear challenges due to the increased competition for employees across industries.

However, the life sciences sector may have an advantage in that its vocational purpose, to improve and save lives, proves to be appealing to many candidates.



THE INTERACTION BETWEEN LOCAL AND GLOBAL CREATES BOTH OPPORTUNITIES AND CONSTRAINTS FOR SUBSIDIARIES

Commercial activities such as market access, sales, distribution and marketing are in focus when we focus on Nordic headquarters and subsidiaries in life science. In these companies, there is a high degree of interaction between local, regional and global specialists to secure marketing authorisations and access to the Nordic markets. It is precisely the balance between the local and the global that can both increase and decrease the attractiveness of individual positions.

FOCUS ON THE OPERATIONAL AND EXECUTIONAL

In the Nordic headquarters and subsidiaries of international companies, overall strategies and guidelines will often be defined by the global headquarters.

In some companies, this may have the consequence that regional and local positions become more operational and executional.

Depending on candidates' motivations, this may alter the attractiveness of a position. Such roles will prove less appealing for candidates who wish to be close to strategic decisions and may therefore overlook the many exciting challenges – including those of a strategic nature and 'impact' – that exist in subsidiaries.

For other candidates, being close to the local market and interacting with different stakeholders, from customers, to patients, to experts, is a strong motivation.

In many roles, employees act as a valuable link between the local and the global, playing a crucial role in aligning marketing and communications, as well as providing feedback from local markets to headquarters and R&D departments.

Despite positions being more operationally anchored, subsidiaries may offer broader responsibilities where multiple functions may be merged into the same position. Subsidiaries also have the advantage of representing strong global brands and well-established portfolios.

SPECIALIST SKILLS ARE ESSENTIAL

As the Nordic markets are relatively small compared to other European markets, and the supply of qualified labour therefore also smaller, this may pose recruitment challenges for certain specialist positions; a position that an international company can recruit for in large markets such as France or Germany may prove difficult to recruit for in the Nordic region.

This is due both to differences in organisational set-up between subsidiaries, as well as differences in responsibilities between roles in individual companies. Consequently, at Compass we sometimes see examples of positions where there is a discrepancy between the experience an international company wants a local candidate to have and the experience candidates in the

region can be expected to have. When recruiting new staff in subsidiaries, it is therefore sometimes necessary to adapt the specifications to the local market.

In addition, the Nordic region is often seen as a homogeneous cluster – especially when headquarters are located outside the Nordic countries. This can be a recruitment challenge, as the Nordic region is effectively four different countries, each with its own language, culture and regulations to comply with, which will also be reflected in candidates' skill sets. Also, for this reason, companies must carefully consider which competences are essential to succeed in the position.

DIGITAL SALES PROFILES GAIN GROUND

At Compass, we see that companies across the life science industry are demanding more digital sales profiles, and that the classic Key Account Manager role is under pressure.

This is especially true at subsidiaries, which have a strong focus on commercial roles. To date, a good customer relationship has leant heavily on a more classic face-to-face approach to sales, but in the future, companies should expect a mix of classic and digital sales candidate profiles.

Recruitment-wise, it will therefore be a challenge to locate these digital profiles in an industry that has not been a first-mover in the implementation of new technology due to the regulatory environment. Where do you look for these candidates when all competitors are asking for the same thing and there are few qualified people in the industry?

One option is to think outside the box and look to industries that are already familiar with the digitalisation of sales, such as the fast-moving consumer goods industry.¹⁰

MAIN CHALLENGE 2 - A CHANGING CANDIDATE MARKET

THE CANDIDATE MARKET HAS BECOME MORE DYNAMIC AND THE HIGH DEMAND FOR QUALIFIED LABOUR IS CHANGING THE TRANSACTIONAL RELATIONSHIP BETWEEN COMPANY AND EMPLOYEE.

Competition for qualified labour creates an employee's labour market – especially for highly educated candidates. This means that the transactional relationship between company and employee has become more reciprocal and candidates can make new and different demands on their future employer. At the same time, candidate behaviour has become much more dynamic as younger generations have entered the labour market, and we are seeing a move towards more individualised candidate behaviour in recent years.

FLEXIBLE WORKING HAS BECOME A HYGIENE FACTOR

The major changes we have seen as a result of the COVID-19 crisis have led employees to reassess their lives and priorities, including their relationship with work and their employer.

In recent years, many employees have found that a flexible working life allows for a better work-life balance, and we have all become savvier and more comfortable with working digitally.

Therefore, we also see an increasing demand and expectation for a future workplace to be able to accommodate the desire to work from home a few days a week.

Flexible working has become a hygiene factor¹¹, and a lack of willingness or ability to offer employees a flexible working life thus creates a barrier in the recruitment process and minimises the attractiveness of both the company and the individual position for which it is trying to recruit.

INDIVIDUALISATION OF CAREERS

Furthermore, it has recently been observed that employee loyalty is no longer linked to the individual company, but rather to the individual career itself. In the current situation, as an aforementioned employee's labour market, this affects candidate behaviour as candidates become more selective.

The purpose of the job interview is now as much about candidates finding out what companies can offer them as it is about companies looking at candidates and their

skills. Candidates are increasingly weighing up multiple job opportunities and making a decision based on which position and company best fits their individual life aspirations. In addition, at Compass we find that candidates are more concerned with what the company can offer them in terms of continuous development and recognition in the workplace, and are therefore more likely to buy into a development track rather than just the individual position



GENERATIONAL CHANGE IN THE LABOUR MARKET

The ageing population means that there has been a shift in the dominant generations in the labour market. With the retirement of the baby boomer generation,¹² the millennial generation¹³ accounts for an increasing share of the workforce, and we are thus seeing new and more dynamic behaviour on the labour market.

The millennial generation is much more likely to seek new job opportunities elsewhere and is said to act as consumers in the labour market, constantly weighing up which option best suits their needs and aspirations.

Work must be value-adding, and companies are increasingly expected to take a stand on the world and society in which they operate.

Therefore, we are seeing the sustainability agenda take on increasing importance in recent years, including in recruitment. As a company, it is crucial to be aware of the new trends in candidate behaviour, so that younger candidates are not misunderstood as being 'spoilt' and 'demanding' in the recruitment process, because they make greater and more varied demands compared to past generations and are driven by individual motivational factors.

Consequently, to successfully recruit in today's labour market, the recruiter must be prepared for a more balanced dependency relationship between candidate and company.

MAIN CHALLENGE 3 - ORGANISATIONAL BARRIERS CAN CHALLENGE THE RECRUITMENT PROCESS

TOO MANY ORGANISATIONAL BARRIERS CAN HAMPER RECRUITMENT IN A COMPETITIVE LABOUR MARKET.

At Compass, we see that the labour market has changed at such a pace that many companies have struggled to keep up. In a market with a wealth of exciting job opportunities to choose from, too many organisational barriers can unnecessarily hamper the recruitment process.

There is a need to be much more agile and flexible, which helps to challenge traditional notions of how recruitment should work. At the same time, increased competition means that companies need to think carefully about the requirements of future employees and the new expectations that candidates have of their future workplace.

AGILITY AND FLEXIBILITY IN THE RECRUITMENT PROCESS

We often see candidates 'lost' in the recruitment process because the process takes too long compared to the pace of the market.

There are simply too many steps in the recruitment process and each step takes time. The 'best practice' recruitment process often involves multiple interviews with relevant candidates, personality and cognitive testing, case studies, reference gathering, and coordination between multiple parties throughout the process from candidates to hiring manager, HR, 'grandfather/mother' and in some cases even 'great-grandfather/mother'.

The whole process takes time and there is also a general perception that the hiring company must have a field of relevant candidates to choose from. This may mean that competent and motivated candidates are made to wait, either until there is a sufficient field of

candidates, or simply because all steps in the process take time. In the meantime, the candidate may have entered other recruitment processes or even been offered a contract elsewhere. In a fast-moving labour market where competition for qualified labour is fierce, companies need to be able to react when they have a good candidate in play.

Therefore, companies must also accept that in some cases they will have to bite the bullet and run a more agile and flexible recruitment process than what they may have done in the past.

The traditional notion of a recruitment process consisting of a field of four or five candidates to benchmark against each other has thus become a challenge in today's higher-paced market.

INTERNATIONAL RECRUITMENT CHALLENGES MOBILITY

Similarly, an unwillingness or resistance to allow employees to work remotely can limit a company's ambition and foresight to recruit internationally.

The hybrid workplace we have seen during and after the COVID-19 crisis has opened up the possibility of recruiting with a wider geographical remit as companies seek to fill their empty seats.

However, it is worth noting the huge demands this can place on the business, both in terms of ensuring managers are properly equipped to lead a more remote team without the same physical presence, as well as the demands on the whole mobility area. The company

must be clear about what it can offer its international employees. Factors such as relocation packages and contractual conditions can be crucial for the success of an international recruitment. At the same time, having local managers who are not properly equipped to lead a hybrid team, or even have an outright resistance to it, can become a barrier.

As a company, you therefore need to align your strategy all the way down to the individual parts of the organisation, as it is precisely here – locally – that we at Compass see many of the barriers in the recruitment process taking place.

COMPROMISE ON THE LONG 'WISH LIST'

Another challenge we often face at Compass is when there is a discrepancy between what is expected of a candidate and what is available in the market.

With so much competition, it is no longer viable to set out a long 'wish list' of skills, experience and salary

levels that the candidate must bring without a willingness to compromise. If the hiring manager has not given critical thought to which competencies are 'need to have' and which are 'nice to have', there is a risk of only looking for a 'pipe-dream' candidate.



GLOBAL TRENDS AFFECTING THE LIFE SCIENCE INDUSTRY

Simultaneously, the life sciences sector is influenced by a number of global megatrends that impact both the operational landscape and market dynamics. Noteworthy examples include the swift advancement of technology and digitalisation, intricate supply chains, and the escalation of regulatory demands. These trends pose challenges and significantly shape the operations of life science companies.

GLOBAL DIGITALISATION

Currently, digitalisation and the adoption of cutting-edge technologies, such as artificial intelligence and machine learning, are revolutionising numerous sectors, including life sciences.

Implementing new technologies usually requires a solid data foundation, and today many companies are facing the reality of more and more data. In addition to the increasing quantity of data, the data's complexity is also increasing with a multitude of sources and types.

In general, data has become a huge asset that can provide valuable insights into consumer and patient behaviour, create new channels of communication between manufacturers and patients or between sales specialists and experts, and can streamline processes across the value chain. This creates an increased demand for digital talent and candidates who can help integrate data and new technology into processes and products to drive growth and innovation.

Similarly, the volume and complexity of data places demands on governance and cybersecurity, which in turn become in-demand skills and experience that companies require from candidates.

In response to technological developments, many companies have taken an important step towards outsourcing IT operations and systems to consultancies and strategic partners, as well as adopting newer global ERP systems and cloud-based solutions.

Digitising processes, for example in clinical trials or sales, and implementing integrated platforms across the value chain, helps to support companies' 'purpose' and overall strategy, as well as improving processes and ultimately creating value for both shareholders and patients.



COMPLEXITY IN SUPPLY CHAINS

Another trend that greatly affects life science companies is the conditions of their supply chain. For several companies, the final product consists of many different sub-elements, ingredients, substances and/or components.

The individual parts are often produced in different parts of the world and need to be transported to the same location and assembled into the final product. This places great demands on the planning of production at each site.

In recent years, the global supply chain has faced significant disruptions due to COVID-19-related shutdowns and Russia's invasion of Ukraine. Medical companies, in particular, have been acutely affected due to their heightened dependence on components manufactured worldwide.

Many companies are now having to contend with increased lead times and rising costs caused by shortages of raw materials. Additionally, rising inflation means that hearing aid manufacturers, including Demant and GN Hearing, are suffering from declining sales, as these products are largely paid for by the end user, unlike many other products within parts of the life science industry.¹⁴ Indeed, there is a trend towards expanding

near sourcing to reduce supply chain risks and place production close to end users and where products are to be sold.

The complexity of the supply chain places great demands on those involved in developing strategy in this area as well as those involved in operational planning. In addition, there is an important link to the IT department, as supply chain systems today can quickly and easily incorporate collected market data into future needs.

The interconnectedness of the systems and the use of Internet of Things (IoT), as well as artificial intelligence, help to quickly incorporate changing demands into production and production planning.

These technical developments and the complexity of companies' supply chains place new and increased demands on employees and, consequently, on the recruitment of new personnel. Digital skills, good stakeholder management skills, as well as analytical skills and the ability to understand complex issues are in high demand when looking at recruitment across the industry.

COMPLIANCE AND LEGISLATION

The life sciences industry is one of the most regulated, with health authorities around the world imposing requirements and continuously monitoring industry players to ensure quality and patient safety.

For individual companies, non-compliance with either marketing authorisations or manufacturing licences can have far-reaching consequences. Failure to satisfactorily demonstrate that products, processes and systems are compliant can have significant consequences for individual companies.

In recent years, life science companies are experiencing a gradual tightening of regulatory requirements and legislation on documentation, product safety and control. The recently implemented Medical Device Regulation (MDR), which replaces the existing EU Medical

Device Directive, and thus includes rules and requirements for medico, has created a massive demand for Quality Assurance and Regulatory Affairs specialists. This is due to the increased requirements of the new legislation, which has an impact on both new and already marketed products.

Documentation, products and processes need to be upgraded and improved to meet the new requirements and standards, and this requires the recruitment of more quality experts. As many companies have faced exactly the same situation, there has been exceptionally high competition between companies in attracting and retaining these employees, and we see that many candidates have changed jobs from one medical company to another within a few years of each other.



HOW TO MEET YOUR RECRUITMENT CHALLENGES

Here, we have reviewed a number of recruitment challenges that the life science industry currently faces. But what concrete actions and solutions can be worked on to address some of the challenges we have outlined? In the following, we offer our take on how to succeed in a competitive recruitment environment.

POINT #1: ELEVATE RECRUITMENT FROM AN OPERATIONAL TO A STRATEGIC FOCUS

Recruitment must be elevated from being primarily an operational task to having a strategic focus for companies. A reactive recruitment strategy, where companies only act when recruitment needs arise, is no longer viable in a competitive labour market.

Instead, to avoid long periods with empty seats, it is necessary to be proactive and forward-looking about the need for employees – especially in business-critical functions. Companies should therefore work to anticipate future needs before they arise and develop strategies to meet those needs. In this context, HR Analytics becomes an interesting tool as it can assist companies in precisely mapping long-term recruitment and skills needs.

POINT #2: DEVELOP A RECRUITMENT STRATEGY THAT MATCHES THE CHALLENGES OF THE INDIVIDUAL COMPANY

In line with the point above, it is essential to establish that a successful recruitment strategy is not a 'one size fits all' model. On the contrary – there are vast differences in business focus, organisation and size of companies in the life sciences sector and where they are in their development process.

This can have an impact on the competencies needed and companies need to adapt their processes to the context and challenges they face. Understanding exactly what competencies are needed is anticipated to become an even more important task – not only now, but also in the future. Following from this, the ability to adapt the recruitment process, employer branding strategy, team structure and conditions offered to employees accordingly will also be crucial, in order to accurately reflect the talents that are vital for the company's success and that can thus differentiate it from its competitors.

POINT #3: PREPARE YOUR ORGANISATION FOR SUCCESS!

A key issue for companies will then be the ability to operationalise their recruitment strategy within the organisation.

The changing candidate market creates a need for a new mindset and approach to how the process should work, where candidates should be found and how the conversation between candidate and company should take place. To address the complexity of recruitment today, it is worth considering whether there could be a real benefit in HR/recruitment taking a greater role in the process, for example sitting in on the first interview rather than the second.

Similarly, companies might consider investing in continuous training and education of hiring managers on how to act competitively in today's complex candidate market. Whatever solution makes sense for each company, it is vitally important that there is no disconnect between what is happening at the strategic and operational levels of the organisation.

POINT #4: UNDERSTAND DIFFERENT MOTIVATIONAL DRIVERS

As a company, you need to get to grips with the motivational drivers of candidates and understand the talent pool – from the boomer generation to millennials and the more recent Gen Z.

Find out what is at stake for candidates and what motivates them – is it salary, ‘purpose’, development opportunities, flexibility, work-life balance and so on? Depending on where the candidate is in life, different conditions can have a decisive impact on well-being, job satisfaction and motivation; there can be significant differences in the motivational drivers for the recent graduate, the parent of young children and the highly experienced candidate.

By focusing on motivation in the job interview, companies can gain valuable insight for a later negotiation situation with the candidate, as they have a much better opportunity to negotiate broadly on working conditions that matter to the candidate, and not just salary.

POINT #5: THINK BROADER IN TERMS OF JOB DEVELOPMENT

Many companies work with different job development options. Typically, it centres on career development and can, for example, take the form of either a management or specialist pathway.

But it is too one-sided to only think in terms of career development. As a company, you have employees with many different life circumstances and therefore varying needs. It is often the case that employees seek new paths when life circumstances change – it could be returning from maternity/paternity leave and wanting a balance between family and work life; it could be following a divorce and needing flexibility every other week to be with your children; it could be wanting to be a specialist again after many years as a manager, or something completely different.

As a company, you could create the opportunity to offer something different to your employees, so that changing life conditions do not necessitate a change in employment.

POINT #6: INDIVIDUALISE WORKING CONDITIONS

Following the point above, as a company you need to look at your working conditions. Many companies have standardised pay and employment conditions, for example setting pay levels based on national and international pay bands, which are difficult to compare across countries and dynamic candidate markets.

These wage bands are de facto obsolete as they are based on backward-looking data and therefore do not correspond to the concrete situation as seen in the market right now. The trend calls for flexibility and individualisation of what a company offers its employees.

We would call for a sustainable approach that addresses all aspects of working life, from individual compensation packages to flexibility in working hours and location. In other words, create working conditions that allow people to compete on more than just pay.

One could imagine anything from a 4-day work week, to part-time or flexible working hours across day and evening hours, to virtual employment independent of physical presence.

POINT #7: PRIORITISE THE EMPLOYER BRANDING STRATEGY

In a competitive candidate market, all companies - large and small - need to be conscious of employer branding and have a clear strategy for attracting qualified labour. As a company, you need to market your brand as an attractive place to work and advertise what you have to offer to different talent pools, from recent graduates to specialists and managers.

You must play to your strengths and be aware of your attractions - even down to individual positions. What is it that makes a position particularly attractive compared to similar positions offered by competitors? What is the situation of the company and the department and what are the challenges you will have to deal with? What kind of people will you be working with and how is the culture in the company?

You need to think creatively in your descriptions and really capture the essence, so that it is not just 'buzz words' and the same descriptions that candidates come across from other companies.

POINT #8: SEEK TALENT FOR PERSONAL SKILLS RATHER THAN PROFESSIONAL

Rather than exclusively seeking candidates who fulfil all professional qualifications, broadening the talent search to prioritise personal competencies can be advantageous. Identifying candidates who are professionally competent and possess the appropriate personal skills may take considerably more time than training capable individuals from other sectors in the required professional or sector-specific skills.

Of course, there may be situations and positions that require a specific set of skills, but we would venture to say that candidates with the right personal skills, intelligence and drive can offer huge potential for a company. They can bring insights and experience from other industries or functional areas and are likely to be far more motivated to succeed in the job than the candidate who matches the skills 100 percent, or is even overqualified and has only taken the job for a pay rise.

Furthermore, there is also great potential in young talent, and companies may therefore benefit from considering a regular flow of junior staff to shape and develop. It will also bring a whole new dynamic and diversity to the team in addition to taking responsibility as a company to contributing to the industry ecosystem by training and developing new talent.

POINT #9: SEARCH FOR TALENT INTERNATIONALLY

There is great potential in looking for talent outside of Denmark, especially when you are looking for highly specialised labour. By looking internationally, you open a significantly larger pool of qualified candidates. Moreover, it will make it easier to recruit outside the country if the company can accept that talent can work in the same team even if they are based abroad.

This trend is increasing rapidly, with the support of growing digitalisation. When attracting talent to Denmark, be aware that foreign candidates expect you as a company to offer mobility assistance, to some extent. This could be anything from financial support for relocation, to advice on tax issues or help with finding accommodation. It is therefore a good idea to set up a mobility scheme so that you are prepared for what you can and will offer foreign candidates, so that it does not become an unnecessary challenge in a recruitment process.



POINT #10: SEEK ADVICE TO ACCESS CANDIDATES!

If a company does not have the resources to handle the recruitment process itself or does not have access to the right candidates, it should seek advice from a qualified sparring partner. Recruiters specialising in the company's particular sector – for instance in life sciences – know exactly what the candidate market looks like, what general trends exist and where candidates can be attracted from.

Through a well-developed network and a deep understanding of the industry, recruiters can significantly streamline the recruitment process, increasing the likelihood of attracting the very best and most suitable candidates.

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Compass Human Resources Group helps companies with executive search and specialist recruitment. Our strategy is to find the right person who matches the company's visionary potential and business strategic approach.

We are dedicated to facilitating an effective recruitment process and we are aware of the responsibility we are assigned. We understand our clients' requirements and expectations, and the goal is always to exceed expectations and to succeed through mutual trust and a joint effort.

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