

# Future Forward Trends for Overcoming the Talent Shortage in Clinical Research While Diminishing Risk

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## Introduction

It is no secret that the clinical research industry is faced with a talent access problem with more roles to fill than qualified people to fill them. More than 70% of life sciences CEOs say they are worried about key skill shortages, and more than two-thirds report having difficulty recruiting talent with the skills they need. Contributing to the talent shortage are not only increased pipelines and rising competition but also the realization that existing talent sometimes lacks the experience and skill set required to maintain necessary quality and compliance standards. Through all this, the cost of recruiting is high, and the time to fill key positions can cause project delays, slow trial ramp-up and closeout processes adding significant internal costs.

### Current Trends With Talent in the Clinical Research Industry

Challenges include the need to find leaders, the fact that clinical research is a talent and candidate market, navigating changes in labor laws, deciding whether to insource or outsource, and using innovative technology and talent strategies to get work done.

An FSP provides the Sponsor with virtually the same experience as having their own employees, without the cost, risk and ramp-up of recruiting these experts themselves. The FSP model brings additional value-add through systems, tools, and strategic guidance.



### Supply and Demand

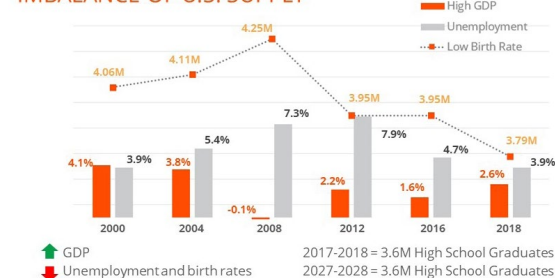
Demand for talent remains high, with the American Staffing Association figures indicating that:

- > 83% of HR professionals say they have had difficulty recruiting suitable job candidates in the past 12 months and that the skills shortage has worsened in the past two years
- > 92% of business leaders think Americans are not as skilled as they need to be
- > 87% of recent graduates feel prepared for their job, yet only 50% of hiring managers agree with this
- > 75% of CEOs and top teams perceive their talent pools to be inadequate for success and report key skill shortages
- > 65% of life sciences companies report that they have trouble hiring some of the skills needed to fill open positions

As of early May 2020, Boston had more than 9,800 open jobs in the pharmaceuticals, biotech, and medical device sectors, and San Francisco had more than 9,700 open jobs in these sectors. Advertised positions spanned the clinical, quality, and validation landscape. This reflects an imbalance in the employment market in the United States (Figure 1).

Figure 1: Imbalance in the U.S. employment market<sup>1</sup>

### IMBALANCE OF U.S. SUPPLY



Source: SHRM "Staffing Professionals: America Needs You More Than Ever" presentation © 2019

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Against this backdrop, companies should be aware that talent expects to know "what's in it for me," that corporate reputation matters, and that perceptions of management are critical including the need to be inclusive, environmentally friendly, have strong corporate social responsibility programs (including philanthropy), and be seen to be making a difference.





## The Employee Value Proposition

As a result of the shift in the employee value proposition in this candidates' market, the cost of employment is high, including the need for signing bonuses and benefits such as stock options, which are sometimes requested even after formal job offers have been accepted. The existing workforce includes many Baby Boomers with strong skill sets, but this population is approaching retirement. Those who remain in the workforce may be concerned about the impacts of artificial intelligence, automation and offshoring of jobs. The new talent entering the workforce is typically highly educated but lacking in experience, making corporate training and development programs a key success factor. Clear career paths and recognition programs are also important to early-career professionals, along with a diverse workforce and flexible work environments, particularly in the post-COVID-19 world.

## Changing Regulations

There have been major changes in regulations about how employers deal with their contingent and permanent workforces, and all businesses need to take these into account. Mitigation strategies include having tenure rules, so that contingent workers stay onsite for a limited time. The consequences of misclassification raise complex issues, including joint liability, financial impact, and reputation effects.

For example, on September 18, 2019, California passed the AB 5 bill, also known as the “gig worker” bill or ABC Test. The bill affects independent contractors, including those in clinical research, and determines whether someone is an employee based on factors including whether the company directs the hours they work, or whether they are involved in the core business. Around 20 states already have a version of the ABC Test in effect, and Congress has considered federalizing the “Protecting the Right to Organize Act.”

## Talent Shortage in Clinical Research: Predictions

The resourcing/outsourcing curve follows a five-to-seven-year cycle (Figure 2). Decision-making is driven by risk, level of control, need for flexibility and scalability, cost implications, impacts of innovation and customization, and the need to ensure quality and compliance. In clinical research, this cycle is driven by big pharma, cascading to CROs, yet regardless of the phase of the cycle, talent is needed.

Figure 2: Understanding the need for talent



## Talent Shortage in Clinical Research: Complexities

In clinical research, therapeutic pipelines continue to grow, and drug approval rates by the U.S. Food and Drug Administration remain high. Studies are increasing in complexity, including adaptive features and more flexible timelines. As a result, access to talent needs to ebb and flow more than ever before. Hiring requires coordination among multiple groups, leading to added costs. In the short term, internal employees can cover gaps in capacity, but risk losing focus on their primary responsibilities and core competencies. Outsourcing can lead to loss of Sponsor control. The key challenge is finding qualified and talented people at the right time.

As they work to adjust to changing needs, Sponsors are looking to:

- > Balance risk and control with project execution
- > Maintain agility with a scalable solution
- > Incorporate consistent standards and innovation with reasonable costs
- > Keep study delivery on time, with high quality
- > Find long-term solutions with high levels of retention, meaning that accumulated knowledge remains available beyond the short term.



## How to Get Ahead

Companies wishing to get ahead in these challenging conditions should take several steps:

- > Examine how talent is identified and evaluated, including the tools and assessments that go beyond a resume
- > Consider apprenticeships as a way to meet training and development needs
- > Select models that retain agility, enabling companies to focus on core competencies and build out additional skill sets where needed
- > Keep the beneficial changes that have resulted from the COVID-19 pandemic, including remote working and flexibility
- > Think long term, considering corporate goals in the coming years, rather than taking a transactional approach
- > Be aware of the impact of recruitment automation which can speed up the process, but without accompanying training and career development, can lead to high turnover.

## Innovative Talent Engagement Programs

Innovative talent engagement programs work across all roles but are particularly needed for clinical research associates (CRAs), who are the lifeblood of clinical research. Overall CRA turnover has been at 20% or more for seven of the past 10 years, leading to loss of information and delays to trials. This turnover also affects relationships with sites and patients and can interfere with data collection. The CRA role is demanding and is hard to fill and retain. Engagement and training can help here.

For example, at Advanced Clinical we focus on CRA engagement and have taken our annual turnover down to 5%. We understand and appreciate the CRAs' role; respect their time by not passing on any burden due to turnover or performance issues; respect their finances by offering easy, automated expense reporting and reimbursement, and allowing the use of personal credit cards; stay connected, including building strong relationships and watching out for indicators to mitigate burnout risk; and keep the job interesting, with cross-functional training including new science and technology, rewarding career paths, and long-term incentives.

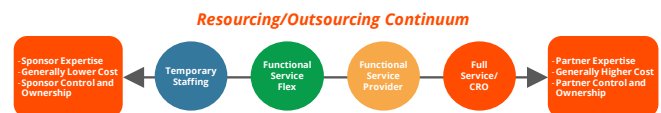
We also add to the talent pool through Advanced Clinical University, where we partnered with the Association of Clinical Research Professionals and others to create a relevant curriculum and establish accreditations. We employ subject matter experts as instructors, and customize the curriculum for each group, depending on backgrounds and interests. Proven benefits of this approach include improved employee retention, attraction of high-quality talent, and the ability to offer additional professional certification, current training content, and support for career development.

## Future Forward Trends for Overcoming the Talent Shortage in Clinical Research While Diminishing Risk

### Choosing a Resourcing/Outsourcing Model

A focused approach can help address talent needs across the resourcing/outsourcing continuum (Figure 3). Decisions depend on corporate goals over the medium- to long-term and are based on the importance of factors including the cost and importance of quickly filling expertise gaps. These may vary by job function, task, program or region. For example, an immediate need for a CRA may be answered with temporary staffing, while Data Management needs may be best met via a functional service provider (FSP). Hybrid or new models may also have a role.

Figure 3: A focused approach to addressing talent needs



Customized models can offer a balanced solution depending on specific Sponsor needs and goals (Figure 4). These can include a mix of internal hires, temporary staffing, functional service flex, FSP or full-service CRO.





Figure 4: Customized options for a balanced solution

## CUSTOMIZE TO SOLVE AND BALANCE THE SOLUTION

Resourcing/Outsourcing Models customized to the Sponsors' need					
Burden of resourcing/outsourcing models on Sponsor and Personnel	Internal Hire	Temporary Staffing	Functional Service Flex	Functional Service Provider/ CRO	
Work with HR and Hiring Manager to define need and scope for role(s)	Sponsor	Partner	Partner	Partner	
Talent acquisition, Recruitment team, Interview(s), Background checks, Offer letter					
HR and finance support to provide benefits, payroll, pay taxes					
Onboarding of staff including procurement of equipment and IT setup					
Training of staff (policies, administrative SOPs)					
Employee and performance management		Sponsor	Mix Sponsor/ Partner	Partner	
Employee retention, recognition, career development					
Training of staff (project-specific, process-specific)					
Resourcing and workload management					
Providing direction of work					
Oversight and quality check of work			Sponsor		
Internal initiatives, process improvement					
Vendor assessments, evaluations, and management					
Managers ability to do their day job			Sponsor		

### Multiple Options to Consider

This flexible approach recognizes that there is no “one-size-fits-all” solution, offering multiple options for Sponsors, such as:

1. Permanent staffing, temporary staffing, payrolling, preferred provider CRO
2. Permanent staffing, temporary staffing, onsite support to relieve burden
3. FSP domestically and internally, permanent staffing
4. Full-service CRO in region, FSP in a function
5. FSP in a function, bundling of tasks in other functional areas
6. Supplementing Sponsor team per function, FSP in other function
7. Utilizing Sponsor and FSP team in a new solution

Regardless of the solution chosen, Sponsors maintain governance, benefit from functional delivery and access to talent, and continue to make data-driven decisions based on KPIs and other metrics.

## Conclusion

Steps for Sponsors wishing to address talent shortages include:

- > **Carry out an internal assessment** to develop a strategy for the next three-to-five years, focusing both internally (developing a pipeline and career path for candidates) and externally (using partners, vendors) to identify the company's core competency and create ideal candidate profiles
- > **Prioritize training and development**, including considering incorporating an apprenticeship concept for talent development into the day-to-day business
- > **Promote diversity**, including gender, race and ethnicity, age, experience and skill sets, with the goal of building the best possible organization that will attract and retain talent
- > **Identify and build the company's value proposition** for the talent you wish to attract, embracing the fact that this has changed, and that reputation and enhanced offerings are more important today than ever before.





## Stacey Arrambide

Senior Vice President, Functional Solution Services

Stacey Arrambide has over 21 years of global clinical development experience across a broad range of therapeutic areas. Stacey oversees strategic growth and operational delivery of FSP engagements for Advanced Clinical. He has held numerous leadership positions of increasing responsibility over various functional areas for Advanced Clinical and other CROs including being the Managing Director of a 150+ employee FSP. Stacey is a graduate of Sam Houston State University, with both a Bachelor's degree in Mathematics and a Master's degree in Statistics, and has contributed to and published numerous articles.

## Steve Matas

Senior Vice President, Strategic Resourcing Solutions

Steve Matas has over 20 years of strategic staffing experience across the information technology and life sciences industries. Steve is responsible for leading the staffing efforts across the company, including recruitment, sales, and operations. Prior to joining Advanced Clinical, Steve served as Vice President of Sales, Health and Life Sciences, IT Staffing and Solutions at DISYS, where he was responsible for the Healthcare and Life Sciences technology practice and supported 15 of the largest global Healthcare and Life Sciences clients. He has built and led a global sales and delivery team focused on growing the IT staffing and services business. Steve has a degree in Finance from California State University, Chico, and has completed numerous sales and leadership training programs, including Sandler Training, Holden Game Changing Sales, and Strategic Leadership Training from the School of Business at the University of Milwaukee.



## References

1. SHRM "Staffing Professionals: America Needs You More Than Ever" presentation © 2019

### ABOUT ADVANCED CLINICAL

Advanced Clinical is a clinical development and strategic resourcing organization committed to providing a better clinical experience across the drug development journey. Our goal is to improve the lives of all those touched by clinical research—approaching each opportunity with foresight, character, resilience and innovation. Based on decades of experience, we help our clients achieve better outcomes by conducting candid conversations and anticipating potential issues through our customized solutions.

**Visit our website to learn more: [www.advancedclinical.com](http://www.advancedclinical.com)**