



McDERMOTT  
+ BULL

LIFE SCIENCES + HEALTHCARE

**2021 STATE  
OF THE  
MARKET FOR  
EXECUTIVE  
HIRING**

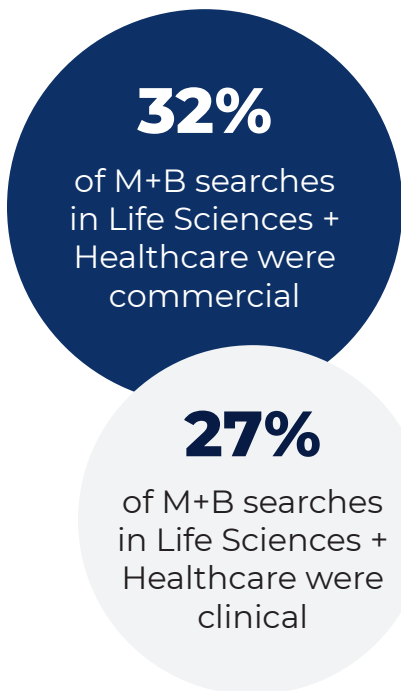
Ken Dropiewski

I remember leaving the J.P. Morgan Health Care Conference last January with a sense of optimism. We knew the POTUS was going to do everything in his power to keep the economy strong to help his chance for re-election. Well, we all know what happened with the pandemic, change in administration, and stress on the economy. Some of the life science segments were hit extremely hard, including MedTech companies with “elective procedures,” reducing device usage to almost nothing. Others, in particular the lab business, did not miss a beat. Venture capital investing was also relatively strong with investors shopping for distressed assets. You will still hear some predict a short-term correction, but the data is mixed. When looking at overall economic projections, change in real GDP for 2020 was -2.4%, but the Federal Open Market Committee projects an increase of 4.2% in 2021. History tells us the economy will have significant change in the next handful of years, especially with the change in administration. Although, trying to time it is nearly impossible, even with economists’ efforts. We encourage our clients to prepare now and not be caught off guard.

**+4.2%**  
the Federal  
Open Market  
Committee’s  
projection for GDP  
growth in 2021

In this piece, we will look back on the hiring trends from last year and what will carry into 2021. Lastly, we will highlight some areas of preparation, but I will cover that further in my next piece.

## MARKET TRENDS IN EXECUTIVE HIRING



We worked with many life science and healthcare companies in 2020, performing executive searches in various functions, including human resources, manufacturing, finance, research and development, operations, commercial, clinical, and more. Commercial led the way, encompassing about 32% of our searches last year. Clinical showed an uptick, climbing to 27% of our searches. Over half of our searches were private equity sponsored or VC-backed growth companies. When commercial and clinical are both doing well, it indicates companies are investing in themselves and are optimistic about revenue and compliance growth.

# LABOR MARKET

We started 2020 with a very tight labor market. While there appears to be more available talent because of consolidation during the pandemic, that does not mean it is easier to attract the right talent. For example, there are still challenges in attracting clinical executives in the diagnostic/lab space as opportunities continue to outpace candidates. As more companies in the MedTech segment are trying to bridge the gap between technology — such as AI and imaging — and devices, the talent pool shrinks given the specific skill set desired. I suspect this trend will spill into the commercial side, as a number of life science companies used 2020 to tighten up compliance and hit clinical milestones. Given the well documented mass exodus of baby

boomers from the workforce and the lack of talent development in big companies, up-and-coming talent that is willing to commit years to their next role is fewer and farther between. During the pandemic, our clients have willingly conducted nationwide searches for candidates who used to be abundant in their own backyard. Candidates are liking the flexibility of the shifting remote opportunities, and companies that can offer this option are certainly seeing benefits in more available talent. This is especially common for early-stage and pre-revenue companies hoping to go through their own exit in the short term. Why have someone relocate when the company may be acquired in less than two years anyway?

## DEMAND FOR DIVERSITY + INCLUSION

Diversity + Inclusion, or D+I, have been buzzwords within corporate circles for years. No longer are these catch phrases, but rather they are business imperatives. We hosted a couple of Diversity + Inclusion Symposiums that were attended by hundreds of HR leaders. We recognize that D+I is always one of the top three objectives of our clients when conducting an executive search. In 2020, over half of our candidates placed were representative of a diverse workforce.

What we are seeing now more than ever are candidates demanding to work for companies that not only speak about their commitment to diversity + inclusion, but that also demonstrate it in their hiring.

**50%**  
over half  
of M+B  
candidates  
placed in  
2020 were  
diverse

In other words, candidates are looking for institutions that have a diverse employee population and are progressive about bringing diversity of thought into the boardroom.

# INVESTING IN HUMAN CAPITAL

HR no longer merely serves employees. Instead, it develops, empowers, and cultivates people. Strategic HR leaders must construct organizational designs that clearly align with business strategies. These designs must enable informed decision-making models, allowing for intra- and cross-departmental integration to result in increased corporate vivacity and employee retention.

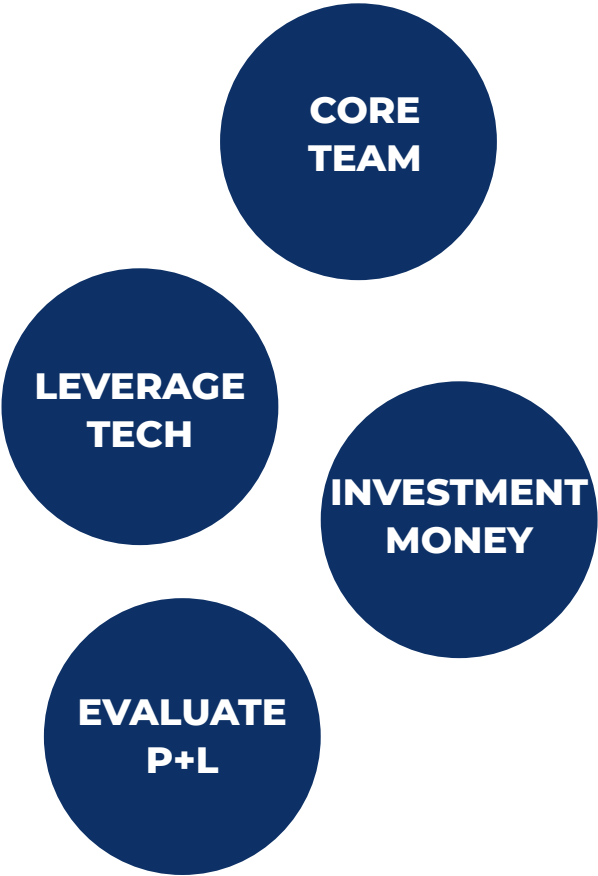
Interestingly enough, our clients were not only investing in their top HR leader, but they were also investing in sub-specialty experts in the areas of performance management, training and development, talent acquisition, and compensation and benefits.

# HOW COMPANIES ARE PREPARING

There are a few steps that can be taken while navigating 2021. Make sure the right core team is in place to take on the challenge of an (assumed) uptick in the market. Leverage technology and process improvement plans to maximize efficiency. Get the most out of your investment dollars to prepare for what is next. Lastly, scrutinize your P+L. Evaluate everything from manufacturing to real estate. Perhaps there is no need for a large office space anymore.

**STRATEGIC HR EXECUTIVES:**

- DRIVE CULTURE
- OPTIMIZE OPERATIONAL PERFORMANCE
- DEVELOP LEADERSHIP



# IN CONCLUSION

There are a few steps that can be taken while navigating 2021. Make sure the right core team is in place to take on the challenge of an (assumed) uptick in the market. Leverage technology and process improvement plans to maximize efficiency. Get the most out of your investment dollars to prepare for what is next. Lastly, scrutinize your P+L. Evaluate everything from manufacturing to real estate. Perhaps there is no need for a large office space anymore.

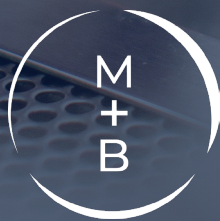


## ABOUT THE AUTHOR

Ken Dropiewski is a Managing Director with McDermott + Bull's Life Science and Healthcare Practice and has been doing search for nearly two decades. His expertise serves the medical device, biotechnology, and healthcare industry. Ken is especially known for work done in the cardiac, vascular, interventional, and oncology segments and has been in the MedTech field for 30 years. Prior to his career in search, he spent time at Johnson + Johnson and Boston Scientific.

## ABOUT MCDERMOTT + BULL

McDermott + Bull is a full-service retained executive search firm with a dedicated non-profit practice that partners with mission driven organizations, their boards, and senior teams to align talent strategies with mission objectives. Clientele include the likes of the Alzheimer's Drug Discovery Foundation, United Way of NYC, Make A Wish Metro and Western New York, The Prince's Trust, Pride Industries, Goodwill Industries, and Credit Unions.



[mbexec.com](http://mbexec.com)