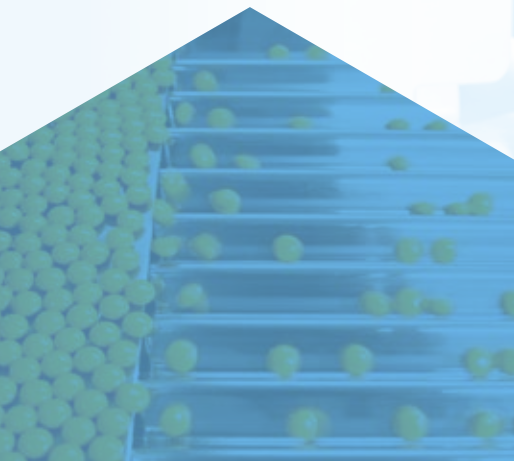




Employee engagement report 2016

Benchmark for the life sciences industry



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proclinical.com/staffscience

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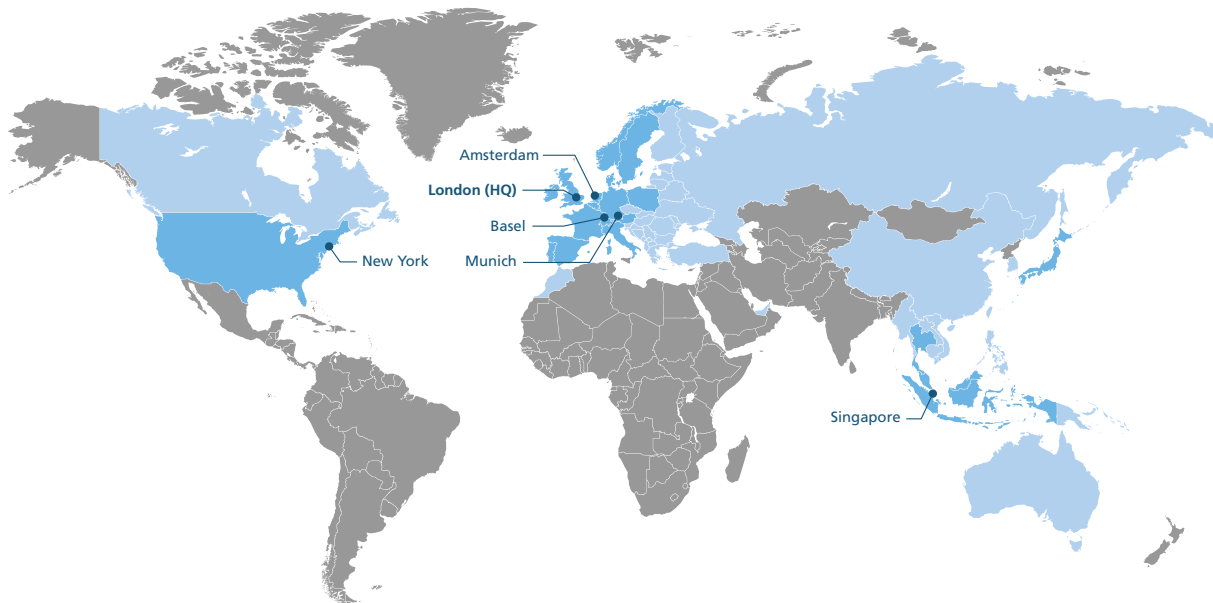
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About ProClinical

ProClinical is a leading international life sciences recruitment company with a proven track record of having filled thousands of permanent and contract vacancies at pharma, biotech and medical device companies, contract research organizations (CROs) and other life sciences companies in Europe, Asia Pacific and the USA.



ProClinical offers executive search, permanent and contract recruitment services for roles across the entire product lifecycle, from research and development (R&D) through to manufacturing and commercialization. Our global delivery capability is supported by local teams of recruitment consultants in London, New York, Basel, Munich, Amsterdam and Singapore.



Free staffing consultation

- + No obligation
- + Processes reviewed
- + Assessment of needs & challenges
- + Recruitment advice



BOOK FREE CONSULTATION

Contact our client services team:

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Email: info@proclinical.com

www.proclinical.com

Staff Science

Staff Science is a thought leadership campaign by leading international staffing agency ProClinical that supports organizations in the life science sector with improving hiring processes, engaging employees and reducing staff turnover through a range of materials, including:

- + Industry surveys
- + Benchmarking reports
- + Whitepapers
- + HR templates

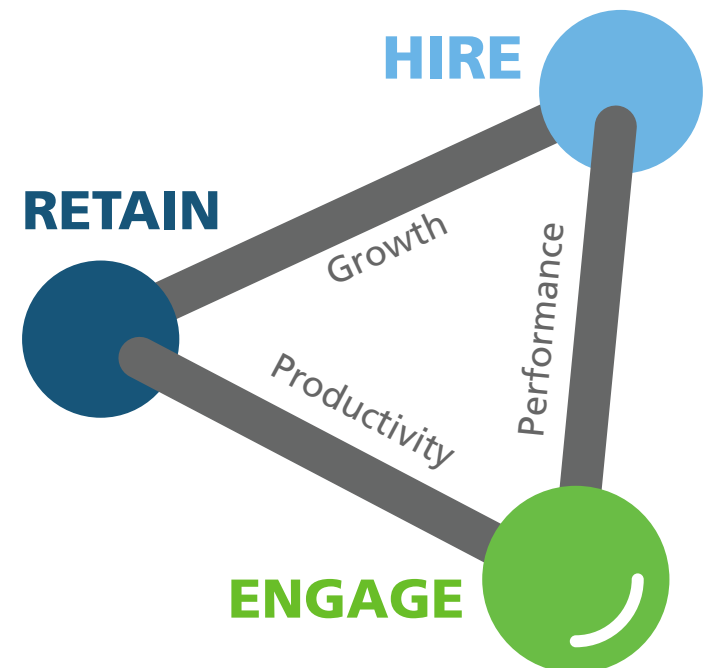
Staff Science is built on the principals of the emerging discipline of workforce sciences, which identifies and measures the human capital drivers of business performance.

Through understanding and addressing the relationships between recruitment, engagement and staff turnover, your organization will be able to improve business outcomes in performance, productivity and growth.

Find out more and subscribe to receive the latest insights at: proclinical.com/staffscience



The formula for workforce management



Is your workforce engaged?

Employee engagement can be defined as the emotional commitment that the employee has to the organization and its goals.

Engaged employees put in a greater amount of discretionary effort and have also been shown to be more productive and take fewer sick days. According to management consulting firm, Hay Group, engaged employees generate 43% more revenue, and other studies have shown that improving engagement can reduce staff turnover rates.

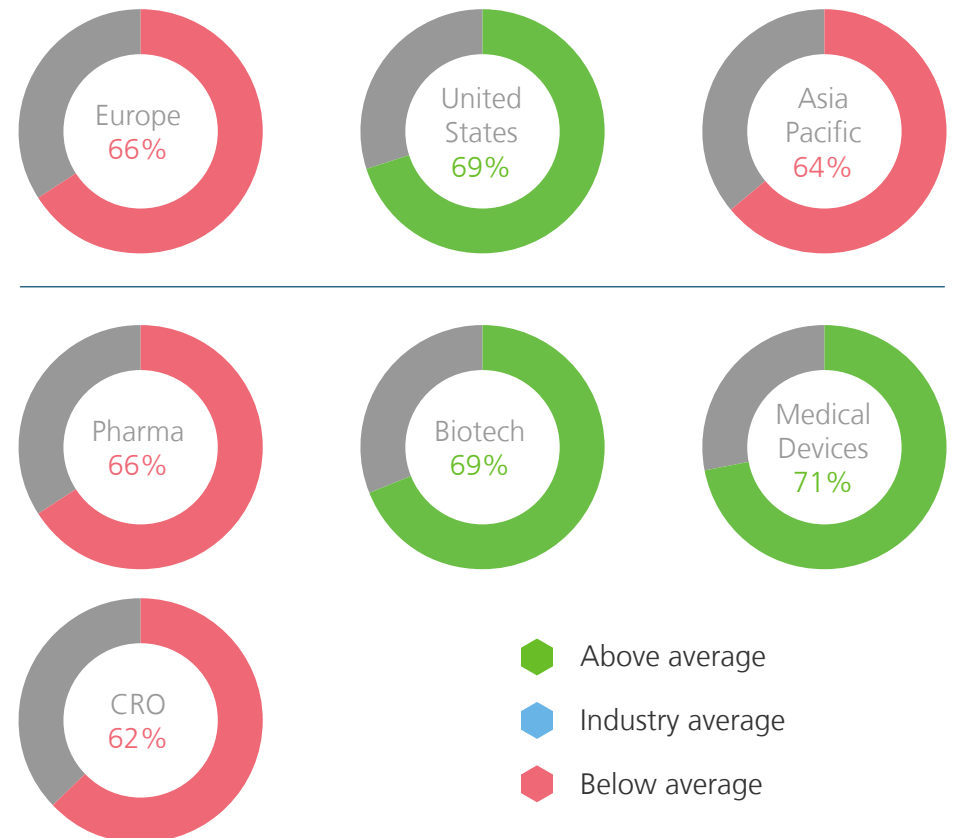
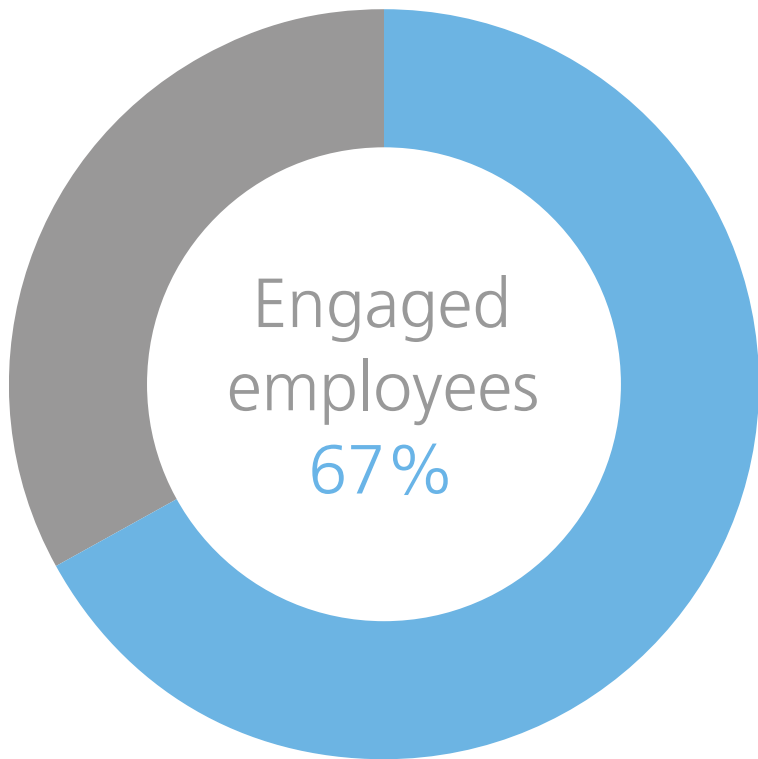
ProClinical surveyed more than 1000 individuals employed in the life science industry on key drivers of engagement, including commitment, advocacy, caring, trust, communication, strategic alignment, recognition and satisfaction, to determine an engagement index (mean score) for the industry.

To measure the effect of engagement on staff turnover, we have also compared engagement levels of those who expect to remain at their current company in the next 12 months and those who don't.

We welcome you to use this report as a benchmark against your own company's data (if you have been measuring it) and to see how you fare against your competitors.

Engagement index

On average, two-thirds of employees are positively engaged at work*. Employees in the United States, and those working in biotechnology and medical devices are the most engaged, whereas employees in Asia Pacific countries have lower than average engagement levels, as do employees at pharmaceutical and contract research organizations (CROs).

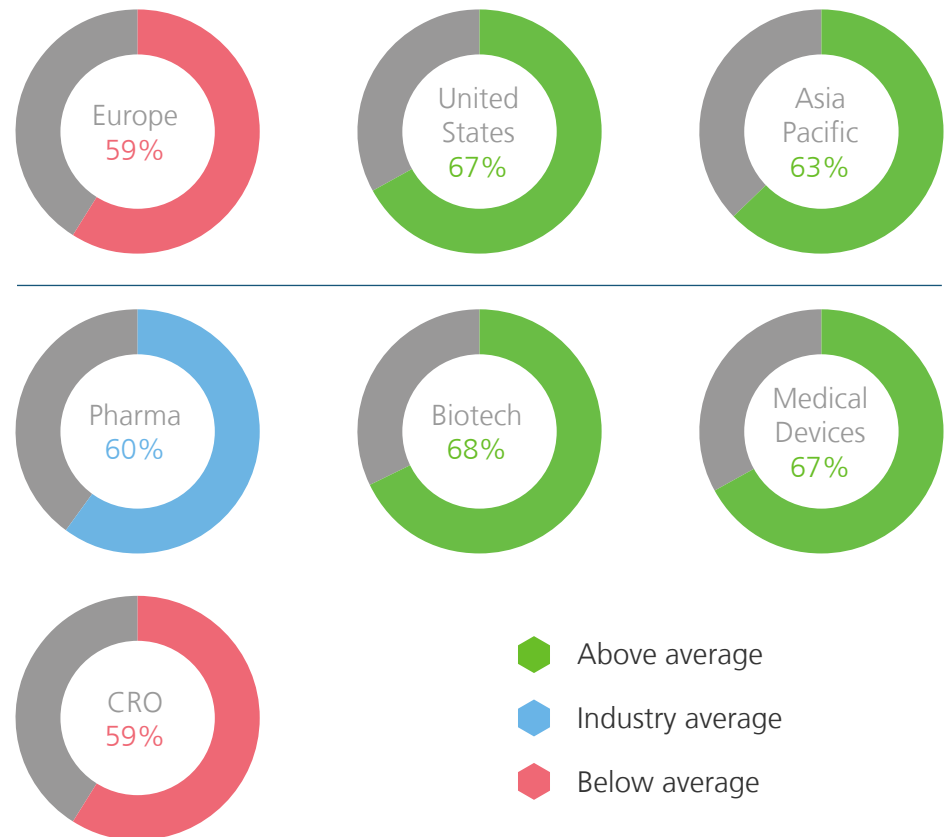


*Engagement index calculated from mean score of all engagement drivers.

Employee commitment

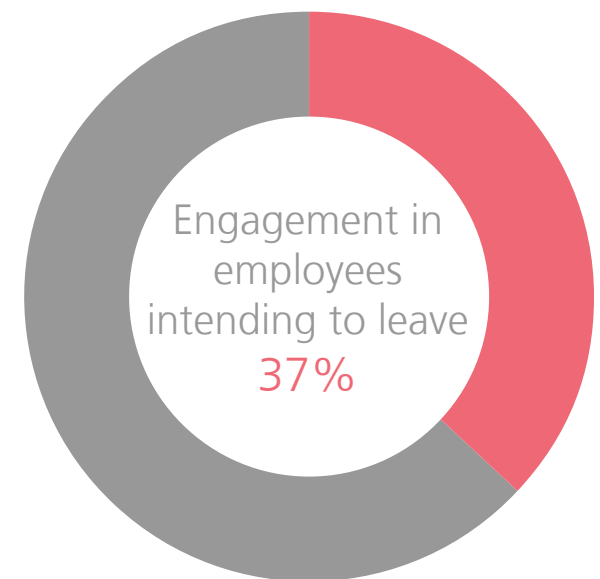
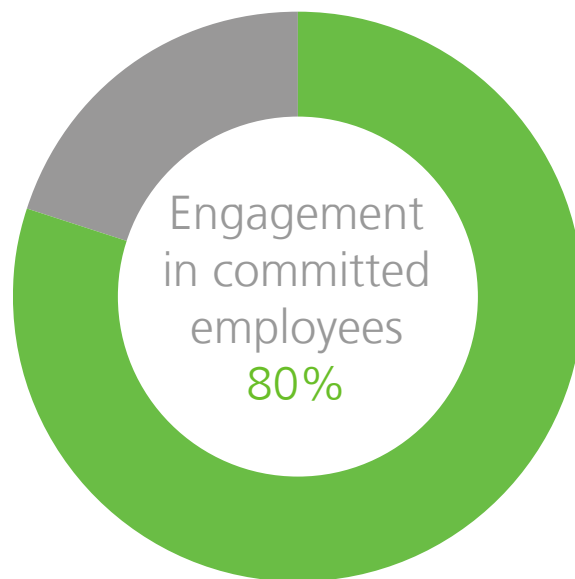
Less than two-thirds of employees in the sector are committed to remaining with the same organization for the next 12 months. Employees in biotechnology are the most committed to staying with their current employer.

I see myself still working for my current organization in a year from now.



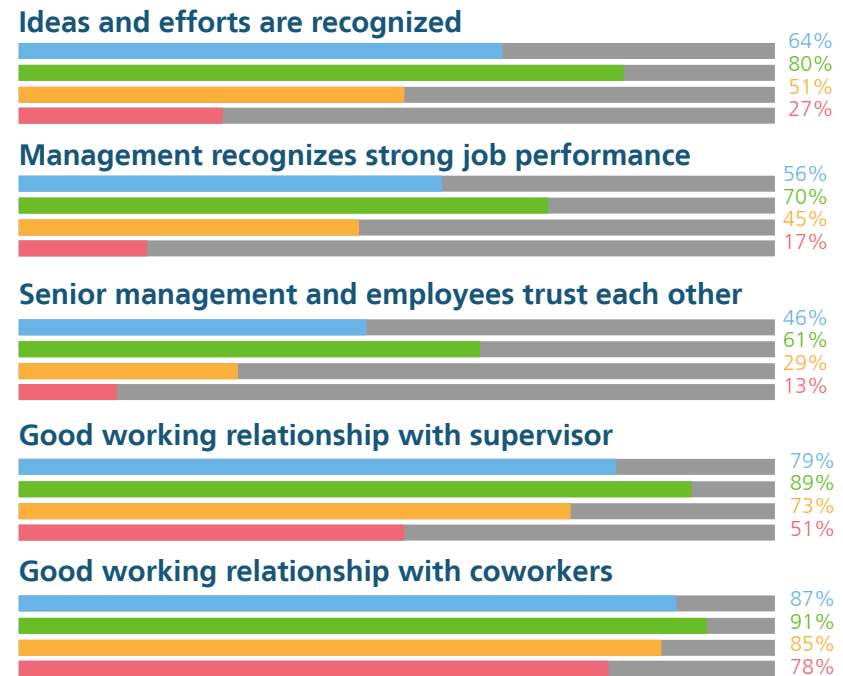
Are engaged employees more likely to stay?

Engagement index among employees who are committed to staying at their current company is more than twice as high as it is among those who intend to leave. Respondents demonstrated a clear correlation between the level of engagement and intent to remain with their current employer.



Drivers of engagement

Committed employees score higher than average on all drivers of engagement. Among those who are committed to staying, 57% are satisfied with opportunities for professional growth, four times greater than those who intend to leave (13%). There are also significant differences between those who are committed and those who intend to leave in the areas of trust and recognition. Two-fifths of employees will remain at their current company despite feeling underpaid.

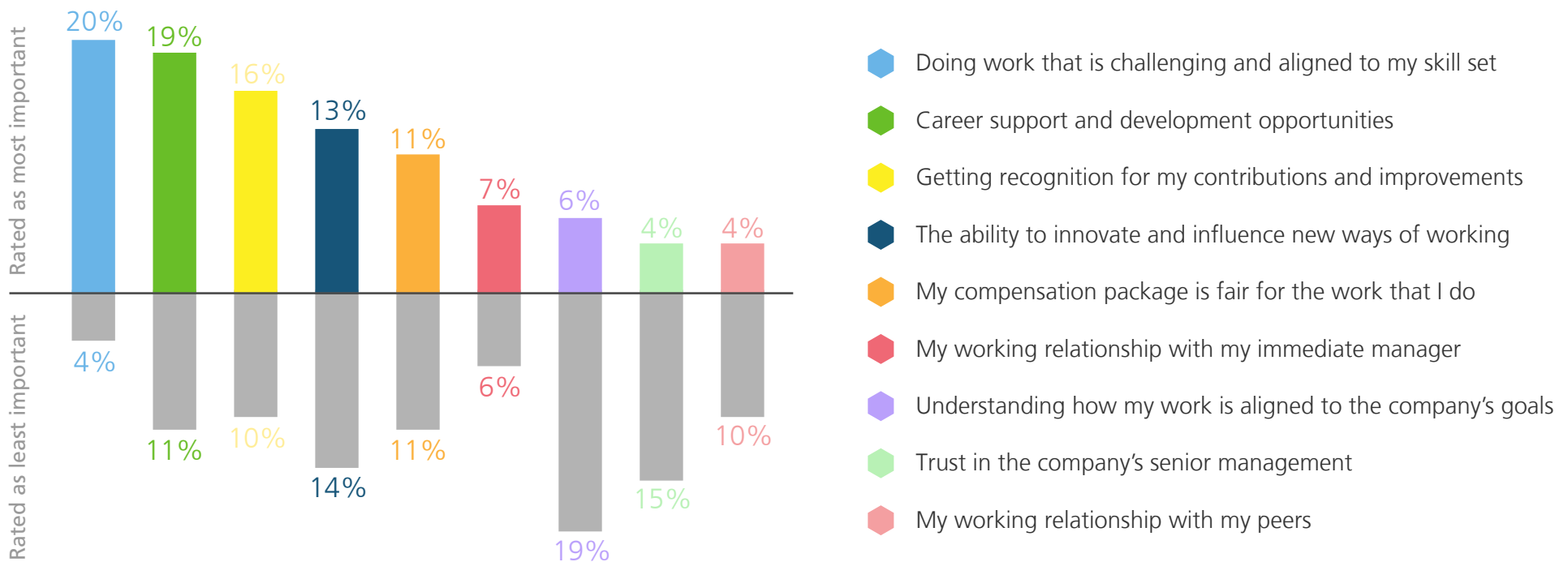


- All respondents
- Committed employees
- Indifferent employees
- Employees intending to leave

What matters most to employees?

The type of work that your employees do has the biggest influence on their engagement. Respondents think that career support, recognition and influence are more important than fair pay. While important to some, respondents viewed the company goals and trust in leadership as the least important factors.

Which of these factors do you feel is the most important in determining your level of engagement at work and which do you feel is the least important?



Are you listening to your employees?

Measuring engagement helps the business to understand their employee's drivers and discover ways in which the organization can improve. Regular surveys that track the engagement index can measure engagement over time and enable employers to note the effects of changes that have been made.

Although they are the most measurable, surveys are not the only way to gather important feedback from employees. Employers often come up with various creative methods to encourage their staff to speak up and highlight important issues or suggest innovative ideas.

Although there is some debate among HR professionals over whether performance reviews have a positive or negative effect on employees, done properly they are an effective way of measuring who the top performers are that need to be kept engaged. They can also be effective in giving employees a platform to be heard.

Our survey examined the use of surveys, staff performance reviews and other tools for listening to and tracking employee engagement and performance.

Employee surveys

Approximately three out of five companies measure their employees' engagement in a survey at least once every year. Companies in the United States survey their employees the least – more than a quarter of them never measure their employee's engagement. Medical device companies survey their employees' the most frequently, but pharmaceutical companies are the least likely to neglect them completely. Almost three out of ten biotechnology companies and CROs never conduct surveys.

How frequently does your organization survey employee engagement?

Total (average)



Europe



United States



Asia Pacific



Pharma



Biotech



Medical Devices



CRO



Every year Sometimes Never

Performance reviews

Performance reviews are conducted most commonly biannually or annually. The biggest contrast in frequency is in biotech companies – a quarter review employee performance multiple times a year, whereas one in ten are never do it at all. All of the respondents in Asia Pacific countries stated that their management team does performance reviews with them.

How frequently does your management team conduct one-to-one appraisals / performance reviews with you?

Total (all respondents)



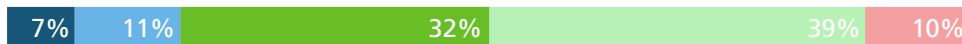
Europe



United States



Asia Pacific



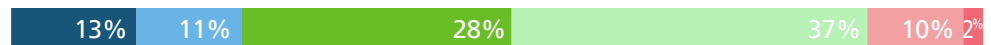
Pharma



Biotech



Medical Devices



CRO



■ Monthly
 ■ Quarterly
 ■ Biannual
 ■ Annual
 ■ Ad-hoc
 ■ Never

Other means of listening

Employers are mostly relying on performance reviews and face-to-face meetings with supervisors to gain employee feedback. Despite more than three-quarters of companies using satisfaction surveys, less than half of employees feel that they are being used as a means of listening. There is also a gap between those who have performance reviews and those who feel that the organization is using them as a means of listening.

Which of the following does your organization provide as a means of listening to employees?

71% **Appraisals / performance reviews**



68% **Face-to-face meetings with supervisor**



44% **Open door policy / culture**



42% **Employee engagement / satisfaction surveys**



37% **Face-to-face meetings with senior management**



20% **Confidential hotline**



18% **Employee forum**



15% **Suggestions box**



14% **Nominated champions**



7% **Feedback poster / wall**



3% **Other**



5% **My employer doesn't offer any means of listening to employees**



Conclusion

Due to infrequent or complete absence of employees' engagement measures, half of all life science companies are unaware of how engaged (or disengaged) their employees are, or what impact any changes that they make actually have.

Salary is often used by employers to motivate staff and prevent top performers from leaving; however, employees are rarely satisfied with their salary but often tolerate feeling a little underpaid in return for other engagement drivers, such as recognition for their efforts and opportunities for career development. Employees also feel that they are most engaged when the type of work that they do is challenging and aligned to their skill set.

Low engagement is not the only reason why people leave, but organizations that measure engagement are more able to identify what drives their employees' commitment to the company. This can be used as the basis of strategic decisions about factors such as salary, training and policy that help employers to increase productivity and reduce the cost of staff turnover.



Overview by company type

Pharmaceuticals



Important engagement factors

Rated as most important

- 19% Career support and development opportunities
- 18% Doing work that is challenging and aligned to my skill set
- 16% Getting recognition for my contributions and improvements

Rated as least important

- 21% Understanding how my work is aligned to the company's goals

Frequency of employee surveys



Frequency of performance reviews



Most used listening methods

- 74% Appraisal / performance review
- 69% Face-to-face meeting with supervisor
- 51% Employee engagement surveys

Biotechnology



Important engagement factors

Rated as most important

- 26% The ability to innovate and influence new ways of working
- 16% Getting recognition for my contributions and improvements
- 14% Doing work that is challenging and aligned to my skill set

Rated as least important

- 16% My compensation package is fair for the work that I do

Frequency of employee surveys



Frequency of performance reviews



Most used listening methods

- 72% Face-to-face meeting with supervisor
- 70% Performance reviews
- 50% Open door policy / culture

Medical Devices



Important engagement factors

Rated as most important

- 24% Doing work that is challenging and aligned to my skill set
- 22% Career support and development opportunities
- 20% Getting recognition for my contributions and improvements

Rated as least important

- 16% Understanding how my work is aligned to the company's goals

Frequency of employee surveys



Frequency of performance reviews



Most used listening methods

- 76% Performance reviews
- 76% Face-to-face meeting with supervisor
- 50% Open door policy / culture

Clinical Research Organization (CRO)



Important engagement factors

Rated as most important

- 31% Career support and development opportunities
- 17% Doing work that is challenging and aligned to my skill set
- 14% Salary is fair for the work that I do

Rated as least important

- 16% Senior management and employees trust each other

Frequency of employee surveys



Frequency of performance reviews



Most used listening methods

- 81% Performance reviews
- 69% Face-to-face meeting with supervisor
- 44% Employee engagement surveys



Overview by location

United States



Important engagement factors

Rated as most important

- 20% Doing work that is challenging and aligned to my skill set
- 16% Career support and development opportunities
- 15% My compensation package is fair for the work that I do

Rated as least important

- 16% Getting recognition for my contributions and improvements

Frequency of employee surveys



Frequency of performance reviews



Most used listening methods

- 72% Face-to-face meeting with supervisor
- 69% Performance reviews
- 48% Open door policy / culture

United Kingdom



Important engagement factors

Rated as most important

- 21% Doing work that is challenging and aligned to my skill set
- 21% Getting recognition for my contributions and improvements
- 16% Career support and development opportunities

Rated as least important

- 24% Understanding how my work is aligned to the company's goals

Frequency of employee surveys

65% Every year | 12% Sometimes | 23% Never

Frequency of performance reviews

8% Monthly | 16% Quarterly | 32% Biannual | 28% Annual | 7% Ad-hoc | 9% Never

Most used listening methods

- 82% Performance reviews
- 64% Face-to-face meeting with supervisor
- 38% Open door policy / culture

Switzerland



Important engagement factors

Rated as most important

- 20% Getting recognition for my contributions and improvements
- 19% Doing work that is challenging and aligned to my skill set
- 18% Career support and development opportunities

Rated as least important

- 20% Understanding how my work is aligned to the company's goals

Frequency of employee surveys



Frequency of performance reviews



Most used listening methods

- 77% Face-to-face meeting with supervisor
- 71% Performance reviews
- 52% Employee engagement surveys

Germany



Important engagement factors

Rated as most important

- 25% Doing work that is challenging and aligned to my skill set
- 23% Career support and development opportunities
- 15% My compensation package is fair for the work that I do

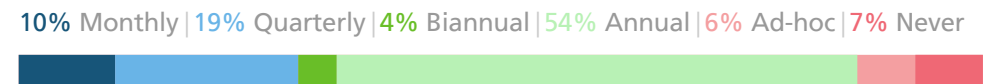
Rated as least important

- 20% Understanding how my work is aligned to the company's goals

Frequency of employee surveys



Frequency of performance reviews



Most used listening methods

- 64% Performance reviews
- 61% Face-to-face meeting with supervisor
- 44% Open door policy / culture

Singapore



Important engagement factors

Rated as most important

- 22% Doing work that is challenging and aligned to my skill set
- 20% Career support and development opportunities
- 17% My compensation package is fair for the work that I do

Rated as least important

- 22% Senior management and employees trust each other

Frequency of employee surveys



Frequency of performance reviews



Most used listening methods

- 85% Performance reviews
- 62% Face-to-face meeting with supervisor
- 50% Open door policy / culture

Survey methodology

In February, 2016, ProClinical conducted an online survey to measure the engagement index for the life sciences industry, examine the relationship between engagement and retention, and discover the proportion of companies that are measuring engagement.

1122 people responded to the survey from 47 countries and all respondents stated that they were employed by a company in the life sciences industry.

The employee engagement index has been determined by the mean average of positive responses to the following questions:

- + I see myself still working for my current organization in a year from now.
- + I would recommend my organization as a place to work.
- + I am inspired to meet my goals at work.
- + I understand how my work impacts the organization's business goals.
- + I feel that my ideas and efforts at work are recognized.
- + Senior management and employees trust each other.
- + Management within my organization recognizes strong job performance.
- + My supervisor and I have a good working relationship.
- + My co-workers and I have a good working relationship.
- + I find my job challenging.
- + My salary is fair for the work that I do.
- + I am satisfied with my opportunities for professional growth.

Engagement index results will vary when using different calculation methods.

Survey results and percentages on particular questions could be slightly above or below 100% because of rounding.



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