



For Immediate Release

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## **A 2017 HR+SS Compensation Study Reveals: Turnover for Clinical Monitoring Jobs Outside the U.S. Increased Significantly in 2016**

Reading, Pennsylvania (October 26, 2017) – In countries outside the U.S., employee turnover in clinical monitoring (the function that monitors participants’ health during a clinical trial) took a significant jump to 22.9 percent in 2016 from the previous year’s turnover of 16.4 percent, a 40 percent increase. Turnover in the U.S. for clinical monitoring jobs at CROs remained high at 25.8 percent in 2016 with a 2.7 percent increase over the previous year’s reported 25.1 percent (2015). What is hidden behind these numbers are cases where individual companies are experiencing turnover that is well over 70 percent outside the U.S. and over 40 percent domestically. This is significantly higher than estimates of overall U.S. professional turnover of 17.8 percent. (<http://www.compensationforce.com/2017/04/2016-turnover-rates-by-industry.html>)

Not surprisingly, salaries for professional (non-managerial) clinical research positions in the U.S. increased by 8.3 percent, well over the projected annual merit budgets of 3 percent, according to the 19<sup>th</sup> annual CRO Industry Global Compensation and Turnover Survey, conducted by HR+Survey Solutions, LLC ([www.hrsslc.com](http://www.hrsslc.com)), a specialty compensation consulting and research firm.

Overall average turnover at CROs in the U.S. increased slightly to 21.0 percent in 2016 from 20.1 percent in 2015 (all positions at the CROs). Outside the U.S. the overall average turnover rate increased to 18.7 percent in 2016 from 17 percent in 2015. All of the countries (outside the U.S.) covered in the survey experienced turnover of 10 percent or higher, while 50 percent (20 of the 40 countries) had average turnover of 20.5 percent or more. Almost a third of the countries (30 percent) had turnover in excess of 25 percent in 2016. The top 10 losers for the war on talent include the following countries:

<b>Country</b>	<b>2016 Total Turnover %</b>
Taiwan*	42%
China*	38%
Hong Kong*	31%
Thailand	30%
Malaysia	29%
Switzerland*	29%
Sweden	27%
Mexico	27%
Singapore	25%
Turkey	25%

\*These countries were also on the list of highest turnover for 2015.

The number of registered clinical trials has sky rocketed from 24,921 in 2005 to 256,544 as of October 12, 2017, which includes an 11 percent increase in the past year. (source: <http://clinicaltrials.gov/ct2/resources/trends>). Forty seven percent of all trials are non-U.S. only, thirty-six percent are U.S. only, and five percent are both U.S. and non-U.S. (twelve percent didn't report). With the highest number of trials being conducted outside of the U.S., the continual increase in turnover rates becomes extremely important. With the year over year industry growth predicted to continue in the CRO industry – attracting and retaining talent is a key factor to a successful business model. Employee turnover in critical roles such as clinical monitoring can undermine this by:

- Creating a loss of continuity that can lead to delayed timelines.
- Increasing costs as a result of lower productivity, increased workload on colleagues, onboarding costs, loss of knowledge, recruitment costs.
- Impacting business development as sponsors scrutinize turnover in their vetting process.

U.S. unemployment has continued to decline since it peaked in 2009, and currently is well below 5 percent. This means that CROs have an uphill battle identifying new talent sources. According to Judy Canavan, managing partner, HR+Survey Solutions and the author of the study, turnover is extremely costly to CROs, “this is a classic example illustrating that following industry “best practices” does not work. CROs need to create customized approaches to retain the right talent for their company.”

Ms. Canavan continues, “Employees are highly motivated to increase their compensation and create work-life balance, they have figured out that switching companies helps achieve these objectives. The majority of employers have failed to provide them with a viable long-term employment solution.”

CRAs (clinical research associates) often work from home but most of their week is spent on the road traveling to study sites. Finding a way to engage these employees and gain their loyalty is a challenge. Companies need to focus on both compensation and other approaches, such as work-life balance and career opportunities, to attract and retain talent.

### **Other Findings**

- Turnover in clinical monitoring was at its peak in 2011:
  - In the U.S. it was 29.4 percent
  - Outside the U.S. it was 27.2 percent
- Turnover was at a low in 2013, giving companies a false sense of security:
  - In the U.S. it was 16.4 percent
  - Outside the U.S. it was 14.2 percent
- Average salary levels for professional non-management positions in the survey increased by 4.6 percent from 2016 to 2017.
- Regulatory experienced a decrease in average salaries in the U.S. of 5 percent, while the nurses and technicians experienced the largest increase of slightly more than 9 percent from 2016 to 2017.

### **About the Methodology**

The 19th annual CRO Industry Global Compensation and Turnover Survey was conducted by HR+Survey Solutions in 2017. A total of 28 public and private CROs with fewer than 500 to more than 12,000 employees participated in the niche study. The survey covers compensation, pay practices and turnover in 55 countries in addition to the United States. The annual comprehensive survey reports compensation levels (base salaries plus annual incentives and LTI) for 215 benchmark positions in both early and late stage in 18 job families including: executive, biostatistics, business development/sales, clinical research, database management, medical affairs, patient recruitment, pathology, quality assurance, regulatory, safety/pharmacovigilance, toxicology, and site operations. It also covers critical topics such as turnover; annual incentive plan design; business development/sales incentives; benefits and perks; deferred compensation; employment contracts and allowances.

For those interested in participating in the 2018 CRO Industry Global Compensation and Turnover Survey, contact Judy Canavan at 866-252-6788 x902 [[jcanavan@hrssl.com](mailto:jcanavan@hrssl.com)].

### **About HR+Survey Solutions**

HR+Survey Solutions conducts annual industry and custom client surveys and provides organizations with expert advisory services focused on compensation plan design and assessment of appropriate compensation levels. Please visit [www.hrssl.com](http://www.hrssl.com) for more information.

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