

The logo for Catalyst Life Sciences is centered in the upper half of the image. It consists of a white square border containing the text "CATALYST" on the top line and "LIFE SCIENCES" on the bottom line, both in white, uppercase, sans-serif font.

CATALYST
LIFE SCIENCES

MARKET SNAPSHOT

April 2020

BUSINESS IMPACT

The coronavirus pandemic continues to hit economies across the world and few industries have been left untouched by the fallout.

Over the last few weeks, we've spoken to clients across the globe to understand how they are approaching this unprecedented situation. It's clear that with most countries now in varying degrees of lockdown, we're starting to see the impact it is having on our workforce.

From a recruitment perspective, the reactions fall into three categories. Some have cancelled all recruitment, some have postponed hiring until the respective lockdowns have passed, and many are continuing to press ahead with their 2020 plans in an attempt to prevent business slowdown or take competitive advantage.

Obviously, the very nature of this fast-moving situation means that this could all change very quickly. But in the meantime, we hope this adds some value to the way you and your business approach the current situation.



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59%

59% CONTINUING recruitment

The **majority** (59%) of businesses are sticking firm with their growth plans for 2020 and beyond.

Observations

- Most firms were already well set up for remote deployment of their workforce due to increased usage of cloud technology and an overarching trend towards flexible working in recent years.
- Much hiring within our specialist verticals is project-led, with many of these projects yet to change status following the development of the COVID-19 crisis.
- Some clients are seeing the crisis as an opportunity to gain competitive advantage through improved access to strong candidates. Overall client demand (number of jobs) has reduced more than candidate 'supply' – giving organisations the opportunity to hire strong talent in a much less competitive market.
- There is a belief that recovery will be 'V-shaped' with a strong rebound following a short, sharp decline and believe the long-term economic consequences will be bearable.

THE IMPACT ON HIRING

32% POSTPONING recruitment

32%

We have defined this as situations where there has been no change in budget and/or desire to hire, but where the requirement has been postponed until the loosening of various lockdown restrictions.

Observations

- There is an unwillingness and/or inability to onboard people remotely, creating uncertainty around eventual start date.
- Businesses and/or hiring managers are unwilling to issue an offer of work to a candidate without having physically met them.
- Many businesses are naturally using this period to assess economic impact – even if not explicitly stated.

9% CANCELLING recruitment

Just **under a tenth** (9%) of businesses have cancelled their recruitment plans. It's too early to know how long global restrictions will last, and how plans will change afterwards, but some businesses are experiencing a sharp reduction in demand for their products and services.

Observations

- Key projects have been put on hold and hiring is therefore no longer required.
- General concern about long-term macro-economic environment and firms are freezing all (or most) recruitment.
- Some businesses have already seen direct falls in revenue and have had to adjust accordingly.
- These firms are more pessimistic about the timeline of economic recovery.

9%

CANDIDATE AVAILABILITY

Balancing an active and passive candidate talent pool

Many firms are seeing an increase in candidate volume, but not necessarily a corresponding increase in candidate quality. With fewer companies currently hiring, those that are continuing to do so are viewing it as a 'buyers market' with less competition for top talent.

Observations

- Net candidate availability has only seen marginal change during the crisis.
- The dynamic of "passive" (open to opportunities but not actively seeking them) and "active" (actively seeking/requiring a new opportunity) candidates has shifted.
- Some passive candidates have retreated from the market due to concerns over timing, whereas layoff and ongoing uncertainty has led to a flood of active candidate applications.
- As a result, some clients without the ability to actively approach the passive population (e.g. via an internal talent team, or a recruitment supplier) are noting a surge in applications but with a corresponding decrease in candidate quality.

These findings have been collated by our consultants operating across the USA, UK and Europe, working with clients of various sizes throughout the pharma and life sciences sectors. Observations accurate as of 14th April 2020.

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We are global life sciences recruitment specialists. Get in touch with us for up-to-date market trends in your industry, personal career advice and support, or for business support with expertise from hiring through to outplacement.

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