Study: Clinical Research Organizations Continue to Experience High Employee Turnover Rates

CROs utilizing more bonuses to attract and retain talent

Reading, Pennsylvania (August 15, 2013) – Clinical research organizations continue to struggle with ways to retain talent, according to the preliminary results of the 15th annual CRO Industry Global Compensation and Turnover Survey conducted by HR+Survey Solutions (www.hrsslccom), a compensation consulting and research firm. The initial findings reveal that the employee turnover rate at U.S. CROs remained stagnant with 18.6 percent of employees leaving their companies in 2012 versus 19.7 percent in 2011. The turnover rate among CROs outside of the U.S. increased from 17.8 percent in 2011 to nearly 22 percent in 2012.

The high turnover was found among all types of positions from clinical monitoring to data analysis. However, project managers were an exception and experienced a decrease in turnover from 21 percent in 2011 to 10.5 percent in 2012.

Although turnover rates remained high in 2012, the use of bonuses by CROs to attract and retain talent increased in 2012. There was a nearly 25 percent increase in companies that utilized recruitment bonuses (65 percent in 2011 to 88 percent in 2012). In addition, more companies used bonuses to retain talented employees. Fifty-three percent of companies reported using retention bonuses in 2012 versus 29 percent in 2011, according to a Hot Topic survey (Prevalence of Recruitment and Retention Bonuses in the CRO Industry) recently conducted by HR+Survey Solutions.

Interestingly, not only are a greater numbers of CROs using bonuses to attract new employees, they are using them deeper into the organization. Companies reported using recruitment bonuses at salaries less than $60,000, and 30 percent of the companies used them for non-exempt employees.

“We often think of recruitment and retention bonuses being used at the top of the house, but in this tough job market, more and more companies are experimenting with bonuses to attract and retain employees at lower levels. And, with almost all companies planning to implement bonuses in 2013 (87% recruitment and 78% retention), the trick is for them to design the bonus program to meet the needs of the organization. This could mean including time or performance triggers,” said Judy Canavan, partner, HR+Survey Solutions. “We continue to encourage CRO leaders to consider participating in this research to more fully understand the impact of their compensation plans,” she added.
The annual comprehensive survey reports compensation levels (base salaries plus annual and long-term incentives); employee turnover; annual and long-term incentive plan design; deferred compensation; benefit plans and perks for 139 benchmark positions in 11 job families including executive, biostatistics, business development/sales, clinical research, database management, medical affairs, patient recruitment, quality assurance, regulatory, safety/pharmacovigilance, and onsite operations.

About the methodology
The 15th annual CRO Industry Global Compensation and Turnover Survey was conducted by HR+Survey Solutions (the sixth year conducted by HR+Survey Solutions) and will be published in September 2013. A total of 20 public and private CROs with fewer than 500 to more than 12,000 employees participated in the niche study. Compensation data was collected and analyzed for 34 countries worldwide, in addition to the U.S. The study aims to benchmark the industry compensation practices.

As an added benefit to participating in the survey, companies are also eligible to participate in periodic Hot Topics surveys. In June 2013, HR+Survey Solutions published Prevalence of Recruitment and Retention Bonuses in the CRO Industry, which covered frequency of use and design features of these specific bonuses. Currently, HR+Survey Solutions is conducting a new Hot Topic survey called Attraction, Retention, and Motivation Scorecard for Business Development Talent.

If you would like more information or are interested in participating in the HR+Survey Solutions’ CRO Industry Global Compensation and Turnover Survey, contact Judy Canavan at 866-252-6788 x902 [jcanavan@hrssllc.com].

About HR+Survey Solutions
HR+Survey Solutions conducts annual industry surveys 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.hrssllc.com for more information.

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