

# THE STATE OF THE MEDICAL DEVICE INDUSTRY HIRING TRENDS FOR 2019

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**I've been 'overwhelmingly optimistic' about the medical device job market for four years. I'm now "cautiously optimistic" based, in part, by the analyst reports I read each week.**

**- Paula Rutledge  
President, Legacy MedSearch**

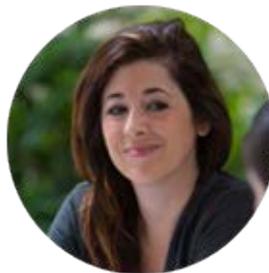
# THE STATE OF THE MEDICAL DEVICE INDUSTRY

## Hiring Trends for 2019



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# Introduction.

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Welcome to this, our first **State of the Medical Device Industry** report.

It's the first publication from the newly-formed **Medical Devices Advisory Group**, the most qualified experts in each of the disciplines you need to run a thriving business in the medical device industry.

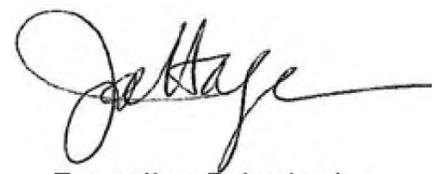
Co-founding member Paula Rutledge takes the lead on this report, identifying hiring trends you'll see in 2019. Take heed.



Paula is a 30+ year medical device veteran who, for the past 15 years, has built Legacy MedSearch, one of today's most successful talent acquisition companies in the medical device industry. She knows what she's talking about.

Thanks for reading.

Meet Paula and the rest of the Medical Devices **Advisory** Group at the 10x Medical Device Conference in San Diego (May 15-16, 2019).

  
Founding Principal,  
Medical Devices  
**Advisory** Group

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# 1

## Setting the Stage

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### THE GLOBAL CANDIDATE-CENTRIC JOB MARKET WILL TURN IN 2019

aka Paula Rutledge's Predictions for the 2019 MedTech Job Market  
and what candidates and companies should do NOW

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#### THE BAD NEWS

You've likely observed increased anxiety among financial pundits, CNN talking heads, maybe your friends and family.

2018 consumer spending increased about 4% in Q4, but NASDAQ had its worst month since 2008. The DOW and S&P 500 had their worst December since 1931.

In the United States, the government shutdown and inflation could raise interest rates further. A stronger dollar, an increase in multilateral trade discussion, and wavering trade confidence with key players (EU, China, and Canada) will affect global job growth.

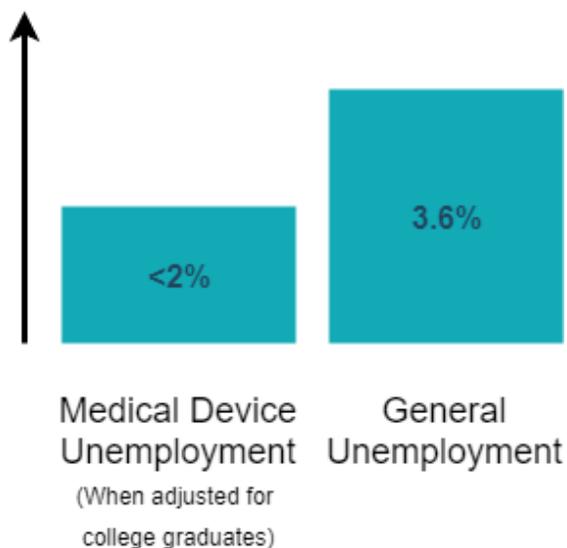
JP Morgan economist Michael Feroli forecasts slowing job creation from 200,000 new jobs to 160,000, a net gain but remember medical devices

companies operate to improve patient care AND make a profit. Headcount is expensive. More conservative Q1 hiring discussions abound.

## THE GOOD NEWS

Today's US general unemployment stands around 3.6%, a 50-year low.

When you take BLS (Bureau of Labor Statistics) weekly numbers for manufacturing in healthcare and overlay college graduates (a large percent of medical device workers), the rate of unemployment drops below 2% for most regions in our industry.



Employment analysts estimate a **one million-candidate deficit** for current open positions in the United States:

- Birth rates are at historical lows.
- 10,000 baby boomers reach retirement age daily.
- Improved FDA throughput won't likely impact job creation.
- Congress won't likely impose ruinous and debilitating medical device taxes.

## 2

# Rampant candidate centrality cools in 2019.

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I've been 'overwhelmingly optimistic' about the medical device job market for four years. I'm now "cautiously optimistic" based, in part, by the analyst reports I read each week.

I've been in medical devices for more than 30 years (15 as an executive recruiter). Many clients are seeking key position "upgrades" versus headcount additions.

December and January are two of our busiest months. We do several confidential, 'quiet' searches for executives who don't know they're being replaced.

Therefore,

**Candidates:** Many tenured employees sense they risk being replaced. Sometimes, because they've peaked or hit their stride. Other times, it's subsector contractions or a competitive, financing, quality, or regulatory issue.

If your performance in 2018 – for whatever reason – is less than stellar, talk frankly with your manager.

See if you can improve early in 2019. This is the time of year when many forward-thinking companies consider making changes and hire us to prepare new candidates ready to step in with minimal business disruption.

**Companies:** Look at your current team. Would a technology, infrastructure, or other investment make 2019 a stronger year? Would a critical key leader or contributor make a difference?

If the latter, consider hiring a more seasoned or effective R&D, finance, operations and commercial personnel, perhaps those with different viewpoints to maintain or grow market share.

By the same token, reward high-performing team members! Many reading this article have been contacted by recruiters in the past 30 days and your top producers are in constant danger of being poached.

Demonstrably cement your relationship with your top 10%. Excellent retention options include equity, performance and retention bonuses, advancement, and improved work/life balance (working from home and flexible time).

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**Takeaway 1:** I know an early stage company which crossed the chasm by finding a sharp, strong-willed CFO who questioned everything. Unlike her predecessor, she ‘stuck her nose’ into the detail and uncovered operational inefficiencies. A huge swing in profitability resulted. Hire the most talented person in all areas, not just top-line sales and marketing executives.

### 3

## Unsexy is sexy again in today's talent pool.

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Non-STEM roles will gain attention in 2019.



Sales remains king, but the 'Brilliant and Powerful Oz Behind the Curtain' will gain importance.

Sales, marketing, and deep-science roles will be deemphasized. We'll see

an uptick in biostatistics, distribution, manufacturing (including outsourcing), and particularly warehousing, service, and repair roles.

Several large service providers consolidated in 2018. Companies returned to their core competencies. They regionalized shipping, lower-skilled repair, warehousing, and processes that didn't require medical device competencies.

FedEx Kinko's, Amazon, contract manufacturers, Global Service and other third-party logistics providers helped medical device companies improve

efficiency. Now, many CEOs want to improve the bottom line using a SEAL team of medical device experts, strategic partnerships, and contractor.

Therefore,

**Candidates:** 2019 hiring will be candidate-biased. Use this year to enhance your current-company worth or find a skillset-broadening role. 2020 may not be as rosy.

Working for a powerhouse company is great for gaining experience and building a lifetime-spanning career network.

But if you fancy often-lucrative medical device start-ups, consider diversifying your experience to include contract manufacturing/R&D, supply chain, and other rotations to broaden your understanding what it takes to be at the helm of an organization.

An alternate path is the 10-hat-wearing startup where you are the Entrepreneur in Residence exposed to everything.

Few publicly traded company CEOs have risen to the top without time in 30,000-foot roles and ground-level operations roles. Large companies (Johnson & Johnson, Stryker, GE, Baxter; many more) have leadership tracks for both early stage and tenured executives.

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**Companies:** Please take my advice. Forget the “yes man.” Get yourself a “NO” man or woman.

Not doing so is the single biggest mistake we see: Hiring people that think just like you.

Find someone diametrically different than your current team. Challenge them – to challenge *you* – with unfettered rope for contrasting viewpoints. Behind closed doors, that is.

As I began, unsexy is sexy again in hiring. If you don’t have someone to question the status quo, your company could fall victim to the homogeneity that results when leaders choose job security over company growth.

**Takeaway 2:** Be the educated contrarian, the “red team” in your organization.

Put commercial leaders on an operations or manufacturing tract. Put engineers, finance, R&D and operations in a short-term sales and marketing crash courses.

The company that builds its brain trust makes the company stronger from the inside.

# 4

## Resumes become increasingly obsolete.

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There will be *even more* automation, artificial intelligence, computer learning and even less 'people' interaction in sourcing candidates.

And this is a *good* thing!

McDonald's has self-ordering kiosks.

Grocers have self-scanning to speed check-out.



Use your phone to deposit a check, pay with Venmo, and use ATMs to get cash. (Who pays with cash?) Banks are reducing headcount and mortar.

For careers, there is a parallel. I received a lovely resume – in the mail(!) – a few weeks ago. A thoughtful cover letter and personalized message too!

But I no longer have a scanner. I had to call this incredibly well-qualified scientist to request an electronic copy of his resume. 😞

The stark reality about “applying” online is not about experience, degrees, and the like.

It’s no secret: AI scans the data through an algorithm. It hurts candidates and companies who don’t know the secret handshake.

Therefore,

**Candidates:** At the risk of being kicked out of the recruiter’s guild (which doesn’t really exist), game AI applicant-tracking system.

1. Take the job description from specific desired roles and use the phrases, keywords, and tone it uses. Add a descriptive, custom-written cover letter with phrasing on company websites and press releases. AI or Boolean rankings are combing your application for these terms.

2. Send a document containing appropriate keywords, awards, patents, etc. – anything that promote your keyword score. Yes, it’s gamesmanship, but it works. Candidates with a resume and a profile and a list of publications will generally their resume-only competitors.

3. Network with employees. Many employers (rightfully) offer a finder’s fee or bonus to employees for successful hires. This bonuses vary greatly but are a teeny-tiny fraction compared to executive recruiter fees. Trust me.

A \$5,000 bounty for a vetted introduction from a current employee beats a recruiter's fee, a bad hire, or dragged-out searches every time.

4. Network with only a few recruiters. Yes, contact corporate recruiters and third-party search firms during an active job search. But in more passive times, engage a few search firms in YOUR space. Let them know what you do and who you are, should a better opportunity arise – or your current situation worsen.

Help them. Refer candidates and clients. Be selective.

Each time a potential candidate asks, I share four US companies, one Canadian, and several in their country of origin. (See my article, “How a Candidate Should Find Their Perfect Recruiting Partner” for more on this.)

**Companies:** Save a ton by soliciting employee recommendations.

Pay large bonuses (\$1,000 to \$5,000 depending on level and urgency) and easily bypass a \$10,000+ search-firm charge. Make sure the ‘bounty’ doesn’t detract from their day jobs(!) and you have guidelines that spare HR from time-wasting, unqualified candidates. Email me for my recommended guide [“Empowering Your Employees to Bring in Top Talent.”](#)

Obviously, some needs and circumstances require an executive placement firm. But inviting employee participation, you engage them, building a sense of belonging and purpose for all.

**Takeaway 3:** Become the employer of choice in your marketplace.

Take care of your producers, especially if you're an early-stage, turnaround, or trailing companies). Look for opportunistic hires to improve your company performance this year.



# Final Thoughts.

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It's an exciting time to be in medical devices and the winnings will go to the forward-thinking.

Crave knowledge. Read. Rotate to a cross-functional role.

Participate in forums like [Joe's Medical Devices Group community](#).

Stay visible and [pose a discussion topic here](#) – perhaps one about medical device hiring trends – and Joe will alert me and a considerable network of recruiters who are active in the group.

Thank you for reading and I wish you a bright and profitable 2019.

# About the Authors

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Paula Rutledge is president of [Legacy MedSearch](#), the firm she started in 2005

after 22 years in medical device sales with companies including JNH, Synthes, Zimmer Spine, and GE Healthcare.

With her deep-rooted industry relationships and innate passion for people, she developed a MedSearch Executive Search approach and placed hundreds of medical device professionals.

Paula has contributed 120+ works of Interview Prep, Resume Review, and Executive Hiring 'How To' literature to the industry. In the off chance she leaves the office at a decent hour, you'll find her spending quality time with her family and beloved pet, Jackson.



Joe Hage is Founding Principal of the Medical Devices Advisory Group, featuring the

most qualified experts in each discipline you need to run a thriving medical device enterprise.

Joe built the 350,000+ member Medical Devices Group on LinkedIn and moved the community to [MedicalDevicesGroup.net](#) in mid-2018 to create the world's most useful website serving the medical device industry.

A Wharton MBA, Joe is a 25+ year marketer who joined Cardiac Science as Director of Marcom in 2007. He now provides marketing [strategy and communication services](#) to medical device companies looking to engage qualified prospects and customers.

[Attend his 10x events!](#)

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