“It’s easier to do well when things are going well,” Smith reflects, “and hard to do well when times are tough. I’m very proud and pleased that we’ve scored well this year—it says that people are seeing and believing in new opportunity here. We pay a lot of attention to how we convince and keep convincing people that this is a good place to work even during a rough period. Very few people have left since the acquisition.”

INNOVATION AND RESEARCH
Two of the survey’s perennial top drivers—innovative leadership and quality research—are never taken for granted at excellent companies. They’re carefully nurtured and cultivated.

“We’re highly committed to further strengthening our innovative capabilities—innovation is key to maintaining or gaining a leading position in every market in which we operate, and also the foundation for improving the lives of many millions of people,” says Katharina Jansen, Ph.D., director of global media relations and issues management for Bayer Schering Pharma AG in Leverkusen, Germany. She considers Bayer’s research and development investments to be long-term: Their pharmaceutical or agricultural research projects average 10 years before reaching the marketplace.

To encourage innovation, Regeneron labs operate like a hybrid of academe and business, Grossman explains. “We give researchers a great deal of freedom, and encourage employees to suggest improvements at the implementation level. Anyone comfortable with a scientific organization’s give-and-take can be part of any discussion here. We’re not yet big enough to have lots of channels, formal procedures, or hierarchies. The enemy is bureaucracy,” he says.

Regeneron is continuously seeking new approaches, says Grossman, and asking at every stage, “What’s the next generation of technology?” He elaborates: “When it wasn’t fashionable, we invested in building a technology that was then highly innovative, and brought us to our first marketable product. Then we invented a suite of techniques that led to Arcalyst.” Although Regeneron uses these successful techniques to develop other drugs, they’re also committed to ongoing innovation.

Genentech concentrates on innovations in transformative therapy. “Our strength is our patient focus,” asserts Mike Varney, senior vice president, small molecule drug discovery. “We constantly work with clinical groups to understand what’s going on with a particular disease, how it’s treated, and the limitations of existing therapies. This proximity to the patient is rare. Even with portfolio reviews, discussions center around the patients, how to help them, and the reality of improving a patient’s life.”

Genentech’s culture encourages ambitious research. “Genentech through our network of global partners.”

For Pioneer Hi-Bred, global interconnections are internal. They’ve added 4,000 employees since 2007, in 95 locations. Research and development (R&D) scientists in Europe, Asia/Pacific, Latin America, and North America are in constant contact. “They know where the soils are similar and who should be collaborating. One strategy may be applicable in North and South America, but the same products don’t work globally,” explains Bunz.

Bayer takes a similar approach. “Collaboration at our worldwide locations is part of our model for success,” Iams emphasizes. “Sharing information today is so much easier than even five years ago. Other scientists can access your files to further [distant] collaborations. Now our high-growth regions are really learning from other locations, allowing much faster development in China, India, and Latin America.” All 2,500 Bayer scientists, engineers, and chemists in various labs are charged with driving innovation.

ECONOMIC IMPACT
Survey respondents indicated that the soft economy has led to layoffs, site closures, and outsourcing. When asked which key events have had the greatest effect on the industry over the past year, respondents named mergers and acquisitions, which have created some instability and uncertainty. Yet, many top employers experienced surprisingly few effects during the lengthy global recession.

“Bayer takes adequate precautions that economic instabilities do not impact R&D activities, a priority on our agenda,” says Jansen. Bayer’s R&D investments increased from €2.9 billion in 2009 to €3.1 billion in 2010 and 2011.

Another international firm, Novo Nordisk, has thrived, with 36 quarters of double-digit growth. “We actually grew, added employees, and brought new products to market last year,” says Chinn.

Regeneron also seems countercyclical, having “hired two-thirds of our employees since 2008, when we were under 700. We’ll soon reach 1,800,” says Grossman. “At the end of 2010, 43 percent of employees had been here one year or less.”

Like Regeneron, Genentech has been expanding. Since 2008, as cutbacks left talented professionals unemployed, the company has been “very lucky to hire some exceptionally qualified scientists,” says Varney. “Our small molecule group, and research in general, have been growing, while the rest of the industry is contracting. Being a little out of sync allowed us to cherry-pick the very best.”

Weather, not economics, is the biggest variable for Pioneer Hi-Bred. “We continue to create products to deal with weather factors,” says Bunz. An innovative new drought-resistant product, AQUAmax, is for areas with a dry climate or too little rainfall for farming. New