BUSINESS NEWS

Assessing the New Potential for a Congested Medtech Job Market

As mass layoffs at the federal level continue, there's some uncertainty and curiosity about what lies ahead for today's medtech professionals.



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May 2, 2025

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At a Glance

- The federal healthcare workforce faces major restructuring.
- Clinical experience remains valuable despite market changes.
- Market uncertainty affects innovation and hiring.

Employment prospects for professionals in the medtech job market, and

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As of March 27, the U.S. Department of Health and Human Services (HHS) officially began what its leadership describes as “a dramatic restructuring” of the country’s federal health workforce and processes that are also impacting FDA Centers for Disease Control and Prevention (CDC), and other health agencies in addition to HHS.

According to HHS, the number of full-time federal health employees is expected to dwindle to 62,000 (from 82,000) – with multiple reports claiming that the full scope of layoffs/terminations/resignations/buyouts/early retirements should be “settled” by June 30.

The unpredictability of the staffing changes, which have been described as a “realignment” by some and a “bloodbath” by others, will produce several consequences to overall employment potential, which also continues to fluctuate throughout the privatized medtech space — with some of the more recent mass layoffs coming from such companies as Teleflex, Masimo Engineers, Solventum, and Hologic.

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The volatile activity has recruiters and other industry insiders feeling a conflicted state of emotions ranging from confusion to intrigue when trying to anticipate what possibilities will exist for anyone seeking work over the next several months across both the public and private sectors.



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An influx of talented available employees

The release of up to 20,000 professionals won't just bring significantly more traffic to the marketplace — it will create a logjam of talented professionals who possess a variety of skills that will be applicable to various types of job descriptions (even if there are fewer positions available than typical).

Employers overall will have more personnel options to choose from with the intention of hiring fewer people.

Among the specialists who will remain available, it could be those with clinical healthcare experience who see the most opportunities.

"Of all the federal agency layoffs we've seen in recent months, healthcare agency professionals are the most likely to find jobs quickly," said Sheldon Arora, CEO at StaffDNA, an employment agency based in Plano, TX, that works with healthcare professionals to assist them in job placement. "There is a shortage of hundreds of thousands of clinicians, primarily nurses, with even more shortages projected. Any displaced federal worker with clinical experience, particularly in a hospital setting, will encounter available jobs and opportunities to transition into new roles, including telemedicine. The road to employment may be bumpier for professionals without a clinical background."

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Mitch McElman, senior account executive at Credentially, an organization that specializes in fully customizable and automated onboarding for healthcare credentialing and compliance management, agrees, adding that the private sector could also be an outlet for clinicians interested in working for medtech and life sciences companies.

"There's always a place for those who have that clinical background," he said. "Just having someone on your team who understands how things are done within the industry and the pains experienced by the prospects or clients for the company is beneficial. To bring them into a conversation or a sales process where they're not the salesperson but can share their expertise – I find to be very useful."

Areas of specialization that could be most attractive and appropriate in the privatized space for clinicians from the federal side include marketing, communications, compliance, and regulatory, among others.

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“Private sector companies in healthcare tech and regulatory compliance will actively hire workers to develop innovative healthcare technologies that minimize the impact of a lack of providers attempting to meet the demands of an aging, chronically ill population,” added Arora. “Private healthcare companies will also require professionals with experience navigating complex healthcare regulations. Any federal employee with that type of experience will be well-positioned for a consulting role to help companies understand the regulations they learned from a federal standpoint."

At Ascential Technologies, a company based in Grand Rapids, MI, that develops solutions for diagnostics, inspection, and testing, Melissa DeTamble, chief human resources officer, acknowledges the value that those in the private sector will see in these professionals.

“Enhanced credentials are always valuable, as they provide those professionals with a validation of skills and understanding in their area of specialization,” she said. “We certainly evaluate potential candidates based on skills and abilities and welcome those with backgrounds that may be different and complement our overall workforce.”

Arora also sees additional advantages for those with established administrative and managerial experience from both an information technology (IT) and clinical perspective. “Federal workers, especially those in IT, administration, and management, have many transferable skills that could help them land roles in the medical device and tech market,” he said. “Private sector companies looking for tech workers in data science and software development roles might be eager to hire professionals with insight into the regulatory environment. Additionally, displaced federal workers with medical device certifications will have a better chance of transitioning into private sector healthcare roles. There is always a need for skilled workers in healthcare.”



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General state of the market

Prior to the most recent federal realignment and layoffs, Arora and DeTamble in particular were beginning to develop better impressions of the marketplace for job seekers as compared to how trends had been developing over much of the past two years post-COVID.

"The overall outlook for the healthcare and medtech markets was generally positive," said Arora. "Telehealth and mental health had driven job growth, and digital health, along with jobs in regulatory affairs, were expanding. Healthcare startups funded by private equity were also strong, with roles in data science steadily growing."

Although the coronavirus pandemic had proven that there was never any industry job market that could remain unaffected by a global health crisis, DeTamble was seeing positive signs for the device/tech arena as supply chain issues eased while technology advanced (absent any conversation related to this winter's global tariff standoff).

"My impression of the medtech job market has always mirrored that of similar technical fields — highly skilled individuals will always have opportunities as they are valuable resources to their respective companies," said DeTamble. "All job markets ebb and flow as demand fluctuates, but there may be a potential for growth in domestic, U.S.-based manufacturing that will drive demand for an increased workforce to support it. This could range from manufacturing workers, operations teams, to construction as new facilities are required for manufacturing expansion."

Looking strictly through the lens of what to envision given the federal fallout, they're not as confident, mainly because it is difficult to project outcomes when there's a general sense of instability.

"Uncertainty is never good for any market," Arora said. "Workforce instability at the federal level can affect morale within the public and private sectors. These layoffs could create a ripple effect and concern over economic stability throughout the financial markets. The private healthcare job market is still robust, especially when it comes to clinicians and providers. But fewer young students are interested in a medical career. This, coupled with an older generation of healthcare workers retiring and an industry still struggling with post-pandemic correction, is cause for concern. We will continue to see a lot of industry consolidation, like mergers and acquisitions, as healthcare organizations struggle to stay profitable."

Additionally, McElman has concerns about the reliability of professionals leaving the federal workforce with a track record of both clinical and tech employment, having the convenience to choose a clinical healthcare career pathway with any level of certainty.

“That industry in its own right took a bit of a financial beating through COVID,” he said. “And there’s been a level of hesitancy the last couple of years, waiting to see what incoming governmental leadership would offer in terms of support and incentives. We’re seeing a significant offsetting of recruiting and talent-focused staff. It’s not even necessarily that they’re cutting individuals with high salaries to hire back individuals at a lower salary. We’re actually seeing organizations being asked to do as much, if not more, with fewer individuals on their staff.”

There are especially reduced opportunities for clinicians in travel nursing and Veterans Affairs (VA), McElman adds.

“Working with the VA, those organizations are always heavily price conscious, knowing that it’s a limited set of funds that are coming through to them,” he said. “But now to see there is a limit in the available funding for public organizations, it does affect the staffing of the group and the amount of care that can be offered. In the travel nursing market during COVID, organizations were in a position to spend a significant amount of money on a nurse to come in and provide appropriate care as needed. Now we’re starting to see a lot of travel staffing organizations and healthcare organizations move away from the travel piece. They’re looking to place more permanent individuals because they’re typically not as expensive, and the margins are a little more approachable from a hospital perspective. And the reason there is some price consciousness from the hospital when they are going through this ongoing onboarding of staff is the fact that they don’t have a direct line of sight into a potential budget that was previously made available.”

There's also the expectation that medtech and life sciences development will be hindered by the threat of less innovation as a major readjustment occurs at the federal level.

"Based on what we see now, these layoffs will definitely delay the innovation of new medical technologies and clinical trials, at least in the short term," Arora said. "Budget cuts and layoffs will result in a slower approval process and stalled introductions of new products to the market. These layoffs may also lead to less collaboration between government agencies, research institutions, and private companies."

Other immediate impacts

For the present tense, the most realistic scenario to play out will be a job market that is tense and competitive, albeit slow to move—the latter of which is typical for this time of year, say those who spoke with *MD+DI*.

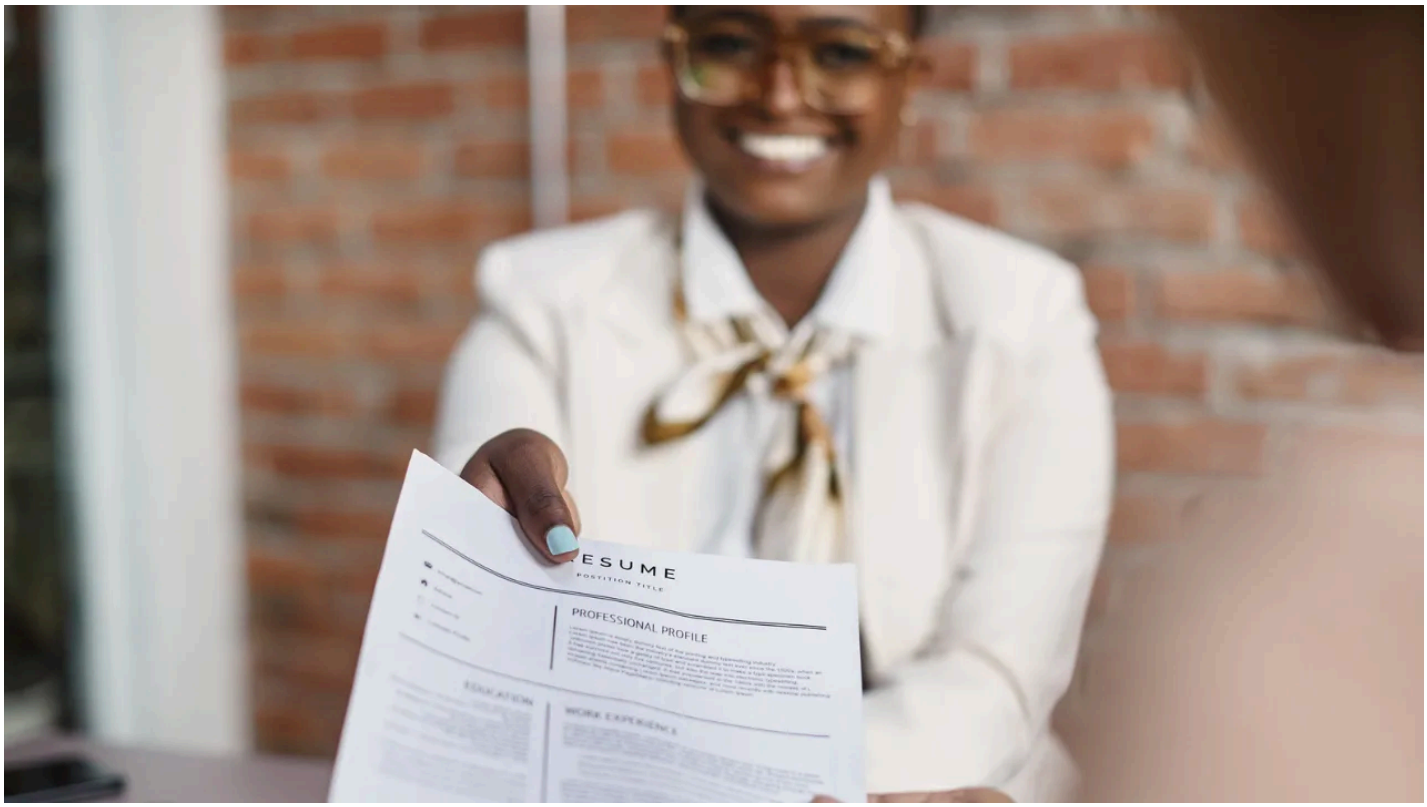
"The summer is tough to conduct business, and the summer is even tougher to find a job from a market perspective," said McElman. "Additional layoffs will only add uncertainty to the space. Although individuals who are being laid off are probably incredibly qualified, the sheer volume is difficult to manage for individuals who are out there looking for jobs, knowing that thousands of employees are being laid off. If I were someone hunting in the job market at this time, my concern would be that if there isn't a significant uptick of financing in the system, that does lend itself to continue the uncertainty in the space."

At the same time, it's not unimaginable that companies in the private sector pivot with their job descriptions and hiring in a way that sees them be more creative with how roles are defined as a means of attracting talent that might not otherwise be available without the federal restructuring.

"Potential opportunities could be available for federal employees to look at positions in regulatory affairs – companies are always looking for intelligent individuals who have a clinical or management background to provide market research, or market or industry knowledge, or to potentially generate new partnerships," said McElman. "There are also governing bodies that could benefit from a group of federal employees. It becomes state-specific and specialty-specific based on the individual and wherever they were working in the federal government, but there's definitely something there where you're providing potentially some legislative support or oversight in adhering to specific guidelines. Something fairly similar to what they were already doing, but not particularly focused on or funded by the federal government. It's important to have someone who understands processes and, more importantly, how to coach potential clients on how to effectively and efficiently adhere to guidelines while maintaining clinical continuity and revenue gain."

There could be fewer opportunities for candidates within smaller privatized companies, however, according to Brian Cole, managing member at MedTech Executive Search LLC, in Nashville, TN.

"Smaller companies do not tend to look for FDA/federal backgrounds, as they are focused on professionals who have experience working at medical device companies," said Cole, a recruiter with nearly 30 years of experience in this area.



Better positioning for success

Regardless of how many public- and private-based employees enter the field in the coming weeks, staff members currently employed in the medtech and life sciences industries should be taking proactive measures to strengthen their skills to remain as competitive as possible for future job opportunities should they find themselves laid off or generally inclined to conduct a new search.

“Any employee, regardless of employer, would be well served to align their personal skillset growth with their career goals,” says DeTamble. “Setting a growth plan with their manager and looking at areas of opportunity within the business that align with personal development are solid steps to achieve growth and maintain feedback.”

A comprehensive growth plan should include identifying long- and short-term goals as well as a timeline of how each can be met, suggests DeTamble. Metrics and achievable milestones are crucial for staying focused and to celebrate successes along the way, she said. “An employee should own their own plan and utilize their manager for support in securing experiences or training that would assist them with progress.”

Arora suggests an aggressive approach as the most effective route moving forward, given the current climate. “It’s never too early to explore what’s out there, even if you think your job is secure,” he said. “Find a go-to job source, create a profile, and let artificial intelligence match you with relevant roles. If it’s been a while since you’ve interviewed, take a few calls to practice interviewing and ensure you’re comfortable in this new environment. A lot has changed in professional job searching in the last few years.”

Those already in the market without full-time work should emphasize networking, Arora also suggests. “Networking is key to exploring what options you may have in your respective field,” he said. “Spending time reconnecting with former co-workers or companies can often lead to valuable connections.”

About the Author



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Joe Darrah is an award-winning freelance journalist based in the Philadelphia region who covers a variety of topics, including healthcare and medical technology. His articles have been published in more than 40 publications

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