

Hiring could pick up in Switzerland this fall

Remote working – a long-term response to the health situation for more than half of Swiss employers

Morges and Zurich, September 8, 2020 – According to the quarterly results of the ManpowerGroup Employment Outlook Survey*, conducted between July 15 and 28, 2020, employers in Switzerland are regaining confidence in the fall of 2020 and are once again reporting a positive employment outlook (+1%)** that is stronger quarter-over-quarter, but declines year-over-year. Employers in six out of seven sectors as well as in six out of seven regions are registering an improvement when compared with the previous quarter. However, the forecasts are still much weaker than the results obtained one year ago, reflecting the repercussions of the health emergency and economic shutdown experienced in Switzerland and the world these past few months. Nevertheless, the additional questions concerning the impact of COVID-19 on employment reveal that 42% of Swiss employers are confident that we will return to pre-health crisis hiring levels by this time next year. The most optimistic among these employers (26%) think this will be achieved by the end of this year.

“In spite of the uncertainties caused by the health situation in Switzerland and most countries around the world, employers in our country are showing us that we can have confidence in the robustness of the domestic market. Although we can already see job cuts and company restructuring, the results of our study allow us to hope that they may not be as extensive as certain scenarios have led us to fear. Our observations show that the labor market seems to be regaining momentum, but we have also put solutions in place for companies that might have to rethink their staffing strategy,” remarks Gianni Valeri, Managing Director of Manpower Switzerland.

The impact of the health crisis on the world of work

Apart from the study on hiring plans, Swiss employers were questioned on the longer-term impact of the health crisis, and in particular on the probability of hiring returning to pre-COVID-19 rates. While 26% of employers expect their companies to return to a level of recruitment activity similar to 2019 and previous years by the end of this year, 39% think they will never return to how things were before. When asked about existing members of the workforce who have been placed on the short-time working scheme, a third of employers (32%) suggested they planned to bring them back to their original employment level in three to six months, however, 3% feared that some of their staff would have to be let go. Employers were also interviewed about the consequences of the crisis in relation to choosing ways of working. In Switzerland, 57% of employers expect to offer remote working to employees for some of the time, as against 39% of employers globally. 17% of Swiss employers even anticipate giving staff the option of completing all of their work from home. Another solution for retaining the workforce would be to suggest part-time work, which is one of the possibilities chosen by 20% of employers interviewed.

Encouraging employment outlooks in Espace Mittelland and Zurich

Employers in four of the seven regions are reporting positive hiring prospects for fall 2020. The most noticeable confidence is being revealed by employers in Espace Mittelland (+6%) and Zurich (+6%). Employers in these two regions are also registering very encouraging increases quarter-over-quarter (of +11 and +17 percentage points respectively), as are those in Ticino (–2%), where the negative forecast is offset by a considerable upturn (+12 percentage points) compared with the previous quarter. A notable



improvement quarter-over-quarter (+10 percentage points) is also being recorded by employers in the Lake Geneva Region (-1%). None of the regions have employers reporting quarter-over-quarter declines; however, none of the regions have employers registering year-over-year improvements either. The level of the outlooks by region remains weak compared with the same period in 2019, with employers in six out of seven regions revealing decreasing figures year-over-year. The sharpest drop (-11 percentage points) is being reported by those in Northwest Switzerland (-5%), where the forecast is also the most pessimistic of all the regions this quarter.

Considerable upturn in the Restaurants & Hotels sector

The most optimistic employers are to be found in the Other Services sector (+7%) and the Finance & Business Services sector (+3%). At the other end of the scale, employers in the five other sectors are expecting to trim payrolls. This is primarily true of the Manufacturing sector (-5%), where employers are forecasting the strongest decline (-14 percentage points) when compared with this time one year ago, despite an increase in comparison with the previous quarter (+5 percentage points). Employers in the three sectors of Wholesale and Retail Trade, Construction & Civil Engineering and Restaurants & Hotels (-3%) are proving cautious with their hiring plans for the fall. However, Restaurants & Hotels sector employers are revealing the most striking increases in a comparison with the previous quarter (+33 percentage points) and with the previous year (+17 percentage points).

Contrasting hiring intentions depending on organization size

Among the four business categories polled***, two are reporting positive outlooks, unlike the two others. Employers in medium-sized enterprises (+6%) are the most optimistic, also forecasting a considerable increase quarter-over-quarter (+23 percentage points) ahead of large employers (+4%), while employers at small firms are revealing the most pessimistic prediction (-6%) as well as the most marked declines both quarter-over-quarter and year-over-year (-1 percentage point and -12 percentage points respectively). The outlook for the micro-employers stands at -3%.

Little difference to be found in neighboring countries' outlooks

In neighboring countries, employers are slowly regaining confidence. In France (+3%), the recovery is mainly due to positive forecasts from employers in the Construction & Civil Engineering and Finance & Business Services sectors, while in Germany (+2%), employers in five out of seven sectors, primarily Finance & Business Services and Construction & Civil Engineering, are reporting encouraging outlooks. However, the Manufacturing sector is in difficulty. In Italy (+1%), it is the Wholesale and Retail Trade sector where employers are anticipating the most momentum.

The international results can be downloaded from the [ManpowerGroup](#) website > [ManpowerGroup Employment Outlook Survey](#). You can compare and analyze the data with the help of the study's [interactive tool](#).

***The ManpowerGroup Employment Outlook Survey, a reputable indicator**

The ManpowerGroup Employment Outlook Survey is conducted quarterly among private- and public-sector employers in 43 countries and territories to measure employers' intentions regarding any change in their staffing levels during the next quarter. It is the most extensive forward-looking survey of its kind, unparalleled in its size, scope, longevity and area of focus and is a reputable economic indicator. In Switzerland, it is compiled based on interviews with a representative sample of around 750 employers.

** The results in brackets are seasonally adjusted data.

*** Organization categories: micro-employers up to 9 employees; small businesses between 10 and 49 employees; medium-size enterprises between 50 and 249 employees; large businesses more than 250 employees.



BREAKDOWN OF RESULTS FOR SWITZERLAND FROM JULY TO SEPTEMBER 2020

Please note: The results of the survey for the fourth quarter of 2020 reflect the repercussions of the global health emergency and paint a contrasting picture compared to those from the previous quarters.

- 452 employers questioned between July 15 and 28, 2020

Non-seasonally adjusted results

- 12% are anticipating an increase in staffing levels
- 12% are expecting to downsize their workforce
- 72% are not forecasting any change in their headcounts
- 4% do not know
- Non-seasonally adjusted result for Switzerland: 0%

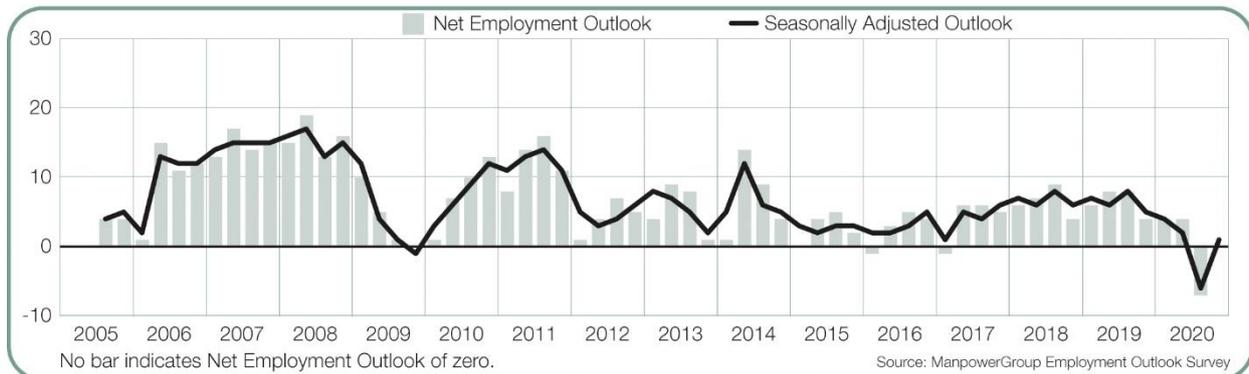
Seasonally adjusted results

- Seasonally adjusted outlook for Switzerland: +1%
- Quarter-over-quarter comparison: increase of 7 percentage points
- Year-over-year comparison: decrease of 4 percentage points

Chart illustrating national results over time

Switzerland

0% +1%





Note on the net employment outlook

The net employment outlook for Switzerland is +1 % (seasonally adjusted data) for the fourth quarter of 2020. The outlook figure is calculated by taking the percentage of employers anticipating an increase in total employment in their company and subtracting from this the percentage of employers that expect to see a decrease in hiring activity over the next quarter. The result of this calculation is a net figure for the employment outlook, which may be either positive or negative. This net figure is then adjusted for seasonal variation.

Note on the adjustment of data to take account of seasonal variations

Adjustment for seasonal variations is applied to 41 of 43 countries and territories. Data are adjusted using a statistical method in order to cancel out the effect of fluctuations during certain periods of the year, such as holidays or changes of season. When the data have been adjusted to take account of these fluctuations, the results are more stable and more representative of long-term trends on the labor market. Data for both Croatia and Portugal are not seasonally adjusted at this time. In Q2 2008, the survey adopted the TRAMOS-SEATS model of seasonal data adjustment. This model is recommended by the Eurostat department of the European Union and the European Central Bank and is widely used internationally. Switzerland used seasonally adjusted results for the first time in Q3 2008.

About the survey

The Manpower Employment Outlook Survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforces during the next quarter. It is the most extensive forward-looking survey of its kind, unparalleled in its size, scope, longevity and area of focus. The survey was launched more than fifty years ago in the United States and is one of the most trusted surveys of employment activity in the world. The Manpower Employment Outlook Survey is based on interviews with nearly 59,000 public and private employers worldwide, and is seen as a highly respected economic indicator. All those interviewed answered the same question, four times a year: ***“How do you expect the total employment figure to change in your company over the coming quarter as compared with the current quarter?”***

About ManpowerGroup

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis and Talent Solutions – creates substantial value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity – as a best place to work for Women, Inclusion, Equality and Disability and in 2020 ManpowerGroup was named one of the World's Most Ethical Companies for the eleventh year - all confirming our position as the brand of choice for in-demand talent.

More detailed information about the activities of **ManpowerGroup in Switzerland** is available at www.manpower.ch, www.experis.ch and talentsolutions.manpowergroup.ch.

CONTACT

Séverine Liardon
Communications Officer
Tel.: +41 58 307 22 73
E-mail: media@manpower.ch