

While global hiring outlooks are gradually improving for Q1 2021, Covid-19 continues to take its toll in Switzerland

- Payrolls expected to be trimmed, hiring intentions to weaken
- Ostschweiz (+9%) and Zurich (+2%) remain relatively optimistic
- Finance & Business Services (+3%) and large employers (+13%) report positive forecasts
- Confidence in a labor market rebound differs across the regions

Morges and Zurich, December 8, 2020 – The impact of the pandemic continues to influence labor markets around the world. Nevertheless, hiring outlooks are gradually improving in many markets for Q1, according to the latest data from ManpowerGroup’s Employment Outlook Survey of over 37,000 employers in 43 countries. For Switzerland, the quarterly survey reveals a mixed picture on employment forecasts. Job seekers can expect a dull hiring climate in Switzerland during the first quarter of 2021, as hiring prospects have declined significantly. In some sectors as well as regions, implications from Covid-19 seem more severe than in others. While the Restaurants & Hotels sector reports a bleak Outlook of -33%, the Finance & Business Services sector projects +3%. Employers in the Ostschweiz as well as in Zurich anticipate a stronger labor market than other regions; large employers anticipate steady job gains in the coming quarter, compared to rather pessimistic small- and medium-size firms.

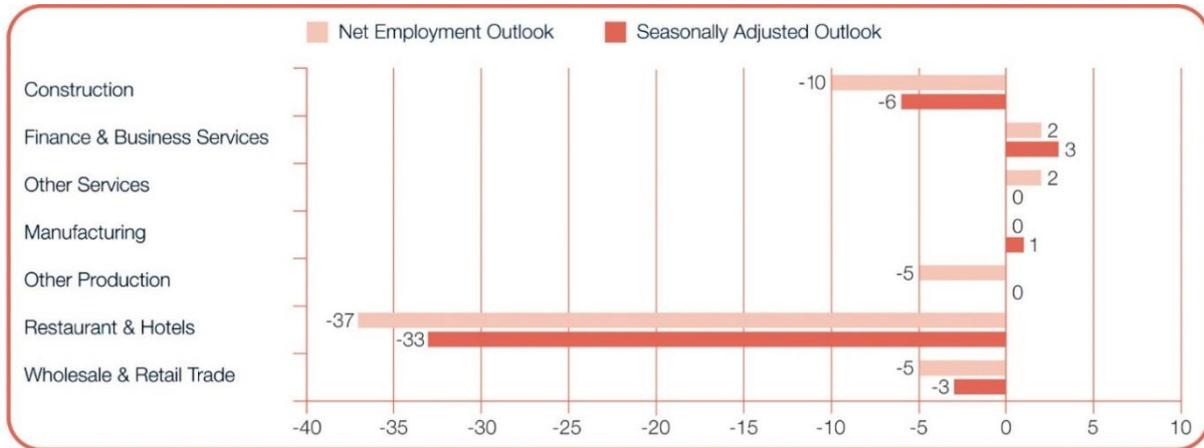
“The second wave of Covid-19 is taking its toll on employment forecasts; it is obvious that the hiring sentiment is directly linked to implications for specific sectors or regions,” says Gianni Valeri, CEO of ManpowerGroup Switzerland. “We take our responsibility in this extraordinary situation very seriously and work closely with our clients to help them weather the impact of Covid-19. From our experience we know that companies will first hire on a temporary basis in order to maintain the necessary flexibility and to be able to react agilely to the behavior of the market. Staffing is generally an early indicator for an economic rebound and we will see a strong increase in the first two quarters. In addition, the announcement of the launch of vaccines has already had a positive impact on the stock market. Once the vaccine is on the market, an economic rebound will not be far behind.”

Payrolls are expected to be trimmed and hiring intentions to weaken in Q1 2021

Employers in five of the seven Swiss regions expect to trim payrolls during the forthcoming quarter, which may provide an early indication on salary rounds for 2021. Hiring intentions weaken in six regions, both quarter-over-quarter and year-over-year. The Outlook for Espace Mittelland of -7% is the weakest since the survey began in 2005, declining by 13 and 12 percentage points from 4Q 2020 and 1Q 2020, respectively, most likely due to its structure with many small and medium-sized businesses, impacted by Covid-19. The weakest regional forecast stands at -11% in Nordwestschweiz, declining by 6 percentage points compared to Q4 2020 and 15 percentage points year over year. Ostschweiz employers anticipate the strongest regional labor market, reporting an Outlook of +9%; Zurich seems also relatively optimistic with 2%.

Finance & Business Services and large employers in Switzerland report strongest forecasts

Swiss employers report mixed hiring intentions for the upcoming quarter.



The strongest sector labor market is forecast by Finance & Business Services employers and the Manufacturing sector, both stronger than the national Outlook. As to be expected, job seekers in the Restaurants & Hotels sector will see the weakest 1Q 2021 hiring pace, according to employers in Switzerland reporting a bleak Outlook of -33%. Construction sector employers also report weak hiring prospects, which has been negative for four consecutive quarters now.

Large employers with 250 or more employees anticipate steady job gains in the coming quarter (+13%), but payrolls are expected to dip in small and medium-sized firms where employers report Outlooks of -6%.

Confidence in a labor market rebound differs across the regions

The report highlights that confidence in a labor market rebound differs across the regions. APAC appears most hopeful that employment will return to pre-pandemic levels in the next three months (27%) compared with more pessimistic views in EMEA (13%) and the Americas (10%). In Switzerland, a rebound is not expected before the end of 2021.

With a Net Employment Outlook of -4%, Switzerland is amongst the countries with the weakest hiring plans along with Panama (-23%), the UK (-6%), Austria (-2%) and Hong Kong (-2%). The strongest hiring plans for the first quarter of 2021 are reported in Taiwan (+23%), the U.S. (+17%), Singapore (+15%), Australia (+10%) and Brazil (+10%).

Neighbor countries to Switzerland show a mixed picture: Both Germany (+8%) and Italy (+3%) report positive Net Employment Outlooks, while Austria (-2%) and France (0%) are less optimistic. The slow recovery in Switzerland as well as other countries may reflect the varying degrees of economic lockdowns, as regional measures in the countries have been imposed since September.

Results can be downloaded from the [ManpowerGroup website](#) > [ManpowerGroup Employment Outlook Survey](#). The study's [interactive tool](#) helps comparisons and analysis of data.



Note on the net employment outlook

The net employment outlook for Switzerland is -4% (seasonally adjusted data) for the first quarter of 2021. 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 seasonal variations into account

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 these fluctuations into account, 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 was conducted in October 2020 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. In Switzerland, 415 employers participated across all industries and regions. All those interviewed answer 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 substantially more 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.

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