

Employers report highest hiring intentions since beginning of pandemic as well as a severe lack of skilled staff; talent shortage has significantly worsened over past years

- **Manpower Switzerland reports strong growth of temporary business compared to precrisis**
- **Employers' intentions to hire are high: Ticino and Nordwestschweiz particularly positive**
- **Skilled labor shortage in Switzerland has massively increased**
- **Corporate culture gains in importance as a result of flexible working models**

Each quarter, ManpowerGroup surveys more than 42,000 employers in 43 countries about employment prospects for the coming quarter. In addition, ManpowerGroup annually examines trends on the topic of skills shortages.

Zürich and Morges, June 8th, 2021 – **Employers have become more optimistic about the recovery of the labor market than any time before since the start of the pandemic; globally, 49% expect to return to pre-pandemic hiring levels by the end of 2022. In Switzerland, employers seem more uncertain: 51% stated “don’t know” when asked about expected pre-pandemic hiring levels.**

At the same time, 69% of the surveyed employers worldwide report difficulties in filling vacancies with suitable candidates, compared to Switzerland with even 83%; which is among the top four countries with the highest talent shortage.

The implementation of flexible working models highlights cultural differences between countries: in the context of home office routines, employers in Switzerland seem more concerned about negative effects on soft factors (57%), such as corporate culture and employee well-being, than on productivity (11%); employers in Hongkong, on the other extreme, are concerned about home-office consequences on productivity (44%) as well as on soft factors (51%).

Yvonne Baumgartner, Managing Director Talent Solutions ManpowerGroup Switzerland: *«We are very concerned about the shortage of skilled workers. At the same time, we realise how demands on employees and managers have been changing: digitization has revolutionized the entire value chain; working models and leadership styles are completely overhauled as well, not just due to COVID-19. The pandemic has simply accelerated these trends. New requirements require new solutions, especially with regard to training and development and reskilling. In addition, candidates must demonstrate more flexibility and openness to learning opportunities, which we at ManpowerGroup intensively support.*

As the temporary business is typically an early indicator of economic development, we are very optimistic. Since beginning of this year, Manpower Switzerland has experienced strong growth; this tendency is also reflected in the hiring intentions of employers surveyed in Switzerland (+8%), but also globally; almost all countries indicate a positive employment outlook.»

83% of employers in Switzerland claim to suffer from talent shortage

Companies have long been concerned about the «war of talent», trying to attract employees with appealing offers far beyond monetary benefits. Flexible working models, development prospects and a company's social commitment are becoming increasingly important when selecting an employer.



In 2021, however, the shortage of skilled workers is higher than ever before in the last 15 years. EMEA is affected particularly hard with 74%, compared to Americas (63%) and Asia-Pacific (59%).

Switzerland indicates an extremely high talent shortage of 83%; in just two years, the scarcity has worsened by 30%. According to the Talent Shortage study by ManpowerGroup, in 2019 only about half of the Swiss employers surveyed complained of not being able to find suitable talent for their open positions. Two reasons for this massive increase may be the accelerated shift to digitization along the entire value chain as well as implications due to the pandemic. The skills shortage in Switzerland particularly affects Operations/Logistics (28%), IT/Data (21%) and Manufacturing/Production (15%).

Mike McGinty, Managing Director Experis ManpowerGroup Switzerland: *«Due to the severe impact in retail, travel and the hospitality sector, clients were forced to look inward towards their organization to unleash even more value from their existing client relationships. This was a factor in seeing an increase in the demand for Data Analytics skills, and an upward trend of salaries and project rates in general. We see a strong and growing demand for all skills in the Logistics and Operations sector. Hence companies will need to ensure they have robust talent retention and talent attraction plans if they wish to run, grow and evolve their businesses as we embrace the new ways of working post-Covid-19. »*

France indicates the highest talent shortage worldwide; 88% of the surveyed employers claim a lack of skilled workers. South Africa has the lowest rate globally, where the overall labor market, however, is very difficult anyway with an unemployment rate of >29% in 2020.

Missing social competence and leadership skills

The ManpowerGroup Talent Shortage Survey also unveils a deficit in leadership and social skills (multiple choices possible). In Switzerland, 46% of employers surveyed indicate that leadership skills and social influence were frequently lacking; critical thinking and analytical skills (42%) and resilience, stress tolerance and adaptability (40%) seem also underdeveloped.

Globally, employers report too little sense of responsibility, reliability, discipline (28%) in profiles, followed by resilience, stress tolerance and adaptability (25%) as well as taking initiative (21%).

Concerns about home office affecting corporate culture and productivity

In times of flexible working models, ManpowerGroup wanted to learn from employers how home office routines affected businesses and to what extent hybrid workplace models were likely to stay post-COVID.

54% of companies surveyed in Switzerland fear a negative impact on its corporate culture, on its employees' well-being or on collaboration – compared to 38% worldwide.

In contrast to implications on soft factors, it is surprising that only 11% of employers in Switzerland seem concerned about a loss of productivity due to home office requirements. Employers across EMEA are more concerned about a decrease in productivity (20%); in South America even 30%, underpinning major differences in labor market cultures.

The survey also suggests that certain industries plan to continue employing flexible working models such as Finance & Business Services (61%); globally, however, only 22% of employers surveyed in April 2021 expect a hybrid work model to stay long-term, compared to 34% surveyed in January 2021.

With the federal government's vaccination campaign making headway and normality in sight, 60% of Swiss employers surveyed believe their employees will return to their workplace within the next six to



ManpowerGroup

twelve months, a drastic increase compared to previous quarter (41%). Globally, a return to workplaces is expected by 69%, with 81% in the Americas, 67% in EMEA and 57% in Asia-Pacific.

Swiss hiring intentions optimistic across industries and regions

According to the ManpowerGroup survey on employment prospects, the outlook is more optimistic in all countries surveyed worldwide.

In Switzerland, employers expect a net employment growth of +8% for July, August and September, an improvement of 5 percentage points over the previous quarter and an improvement of 17 percentage points over 2020. Two regions are especially worth highlighting: Nordwestschweiz expects an employment growth of +13%, a record high since the survey began 15 years ago. Ticino as well expects +13%, a plus of 18 percentage points compared to previous quarter.

The various Swiss sectors are also more optimistic. Although the Restaurants & Hotels sector presents a negative employment outlook for the fifth consecutive quarter, its current -1% is very positive considering the -36% a year ago. The strongest outlook comes yet again from the financial & services sector with +21%. The good news is that also small businesses seem to be recovering and are significantly more positive with an employment outlook of +10% compared to -1% last quarter.

Globally, the strongest hiring intentions are expected in the United States (+25%), Taiwan (+24%) and Australia (+17%), while the weakest hiring intentions are reported in Hong Kong (0%), Argentina (+1%), Panama (+1%), and South Africa (+1%).

The ManpowerGroup Employment Outlook Survey is carried out quarterly to understand companies' forecasts of staffing levels in the upcoming quarter. In Switzerland, the national survey is conducted by Right Management Consultants, who interview over 750 employers across diverse business sectors.

To view complete results for the ManpowerGroup Employment Outlook Survey, visit: www.manpowergroup.com/meos. The next survey will be released September 14th, 2021 and will report hiring expectations for Q4 2021.

CONTACT

Larissa Probst
Communications Officer
Tel.: +41 58 307 22 71
E-Mail: media@manpower.ch

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 2021 ManpowerGroup was named one of the World's Most Ethical Companies for the twelfth 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.