

Annual Report 2019





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WHITE PAPER

"Shaping the future – A culture that is accepting of flexible working as well as the dynamic shift between a variety of work forms is what the labor market of the future needs."

Leif Agnéus
President of swisstafing

President's Foreword



Leif Agnéus
President
swissstaffing

We look back on 2019 as a challenging year for recruitment services. Hours worked fell by 4.5 percent, although this did not affect each sector equally. Nonetheless, the decline was not entirely unexpected. The recruitment agencies have experience with such fluctuations and, where necessary, have reacted accordingly.

Our industry will play an even more important economic role in the future. The general desire for flexible work models from both employees and employers continues to grow and will shape our industry in the coming years. The conditions for the future look positive.

swissstaffing studies conducted in 2019 confirm the need for even more flexible working hours and forms of work. Our surveys show that 50 percent of employees would like to work more flexibly; in Ticino the figure is as high as 60 percent. Good social protection systems play an equally decisive and forward-looking role in this development. As an industry we have understood how to take both needs into account. In this way we are making an important contribution to making Switzerland an attractive business location.

Other issues, such as lifelong learning, have also accompanied us through the past year: Studies show that by 2022 there will be high demand for further education and training from more than half of the workforce. In particular, the rapid development of digitization has had a significant impact on this trend. With temptraining, the vocational training fund of our industry, the recruitment agencies have also created an extraordinary and groundbreaking tool in this area. It allows our flexworkers to benefit from further training after only a short period of employment.

The growing need for flexible forms of work needs a foundation on which it can be built. Therefore, the industry association swissstaffing is committed to a functioning social partnership. With its wide range of services and activities, swissstaffing creates the conditions for recruitment agencies to perform their work professionally, in compliance with the law and with as little administrative effort as possible.

The review of 2019 reports in detail on these and many other topics.

I hope you enjoy reading it.

A large, elegant handwritten signature in black ink, which appears to read 'Leif Agnéus'. The signature is fluid and cursive, with a large initial 'L'.

Leif Agnéus
President of swissstaffing

The Association

The Board

The Board is the steering committee of swissstaffing. It represents recruitment service companies of all sizes and different regions of Switzerland. Representation of the interests of the entire industry is thereby safeguarded. Three Board members announced their departure at the 2019 Annual General Meeting and were granted a fitting discharge: Jean-Luc Giongo, Paul Fritz and Michael Agoras. The new Board comprises 10 members.



Leif Agnéus
Manpower
(Schweiz) AG
President
swissstaffing



Nicole Burth Tschudi
The Adecco Group
Switzerland
Board Member and
Exec. Committee



Taco de Vries
Randstad
(Schweiz) AG
Board Member



Adrian Diethelm
Express Personal AG
Board Member



Andreas Eichenberger
Induserv Industrial
Services Ltd.
Board Member and
Exec. Committee



Robin Gordon
Interiman Group
Holding SA
Board Member and
Exec. Committee



Marcel Keller
Kelly Services
(Schweiz) AG
Board Member



Susanne Kuntner
mein job zürich
gmbh
Board Member



Urs Vögele-Freund
Hans Leutenegger AG
Board Member



Kerstin Wenger
Walmonag AG
Board Member

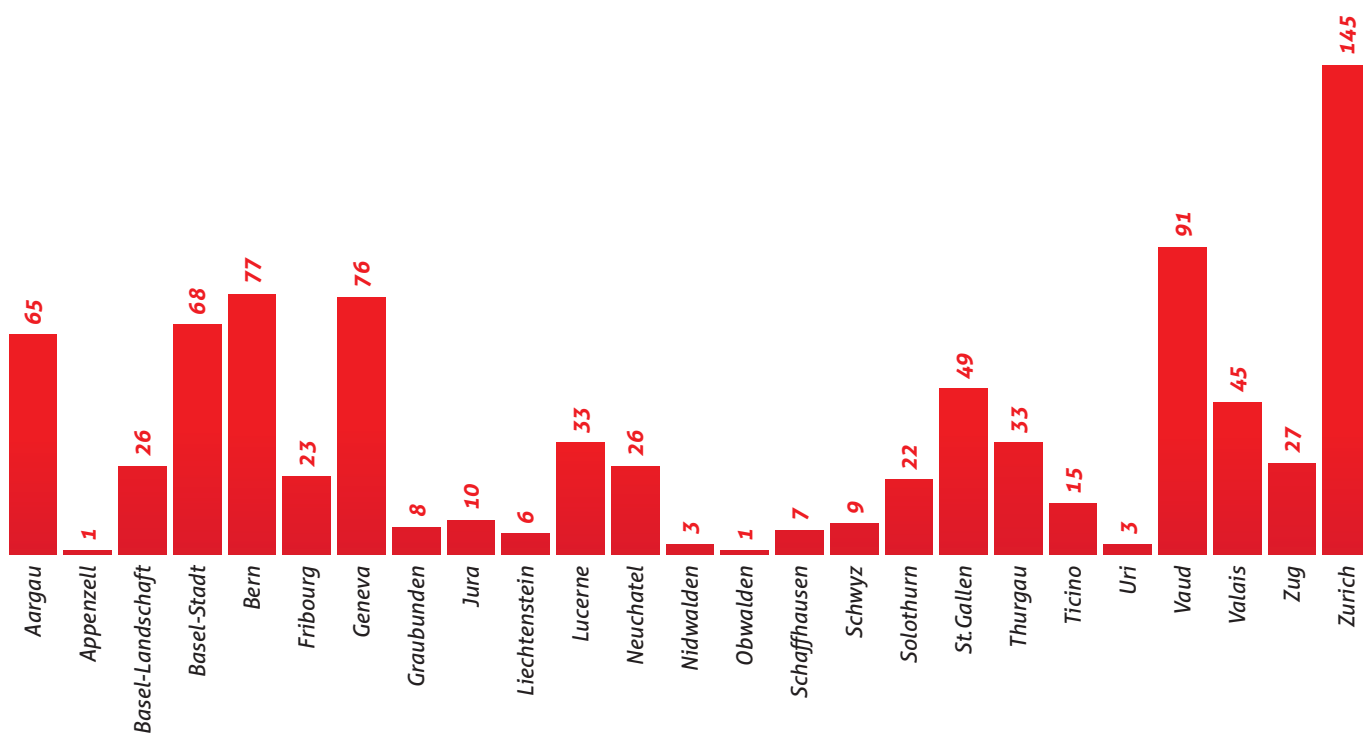
The Association Members

In 2019 swissstaffing was pleased to welcome 28 new members to the association. 17 companies left the association. These departures were due to business closures, mergers, cessation of staff leasing and bankruptcies. At the end of 2019, swissstaffing had 416 members, corresponding to a growth rate of almost 3 percent.

SQS, swissstaffing's certification partner, carried out a total of 111 audits at new and existing members. The swissstaffing quality label is a nationally recognized seal of approval. It was specially developed for the industry and checks professionalism in recruitment services. More and more hiring companies are demanding proof of this certified quality label from recruitment agencies. swissstaffing congratulates all members who successfully completed the audit in 2019.

During the course of the year, the checklists that form the basis for the SQS audits were updated and simultaneously checked for GDPR conformity.

Location of members (branches) by canton 2019



Events

The Annual General Meeting

The 51st Annual General Meeting took place on June 25, 2019 in the Kursaal Bern. 366 votes were represented and the meeting thus had a quorum. Leif Agnéus, President of swissstaffing, led the meeting through the agenda. Three Board members announced their departure: Michael Agoras, Paul Fritz and Jean-Luc Giongo. Leif Agnéus thanked them warmly for their valuable work on the swissstaffing Board, in some cases over a long period of time.

The Annual General Meeting also voted on and approved the new "Associate Member" section. Companies that are in contact with the industry and provide services for recruitment agencies can be admitted to the association as associate members. They particularly benefit from regular industry information from swissstaffing.

Following the Annual General Meeting, Dr. Joël Luc Cachelin, futurist and owner of the Knowledge Factory (Wissensfabrik), captivated the audience with his impressive presentation on "The World of Digital Transformation."



He pointed out the rapid development of the so-called "unicorns," start-ups with a valuation of over one million dollars, and their impact on Switzerland. His tip to recruitment agencies: They should position themselves as antipoles to the blind spots of the algorithms.

Regional Meetings

The 2019 regional meetings attracted much attention from both members and non-members. They are a valued platform for the exchange of knowledge, enable in-depth discussions about the industry and promote networking.

At the first regional meeting in April, swissstaffing presented two new studies on the importance of flexibility in the Swiss labor market. temptraining informed about the change in regulations to relax savings measures. Afterward, speakers from Indeed's Swiss team demonstrated new digital methods and evaluation possibilities for successful recruitment. Indeed introduced the guests to their tool and showed exciting HR statistics on Switzerland. swissstaffing was pleased to welcome 267 participants to this regional meeting.

At the year's second regional meeting, the CBA on Staff Leasing and its upcoming renegotiation were key issues. But the economic and political outlook also interested many participants. The swissstaffing Legal Services team also showed how temporary work compares socially and which legal challenges are currently affecting the industry. 229 persons attended this regional meeting in November.

The 2019 regional meetings attracted 500 participants in all and were once again a big success. This goes to show that the range of topics covered enjoys wide interest.

CEO Meetings

All managing directors and decision-makers of swissstaffing members are invited to the CEO meetings. Questions to the President or the Director are very much appreciated, as it is precisely the mutual exchange that is at the heart of this series of events. In September 2019, Leif Agnéus and Myra Fischer-Rosinger, together with the members, highlighted three important topics for the industry: The CBA on Staff Leasing 2021 with the topic Equal Minimum Pay / Equal Time, the HR Expert examination, Specialization C, and the strategic component House of Flexwork with its vision for the future. All in all, 70 persons took part in the two meetings in Zurich and Lausanne.



WHITE PAPER

"In temporary work, Switzerland has discovered a form of employment that has long combined flexibility with social protection."

Myra Fischer-Rosinger
Director swisstafing

The Association

The Secretariat



Myra Fischer-Rosinger
Director
swissstaffing

In 2019, thanks in no small part to its excellent collaboration and its open ear for the concerns of its members, the Secretariat made an important contribution to the recruitment services industry on various levels:

- In two **white papers**, we compiled interesting facts about temporary work and the labor market, explained our political positions, and made both papers available to a broad audience in politics and business. Recruitment agencies perform an important pivotal function in the labor market, optimally combining temporary work with flexibility and social protection, thus enabling the recruitment services industry to offer a recipe for the increasing forms of flexwork.
- We have increased the number of our messages and disseminated them via **social media** to broaden their reach. In so doing, we have received vigorous support from our members.
- The **job registration requirement** has been integrated well, and the list of occupations sensibly adapted. swissstaffing was able to provide a solution for the Regional Employment Offices' handling of hiring company data.
- We campaigned for the **economic freedom** of recruitment agencies with various appeals and political discussions, particularly in Ticino. swissstaffing firmly rejects any attempts to restrict temporary work. The regulation of temporary work should be structured within the framework of a constructive social partnership.
- We have done intensive work on finding various solutions for Equal Minimum Pay / Equal Time in order to provide the future lead for the **CBA on Staff Leasing**. We have not yet come up with the patent solution. Negotiations will continue in 2020.
- We have expanded the services offered by **temptraining** and carried out active marketing in order to inform the constantly growing number of temporary workers of their training opportunities. And this has been a success: More than 8,400 temporary workers benefited from the temptraining vocational training fund in 2019.
- **The HR Expert examination**, Specialization C, was conducted for the third time. 36 students were awarded the Federal Certificate C. The commitment of swissstaffing to the professionalization of staff consulting continues.

I would like to thank our members for their loyalty to swissstaffing as well as their open feedback and clear concerns, which enable the association to continuously develop with the industry and to provide needs-oriented services.

Services

Pension Fund



2019 will enter the history books as an excellent year for investments. The swissstaffing Pillar 2 foundation was also able to benefit, achieving a return on investment of 17.8 percent. Thanks to this income, the coverage ratio exceeded 130 percent at the end of 2019, allowing benefits to be kept at a consistently high level. Retirement assets could therefore once again be credited with 3 percent interest, and the pensioners benefited from an additional pension payment.

The consistency of the benefits provided merits particular attention. Since 2015, the foundation has been crediting retirement assets with interest of at least 3 percent per year, whereas the Pillar 2 minimum interest rate has fallen from 1.75 to 1 percent during this period. The negative interest rate environment is a cause for concern. Good investment income is decisive for the success of a pension fund. The high coverage ratio enables the foundation to maintain the "third premium payer" at acceptable risk. The foundation is solidly based and well equipped for the future.

At swissstaffing-bvg.ch, the current conditions for permanent and temporary staff are published on an ongoing basis.

The Industry Solution for Daily Sickness Benefits

The logo for tempcare, consisting of the word 'tempcare' in a lowercase, rounded sans-serif font, with 'temp' in white and 'care' in black, set against a solid orange rectangular background.

616 contracts (previous year: 493 contracts) were insured under the industry solution (KTG). The subsidized payroll total amounted to CHF 4.035 billion (previous year: CHF 3.510 billion), an increase of 14.9 percent over the previous year. This meant that 71.2 percent (previous year: 71.5 percent) of the payroll total relevant for the CBA on Staff Leasing was insured by the industry solution for daily sickness benefits. The premium subsidies paid out rose by 14.9 percent to CHF 16.138 million (previous year: CHF 14.040 million).

Premium income, taking into account the subsidy contribution of 0.40 percent, totaled CHF 78.350 million. The total payments made by the insurers amounted to CHF 64.185 million. The benefit ratio, as a proportion of the risk premiums received, amounted to 89 percent (previous year: 88 percent).

The average premium rate decreased to 2.28 percent (previous year: 2.37 percent).

AHV Compensation Fund/ Family Compensation Fund



The AHV Compensation Fund swisstempcomp and the Family Compensation Fund swisstempfamily are the competent partners for all matters concerning Pillar 1 – exclusively for swissstaffing members. consimo, the competence center for extended social insurance matters, manages both funds according to the principle of prudent process management. consimo actively involves its customers in process optimization in order to cover their needs in the best possible way.

With swisstempcomp and swisstempfamily, our members, who are affiliated to both funds, benefit from the advantage of getting everything from a single source: all services for AHV, collection of contributions for the CBA on Staff Leasing, and nationwide services for family allowances. You will find more information on their services at consimo.ch.

Campaign Pension Fund

Looking for:
Staff leasing companies.

On offer:
A fair contribution rate.

Andrea Keller
Member of the Foundation Council



Looking for:
Staff leasing companies.

On offer:
Top-class interest yield of 3%.

Aldo Ferrari
Member of the Foundation Council



Looking for:
Staff leasing companies.

On offer:
Low administrative costs.

Myra Fischer-Rosinger
Member of the Foundation Council



Looking for:
Staff leasing companies.

On offer:
A coverage ratio of 121%.

Georg Staub
President of the Foundation Council



Looking for:
Staff leasing companies.

On offer:
A healthy pension fund.

Irene Righetti
Member of the Foundation Council



Looking for:
Staff leasing companies.

On offer:
Simple administration.

Roger Guthäuser
Member of the Foundation Council



In good financial health, CBA compliant and straightforward: **The pension fund** for staff leasing companies and their employees.
swisstaffing-bvg.ch

 **swisstaffing**
BVG-LPP

Personal Swiss / Salon RH

Already for the fourth time in a row, swissstaffing participated as official partner in Personal Swiss and for the third time in the Salon RH. The association members benefited from free admission tickets, exciting practical input and top-class panel discussions. swissstaffing organized a panel discussion at both events. These were well attended and reached a broad audience of HR professionals.

On April 3, 2019, a Personal Swiss panel discussion took place on the topic "Lack of Skilled Workers – Real or Invented?" at Messe Zürich. Hans-Ulrich Bigler, Director of the Swiss Trade Association sgv, Nicole Burth Tschudi, CEO of The Adecco Group Switzerland, Corinna Grünig, Head of Employee Relations Switzerland at Novartis, and Dr. Marius Osterfeld, Economist at swissstaffing, discussed this hotly disputed topic.

The panelists came to the conclusion that the shortage of skilled workers is real, but does not affect all sectors and professions equally. The popular and multiple award-winning SRF business editor Patrizia Laeri led the discussion. The event



was rounded off with an apéro riche, which gave the participants the opportunity for networking.

The panel discussion of the Salon RH was held in Geneva on October 2, 2019 and was dedicated to the current topic "Flexwork and Social Protection – A Contradiction?". Nasrat Latif, a journalist and television producer, moderated the lively discussion. The panel guests included Yvonne Baumgartner, Head of Business Solutions at Manpower SA, Marco Taddei, responsible for Swiss Romandie at the Swiss Employers' Association, Nicolas Rochat Fernandez, member of the National Council, and Boris Eicher, Head of Legal Services at swissstaffing.

Services

Communications

In spring and fall 2019, swissstaffing published its first two white papers on industry-specific topics. In addition to their production, the Communications team served the media and informed the public via various online channels. After its successful start, nothing stood in the way of continuing the multi-part white paper series.

swissstaffing was represented in the media with numerous topics. By the end of 2019, swissstaffing's press releases on presseportal.ch had received over 23,000 hits and the team was available to provide information to numerous journalists. This resulted in 25 articles in various media, such as the NZZ, the Handelszeitung and the Schweizerische Gewerbezeitung. The Communications team used numerous other information channels to good effect: The number of readers of the swissstaffing blog increased by around 10 percent, swissstaffing was represented in the social media with over 130 multilingual posts and was able to continuously increase its number of followers. The number of



Blandina Werren
Head of
Communications



Julia Bryner
Head of
Marketing & Events



Sonja Stucki
Communications
Assistant

subscribers to the swissstaffing newsletter also saw an increase of around 20 percent. The intensity of online activities again had a positive impact on the number of visitors to the websites swissstaffing.ch, swissstaffing-bvg.ch and temptraining.ch.

Ready at the start of 2020, the CBA on Staff Leasing received a new website. For the relaunch, the websites of the various offices were unified and better access to the most important information was thereby achieved. Working together with an external web agency, the Communications team ensured the launch of the new website according to plan.

For the vocational training fund temptraining, the Communications team implemented an extensive advertising campaign in two waves, thus helping raise awareness of temptraining. The various print and online ads generated numerous visits to the website temptraining.ch, boosting the number of visitors to around 195,000 – an increase of over 50 percent.

The team published numerous professional articles and blogs on industry-relevant topics in the HR Today magazine. swissstaffing also informed its members about important events by means of several CEO newsletters, including the introduction of the decreasing threshold value of the job registration requirement and cross-border staff leasing between Switzerland and the Principality of Liechtenstein.

The Communications team also organized several events and provided technical support in various areas. The HR Expert examination, Specialization C, was actively promoted across various channels and now has its own information flyer. An advertising campaign with personalized statements was conducted for the swissstaffing pension fund.

Services

Internal Services

In addition to member administration and reception services, the core tasks of Internal Services include the implementation of recruitment consultant training, training for the HR Expert examination, the telephone service for temp training and swissstaffing as well as various financial tasks. The team also takes care of all internal concerns of swissstaffing employees.

In 2019, the team organized around 30 basic courses for association members covering "Legal Basics," "Interview Technique," "Client Visits" and "Telephone Crash Course." It also organized the course "Social Media - Active Sourcing," which attracted considerable interest in the industry. A total of 226 recruitment consultants received training – 41 of them from the French part of Switzerland. The team of course instructors was expanded by 6 persons who are experienced in the industry and trained in methodology and didactics.



Irène Righetti
Head of Internal
Services; Authorized
Representative



Reto Da Rugna
Administrator,
Internal Services



Fadilia Dilli
Administrator,
Internal Services



Natacha Imhof
Administrator,
Internal Services



Isabel Staub
Head of Accounting

Part of the training to HR Expert, Specialization C, is conducted by swissstaffing. In 2019, 18 HR consultant trainees successfully completed this part of the training. swissstaffing would like to offer its congratulations to the graduates.

As of January 1, 2020, the Internal Services area is being reorganized: Irène Righetti, who has headed the section for many years, becomes Head of Staff Development and focuses on the evolution of training opportunities for recruitment agencies and their employees. The Internal Services area will be reorganized and renamed Operations & Member Services, and headed by Julia Bryner, the former Head of Marketing & Events. It will focus on the further development of member services, membership management and the associated processes.

Legal Services



Boris Eicher
Head of
Legal Services

Legal Services is the competence center of the temporary employment industry in questions relating to the laws on employment, job placement, social insurance, foreign staff and contracts. In 2019, it gave advice to association members and non-members in 1,537 cases. Moreover, it is entrusted by the Secretariat of the Appeals Commission with the execution of the CBA on Staff Leasing.

2019 saw Legal Services' involvement in various expert groups:

- Legal Services again led the expert group "Staff Leasing in Private Households." The findings of the expert group were incorporated into the discussions with the social partners on the regulation of the "Live-in-Model" in Staff Leasing and the expert group then focused on the needs of Spitex companies in staff leasing.
- Legal Services led the expert group "Written Form Requirement 2.0." With the involvement of the members, it drew up a position paper on the written form of the contracts and submitted a motion to Parliament.



Philipp Müller
Legal Services
employee



Françoise Oppikofer
Legal Services
employee



Sandro Pohli
Legal Services
employee



Sara Stoffel
Legal Services
employee



Decimo Vincenzi
Legal Services employ-
ee, President of the
Appeals Commission



Ivana Zellweger
Legal Services
employee

- In connection with the job registration requirement, Legal Services led an expert group of association members. This expert group analyzed new SECO directives, prepared the changes to the job registration requirement effective January 1, 2020, and discussed a new joint declaration regarding cooperation with the public recruitment service.

At the start of 2019, the CBA negotiations commenced. swissstaffing Legal Services formed part of the negotiating delegation. The team advocated pragmatic and feasible solutions within the framework of the "Equal Minimum Pay / Equal Time" project.

Legal Services was able to influence the revision of the Directive 2019/1 on the regulation of working hours in the employment contract, representing the interests of our industry and ensuring that SECO takes into account not only the protection of employees but also recruitment agencies' major need for flexibility.

In the context of the white paper "Flexwork and Social Protection," Legal Services was able to carry out a legal assessment of the new platform-based forms of work, to make a comparison regarding social protection in different employment situations and, based on this, to conclude that flexworkers are very well protected under staff leasing.

Legal Services also dealt intensively with the restriction of temporary work in Ticino. swissstaffing has filed a complaint against the revision of the Law on Public Procurement (BöB) with the Federal Supreme Court with regard to the limitation of the deployment of temporary workers.

Services

temptraining

temptraining

In 2019 temptraining was able to further increase the number of incoming training applications. The fourth quarter in particular was characterized by a significant increase and was thus close to the record figures from 2016 (Chart 1). More than 8,400 applications worth around CHF 10.3 million were approved. For the third year in a row, the budgeted amount was not exhausted (Chart 2).

The trilingual national advertising campaign by temptraining, which made the vocational training fund better known among temporary workers, contributed to the increase in applications. It began in October 2018 with a variety of online advertising measures and was successfully continued in two waves in April and October 2019 with additional advertising including on public transportation. The eligibility criteria were also expanded in favor of temporary workers as of April 1, 2019: Temporary workers who have already worked 176 hours can now benefit from vocational training. From 880 hours, they are entitled to an increased vocational training contribution of CHF 5,000.



Claudio Trenna
Head of temptraining



Myriam Del Castillo
Administration



Sarah-Jane Di Mambro
Caseworker



Biagio Bongiovanni
Caseworker



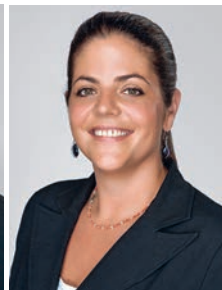
Nathalie Fanguero
Caseworker



Claudio Foletti
Caseworker



Brigitte Keller
Senior
caseworker



Sylvia Mersch
Senior
caseworker



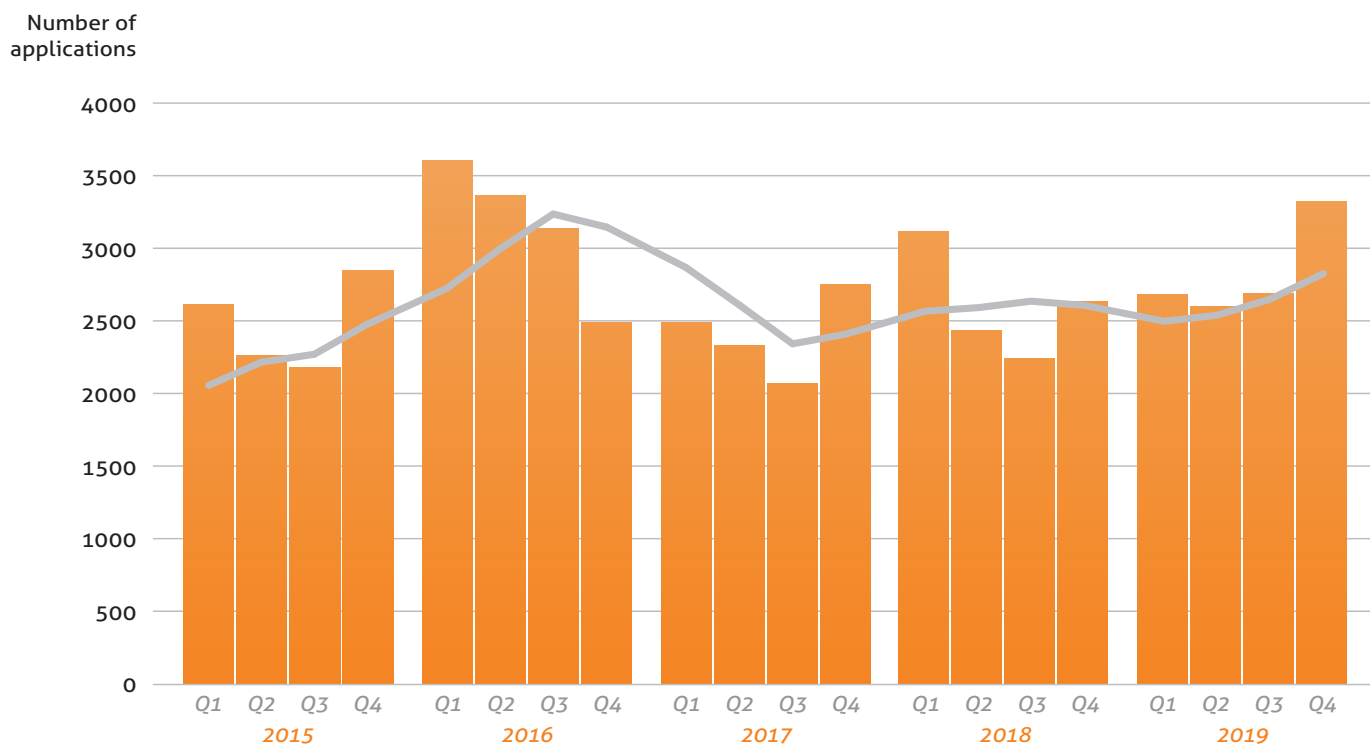
Fabio Streuli
Caseworker

Moreover, the one-year waiting period has been abolished and CAS, DAS and MAS continuing education plus distance and online courses are now being supported by temptraining.

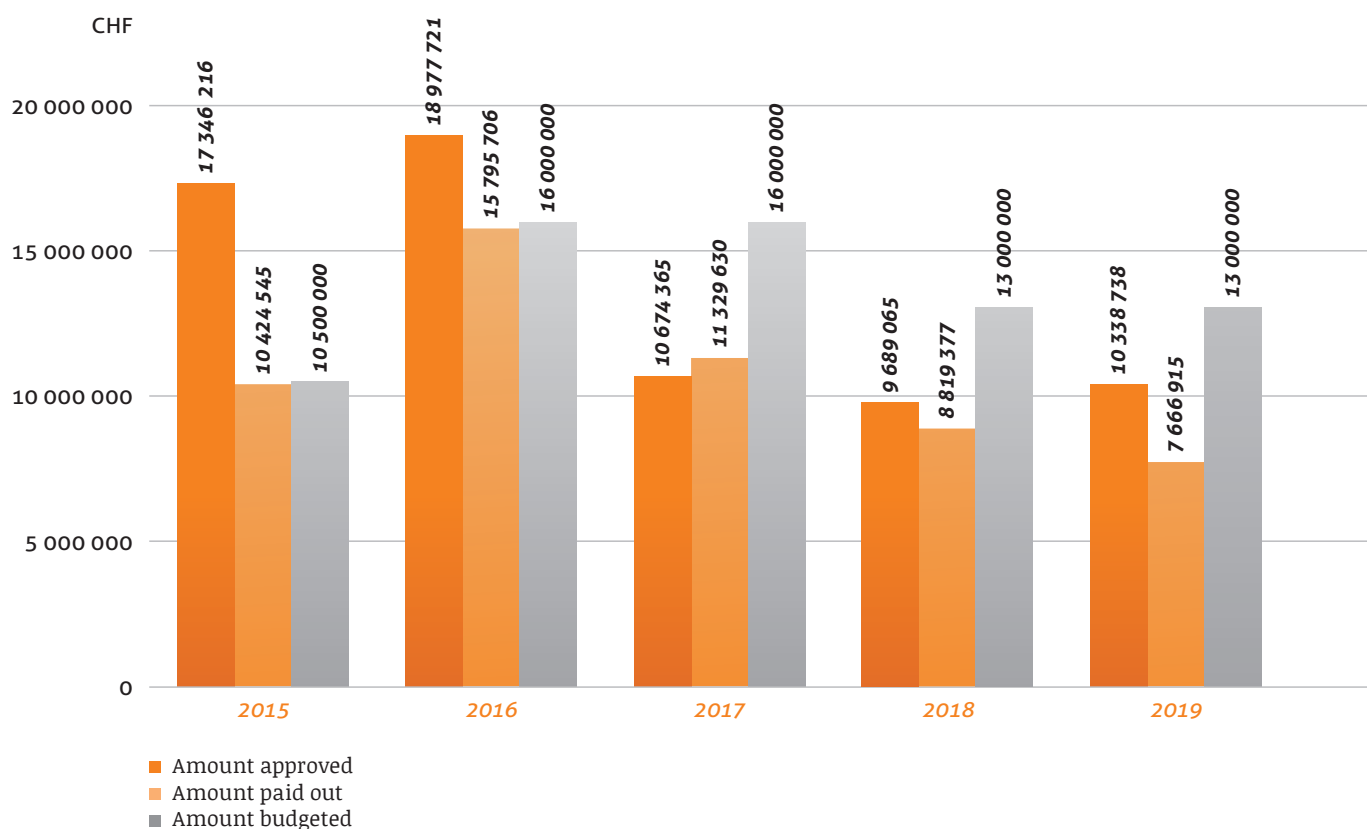
To enable even more temporary workers to benefit from the vocational training fund, the members' meeting of the Joint Association for Staff Leasing (PVP) further expanded the eligibility criteria in favor of temporary workers in December 2019. This regulatory change enters into force on January 1, 2020.

The first phase of the digitization project was successfully launched in March 2019 with the replacement of the existing customer registration system. Phase two ended in 2019 with the internal pilot operation of the new web portal and will continue in the following year. The project team and all our staff are looking forward to the new web portal, which will go live in 2020.

Development of the number of applications per quarter



Trend in contributions per year (in CHF)



Campaign temptraining



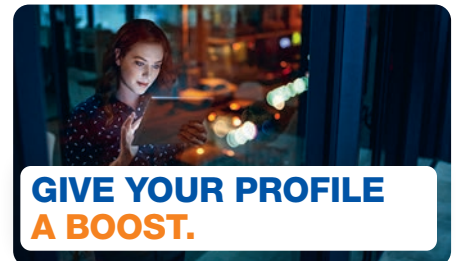
EARN

WHAT YOU'RE

WORTH.



**INCREASE
YOUR MARKET VALUE.**



**GIVE YOUR PROFILE
A BOOST.**



Campaign success

- Over 36.9 million online contacts and 25,951 online clicks
- 2.4 million Google contacts and 49,787 Google clicks
- 195,000 visitors to the temptraining.ch website in 2019
- Over 81,000 temptraining flyers were ordered and delivered

Measures

- **Paid campaign in two waves:** April & October/November 2019
- **In three languages:** German, French & Italian
- **Public transportation - hanging displays & screens:** Buses and trams in 8 top cities and 8 intercity regions, 3,358 hanging displays & 1,542 screens
- **Online:** Desktop & mobile ads in various media with call to action & Google ads
- **Print:** Advertisements in selected media
- **Direct mailing:** to all staff leasing companies in Switzerland with letter, flyer & poster – 2,583 addressees

HR Expert Examination

The HR Expert examination, Specialization C, was carried out for the third time. With 36 graduates, the number of examination candidates increased by 50 percent compared to the previous year. The HR Expert examination is now most certainly on the road to success. This positive development was supported by, among other things, the ongoing advertising activity that was continued into 2019: various social media measures, Google ads, blog posts and the distribution of flyers at numerous industry events have helped to publicize the HR Expert examination, Specialization C.

At the graduation ceremony on November 15, 2019, the graduates were presented with the federal diploma "HR Expert." Almost 80 percent of the candidates had passed the examination and demonstrated their expertise. The best result was a grade 5. swissstaffing would like to warmly congratulate all the 2019 graduates.



In the spring of 2019, swissstaffing conducted a survey among members and non-members on the level of awareness and market acceptance of the HR Expert examination, Specialization C. The response rate was over 10 percent – a total of 387 people took part in the survey. The results were very encouraging, as they clearly confirmed that the Specialization C examination is precisely what staff leasing companies and recruiters need.

In addition to the online survey, the graduates from 2017 and 2018 were interviewed by telephone. All of the 37 respondents agreed that the specialist federal diploma increased both customer acceptance and their own market value. Moreover, the training demonstrates the versatility of the profession and increases the pleasure and pride in the work. All graduates warmly recommend the HR Expert training to others. swissstaffing offers the training course together with various educational institutions. Various swissstaffing members are involved as examining experts in drawing up and correcting the examinations.

The Industry



Dr. Marius Osterfeld
Economist
swisstaffing

In 2019, around 390,000 temporary workers put their potential at the service of the Swiss economy. They worked 189 million hours, thereby making an indispensable contribution. The spectrum ranges from service specialists in the hospitality industry, to skilled workers in the construction and metal industry, to experts in the chemical, pharmaceutical and banking sectors. Thanks to online intermediary platforms and the opportunity to have relatives cared for at home, not only companies, but also private households are now relying on temporary work. A form of work that combines flexibility and social protection.

Temporary work thereby assumes two functions in the labor market: On the one hand, people can work flexibly without having to accept losses in social protection. On the other hand, the recruitment hurdles for temporary employment are low. This makes this form of employment an ideal bridging solution for people who want to re-enter the labor market or who are looking for a new permanent position.

Key Figures for Recruitment Services in 2019 (estimate)

Temporary workers per annum	390,000
Full-time equivalents	91,000
Share of employment	2.3 %
Hours worked	189 million
Payroll amount for temporary workers (CHF)	6.9 bn
Turnover of temporary employment industry (CHF)	8.8 bn
Permanent placements by private agents	92,000
Turnover in permanent placements (CHF)	670 million

Note: The data are estimates based on the Swiss Staffingindex.
Source: SSUV, SECO, BFS

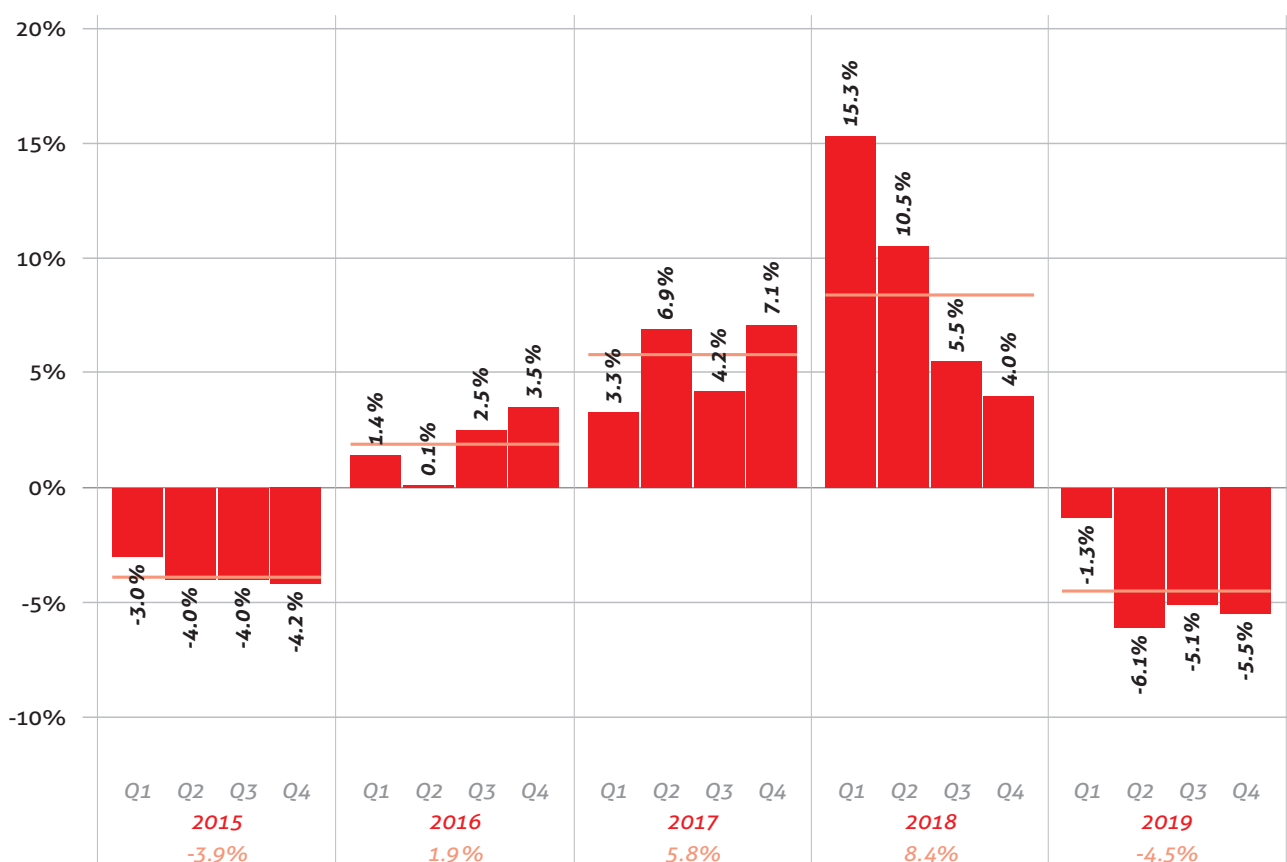
Development of the Industry

After two years of growth, 2019 saw a downturn. As early as the first quarter, there was a minus of 1.3 percent versus the prior-year quarter. Over the year as a whole, the growth rate fell by 4.5 percent compared with 2018.

The cause of this development is to be found in the economic cycle. Temporary work is still a form of work used by companies to cover peaks in demand. With growth momentum in decline, companies increasingly used permanent staff to meet orders. At the same time, the situation on the labor market remained tight and the need for specialists high. Many companies moved temporary employees onto permanent contracts in order to bind them more closely to the company. Even with incoming requests, it was therefore difficult for temporary companies to recruit new temporary workers in the dried-out labor market.

A shortage of skilled workers, political uncertainties and the general economic slowdown suggest that 2020 will be another difficult year. In addition, an unexpected economic shock that leads to a sudden economic slump can never be ruled out. Given the central banks' loose monetary policy, fiscal policy would then have to stimulate the economy with supporting measures.

Development of the temporary employment industry compared with the prior-year quarter (working-day adjusted)



- Growth rate compared to the prior-year quarter
- Annual growth compared to the previous year

Source: swissstaffing, 04/2019

The Industry

Series of White Papers

Focus on Flexibility and Social Protection

In 2019, swisstaffing launched a new publication series of white papers, in which the association brought together its legal and economic knowledge of the industry on specific topics. The first two white papers were devoted to temporary work at the interface between labor market integration and skill shortages and its exemplary function in the social protection of flexible working relationships. The basis for the economic section was formed by the survey of over 4,000 current and former temporary workers and around 700 hiring companies. gfs-zürich, our independent survey partner, carried out both surveys at the request of swisstaffing. The legal content is based on the legal expertise of swisstaffing's Legal Services. This knowledge has been built up over many years – in advising members, in clarifying legal issues with specialist lawyers and public bodies, and in social partnership exchanges via the CBA on Staff Leasing. The white papers are therefore an important contact point for all stakeholders in the industry who wish to obtain facts and figures about the industry that are well-structured and simply explained. Given the plentiful and consistently positive feedback we have received, we will continue publishing the series in 2020.

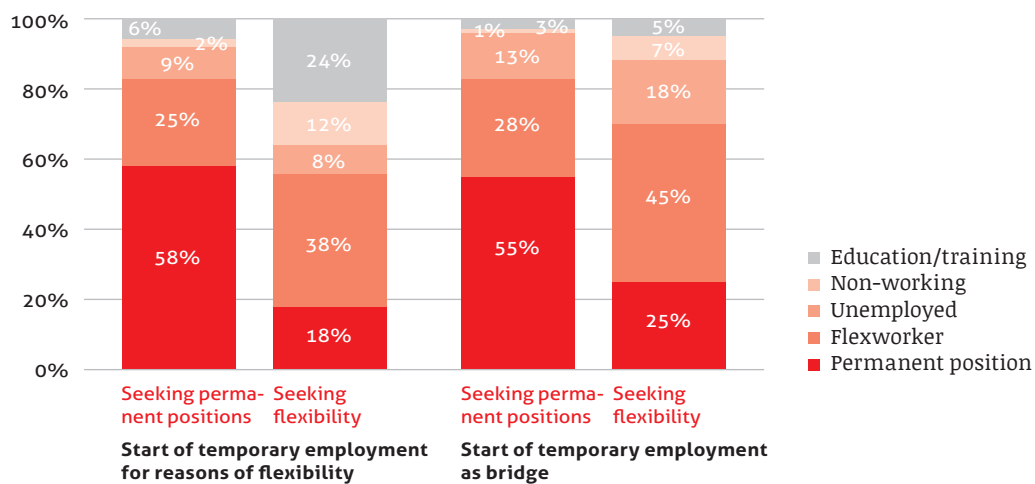
Key Findings of the White Papers

Temporary work continues to play a central bridging role in the Swiss labor market. 57 percent of temporary workers start their employment in the absence of an alternative job. Temporary work is thus a supporting bridge. Over half of temporary workers seeking permanent work have found their desired job no later than 24 months after the start of their temporary work phase. And around half of them are employed by their former hiring company. However, a large proportion of temporary workers are deliberately seeking flexible employment. More often than not, these are young people without ties, pensioners or women with children. Of the temporary workers seeking flexibility, only one in five takes up a permanent position within 24 months of starting work – a clear commitment to flexibility.

The survey of the hiring companies gives an insight into how temporary work functions as a labor market bridge. As partner to a company, recruitment agencies fulfill two key functions: On the one hand, they cover short-term staffing requirements through temporary work, and on the other hand they support companies in the recruitment of skilled workers. Jobseekers can use a recruitment agency to take advantage of job market opportunities that open up at short notice and convince the hiring company of their abilities on the job. This makes the step into the company much easier. Nonetheless, 42 percent of the companies do state that they set lower quality requirements for temporary workers than for normal recruitment procedures.

From a legal point of view, the white papers also refer to the debate surrounding Uber. The platform sees itself as an intermediary and not as an employer of taxi drivers. Alongside Uber, there is an increasing number of providers of platform-based work in Switzerland. Most providers focus on a marketplace of independent freelancers and see themselves as pure intermediaries. Adia, Coople and smartstaff are temporary work providers that assume their social responsibility as employers and thereby show that there are other ways of doing things. Compared to self-employment, their employees are thus much better protected. And that's a model that should set an example.

Professional situation 24 months after beginning temporary employment

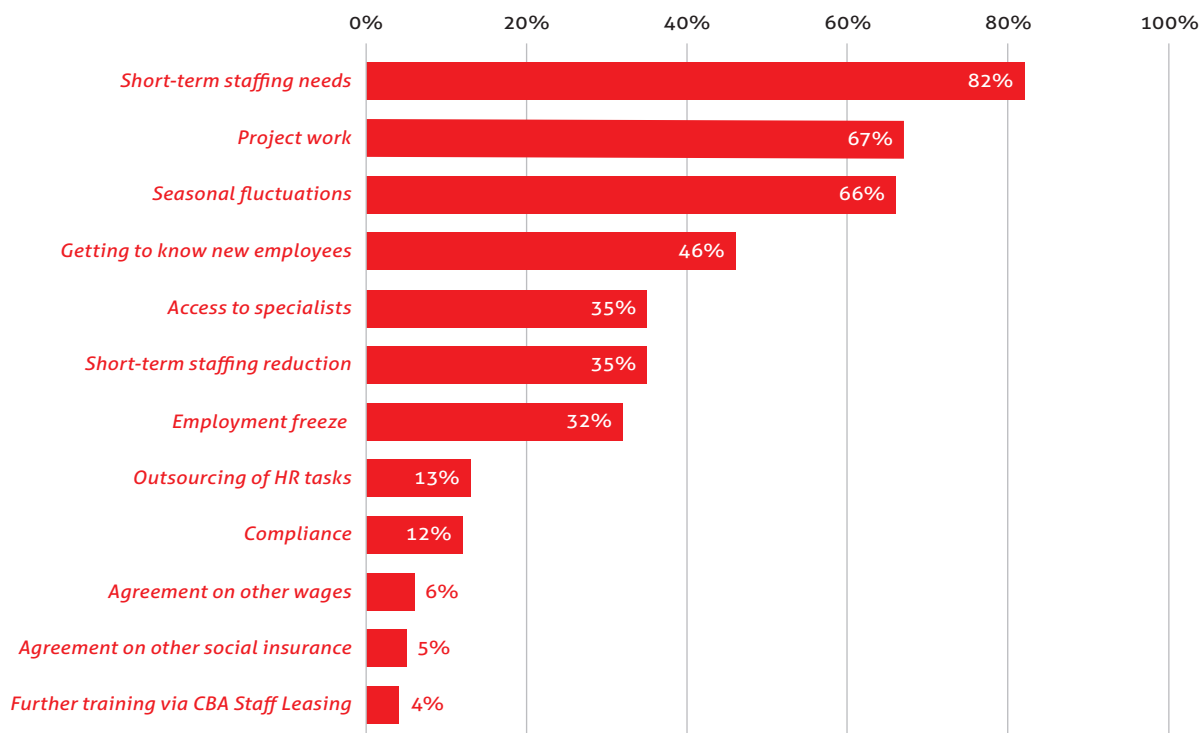


Note: The table shows the professional situation of employees 24 months after the start of their temporary employment. The "flexworker" category includes limited-term contracts, temporary work, and self-employment. The estimates rely on average partial effects, which were estimated based on two multinomial Logit models, in each case for employees who started their temporary employment phase for reasons of flexibility or lack of an alternative position.

Observations: 1393 to 1953

Source: swissstaffing, gfs-zürich, 2019

Reasons for using temporary employment from the companies' point of view



Note: The chart shows why companies use temporary employment and if they are not using it currently, why they would use it.

Observations: 649

Source: swissstaffing, gfs-zürich, 2019

Political Activity

The Job Registration Requirement: On the whole, the processes of the job registration requirement have become well established. swissstaffing, however, continued its active exchange with the labor market authorities and represented the interests of the recruitment agencies – especially in connection with the revised directive on the job registration requirement, in which the staff leasing companies are asked to state the name of the hiring company when registering a job. swissstaffing advocated clear rules on how the Regional Employment Offices should handle hiring company data.

CBA on Staff Leasing: In connection with the renewal of the CBA on Staff Leasing from 2021, the social partners are examining the introduction of the Equal Minimum Pay / Equal Time principle in the non-CBA sector. For this purpose, a joint working group was set up by the social partners. However, the task is more complex than originally assumed and a practicable solution has not yet been found.

Restriction of Temporary Work: The industry still sees itself confronted with various political attacks at the cantonal and municipal level. On the one hand, swissstaffing sought a direct exchange with various participating players in the economy, politics and the administration in order to inform them about temporary work and its significance both for the labor market and for the employees.

And on the other hand, swissstaffing resorted to the legal means at its disposal. In February 2019, swissstaffing was able to report on the successful appeal against a legal restriction on temporary work in the Canton of Geneva. In its ruling, the Constitutional Court of Geneva approved swissstaffing's appeal and completely annulled the provisions of the canton's regulations that provided for a restriction of the temporary sector.

Ticino was and remains a current hotspot with regard to the restriction of temporary work: In a series of appeals, swissstaffing defended itself against bans on temporary work in public procurement issued by the municipalities of Bellinzona, Chiasso and Lumino. In July 2019, swissstaffing filed an appeal with the Federal Supreme Court against the revised law on public procurement in the Canton of Ticino. The aim is to avert considerable economic damage to the industry and prevent further restrictions on temporary work. These proceedings are still pending.

Liberal Labor Market: In November 2019, 28 industry and trade associations formed an alliance to jointly support the motion by Isidor Baumann, member of the Council of States, "Strengthening the Social Partnership in Generally Binding State Collective Agreements." What all the parties had and still have in common is the important concern that collective bargaining agreements (CBA) declared generally binding by the Federal Council take precedence over cantonal provisions. Despite its rejection by the Council of States, the topic will be further dealt with in a special expert group of the alliance partners.

Reform Proposals for the Gig Economy: swissstaffing investigated the Swiss labor market in two white papers and drew up reform proposals for the increasingly flexible world of work based on temporary employment. The revision of the written form requirement for staff leasing plays just as important a role as the social protection of flexwork.

Swiss Parties: Again in 2019, swissstaffing met with the presidents of the center-right parties as well as with various members of the federal parliament to exchange views. They discussed attempts to restrict our liberal labor market, the future of a functioning social partnership system, and social protection in the growing gig economy. The facts and findings in the new white papers served as a good basis for the discussions.

National Referenda: swissstaffing said YES to the AHV-tax submission. Its adoption in May 2019 ensures a fair and internationally accepted set of rules for company taxation and leads to additional financing for the AHV. This will lead to the abolition of previous tax privileges in the future and contribute to pension security. In addition, swissstaffing supported the campaign of "stark+vernetzt" ("strong+networked"), an initiative backed by more than 60 organizations from business, politics and society, with the aim of securing the bilateral agreements with the EU.

Association Commitment: swissstaffing intensified its exchange and collaboration with the national umbrella and industry associations. In so doing, swissstaffing is represented on several board committees or working groups in order to be directly involved in controversial topics or specific concerns – especially at *economiesuisse*, the Swiss Trade Association, the Swiss Employers' Association, the Swiss Association of Master Builders, *GastroSuisse*, *hotellerie-suisse* and *Swissmem*.

International: In the past year, swissstaffing regularly took part in important meetings of the World Employment Confederation (WEC). Marius Osterfeld represents swissstaffing in the WEC Economic Affairs Committee and thereby brings his professional know-how and many years of industry experience to the WEC.

In early December 2019, a two-day DACH meeting between three national recruitment service associations took place at swissstaffing in Dübendorf. Representatives of Germany's Federal Employers' Association of Recruitment Agencies (BAP), Austria's Recruitment Agencies' Association, and swissstaffing were in attendance. In a joint workshop they devoted themselves, among other things, to the topic "Recruitment Services – Today, Tomorrow, the Day After Tomorrow."

Outlook: The increasing shortage of skilled workers and the further flexibilization of forms of work will continue to occupy recruitment agencies in the future, as will the progress of digitization processes. The recruitment agencies are already demonstrating on a daily basis how a solid balance between flexibility and social protection can be achieved. And it's here that swissstaffing wants to continue its commitment to establishing forward-looking framework conditions.

The Bloggers

The swissstaffing Board blogs on current topics every month at blog.swissstaffing.ch. Their contributions also appear in the specialist magazine HR Today. Here you will find an overview of all blog posts in the year 2019 with extracts.



Andreas Eichenberger
Induserv Industrial
Services Ltd.
Board Member and
Exec. Committee

Quality and Professionalism in Recruitment Services

March

"Longevity in recruitment services is the result of working sustainably. This in turn is ensured by consistently high quality, full adherence to the regulatory framework, reasonable and economical pricing, and the targeted use of technological and digital means."



Nicole Burth Tschudi
The Adecco Group
Switzerland
Board Member and
Exec. Committee

Future Skilling

January & February

"The current skills shortage is due to the fact that the skills available in the market do not match the skills in demand. So we're well advised to invest in the further training of digital skills. In this way, the new digital tools can be better utilized and the productivity of each individual can be increased."



Marcel Keller
Kelly Services
(Schweiz) AG
Board Member

Active Sourcing – Targeted Recruitment in the Digital Age

April

"Social media makes it easier than ever to connect with promising talent. Sourcing requires a systematic approach and a high level of professionalism. Correctly applied, however, it is a wise measure to survive the competition for the brightest minds."



Susanne Kuntner
mein job zürich
gmbh
Board Member

We Need Improved Relationships

May

"Those who want to be at the top in the future need less relationship management, but more authenticity and closeness. Only those who openly stand up for their convictions will win partners who are pulling in the same direction. Future relationships will live from burning issues as well as a common mission and will be nourished by genuine mutual interest."



Leif Agnéus
Manpower
(Schweiz) AG
President
swissstaffing

My First Year as President

June

"I am pleased to see that our active representation of the industry's interests, especially in political and economic bodies, is bearing fruit. Together with the various teams in the Secretariat and the Board, we are working to ensure that the industry is also prepared for future work models and that social protection systems will be compatible with a wide range of employment forms."



Taco de Vries
Randstad
(Schweiz) AG
Board Member

Partner for HR Digitization

July & August

"Social shifts are leading to changing work models: away from 100 percent jobs toward greater flexibility and part-time employment. HR managers must therefore ensure that digitization supports them in integrating different forms of work such as temporary or permanent employees, freelancers and gig workers into their recruiting process."



Robin Gordon
Interiman Group
Holding SA
Board Member

Reform Is Necessary

September

"New models for occupational pension provision are currently being examined and it is hoped that they will make the necessary adjustments possible. They include the harmonization of contribution rates, for example. The reform should also make it possible to stop discriminating against part-time workers by abolishing the deduction of the coordination contribution."



Kerstin Wenger
Walmonag AG
Board Member

Service Excellence in Recruitment Services

October

"Listening, thinking, asking questions, making decisions – these are the essential qualities that a successful recruiter must have. And this includes a well-established network of partners to be able to react well to the many different wishes of companies and candidates."



Adrian Diethelm
Express Personal AG
Board Member

Like a Wooden Model Railroad...

November

"One thing is needed above all: The talent to find the 'Perfect Match.' Successful recruiters can tell immediately if a person, a job and a company fit together. Many things can be learned, but this talent is needed and it becomes a strength on the job. I compare it to a wooden model railroad: Only when the carriages meet with the right magnets can they enter into motion."



Nicole Burth Tschudi
The Adecco Group
Switzerland
Board Member and
Exec. Committee

Lifelong Learning

December

"The digital transformation is playing an increasingly central role. That's why the initiative #Lifelong-Learning not only underlines the significance of lifelong learning, but also motivates employees in particular to enhance their digital skills. This will ensure a professional future full of opportunities for the Swiss population as well as promote the competitiveness of the Swiss economy."



WHITE PAPER

"In order to keep Switzerland on the right track, no revolution is required, but rather a careful evolution – a refreshing of our social existence."

Dr. Marius Osterfeld
Economist swissstaffing

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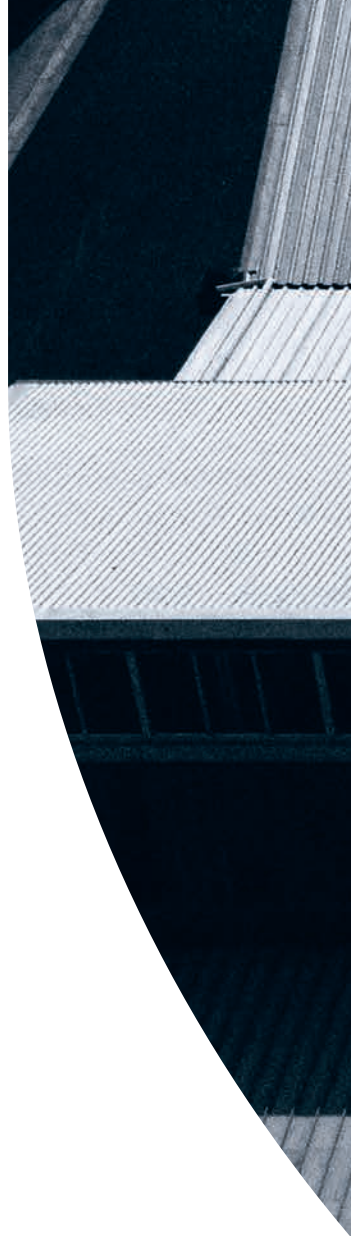
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