



Market Report 2022

Data collected through ACF Switzerland
&
Collated by Kellerhals Anwälte, Basel

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Introduction

This report summarizes the data over the past 8 years from 2015 to 2022.

As in previous years, the collated revenue data - in absolute values - of the ACF Switzerland Members are subject to a bias, since the number of members may vary within the survey period. For the past three years the number of participants remained stable with 9 members. However, the percentages are more relevant. We have opted for a longer observation period to obtain the more interesting medium-term perspective.

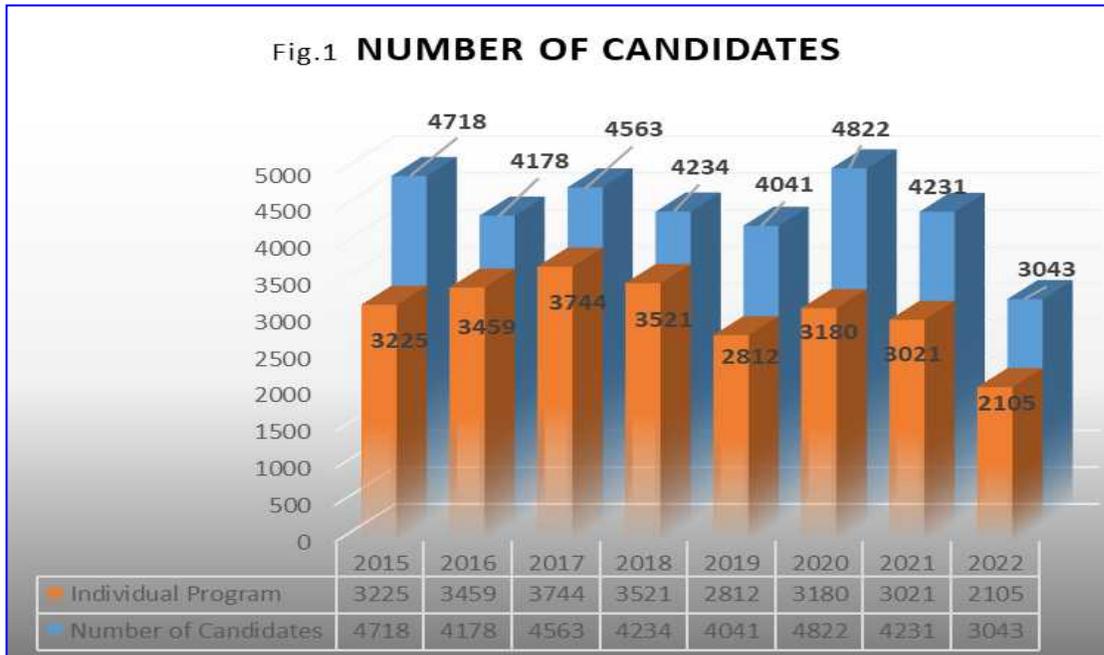
Summary

Candidates. In 2022, ACF firms have assisted more than 3000 candidates. This shows a dramatic decrease by 28 % compared to 2021. As long as the labour market is not yet at parity, it will take a long time to have a gender parity among the outplacement candidates as well. For the first time since 2015, the educational level of the candidates is not correlated with the increasing university level in the society. The underlying assumption is that there were more restructuring plans in industry and less in the service sector. Another caveat is pointed out: labour force scarcity has dried up the outplacement market. This confirms that our industry is anticyclical.

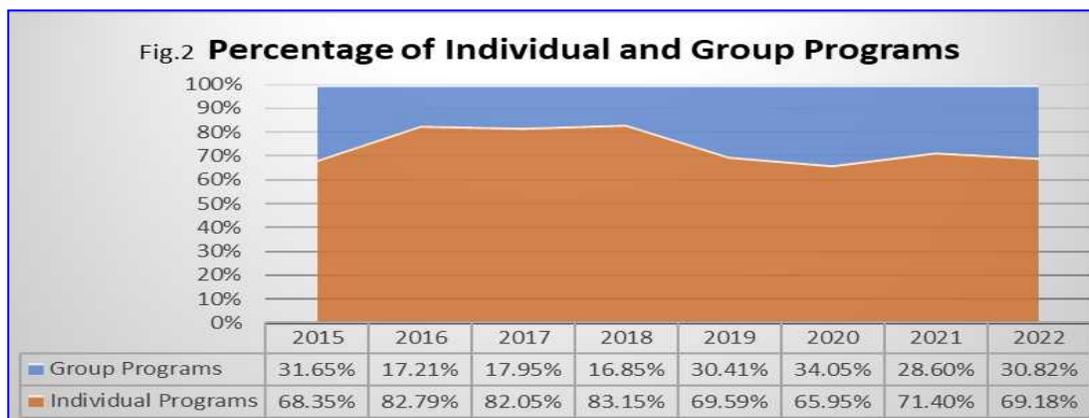
Demand. In 2022, our clients have been mostly assisted with shorter Outplacement Programs on the one hand, but also – in a lesser extent – with more long-term programs than in the previous years.

Back to work again. The average settlement time has decreased in 2022 and is now slightly shorter than 6 months. The settlement time for the 50 + individuals has come very close to the total average. Obviously, a lower unemployment rate makes the settlement time shorter. For the fourth year in a row, there is no evidence, that job seekers over 50 years old are in a weaker position on the labour market.

1. The Candidates

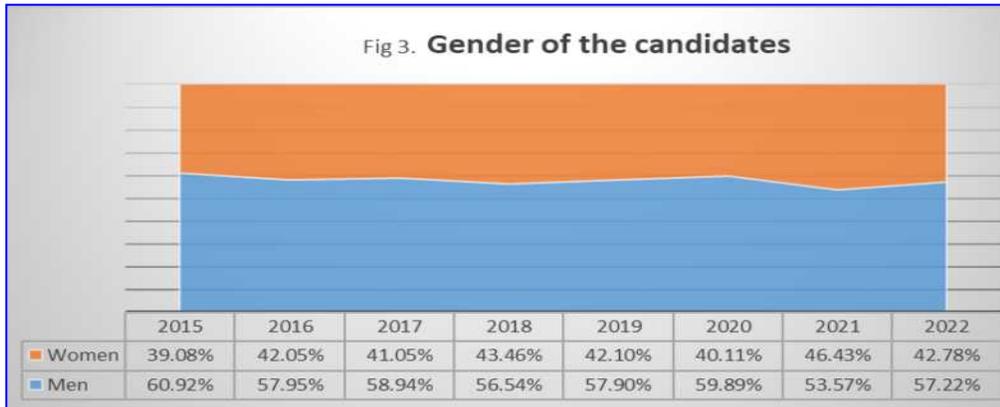


The number of candidates in Fig.1 reflects the cyclical nature of our industry. After a peak in 2020 and a good year 2021, the activity has dramatically gone down in 2022 from 4231 to 3043. This 28 % decrease is the mirror to a booming labour market. Individual programs have decreased by 30 %. The group programs being the difference between individual programs and total programs are down by 22 % i.e. $(3043-2105) / (4231-3021)$. The caveat comes from the section 4 hereafter, where it is shown that there have been more candidates coming from the industry sector than ever. Generally, industry employees are assisted with group programs.



The chart (Fig.2) shows a cyclical distribution over the past years, between individual and group outplacements. It can fairly be assumed, that in “tough times” there are more group programs along with restructuring plans, whereas in “booming times” on the labor market

there are more individual needs, thus individual programs. However, 2022 does not show this trend. An underlying assumption is that the proportion individual to group programs has been overcompensated by the dramatic loss of individual mandates. These variations have been explained in the above-mentioned Fig. 1.



Back to 2019! The 2022 figures (Fig,3) show almost the same result as 4 years ago, after a low in 2020 and a peak in 2021. Looking back from 2015 this ratio has moved from 39.08 % female involved in outplacement programs to 42.78 % in 2022. It takes long time to have parity! However, there are numerous factors which can explain this: nature of work, social aspects, etc. Any further assumptions can be found outside of the scope of our survey, as for instance the Swiss Federal Statistic Office: “From the age of 25, women's activity rate is already markedly lower than men's. This is attributable to the fact that some women (temporarily) leave the labour market to devote themselves to their family.” (Source FSO – Swiss Labour Force Survey 2022).

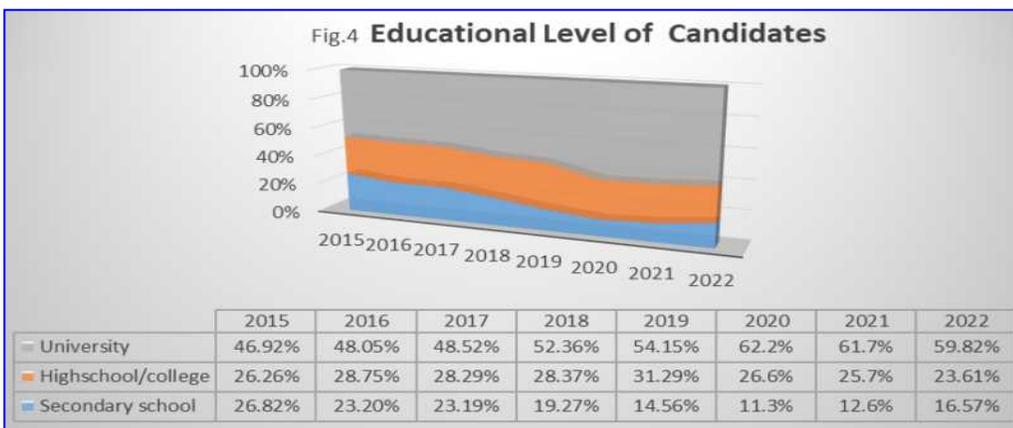
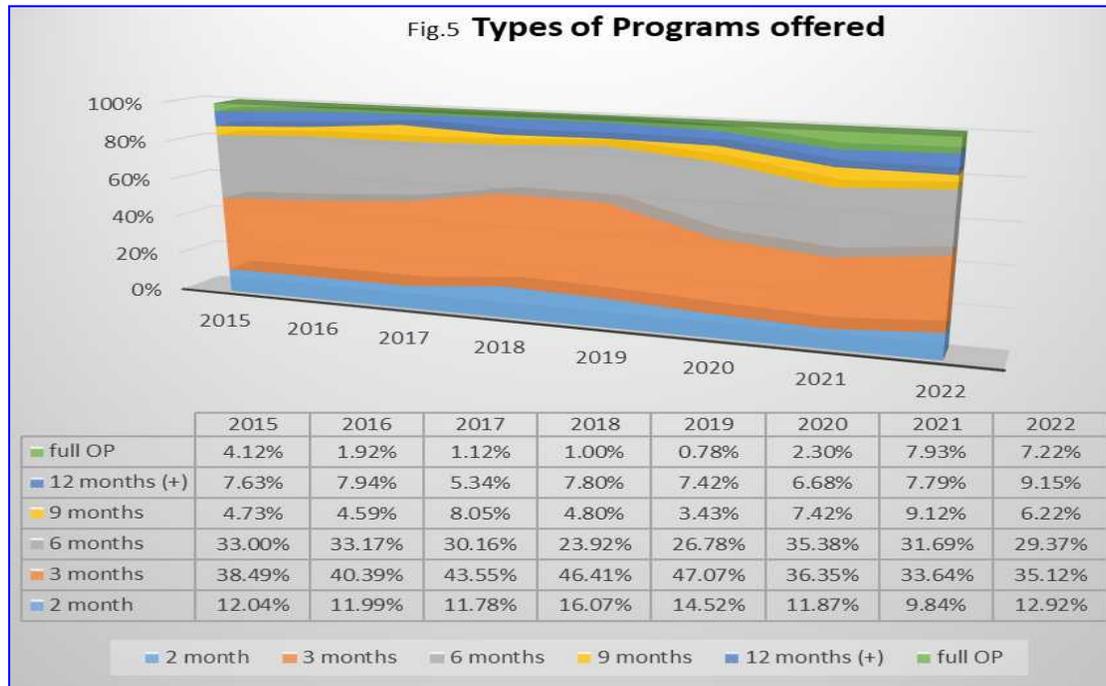


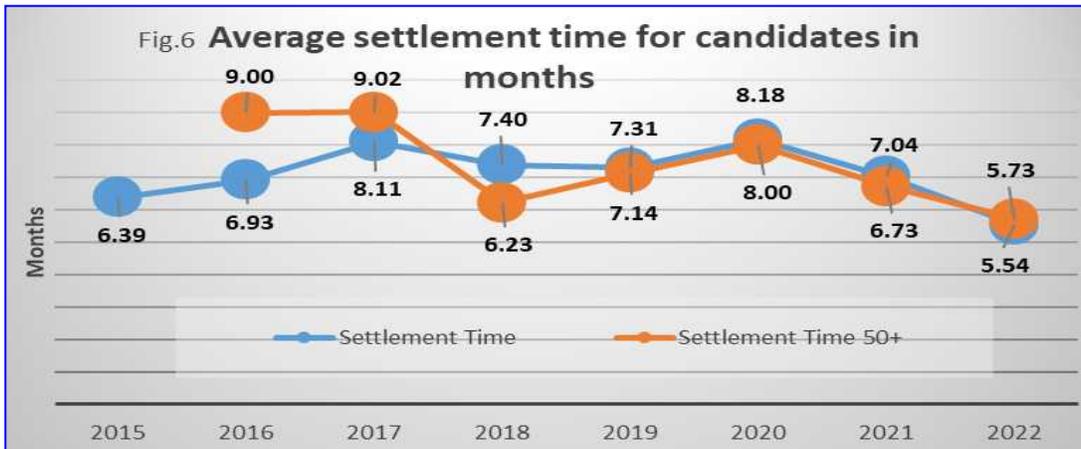
Fig. 4 shows that, for the first time since 2015, that the educational level of the candidates is decreasing. Since 2018, the most candidates have a university level. The university level decreased from 61.7 % in 2021 to 59.82% in 2022. The category “secondary school” has been more impacted than the year before. The high proportion in 2022 may indicate that the restructuring plans have strongly impacted the industry sector rather than the services.

2. The demand

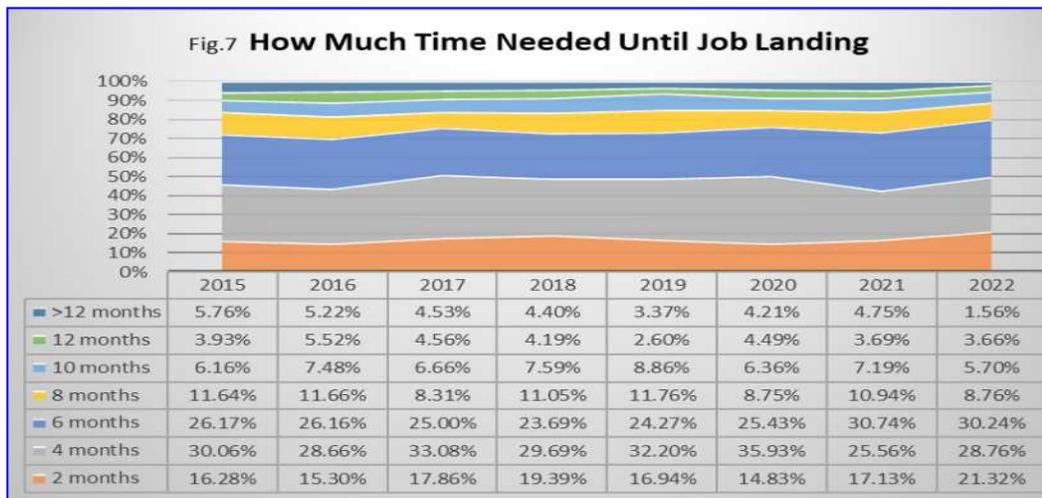


A more detailed analysis of Figure 5 shows that, the best-selling remains the 3-months program. Meanwhile, the 6-months program is ranked second closely behind. Together, these two program durations represented 64.49 % in 2022 whereas it was 65.33% in 2021. The unlimited Outplacement programs stay at high level with a 7.22 % share. The 12-month programs have jumped to an unprecedented high level 9.15 %. The 9-month programs are squeezed in between. The 2-month programs have come back to its former levels (2022: 12.92%). The demand for Outplacement services shows two different trends: 1. shorter durations within the group of 2 to 6 months, and 2. the high level of 12 months and unlimited durations. So, the programs have slightly shifted towards longer durations.

3. Back to work again



The average settlement time has decreased in 2022 (see Fig.6) and is now slightly shorter than 6 months. The settlement time for the 50 + individuals has come very close to the total average (5.72 months) with a value of 5.54 months. Obviously, a lower unemployment rate makes the settlement time shorter. For the fourth year in a row, there is no evidence, that job seekers over 50 years old are in a weaker position on the labour market. Another caveat is pointed out: labour force scarcity has dried off the needs for outplacement. This confirms that our industry is anticyclical.



Getting a new job (Fig. 7) within 2 months or less has been true for more than one individual among five (21.32%). Also, more candidates have found a new role between two and four months (28.76%) These two layers (2 months and 4 months) made it possible for more than the half (50.38%) of the job seekers to find a new role in not more than 4 months. In 2021, they were only 42.69 %. The difference is significant. There are also less long-term job seekers (12 months and >12 months) They represented together 5.1 % in 2022 compared to 8.1 % in 2021.

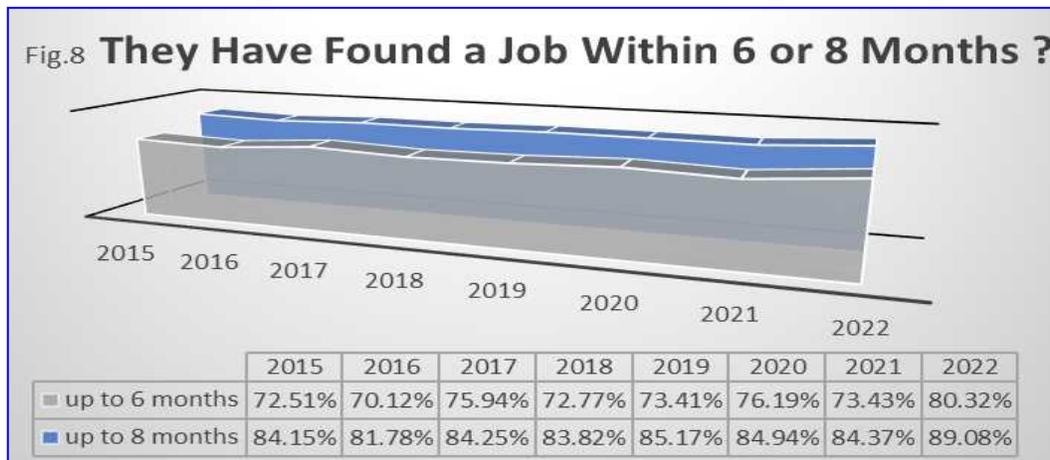


Fig. 8 points out, that four among five candidates have found a new job within 6 months in 2022 (80.32 %). They were almost nine out of ten to be successful within 8 months (89.08%).

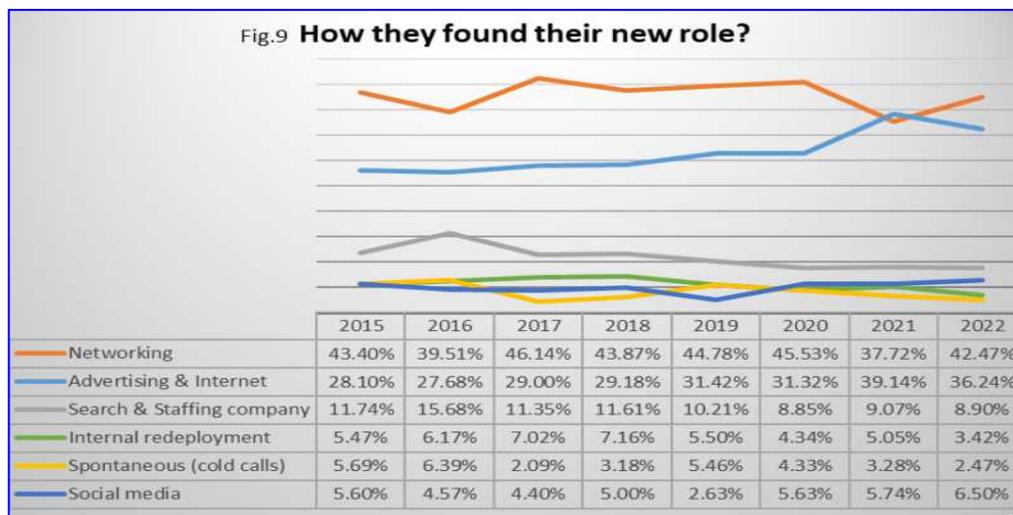


Fig. 9 points out, that networking is still the key success factor for the next career step in 2022 (42.47 %) after an unprecedented drop in 2021 (37.72%). As second, advertising & Internet (36.24 %) remain very strong. Search and staffing companies have been accountable for 8.90% % of all cases, however in a stable trend. Internal redeployment is at its lowest level since 2015 (3.42 %). Social media has jumped from 5.74% in 2021 to 6.50 % in 2022. Spontaneous applications have dropped from 3.28 in 2021 to 2.47 % in 2022. However, some bias persists such as the mixed use of many channels at the same time. In conclusion, the best mix to go back to employment is networking and online search engines. On the other hand, spontaneous applications as well as classic recruitment seem to be out fashioned.

4. Cross Sectorial Mobility

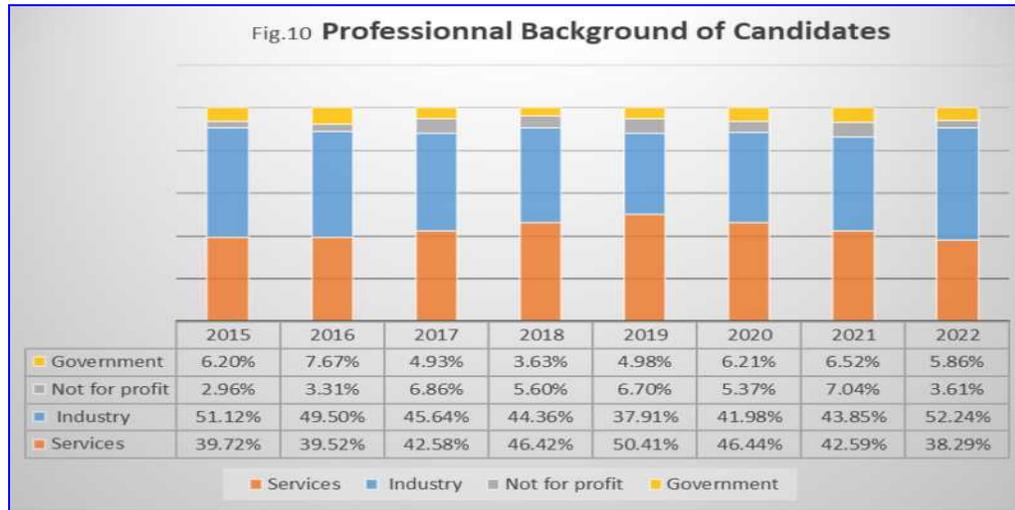
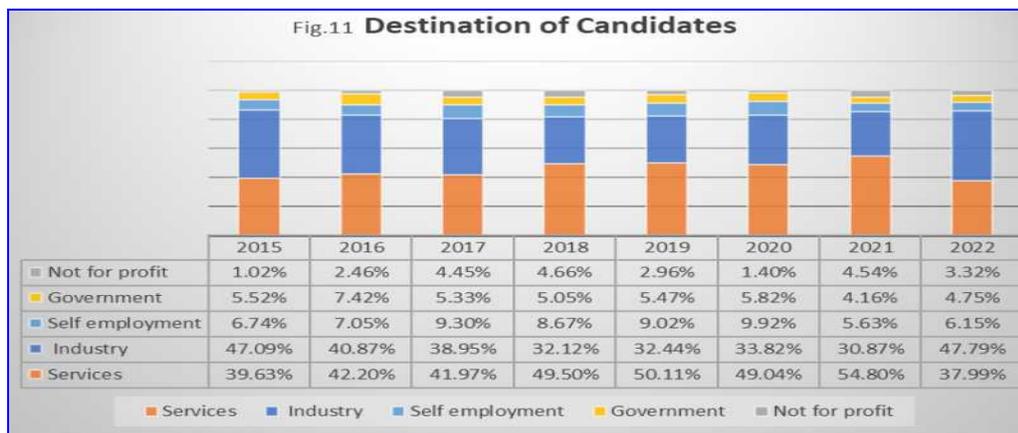


Fig. 10 shows that, after an increasing trend in the past years, the service sector has decreased for the last three years from 50.41 % in 2019 to 38.29 % in 2022. The most candidates came from the industry sector (52.24%). Noticeable is also the decrease of the not-for-profit sector from 7.0 % in 2021 to 3.61 % in 2022. These figures may show a restructuring in the industry, noticeably in the manufacturing sector.



In Fig. 11, most of the candidates (47.29%) went to the industry sector, 32.99 % went to the services sector. Self-employment is at 6.15 %. Not-for-Profit organizations made only 3.32 %, government 4.75%. The comparison of Fig. 10 with Fig.11 shows that all sectors have lost candidates. The difference between origin and destination is absorbed by the category self-employment. However, the biggest loss is the industry sector where 52.24 % of the candidates have come from vs. 47.79 % who have gone to.

5. The trends ACF members see for the near future

1. An uptake in the economy may lead to increased pressure for companies to find the right people and therefore the job market will remain dynamic. More openness for not matching profiles. On the other hand, pressure on purely transactional and some tactical roles to be offshored from Switzerland.
2. Employability, retraining and future of work are key issues for a majority of organizations.
3. Large companies (> 20'000 employees) installed their own job center. Less need for external support.
4. In the first 9 months, terminations were primarily due to interpersonal reasons; in the last quarter, the reasons changed again to structural terminations. We assume that this will continue in 2023 due to the current world situation. As outplacement services demand increased Q4 2022, we believe this trend will continue in 2023.
5. For 2023 we expect slightly more outplacements. Outplacement is coming back but at a lower level.
6. Seeing more 50+ and 55+ aged clients in transition. These persons will probably continue to explore and pursue interim (management) roles, temporary roles, mandates, and entrepreneurial activities to remain active and more financially stable. Continued trend of persons exploring and implementing entrepreneurial projects. Networking still a key accelerator for repositioning in the job market for senior executives.
7. Digital OP solutions and services to be even more of a challenge than “traditional” OP, in-person services. Hybrid coaching in demand.
8. Continuing trend towards more customized/personalized programs. More and more private coaching.
9. Some companies are less proposing the possibility to split OPC budget with training/cash.
10. Increased interest of employers in talent retention because of a full employment situation
11. Career Mobility projects will increase due to social and economic insecurities a prediction of the near future seems to be difficult.
12. Other services more in demand. Demand on leadership coaching. Increase in (early) retirement programs and retirement preparation workshops. Non-exit services (coaching, 360°), may increase, if economic situation continues to thrive.
13. Demand for assessment is growing. Talent Assessment and Development center activities: demand may continue to grow.
14. 360 evaluation will increase to strengthen leadership & management competencies and to address topics as such as diversity and inclusion within the organization.

6. Quotes of +50 years old candidates, happy with the help provided

1. "My consultant was a great coach during the past 6 weeks. She understood and connected personal and professional aspects of my life. She was very understanding when I went through a difficult period and the amount of material I received from her is unbelievable. I recommend her to anyone who is lost about the next phase in their career."
2. "The individual support of my responsible counselor helped me a lot in the difficult situation after a discharge. I was able to discuss everything openly with her and got lots of good tips."
3. "Get ready to become your best professional self! And on the way, enjoy the journey. A career transition is demanding and challenging, both as a professional and as a person. I found the perfect coach to help me move on. She helped me turn what initially seemed an impossible mission during COVID time into an exciting learning and personal development experience. She has great talent and professionalism, and I am truly grateful for her support and guidance. I benefitted from the support all the way through, from helping me find my passion to crafting an effective CV, building the strategies for the job search and coaching for interviews. It made a real difference."
4. "The advice not only takes into account the professional situation, but also perceives the person as a whole in a difficult situation."
5. "My consultant's calm, positive and confident counseling helped me a lot to overcome a very disappointing moment in my career. She knew how to show me new perspectives again and again with targeted information and documents and to break down my own barriers."
6. "Overall experience exceeded my expectations and has had a profound positive impact on my perspectives on professional and personal life."
7. "Discussions were insightful, often backed up with research & examples and explained in a way that I could understand and try and implement."
8. "My consultant was empathetic, insightful, and really made a big difference in how I understand myself, my values and want to shape my future. She coached me through a period where I left my employer of 8 years, joined, and left a new company, and started a new role in a new sector! I am very grateful for the time we spent together and the impact it had on me."
9. "I greatly appreciated the personal coaching. My interests and concerns were always taken into consideration. The handbook and other documents were very useful. I am very pleased and grateful for the great and excellent support I received from the two coaches."
10. "The main strengths of the program are the relationship the coach builds with the candidate and the fact that the coach always has a positive attitude and motivates the

client to be active! I am very satisfied and have a new job, which was the goal! On a scale from 1 to 5, a five. I'll be in touch with the coach for more advice even after the conclusion of this program.”

11. “I particularly appreciated the patience of my consultant, his wisdom to understand my unconventional profile and his kindness to share a small part of his experience with me.”
12. “The added value in my outplacement was first the insight of my consultant and his way of challenging me out of my comfort zone.”