Human Resources Management Country Profiles

**SWITZERLAND**

### Background

#### Employment in central government under the main General Employment Framework (GEF):

- **2009:** 32,280 Full-time equivalents (FTEs)
- Total employment in the general government sector as a percentage of labour force (2010): 9.7%

The vast majority of public employment in Switzerland is governed by the Federal Personnel Act of 24 March 2000 (public law), with some employment covered by the Law of Obligations (private law). Fixed-term contracts are permitted under both laws. No guarantees are made in favour of life-long employment. Casual employment is used under the GEF, and also in the employment of local staff in foreign embassies.

#### Legal Framework

- **GEF covers all employees:** 95%
- **GEF includes fixed-term contracts:** Yes
- **Private law applicable in public sector:** No

The vast majority of public employment in Switzerland is governed by the Federal Personnel Act of 24 March 2000 (public law), with some employment covered by the Law of Obligations (private law). Fixed-term contracts are permitted under both laws. No guarantees are made in favour of life-long employment. Casual employment is used under the GEF, and also in the employment of local staff in foreign embassies.

#### Composition of Employment

- **Central government employment (2009):**
  - Total employment under GEF (2009): 32,280 FTEs
  - Part-time employment: 4,996 FTEs

Part-time employment stood at 4,996 FTEs in 2009, with most of these employees working between 80% and 95% of full-time hours. The age structure of public employment is quite close to the OECD average in all age brackets. The most significant difference is in the group aged 60 or older, who accounted for 4.1% in 2009 compared to the OECD average of 6.8%. The proportion of employees aged 50 or older under both laws. No guarantees are made in favour of life-long employment. Casual employment is used under the GEF, and also in the employment of local staff in foreign embassies.

#### Challenges...

- **Staff have the right:**
  - to unionise: Yes
  - to strike: Yes

- **Benefits, to which employees are entitled to, are:**
  - Full funding of social security
  - Partial funding of social security
  - Some funding of pensions

- **Firing rules provide:**
  - Different guarantees about job protection / dismissal
  - Guarantees in favour of life-long employment

#### Challenges...

- **Staff have the right:**
  - to unionise: Yes
  - to strike: Yes

- **Benefits, to which employees are entitled to, are:**
  - Full funding of social security
  - Partial funding of social security
  - Some funding of pensions

- **Firing rules provide:**
  - Different guarantees about job protection / dismissal
  - Guarantees in favour of life-long employment

---

1 Data are for core ministries and agencies of central/federal governments, including some independent bodies.
2 Data include defence and frontier guards but exclude hospitals.
Switzerland is one of 27 OECD countries that reported an anticipated decrease in public employment levels as a result of planned reforms in 2010. However, the planned consolidation reforms were not enacted due to an economic recovery. Some measures are still in place to ensure medium-term debt objectives, including a reduction of operational expenditure on staff, IT and consulting by 2.4% on average. Government is allowed to dismiss employees due to restructuring, but it must provide reallocation possibilities beforehand and the employee may, under certain circumstances, receive an allowance if not relocated. In addition, early retirement packages are applied in some fields. General government sector employment (excluding public corporations) as a percentage of the labour force, 9.7% in 2010, is substantially below the OECD average of 15.1%. Similarly, compensation of public employees as a percentage of GDP, 8.1% in 2010, is below the OECD average of 11.3.

### Organisation of HR Management

#### Decentralisation of HR Management

<table>
<thead>
<tr>
<th>Decentralised area</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central HRM unit:</td>
<td>Federal Office of Personnel</td>
</tr>
<tr>
<td>Role:</td>
<td>Ministry of Finance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Personnel, budget and pay delegation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Pay systems and budget allocation are managed centrally, with some latitude for ministries in application.</td>
</tr>
<tr>
<td>- Bonuses and the distribution of posts are managed by ministries, with units/teams involved in bonuses.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Classification, recruitment and dismissal delegation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- The post classification system is managed centrally, with some involvement of ministries.</td>
</tr>
<tr>
<td>- Recruitment, contract duration, career management and dismissal are managed by ministries and units/teams.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment conditions delegation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- The performance appraisal system is set and monitored centrally.</td>
</tr>
<tr>
<td>- Working conditions, the code of conduct and equal opportunities issues are managed centrally, with some involvement of ministries.</td>
</tr>
</tbody>
</table>

In Switzerland, the central HRM body has a wide range of responsibilities and is closely involved in the management of pay systems, the post classification system and employment conditions. Ministries play a strong role in many HRM issues, and units/teams are also involved in several areas. Overall, delegation has led to broadly comparable employment frameworks within ministries, but with significant differences between them. Switzerland makes more use of strategic HRM practices compared to the OECD average.

### Anticipated reforms’ effect on employment level:

- Decrease

  - Implemented changes in employment levels affecting more than 50% of ministries/agencies since 2000:
    - Delegation to other public or semi-public organisations
    - Reorganisation / restructuring
    - Hiring freeze / non replacement of retiring staff (rarely implemented)

### Strategic HR Management

#### Existence of HRM accountability framework for managers:

- Yes, and HRM is fully linked to strategic objectives.

#### HRM targets feed performance assessments:

- No

#### Regular HRM assessment of ministries and departments:

- Yes

#### Framework requires top & middle management to plan and report on:

- Compliance with HR rules & targets for employment and pay
- Participation in whole of central government initiatives
- General people management

#### Forward planning use:

- Yes, with framework design left to discretion of different organizations.

#### Forward-planning horizon:

- 2-3 years

#### Key aspects explicitly considered in forward planning:

- New issues in policy delivery
- Possibilities for relocating staff
Human Resources Management Country Profiles

SWITZERLAND

**HR Management Practice**

**RECRUITMENT:** Recruitment into the public service in Switzerland is through a predominantly position-based system. Entry is most often gained through direct application and interview for a specific post; however, competitive examinations are used in the Department of Foreign Affairs for diplomatic careers. All vacancies are published and open to both internal and external recruitment. Recruitment centres are used and the HR department compiles a shortlist of candidates to ensure merit-based recruitment. Women have preferential right to job interviews and are subject to overall representation targets in the public sector. Similar policies are also in place to ensure all four official languages are represented (German, French, Italian and Romansh).

**PAY SETTING:** The salary structure (base salary and maximum amounts of the salary classes) is set through a single, comprehensive negotiation for the entire federal government as part of a collective bargaining framework. Inflation is taken into consideration, but not automatically and there is no indexation. Supervisors may allow individual bonuses according to performance and within the budget. The bonus may be up to 15% of the maximum amount of the salary class. Remuneration is revised annually. Job content is the most important determinant of base salary, with performance, seniority and experience also factoring in. Seniority based pay is in use, but has been decreased in recent years. Previous salary is taken into account in the pay level of a new recruit.

**PERFORMANCE:** Switzerland makes less use of performance assessment in HR decisions compared to the average OECD country. Assessment is used for almost all employees under the GEF and takes the form of an annual meeting with, and written feedback from, the immediate supervisor. In addition, staff assess their superiors in some units. A comprehensive range of criteria is used, including activities undertaken, timeliness and quality of outputs, cost effectiveness of work and interpersonal skills. Performance assessment is of medium importance to remuneration and contract renewal in the civil service. Switzerland uses far more performance-related pay (PRP) than the average OECD country, and lies near the top of the range. PRP is used for most government employees as both one-off bonuses and permanent pay increments. PRP can represent a maximum of 11-20% of base salary.

**PROMOTIONS:** Qualifications are relevant factors in the promotion of all levels of staff, with performance and experience also being considered for management and professionals. In theory there are no formal restrictions to promotion between hierarchical grades; however, minimum education requirements may apply. Vacancies are published on a transparent listing accessible government wide and there is some use of assessment centres to ensure merit-based selection. Targets apply to the promotion of women and speakers of the official languages.

**MOBILITY:** Internal mobility has remained steady, despite plans to increase the publicity of available positions, incentives to staff and recognition of its benefits. External mobility is not actively promoted in any particular way; however, it is taken into account in promotion and long-term career planning. Staff on external postings bear no costs if they do not return to the public service.

**TRAINING:** Only the diplomatic service, customs and some experts receive initial training upon entry to the public service. On average, central government employees receive 3-5 days training per year.

**WORK CONDITIONS:** The average yearly working hours in Switzerland, 1 913 hours in 2010, is substantially above the OECD average of 1 745 hours. This is driven by one of the highest weekly working hours in the OECD and few public holidays. It is partially offset by more annual leave, however. Data are unavailable regarding absenteeism.
Senior Management

Switzerland uses separate HRM practices for senior civil servants (SCS) to a substantially lesser extent than the average OECD country. SCS are considered a separate group; they are recruited with a more centralised process; and more emphasis is placed on avoiding potential conflicts of interest in the SCS. However, they do not have a centrally defined skills profile and no policies are in place to identify potential leadership early in their careers. All senior management positions are open to external recruitment. Diplomatic careers are selected through competitive examination early in their careers and assessment centres are used. The minister, ministry head and cabinet have influence over the appointment/dismissal of top management. A few top managers and advisors to the ministry’s leadership turn over with a change in government, but no other staff tend to do so.

Industrial Relations

Civil service unions play a fairly active role in industrial relations in Switzerland and do not receive public funding. By law, unions must be consulted regarding base salary, working conditions, the employment framework and the right to strike/minimum service, which are negotiated centrally with only one set of arrangements. Unions must also be consulted regarding bonuses and government restructuring, which are negotiated at both central and delegated levels. Consultation is voluntary regarding the code of conduct, which is also negotiated at central and delegated levels. Consultation is also voluntary regarding the introduction of new management tools, which is subject to decentralised negotiation only. All public employees are granted the right to unionise, and most are granted the right to strike.

Reforms

For the years 2011-15, the implementation of a strategy to reform personnel management is planned. It includes: workforce planning; building a modern working environment; offering competitive work conditions; and making use of the potential of a diverse workforce.

http://www.epa.admin.ch/themen/personalpolitik/00262/index.html

In addition, there are measures to foster diversity through the integration of disabled people, a project for the “management” of generations, and a fair representation of languages and gender.

http://www.epa.admin.ch/themen/personalpolitik/00264/index.html

The legal framework is being revised and is in discussion in parliament at the time of publication. The revised Law on Personnel (LP), on one hand, increases the competence and room for manoeuvre of the employer, and on the other establishes important legal protection for employees. The LP includes the following elements: further harmonisation between the LP and civil law; relaxation of regulations related to the termination of labour contracts (reintegration in the workplace is only possible in the case of cancelling a termination for serious violations of applicable law (e.g., abusive termination)); creation of a legal basis for parental leave (paternity leave and adoption leave).


Challenges

During the current legislative period, the Federal Council aims to optimise Swiss institutions’ ability to act and perform. To this end, it is looking to implement the Personnel Strategy of the Federal Administration 2011-2015. This reform provides for the hiring of quality staff in a more competitive labour market with scarcer funding. Furthermore, the Federal Council is striving to achieve a modern form of public management in a bid to make the Administration’s structure more efficient and results-oriented. Therefore, one of the challenges will be to attain the targets of the strategy. A further challenge consists of permanently optimising the cost-effective allocation of human resources in accordance with tasks.

Sources

Unless indicated otherwise, all data are sourced from OECD (2010), Survey on Strategic Human Resources Management in Central/Federal Governments, unpublished.

† Data from International Labour Organization (ILO) LABORSTA Database and OECD National Accounts Statistics. See Methodological Note.
† OECD (2010), Survey on the Compensation of Employees in Central/Federal Governments, unpublished.

Further Reading


Last updated 06 December 2012