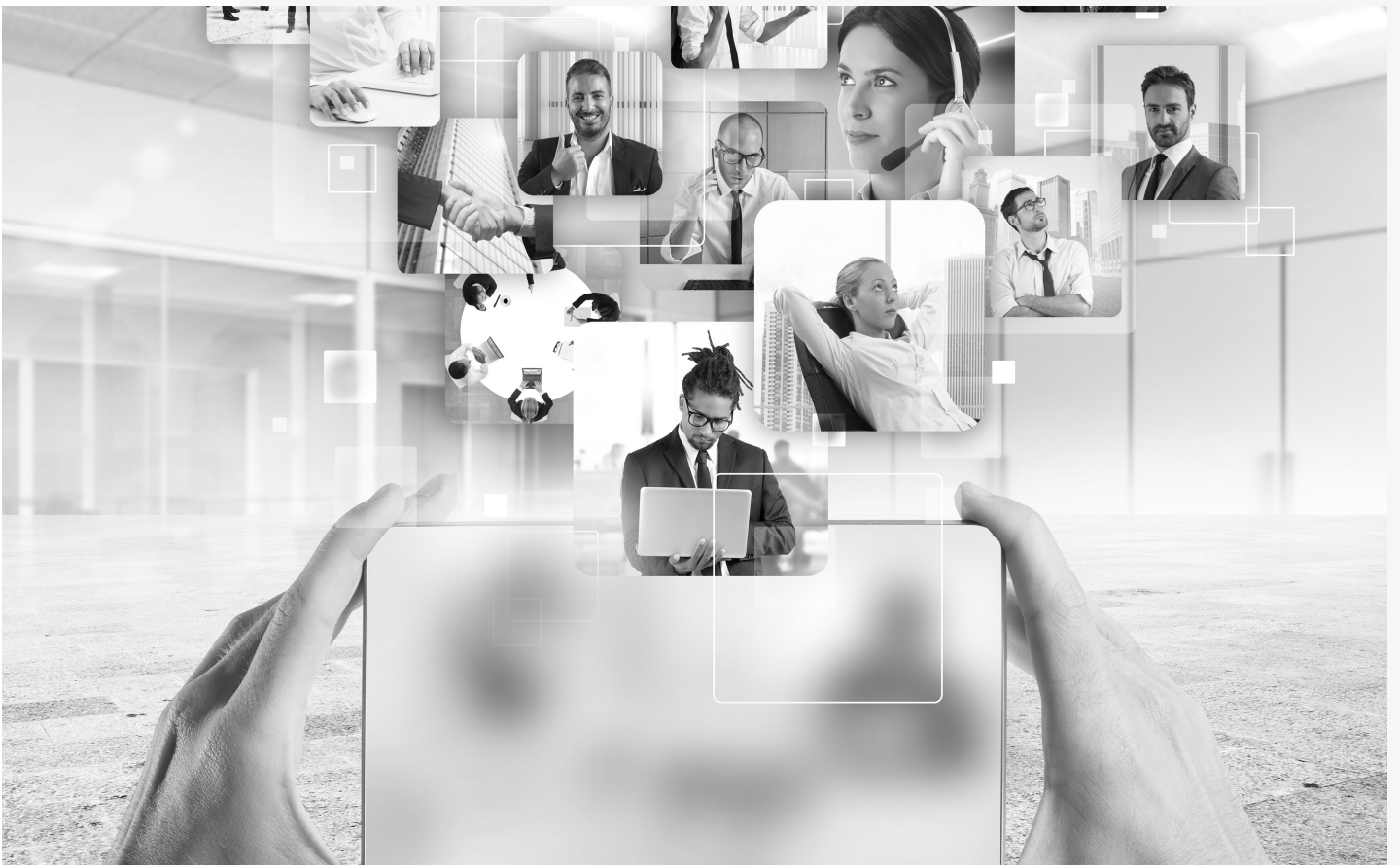


CRANET STUDY REPORT 2022

# HRM IN SWITZERLAND: PEOPLE & PRACTICES



Center for Human Resource  
Management

**UNIVERSITY OF  
LUCERNE**

In cooperation with

**HR** **ZGP** Zürcher Gesellschaft für  
SWISS Personal-Management

# EDITORIAL

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Human Resource Management (HRM) is the universal practice of managing people in organizations. However, the priorities, processes, and institutions involved vary from organization to organization and from country to country. This is what CRANET – the Cranfield Network on International HRM - is about: the people, organizations, and activities that make up HRM in different countries. CRANET represents a network of Universities and Business Schools from over 50 countries. Since 1989, CRANET has collected data in a four-year cycle using a standardized questionnaire on HR management (e.g., on recruitment, development, compensation, and employee relations). CRANET is unique in its concept and the depth of its studies, filling a significant gap in the field of HRM research.

In the fall of 2021, the second year of the COVID-19 pandemic, the most recent round of data collection took place. In Switzerland, the research project was carried out by the Center for Human Resource Management (CEHRM) at the University of Lucerne, in cooperation with HR Swiss and ZGP. We were interested to see how the role of HR and HRM practices had evolved since the previous round in 2014, and how the pandemic may have impacted the way organizations manage their people. This report highlights the results for Switzerland, with some remarkable changes since 2014, related to (among others) the increasing role of line managers and employees themselves as actors in HRM, the rapid growth of the use of social media in recruitment and, perhaps less surprisingly, the widespread use of remote working, not only during, but also after the pandemic.

There were many people who enabled the project to take place, who gave it their support and whom I would like to thank. These include, firstly, all the anonymous respondents who participated in the survey. Next, we would like to thank Nicole Stucki, the President of HR Swiss, and Stefan Emmenegger, the General Secretary of HR Swiss, as well as Marco Beutler, the president of ZGP and Barbara Aeschlimann, the General Secretary of ZGP for their support and efforts in making this study happen. We are also thankful for the financial support provided by Swisstaffing for the CRANET project in this round of data collection. Special thanks go to Dr. Anna Sender, the CRANET project leader for Switzerland, and to Marina Pletscher MA, for their tireless efforts in planning, organizing, and conducting the Swiss part of the CRANET project, in collecting, cleaning, and analyzing the data, and for writing and designing the current report.

We hope you enjoy reading and exploring the results.



Prof. Dr. Bruno Staffelbach

Head of the CEHRM at the University of Lucerne, March 2022

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# Center for Human Resource Management

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The Center for Human Resource Management (CEHRM) belongs to the Faculty of Economics and Management of the University of Lucerne. CEHRM provides a platform for innovative research, outstanding teaching, and an intense dialogue between science and practice in the area of human resource management. The purpose of the Center is to explore and address current and future human resource management challenges and secure knowledge transfer to the current and next generation of leaders and decision-makers.

CEHRM operates as an active partner in Swiss, European, and global research platforms and networks. For example, the Swiss Human Relations Barometer is an infrastructure project which has been run since 2005 and is financed by the Swiss National Science Foundation (SNSF). Furthermore, the Center represents Switzerland in the Cranfield Network on International Human Resource Management (CRANET), which operates in more than 50 countries. Finally, it functions as a co-investigator for Switzerland in the Global Leadership and Organizational Behavior Effectiveness Project (GLOBE), a research program that operates in more than 150 countries around the world.

## Contact

University of Lucerne  
Center for Human Resource Management  
Frohburgstrasse 3 /P.O. Box 4466  
6002 Lucerne  
Website: [www.unilu.ch/cehrm](http://www.unilu.ch/cehrm)  
Email: [cehrm@unilu.ch](mailto:cehrm@unilu.ch)  
Phone: +41 41 229 58 67

## STUDY AUTHORS



**Marina Pletscher, MA**

PhD Candidate and Research Associate  
Center for Human Resource  
Management, University of Lucerne  
Email: [marina.pletscher@unilu.ch](mailto:marina.pletscher@unilu.ch)  
Phone: +41 41 229 58 69



**Dr. Anna Sender**

Associate Director of the Center  
for Human Resource Management  
University of Lucerne  
Email: [anna.sender@unilu.ch](mailto:anna.sender@unilu.ch)  
Phone: +41 41 229 58 62



**Prof. Dr. Bruno Staffelbach**

Head of the Center for Human  
Resource Management  
University of Lucerne



# 1. About the data

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## 1.1 Study

CRANET is the world's largest human resource management (HRM) research network of more than 50 countries and the only one that has been collecting comparative data on HRM on a regular basis for more than three decades. The goal of CRANET is to meet the need for ready access to comparative information on human resource (HR) practices and their effects globally and over time. Switzerland is represented by the Center for Human Resource Management, University of Lucerne.

CRANET analyzes fundamental issues and trends in the structure and policy of HRM, recruitment, staff development, compensation, and employee relations. It also considers company-specific, sectorial, and country-specific differences in detail. The results of the study provide a valuable basis on which to benchmark the activities of different organizations with those of their competitors. In addition, we compare the results with those from the 2014 study to allow for the identification of Swiss trends and changes over time.

## 1.2 Sample

We cooperated with HR Swiss and Zürcher Gesellschaft für Personal-Management (ZGP) to identify the appropriate sample of organizations for the study. Because smaller organizations may not benefit from economies of scale in HR and thus seldom have a separate HR function in place, for the analysis we used only data from organizations with at least 100 employees. Approximately 1,800 organizations employing at least 100 employees were invited to participate in the survey. In some cases, more than one individual from an organization was invited. The final sample consists of 174 organizations. Although this represents a small response rate of 9.2%, it is comparable with other studies on HRM practices conducted on the organizational level.

Information on the respondents indicates that the data comes from individuals who are knowledgeable in terms of HRM practices used in the organization. Specifically, respondents included HR professionals with 93.0% of them working in the HR department. On average, individuals had worked for 16 years as HR professionals and for an average of 8 years in the organizations they represented. We received responses from the most senior HR professional (i.e., Head of HR) in 53.5% of the organizations. In terms of education, 70.7% of the respondents had a degree or academic specialization in HRM.

**174**

organizations participated  
in the survey

**9.2%**

response rate

### 1.3 Industry Insights

The surveyed organizations are diverse in terms of size, industry, and sector and are largely similar to the sample we used in the 2014 study, allowing for comparisons over time. As Figure 1 indicates, 36.2% of the organizations that participated in the survey employ more than 1,000 people (35% in 2014). In the sample, 62.0% of the organizations operate in the private sector and 22.4% in the public sector, while 6.9% operate as non-profit organizations and 8.0% indicated their sector as being mixed. The organizations represent a wide range of industries, with public administration (14.3%), human health services (12.2%), manufacturing of machinery and equipment (7.5%), and construction (7.5%) being most represented. Moreover, 81.0% of the organizations have their headquarters in Switzerland.

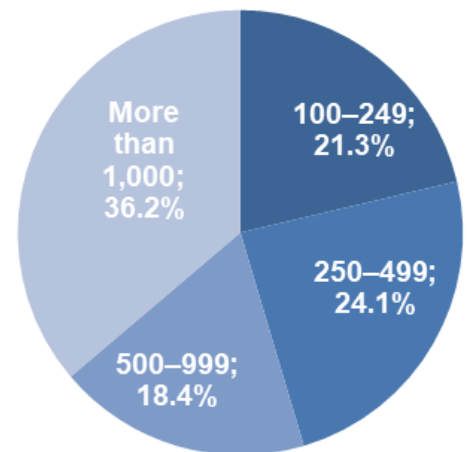


Figure 1: Participating Organizations by Number of Employees (N = 174)

**2.6%**

average HR quotient

### 1.4 Organizational Characteristics

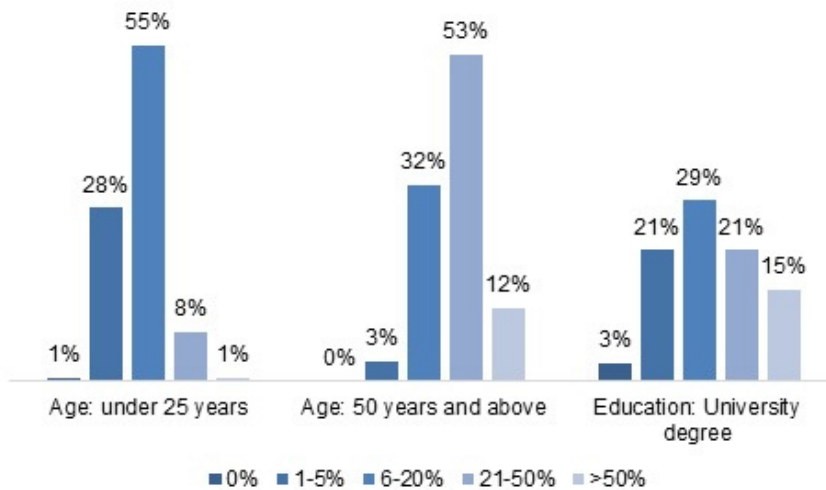
Of the organizations used for the analysis, 99.0% have a separate HR department. This observation is certainly connected to the fact that larger organizations are overrepresented in the sample. On average, the staff of the HR department account for 2.6% of each organization's workforce (HR quotient). This ratio is greater than in the CRANET studies conducted in 2014 (1.6%) and 2008 (2.1%). There are no significant differences between private and public organizations in terms of the size of the HR department in relation to the total workforce.

On average, labor costs account for 49.1% of the total operating costs ( $SD = 22.6\%$ ). Compared to the previous CRANET surveys, this figure has remained relatively stable (47.0% in 2014 and 46.0% in 2008). However, 35.6% of the respondents did not provide an answer to this question. In public organizations labor costs account for a higher share of the total operating costs (56.2%) than in private organizations (43.3%).

The main market served by the organizations that participated in the survey was local (4.6%), regional (26.4%), national (35.1%), continent-wide (5.7%), or world-wide (28.2%). Moreover, within the previous three years, 40.1% of the organizations had been involved in the acquisition of other organizations (38.0% in 2014), 5.0% were taken over by another organization (10.4% in 2014), 9.4% were involved in a merger (15.8% in 2014), 10.7% were involved in a relocation (18.8% in 2014), and 22.4% were involved in a demerger (18.8% in 2014). Family businesses account for 33.1% of the final sample.

## 1.5 Employee Characteristics

On average, female employees account for 40.0% of the total workforce in the participating organizations. Figure 2 presents the composition of the workforce in the participating organizations. In a typical organization in our study, 15.7% of the staff are managers, 38.5% are professionals without managerial responsibility, and 45.8% are clerical (office staff) and manual workers.



**Figure 2: Workforce Composition (N = 160):** “What is the proportion of employees 25 years old and under/50 years old and older/with a higher education/university qualification?”

## 1.6 Performance

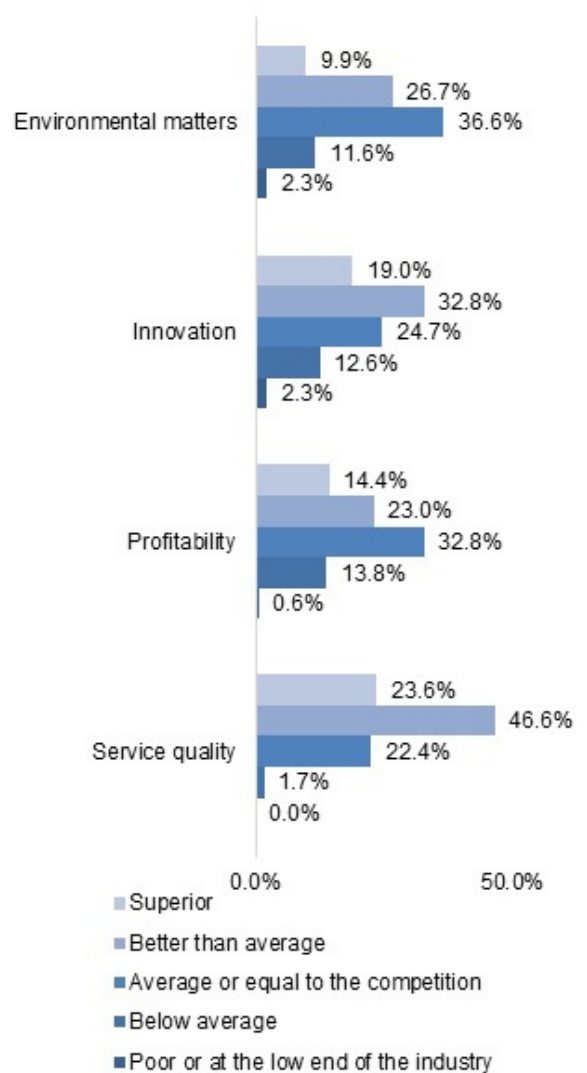
An analysis of the performance of the participating organizations provides interesting insights[1]. For example, compared to the CRANET survey carried out in 2014, the evaluation of the market situation is more positive. Approximately 14.1% of the respondents indicated that the market their organization is serving is currently declining, 26.7% indicated a stable market, and 58.3% indicated a growing market (33.4% indicated a growing market in 2014).

In terms of gross revenue, 10.0% of the respondents indicated gross revenue as being insufficient to cover costs during the previous three years, 13.3% as sufficient to break even, 30.8% as sufficient to make small profits, and 44.2% as being far higher than costs. Gross revenue was assessed similarly by participants in the 2014 CRANET survey.

[1] We included only non-public organizations in the analysis of market development and gross revenues. For some aspects, such as stock market performance, only certain organizations could be considered (e.g., listed organizations).

All respondents (e.g., public, private, non-profit, and mixed organizations) were also asked to evaluate their organizations' performance in direct comparison to their competitors in terms of quality, profitability, innovation, and environmental matters. Figure 3 shows the organizations' own evaluation of their performance. The majority of the organizations consider their performance as being superior to that of their competitors in terms of innovation and service quality, but less so in terms of profitability and environmental matters. Compared to the survey conducted in 2014, we observe a slightly worse evaluation in terms of profitability; 47.2% of the organizations evaluate their profitability as better than that of their competitors, versus 54.0% in 2014. In terms of service quality and innovation, the results are similar to those in 2014. Overall, despite the COVID-19 pandemic, there are no major differences in the perception of organizational performance between the 2021 and 2014 studies.

Average voluntary turnover among the participating organizations was 7.0% (*SD* = 6.8%); involuntary turnover was 2.6% (*SD* = 7.3%). Interestingly, average voluntary and involuntary turnover decreased compared to 2014 (9.6% and 4.3% respectively). There were significant differences between private and public organizations. The former showed an average turnover rate of 7.2% and the latter a 5.3% rate.



**Figure 3: Performance Landscape (N = 174):** “Compared to other organizations in your sector, how would you rate the performance of your organization in relation to the following?”

Compared to their competitors, organizations see potential for improvement in profitability and environmental matters.

Despite the COVID-19 pandemic, there are no major differences in the perception of organizational performance between the 2021 and 2014 studies.

Organizations report a decrease in turnover rates compared to 2014 (from 9.6% to 7.0% voluntary turnover on average).

## 2. What are the Results?

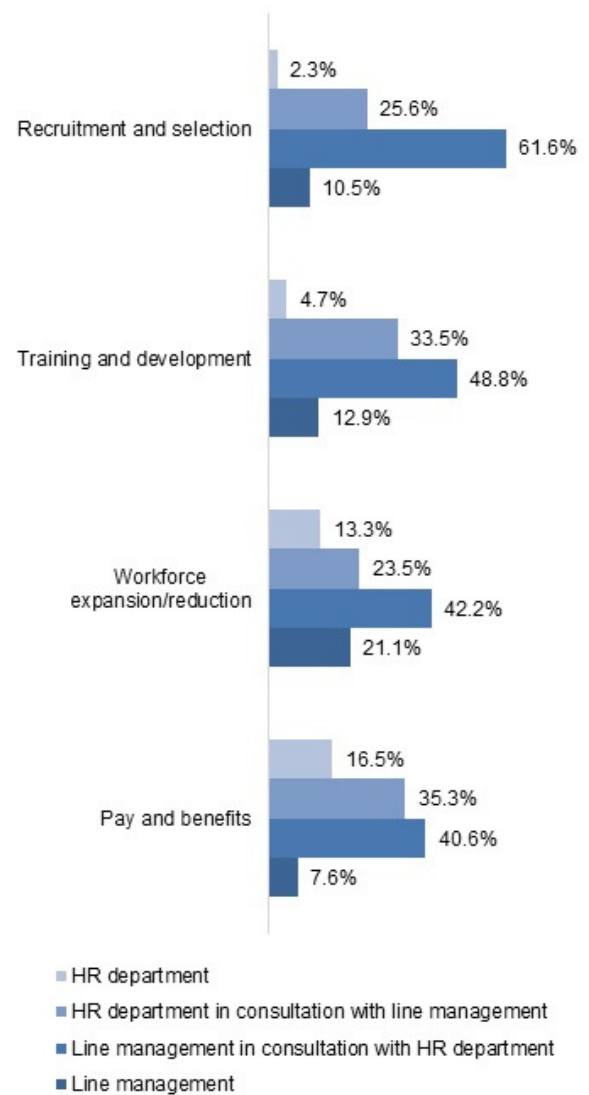
### 2.1 HRM in Organizations

The role that the HR expertise represented by HR professionals and the Head of HR plays in an organization has significant implications regarding the strategic integration of the HR function. Therefore, we were interested in exploring HR departments' involvement in key organizational processes as well as the professional background of HR representatives in the surveyed organizations.

#### Head of HR invited to the table

To explore the role of the Head of HR in organizations' strategic decision-making, we asked the respondents to indicate whether the Head of HR has a place on the management board or an equivalent high-level executive team. The results show that in 57.0% of the organizations, the Head of HR has a place on the top management team (or management board). Interestingly, this reflects a decrease compared to the previous survey (64.3% in 2014) and contradicts recent research indicating that the pandemic has contributed to the strategic importance of the HR function. We identified no differences between smaller and larger organizations or between better and worse performing organizations in terms of the likelihood that the Head of HR has a place on the top management team.

HR responsibility is shared in organizations between top management, the HR function, line managers, and employees. We explored how the responsibility for major policy decision-making regarding pay and benefits, recruitment and selection, training and development, and workforce expansion or reduction is shared between the HR function and line management (i.e., the extent to which it is devolved to line management). Figure 4 presents the results from all participating organizations.



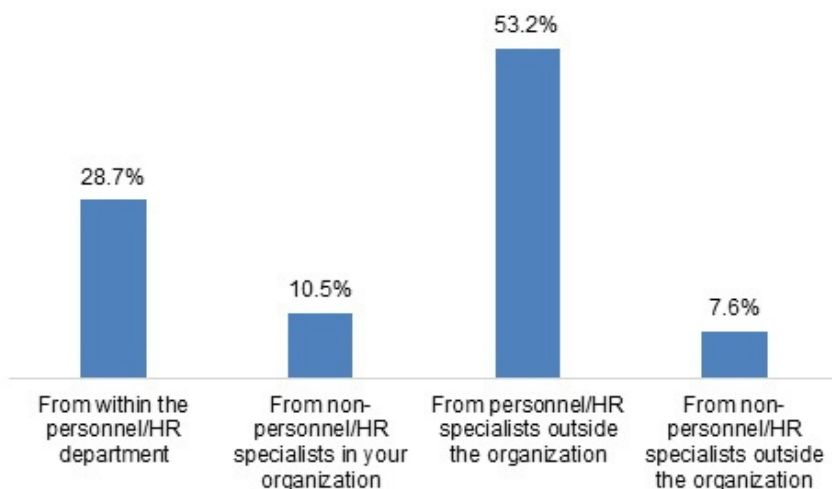
**Figure 4: HR Department Involvement (N = 165–172):** “Who has primary responsibility for major policy decisions on the following issues?”



In all areas, the majority of organizations involve both the HR department and line management in major policy decision-making. Overall, these results point to intensive cooperation between HR departments and line management in decision-making in various fields, with the line having a greater role in recruitment and selection as well as training and development. Compared to the 2014 survey, we find that the role of line management has increased for all types of major policy decisions, confirming recent trends.

The background of HR professionals may impact the role of the HR function in organizations. To explore the professional background of HR representatives, we asked the participants to indicate from where the person responsible for HR management was recruited. In the majority of organizations (81.9%), the Head of HR was hired from HR department, either from within the organization (28.7%) or from another organization (53.2%). In addition, 60.8% of the organizations have hired HR representatives externally and 39.2% have hired them internally.

Interestingly, these results demonstrate a slight shift towards hiring internally from within the organization's HR department, rather than recruiting from outside the organization (in 2014, 22.9% of organizations hired HR representatives internally and from within their own HR departments).



**Figure 5: Source of Recruitment of Head of HR (N = 171):** "From where was the person responsible for HR recruited?"

Compared to the 2014 survey, we find that

**THE ROLE OF LINE MANAGEMENT HAS INCREASED**

for all types of major policy decisions

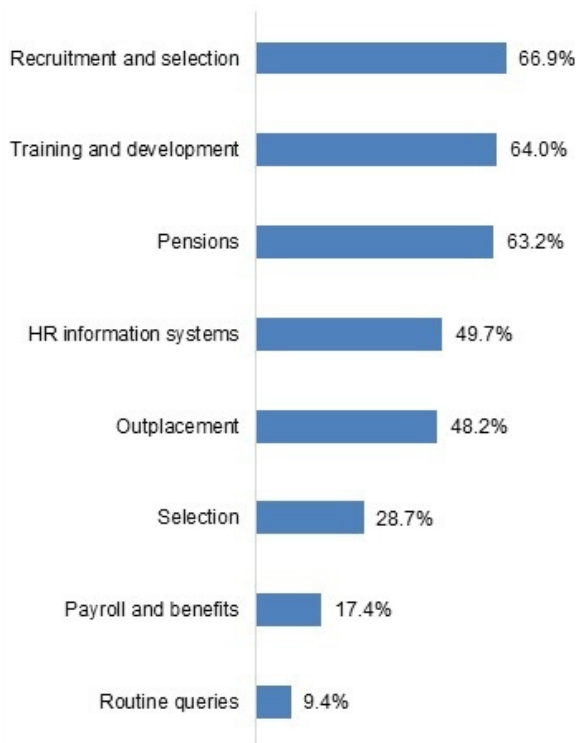
**60.8%**

of organizations have hired HR representatives externally

## 2.2 Outsourcing in HR

There is an ongoing debate about the extent to which HR outsourcing may free up HR resources for strategic topics and the extent to which this is a cost-cutting instrument which leads to a reduction in HR staff. Therefore, we were interested in exploring the extent to which organizations use external providers for different HRM areas. Respondents could choose from a scale of 0 to 4 (0 = not outsourced; 4 = completely outsourced). Figure 6 shows the results.

More than 50.0% of the respondents indicated that their organizations use external providers for pensions, training and development, and recruitment. Less than 20.0% of the organizations use external providers for payroll and for processing routine HR queries (e.g., an HR call center). Of the participating organizations, 49.7% indicated that they partly outsource activities in the fields of HR information systems and technology, indicating an almost twofold increase compared to the 2014 CRANET survey (25.3%). In addition, an increase in outsourcing in pensions and recruitment activities was observed compared to 2014.



**Figure 6: Outsourcing HR Activities (N = 172):** “To what extent do you outsource the following areas to external providers?” Scale: 0 = Not outsourced (not visible here) to 4 = Completely outsourced; 1-4 were merged for graphical representation of usage.

**49.7%**

of organizations outsource activities in the fields of HR information systems and technology

This indicates an almost

**TWOFOLD INCREASE**

compared to the 2014 CRANET survey

## 2.3 HR and Strategy

Involvement in developing and shaping organizational strategy represents an opportunity for the HR function to contribute to organizational competitive advantage. Therefore, in addition to exploring the types of strategies that exist in organizations, we asked the respondents to indicate whether and at what stages they are involved in the development of business strategy.

### HR strategy and HR performance

The respondents were asked to indicate whether their organization had a written business strategy as well as an HR strategy overall and in specific areas. The results show that 92.0% of the organizations have a written mission statement, 65.5% have a written HRM strategy, 57.5% a written HR training and development strategy, and 43.9% a written HR recruitment strategy. We observe an increase compared to the previous survey in 2014 in terms of having a written mission statement (87.9% in 2014), and having a written diversity statement (30.6% on 2014).

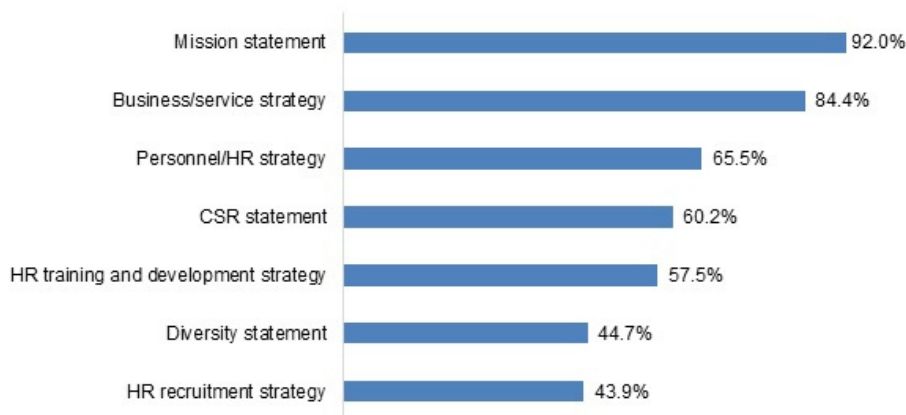


Figure 7: Written Strategies (N = 174): “Does your organization have a...?”

To examine the role of the Head of HR in the development of business strategy, respondents in organizations with a written business strategy were asked to indicate at what stage in the development of the business strategy the person responsible for personnel or HR was involved. Participants could choose from five answers: not consulted, on implementation, throughout subsequent consultation, and from the outset.

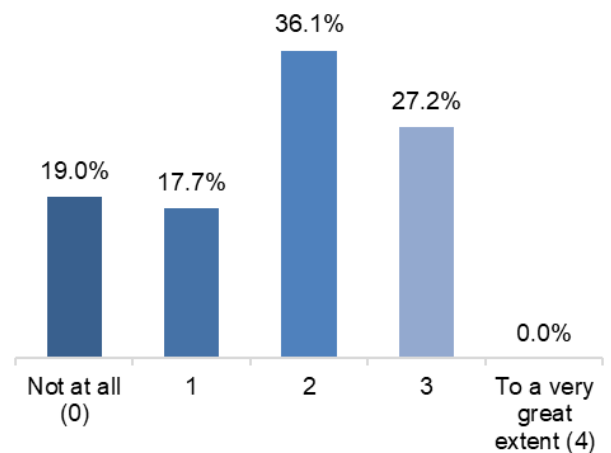
The results show that in 15.1% of the organizations, the person responsible for HR was not consulted at all, whereas 9.0% of the organizations involved the Head of HR on implementation, 22.3% throughout subsequent consultation, and 40.4% from the outset. Thus, although the Head of HR plays an important role in developing the business strategy of the majority of organizations, in approximately a quarter of them the strategic integration of the HR function is substantially limited.

Having an HR strategy in place allows for the performance of the HR function to be evaluated against the predefined objectives. The respondents were asked to indicate to what extent the performance of the HR function was evaluated, with possible answers ranging from 0 = not at all to 4 = to a very great extent. Figure 8 presents the results. Measuring the performance of the HR function and quantifying HR outcomes is challenging, which is apparent when looking at the results in Figure 8. Although 27.2% of the respondents indicated that the performance of their HR department is evaluated to a great extent, in 19.0% of cases the performance of the HR department is not evaluated at all. We observe an increase in the proportion of organizations that do not evaluate the performance of their HR department (11.8% in 2014).

### Challenges in HRM

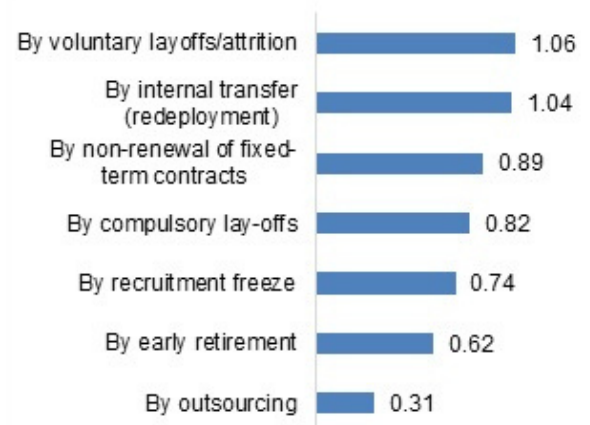
Disruptive events, external pressures on efficiency, and changes in strategy may make it necessary to reduce the number of employees overall or in certain functional areas. In order to explore the occurrence of downsizing practices in the participating organizations, we asked the respondents to indicate changes in head-count in the previous three years. The results show that 26.4% of the organizations reduced the number of employees (in 66.7% of the organizations, the number of employees increased). Organizations operating in a growing market were, as expected, more likely to have increased the number of employees ( $r = .23, p < .05$ ) than to have downsized.

Almost all of the organizations in our sample ( $N = 169$ , accounting for 97.1% of the respondents) engaged in different activities to change the number or composition of the workforce in the previous three-year period. The results shown in Figure 9 reveal that voluntary attrition, internal transfers, and the non-renewal of contracts are the most common methods of downsizing. Larger organizations tend to revert to internal transfer ( $r = .16, p < .05$ ) and early retirement ( $r = .20, p < .01$ ) more frequently.



**Figure 8: Evaluation of the Performance of the HR function (N = 158):** “To what extent is the performance of the personnel/HR function/department evaluated?”

**81.0%**  
of organizations evaluate the performance of the HR function



**Figure 9: Workforce Management Strategy (N = 166 –169):** “To what extent have you used any of the following methods as part of your workforce management strategy to change the number or composition of your workforce (in the last 3 years)?” Scale: 0 = Not at all to 3 = To a very great extent (multiple selection possible).

## 2.4 Recruitment

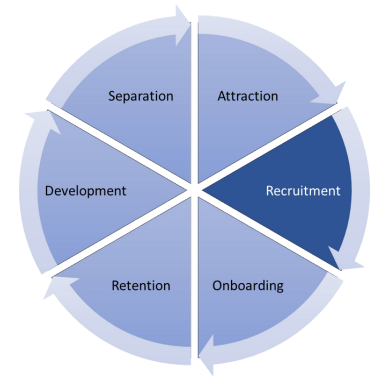
Recruitment constitutes a challenge for many organizations competing for talent. Therefore, we were interested in exploring which talent acquisition practices the respondents use. The percentage of respondents using selected recruitment methods is presented in Figure 10 (total sample, not restricted to particular labor market segments).

A large percentage—70.1% (48.8% in 2014)—indicated that they use social media in recruitment of either managers/professionals or clerical/manual workers. Larger organizations tend to use career fairs more often ( $r = .20, p < .01$ ). Better performing organizations are more likely to use both career fairs ( $r = .22, p < .01$ ) and trainee programs ( $r = .24, p < .01$ ) for recruitment purposes.

### Work arrangements

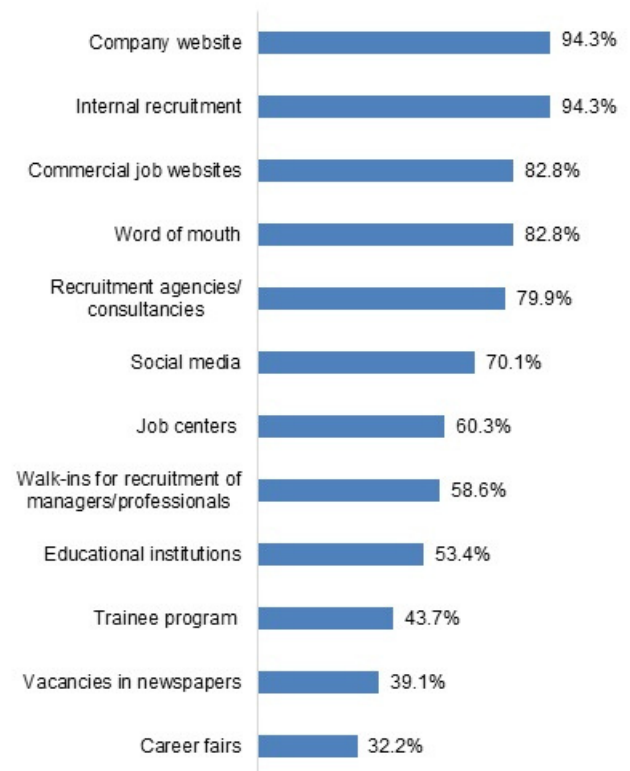
Different work arrangements, such as temporary or contract work, can allow organizations to maintain flexibility and adjust to changing market requirements. The results indicate that 62.0% of the organizations use contract work (e.g., independent contractors or freelancers) and 75.7% use temporary agency work. In 2014, 57.1% of organizations reported using temporary contracts, which indicates an increase over time in the use of non-standard work arrangements.

We also explored the reasons behind the use of temporary work. The most quoted reasons include short-term recruitment of employees (peak workloads, accidents, illness, etc.; 88.4%), covering the personnel requirements for projects (60.7%), and coping with regular, seasonal order fluctuations (48.2%). These results suggest that organizations use temporary work to better adapt to a fast-changing environment rather than hiring employees during a recruiting freeze (5.4%) or outsourcing tasks usually performed by the internal personnel department (e.g., payroll; 5.4%). Interestingly, 64.0% of the organizations using temporary work indicated that the technical requirements for temporary work are equally as high as for permanent staff.



# 70.1%

of organizations use social media in recruitment of either managers/professionals or clerical/manual workers



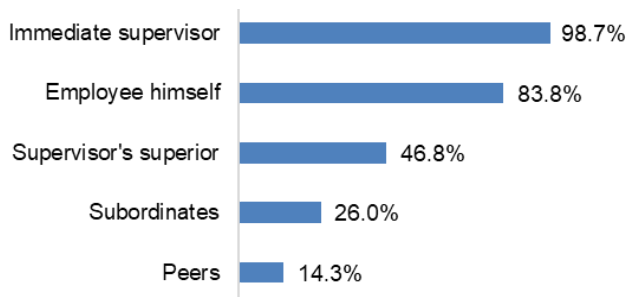
**Figure 10: Recruitment Methods (N = 174):** "Please indicate which of the following recruitment methods are used in your organization?"



## 2.5 Performance Management and Employee Development

### Performance appraisals

Performance management and employee development occupies a significant amount of HR professionals' and leadership's time. Consequently, we were interested in understanding what methods organizations use in performance evaluation and employee development. The results show that in 89.5% of organizations there is a formal appraisal system. The majority of the organizations (94.8%) use appraisal data for training and development decisions, 94.8% for decision-making regarding career moves, 67.8% for workforce-planning decisions, and 74.8% for decision-making regarding pay. Thus, appraisal systems are mostly used for employee development purposes.

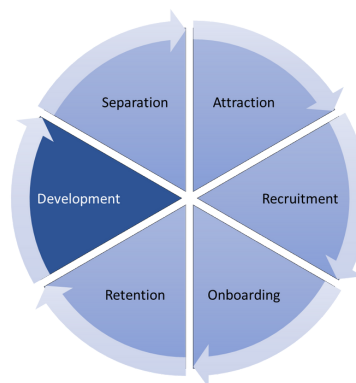


**Figure 11: Actors Involved in the Appraisal Process (N = 154):** "If you have an appraisal system, who formally is expected to make an input/provide data for the appraisal process for these different employee groups?"

As presented in Figure 11, in most organizations, the appraisal process involves the direct supervisor and the employee. Subordinates are involved in the process in 26.0% of the organizations and peers in 14.3%. Compared with the 2014 data, no significant changes could be observed in the extent to which these persons are involved in performance appraisals.

### Investments in training

On average, managers and professionals spend 6.1 days on training annually (5.3 in 2014), whereas those with clerical jobs spend 4.1 days (4.8 in 2014). Organizations in our sample spend an average of 4.7% (3.1% in 2014) of their annual payroll costs on training ( $SD = 5.6$ ).



Appraisal systems are mostly used for employee development purposes:

**94.8%**

of organizations use it for development decisions

**74.8%**

of organizations use it for compensation decisions

Training and development require significant investment from an organization. Therefore, we covered aspects related to the evaluation of training activities. The results show that 52.9% of the organizations systematically evaluate the need to train their staff (78.0% in 2014) and 50.3% systematically evaluate the effectiveness of training (54.4% in 2014). We provided respondents with a list of evaluation methods and asked them to indicate whether a given method is used in their organization.

Figure 12 presents the percentage of organizations that use different evaluation methods. Reaction evaluation immediately after training (79.3%), informal feedback from employees (74.4%), informal feedback from managers (68.3%), and meeting objectives set out in the training and development plan (69.5%) are the most frequently used methods in the respondents' organizations.



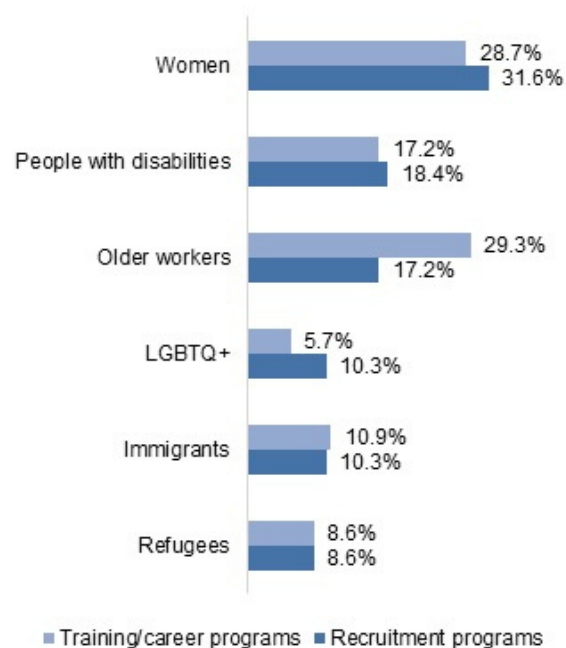
**Figure 12: Evaluation of Training (N = 82):** "If your organization systematically evaluates the effectiveness of training, which of the following techniques are used to do so?"

**52.9%**  
of organizations systematically evaluate the need to train their staff

**50.3%**  
of organizations systematically evaluate the effectiveness of training

### Diversity and inclusion

The importance of diversity and inclusion is growing and many organizations set up action programs in recruitment and development to increase diversity. We asked the respondents whether their organizations have action programs focusing on different groups in order to improve their participation in the workforce (see Figure 13). The results show that 17.2% of the organizations have recruitment programs and 29.3% have training or career programs specifically for older workers. Additionally, 31.6% have women-specific recruitment programs and 28.7% women-specific training or career programs. Furthermore, 10.9% of the organizations have training or career programs for immigrants and 5.7% for the LGBTQ+ community.



**Figure 13: Action Programs (N = 174):** "Does your organization have action programs covering any of the following groups to improve their participation in the workforce?"

## Career management methods

In times when talent is scarce, being able to grow your own talent becomes a priority for many organizations. Consequently, we asked the participating organizations to indicate the extent they used a variety of methods specifically for career management. The respondents answered on a scale from 0 (not at all) to 3 (to a very great extent).

The results (see Figure 14) show that training on the job, developmental assignments and projects, as well as job enrichment (i.e., enriching jobs with challenging tasks which can require more skills) are the methods most often used to support career management. Additionally, 66.0% of our respondents indicated that they use high potential programs (i.e., talent management), 64.5% use mentoring, and 42.7% use international career assignments. Organizations that have an HR strategy and those performing better reported using the indicated methods more frequently.

**66.0%**

of organizations use high potential programs



**Figure 14: Methods in Career Management (N = 138 –162):** “To what extent do you use the following methods for career management?” Scale: 0 = Not at all to 3 = To a very great extent.

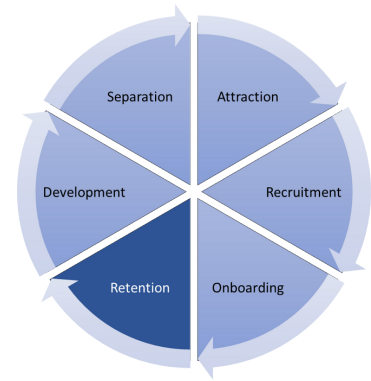
Since 2014, the use of

**E-LEARNING**  
and  
**PLANNED JOB ROTATION**

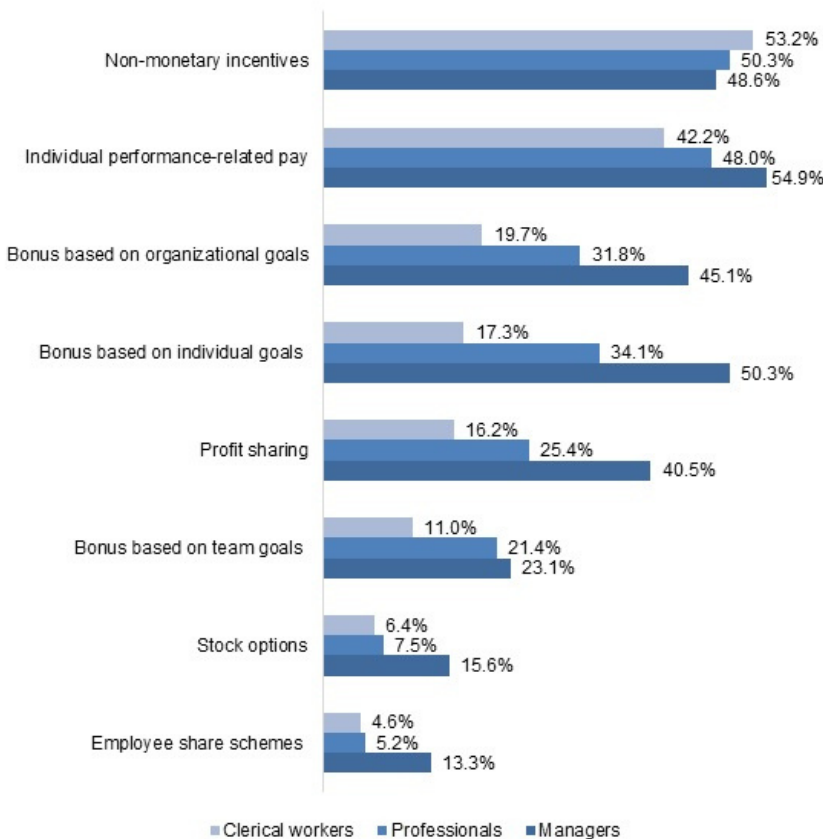
in organizations has increased (by 12.4% and 9.7%, respectively)

## 2.6 Compensation and Benefits

The main purposes of compensation include rewarding employees for the effort they put in to the job and influencing their attitudes and behaviors. However, developing a fair and effective compensation system is challenging. An important question in the survey was related to the compensation schemes that organizations use to reward their employees. Figure 15 presents the results.



Individual performance-related pay is used in 54.9% of the organizations for managers, in 48.0% for professionals, and in 42.2% for clerical workers. Interestingly, compared to the data collected in 2014, we observe a significant decrease in the share of organizations using individual performance-related pay for all groups (72.1%, 67.7%, and 60.7% respectively). However, despite the increasing debate about the effectiveness of individual performance-based pay among practitioners and scholars, this type of reward is largely used in organizations. Bonuses based on individual goals as well as individual performance-related pay are used significantly more often for managers than for other employee groups. In line with what we would expect, the three groups of employees differ in the extent to which bonuses based on organizational and team-level goals apply to them; managers are rewarded with bonuses based on organizational performance (45.1%) significantly more often than clerical workers (19.7%). In determining bonus payments, team-level goals are generally used less often than individual and organizational goals and are characterized by less variance between the three employee groups.



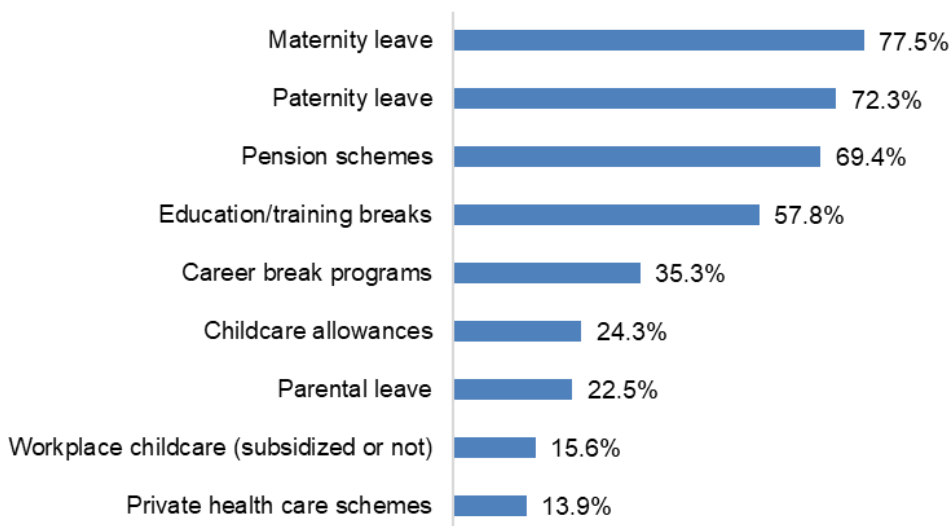
**45.1%**  
of organizations  
reward managers with  
bonuses based on  
organizational  
performance

Figure 15: Compensation Schemes (N = 173): "Do you offer any of the following compensation schemes?"

Organizations which indicate better performance than their competitors are more likely to use bonuses based on organizational performance for all three employee groups (from  $r = .15$  to  $r = .28$ ;  $p < .05$ ). Organizations which have a written HR strategy in place are more likely to offer bonuses based on team goals for managers ( $r = .18$ ,  $p < .05$ ), professionals ( $r = .19$ ,  $p < .05$ ), and clerical workers ( $r = .18$ ,  $p < .05$ ).

Interestingly, we found no significant relationships between compensation schemes and voluntary turnover. However, organizations in which line managers take on more responsibility in terms of decisions regarding pay and benefits tend to use profit sharing and bonuses based on organizational goals for managers and professionals more frequently ( $r = .16$  and  $r = .22$ ,  $p < .05$  respectively).

We also asked the respondents to indicate whether their organizations offer any schemes in excess of statutory requirements, such as childcare and maternal or parental leave (see Figure 16). Of all the respondents, 15.6% indicated that their organization offers workplace childcare, 69.4% of the organizations offer pensions schemes, 77.5% maternity leave, and 72.3% paternity leave. Interestingly, organizations that have a written recruitment strategy in place are more likely to offer maternity leave ( $r = .19$ ,  $p < .05$ ), paternity leave ( $r = .20$ ,  $p < .01$ ), and pension schemes ( $r = .18$ ,  $p < .05$ ) in excess of statutory requirements, which suggests that these schemes constitute an important part of recruitment strategy. Importantly, organizations that do not offer any schemes in excess of statutory requirements (no parental leave, pension schemes, educational breaks, or private healthcare) report higher voluntary turnover rates ( $r = .14$ ,  $p = .07$ ), which suggests that these schemes may be effective not only in recruitment but also in fostering retention.



**Figure 16: Additional Benefits (N = 173):** "Do you offer any of the following schemes in excess of statutory requirements?"



## 2.7 Portal for people: The use of e-HR

Technology has been extensively used to support business processes in recent years. In order to explore the use of new media and technological solutions in HR, we asked whether the respondents' organizations use HR information systems (HRIS) or electronic HRM systems to deliver HR activities. The results show that 79.8% of the organizations use such systems. Additionally, we asked whether the organizations use manager self-service[2], and 74.4% of the respondents indicated the existence of such a service in their organization.



**Figure 17: Technological Solutions (N = 173):** "To what extent do you use the following HRM activities?" Scale: 0 = Not at all (not visible here) to 3 = To a very great extent; 1-3 were merged for graphical representation of usage.

In turn, employee self-service[3] is used by 66.3% of the organizations. Correlational analysis indicated that larger organizations tend to use self-service for managers ( $r = .17, p < .05$ ), HR shared services ( $r = .19, p < .05$ ), HR analytics ( $r = .19, p < .05$ ), and HRIS ( $r = .22, p < .01$ ) more often.

We were also interested in examining the use of social media in different areas of HR. Figure 18 presents these results. Whereas 64.9% and 60.9% of organizations use social media in the recruitment of clerical workers and managers respectively, 23.0% and 26.4% use social media for the selection of clerical workers and professionals.

This indicates significant growth in the use of social media in recruitment: In 2014, only 34.9% of organizations used it to recruit clerical workers, and 36.1% used it to recruit managers.

Social Media Use	Clerical/Manual Workers	Professionals/Managers
Recruitment	64.9%	60.9%
Selection	23.0%	26.4%

**Figure 18: Use of Social Media**

[2] An electronic HR tool that allows managers to handle many HR-related tasks for their employees themselves, rather than relying on the HR department to do so (e.g., promotions, job requisitions, employee leave, and compensation changes).

[3] An electronic HR tool that allows employees to handle many HR-related tasks themselves (e.g., changing personal details, applying for a vacation, claiming expenses).

The use of employee self-service almost **DOUBLED** since 2014 (33.5% compared to 66.3% in 2021)

**30.0% more**

organizations use social media to recruit clerical workers (compared to 2014)

**24.8% more**

organizations use social media to recruit managers (compared to 2014)

## 2.8 Employee Relations and Communication

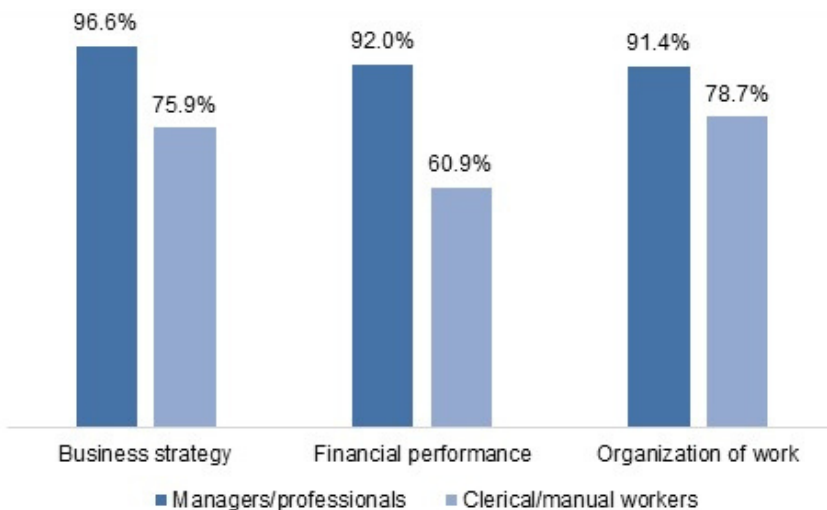
### Building open relations

Effective employee communication is a prerequisite for organizational success as it allows for the exchange of ideas, promotes change, and fosters innovation. Consequently, we were interested in the communication approaches that the organizations use to inform and consult employees.

To address the degree of communication transparency, we asked the respondents to indicate which groups of employees are officially briefed about key organizational matters. The majority of the organizations (96.6%) formally brief managers and professionals on business strategy, 92.0% inform them on financial performance, and 91.4% on the organization of work. Significantly lower yet still significant proportions inform clerical and manual workers on the same matters: 75.9% brief them on business strategy, 78.7% on the organization of work, and 60.9% on financial performance.

Correlational analysis indicated that the organizations in which the person with responsibility for HR issues has a seat on the board are more likely to brief managers and professionals on business strategy ( $r = .16, p < .05$ ).

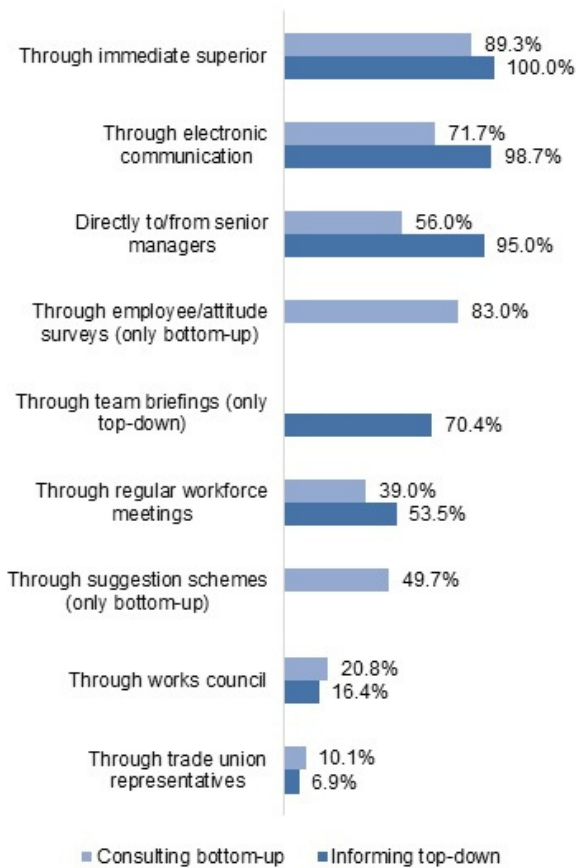
The organizations in which the person with responsibility for HR issues has a seat on the board are **MORE LIKELY** to brief managers and professionals on business strategy



**Figure 19: Formal Briefing of Employees (N = 168):** “Which employee categories are formally briefed about the following issues?”

Additionally, we asked the participants about the channels their organizations use for internal communication. Immediate superiors (100.0%), electronic communication (98.7%), and senior managers (95.0%) appeared to be the most common channels for informing employees top-down. Immediate superiors also play a key role in consulting employees through bottom-up communication (89.3%). Furthermore, 83.0% of the organizations use attitude surveys and 71.7% consult employees through electronic communication.

Correlational analysis demonstrated that organizations which consult their employees through suggestion schemes were more likely to show growth in revenue over the past three years ( $r = .21, p < .05$ ) and score higher in the rating of profitability ( $r = .22, p < .01$ ).



**Figure 20: Communication Channels (N = 159):** “Through which of the following communication channels do you inform and/or consult employees?”

**83.0%**

of the organizations use attitude surveys

**89.3%**

of the organizations consult employees through immediate superiors

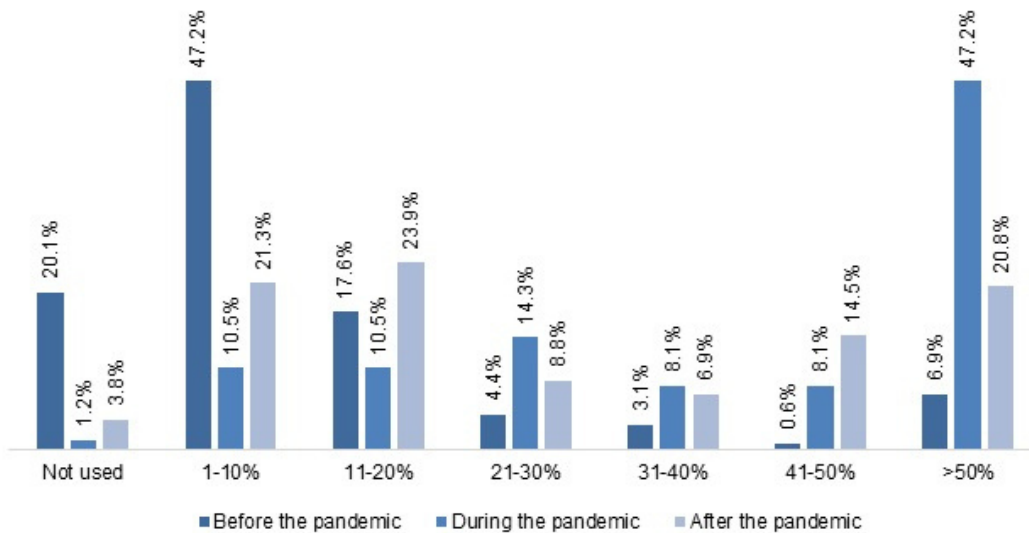
## 2.9 The Effects of the Pandemic

### The new normal: Remote work

The COVID-19 pandemic has greatly influenced all organizations and created a challenging environment for both managers and HR professionals, who needed to find ways to support their employees and ensure their safety in this extraordinary crisis. For some groups of employees, working from home has become the new normal, with some of them enjoying the increased flexibility and reduced commute. Organizations have also realized, with a certain amount of surprise, that working from home can be an effective way of working for many. Consequently, the question arises how much of the new normal is here to stay. We asked the participants to indicate how their working arrangements and approaches had changed in the previous two years.

The respondents highlighted the shift towards working from home (see Figure 21). Before the pandemic, the vast majority of the organizations (77.4%) used work from home for no more than 15% of their employees. During the pandemic, only 1.2% of the organizations could avoid employees working from home, and almost half of the organizations had to implement work from home for more than 50% of their staff.

This trend is here to stay: Only 3.8% of the organizations indicated that they do not use work from home at all after the pandemic, whereas 64.8% of the organizations continue to have more than 15% of their employees working remotely.

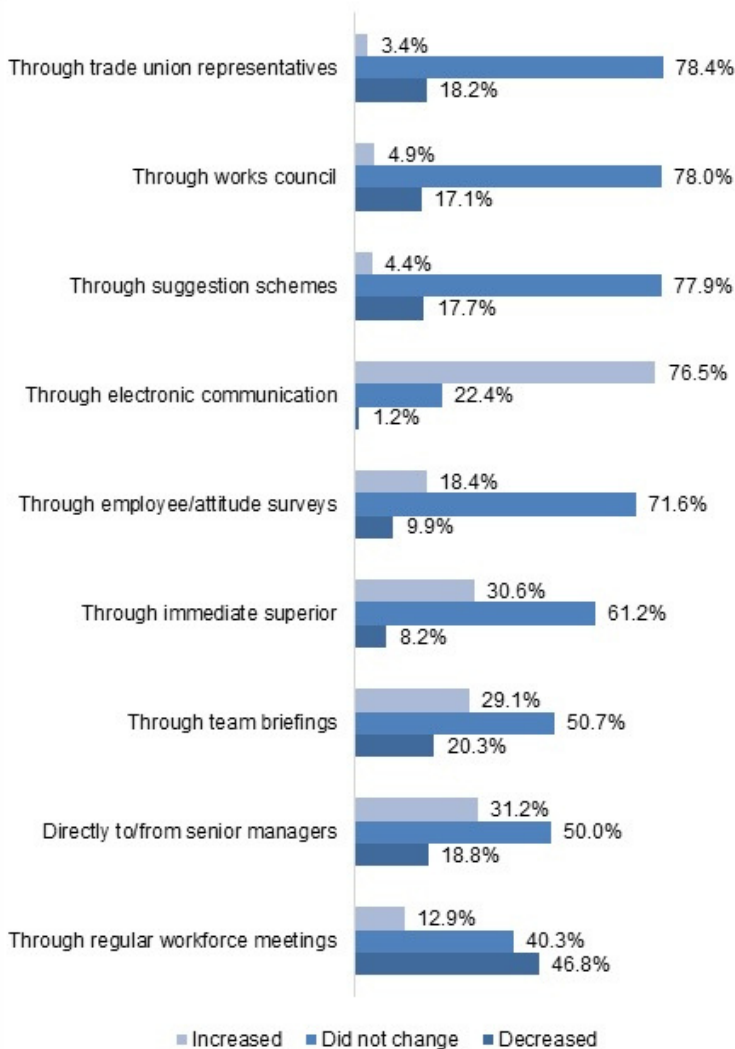


**Figure 21: Work from Home (N = 161):** "Please indicate the approximate proportion of those working for your organization under the following working arrangements: remote work/teleworking."

## The new normal: Communication

With many employees working from home, effective and frequent communication has become even more important. Consequently, the choice of channels used to communicate with employees has changed as well. We asked the participants to indicate whether their organizations increased, decreased, or did not change the frequency of use of their regular communication channels (Figure 22).

Suggestion schemes, trade union representatives, works councils, and employee surveys are communication channels that seem to be unaffected by the pandemic. However, there has been a dramatic change in the use of electronic communication: 76.5% of the organizations use it more frequently than before. In contrast, 46.8% of the organizations decreased the frequency of internal communication through regular workforce meetings. Correlational analysis indicated an increase in communication directly to/from senior managers in organizations with a higher level of productivity ( $r = .20, p < .05$ ).



**Figure 22: Change in Communication Channels (N = 170):** “How has the frequency of use of these channels for internal communication changed since the outbreak of the pandemic?”



# 3. Background Information on CRANET

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The Cranfield Network on International Human Resource Management (CRANET) is a network of universities and business schools from more than 50 countries. Since 1989, CRANET has collected data in a four-year cycle using a standardized questionnaire on HR management (e.g., recruitment, development, compensation, and employee relations). CRANET analyzes fundamental issues and trends in the structure and policy of HRM, considering organization-specific, sectorial, and country-specific differences in detail. CRANET is unique in its conception and extent and fills a significant gap in HRM research. While previous CRANET studies considered European countries only, today, countries such as Australia, Canada, Japan, South Korea, South Africa, and the USA are also included (see Figure 23).

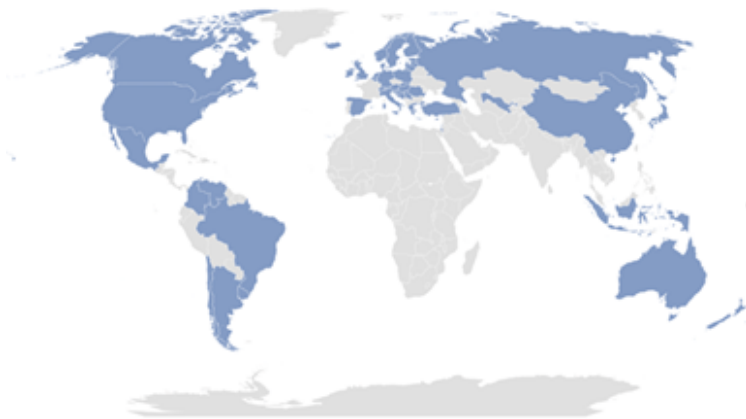


Figure 23: CRANET Member Countries (2021) in Blue

In the fall of 2021, the latest round of data collection took place in Switzerland. Standardized questionnaires were sent to private and public organizations in the three major language regions of Switzerland: French-speaking, German-speaking, and Italian-speaking.

## 3.1 Objectives of the Study

The results of the study provide snapshot information on the role and activities of HR departments (e.g., in strategy development), outsourcing, the use of intranet-based employee self-service and social media in HRM activities, the use of atypical work arrangements, and the evaluation of HRM activities. Thus, the results of the study provide a valuable basis on which to benchmark the HRM activities of different organizations with Swiss trends and competitors.

### 3.2 Note on Confidentiality

Participating HR professionals and their organizations were assured of the strict confidentiality with which their responses would be treated.

### 3.3 Practical Benefit

The questionnaire, which serves as a basis for this report, is comprehensive and covers diverse aspects of the role and activities of the HR department in organizations. In preparation for this report, current trends and challenges in HRM from a practitioners' point of view were taken into consideration (e.g., digitization, diversity, the evaluation of HR department activities).

### 3.4 Research Model

The research model of the CRANET study in Switzerland is presented in Figure 24. In addition to organizational characteristics, the study covers the main HRM practices and the role of the Head of HR and the HR department within the organization. Additionally, several measures of performance and profitability were collected.

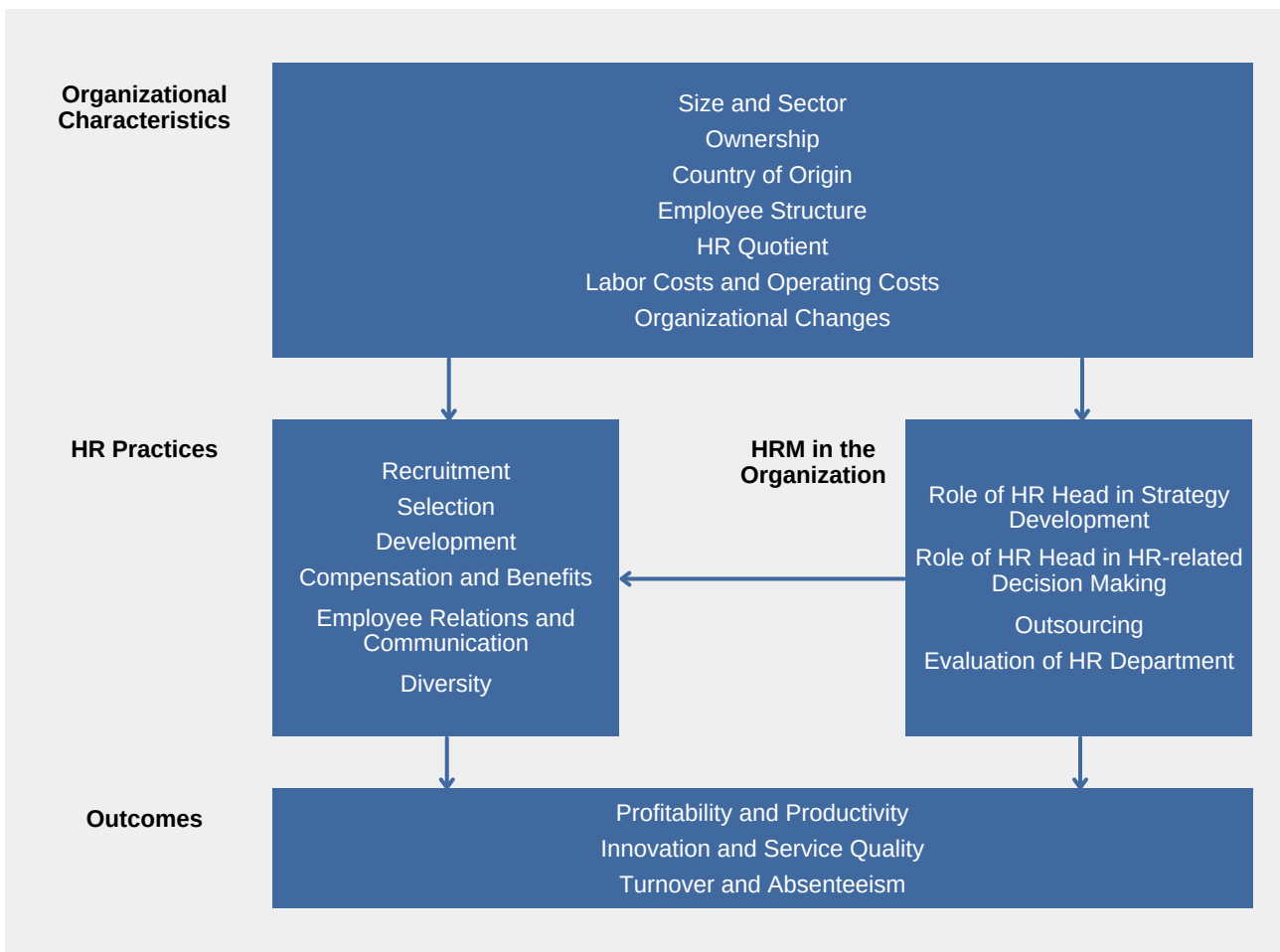


Figure 24: CRANET Research Model (Switzerland)

### 3.5 Questionnaire

A universal questionnaire was disseminated in all participating countries. The CRANET network developed the questionnaire in English; country-specific questions were developed additionally and incorporated by the country-specific research team.

For the purpose of the Swiss study, the original survey questions in English were translated into German, French, and Italian in line with state-of-the-art research. In addition, we conducted a pre-test with five HR professionals from the German-speaking part of Switzerland in order to ensure adequate terminology use in the Swiss context.

### 3.6 Data Collection Procedure

Online questionnaires were distributed via an online tool ([www.unipark.de](http://www.unipark.de)) for data collection.

### 3.7 Limitations

The analysis of the data is restricted to organizations employing at least 100 employees. For the analysis, data from public and private organizations were merged and this may confound the results. Additionally, given that some participants did not respond to some of the open questions, the sample ( $N$ ) used for these specific questions may be smaller than the total sample size. Given the non-experimental and cross-sectional nature of the study (data collected at one point in time), no causal conclusions (cause and effect relationships) can be drawn.

We compared the sample of organizations that participated in the study with the general population of organizations with at least 100 employees in Switzerland. The results of this study should not be treated as representative of Swiss organizations employing more than 100 employees. In terms of size, smaller organizations (100–249 employees) are underrepresented and large organizations (more than 1,000 employees) are overrepresented in our study. According to the Federal Statistical Office (FSO)[4], organizations with 100–249 employees constitute 66.0% of all organizations with more than 100 employees. In our study, this group accounts for only 21.3% of the sample. The FSO reports that organizations with more than 1,000 employees constitute 6.2% of all organizations with more than 100 employees. In our sample this group accounts for 36.2% of the sample. In addition, the manufacture of machinery and equipment and public administration industries are overrepresented. The human health services, whole sale and retail trade, accounting, management, architecture, and scientific research industries are underrepresented in our sample.

# Notes on the Statistical Language

***N*** Sample size

***SD*** Standard deviation

This statistic describes how close the data are to the average value. A large standard deviation indicates that the data are spread out over a wide range.

***r*** Correlation coefficient

This is a measure of the strength and direction of a linear relationship between two variables. It can take a value from -1 to 1. A value of -1 indicates a completely negative relationship, a value of 1 a completely positive relationship, and a value of 0 no relationship.

***p*** P-value

This value indicates the significance of a statistical result. A p-value smaller than .05 indicates that the observed effect is unlikely to have arisen purely by chance.

## Acknowledgements

The authors would like to express their sincere gratitude to all the anonymous respondents who participated in the survey. We would like to thank HR Swiss and ZGP for their support and efforts in making this study happen. We are also thankful for the financial support of Swisstaffing for the CRANET project in this collection round. Finally, we thank Mateja Bekavac, Steven Wyss, and members of the CEHRM team for their valuable support during the work on this project.

# Imprint

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