

Swiss companies have to make bigger efforts to prepare for demographic change

The Adecco Institute for the first time presents the Demographic Fitness Index for Swiss companies; Switzerland only ranks 7th among 8 countries

Zurich, Switzerland – 17th April 2007. Swiss companies are less prepared for their ageing workforce than the average of selected European Union member states. In the comparison with 7 EU countries (UK, France, Italy, Spain, Germany, Belgium and the Netherlands), Switzerland only ranks second last, according to the results of the most comprehensive study on Swiss companies' „demographic fitness“ presented today by the Adecco Institute and Adecco Switzerland.

By 2020, compared to the year 2000, there will be over one third more Swiss workers aged 50 to 64 years, and one fifth less workers aged 30 to 44 years. The group of the workers aged 60 to 64 years, will even rise by 50 %. Furthermore, there will be a 16% drop in the total number of Swiss from birth to nineteen years of age compared to the year 2000. Meanwhile, the “over-40s” will, as early as 2010, account for 55% of all workers.

Swiss companies' awareness about these demographic changes is extraordinarily high. One interesting detail is that the average of European businesses in the eight selected countries, regard “demographic change” as the second most important challenge after globalisation, whereas the 500 participating Swiss firms named it first, ahead of globalisation and technological shifts.

Nevertheless, Swiss firms are among the least prepared in Europe, with almost half of all firms putting no thought at all into this and not taking measures in order to react. Moreover, they are even less aware of their company age structure (nearly 60% have done no analysis).

In an overall context, Switzerland's performance is quite disappointing: second last in the survey. The basis of this evaluation was the Demographic Fitness Index DFX which has been developed by the Adecco Institute. It is an instrument to measure firm's readiness to tackle their ageing workforce.

The Demographic Fitness Index DFX: Switzerland scores 174 out of 400 points

The index measures firms' readiness for the onset of an ageing workforce in 5 key areas and scores them from 100 (minimum) to 400 (maximum). The 5 analysed dimensions are: Career Management, Life-long Learning, Health and Knowledge Management, and Age Diversity Management.

The Adecco Institute's DFX study analysed 500 companies of different size and active in various sectors in 8 countries (UK, France, Italy, Spain, Germany, Belgium, the Netherlands and Switzerland), i.e. a total of 4000 firms. The individual company results allow to calculate country indexes. Switzerland scores 174 out of 400 possible points, ranking 7th among the eight countries, ahead only of France with 172 points. The eight countries' average score is 182. The best results have been obtained by the United Kingdom with 189 points, followed by Italy with 186 points, Belgium and Spain with respectively 185 points and the Netherlands with 181 points.

The good news for Switzerland is that 5% of its firms are already above the 300-point level (UK: 4 %), which means that a sensible number of Swiss firms has already reached world-class-level. Swiss firms also score above average when it comes to knowledge management and the planning of their needs in specialised workers and managers (planning 23 months ahead against an average of less than 18 months).

The studies' cross-national results

European companies across the 8 countries average just 182 index points, indicating great room to improve their readiness for change, in order to be able to meet the challenges of the demographic change in Europe.

The overall conclusions are that:

- Only few European firms offer their staff a sufficient range of career management tools used only by a little share of employees and especially neglected by those over 45 years.
- Companies offer advanced training possibilities used by only around 50 % of their workforce. They mainly consist in standardized trainings, leaving the individual needs and key qualifications largely unconsidered.
- In the field of knowledge management, there is a significant lack of structured information on the concentration of business-critical information, i.e. on which employee holds which kind of specific information.
- Health management is ripe for improvement in the whole of Europe. Few firms go beyond the basic compulsory programs (like check ups), to offer longer term health tools like stress reduction, lifestyle and dietary advice.
- While an overwhelming majority of firms respect the legal requirements on age diversity, and formally treat all age groups equally, most do little to promote a dynamic culture of mutual esteem, mentorship and skill transfers.

This study shows that all these measures do not serve to salve consciences, but that they have real economic consequences. A higher DFX helps a company to improve its competitiveness innovative force and its productivity by up to 20 %, which means that an improved demographic fitness has a direct and positive impact on the corporate success.

Ageing societies are a reality in the whole of Europe, bringing up new challenges, but also opportunities. In the long run, those European companies will stand in the forefront who rise to the challenges and who seize the opportunities of demographic change.

The Institute will aim to publish its DFX index periodically, thus giving firms and policymakers a tool to measure European progress on demographic fitness.

Fur further information on the Adecco Institute see: www.adeccoinstitute.com



Press Release

About the Adecco Institute:

The Adecco Institute is think tank on the future of work. Its chairman is Wolfgang Clement, former German Minister of Economics and Labor (2002-2005). The Institute is based in London, its Managing Director is Peter Siderman. The Adecco Institute is committed to facilitating discussions on the topic of work. Through primary and secondary research as well as white papers and forums for discussion, the Institute provides forward-looking approaches to help companies and economies raise employability, productivity and employee satisfaction at work.

About Adecco

Adecco is the world leader in human resources solutions with a turnover of 20.4 billion Euro in 2006. The Adecco network consists of 35 000 employees and 6700 offices in more than 70 countries and regions and employs more than 700 000 people every day. The company is headquartered in Switzerland and, under the direction of a multinational team experienced with the world-wide markets, it provides an unsurpassable offer of flexible human resources solutions to its business clients and qualified partners.

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