



# Shortage of skilled workers: How your SME scores points with employees

Strategies to increase employer appeal when there is a shortage of qualified staff

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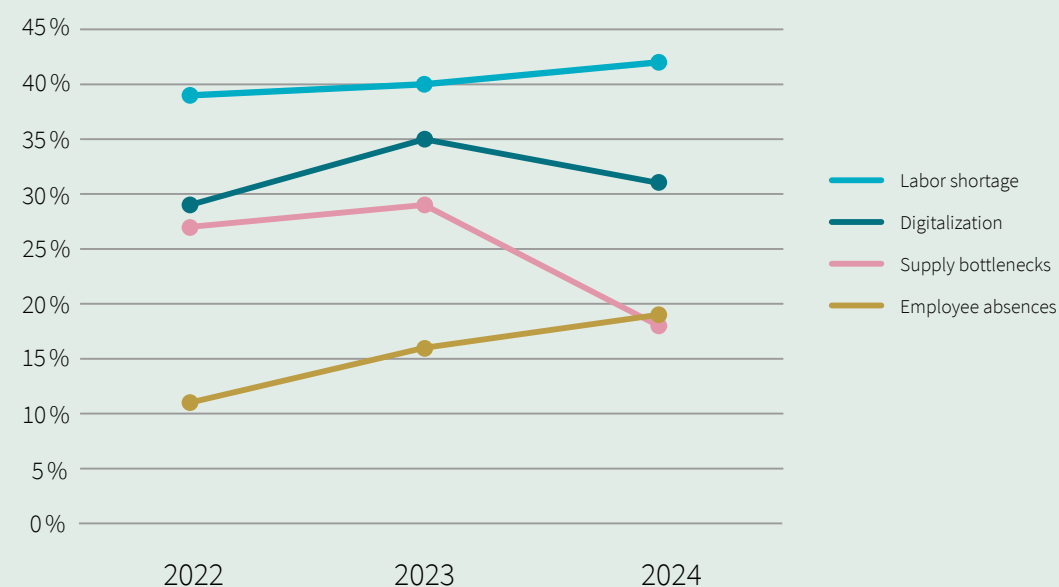
# The shortage of skilled workers remains the greatest challenge for SMEs

Finding and retaining committed staff is a long-term challenge for SMEs.

Where are the urgently needed skilled workers? This question is more relevant than ever for many small and medium-sized companies in Switzerland. At your SME too? In AXA's latest SME labor market study, **42% of the companies surveyed** named the shortage of skilled workers as one of the biggest challenges facing their company.

By comparison: The second most common answer, digitalization, was mentioned by only 31% of companies. Employee absences and supply bottlenecks, the third and fourth most frequently mentioned challenges, worry less than half as many SMEs.

## The greatest challenge for SMEs



The shortage of skilled workers has been the biggest challenge for SMEs for the past three consecutive years.  
Source: AXA SME labor market study 2024

## The “shortage of skilled workers” problem is not new

Since 2022, the search for dedicated staff has been continuously rated as the biggest challenge by Swiss SMEs. It is not just attracting **new skilled workers** that is causing difficulties.

Keeping the **current workforce and their expertise in the company** is also a headache for employers.

## What to do when there is a shortage of skilled workers?

The causes of the shortage of skilled workers are manifold, so there is no single solution for SMEs. But the good news is: There are measures that can be taken **to find and retain suitable employees even in times of labor shortages**. An important factor here is your **attractiveness as an employer**.

In this white paper, you will learn more about the latest findings on employer attractiveness in Switzerland. You will learn what is relevant for employees when choosing an employer and what **measures you should take to appeal to new talent and existing employees**. How to make your SME fit for a successful future.

# Employer appeal pays off

The shortage of skilled workers is causing a shift in power on the labor market.

## Employees hold the reins firmly in their hands

Employees are aware of the new reality on the labor market. And they are using this knowledge to their advantage. The majority of SMEs surveyed in the labor market study are experiencing corresponding **changes in the expectations** of their employees:

- Over a quarter of companies report additional wage demands.
- Over 20% state that employees have higher expectations regarding working hours and are resisting additional workloads.
- In addition, SMEs with a high proportion of employees under the age of 30, in particular, are noticing that employees are staying with the company for less time on average.

To make matters worse, the competition is also in the same boat and is by no means sleeping. On the contrary – **the battle for talent is in full swing.**

For your SME, this means it is more important than ever that you stand out from the competition and consider strategies for positioning yourself as an attractive employer to (potential) employees.

## Expert interview

### “A company has to stand out from the crowd.”

Dr. Valerie Schröder is a research associate and postdoctoral researcher at the Institute of Psychology at the University of Zurich. Her research interests include personnel selection procedures and how applicants react to such procedures.

#### Dr. Schröder, how important is employer appeal when there is a shortage of skilled workers?

“The skills shortage is making the issue even more important for companies, as employees simply have more choice. This is not only evident in applications. The attractiveness of a company as an employer also has an impact on the satisfaction and intention to leave of the current workforce.”

#### What hurdles do SMEs have to overcome when looking for new employees?

“SMEs are often unknown to the general public. This is a particular disadvantage when looking for young employees at the start of their career. They don’t know the different companies in the sector and often don’t have a large network that can establish the relevant connections.”

#### How can a company counteract this?

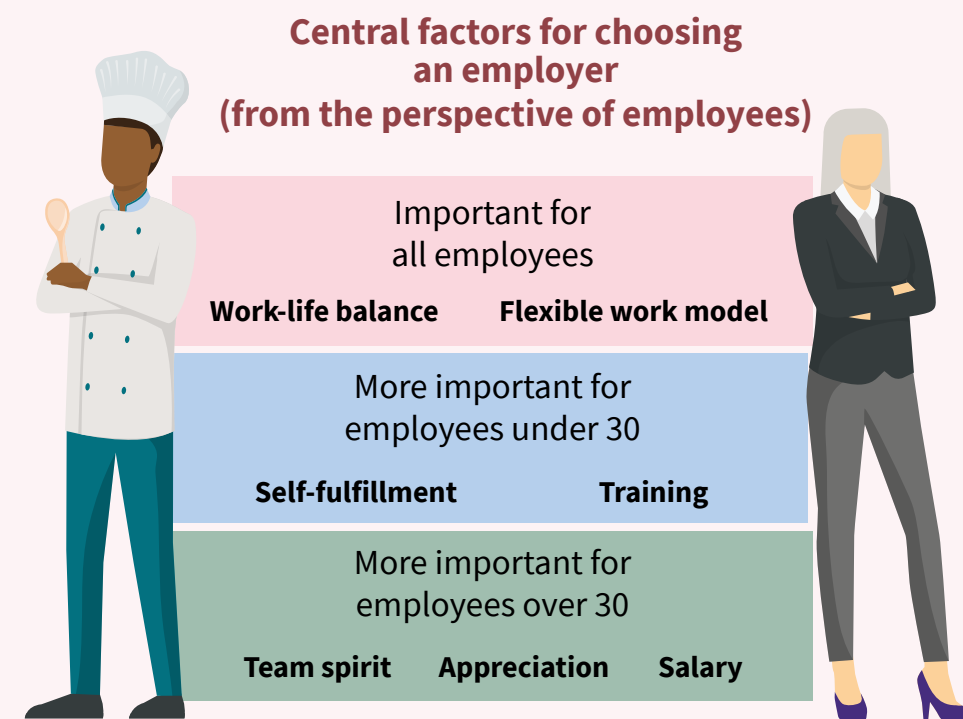
“The best way is by thinking further ahead than its direct competitors and standing out from the crowd. Be it with specific measures or a unique culture. It can further strengthen this aspect, which makes the company an attractive employer, in a targeted manner.

Of course, it must also communicate this unique selling point clearly and boldly. A key channel for this is the company’s website, but these aspects should also be included in job descriptions.”

# What makes an employer attractive?

There are various factors that contribute to the attractiveness of an employer and can become a unique selling point for your company. According to the SMEs surveyed in the labor market study, **work-life balance and flexible working models such as part-time work are particularly important for employees.**

However, not all employees can be lumped together. The SMEs surveyed perceive clear differences between the generations: While they see appreciation, team spirit, and the salary paid as key factors in the choice of employer for older employees, for those under 30 it is more likely to be the opportunities for self-fulfillment on the job and the available training opportunities.



The most important aspects for choosing an employer by generation – from the company's perspective

Source: AXA SME labor market study 2024

This shows: Depending on which age groups you want to recruit or retain in your company, you should focus on different measures. After all, you can only effectively increase your attractiveness as an employer if you **address the specific demands and needs.**

## Expert tip from Tanja Altenburger, Head Employer Attractiveness at AXA

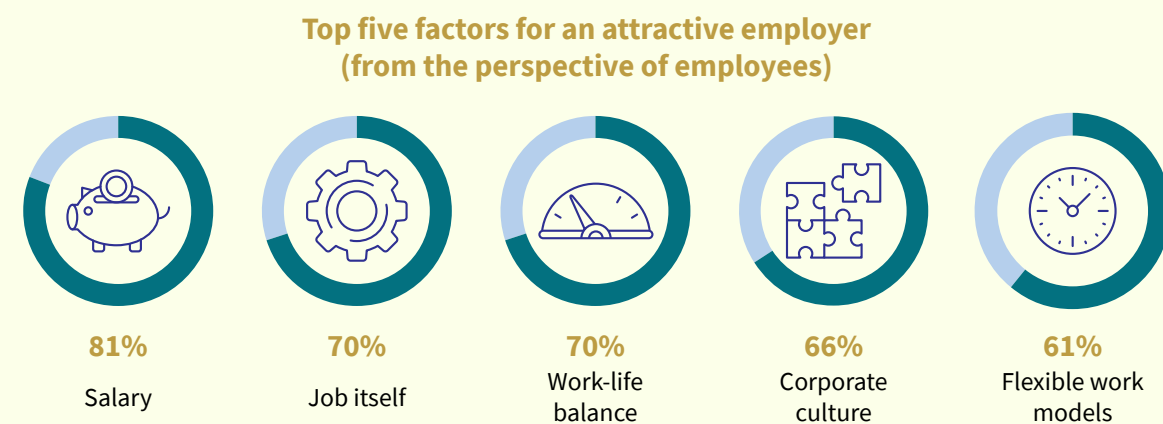
“Show your employees your appreciation – ideally even during the recruitment process. A warm welcome at the job interview immediately creates a positive impression. Offer water or something sweet or give applicants a small gift. Also welcome new employees with a bouquet of flowers and a lunch together.

At AXA, we contact new employees shortly before their first day at work, wish them a good start at their new job and show that we are ready and looking forward to meeting them.

**And very importantly: Hold experienced employees in high esteem too.** This is easy to forget these days. However, it is precisely these people who have many years of experience and a great deal of expertise, which is likely to be important in most companies.”

# Salary plays a key role in the choice of employer

If you ask employees about the most important aspects when choosing an employer, **salary is right at the top of the list**. According to an AXA study on employer branding, for which more than 1,000 working people in German- and French-speaking Switzerland were surveyed in March 2024, salary plays a decisive role for 81% of respondents.



Top five factors for an attractive employer – from the employees' perspective  
Source: AXA Employer Branding Report, 2024

However, only 13% of the respondents named pay as the **most important aspect**. For a larger proportion, the **job itself** is the top priority when choosing an employer.

**“How well the job fits is decisive for whether employees are satisfied at work.”**

**- Dr. Valerie Schröder**

According to employment market expert Dr. Valerie Schröder, another point should not be underestimated by **applicants**: Communication with recruiters. This has a major influence on their opinion of the company. Especially when applicants have little other information. **Fast response times and open and transparent communication are crucial here** – and measures that your SME can work on effectively.

## **Expert tip from Tanja Altenburger, Head Employer Attractiveness at AXA**

“As a recruiter, make sure you speak the same language as your target group. Your communication in the application process should be consistent throughout – from the careers page right through to the job advertisement and the interview.”

# Other factors for choosing an employer offer an opportunity for differentiation

## Different priorities between the genders ...

Female and male employees are in agreement when it comes to the **most important criteria for choosing an employer**: The job itself and salary are top priorities for both groups.

Nevertheless, there are differences in other criteria for choosing an employer depending on gender:

- For men, financial benefits, modern technical equipment in the workplace, and an international orientation of the company tend to be more important.
- Female employees, on the other hand, attach more importance to a favorable workplace location and the company's commitment to diversity and charitable causes.

## ... and the generations

A similar pattern can be observed between the generations: For older employees, the location, health promotion measures, and financial security – for example via strong pension fund benefits – are more relevant than for the younger generations.

For those under 25, on the other hand, the international nature of the company and career and promotion opportunities play a key role. It can also be seen in their self-assessment, salary is much more important for younger employees than for older ones.

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# Swiss SMEs rely on flexible working models

Employers are leaving no stone unturned in response to the shortage of skilled workers.

Swiss SMEs have recognized the signs of the times and are actively implementing a **variety of measures to increase their attractiveness as an employer**. According to the SME labor market study, they are primarily showing more flexibility in the level of workloads and work organization, for example with more home office options. However, benefits such as more vacation time or further training opportunities are also frequently used.

**“Recommendations from friends and acquaintances are an important source for jobseekers. SMEs, in particular, which are usually close to their employees, can exploit this potential by actively inspiring their employees and enabling them to convey the positive perception of the company to the outside world.”**

- Tanja Altenburger, Head Employer Attractiveness at AXA

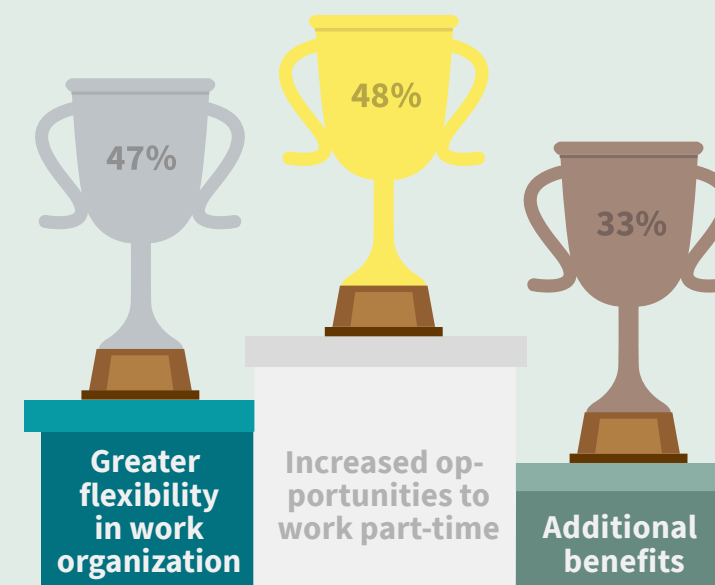
Many companies are also taking special measures to look after the younger generation of employees. In addition to the option of part-time work, this means, for example, a relaxation of etiquette in the company, a focus on diversity and gender equality and an increased commitment to greater sustainability.



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**Top three measures taken by SMEs to combat the shortage of skilled workers – for new employees**



Source: AXA Employer Branding Report, 2024



# Sectors set their own priorities in terms of employer attractiveness

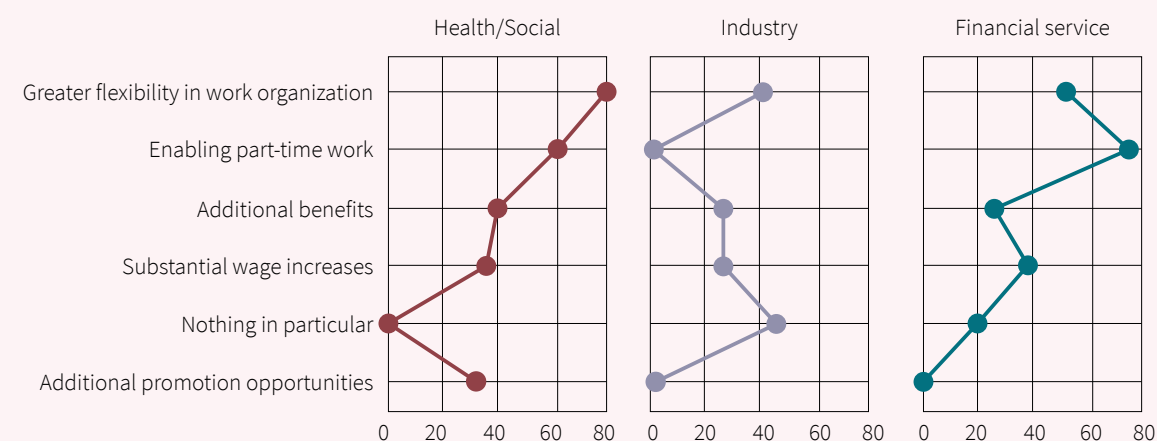
The measures a company implements to increase its own attractiveness as an employer depend largely on the industry. After all, **not all sectors are equally affected by the shortage of skilled workers**. For example, great flexibility in the organization of work is already standard in IT. However, companies in the construction and industrial sectors can still set themselves apart from the competition – provided their operating processes allow it. And, in doing so, possibly gain an advantage in the battle for skilled workers.

## Focus on part-time work and higher wages

Across almost all sectors, the majority of companies surveyed rely on part-time work, with one exception: Industrial companies. Only in very few cases do they rely on part-time work “in the fight against labor shortages.”

Differences can also be observed in the use of noticeably higher wages. While the financial sector more frequently uses wage promises to recruit new employees, companies in sectors such as construction or IT primarily grant wage increases to existing employees in order to retain them in the long term.

## Measures taken by SMEs to combat the skills shortage – for existing employees by sector



Measures taken by financial service providers, healthcare and social services, and industry to combat the skills shortage – for existing employees

Source: AXA SME labor market study 2024

## Financial service providers entice with monetary benefits

Companies in the financial sector are implementing comparatively comprehensive measures to increase their attractiveness as an employer. Better benefits and higher salaries are particularly popular when it comes to recruitment. In order to retain the current workforce, companies are focusing less on financial benefits and more on part-time opportunities.

## Healthcare and social services rely on flexibility

In the healthcare and social services sector, companies are feeling a lot of pressure to implement concrete measures to attract new employees and retain their staff. They are relying primarily on flexible working arrangements and increased opportunities to work part-time. Higher wages are used much less frequently, especially in recruitment.

## Less urge to act in industry

Industrial companies show the least tendency overall to do something about the shortage of skilled workers. More than 40% of the companies surveyed have not yet taken any concrete measures – neither for recruitment nor to retain staff.

The companies that are taking measures are mainly focusing on better benefits and higher salaries. It is striking: Around twice as many companies are willing to grant more flexibility in work arrangements to retain their current workforce than to recruit new staff.

**“It often pays for SMEs to compare themselves with similarly sized companies in their own sector in order to recognize which measures they should invest more in. And they should definitely actively communicate these unique selling points.”**

**– Dr. Valerie Schröder, postdoctoral researcher at the Institute of Psychology at the University of Zurich**

# Which factors make my SME more attractive?

So what specific measures should my SME take to increase its attractiveness as an employer? To answer this question, it is once again worth taking the **perspective of employees**.

AXA's survey on employer branding reveals clear differences between the generations and genders:

- Older employees are particularly pleased with better pension fund benefits. In addition, compared to the younger generation, they place even more value on seeing their job as meaningful.
- Those under 25, on the other hand, want an employer who offers them good training opportunities and pays for public transportation.
- For female employees, equal pay between the sexes and flexible part-time models are very important.
- Men, on the other hand, rate home office options and a family-friendly workplace as very positive. They are also more concerned than women that they receive a performance-based salary.

It is therefore crucial to align the **measures to increase employer attractiveness in the best possible way with the group of employees** you want to attract and retain with your company.

To make this easier, we have summarized the most important findings from the AXA Employer Branding Report on four stakeholder groups (younger, older, female, and male employees) in practical fact sheets for you below.

## What is the best way to work with the profiles?

Use the profiles as inspiration for possible measures to increase your attractiveness as an employer. However, do not be guided solely by demographic data, but also take a targeted look at the requirements of your employees:

- Take a look at the **role** you want to fill or strengthen and think specifically about what makes it attractive.
- Get input from your employees on how **your company** already stands out from the competition and where there may still be room for improvement.
- Don't ignore **your industry** either: As explained on page 8, there are significant differences depending on the industry when it comes to the design of the measures.

To get the best possible picture of the needs in your industry and your company, it is worth talking directly to your employees. In this way, you can find out exactly which factors make **your company** an attractive place to work for **your employees** and which they will recommend as such.

## Expert tip from Tanja Altenburger, Head Employer Attractiveness at AXA

“Regularly take the pulse of your company. Ask existing employees the following questions: Would you recommend us to others? Are you proud to work for us? Do you feel sufficiently supported? Are you overworked?”

Such surveys should be anonymous so that employees can answer as truthfully as possible. Then take the results seriously and respond with appropriate measures.”



# What appeals to younger employees (16- to 39-years-olds)?

## What measures increase employer attractiveness?

Young employees are particularly attracted to a company by the following three measures:

- Fair wages and equal pay
- Flexible working hours and options for working at home
- Financial support for further training

In competitive industries, companies can set themselves apart from the younger generation with a **transparent salary structure**, **offers for mental health**, and a **more informal culture in terms of how employees address one another**. Employers also score points if they offer benefits such as **reimbursement of the half-fare or GA travelcard**, grant **extra-mandatory parental leave**, or **offer work opportunities abroad**.

### Top five criteria when choosing an employer

1. Job itself
2. Salary
3. Good work-life balance
4. Corporate culture and working atmosphere
5. Career and further training opportunities

Source: AXA Employer Branding Report, 2024

## Job search: Where do younger employees get information?

For 50% of those surveyed, online job platforms are the most important information channel for young employees looking for a job. In addition, they primarily use private and professional networks.

Companies that want to reach young workers even better should pay particular attention to a **sophisticated online presence**. Companies that maintain their presence on social media have an advantage, particularly among 16- to 25-year-olds.

“Young employees also appreciate it when they have a personal contact and get real insights into their future everyday work or the future team,” says Daniela Grillo, a young talent manager at AXA. “But what is important is that communication must not appear ingratiating, but must always remain **authentic and fit the company**.”

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# What appeals to older employees (40- to 55-year-olds)?

## What measures increase employer attractiveness?

Older employees particularly value these three measures when choosing an employer:

- Fair wages and equal pay
- Good pension fund benefits
- Flexible working hours and options for working at home

Companies score additional points with this target group by being **conveniently located**. It is equally important to offer meaningful tasks in which older employees can contribute their **wealth of experience**. **Flexible part-time models** or the opportunity to **gradually transition to retirement**, as well as a **family-friendly environment**, can also be decisive in retaining these specialists in the company in the long term and benefiting from their expertise.

### Top five criteria when choosing an employer

1. Job itself
2. Financial security (job security)
3. Work-life balance
4. Corporate culture and working atmosphere
5. Salary

Source: AXA Employer Branding Report, 2024

## Job search: Where do older employees get information?

Older employees primarily use online job platforms to search for new jobs – over 50% of survey participants aged 40 and over use them. Exchanges with private contacts and professional networks are also important sources of information.

Companies on the lookout for experienced employees are therefore well advised to **take an active approach to their online presence**. It is also interesting to note that 25% of respondents like to use newspaper advertisements to find out about job vacancies. A traditional advertisement in the newspaper can therefore have an effect on the older generation.

“The positioning on the various channels should always appear authentic and credible,” recommends Tanja Altenburger, Head Employer Attractiveness at AXA. “It’s better to use fewer channels, but those where you can do it really well.”

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# What appeals to female employees?

## What measures increase employer attractiveness?

Female employees rate the following company measures as particularly effective:

- Fair wages and equal pay
- Convenient location
- Commitment to society and the environment

By offering female employees **financial security** and extra-mandatory maternity leave, SMEs can make the decisive difference in attracting and retaining female specialists in the long term. Another plus is the active **commitment to diversity and inclusion** in the company – an aspect that is becoming increasingly important for many women.

### Top five criteria when choosing an employer

1. Job itself
2. Salary
3. Work-life balance
4. Corporate culture and working atmosphere
5. Flexible work models, especially part-time

Source: AXA Employer Branding Report, 2024

## Job search: How do female employees get information?

Women particularly often get information via online job platforms. Almost 60% of those surveyed named this as their preferred channel. In addition, they attach great importance to personal exchanges with those around them.

If a company wants to attract more female workers, it should position itself in **professional networks, including business platforms such as LinkedIn**. In addition, a company's online presence is an important factor for many women in getting a comprehensive picture of the potential employer.

“Make sure to use gender-appropriate spelling in your communication, including job titles,” emphasizes Tanja Altenburger, Head Employer Attractiveness at AXA. “When writing your advertisements, be sure to be already thinking about your target group. If you want to appeal to female specialists, you can, for example, start with soft skills in the requirements, as this way women feel more welcomed.”

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# What appeals to male employees?

## What measures increase employer attractiveness?

For male employees, the following three measures, in particular, make a company attractive:

- Flexible working hours and options for working at home
- Modern technical equipment and tools
- Family-friendly

In addition, companies can score points with male employees through attractive benefits, such as **good pension fund conditions** or **performance-oriented bonus systems**. **Meaningful tasks** and **clearly defined career paths** are also decisive criteria in the decision-making process. Companies with a **good reputation** and **an international focus** also have a clear advantage with male skilled workers.

**“It’s a good sign that family-friendliness is important to male skilled workers. SMEs should definitely take this into account. For example, you can see whether you can offer extra-mandatory paternity leave or check how much flexibility you want to offer in terms of workloads and working hours.**

**At AXA, for example, we pay attention to ensuring family-friendly meeting times. In other words: We don’t schedule large or regular meetings before 8:30 a.m. or after 5 p.m.”**

- Tanja Altenburger, Head Employer Attractiveness at AXA

## Job search: How do male employees get information?

Online job platforms are the preferred source of information for male employees, cited by around 50% of respondents. Exchanging information with private contacts also plays a key role.

In order to appeal to male employees, the company **should establish a presence both online and offline**. For men, the company’s online presence and professional networks are equally important. Business platforms such as LinkedIn are used by almost 30% of male respondents.

“Actively involve existing employees in external communication,” advises Tanja Altenburger, Head Employer Attractiveness at AXA. “You can use specific role models to make the values and culture of your company tangible. At AXA, for example, employees share their own contributions from their day-to-day work on online channels using the #proudtobeaxa tag.”

### Top five criteria when choosing an employer

1. Job itself
2. Salary
3. Work-life balance
4. Financial security
5. Company culture and atmosphere

Source: AXA Employer Branding Report, 2024



# Score points with skilled workers by being an attractive employer

The shortage of skilled workers remains one of the biggest challenges for Swiss SMEs. There is no universal solution to the labor shortage. However, SMEs can increase their attractiveness as employers **with targeted measures**. There are clear differences between generations and genders that companies should take into account in their strategy to increase their attractiveness as an employer.

Honesty and authenticity as well as a **focus on the needs of your stakeholder groups** and the strengths and opportunities of your company are crucial here. In particular, it is important to actively involve your existing employees in order to determine what makes your company particularly attractive compared to others – and where there may be room for improvement.

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This white paper was created in cooperation with



## To the studies

### AXA SME labor market study

For the AXA SME labor market study, the Sotomo research institute surveyed 300 Swiss SMEs with five or more employees from German- and French-speaking Switzerland. The data was collected between February 5 and 13, 2024, via the AmPuls company panel  
[More information on the study \(in German\)](#)

### To the AXA employer branding study

For the AXA Employer Branding Report, 1,012 working people between the ages of 16 and 55 in German- and French-speaking Switzerland were surveyed. The data was collected in March 2024.