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Recruit Talent

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First place

for international experience by managers
(IMD World Competitiveness Center, 2024)

for quality of university education system
(IMD World Competitiveness Center, 2024)

Second place

for density of AI engineers in Europe
(Dealroom, 2024)

for flexibility in hiring and firing
(WEF, Global Competitiveness Report 2019)

6.1 Labor Law

Switzerland's labor laws offer a high level of flexibility, allowing your business to adapt quickly to changing operational needs. Hiring and dismissal processes are straightforward, with minimal regulatory burdens compared to many other European countries.

Employee representation committees (company level bodies) act in an advisory role rather than a decision-making one, helping you maintain collaborative and business-friendly labor relations. This flexibility, combined with low unemployment rates and strong employer-union cooperation, creates a stable, efficient labor market—ideal for scaling your operations. Switzerland also records one of the lowest numbers of strike days in Europe, reflecting its consensus-oriented labor culture and strong social partnership.

The foundation of Switzerland's skilled labor market is its dual education system, which combines academic training with hands-on work experience. This approach consistently produces highly qualified professionals across industries—from machinists, toolmakers, and machine programmers to engineers, IT specialists, and lab technicians.

Whether you require top-tier technical experts or seasoned professionals for executive roles, Switzerland delivers a steady pipeline of talent that is ready to integrate into your operations.

With its flexible labor laws, globally competitive employment costs, and ability to attract and retain international top management, Switzerland stands out as a strategic and cost-effective talent hub for global companies.

Getting Started

Now that you are ready to start hiring, understanding Switzerland's talent landscape is key to building a strong team efficiently. Switzerland's flexible labor laws make hiring and dismissal streamlined, with fewer regulatory barriers than in many other European markets. Although salaries tend to be high, they are offset by strong productivity, low social security contributions, and overall workforce efficiency—keeping total employment costs competitive. Combined with clear visa processes, Switzerland offers one of Europe's most attractive environments for establishing a skilled and stable workforce.

Simplified Hiring Across Borders

As you expand your team, the Swiss–EU Freedom of Movement Agreement offers a major advantage by allowing Swiss and EU/EFTA citizens to live and work freely across borders. This seamless mobility helps address labor shortages and gives you rapid access to a broad pool of skilled professionals.

For talent outside the EU/EFTA, Switzerland's visa and work permit system is designed to be efficient and business-friendly. While EU/EFTA nationals benefit from simplified procedures, non-EU/EFTA hires are subject to an annual quota system that prioritizes highly qualified professionals. This balanced approach enables you to build a diverse and capable workforce while staying fully compliant with Swiss immigration regulations.

Social Insurance: Low Costs, Strong Protection

When you hire in Switzerland, you will participate in the country's three-pillar social insurance model, where contributions are shared between employers, employees, and the state.

This system keeps costs among the lowest in Europe while providing comprehensive worker protections, including old-age and disability insurance, unemployment benefits, and accident coverage, giving you and your employees peace of mind.

Structuring Employment Contracts

Employment contracts in Switzerland must comply with the Swiss Code of Obligations and, where applicable, relevant collective bargaining agreements (CBAs).

CBAs set minimum working conditions for specific industries, but negotiations between employer and employee associations are generally amicable. Beyond these minimums, you can offer highly flexible individual employment contracts, including provisions like non-competition clauses to protect your business interests.

Adaptable Working Arrangements

Switzerland's labor market allows for a variety of adaptable work arrangements to meet your business needs. Employees are entitled to at least four weeks of paid vacation annually, with additional allowances for significant personal events. You can negotiate flexible working hours, overtime agreements, and specific terms for night, Sunday, or extended work—all governed by regulations designed to ensure fair compensation and employee well-being.

As you expand into Switzerland, leveraging these flexible labor laws, competitive employment costs, and straightforward immigration policies will position your company to recruit, integrate, and retain top-tier talent successfully.

Visas & Work Permits: What You Need to Arrange

Short-Term Stays

For business visits of up to three months, most travelers only need a valid travel document. However, some nationalities require a visa. If a visa is needed, the application should be submitted to the Swiss representation in the applicant's home country, along with supporting documents such as proof of health insurance and the purpose of the visit.

Long-Term Stays and Work Permits

For employment lasting longer than three months, employees will require a residence permit.
Permits are issued by cantonal migration offices, and in most cases, Swiss employers handle the application process on behalf of their new hires. Preparing the necessary documentation early will help ensure a smooth transition for your international employees.

Hiring EU/EFTA and Non-EU/EFTA Nationals

- EU/EFTA Nationals: Benefit from simplified procedures under Switzerland's bilateral agreements. They have the same labor rights as Swiss citizens and can move, work, and reside freely.
- Non-EU/EFTA Nationals: Must meet additional requirements, including professional qualifications. Work permits for these employees are subject to annual quotas, meaning early planning is important when hiring from outside the EU/EFTA.

Permit Types and Conditions

Switzerland offers different types of temporary and permanent residence permits depending on the purpose and length of stay. Work eligibility is tied to the permit type, so it's important to select the correct category based on your employee's assignment. The Swiss system is designed to support efficient international recruitment while maintaining regulatory compliance. Cantonal economic development agencies assist applicants throughout, with permits submitted at the cantonal level via a company founder, employer, or law firm. Required documentation includes educational background, a business plan, and financial details. Processing typically takes no more than 8 weeks. Early submission of complete materials helps streamline the procedure. For detailed and updated requirements, consult the State Secretariat for Migration (SEM).

Sources and more information

OECD Better Life Index
Swiss Federal Statistical Office: Wages, income from employment and labour costs
Global Talent Competitiveness Index | INSEAD
World Talent Ranking 2024

Working in Switzerland
EU/EFTA Citizens: Living and Working in Switzerland
Non-EU/EFTA nationals
OECD Indicators of Employment Protection | OECD

Some of the leading executive search firms operating in Switzerland are:
- Wirz & Partners
- Stellar Executive Search
- MPB Executive Search

More on employment mobility in Europe:
www.swissemigration.ch

More information on Social Security, Retirement Provision, and Insurance
Retirement provision in Switzerland
Swiss Office of Public Health (FOPH) on accident insurance
Swiss Office of Public Health (FOPH) on health insurance
Compare Health Insurance Premiums (in GER, FR, IT)
More information on Income Compensations
Unemployment Insurance (UI) and public employment service portal
Occupational pension funds
More information on family allowances

Types of Permits

Permit Type	Details
3 months Short-term residence permit	Foreigners who are staying temporarily in Switzerland 3 months for a specific purpose (in particular gainful employment), for a duration of less than 90 days/4 months.
Permit L Short-term residence permit	For short-term employment and other short stays (more than 4 months up to one year, extendable by 12 months).
Permit B Long-term residence permit	Foreigners, whether or not they are engaged in gainful employment, who reside in Switzerland on a long-term basis for a specific purpose.
Permit C Settlement permit	Granted to foreigners who have lived in Switzerland for 5 or 10 uninterrupted years (depending on nationality). Offers permanent residency and unlimited stay.
Permit Ci Residence permit with employment	Authorizes the residence and employment of diplomatic or international personnel's family members.
Permit G Cross-border commuter permit	Foreigners who reside in the foreign border zone and work in the Swiss border zone. Cross-border commuters must return to their main place of residence at least once a week.
Permit F Provisionally admitted foreigners	Granted to asylum seekers or other foreigners who cannot be deported for legal, humanitarian, or practical reasons. These individuals are authorized to work in Switzerland. Employment only requires a simple notification by the employer to the competent cantonal authority.
Permit N Asylum seekers (awaiting decision)	Granted to individuals who have applied for asylum and are awaiting a decision from SEM. Permitted to work under certain conditions.
Permit S People in need of protection	Protection status granting temporary residence in Switzerland. Currently, employment must be authorised by the cantonal authorities, but a simple notification will be sufficient by the end of the year.

Work and Residence Permits: Rules and Procedure

Permit Type Rules for EU/EFTA Citizens	Rules for Citizens of Non-EU/EFTA Countries
Short-term residence permit Entitlement as long as proof is provided of employment in Switzerland lasting between 3 months and 1 year (for employment of less than 3 months in one calendar year: registration only). Family reunification possible. Entitlement to work in self-employed capacity.	For highly qualified individuals (forming a company, training new employees, specialists working for international companies): 12 months, can be extended to 24 months. Family reunification possible. Quotas are redefined each year. Trainees/interns: valid for 12–18 months, no provision for family reunification.
Residence permit Valid for 5 years, after presentation of a certificate of employment with duration of 1 year or more or unlimited duration. Full-time residence for specific purpose with main residence in Switzerland. Family reunification possible. Entitlement to work in self-employed capacity.	Full-time residence in Switzerland for work purposes with main residence in Switzerland. Priority for Swiss workers, inspection of remuneration and working conditions. Family reunification possible. Annual renewal of permit is a formality. Quotas are redefined each year.
Settlement permit Normally issued on the basis of bilateral agreements or conventions based on reciprocal rights once a person has resided in Switzerland for 5 or 10 years. Family reunification possible. Entitlement to work in self-employed capacity.	Can usually be applied for after 10 years' uninterrupted residence in Switzerland (five years for U.S. citizens). Holders are no longer subject to employment restrictions. Entitlement to work in self-employed capacity.
Cross-border commuter permit Unrestricted geographical mobility. Holder must return to main residence in an EU/EFTA country daily or at least every week. Self-employment possible. Period of validity depends on employment contract, but 5 years maximum, with possibility of extension. Family reunification not possible.	Valid for 12 months for border zone of canton in which permit issued; annual renewal required. Applicant has been resident for at least 6 months with permanent residence permit in border zone of a neighboring country. Weekly return to this place of residence.

6.2 Labor Cost

Hiring and Dismissal

Switzerland's flexible labor laws make it easy for you to hire and dismiss employees as your business needs evolve. Employment contracts have minimal bureaucratic barriers—unlike in many other European markets. This simplicity reduces administrative overhead and supports business agility.

Termination terms are clearly defined and typically depend on the length of employment, ensuring predictability and legal clarity. The typical probationary period is three months, during which either party may terminate the employment relationship with a notice period of seven days, without the need to provide justification; after the probation period, the statutory notice period is one month during the first year of employment, increasing to two months in the second to ninth year, and three months thereafter, unless otherwise agreed in the employment contract.

While collective bargaining agreements (CBAs) do exist, their impact is relatively limited. Swiss labor law emphasizes flexibility and encourages direct negotiation between employers and employees, rather than enforcing rigid protectionist measures.

This flexible framework also translates into some of the lowest dismissal costs in Europe. There is no statutory severance pay in most cases, and termination procedures are relatively streamlined. According to OECD comparative studies, the overall cost of dismissal in Switzerland—including notice periods and potential litigation—is significantly below the EU average.

Salary Negotiations

When negotiating salaries in Switzerland, you'll benefit from a system that is performance-driven and aligned with the country's strong economic track record. There is no statutory minimum wage at the national level, although some industries and cantons set their own minimums. Salary discussions typically happen directly between you and your employees, allowing for customized agreements based on role, sector, and experience.

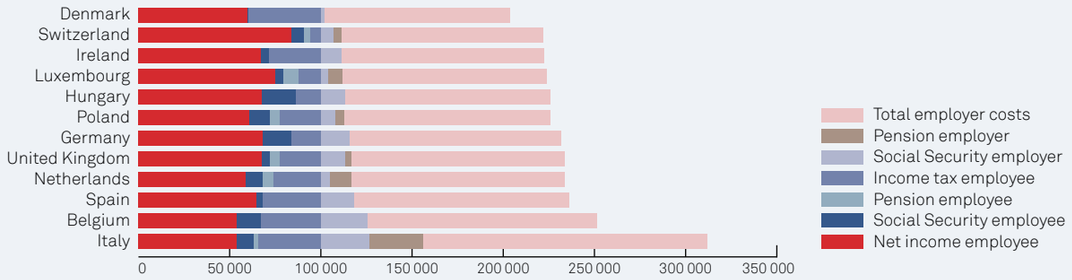
While Swiss salaries rank among the highest globally, they reflect the country's exceptional productivity, skill levels, and economic stability. In 2022, the average gross monthly salary was CHF 6,788 (approx. USD 8,500), and the net-adjusted disposable income per capita reached CHF 35,000 (approx. USD 43,500)—significantly above the OECD average.

High wages help you attract top talent, particularly in critical sectors like tech, life sciences, and finance. For example, blockchain developers and machine learning engineers earn salaries that remain internationally competitive while still being lower than those in markets like San Francisco.

Non-Wage Labor Costs

Although Swiss wages are high, non-wage labor costs remain low compared to neighboring European countries. Social security contributions amount to roughly 15% of gross salaries, significantly less than in markets like Germany or France. This helps offset gross salary levels, keeping total employment costs competitive. In addition, Switzerland's VAT is capped at just 8.1%, helping to keep your overall operating costs—including service and supply expenses—manageable as you scale your workforce.

Labor Cost Comparison



Income EUR 100,000, calculation basis
- married, 2 children, no church tax
- Pension meaning mandatory employer/occupational pension plan that causes additional employment costs, statutory pension included in social security
- standard deductions considered for income tax purposes
- Figures based on 2024 tax and social security rates

Source: PwC Switzerland

Overview of Obligatory Social Insurance Contributions

Insurance	Employee	Employer	Self-employed	Unemployed
Old-Age and Survivors' Insurance (OASI)	4.35% of salary	4.35% of salary	max. 8.1%	Min. CHF 413 Max. CHF 20,650
Disability Insurance (DI)	0.7% of salary	0.7% of salary	max. 1.4%	Min. CHF 66 Max. CHF 3,300
Compensation for loss of income, maternity benefits, paternity leave	0.225% of salary	0.225% of salary	max. 0.45%	Min. CHF 21 Max. CHF 1,050
Occupational accidents	None	Net premium on premium-paying income that is subject to accident insurance (UVG), max. CHF 148,200 (depending on sector and risk)	must take out accident insurance under the UVG/ LAA law (often bundled with health insurance providers)	-
Non-occupational accidents	Net premium on premium-paying income that is subject to accident insurance (UVG), max. CHF 148,200 (depending on sector and risk, from 8 h/week)	None	Voluntary insurance through the mandatory health insurance scheme	-
Health Insurance	per capita	None (voluntary contributions may be possible)	per capita	per capita
Unemployment Insurance	1.1% for portions of income up to CHF 148,200, solidarity percentage 0.5% for salary shares over CHF 148,200	1.1% for portions of income up to CHF 148,200, solidarity percentage 0.5% for salary shares over CHF 148,200	(non-insurable)	-
Occupational Pension Funds	2% – 8% of gross salary (depending on age, salary and pension plan regulations)	2% – 8% of gross salary (depending on age, salary and pension plan regulations)	voluntary	-
Family Allowances	only in the canton of Valais (0.17% of payroll)	1.025% – 2.75% of total income (depending on family compensation fund)	0.3% – 3.3%, capped at an annual income of CHF 148,200	-

Sources: Swiss Federal Social Insurance Office, 2022

6.3 Labor Pool

A Market for International Talent: Attracting and Retaining Top Executives

When hiring executives from abroad, Switzerland offers a number of advantages that make recruitment and retention accessible. The country is known for its high quality of life, which remains a key factor in executive mobility decisions. Access to reliable infrastructure, healthcare, a wide network of high-quality international schools, and a safe living environment are often decisive for senior professionals considering relocation with their families.

Retention is also strengthened by Switzerland's dense concentration of multinational companies and international organizations, which provides career continuity and mobility options for executives within the country. This broader landscape allows senior professionals to view Switzerland as a long-term base rather than a temporary assignment. Competitive compensation, clarity on tax and social security matters, and transparent contractual structures are also essential to attract experienced candidates in a competitive global talent market.

Tapping into the Swiss Workforce: Vocational Training

Switzerland's dual education system ensures a steady supply of well-qualified candidates trained specifically for industry needs. More than 75% of young adults complete apprenticeship programs, gaining practical experience in fields such as engineering, healthcare, and manufacturing. There are over 230 federally recognized apprenticeship programs across various industries, reflecting the system's strong alignment with the labor market needs. For foreign investors, this means access to a highly skilled and adaptable workforce, with training programs that can be tailored to specific company needs.

Moreover, the vocational education and training (VET) system offers pathways for further education, such as the Federal Vocational Baccalaureate, which enables graduates to pursue studies at universities of applied sciences, thereby fostering continuous professional development and upskilling within the workforce.

Apprenticeships can offer your company a cost-effective way to build a loyal, skilled workforce over the long term. When recruiting, consider integrating apprentices into your team early. Swiss apprentices often stay with their employers after completing their training, offering stability and industry-specific skills tailored to your business needs.

Swiss Research Talent

Switzerland's strong academic and business environment gives you access to a skilled tech workforce. Top universities like ETH Zurich and EPFL in Lausanne produce graduates in technology, engineering, and biotech, making them excellent sources for recruiting high-demand talent. Many Swiss graduates have strong industry experience through internships and collaborations with leading companies. According to the ETH Spin-off Report 2024, 81% of ETH spin-offs remain active 10 years after their founding, and 93% survive beyond 5 years. Similarly, 90% of EPFL spin-offs are still active five years after launch. This is significantly higher than the typical survival rate of around 50% for startups.

Your First Hire: Setting Up with a General Manager in Switzerland

Hiring a General Manager as your first local executive is a strategic milestone when entering the Swiss market. This individual often serves as your legal representative, manages market entry, and lays the foundation for local operations. In Switzerland, you will find a well-educated management talent pool, many of whom bring international experience and are fluent in multiple languages.

Switzerland offers several advantages for companies making an initial hire. The labor market is flexible, employment laws are predictable, and executive compensation packages are competitive without being overly complex. To begin the recruitment process, you can work with:
- Headhunters for executive searches
- Temporary staffing agencies if you need quick, flexible solutions
- Private employment agencies for specialized or managerial roles. Agencies maintain a candidate pool and match open positions with suitable applicants.

These options provide efficient pathways to build your team and meet your immediate operational needs. However, consider factoring in lead times for critical roles. Hiring processes for key positions can take 6 to 9 months from job posting to the employee's effective start, making early planning essential.

Sources and more information

Swissuniversities
Swiss Federal University for Vocational Education (SFIVET)
List of International Schools in Switzerland