

The background of the slide is a photograph of a group of people at a social gathering, possibly a conference or a party. The image is dimmed and has a blue overlay. People are seen in the background, some standing and talking, others sitting. The overall atmosphere is professional yet relaxed.

ELMO Employee Sentiment Index – Q3

Australia | July – September 2021

Undoubtedly, the July to September 2021 quarter has been a tumultuous experience for Australian workers and employers. This reality has been demonstrated in the findings of the ELMO Employee Sentiment Index for Q3.

Australian workers who perceive the economy to be secure has declined significantly compared to Q1 and Q2 of this year. Now, 30 per cent of working Australians report the economy as 'not secure' – the largest figure recorded to date.

Australian workers are also working fewer hours than at any other point this year. More than one in five Australian workers feel they are not working enough hours. This is the highest rate in any given quarter so far this year and represents a four-point increase on Q2 and a five-point increase on Q1.

The average number of hours worked by Australian workers has also fallen from 33.6 hours per week in Q2 to 32.7 hours per week.

These economic considerations may be behind soaring support for COVID-19 vaccination measures. There has been an eight-point rise in support among working Australians to 70 per cent (up from 62% in Q2).

In a looming challenge for employers preparing to welcome back workers, the proportion of workers uncomfortable working alongside unvaccinated colleagues has climbed to 58 per cent. This is a 14-point rise from Q2.

Employers keeping track of vaccination status is supported by 88 per cent of workers while knowledge of test status is supported by 90 per cent of workers. Vaccination passports have also been welcomed by Australian workers. Four in five (79%) Australian workers support vaccine passports.

The ELMO Employee Sentiment Index offers an insight into the actions, attitudes and behaviours of Australian workers. The July to September report offers a unique insight into how these factors have changed over a period of great uncertainty and ambiguity.

These insights and statistics can be a guiding tool for organisations considering how best to support their workforce through great disruption.

The ELMO Employee Sentiment Report was initiated to gain data and insights into the attitudes, actions and concerns of working Australians.

Respondents were asked to reflect on their actions in the three month period between July 2021 to September 2021.

The research was commissioned by ELMO Software and conducted by Lonergan Research in accordance with the ISO 20252 standard.

Lonergan Research surveyed 1,052 Australian workers aged 18 years and over between 13 September and 20 September, 2021. The research was conducted through a 14-question online survey. Respondents were members of a permission-based panel, geographically dispersed throughout Australia including both capital city and non-capital city areas.

After surveying, data was weighted to the latest population estimates sourced from the Australian Bureau of Statistics.

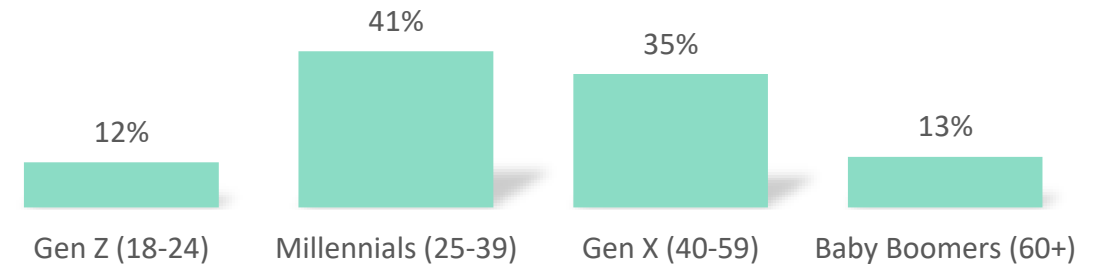


Sample breakdown / demographics

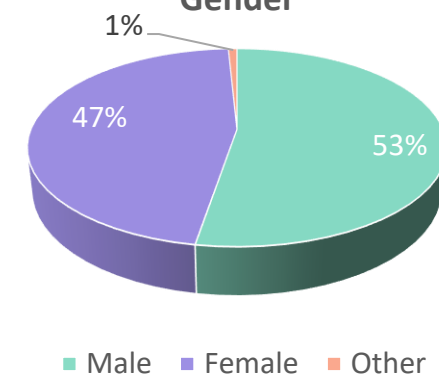


Location	Sample Size (n=)		
	Overall (n= 1,052)	Capital City (n= 723)	Regional Area (n= 329)
New South Wales & ACT	202	131	71
Queensland	201	100	101
Victoria	205	167	38
South Australia	203	160	43
Western Australia	210	165	45
Tasmania	22		22
Northern Territory	9		9

Generation Breakdown



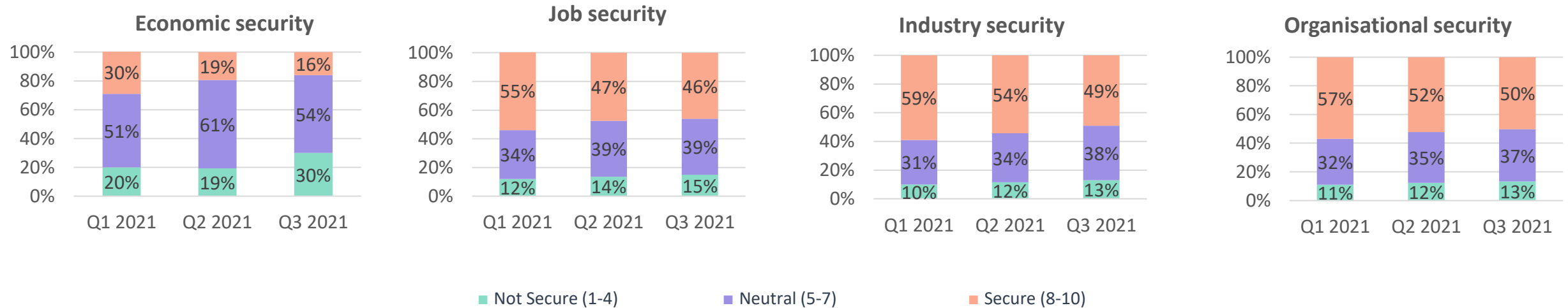
Gender



Employee Sentiment Index – Quarterly Comparative Analysis



Perceived security

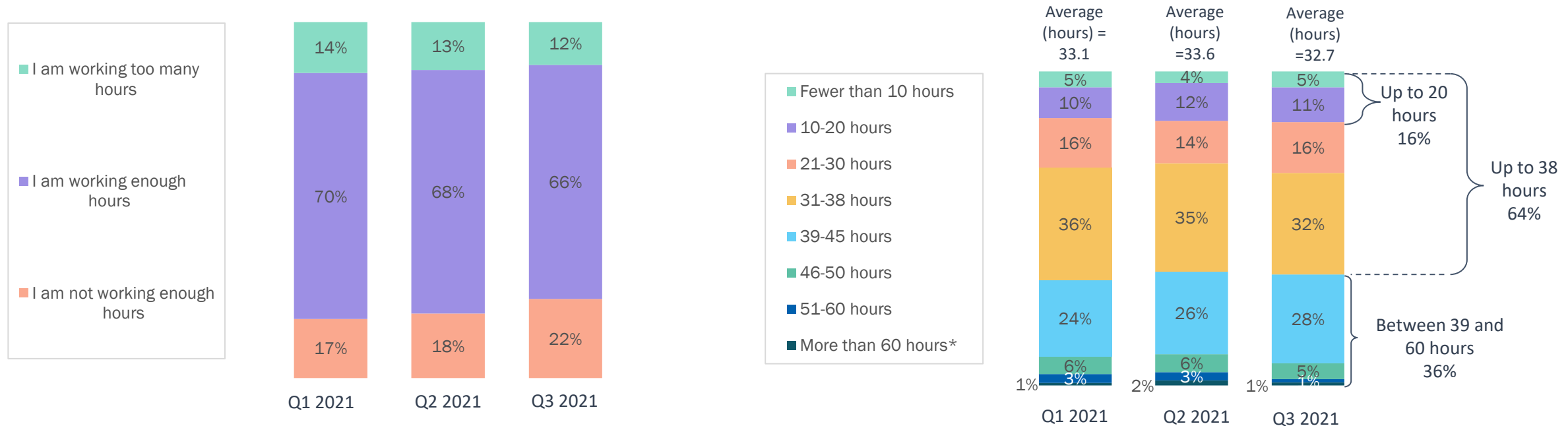


COVID-19 lockdowns may be behind a drastic change in perceived economic security among Australian workers.

There has been an **11 point spike in the proportion of workers rating the economy as 'not secure' (30%)** compared to the prior quarter. However, despite the drastic change in sentiment toward economic security **workers remain largely confident that their jobs remain secure.**

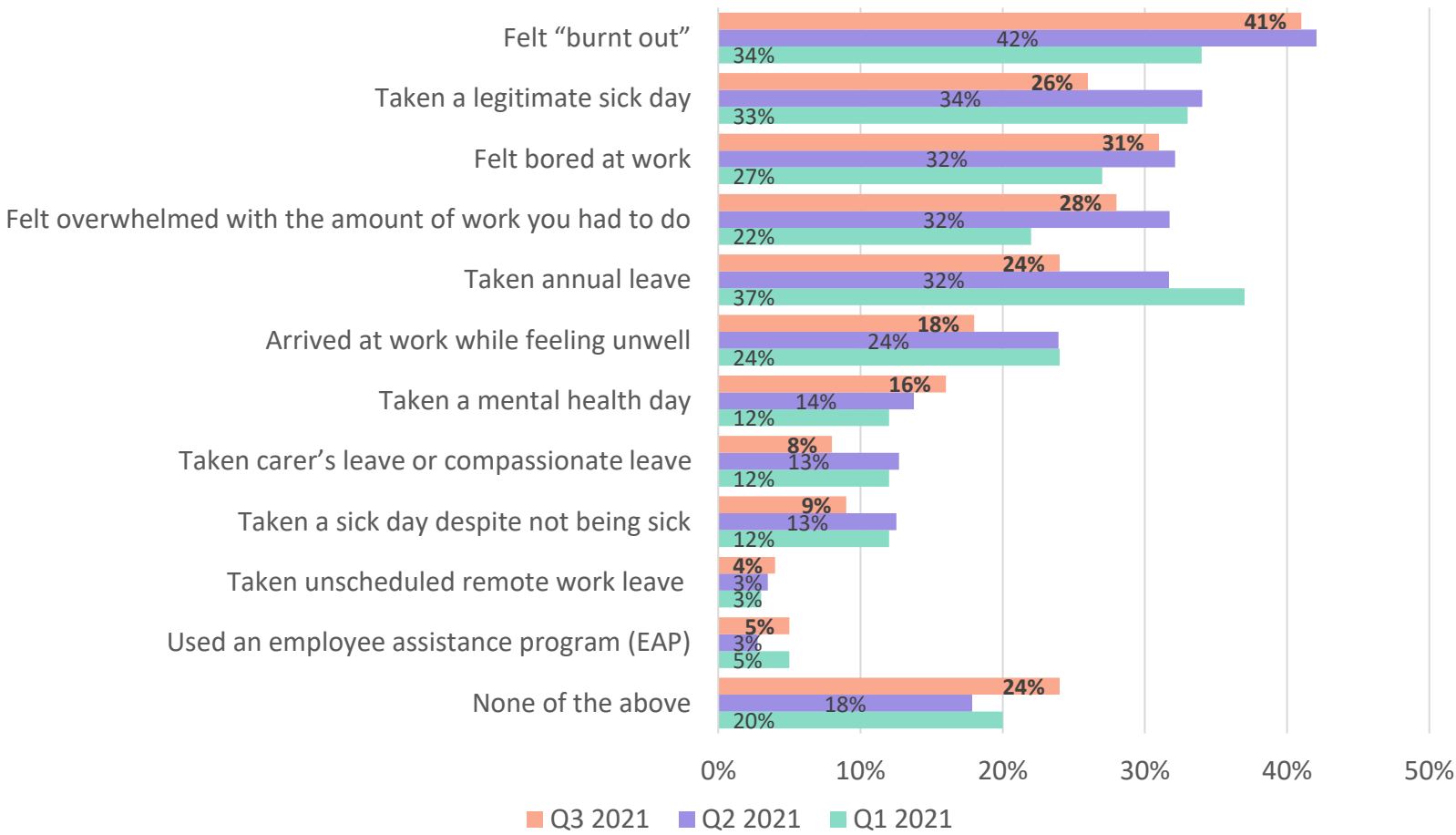
While workers may feel their job is secure, they are less certain about their industry with a **five-point decline in perceived industry security** and a four-point rise in neutral views.

Hours worked



More than **one in five Australian workers feel they are not working enough hours**. This is the highest rate in any given quarter so far this year and represents a four-point increase on Q2 and a five point increase on Q1.

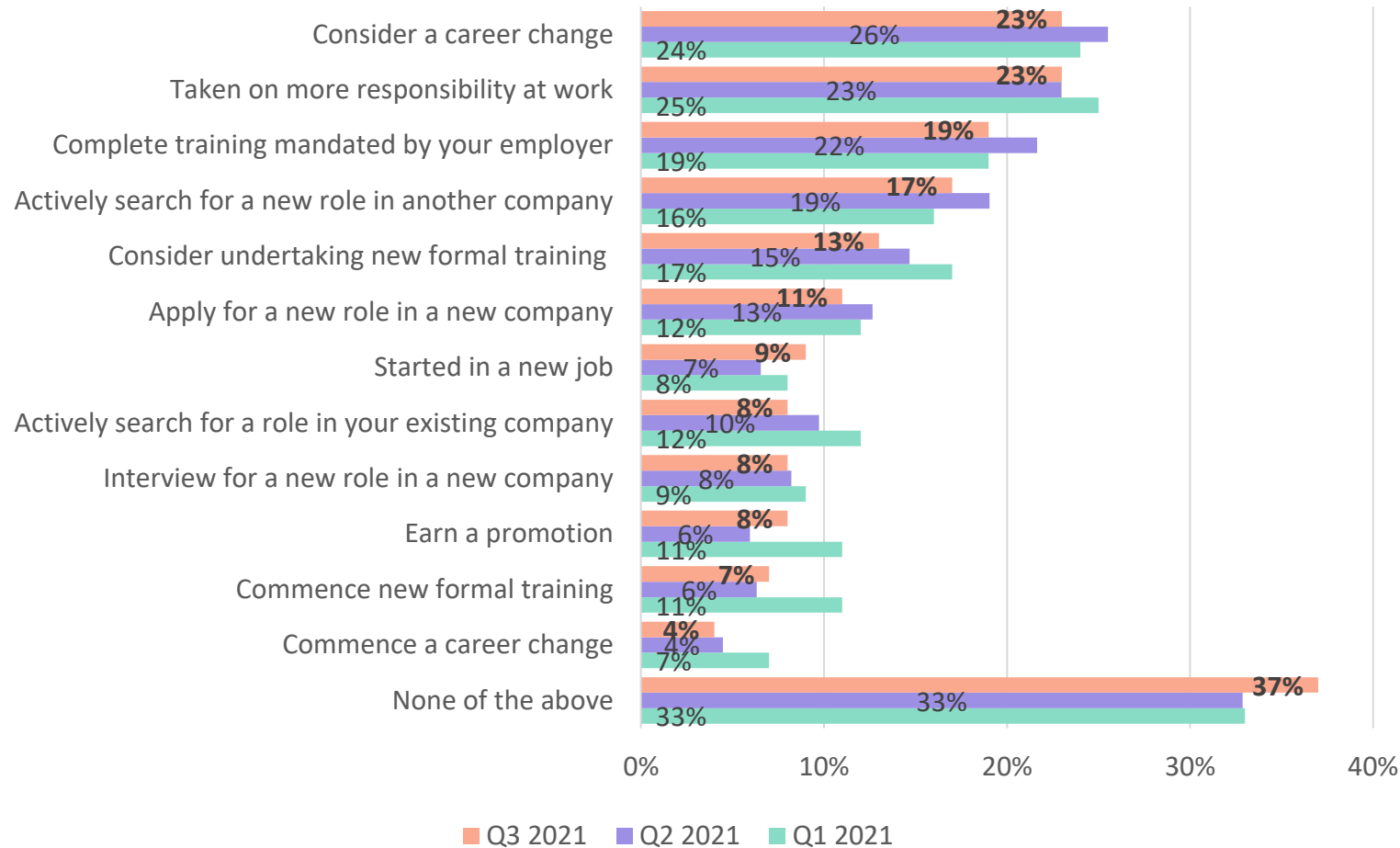
In a troubling sign for Australia's economy, the **average number of hours worked by Australian workers has also fallen** from 33.6 hours per week in Q2 to 32.7 hours per week.



The proportion of Australian **workers taking mental health leave has risen steadily by two-points quarter on quarter.**

This may be correlated to increased feelings of 'burn out' throughout the year, with **burn out rates remaining high at 41 per cent** (42 per cent in Q2).

A further factor may be fewer workers taking annual leave. The number of workers taking annual leave has dropped for the second consecutive quarter to 24 per cent (32 per cent Q2 and 37 per cent Q1). **Domestic and international border closures may be deterring workers from drawing down their annual leave balances.**



Australian workers may be putting their career change dreams on hold. The proportion of workers considering a career change is at a **year long low**.

Less than a **quarter (23%) of Australian workers have considered a career change** in the last quarter. This is down from 26 per cent in Q2 and 24 per cent in Q1.

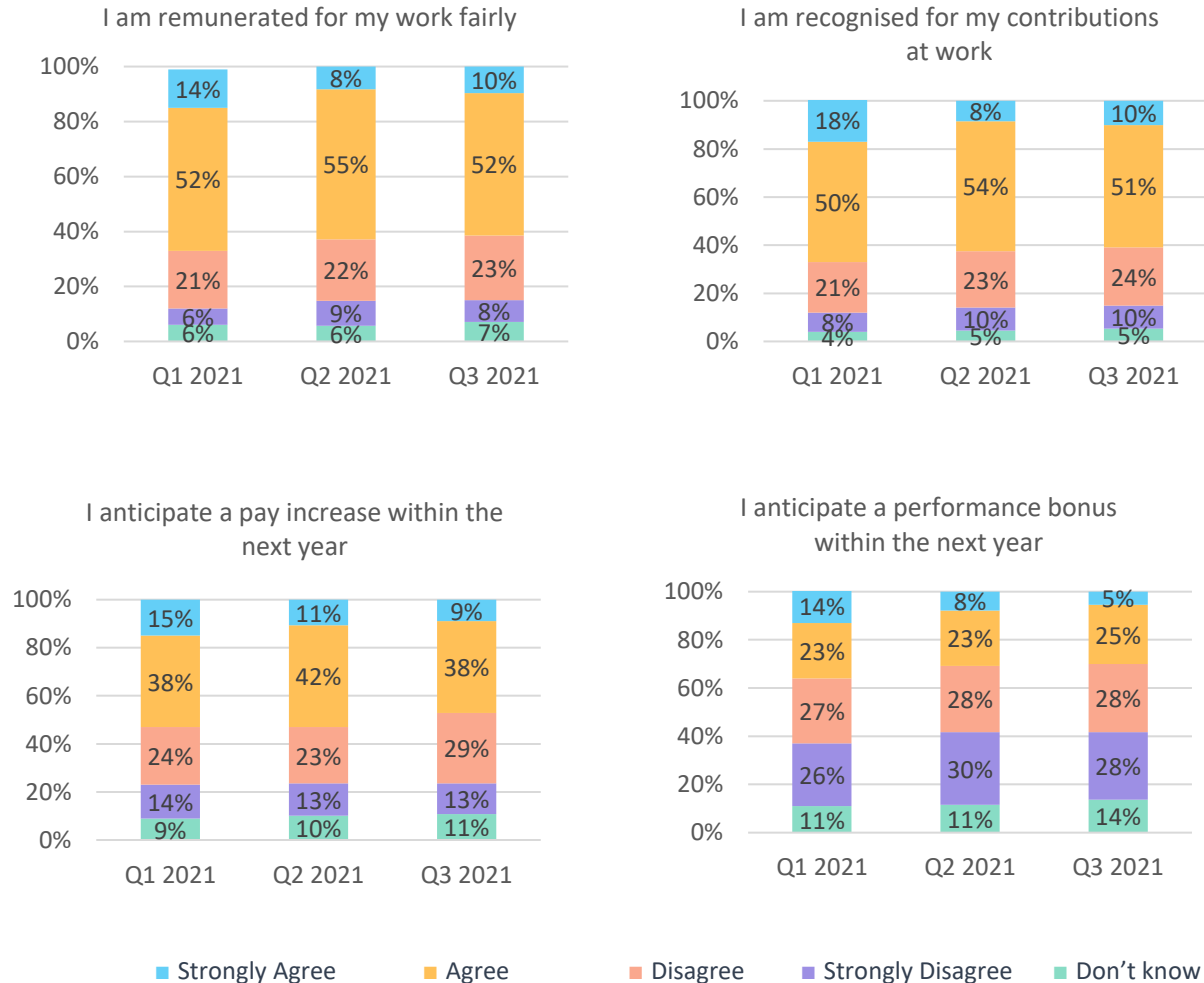
Even fewer workers are following through on their career change goals with **just four per cent of workers commencing a career change**.

It's a similar story for workers looking a new job.

While **almost a fifth (17%) report that they actively searched for a new role in a new company**, **just 9 per cent report starting in a new job**.

Nearly a quarter (23%) of **Australian workers have taken on more responsibility at work** in the last three months. This remains stable since Q2 (23%).

Recognition and remuneration



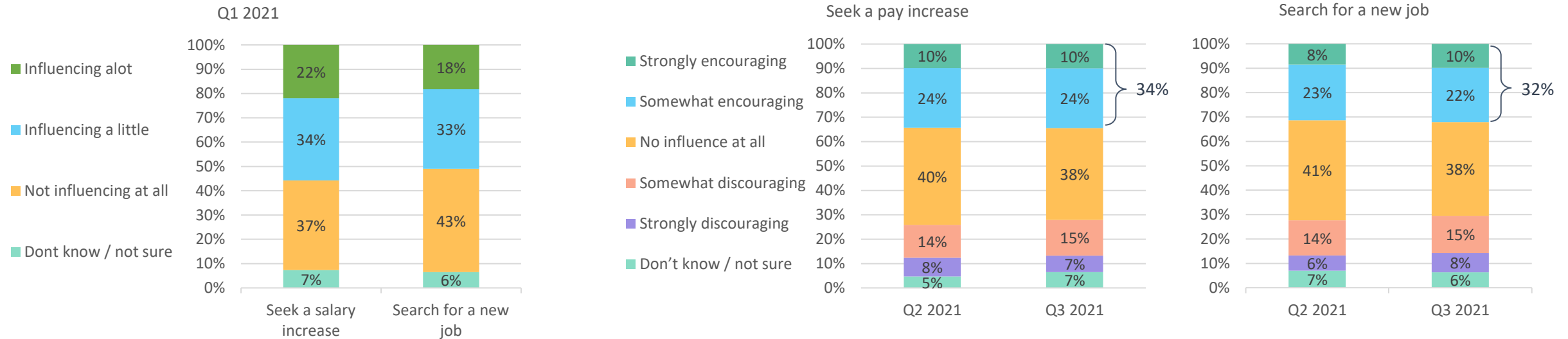
Australian workers are doubting they will receive a pay rise within the next year. The proportion of **workers anticipating a pay rise is down five points to 47 per cent.**

This is the lowest rate recorded this year.

However, more than **three fifths (61%) of Australian workers believe they are remunerated fairly for their work** and a similar proportion **(62%) say they are recognised for their contributions.** Both are similar to Q2 (remunerated fairly 63%, recognised for contributions 63%).

Three in ten **(30%) Australian workers anticipate a performance bonus within the next year.** This is similar to Q2 (31%).

Economy influencing decision making

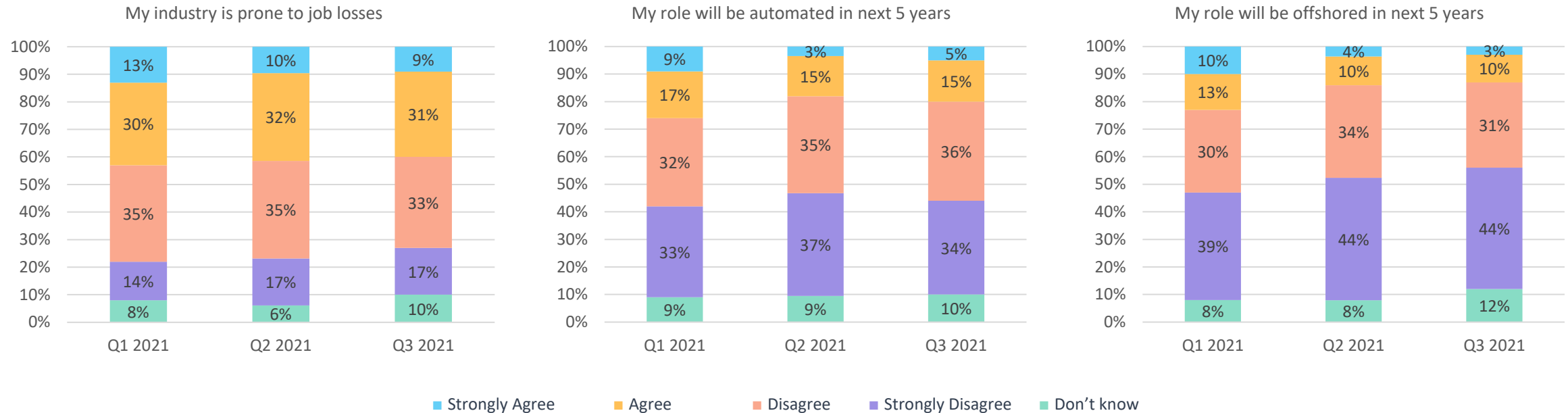


Despite the fall in perceived economic security, **two in five (38%) Australian workers say current economic conditions are having no influence at all on their decision to seek a pay increase**, while a third (34%) believe economic conditions are right for them to do so.

Economic conditions do not appear to be substantially influencing workers' decisions to search for a new job. Nearly a third (32%) of working Australians report that they are encouraged by current economic conditions to search for a new job, this is similar to Q2 (31%).

Q10. To what extent are current economic conditions encouraging or discouraging you to do the following?; Australian Workers (n = 1052)
2407_Q11. To what extent are current economic conditions encouraging or discouraging you to do the following? Australian Workers (n = 1039)
2301_Q12a. To what extent are current Australian economic conditions influencing your decision to...? Australian Workers (n = 1088)

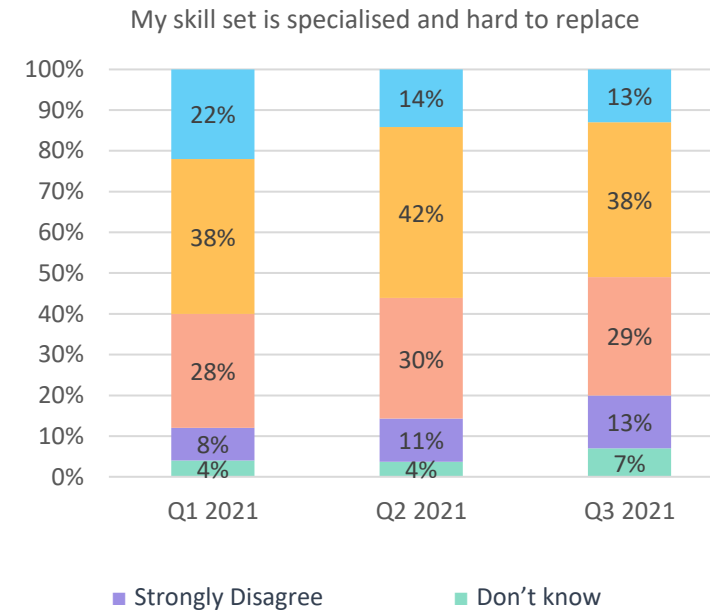
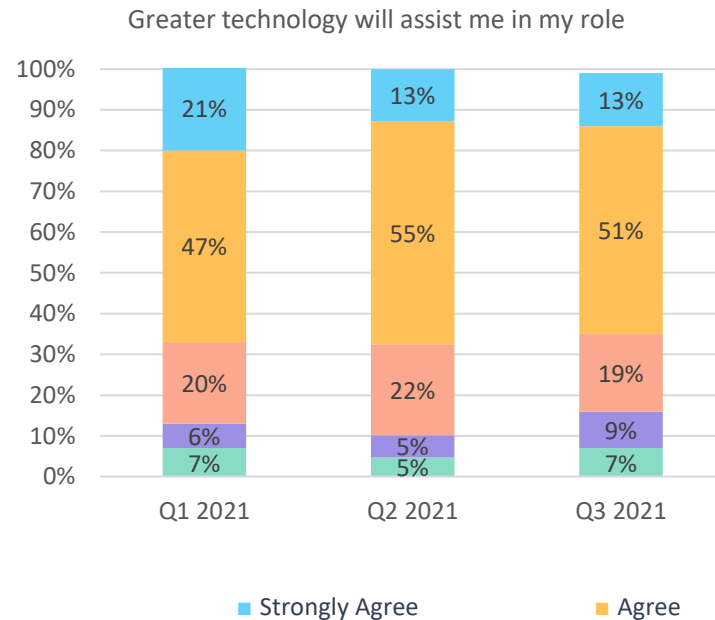
NOTE: Code frame change since Q1



Australian workers remain bullish about the future of their roles. **Automation is not a concern for 70 per cent of workers** who do not believe their role will be automated in the next five years, down slightly from 72 per cent in Q2 but up 5 per cent on Q1.

Workers are similarly unphased about the prospect of their roles being offshored with **75 per cent disagreeing that their role will be offshored in the next five years**. This is down three points from Q2 (28%) and up six points from Q1 (69%).

Two in five (40%) Australian workers feel their industry is prone to job losses, this is similar to Q2 (41%). However, the proportion of workers who state they 'don't know' has hit a year high of 10 per cent.



Australian workers are less likely to believe their skill set is specialised and hard to replace than they were six months ago. Just half of Australian workers believe they would be hard for their employer to replace, this is six points lower than in Q2 (56%) and the lowest on record (Q1 60%).

Support for technology in the workplace remains high with 64 per cent believing greater technology will assist them in their roles.

Employee priorities



	Q1 2021	Q2 2021	Q3 2021	Movement
Remuneration and bonus payments / incentives	2 nd	1 st	1 st	-
Stability of an organisation	3 rd	2 nd	2 nd	-
Flexible/Remote working	1 st	3 rd	3 rd	-
Culture of the organisation	4 th	4 th	4 th	-
Easy and/or short commute	5 th	5 th	5 th	-
Career development opportunities	6 th	6 th	6 th	-
The ethical standing/reputation of the organisation and leadership	7 th	7 th	7 th	-
Professional learning opportunities	8 th	8 th	Tied 8 th	-
Wellbeing initiatives	10 th	9 th	Tied 8 th	→
Diversity among employees/senior leadership team of the organization	9 th	10 th	10 th	-
Online or word-of-mouth employee reviews of the leadership	11 th	11 th	11 th	-

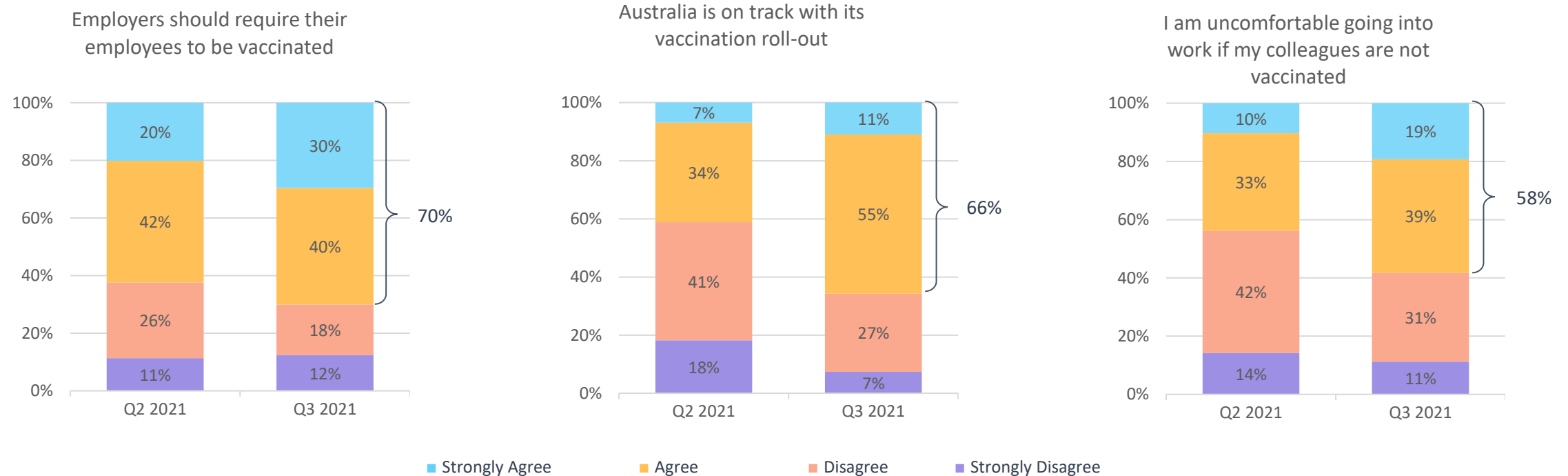
The priorities for Australian workers searching for a new employer remain stable. **Remuneration is the key factor, followed by organisational stability and flexibility/remote working.**

Interest in wellbeing initiatives has risen slightly from ninth place in Q2 to tie for eighth place in Q1.

Topical matters – Q3 2021 findings



Worker vaccine sentiment

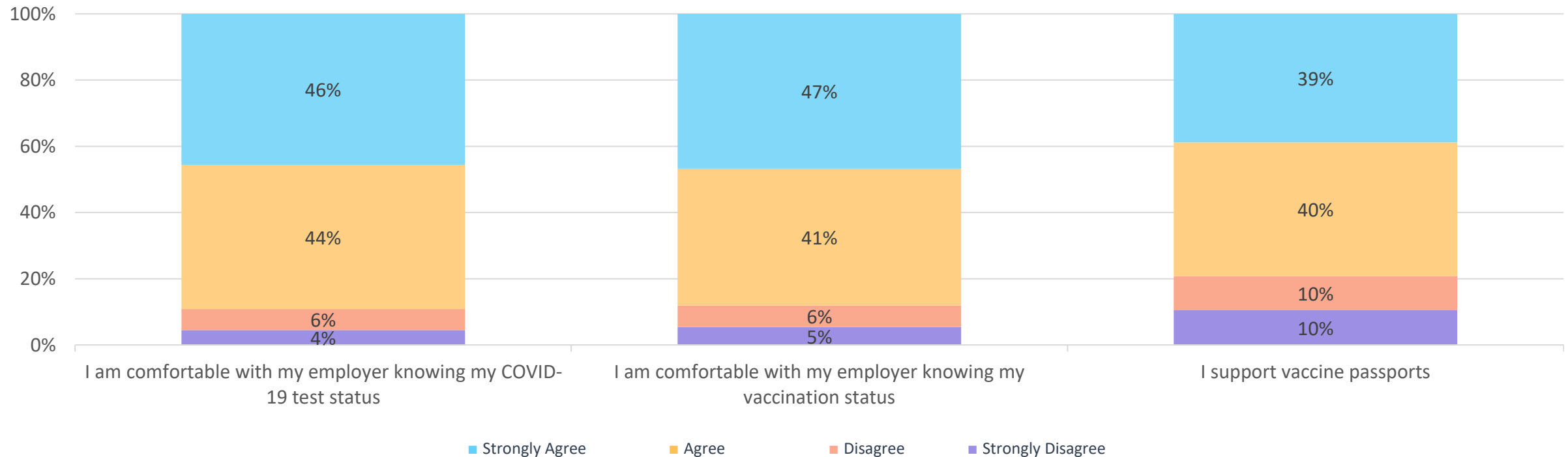


The latest round of lockdowns may be behind **soaring support for employers requiring their employees to be vaccinated against COVID-19**. There has been an eight point rise in support among working Australians to 70 per cent (up from 62% in Q2).

In a looming challenge for employers preparing to welcome back workers, the **proportion of workers uncomfortable working alongside unvaccinated colleagues has climbed to 58 per cent**. This is a 14-point rise from Q2.

The largest rise has been seen in perceptions of Australia's vaccination roll-out with **two thirds (66%) of workers believing Australia is on track with its vaccination roll-out**. This is up significantly from Q2 (41%).

Worker vaccine sentiment

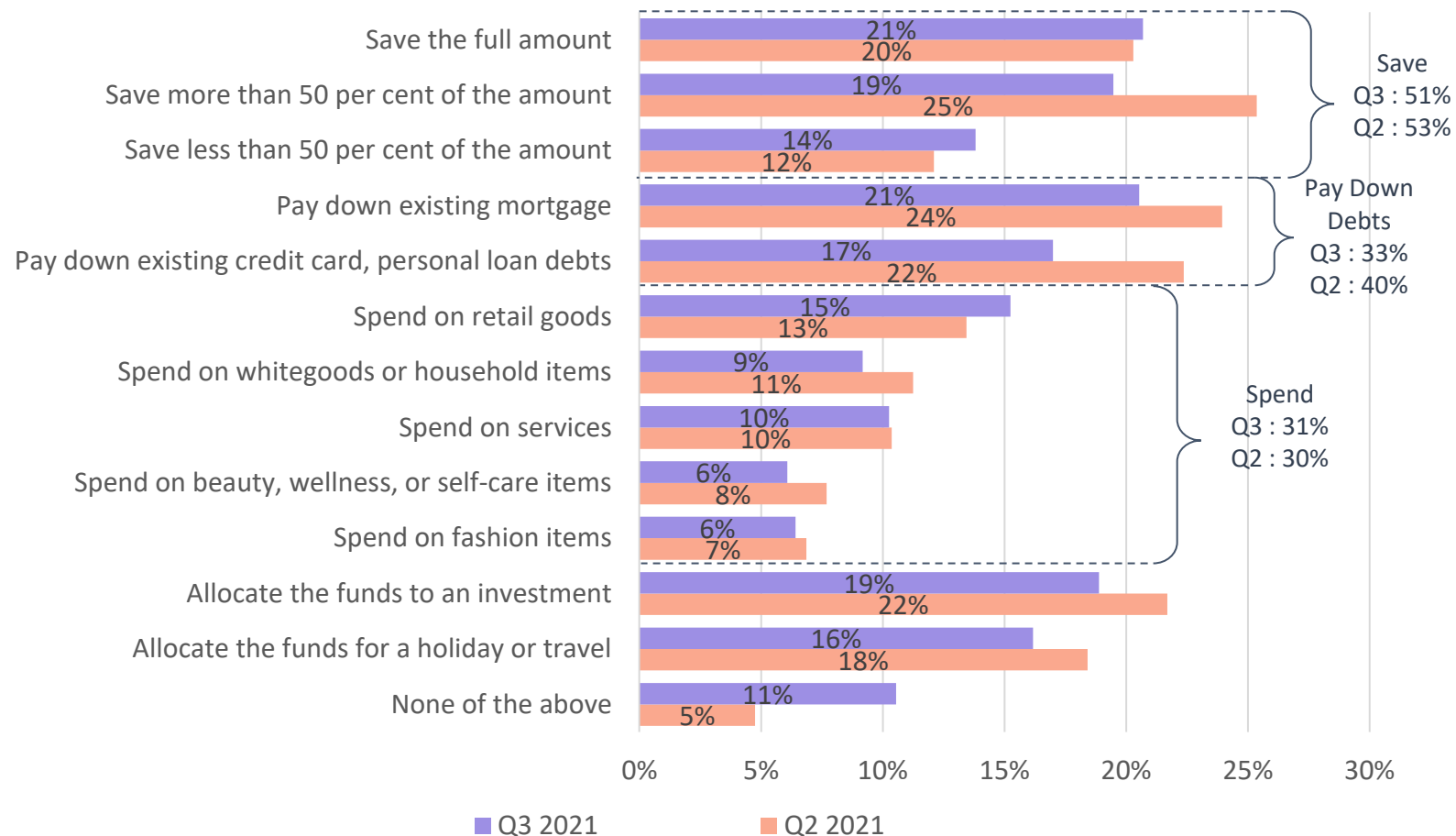


On trend with growing support for mandatory vaccinations in the workplace, **Australians are comfortable with their employer knowing their COVID-19 vaccination and test status**. Employers keeping track of vaccination status is supported by 88 per cent of workers while knowledge of test status is supported by 90 per cent of workers.

Vaccination passports have also been welcomed by Australian workers, with four in five (79%) Australian workers supporting vaccine passports.

Q12. Thinking about COVID-19, to what extent do you agree or disagree with each of the following statements?; Australian Workers = 1052

Disposable income intentions

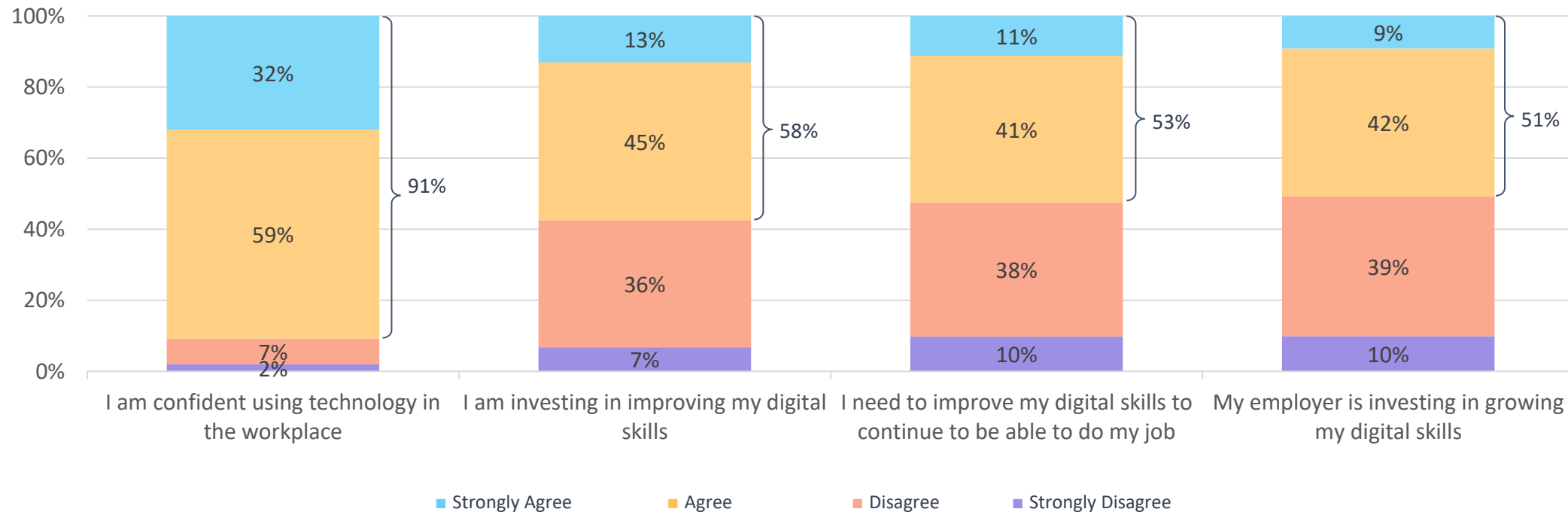


When it comes to spending disposable income, Australian workers have not quite aligned their intentions with their actions.

In Q2 a quarter (25%) of working Australians intended to save half of any disposable income they may have received yet a fifth (19%) reported doing so in Q3.

Retail spending was one area where Australian workers exceeded their Q2 intentions with 15 per cent reporting spending on retail goods compared to 13 per cent in Q3.

Digital skills



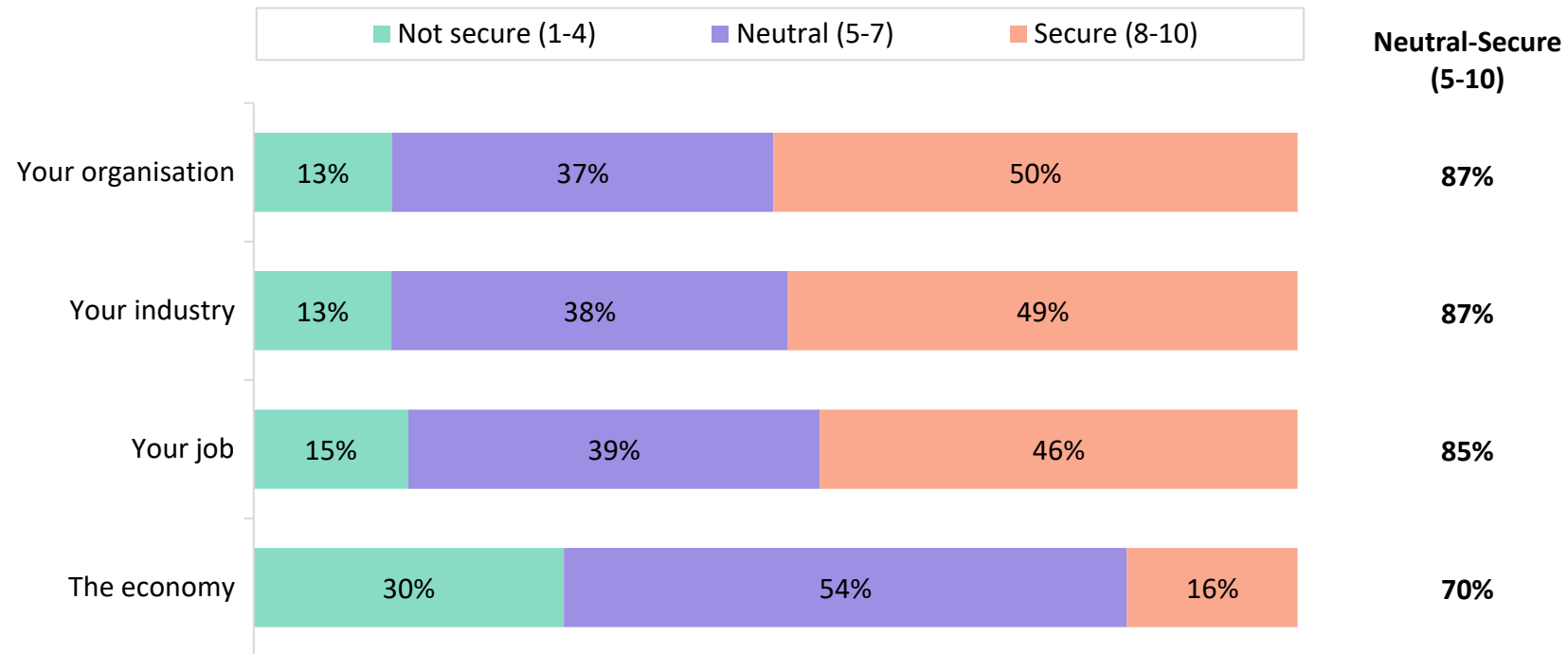
Australian workers feel confident using technology in the workplace and are actively investing in improving their digital skill sets. Nine in ten (91%) Australian workers say they are confident using technology in the workplace. Although they are confident, **three in five (58%) Australian workers are investing in improving their digital skills**, while half (51%) say their employer is investing in growing their digital skill.

Slightly more than half (53%) of Australian workers state that they need to continue to improve their digital skills to continue to be able to do their jobs.

Employee Sentiment Index – Q3 2021 findings

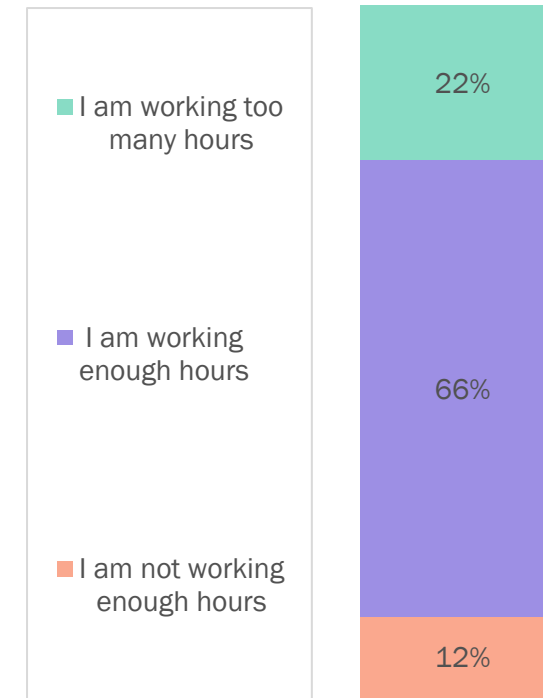
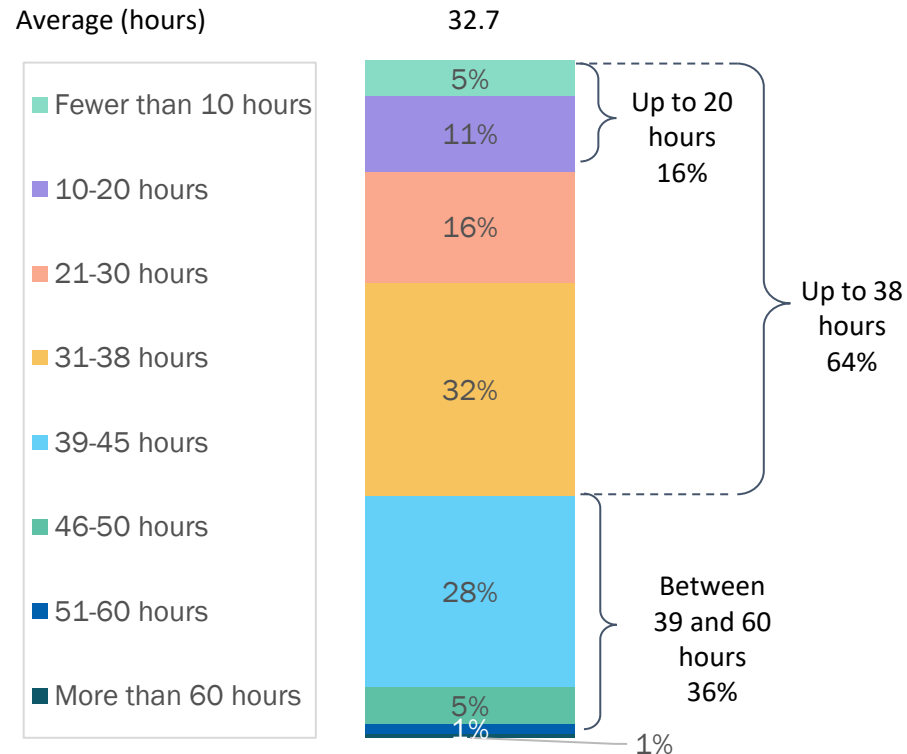


Perceived security



- Half of Australian workers feel their organisation (50%), or their industry (49%) are secure.
- 70% of Australian workers feel the economy is secure.
 - Baby Boomers are the least likely generation to feel the economy is secure (62%) compared to Gen Z (73%), Millennials (71%), and Gen X (72%)

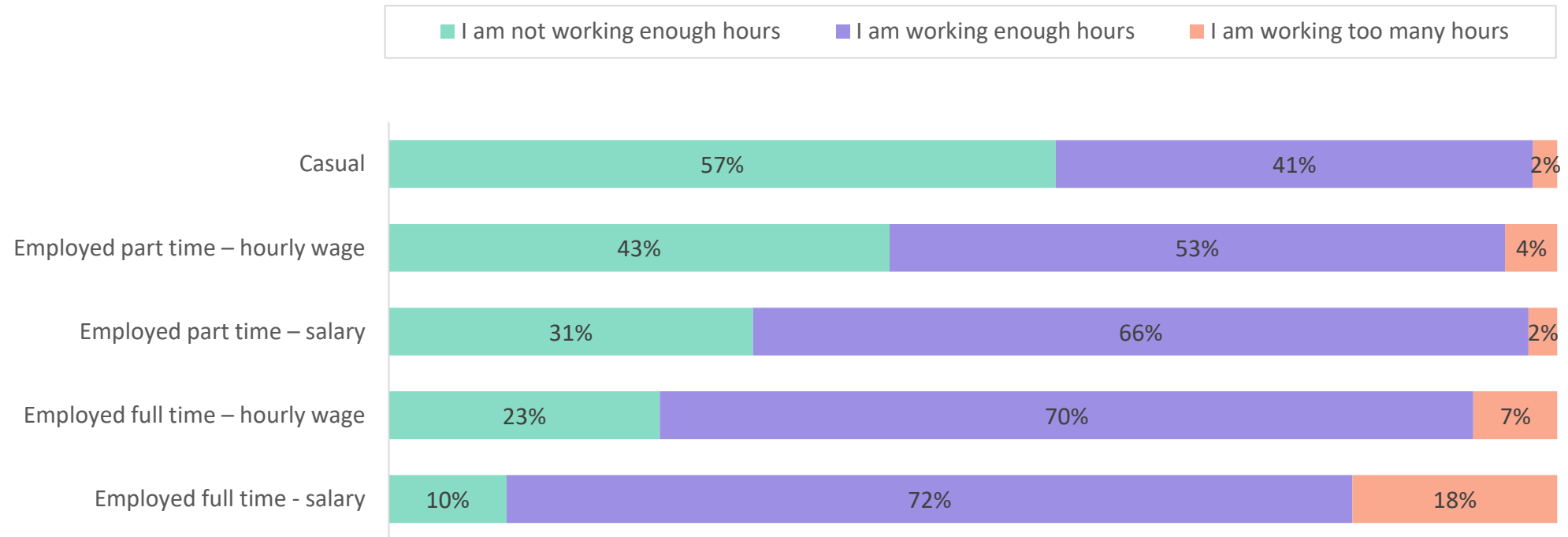
Hours worked



- On average, Australian workers are working nearly 33 hours per week.
- Full-time workers, on average, are doing 38.5 hours per week, while part-time workers are working 20.6 hours per week

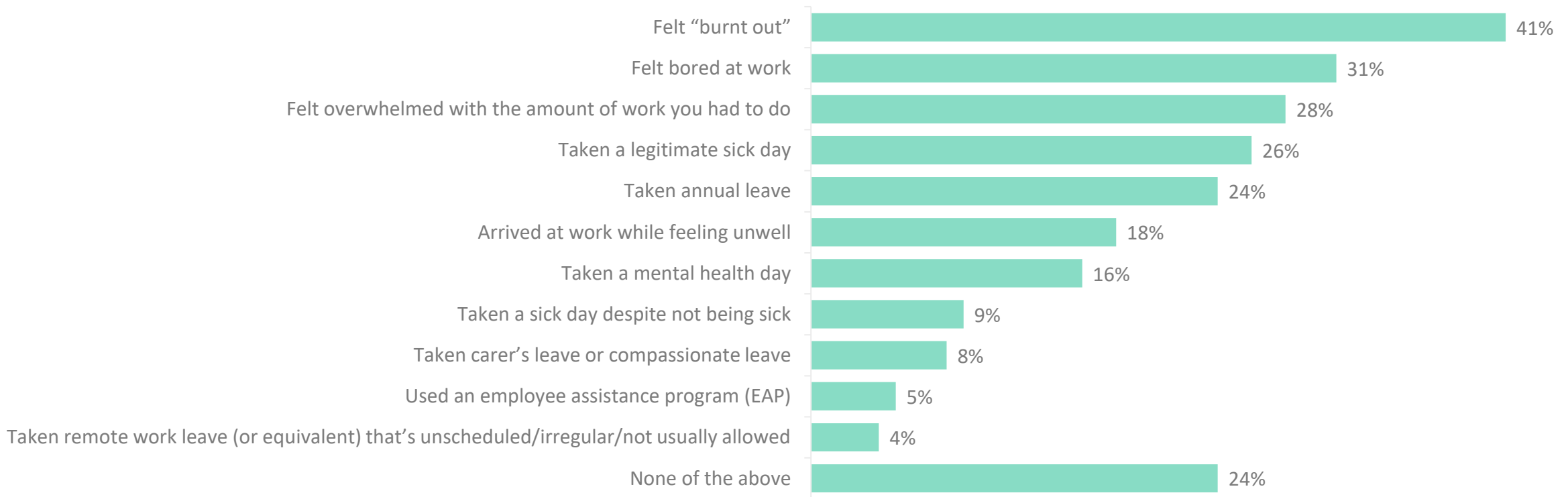
- 22% of Australian workers feel they are not working enough hours.
- 38% of part-time workers feel they are not working enough hours, compared to 12% of full-time workers.

Sufficiency of hours worked



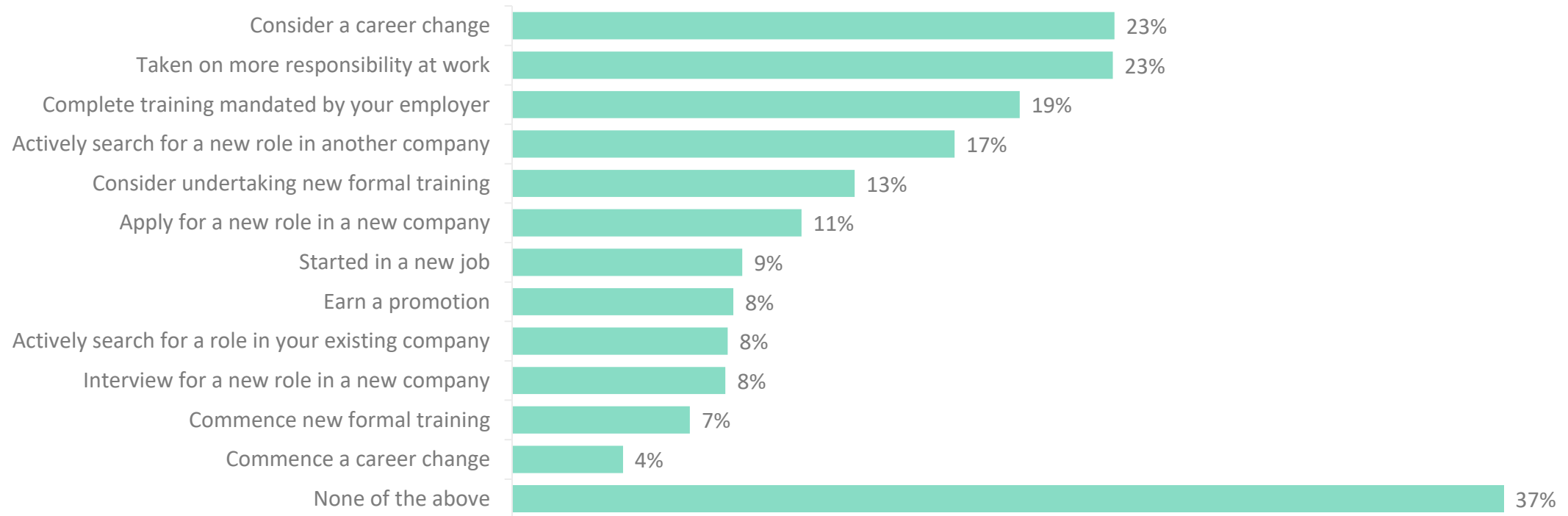
- In the past three months, 57% of casual workers feel they are not working enough hours.
- Nearly a quarter (23%) of full-time employees on hourly wages felt they were not working enough hours over the past three months.

Worker wellbeing



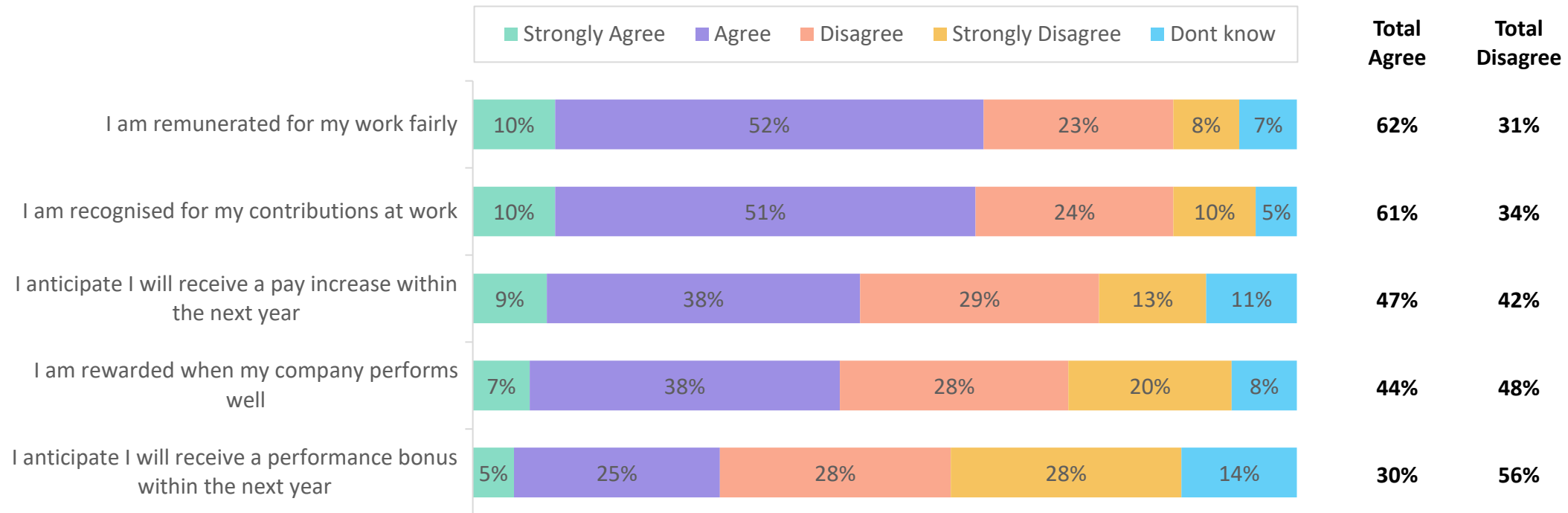
- Two in five (41%) Australian workers felt 'burnt out' over the past three months. This is driven by the younger generations (Gen Z 51%, Millennials 48%, Gen X 36%, Baby Boomers 19%).
- A third (34%) of Millennials felt overwhelmed with the amount of work they had to do over the last three months (Gen Z 28%, Gen X 27%, Baby Boomers 12%)

Worker mobility



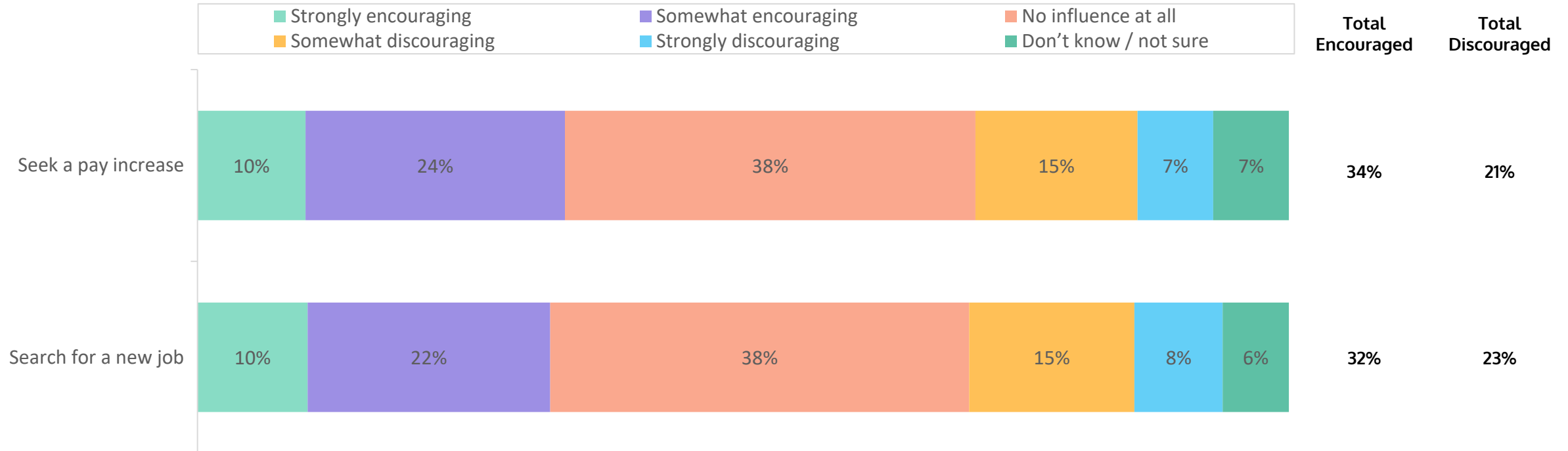
- One in six (17%) Australian workers actively searched for a new role in another company in the past three months. This was driven by the younger generations, in particular Millennials (Millennials 23%, Gen Z 19%, Gen X 13%, Baby Boomers 4%).
- Nearly one in ten (8%) Australian workers have actively searched for a role in their existing company in the past three months.
 - Casual workers are more likely than average to have searched for a new role in their company (11%, average 8%)

Recognition and remuneration



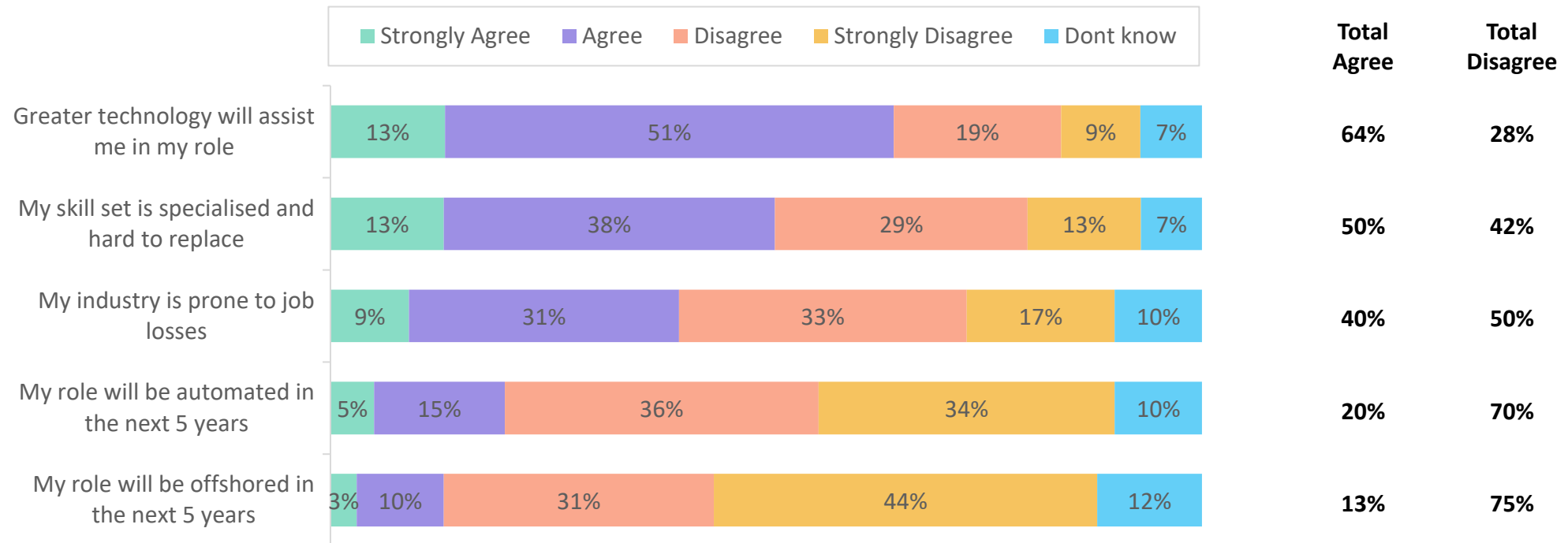
- Nearly half (47%) of Australian workers anticipate a pay increase next year.
 - Men are 13 per cent more likely to anticipate a pay increase next year than women (53%, women 40%)
- Three in ten (30%) Australian workers anticipate a performance bonus next year.
 - Men are 10 per cent more likely to anticipate a performance bonus than women (35%, women 25%)

Economy influencing decision making



- Around a third of Australian workers are at least somewhat encouraged by current economic conditions to seek a pay increase (34%) or to search for a new job (32%).
- Nearly a quarter (23%) of Australian workers are at least somewhat discouraged to search for a new job in the current economic conditions.

Future of work



- Half (50%) of Australian workers feel their skillset is specialised and hard to replace.
 - This is driven by male workers (57%; female 43%)
- One in eight (13%) Australian workers believe their job will be offshored in the next five years.
 - This is driven strongly by Gen Z (22%, Millennials 14%, Gen X 13%, Baby Boomers 3%)

Employee priorities



	Overall Rank	% Ranked 1st	% Ranked 2nd	% Ranked 3rd	% Ranked 4th	% Ranked 5th
Remuneration and bonus payments / incentives	1 st	21%	16%	12%	11%	9%
Stability of an organisation	2 nd	15%	12%	13%	13%	9%
Flexible and remote working	3 rd	14%	13%	12%	10%	9%
Culture of the organisation	4 th	13%	10%	11%	12%	11%
Easy and/or short commute	5 th	10%	13%	11%	12%	8%
Career development opportunities	6 th	8%	10%	10%	9%	11%
The ethical standing/reputation of the organisation and leadership	7 th	7%	6%	7%	9%	10%
Professional learning opportunities	8 th	4%	6%	8%	8%	9%
Wellbeing initiatives	8 th	4%	6%	6%	8%	11%
Diversity among employees/senior leadership team of the organisation	10 th	3%	4%	5%	5%	8%
Online or word-of-mouth employee reviews of the leadership	11 th	3%	3%	4%	4%	5%

- Remuneration and bonus payments / incentives are the most important factors Australian workers look for when choosing a new employer, with one in five (21%) workers ranking it number one overall, six points above the next highest-ranking factor – stability of an organisation (15%).

Questions?



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