

ATLASSIAN



Return on Action Report 2021

**THE RISING
RESPONSIBILITY
of BUSINESS**

Foreword

Atlassian launched the first multinational Return On Action report in March 2020. This was based on comprehensive research conducted by PwC Australia across the US and Australia. The goal was to better understand employee expectations around employer responses to societal issues. It identified a tipping point in how workers view the role of business in impacting the world around them.

For most around the world, the COVID-19 pandemic has delivered a great deal of change in a relatively short amount of time. In this second Return on Action report, we look at how employee perceptions have changed. Which issues matter most to workers, how should business respond, and what's on the line for those who get it right or wrong?

It's now clear that employees expect their employers to make a difference. We are seeing an increasingly activist workforce that holds business to account and prioritizes well-being over career progression. This report reveals the return on action for businesses tackling the issues that matter to their workers.

Cover photo: Mauro Mora



“The era of the corporation being an invisible entity is gone. Employees expect more, the world expects more. We have an awesome opportunity to take inspiration from the hearts and minds of our global workforce, and drive change for the betterment of our world.”

MIKE CANNON-BROOKES

Co-Founder, Co-CEO, Atlassian

“The consequences of inaction are very real. We're in a global war for talent and employees want change. There have never been higher expectations on business, and how we respond as leaders is crucial. If this groundswell of support for action is ignored, it will open businesses up to the risk of alienating the emerging workforce.”

SCOTT FARQUHAR

Co-Founder, Co-CEO, Atlassian

A word on the research

This report provides a unique opportunity to understand how the priorities and expectations of the workforce have changed over the past year, and the implications for businesses and leaders.

It shows us that stakeholders expect organisations to acknowledge their responsibility and use their platform to take a stand on important societal issues. When an organisation's actions or inaction are incongruent with their stated values, we see the negative impact on employee sentiment. Employees are telling us that silence is complicity.

PwC Australia undertook the research to support Atlassian with the completion of this report, including the year-on-year analysis that identifies the genuine shifts in the perceptions and expectations of the workforce in Australia and the US. This robust evidence base provides rich insight into what matters to employees.

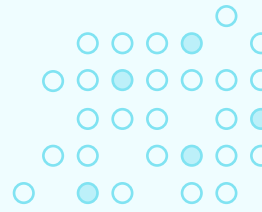
The survey for this report was completed late February to mid-March 2021 and the sample provided representation across demographics, geographies, employment industries and business size by number of employees.

This report summarises the findings for the United States market.



OF AMERICAN EMPLOYEES

2,391



GEN Z (21-24)

9%

MILLENNIALS (25-42)

42%

GEN X (43-54)

26%

BABY BOOMERS (55-65)

23%

Male

50%

Female

50%

Unspecified

<1%

INDUSTRIES

- 17%** Information, media, and telecommunications
- 17%** Financial and insurance services
- 17%** Retail
- 17%** Health
- 16%** Manufacturing
- 15%** Professional, scientific, and technical services

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Executive summary

In our multinational study, we identified a new landscape of expectations on business, where accountability and leadership around social issues are imperative.

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The relative importance of societal issues has changed in the past year. Economic matters have fallen behind mental health and wellness.

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Pressure on business to adapt and act

Employees are demanding more from businesses. This includes addressing societal issues and being accountable for their actions.

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Values matter more than job security

Personal priorities have changed. Despite the challenged economic environment, employees seek terms of work to meet their needs and align with their values.

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Action helps attract and retain talent

Employees want businesses to speak out and take action on societal issues. This has become a key factor in finding and keeping the best people.



US SNAPSHOT

Top priorities for US employees

Health and wellness has emerged as the top issue of importance in 2021.

We identified a new landscape of expectations on business, where accountability and leadership around social issues is an imperative. This year employee expectations have grown and there is even greater pressure on business to act on important societal issues with greater return on action for those who do.

It's now clear that health and the economy matter most to US employees. Following a global health crisis, access to healthcare has overtaken cost of healthcare as the most important societal issue.

An increasingly activist workforce is demanding that businesses act on the major issues of the day. Employment is more than just a job, and there are benefits on offer for organisations able to meet these increased expectations. But those that fail to hit the mark will struggle to attract and retain their best people.

Health is (still) most important

Access to healthcare is the most important issue in 2021, taking the place of cost of healthcare (now second) and followed by mental health and wellness (third).

Mental health trumps career growth

38% of employees look to their employer as the most important provider of mental health support and 64% of workers are willing to turn down a job promotion to preserve their mental health.

The bottom line on social impact

67% of employees agree business should be just as concerned with their social impact as their financial performance, a significant increase from 2020.

Action as a factor in job satisfaction

65% of employees are satisfied with their current employer and this increasing to 92% when employees felt satisfied with the level of action their employers take.

Values over job security fears

51% of Millennial employees (aged 25-42) are worried about future job prospects yet 60% of those would quit their jobs if employer values did not align with their own.



US SNAPSHOT

Why this is happening



Employees put wellness before work

The experiences of the past 12 months have shaken up priorities and put what matters into perspective for American employees. Career goals have taken a back seat as employees reassess the need to balance work with family life, mental health and wellness. This, in turn, has created a new blueprint for employers which demands businesses take a more comprehensive view of their employees' well-being, including greater flexibility, mental health services, and alternative career paths and opportunities for growth. The 'work-first' culture is being replaced by a workforce that is increasingly prioritizing life outside the office and expect their employers to do the same.



Millennials are leading the charge

US employees have made it clear: our current and future workforces will not tolerate inaction. These changemakers have borne the brunt of the economic instability created by the pandemic, driving them to new levels of social activism. It's no coincidence that they have also shown the greatest increase in support of businesses addressing a broad set of societal issues usually considered the responsibility of government at both a state and federal level. Whether it's protecting the environment, improving the economy, or increasing equality, the momentum for change is growing.

What it means for leaders



Personal health

Now is the time for businesses to double down on the services and benefits that support the holistic health and wellness of the workforce. Employers must recognize and respond to this shift in priorities or risk losing valuable employees and future workforce talent.



Social action

Employers must be vocal and decisive on the issues that matter most to their employees. With a bias for action coming from Millennial and Gen Z workers, an increasing proportion of the workforce will no longer accept a passive approach.



Job satisfaction

Understanding and acting on what matters to the future workforce will be critical for business leaders. Positive action and value alignment now breeds loyalty.



Underlying approach

Employers need to move away from a single business function owning corporate social responsibility in a silo. Workers want to see corporate social responsibility (CSR) completely integrated into how their leaders “do business.”

KEY THEMES

A multinational look



Importance of health

Health is a top priority for employees across the globe. In the US, three health-related issues lead the importance scoreboard, with access to healthcare #1, overtaking cost of healthcare which was #1 last year. In Australia, the relative importance of mental health and wellness has significantly increased in 2021 compared to last year and it's now the #1 societal issue, overtaking cost of living.



Younger generations lead

The rewards for business action are growing in both regions. Millennials, over other generations, are driving this sentiment in the US. In Australia, Gen Z continue to lead the charge with Millennials catching up in 2021.



Demand for action

The demand for business action on societal issues has grown substantially in just twelve months. More of the workforce in Australia and the US agree that businesses and their leaders need to speak up and use their platforms to influence change around key societal issues, particularly those relating to the economy and the environment.



Business action and employee satisfaction

In both regions, employee satisfaction with the level of action taken by employers to address societal issues is growing, and increasing at a faster rate in the US compared to Australia. Job satisfaction also increases among employees who recognize the increased action taken by their employers.

TOTAL RESPONDENTS

Australia 2021: 1,225 US 2021: 2,391



01

The importance of health & well-being

2020 changed what matters most to US employees

2020 was a unique year, centered on once-in-a-lifetime societal impacts; most notably the global COVID-19 pandemic, as well as political upheaval, environmental disasters, and economic volatility that created an acceleration of trends impacting the way we live and work as a society.

This report provides us with a unique opportunity to explore the cumulative impact of these factors on the workforce's expectations of their employer and business in general.

This study focused on key questions including:



What are the societal issues that matter most to workers today?



How has the relative importance of these issues changed in the past 12 months?



How much do employees agree with a number of pointed attitude statements related to experiences of the past 12 months in regards to employment and employers?

More than half of Millennials believe employers are primarily responsible for providing mental health support

While business generally was not deemed to be responsible for addressing issues of **health and well-being** (primary responsibility falling with ‘me, my family, and friends’, or ‘government’), more than a third of employees (38%) look to their employers as the main source of mental health support.

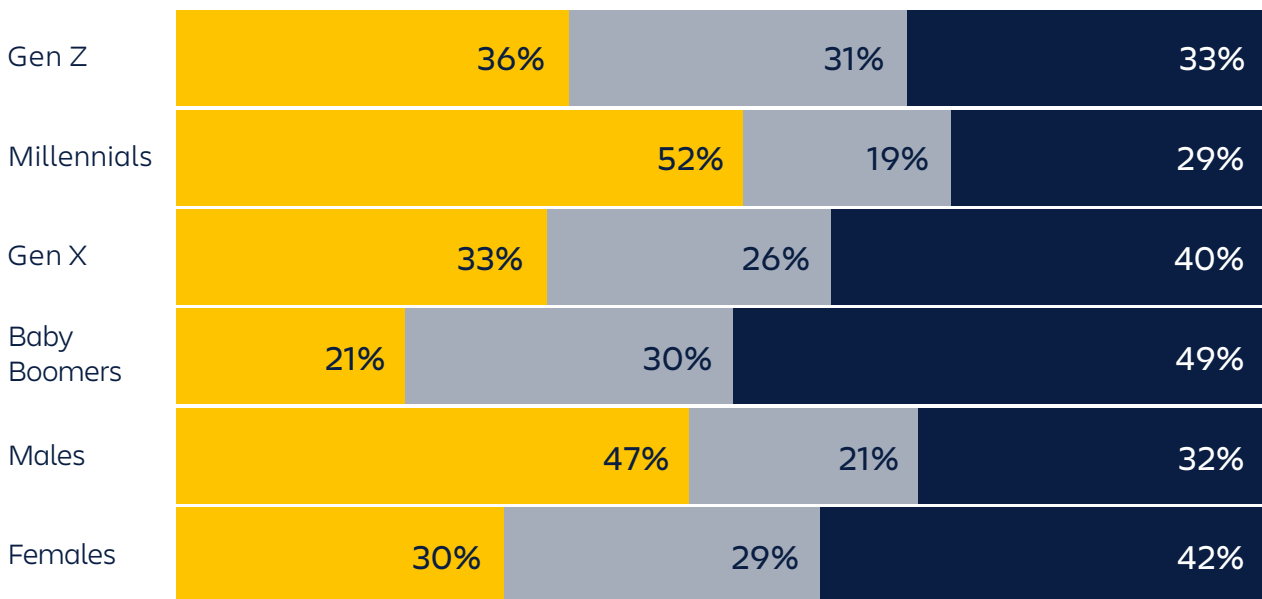
The proportion who seek support from employers rises to 52% among Millennials and to 47% of male employees compared to 30% of females.

Beyond point-in-time support, employers have an important role to play in providing holistic mental health support to their workforce.

EXHIBIT 1

How much do you agree or disagree with the statement:

“I look to my employer as the most important provider of mental health support.”



KEY: ● Strongly agree/agree ● Neither agree/disagree ● Strongly disagree/disagree

TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552
Males: 1,194 Females: 1,189

Most employees agree that issues of health and well-being and the economy are more important now than before

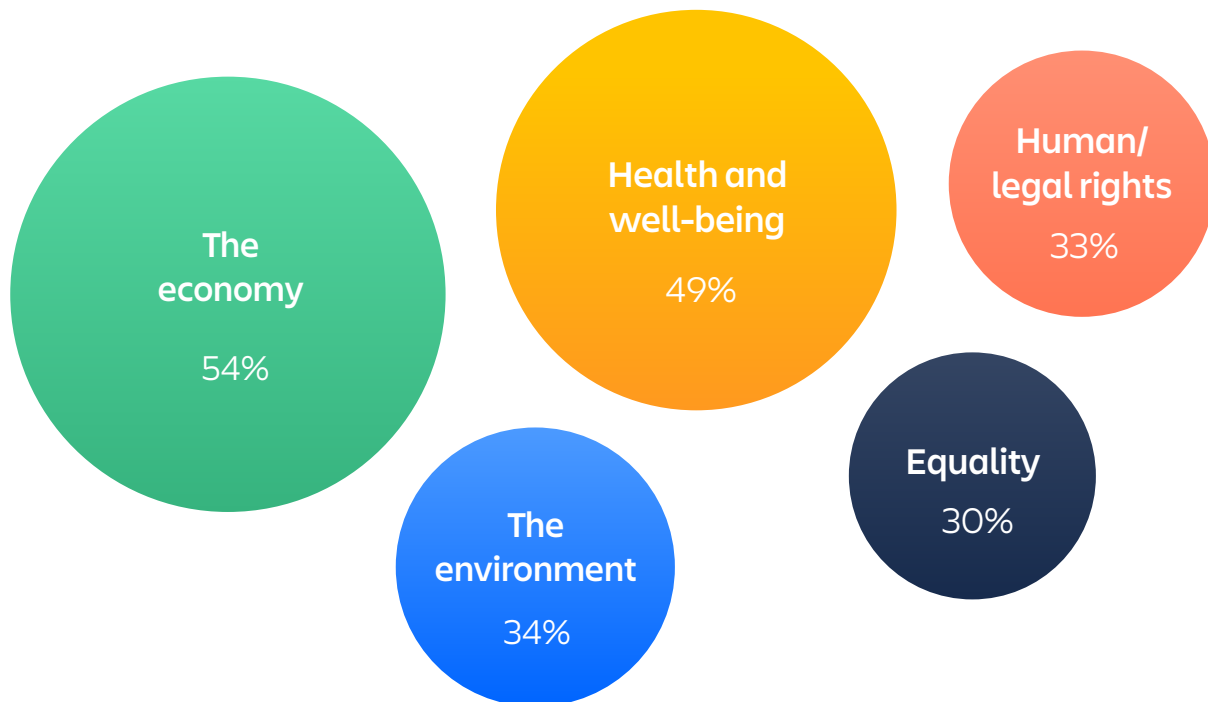
While issues of equality, human/legal rights and the environment are mostly considered of equal importance to 12 months ago, nearly half of participants say that issues relating to health and well-being (49%) and the economy (54%) are more important now than before.

This response pattern is consistent across Millennials, Gen X, and Baby Boomers, however, Gen Z employees are feeling a greater weight of importance across all the issue areas. Almost half of Gen Z agree that issues of health and well-being, the environment, equality, and human/legal rights are all more important now than 12 months ago with 40% agreeing the same for issues of the economy. Overall, the breadth of issues that are important to US employees is increasing, in particular for Gen Z.

EXHIBIT 2

Thinking about the importance of these societal issues to you personally, how have your perceptions changed over the past 12 months?

Participants who answered “more important now”



TOTAL RESPONDENTS
2021: 2,391

“THE SAME IMPORTANCE” Health & well-being: 46% | The economy: 41% | The environment: 58% | Human/legal rights: 60% | Equality: 60%
“LESS IMPORTANT TO ME NOW” Health & well-being: 5% | The economy: 5% | The environment: 8% | Human/Legal rights: 7% | Equality: 10%

Changes to workplace experiences over the past 12 months have likely influenced the increase in importance of mental health

Employees have personally experienced a range of issues over the past 12 months, with the inability to “switch off” at work being recognized by both Gen Z (24%) and Millennials (19%) in particular.

One in four employees (23%) confirmed they had experienced ill mental health and distress, with this number rising to 29% among Gen Z and 26% among Millennials.

When it comes to gender, women are more impacted: 28% of women said they had experienced ill mental health and distress compared to 18% of males and women were more likely to have had their hours or pay reduced during the past 12 months (18% for men and 21% for women).



EXHIBIT 3

During the past 12 months have you personally experienced any of the following?



TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552

% of participants who answered "yes"

Workers are divided on how well employers supported them through the pandemic experience

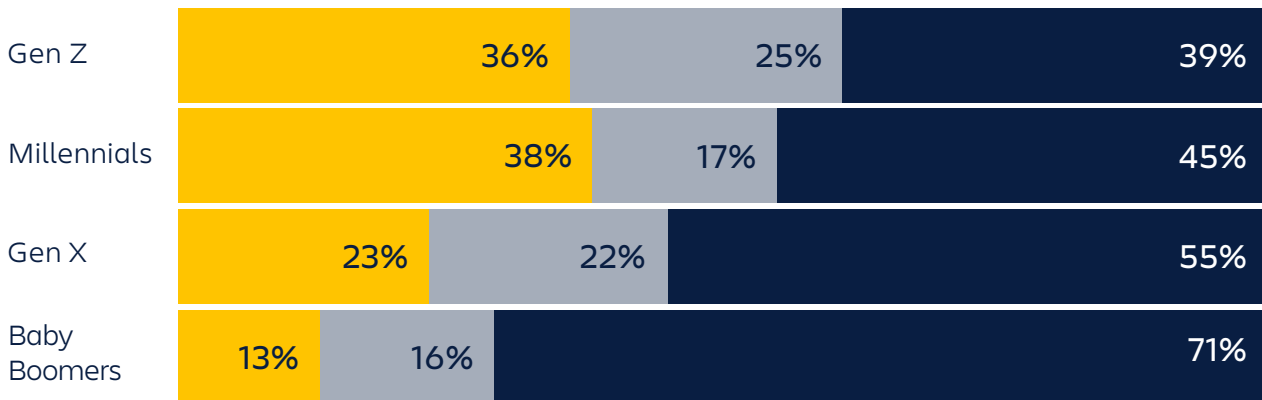
There were mixed feelings about the levels of support provided by employers during the pandemic. Overall, more than **one in four (28%) agreed they did not receive adequate support** and this response was more likely given by younger generations Gen Z (36%) and Millennials (38%), as well as those with one or two children currently living in their household (38% and 39% respectively), compared to those with no children at home (21%).

Baby Boomers felt most supported by their employer with 71% of respondents disagreeing or strongly disagreeing with the statement “My employer did not provide adequate support during the pandemic.”

EXHIBIT 4

How much do you agree or disagree with the statement:

“My employer did not provide adequate support during the pandemic.”



KEY: ● Strongly agree/agree ● Neither agree/disagree ● Strongly disagree/disagree

TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552

We saw a downward spiral with many concerned about their future job prospects

Anxiety around job prospects is high with 44% of respondents agreeing or strongly agreeing with the statement “I am worried about my future job prospects with the current economy.”

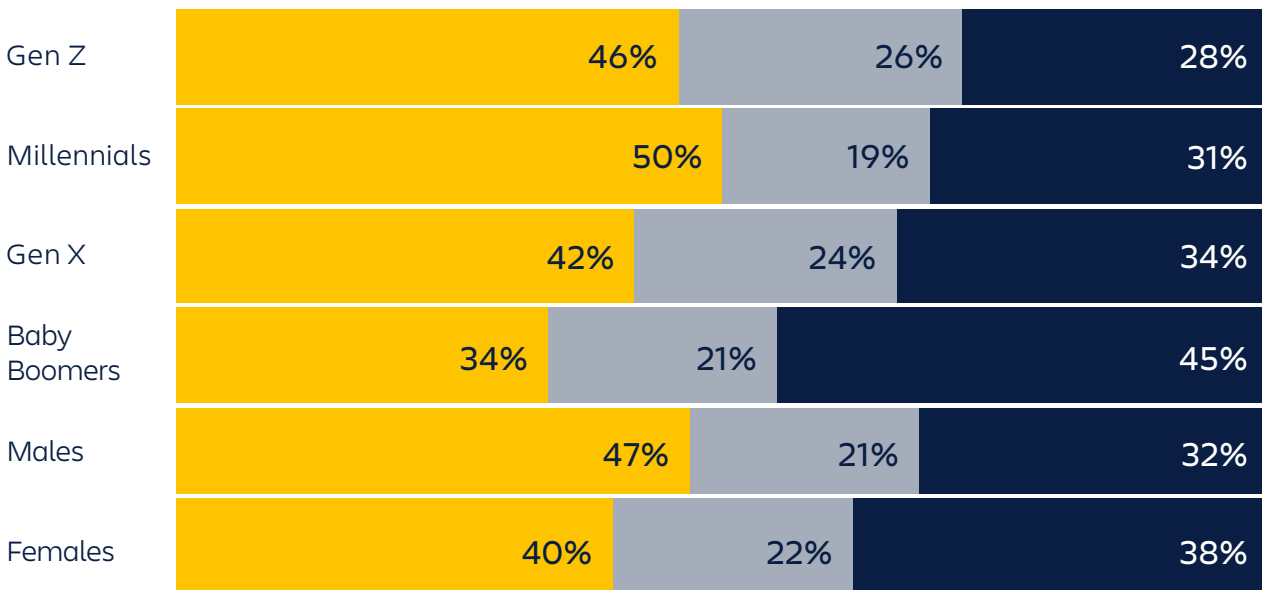
Nearly half of Millennials agree (51%), compared to significantly fewer Baby Boomers (33%) when compared to the total. One in two male workers (47%) agree with this statement compared to two in five female workers (41%).

From an industry perspective, those in the **information, media, and telecommunications industry** reported highest levels of anxiety with 54% of respondents agreeing with the statement, “I am worried about my future job prospects with the current economy” compared to only 31% of those who work in **health**.

EXHIBIT 5

How much do you agree or disagree with the statement:

“I am worried about my future job prospects with the current economy.”



KEY: ● Strongly agree/agree ● Neither agree/disagree ● Strongly disagree/disagree

TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552
Males: 1,194 Females: 1,189

Despite job security concerns, a majority of workers would turn down a promotion to preserve their mental health

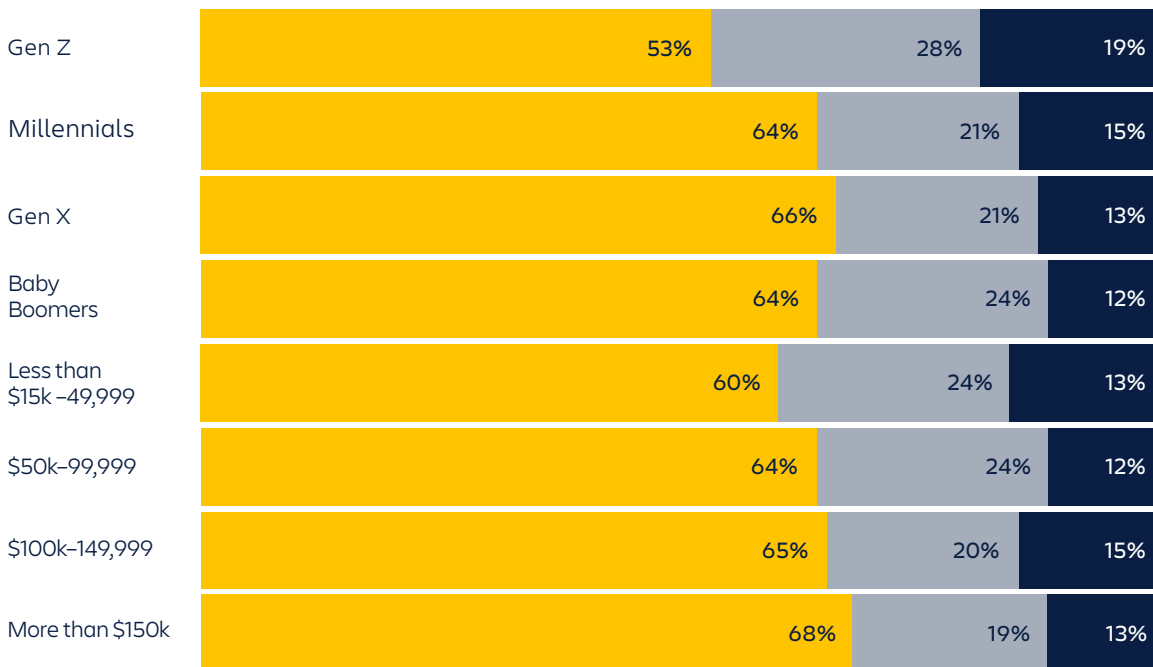
The majority of employees (64%) would consider turning down a job promotion in order to preserve their mental health, with responses broadly consistent across income levels and generations, including Millennials, Gen X, Baby Boomers, yet lower for Gen Z at 53%. We can hypothesize that given Gen Z were more likely to have experienced job loss and reduced hours/pay compared to the other generations (refer to Exhibit 3), the trade-off between mental health preservation and potential for the financial support of a pay increase is a harder decision to make.

From a gender perspective, a similar proportion of males and females would consider turning down a job promotion in order to preserve their mental health, with 62% and 65% respectively. However, those with two children in their household were more likely to agree (70%) compared to those with no children (61%).

EXHIBIT 6

How much do you agree or disagree with this statement:

“I would consider turning down a job promotion in order to preserve my mental health.”



KEY: ● Strongly agree/agree ● Neither agree/disagree ● Strongly disagree/disagree

TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552
Less than \$49,999: 489 \$50k-\$99,999: 804 \$100k-\$149,999: 543 More than \$150k: 482

Data subject to rounding and may not add to 100%.

Mental health and wellness is the #1 most important issue for younger employees, overtaking the cost of healthcare among Millennials

Across generations, **access to healthcare** is consistently of high relative importance and almost all issues relating to health feature in the top 10. For Gen Z and Millennials, mental health and wellness is the most important issue, for Gen X access to healthcare is most important while for Baby Boomers it's cost of healthcare in #1.

While this study did not explore why societal issues were selected in detail, it is hypothesized that the COVID-19 pandemic put the collective health of Americans, and the US healthcare system, under pressure and brought an appreciation of its fragility and importance to the forefront.

There is an increase in importance of issues relating to equality, being driven by younger generations. Racism has increased in importance among Gen Z and Millennials while **access to education** has increased among Millennials and Gen X and maintained high importance among Gen Z.

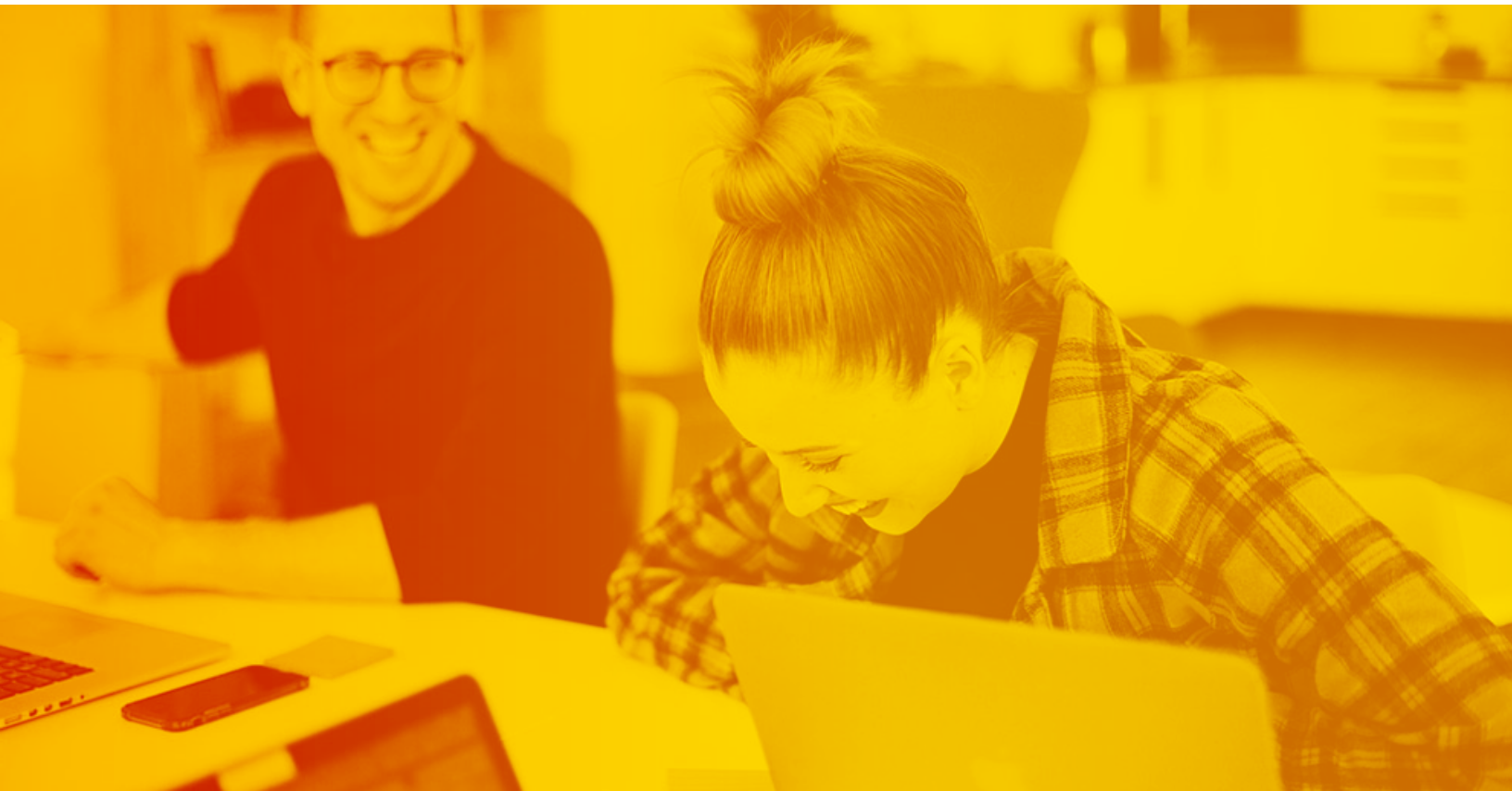
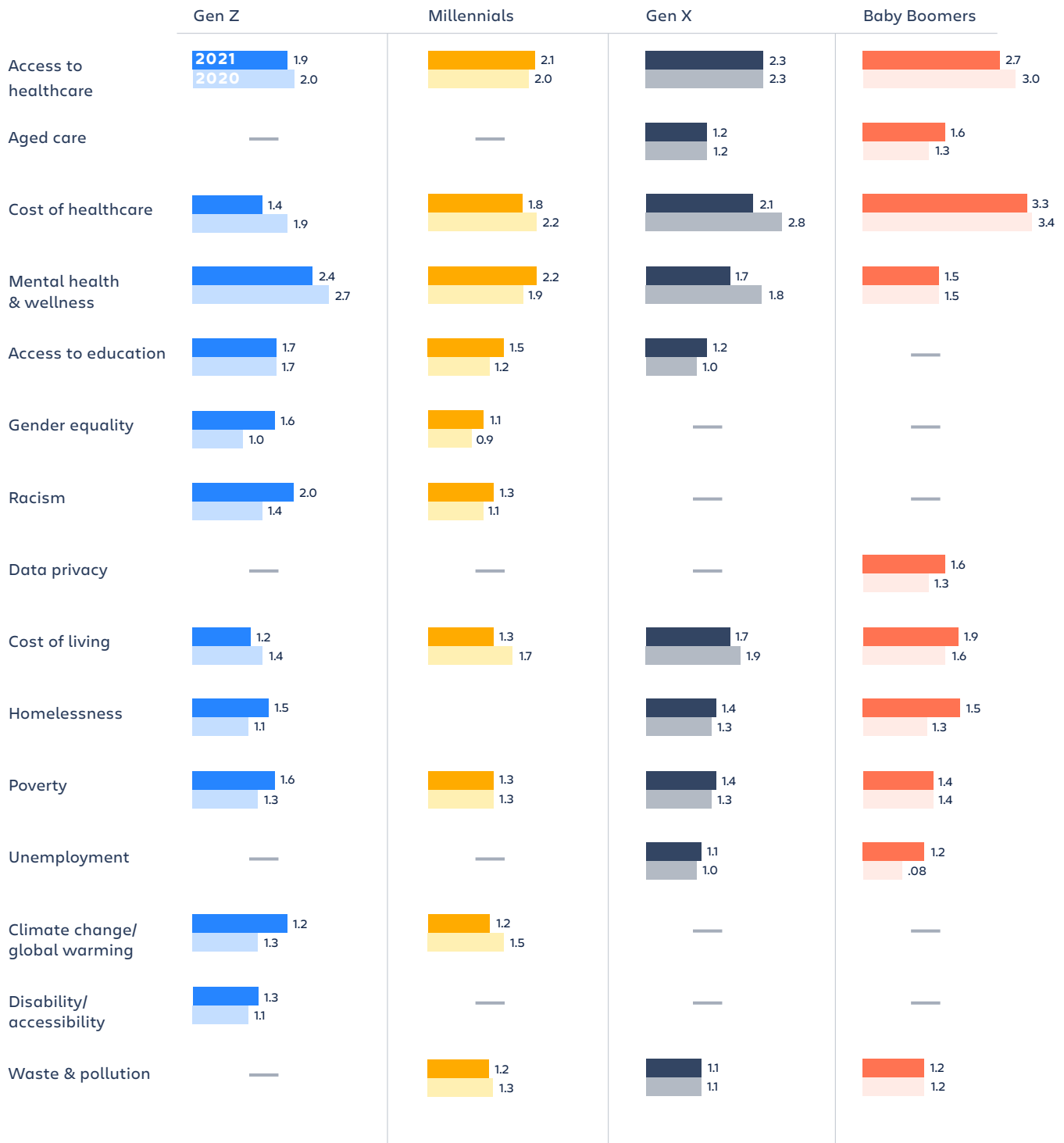


EXHIBIT 7

Comparison of Top 10 relative importance scores for societal issues by generation

Top 10 societal issues ranked on 2021 relative importance scores (scale of best)



Participants responded to the prompt: *Considering your own personal values, please identify the issue that is most important to you, and the issue that is least important to you personally.*


TOTAL RESPONDENTS	2021 Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552	— = Not in Top 10
	2020 Gen Z: 246 Millennials: 989 Gen X: 681 Baby Boomers: 505	

Rising concerns over mental health and wellness is part of a larger conversation around healthcare in America

The primary goal of this research was to find out which issues are most important to employees, and how these priorities have changed during the past year.

For US employees this year, issues of health and the economy maintain highest relative importance, reflecting a consistency of core values year-over-year (Exhibit 8, see next page).

Healthcare is most important however there has been a nuanced shift between **access to healthcare**, taking first rank in 2021, from **cost of healthcare** which held first rank in 2020. **Mental health and wellness** maintains third of the twenty five societal issues measured. There were four statistically significant shifts year-over-year (Exhibit 8, see next page).

			
Cost of health-care drops to #2	Increased focus on education	Racism climbs in importance	Gun control falls off agenda
Cost of health-care significantly declined in its relative importance score, however, maintains high importance overall.	Access to education has significantly increased this year compared to last, and is now ranked 7th in relative importance compared to 9th in 2020.	The relative importance of racism has significantly increased this year compared to last. It now ranks 8th in relative importance compared to 12th in 2020.	The relative importance of gun control/gun rights has significantly declined this year compared to last. It is no longer in the top 10 most important issues for US employees.

“Seeing a healthcare system and doctors and nurses being pushed to a limit and the recent increase in mental health awareness makes me realize I’m fortunate to have insurance and access to healthcare.”

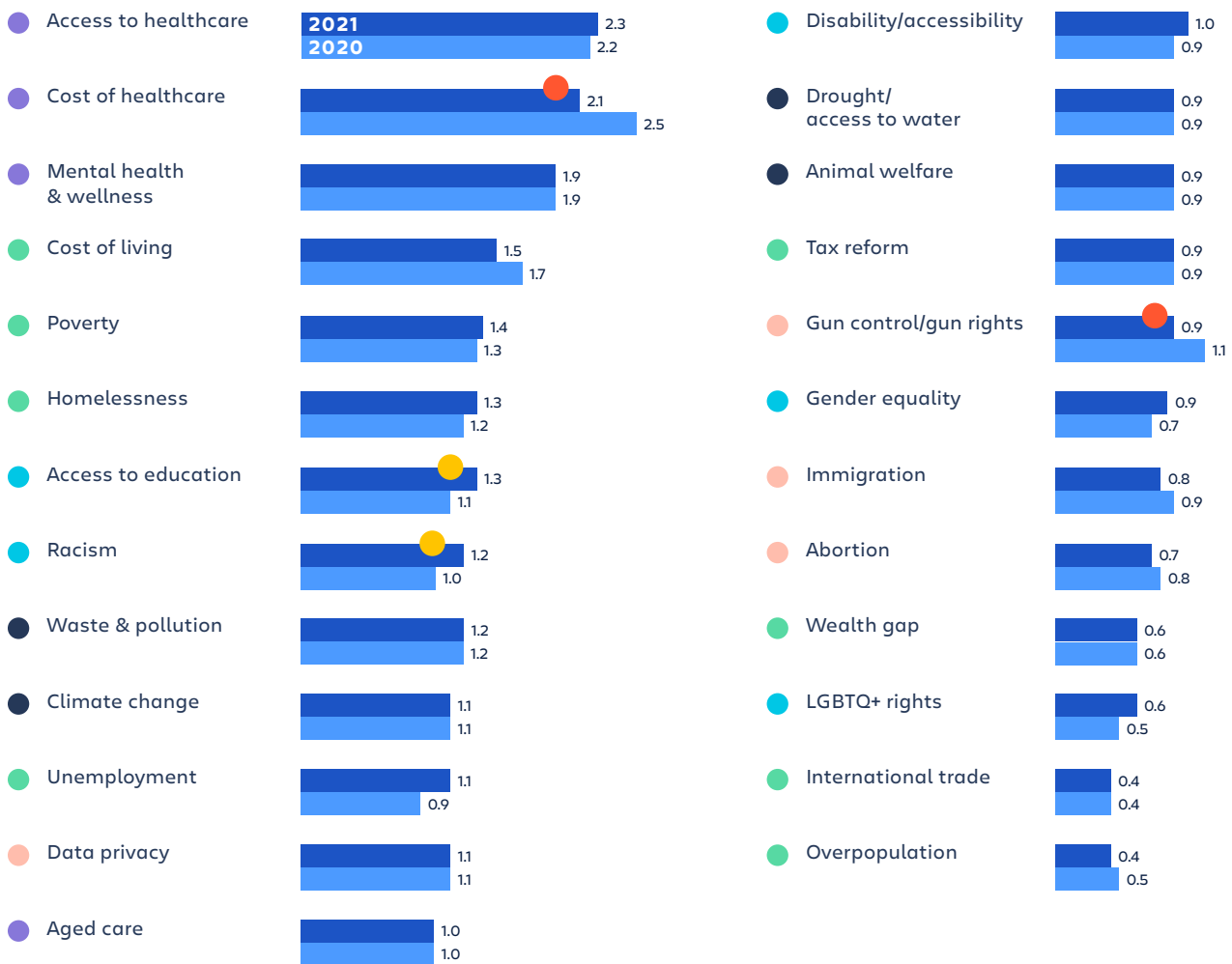
FEMALE, GEN X | Works in information, media, and telecommunications

HEALTH & WELL-BEING

Despite the tumultuous events of 2020, healthcare and the economy continue to be top of mind for most American employees

EXHIBIT 8

Considering your own personal values, please identify the issue that is most important to you, and the issue that is least important to you personally.



The scale of relative importance is a trade-off quantitative measure, where higher scores imply greater importance and lower scores imply lesser importance. For example, the most important item for 2021 is **mental health & wellness** which is about two and a half times as important as **unemployment**, and about eight times more important than **gun control/gun rights**.

<p>TOTAL RESPONDENTS</p> <p>2021: 2,391 2020: 2,421</p>	<p>ISSUES RELATING TO:</p> <ul style="list-style-type: none"> ● Health and well-being ● Equality ● Economic ● Environmental ● Human/legal rights 	<p>● = significantly more important than 2020</p>
		<p>● = significantly less important than 2020</p>

What this means for business leaders

Employers must recognize and respond to a shift in priorities among employees or risk losing valuable employees and future talent. Most workers now value health and happiness over career progression.

The social contract for business should be clear around supporting employee mental health and wellness, and built on a nuanced understanding of expectations and vulnerabilities of the workforce.

Moving forward, businesses need to double down on the services and benefits that support the holistic health and wellness of the workforce. ●

Increased pressure on business to adapt and act



Expectations for business action are increasing

2020 was a year of impact. This year, employees have even higher expectations of business to play their part in addressing a greater range of societal issues compared to last year and expect business to engage differently than they did before.

To identify employee expectations for business and pinpoint opportunities for leaders, the survey explored:



What does the workforce expect of business and their employer in regards to their role in societal issues?



Who should be doing more and how?



How much do employees agree with a number of pointed attitude statements regarding business and business leader involvement?



PRESSURE TO ADAPT & ACT

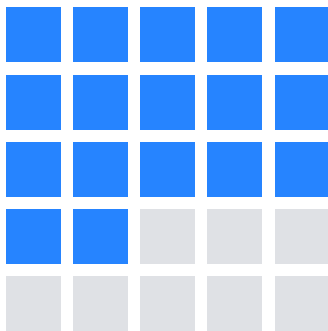
There is greater pressure to act on important societal issues

In 2020 we learned that the majority of US employees surveyed wanted business to be accountable. They wanted a company’s impact on society to be treated as seriously as its financial performance.

In 2021 this sentiment has grown with statistically significant increases in agreement that businesses should be just as concerned with their social impact as they are with their financial performance, that big business holds increased responsibility to address key societal issues facing our country, and that it’s important for business to speak up/act on issues their employees care about. The pressure on business is mounting.

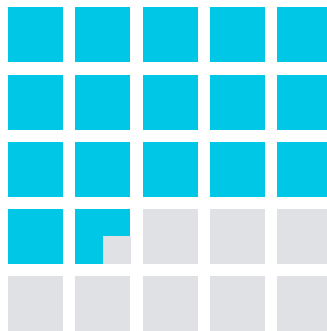
EXHIBIT 9

Please indicate how much you agree or disagree with the following statements:



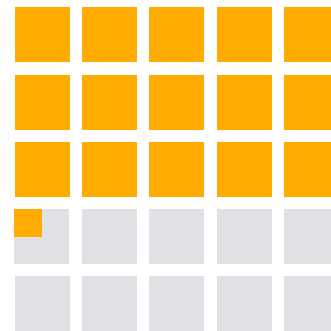
68% (+9)

“It is important for businesses to speak up or act on societal issues that impact their employees, and that their employees care about.”



67% (+7)

“Businesses should be just as concerned with their social impact as they are with financial performance.”



61% (+8)

“Big businesses have increased responsibility, now more than ever, to address key societal issues facing our country.”

TOTAL RESPONDENTS
2021: 2,391 2020: 2,421

% of participants who answered “agree” or “strongly agree”
(+n) = change relative to 2020

PRESSURE TO ADAPT & ACT

Expectations for business action have increased across all generations

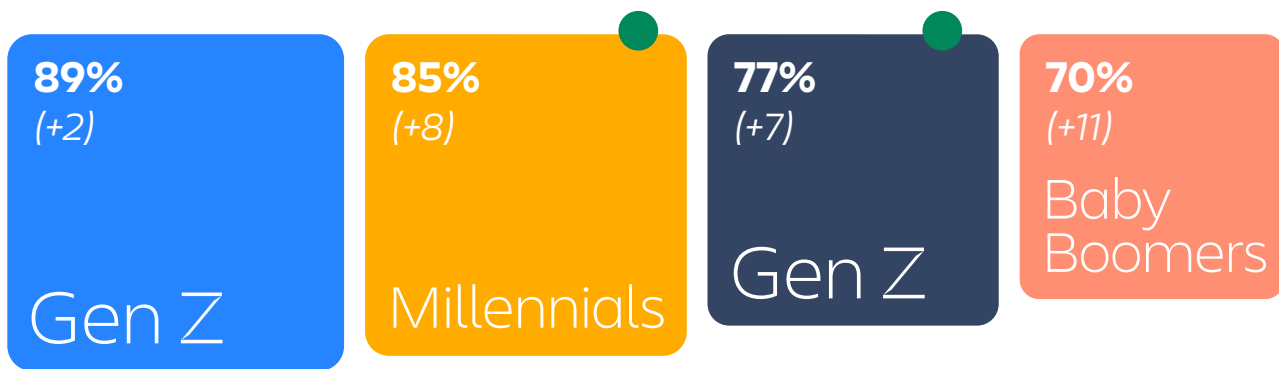
Over the last 12 months, there has been a significant increase in the number of employees who believe business should take action to address societal issues.

80% of employees agree businesses should take some form of action, up from 74% last year. Gen Z remains most supportive of business action, with 89% agreeing to specific business actions across the issue types. While all generational cohorts recorded an increase, the most significant increase was seen among Millennials.

EXHIBIT 10

What should businesses be doing to address societal issues?

% agree or strongly agree business should take some specific actions (i.e. excluding “no action”, “don’t care” or “don’t know”) net average across the issue types (equality, health and well-being, environmental, economic, human rights/legal).



● = statistically significant increase + = indicates the % point increase from 2020

TOTAL RESPONDENTS

2021: 2,391 Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552



TOTAL EMPLOYEES

80% (+6)

PRESSURE TO ADAPT & ACT

Businesses are expected to address issues of the economy and environment with greater expectation for action on issues of equality

Between the government, business, and their personal network (me, my family, and friends), we asked respondents to consider which institution they believed were primarily responsible for addressing societal issues as well as who they believed should be doing more to address each issue.

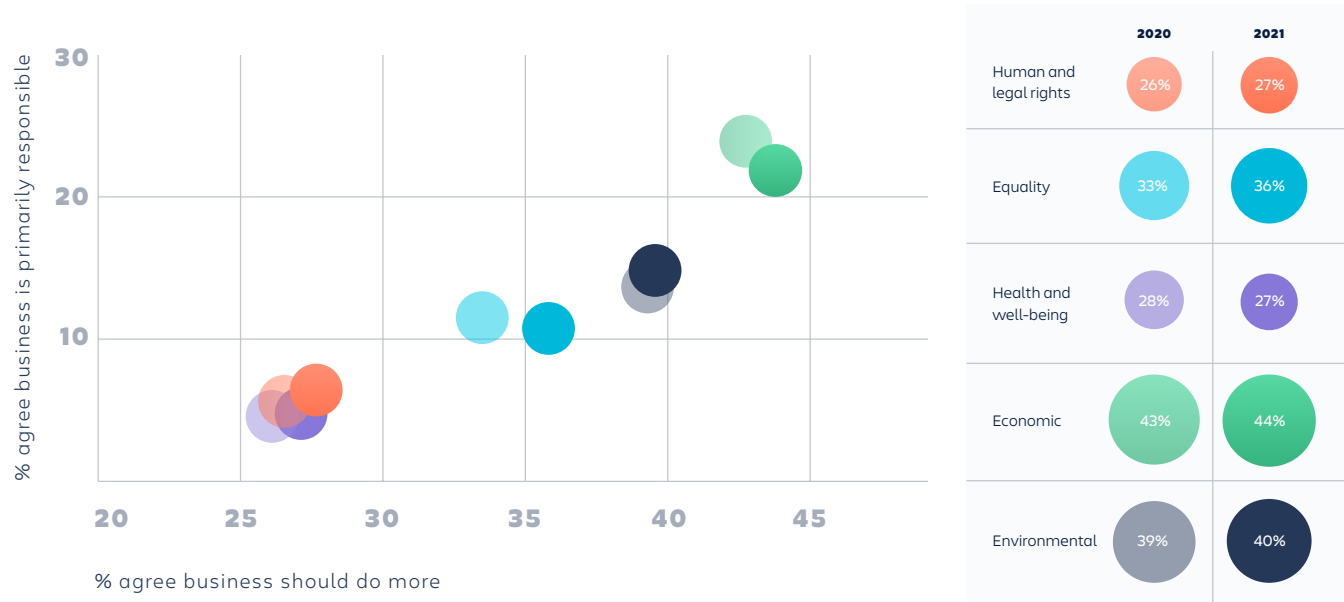
Overall, business is expected to ‘do more’ despite respondents assigning them low primary responsibility (where responsibility is overwhelmingly associated with government across all issue areas except **health and well-being** which has shared responsibility between government and personal network). While business action is most expected for issues relating to **the economy** and **the environment**, we see a slight increase in expectations for business action on issues relating to equality this year compared to last.

EXHIBIT 11

Vertical axis: *In your opinion, who is primarily responsible for addressing each of these issues?*

Horizontal axis: *Which of these institutions should be doing more to address each of these issues?*

% score for “Business”



TOTAL RESPONDENTS

2021: 2,391 2020: 2,421

CATEGORIES: ● Economic ● Environmental ● Equality ● Health and well-being ● Human/legal rights

PRESSURE TO ADAPT & ACT

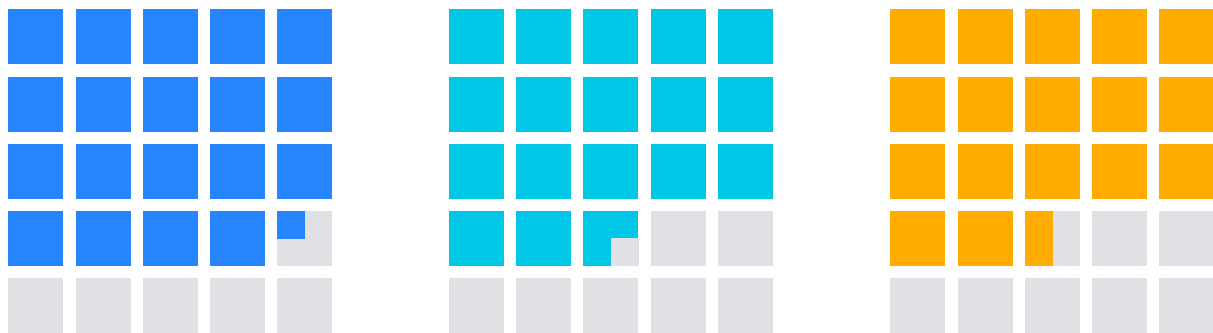
Expectations of business accountability for environmental impact grows

Despite the prominence of issues relating to **health** and **the economy** in the past year, **waste and pollution** and **climate change/global warming** remain in the top 10 most important societal issues and pressure on business to be accountable for their environmental footprint grows.

Since 12 months ago, we've seen statistically significant increases in employees agreeing that business need to take responsibility for their environmental impact and invest in and use renewable energy. The belief that business have the ability to significantly improve the impacts of climate change if they act now have also risen significantly.

EXHIBIT 12

Please indicate how much you agree or disagree with the following statements:



77% (+4)

Agree businesses need to take full responsibility for their environmental impact

e.g. 100% renewable, carbon neutral

71% (+4)

Agree businesses should invest in and use renewable energy, instead of fossil fuels like oil and coal

70% (+9)

Agree businesses could significantly reduce the impacts of climate change if they act now

TOTAL RESPONDENTS
2021: 2,391 2020: 2,421

% of participants who answered "strongly agree" or "agree"
(+n) = change relative to 2020

PRESSURE TO ADAPT & ACT

US employees are united in their support for businesses to drive change across key issues

The top six issues where US employees want to see business use their resources and influence to drive change remain consistent from 2020 (Exhibit 13):

-
- Data privacy
 - Waste and pollution
 - Unemployment
 - Access to healthcare
 - Disability/accessibility
 - Cost of healthcare

There are only five societal issues which have a greater proportion of employees saying ‘no’ (than yes), businesses should not use their resources and influence to drive change for, and those are:

-
- Abortion
 - Overpopulation
 - Immigration
 - Gun control/gun rights
 - Animal welfare



PRESSURE TO ADAPT & ACT

Businesses are uniquely positioned to drive change in data privacy, waste and pollution, and disability/accessibility

Overall, there is consensus for businesses to drive change for issues related to health, which were also perceived as the most important to US employees.

Businesses are also uniquely placed to drive change for **data privacy, waste and pollution** and **disability/accessibility** - these issues were considered of lower relative importance overall yet with high consensus among employees that businesses could make a difference.



PRESSURE TO ADAPT & ACT

EXHIBIT 13

Thinking about the specific societal issues, which of these issues do you believe business should use their resources and influence to drive change for?



KEY: **YES** **NO** **DON'T KNOW**

TOTAL RESPONDENTS
2021: 2,391

ISSUES RELATING TO:

- Health and well-being
- Human/legal rights
- Equality
- Economic
- Environmental

PRESSURE TO ADAPT & ACT

The majority of employees agree that business has a role to play in addressing racial injustice

Three out of five of employees agree that business needs to play a bigger role in addressing racial injustice over the next five years.

Compared to other generations of employees, Millennials (72%) have higher expectations of business to play a role in addressing racial injustice.

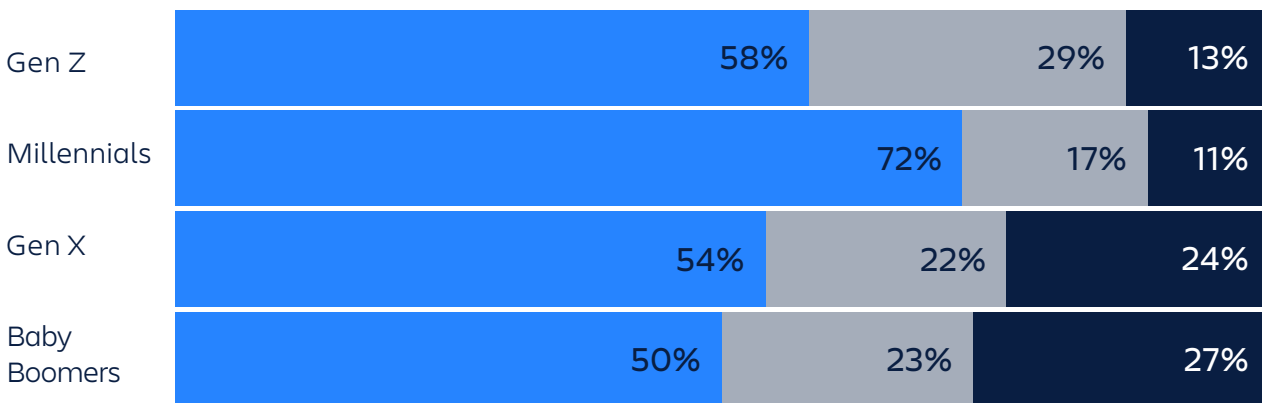
“I believe the fight for equal rights is more important than ever in light of George Floyd and the voter suppression efforts. Black lives matter.”

MALE, GEN X
Works in retail

EXHIBIT 14

Please indicate how much you agree or disagree with the statement:

“Business will need to play a bigger role in addressing racial injustice over the next five years.”



KEY: ● Strongly agree/agree ● Neither agree/disagree ● Strongly disagree/disagree

TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552

Data subject to rounding and may not add to 100%.

PRESSURE TO ADAPT & ACT

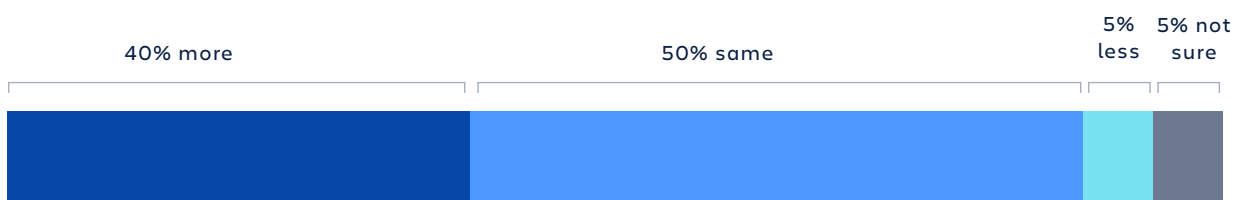
The business community is responding with increased action and employees are taking notice

Two in five (40%) employees say their employers have advocated more in the past 12 months to address societal issues than in times prior (Exhibit 15.) This increases to 52% among employees of the **information, media, and telecommunications industry** and 50% among workers of **financial and insurance services**. This compares to 33% among workers in **manufacturing** and 34% for workers in **health**. Satisfaction for the level of action employers have taken has also significantly increased this year compared to last, from 42% in 2020 to 54% in 2021 (12% points, Exhibit 15.)

Intuitively, satisfaction of employer action also rises further among those who recognize increased action this year compared to last (satisfaction of employer action being 72% among those who say their employers have taken more action in the past 12 months). There is a disconnect between the issues which employees recognize employer action for, compared to those they believe business should use their resources to drive change for. The specific issues which employees are most likely to recognize business action for include **gender equality, mental health and well-being, and racism** (Exhibit 15.) However, the issues employees most believe business should drive change for include **data privacy and waste and pollution** (Exhibit 13.)

EXHIBIT 15

To what extent are you satisfied with the level of action your employer takes in addressing societal issues? *Total respondents: 2,391*



Thinking about your own employer, which if any, societal issues are you aware of that your company advocates for or takes action to address?



PRESSURE TO ADAPT & ACT

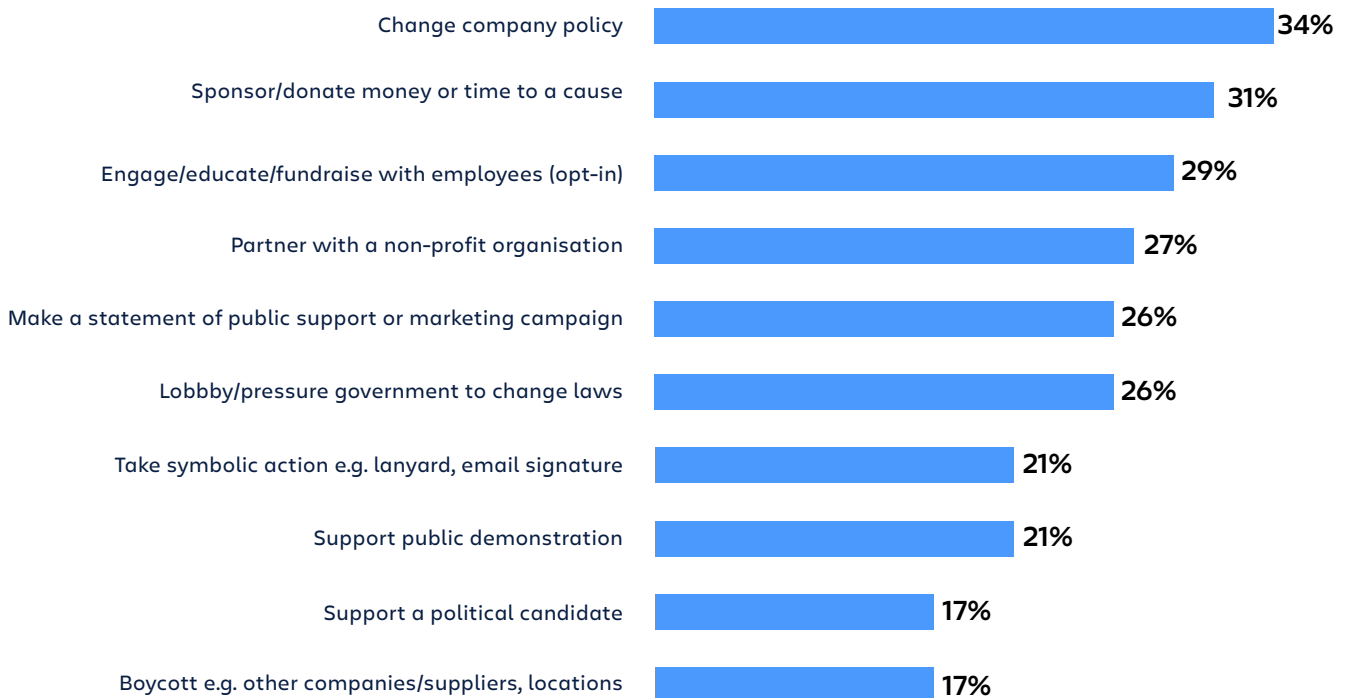
Employees expect more action from business, including changes to company policy

The range of actions business is expected to take is broad, from changing the internal behaviors of the company to public displays of support. Similar to 2020, an expectation for companies to change policy to address societal issues is the lead action sought, followed by sponsor/donate, and engage/educate staff.

There are nuanced expectations by issue types. For issues relating to **equality**, employees expect recognition in fundamental policies, for **health & well-being** employees are more likely to expect a donation of time or money and for employees to be educated, and for issues relating to the **environment** and **economy** support is expected to be more overt in the boycotting of associations contributing to the issue or support of a political candidate.

EXHIBIT 16

Consider the relationship between business and each of the broad societal issues. What should businesses be doing to address these issues?



TOTAL RESPONDENTS

2021: 2,391

% average across issue areas

What this means for business leaders

Expectations surrounding business action on societal issues continue to grow, driven by a values-led workforce that's been busy making noise in a year of significant change.

The economic case for businesses to take a meaningful stand on societal issues is now clear. Those that take action will be rewarded by a more satisfied and engaged workforce, and provide a critical foundation for a resilient and sustainable business. ●



03

Employee values matter
more than job security

The critical importance of values alignment

It's been a year of change. Businesses have a new social contract with society, and employees are seeking a new social contract with employers. Despite job security fears in the challenged economic environment, employees are reassessing their personal priorities and examining the type of employer they want to work for - a job is no longer just a job.

To understand these dynamics and apply context to our measure of issue importance we explored:



Workplace-related experiences of the past 12 months



Rank of personal priorities



How much do employees agree to a number of pointed statements around terms of employment and values alignment

VALUES OVER JOB SECURITY

Despite the challenges of the past 12 months, almost one in four employees improved work-life balance

COVID-19 forced many employees to re-examine personal and professional priorities. About one-quarter of all respondents have improved work-life balance during the past 12 months.

Experiences were not equal however - Gen Z were more likely to experience flexible working yet, as seen earlier, also experienced more burnout. Millennials were more likely to experience improvements in work-life balance and family or home life.



VALUES OVER JOB SECURITY

EXHIBIT 17

During the past 12 months have you personally experienced any of the following?



TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552

% of participants who answered "yes"

VALUES OVER JOB SECURITY

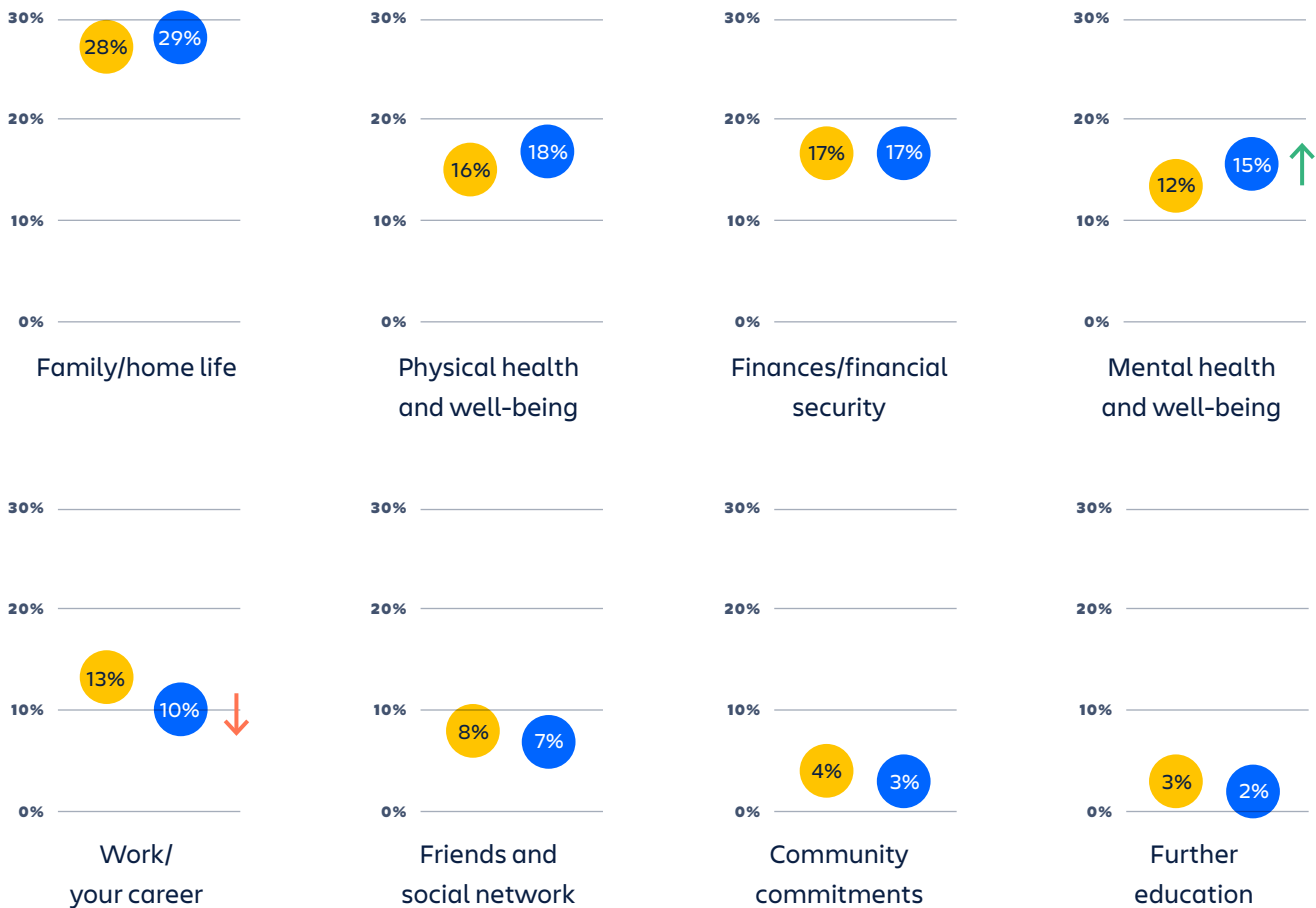
Careers are less important as employees rethink priorities

When employees are asked to rank their personal priorities, 'family / home life' is typically ranked first. This has held true for before COVID and now.

Directly comparing pre-COVID-19 to now, the likelihood of selecting **mental health and well-being** as the #1 priority has significantly increased and the likelihood of selecting **work/your career** as #1 priority has significantly declined.

EXHIBIT 18

Please rank the following in regards to your personal priorities at this current point in your life. Thinking back to before the pandemic, how would you rank your priorities then?



TOTAL RESPONDENTS
2021: 2,391

● Importance score pre-COVID
● Importance score now

↑ Significantly higher/
↓ lower than pre-COVID

% probability: The % scores are the likelihood of people selecting that item as 1st or 'most important.'

VALUES OVER JOB SECURITY

Flexibility is an increasingly valuable component of the employment value proposition

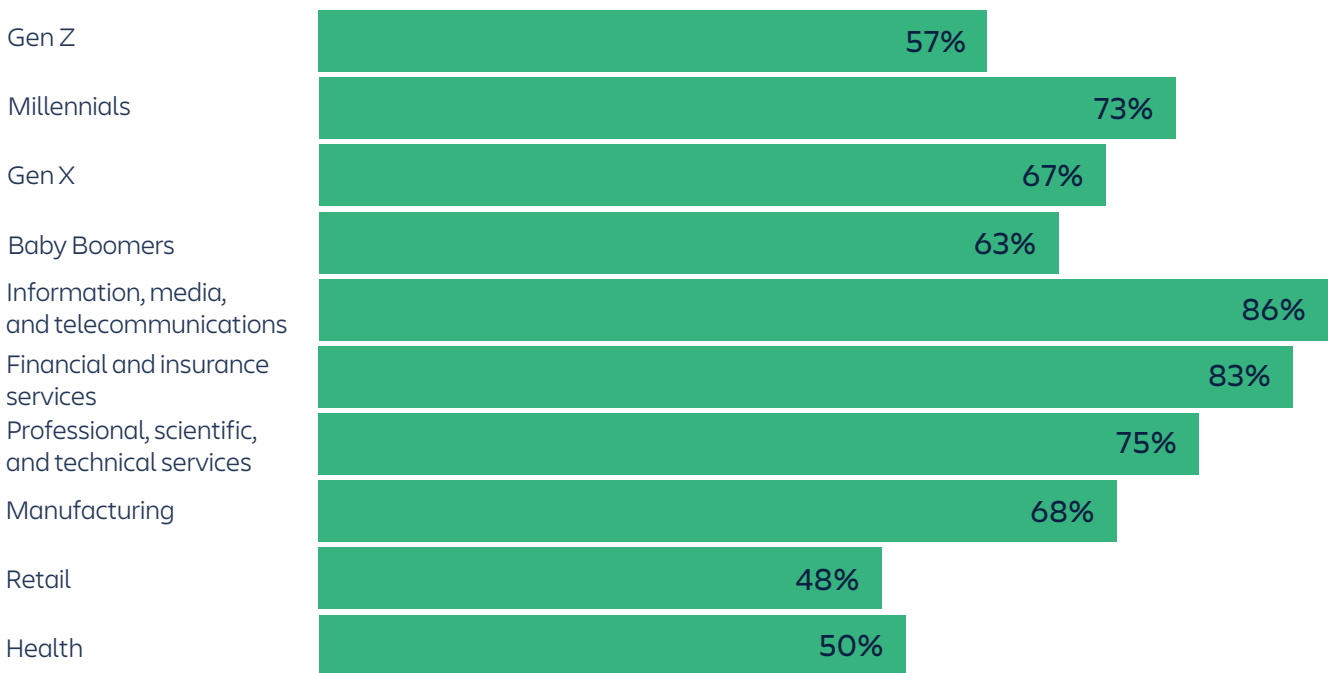
The COVID-19 pandemic has impacted individuals, communities, and workplaces worldwide, changing the way people live, work, and socialize.

Over the prior 12 months, most respondents agreed that their employer had been supportive of flexible and remote working. This is especially true of Millennials, and those working in the **information, media, and technology industries** or the **finance and insurance services industries**, where the overwhelming majority agreed or strongly agreed with the statement: “My employer has been supportive of flexible and remote ways of working.”

EXHIBIT 19

Please indicate how much you agree or disagree with the statement:

“My employer has been supportive of flexible and remote ways of working.”



TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552

% of participants who answered
“strongly agree” or “agree”

VALUES OVER JOB SECURITY

Increased demand for remote work options drive employees to consider job change

45% of all respondents agreed or strongly agreed with the statement “I would consider changing jobs to get more access to remote work.” This was particularly high for Millennial employees (56%) who are the future business managers and leaders of the US workforce.

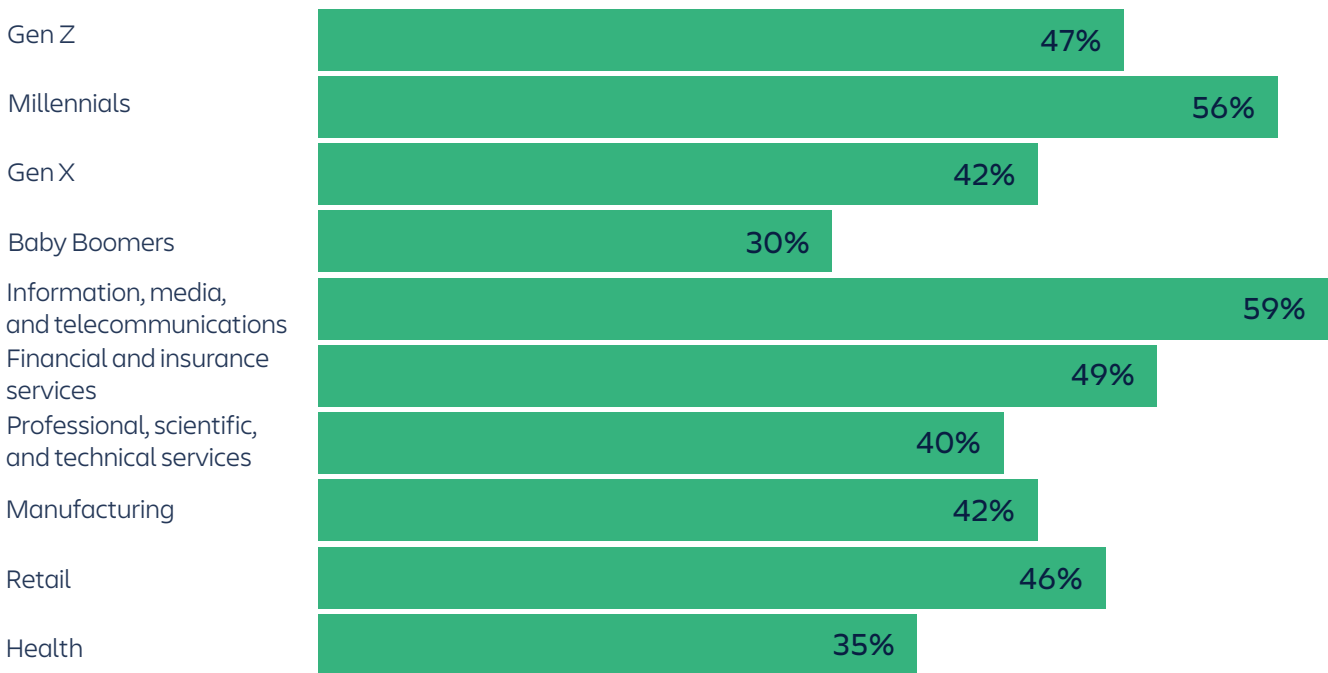
It varies significantly by industry, due in some degree to the nature of work. For example, 59% of workers in the **information, media, and telecommunications industry** agree, compared to 35% in **health** and 46% in **retail**.

56% of Millennials would consider changing jobs to get more access to remote work

EXHIBIT 20

Please indicate how much you agree or disagree with the statement:

“I would consider changing jobs to get more access to remote work.”



TOTAL RESPONDENTS
2021: 2,391

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552

% of participants who answered
“strongly agree” or “agree”

VALUES OVER JOB SECURITY

There is an increasing risk of employee attrition if companies fail to act in a way that aligns with the values of their workforce

In 2020 we witnessed the importance of action on key social issues and learned that in the context of the war for talent, the wrong steps by employers will drive some employees away.

In 2021 this sentiment has increased significantly and 38% of employees now agree that they would quit their job if their employer were to act in a way that didn't align with their values (a 6% point increase overall).

Last year we saw this charge being led by Gen Z and this year significant increases are being driven by Millennials and Gen X, the bulk of the current workforce. This sentiment cannot be ignored.

Furthermore, among those who agreed they are worried about job prospects with the current economy, many still claim they would quit if values did not align (55% of Gen Z, 60% of Millennials, 43% of Gen X and 24% of Baby Boomers who are concerned about job prospects).

EXHIBIT 21

Please indicate how much you agree or disagree with the statement:

"If my employer were to act in a way that didn't align with my values I would quit my job."



● = statistically significant increase + = indicates the % point increase from 2020

TOTAL RESPONDENTS

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552



TOTAL EMPLOYEES

38% (+6)

% of participants who answered "strongly agree" or "agree"

What this means for business leaders

Personal and professional priorities have changed. Employees, especially the younger generations, have been exposed to remote working and value this greater flexibility.

Our future workforce hold more power than ever before, dictating the terms of employment to suit their needs. Understanding what makes this group tick is critical. As the research says, an increasing number will quit their jobs if employers don't act on the issues important to them. ●

A background image showing a crowd of people, with a prominent raised fist in the center, overlaid with a red and blue gradient. The fist is the central focus, symbolizing action or solidarity. The background is blurred, showing other people in the crowd.

04

Action leads to reward
for both employers and
employees

Return on action increases and a passive approach won't be tolerated

The workforce is dynamic, and they seek a dialogue with employers to fulfill their expectations and deliver the value employers seek. Employees want their voices heard in this relationship, and there is reward for business advocacy.

To build a nuanced understanding, this research explored:



Views on the extent to which workers should be able to voice their views on societal issues at work



The extent to which companies that take a stand on societal issues are recognized and rewarded for it by their workforce



The degree of importance placed on employers taking a stance on societal issues when making choices and decisions about changing jobs



The degree of trust placed in business to speak with authenticity



The relationship between satisfaction with an employer's voice on societal issues and satisfaction with employment

ACTION LEADS TO REWARD

Businesses that speak out on issues are more attractive as future employers, particularly among Millennials

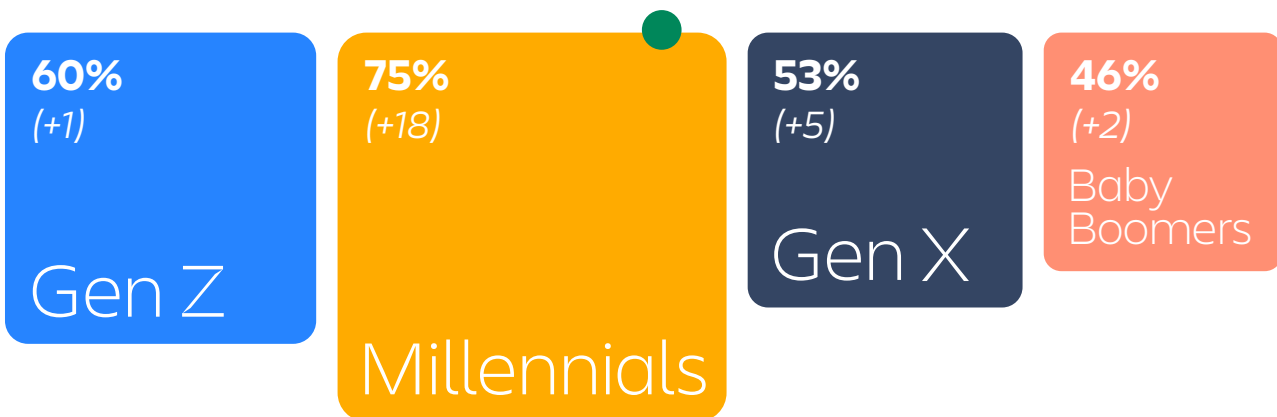
Three quarters of Millennials agree or strongly agree that an employer who speaks out on issues that are personally important is more attractive as a future employer, a statistically significant increase from 57% in 2020.

Employees of **information, media and telecommunications** are most likely to agree (80%), followed by those who work in **finance and insurance services** (66%). This compares to employees in **health** (52%) and **professional, scientific, and technical services** (52%) where agreement is still the majority but lower.

EXHIBIT 22

Please indicate how much you agree or disagree with the statement:

“A business known for speaking out on issues that are important to me is more attractive as a future employer.”



● = statistically significant increase + = indicates the % point increase from 2020

TOTAL RESPONDENTS

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552



TOTAL EMPLOYEES

61% (+9)

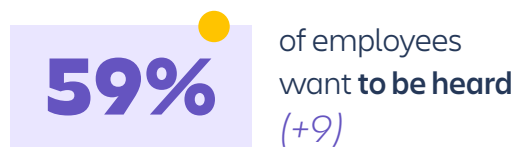
% of participants who answered "strongly agree" or "agree"

ACTION LEADS TO REWARD

Employees expect to be heard and want to see employers tackle the issues they care about

More than half of employees (59%) agree they want to be heard, i.e., be allowed to voice their opinions at work on issues that matter to them. This rises to 72% of Millennials with a statistically significant increase this year compared to last. The importance of the employee voice is only becoming more prevalent in US workplaces.

There were also significant increases among Millennials in agreeing they want a say in the issues their employers take action on. The employment relationship is shifting to a social contract requiring continuous dialogue.



● = significantly higher than 2020

+ = indicates the % point increase from 2020

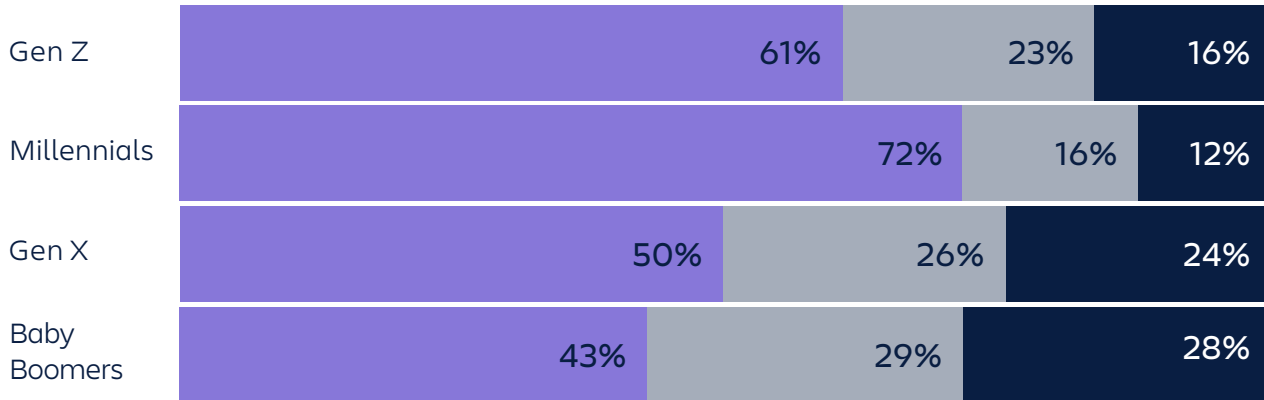


ACTION LEADS TO REWARD

EXHIBIT 23

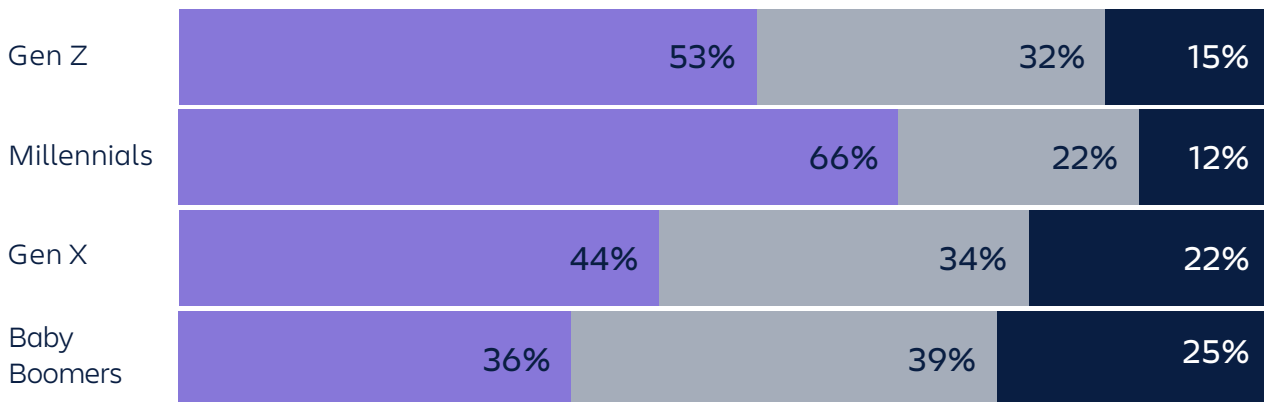
How much do you agree or disagree with the statement:

“Employees should be allowed to voice their opinions at work on political and societal issues that matter to them.”



How much do you agree or disagree with the statement:

“I want to have a say in what societal issues my employer takes action on.”



KEY: ● Strongly agree/agree ● Neither agree/disagree ● Strongly disagree/disagree

TOTAL RESPONDENTS

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552

Data subject to rounding and may not add to 100%.

ACTION LEADS TO REWARD

Millennials are recognizing and applauding businesses who take action

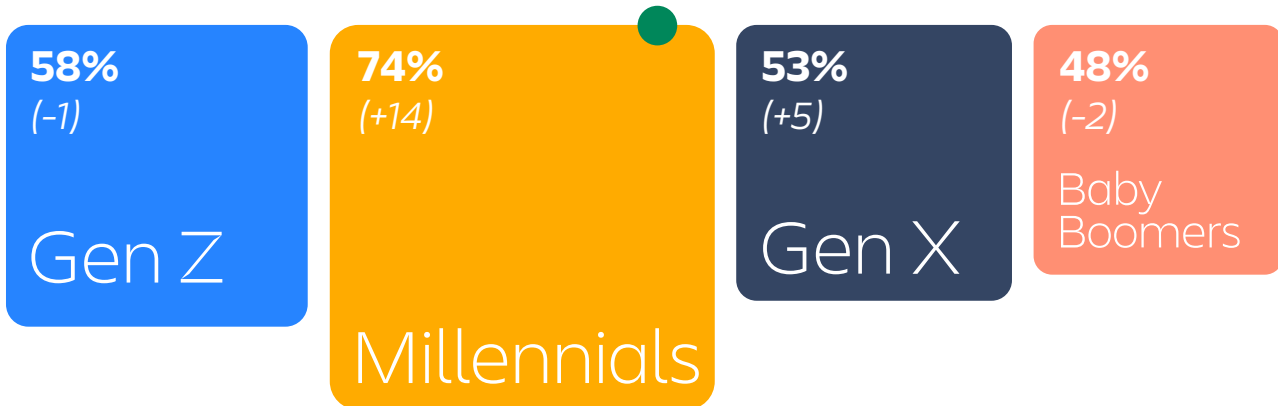
There is a statistically significant increase in agreement for applauding a company for taking a public stand on important issues not directly related to their business; 61% agree in 2021 vs 54% in 2020.

Business action is generating greatest public esteem among Millennials whereby an overwhelming majority (74%) agree to applauding a company for taking a public stand; a statistically significant increase of 14% points compared to 2020.

EXHIBIT 24

Please indicate how much you agree or disagree with the statement:

“A business known for speaking out on issues that are important to me is more attractive as a future employer.”



● = statistically significant increase + = indicates the % point increase from 2020

TOTAL RESPONDENTS

Gen Z: 213 Millennials: 996 Gen X: 630 Baby Boomers: 552



TOTAL EMPLOYEES

61% (+7)

% of participants who answered “strongly agree” or “agree”

ACTION LEADS TO REWARD

Millennials leading the charge

Millennials have driven the greatest uplift across key statements compared to the other generational cohorts. Millennial employees have made it clear: our current and future workforces will not tolerate inaction. These changemakers have borne the brunt of work-related upheaval over the past 12 months which has meant their priorities have been reassessed.

It's no coincidence that they have also shown the greatest increase in support of businesses addressing a broad set of societal issues usually considered the responsibility of government. Whether it's protecting the environment, improving the economy, or increasing equality, the momentum for change is growing.

EXHIBIT 25

Please indicate how much you agree or disagree with these statements:

% agree or strongly agree



TOTAL RESPONDENTS

MILLENNIALS: 2021: 996 2020: 989

ACTION LEADS TO REWARD

Trust in business to be genuine when speaking out on societal issues has increased

More than half of workers (52%) agree or strongly agree that business ‘can be trusted to be authentic when speaking out on societal issues,’ a statistically significant increase of 11% from 41% in 2020.

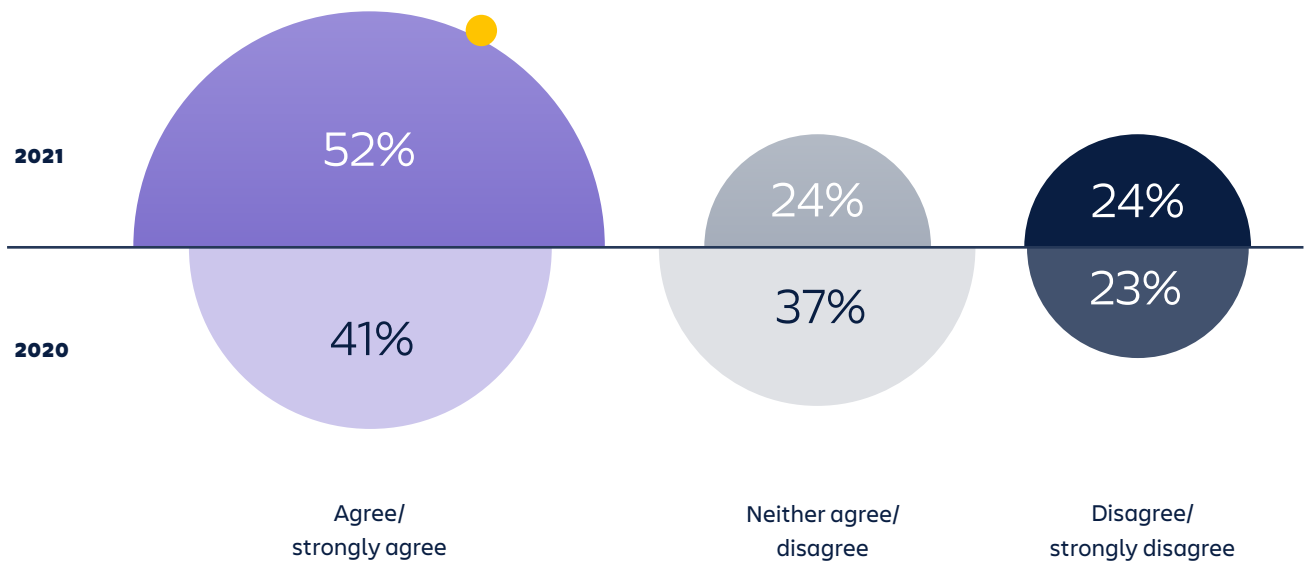
Millennials once again lead the charge with 64% in agreement compared to 47% in 2020. This cohort, a substantial proportion of the workforce, are driving the pressure for businesses to act on important issues yet also instilling trust and confidence in them to act with authenticity.

Views differed based on the size of the employer’s business with the least (and declining) trust among workers of micro-sized business (5-19 employees) and the greatest trust gains (60%) among workers of medium-sized businesses (100-499 employees). Variability can also be seen by industry with significant trust gains reported by those who work in **information, media, and telecommunications** compared to industries such as **professional, scientific and technical services** who demonstrate low levels of trust comparatively.

EXHIBIT 26

Please indicate how much you agree or disagree with the statement:

“I trust businesses to be genuine when speaking out on societal issues.”



TOTAL RESPONDENTS
2021: 2,391 2020: 2,421

● = significantly higher than 2020

ACTION LEADS TO REWARD

There is a clear relationship between business action and workforce satisfaction

Nearly two thirds of employees surveyed (65%) were satisfied with their current employer, and more than half (54%) were satisfied with the level of action their employer takes in regard to addressing societal issues.

Among those satisfied with the level of action taken by their employer, 92% were also satisfied with their current employer. This indicates a positive relationship between business action on societal issues and workforce satisfaction.

EXHIBIT 27

To what extent are you satisfied with the level of action your employer takes in regards to addressing societal issues?



TOTAL RESPONDENTS

2021: 2,391 Satisfied with level of employer action: 1,288

ACTION LEADS TO REWARD

“We are all in this together so everyone must accept responsibility and take action to change.”

FEMALE, BABY BOOMER

Works in retail

“Taking more responsibility for one’s own actions is a great start for all of these things.”

MALE, MILLENNIAL

Works in health

“The world is completely different now from what it was a year ago. COVID-19 has made me more health-conscious. Climate change news has been dire. The summer of Black Lives Matter protests made me pay more attention to the difficulties people of color have to face on a daily basis.”

FEMALE, MILLENNIAL

Works in financial and insurance services

“The Corona epidemic demonstrated the importance of securing healthcare for all, the role of education in raising collective awareness, and the importance of securing an adequate income for all.”

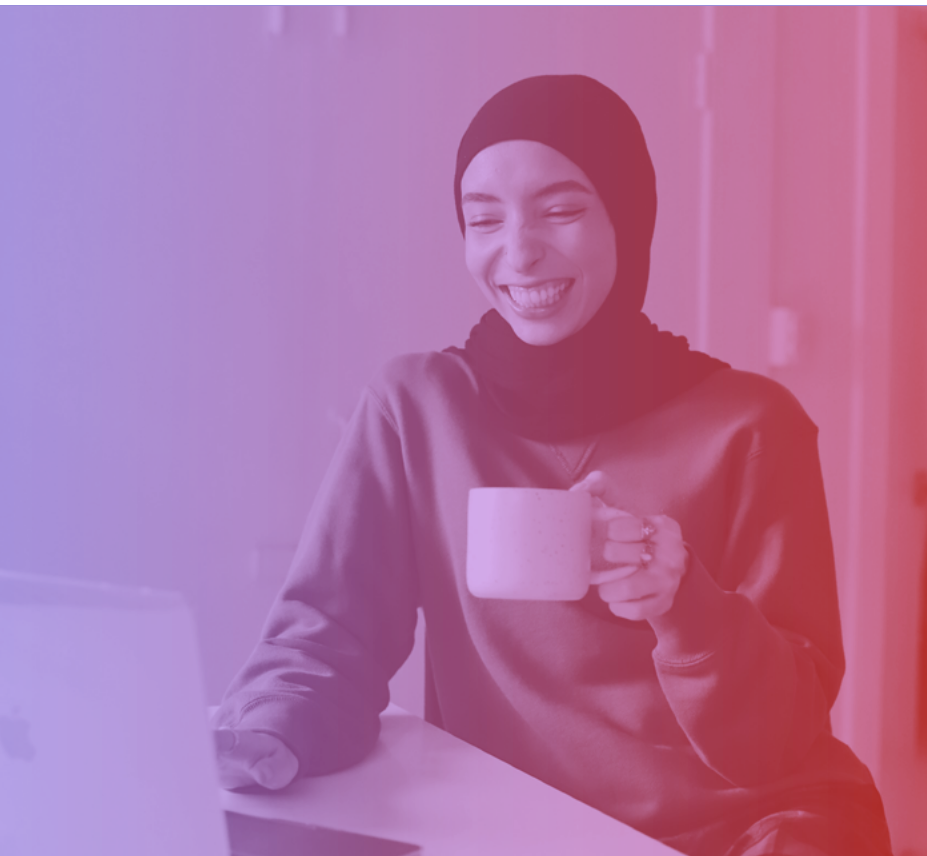
“We all must be accountable and actionable in order to create and enlist change.”

FEMALE, GEN X

Works in manufacturing

MALE, MILLENNIAL

Works in manufacturing



What this means for business leaders

With the line between work and life becoming increasingly blurred, a 360-degree appreciation of the workforce and what matters needs to be reflected dynamically in the employee value proposition.

Employers need to move away from the model of a single corporate social responsibility (CSR) function in the business, and make it an underlying pillar of how they do business.

This includes anticipating what's ahead and increasing the appeal and maturity of what's offered to the emerging workforce. ●

Appendix

APPENDIX

Research methodology

PricewaterhouseCoopers Consulting (Australia) Pty Limited completed the research to support this work. The research aimed to deepen understanding of how societal issues are regarded by the American workforce in terms of:

-
- Relative importance and support
 - Risks and opportunities for business
 - Expectations of responsibility

This report takes a workforce perspective, exploring how views differ by segments such as demographics, industry, and size of business. The aim is to contribute to a more nuanced understanding of how businesses can act to improve outcomes not only for society, but for their employees.

The second year of the Return on Action report

The Return on Action report was first launched in March 2020. The insights for the 2020 report were generated from exploratory qualitative research to determine the research scope, and quantitative research provided comparative analysis across demographics, regions, employment industries, and other profile measures (as identified on page 57.)

-
- Which societal issues matter most, by how much, and to whom
 - Size of perceptual differences and gaps

The online survey was up to 15 minutes in length and conducted between 12/9/19-12/18/19 running simultaneously in both Australia and the US. Note that this time was also when Australia was experiencing emergency-level bushfires across multiple states.

The quantitative survey was repeated starting in February 2021 between 2/24/21-3/15/21 and once again run simultaneously in both Australia and the US. The sample structure and majority of the survey construct were consistent year over year to allow for comparability of data. To enable greater contextual understanding for the 2021 findings, a few new questions were added to first validate perceptions of change, i.e. are particular societal issues more, the same, or less important to you now compared to 12 months ago, and second to better understand the impact of the global COVID-19 pandemic on employees.

APPENDIX

Research methodology

Quantitative research details

2391 American employees participated in the 2021 survey, with representation across demographics, region, and a cross section of employment industries. 'Employees' were defined as those employed on a permanent, part-time or casual basis, who work at least 15 hours per week; have been employed by their current, main workplace for at least three months and work within one of 6 designated industries (identified on page 57.)

The survey analysis included a trade-off task known as Maxdiff or Best/Worst, to determine the relative personal importance of 25 issues identified as key concerns in the qualitative research. The exercise presented respondents with a subset of four specific issues. They were asked, considering their own personal values, from each subset, to identify the issue that is most important to them and the issue that is least important to them personally. This task was repeated, showing each respondents 10 sets of issues, selected randomly.

The data in this report is significance tested to a 95% confidence level with a margin of error of 3% which means statistics are within three percentage points of the real population 95% of the time.

In some visual representations of the data, results are subject to rounding and may not add to 100%.

APPENDIX

A year in context

For additional context of this research it is worth noting that between the first and second Return on Action reports, Americans have experienced some significant societal events, including (but not limited to):

 January 21, 2020	 February 2020	 March 6, 2020	 March 9, 2020
The CDC confirms the first case of COVID-19 in the US	The Senate acquits President Trump in his first impeachment trial	Coronavirus Preparedness and Response Supplemental Appropriations Act signed	Dow Jones took the biggest single day hit
 March 13, 2020	 April 2020	 May 15, 2020	 May 25, 2020
President Trump declares a national emergency in response to the COVID-19 pandemic, freeing up \$50 billion in disaster relief funds	US unemployment reached 14.7 percent, the highest since the Great Depression	Operation Warp Speed, for accelerating the development of a COVID-19 vaccine, is announced	George Floyd was killed, sparking global protests and conversations about race and policing in America
 August 2020	 November 7, 2020	 January 6, 2021	 January 20, 2021
Wildfires burned more than 8.2 million acres in the American West	Networks call Biden as the winner and Trump proceeds with legal challenges	Storming of the US Capitol during an attack against US Congress	Inauguration of President Joe Biden

APPENDIX

Twenty-five social issues were explored as part of the research

Economic 1. Cost of living 2. Poverty 3. Overpopulation
4. Wealth gap 5. Homelessness 6. Tax reform
7. International trade 8. Unemployment

Environmental 9. Climate change/global warming
10. Waste and pollution 11. Animal welfare
12. Drought and access to water

Equality 13. Gender equality 14. LGBTQ+ rights
15. Racism 16. Disability/accessibility 17. Access to education

Health and well-being 18. Access to healthcare 19. Aged care
20. Mental health and wellness 21. Cost of healthcare

Human and legal rights 22. Immigration 23. Abortion
24. Gun control/gun rights 25. Data privacy

APPENDIX

Research sample

	2020 N=2421		2021 N=2391	
Gen Z (21-24)	246	10%	213	9%
Millennials (25-42)	989	41%	996	42%
Gen X (43-54)	681	28%	630	26%
Baby Boomers (55-65)	505	21%	552	23%
Male*	1147	47%	1194	50%
Female	1258	53%	1189	50%
Other	16%	0%	8%	0%
East	442	18%	497	21%
Midwest	528	22%	583	24%
West	515	21%	460	19%
South	936	39%	851	36%
Urban areas	2097	87%	2051	86%
Other	324	13%	340	14%
Information, media, and telecommunications	409	17%	415	17%
Financial and insurance services	402	17%	409	17%
Professional, scientific and technical services	402	17%	350	15%
Manufacturing	401	17%	388	16%
Retail	405	17%	411	17%
Health	402	17%	418	17%
Employees of micro 5-1	151	6%	117	5%
Employees of small 10-99	510	21%	48	20%
Employees of med 100-499	477	20%	518	22%
Employees of large 500+	1283	53%	1267	53%

Quantitative Sample for the US 2020 (margin of error 3%); Quantitative sample for the US 2021 (margin of error 3%)



PASO PEATONAL EN DOS TIEMPOS

