

**ELMO**

# Employee Sentiment Index: Q3 2024

**Australia | July - September 2024**





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# Methodology

The ELMO Employee Sentiment Index offers a regular pulse check on the actions, attitudes and behaviours of Australia's employees. The quarterly report provides analysis of the prevailing sentiment within the workforce in order to track changes in perceptions around job security, wellbeing and the economy, as well as topical issues impacting Australian employees.

For this wave of the survey, respondents were asked to reflect on the three-month period between July 2024 to September 2024.

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

Lonergan Research surveyed 1,031 Australian employees aged 18 years and over between 26th September 2024 and 4th October 2024. The research was conducted via a 16-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.



# Key Findings

## FIXED QUESTIONS

Our Q3 Employee Sentiment Index (ESI) shows that generally Australian employees are feeling more secure in their jobs, organisation, industry and even the economy. Although this is driven largely by the older generations, as only 39% of Gen Z feel their organisation is secure (cf: Millennials 52%, Gen X 55%, Baby Boomers 69%).

### CONFIDENCE ON THE RISE

**59%**

of employees feel **confident** their skill set is specialised and **hard to replace**, an increase from 56% in the previous quarter.



### REWARDED FOR HARD WORK

**59%**

of employees believe they'll **receive a pay rise** within the next year, the highest it's been since Q2 2023.



### WORKING ENOUGH HOURS

**42%**

of employees are working **more than 39 hours per week**

**73%**

of employees feel they're **working enough hours**, up 5 percentage points from Q2.



### STABILITY IS KEY

**21%**

of employees are searching for a **new role in another company** (compared to 24% last quarter).



Employees are **focusing on stability** this quarter with almost all mobility markers going down.



# Key Findings

## TOPICAL QUESTIONS

While perceptions of security have increased slightly this quarter, there is a correlation between employees saving leave, increased workload and anticipating the need for a payout 'just in case'.

Organisations who have a significant amount of employee leave in their system could have high debt on their balance sheets.

Furthermore employee productivity and mental health can suffer when regular leave isn't taken.

### LEAVE BALANCE



**One in five** employees have accrued **over four weeks of annual leave**.

While the average employee has just under 16 days of leave, older generations, such as Baby Boomers and Gen X, have significantly higher averages, nearing the annual entitlement of 20 days (with Baby Boomers averaging 19.9 days and Gen X 20.3 days).

### PLANNING FOR EMERGENCIES



Additionally, **29%** of employees are **saving leave or money for emergencies** or **potential redundancy**, suggesting they're approaching the decision to take leave with caution.

This mindset may be influenced by the current climate, as **almost one out of three** of surveyed employees **anticipate redundancies** within the next three months, and **38%** feel they **need to work longer and harder** to keep their jobs secure.

### WORKLOADS INCREASING



**43%** of employees report that their **workload has increased** over the past three months—3 percentage points higher than this time last year. Being **too busy at work** is another reason employees are not taking leave (21%). Notably, among those whose workload has increased, **41% attribute** it to a **decrease in headcount** while the **work remains unchanged**.



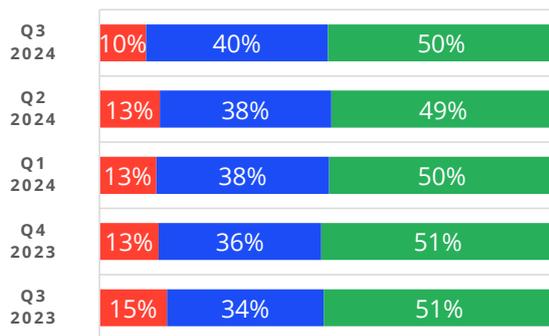
# Perceived Security

Australian employees' perceptions of security across all areas have increased slightly with a notable increase to organisational security. This has returned to just over half from the previous quarter (51%; cf Q2 2024 48%). Gen Z employees are much **less** likely to feel their organisation is secure (39%; cf. Millennials 52%, Gen X 55%, Baby Boomers 69%).

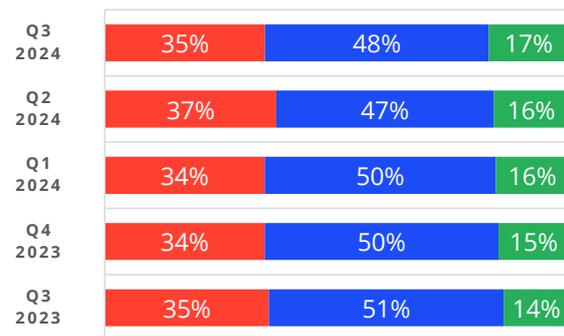
The number of employees who feel secure in both their job and within their industry has increased to half (Job 50%; cf. Q2 2024 49%, Industry 50%; cf. Q2 2024 48%). There is increased confidence in economic security which has also been steadily increasing over the year, reaching a peak of close to one in five employees (17%; cf. Q2 2024 16%, Q1 2024 16%, Q4 2023 15%, Q3 2023 14%).

Females are much more likely to worry about the economy, with 39% believing it's **not** secure, compared to 30% male.

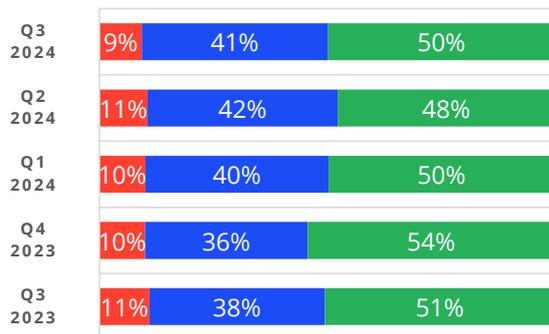
## Job Security



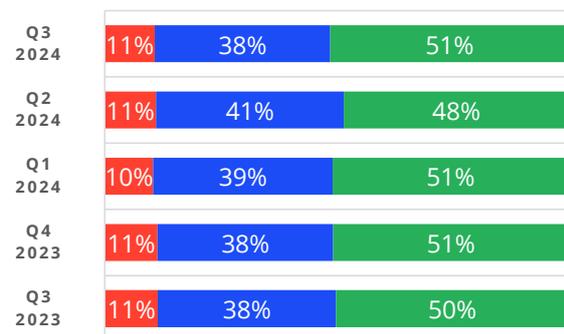
## Economic Security



## Industry Security



## Organisational Security



● NOT SECURE (1-4)    ● NEUTRAL (5-7)    ● SECURE (8-10)

Q4. On a scale of 1 - 10, where 1 is not at all secure and 10 is extremely secure, how would you rate your feelings of security with each of the following? Australian Employees Q3 2024 (n=1,031) // Q2 2024 (n=1,038) // Q1 2024 (n=1,025) // Q4 2023 (n=1,022) // Q3 2023 (n=1,021)



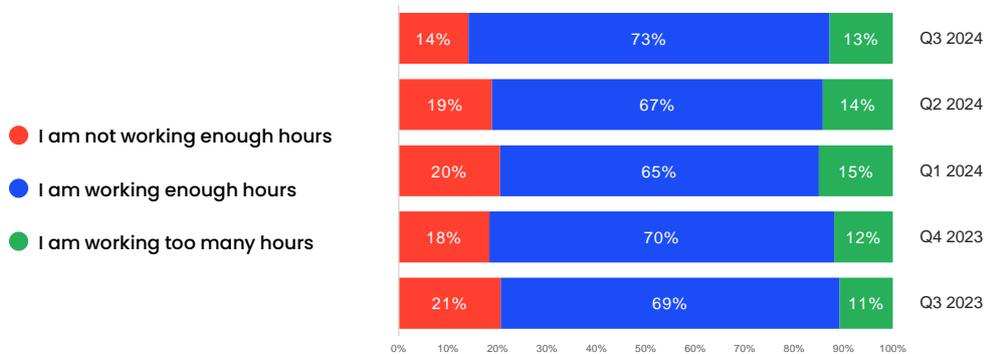
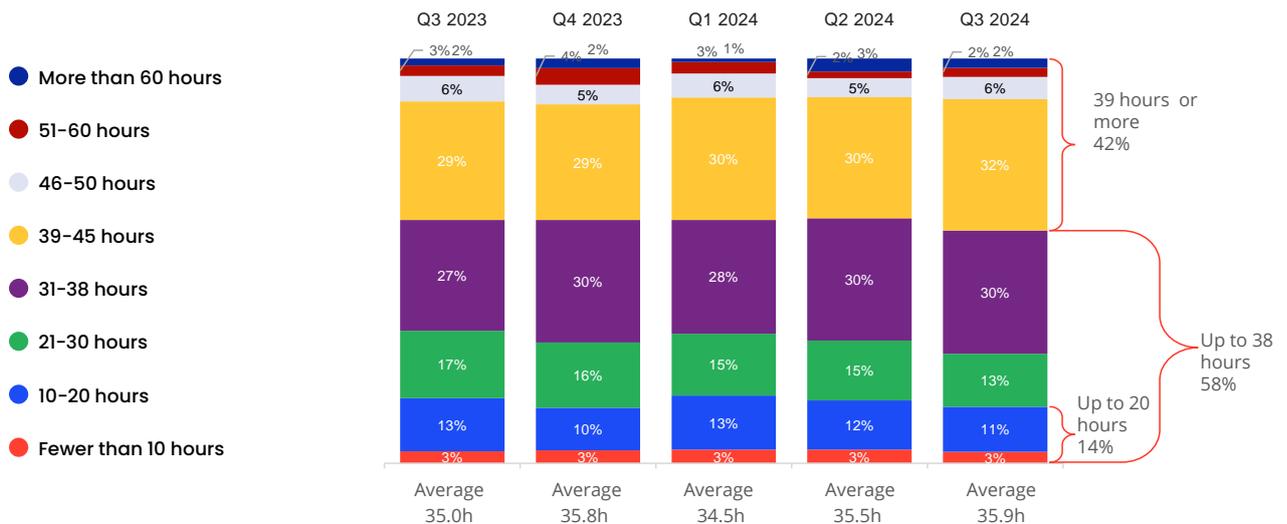
# Hours Worked

The average number of hours worked each week has fluctuated over the course of the year. This results in Australian employees working almost an extra hour per week in Q3 2024 than they did in the same quarter last year (Q3 2024 35.9h; cf. Q3 2023 35.0h).

Over two in five (42%) employees say they work 39 or more hours a week, with a third (32%) working between 39-45 hours.

Millennials and male employees are working the most hours each week on average, with both working 37.4 hours (Male 37.4h; cf. Females 34.3h, Millennials 37.4h; cf. Gen Z 34.5h, Gen X 36.1h, Baby Boomers 28.0h).

The number of employees who feel they're working enough hours is just under three quarters in Q3 2024 (73%) increasing from two thirds (67%) in Q2 2024 and 69% from Q3 2023.



Q1. Over the last three months, on average how many hours do you work per week?

Q2. Over the past three months (April to June 2024), which of the following statements best applies to you regarding the hours you worked? Consider your cost of living and your ability to meet those needs based on the number of hours you work. Australian Employees Q3 2024 (n=1,031) // Q2 2024 (n=1,038) // Q1 2024 (n=1,025) // Q4 2023 (n=1,022) // Q3 2023 (n=1,021)

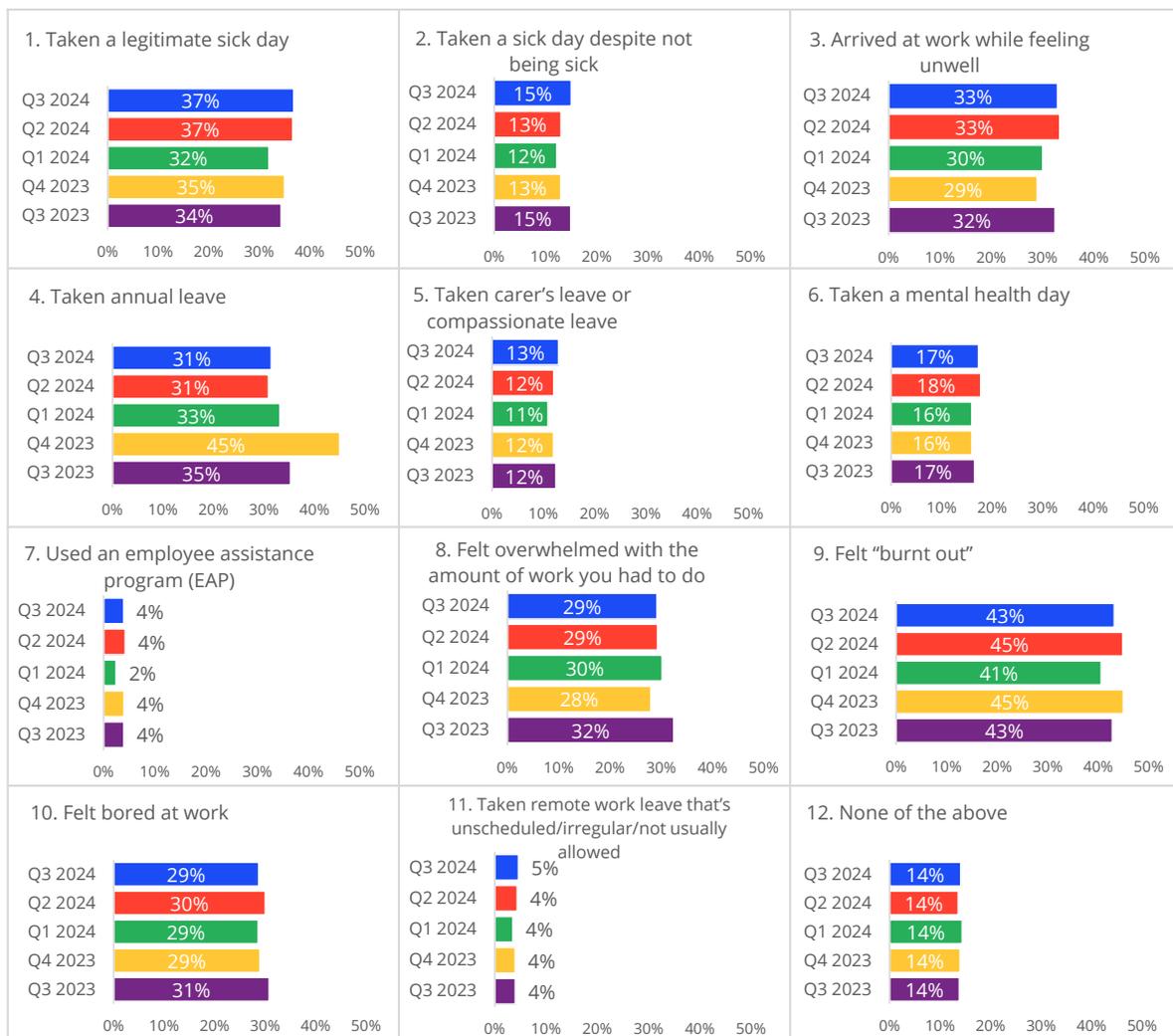


# Employee Wellbeing

A number of employee wellbeing metrics have remained stable since last quarter, with slightly less employees feeling burnt out (43%; cf. Q2 2024 45%) or bored at work (29%; cf. Q2 2024 30%). 29% of employees still feel overwhelmed with the work they had to do this quarter.

Females are more likely to take a legitimate sick day (41%; cf. Male 33%), a sick day despite not being sick (19%; cf. Male 11%) and also arrive at work while feeling unwell (37%; cf. Male 29%). They are also more likely to feel overwhelmed with the amount of work they have to do (35%; cf. Male 24%) and feel burnt out (48%; cf. Male 38%).

Millennials are the most likely to have taken a legitimate sick day (43%;cf. Gen Z 34%, Gen X 34%, Baby Boomers 23%) and to have taken annual leave (37%; cf. Gen Z 29%, Gen X 29%, Baby Boomers 13%) in the last quarter.



Q3. Over the past three months have you...? Australian Employees Q3 2024 (n=1,031) // Q2 2024 (n=1,038) // Q1 2024 (n=1,025) // Q4 2023 (n=1,022) // Q3 2023 (n=1,021)



# Employee Mobility

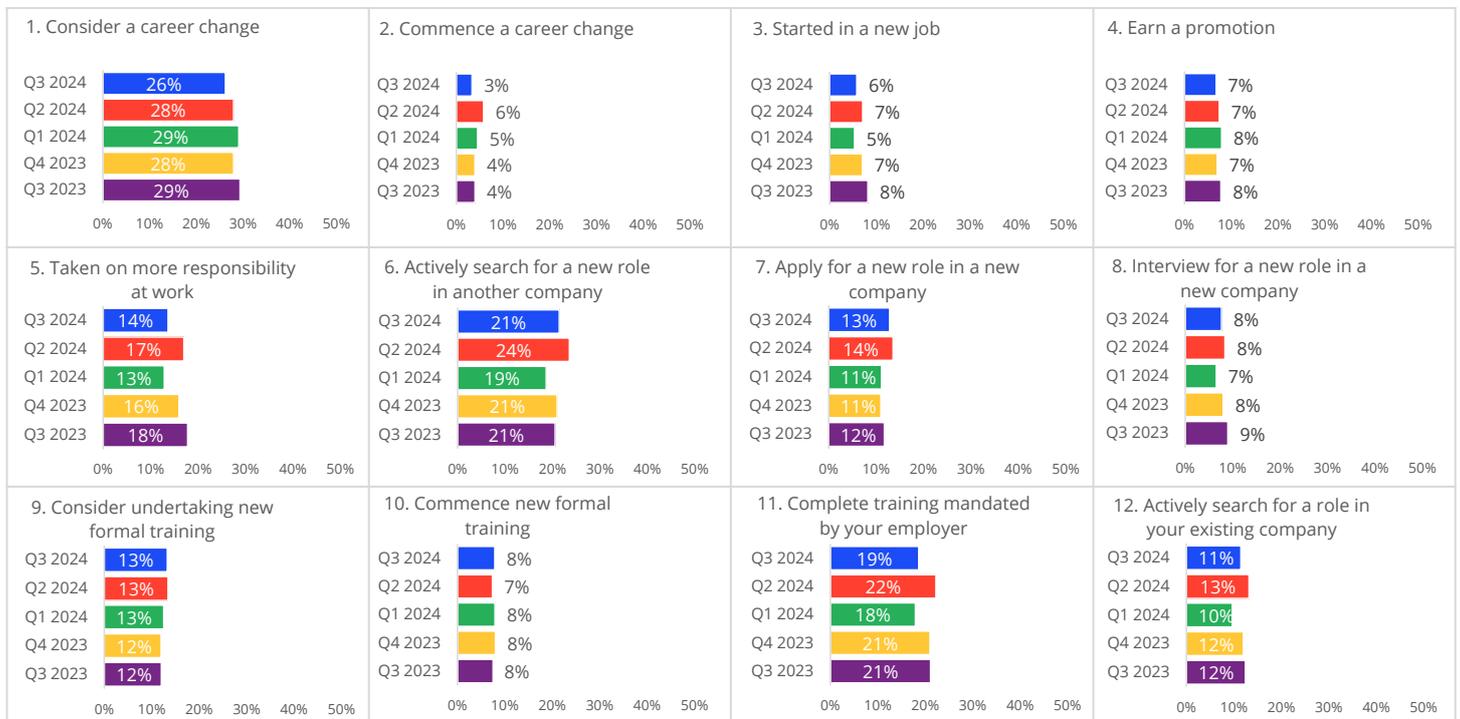
Overall, it would appear there is slightly less employee mobility in Q3. Employees who have done the following have all decreased since Q2 2024:

- Considered a career change (26%; cf. Q2 2024 28%)
- Commenced a career change (3%; cf. Q2 2024 6%)
- Started a new job (6%; cf. Q2 2024 7%),
- Actively searched for a new role in another company (21%; cf. Q2 2024 24%)
- Applied for a new role in a new company (13%; cf. Q2 2024 14%)

However, Gen Z appear to be more mobile as twice as many started a new job compared to the national average (12%; cf. National average 6%) and they are a much more likely to have:

- Actively searched for a new role in another company (33%; cf. National average 21%),
- Applied for a new role in a new company (23%; cf. National average 13%) and
- Interviewed for a role in a new company (15%; cf. National average 8%).

They also might be upskilling themselves to make moves in Q4 or the new year as they are the most likely to have commenced new formal training (13%;cf. Millennials 10%, Gen X 4%, Baby Boomers 3%).



None of the above: Q3 2024 34%, Q2 2024 30%, Q1 2024 35%, Q4 2023 32%, Q3 2023 31% Q6. In the past three months, did you...? Australian Employees Q1 2024 (n=1,025) // Q4 2023 (n=1,022) // Q3 2023 (n=1,021) // Q2 2023 (n=1,003) // Q3 2024 (n= 1,031)



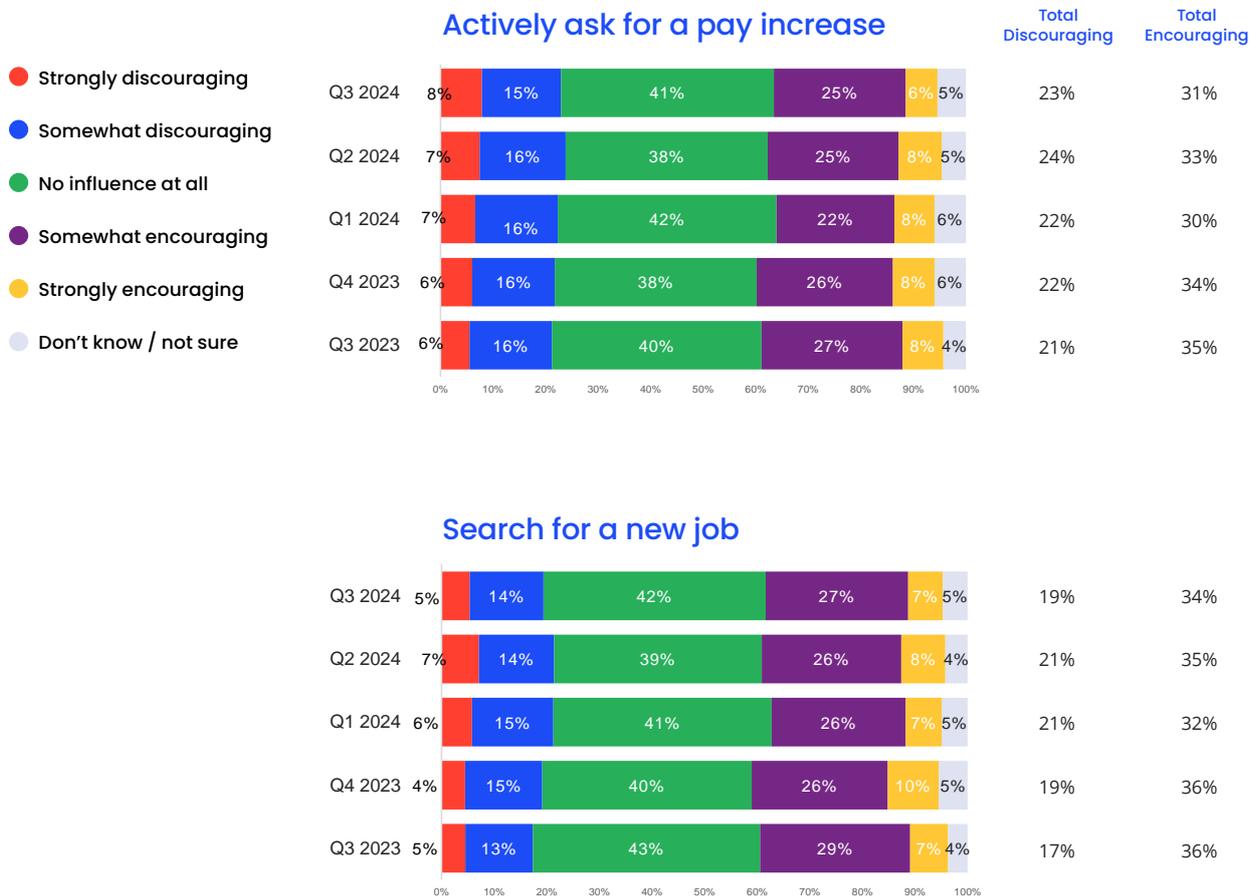
# Economy Influencing Decision Making

Close to a third (31%) of Australian employees feel encouraged to actively ask for a pay rise based on the current economic conditions. This is slightly down from Q2 (33%) and this time last year (35%).

Gen Z employees are more likely to ask (Gen Z 44%; cf. Millennials 37%, Gen X 20%, Baby Boomers 13%) while the older generations are the most likely to not be influenced at all (Gen X 50%, Baby Boomers 64%; cf. Gen Z 29%, Millennials 35%).

Over a third (34%) of employees feel encouraged to search for a new job, which is slightly lower since last quarter (Q2 2024 35%) and since this time last year (Q4 2023 36%).

Gen Z are also the most encouraged to search for a new job, reaching almost half (48%; cf. Millennials 38%, Gen X 23%, Baby Boomers 11%).



Q10. To what extent are current economic conditions encouraging or discouraging you to do the following? Australian Employees Q3 2024 (n=1,031) // Q2 2024 (n=1,038) // Q1 2024 (n=1,025) // Q4 2023 (n=1,022) // Q3 2023 (n=1,021)



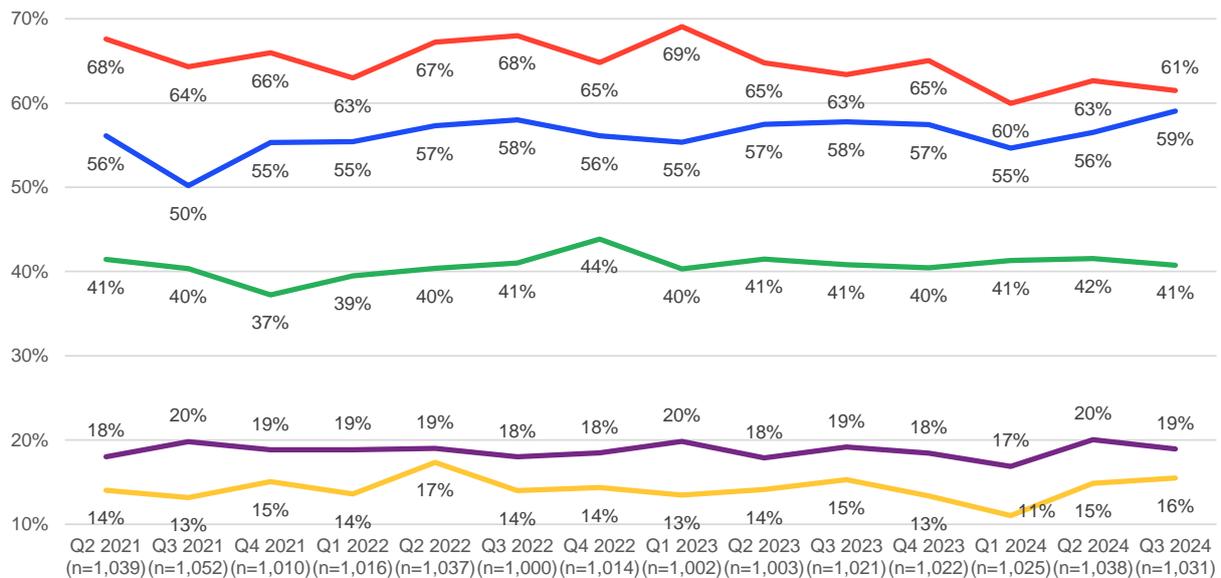
# Future Of Work

There have been slight changes amongst all future of work metrics since Q2, the most noteworthy change being the number of employees, 59% believe their skill set is specialised and hard to replace. In particular employees in SA (67%; cf. NSW/ACT 59%, VIC 60%, TAS/NT 54%, QLD 59%, WA 54%).

Slightly less employees believe that greater technology will assist them in their role in Q3 as opposed to Q2 (Q3 2024 61%; cf. Q2 2024 63%). It is also much lower than it was at the start of Q1 2023 (69%).

The number of employees who believe their role will be automated or offshored in the next 5 years has remained stable with last quarter. Those who believe their role will become automated decreasing (19%; cf. Q2 2024 20%) and offshored increasing (16%; cf. Q2 2024 15%).

The number of employees who believe their industry is prone to job losses has only decreased by one percentage point (41%; cf. Q2 2024 42%) remaining just a bit higher than it was in 2021 (40%).



## Agree and Strongly Agree

- Greater technology will assist me in my role
- My skill set is specialised and hard to replace
- My industry is prone to job losses
- My role will be automated in next 5 years
- My role will be offshored in next 5 years

Q5. To what extent do you agree or disagree with each of the following statements? Australian Employees



# Employee Priorities

Remuneration, remote working, organisational stability and the commute to work are all key priorities that have remained the same across the last two quarters. An easy or short commute to work has continued to be a higher priority over the last year increasing from 5th (Q3 2023) to tied 3rd.

The culture of an organisation has fallen down the priorities and has resumed the same position as start of the year (Q1 2024 5th).

Wellbeing initiatives remain 11th as in Q2 2024, staying in one of its lowest positions since Q1 (10th). Online or word of mouth employee reviews have continued to increase in priority as has diversity amongst employees/senior leadership team of the organisation. While the ethical standing of an organisation and professional learning opportunities have remained mostly stagnant.

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Remuneration and bonus payments / incentives	1st	1st	1st	1st	1st
Flexible/Remote working	2nd	2nd	2nd	3rd	2nd
Stability of an organisation	Tied 3rd	Tied 3rd	3rd	2nd	3rd
Culture of the organisation	5th	Tied 3rd	5th	Tied 4th	4th
Easy and/or short commute	Tied 3rd	Tied 3rd	4th	Tied 4th	5th
Career development opportunities	6th	Tied 6th	6th	6th	6th
Online or word-of-mouth employee reviews of the leadership	Tied 7th	Tied 6th	Tied 7th	11th	11th
The ethical standing/reputation of the organisation and leadership	Tied 7th	Tied 8th	Tied 7th	8th	7th
Professional learning opportunities	Tied 7th	Tied 8th	Tied 7th	7th	8th
Diversity among employees/senior leadership team of the organisation	Tied 7th	10th	11th	10th	10th
Wellbeing initiatives	11th	11th	10th	9th	9th

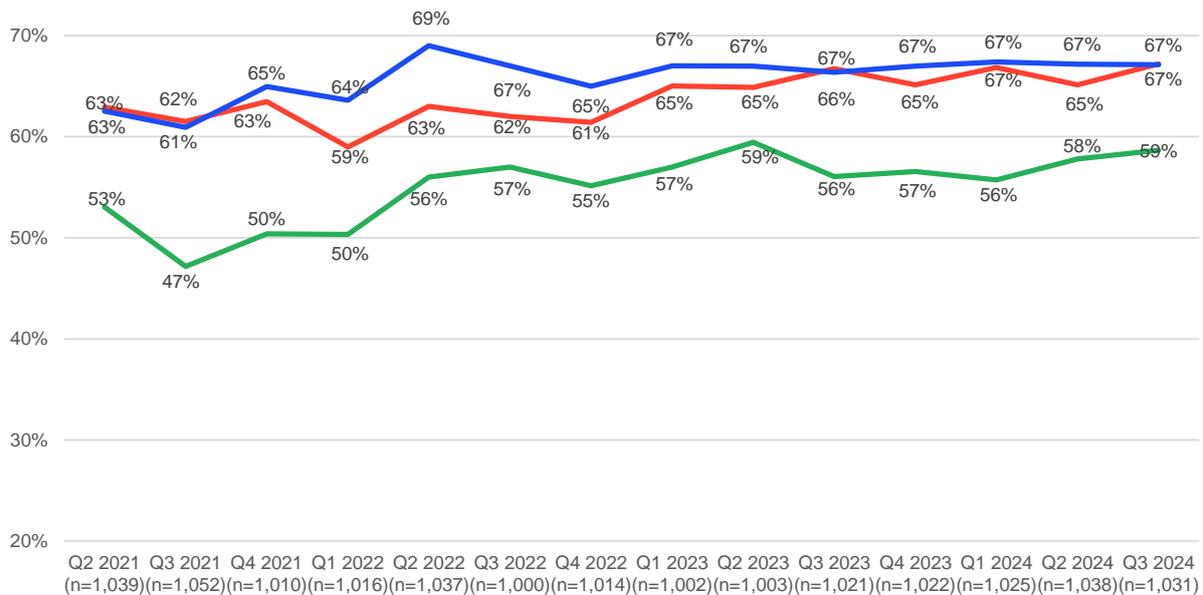
Q9. Thinking about choosing a new employer, rank your top five most important factors from the list below. Australian Employees Q3 2024 (n=1,031) // Q2 2024 (n=1,038) // Q1 2024 (n=1,025) // Q4 2023 (n=1,022) // Q3 2023 (n=1,021)

# Recognition and Remuneration

Most Australian employees believe they are recognised for their contributions at work and this has remained at a stable 67% since Q1 2023. However, this belief increases to just over 90% for Baby Boomers (91%; cf. Gen Z 62%, Millennials 67%, Gen X 68%).

Over two thirds (67%) also believe they are paid fairly for their work, this is fairly consistent with the past year's results (Q2 2024 65%, Q1 2024 67%, Q4 2023 65%, Q3 2023 66%). Males are more likely to believe they are paid fairly (70%; cf. Females 64%)

The number of employees that anticipate a pay increase within a year has returned to its highest value (59%) since Q2 2023. Male employees are much more likely to anticipate a pay increase within the next year (63%; cf. Female 53%) as are employees in companies of over 200 employees (64%; cf. <200 employees 55%).



## Agree and Strongly Agree

- I am recognised for my contributions at work
- I am paid fairly for my work\*\*
- I anticipate I will receive a pay increase within the next year

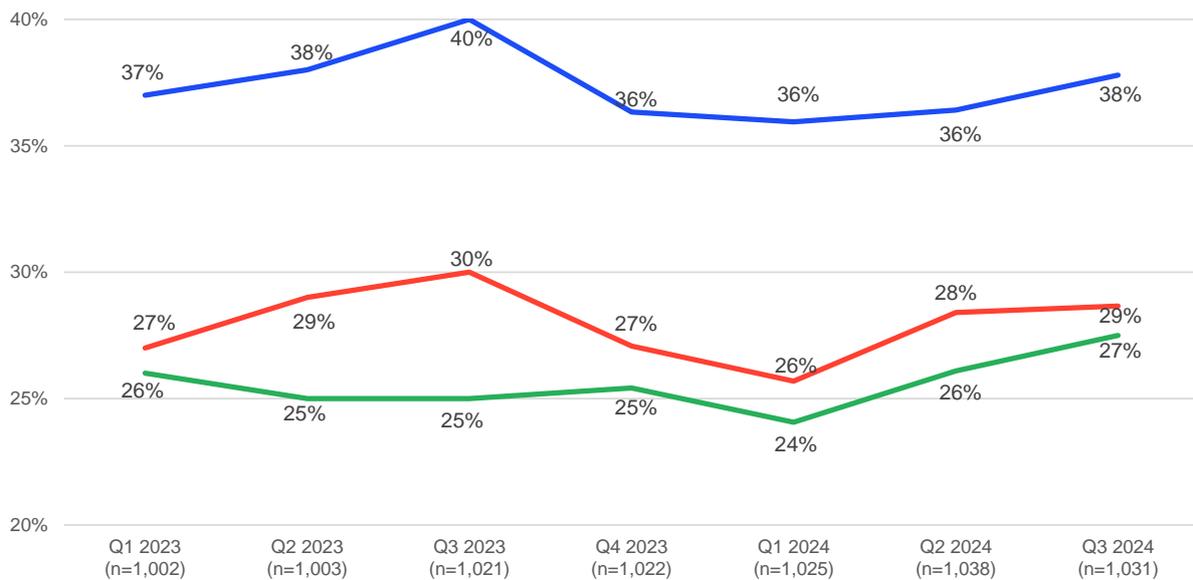
Q7. To what extent do you agree or disagree with each of the following statements? Australian Employees Note: Code frame reduced in Q1 2023\*\* Question text changed from "I am remunerated for my work fairly" to "I am paid fairly for my work" in Q1 2023

# Job Safety and Redundancies

This quarter saw employees slightly more likely to anticipate redundancies in their workplace over the next three months (Q3 2024 29%; cf. Q2 2024 28%, Q1 2024 26%), just under the peak of last year (Q3 2023 30%). Employees in VIC and NSW/ACT are the most likely to anticipate redundancies in their workplace - almost a third of employees (VIC 32%, NSW/ACT 31%; cf. TAS/NT 28%, QLD 27%, SA 26%, WA 20%).

There is a potential link to employees anticipating redundancies with more employees feeling they need to work longer and harder to keep their job safe (38%; cf. Q2 2023 36%). This is being driven by the younger employees, especially Gen Z (Gen Z 47%, Millennials 41%; cf. Gen X 32%, Baby Boomers 21%).

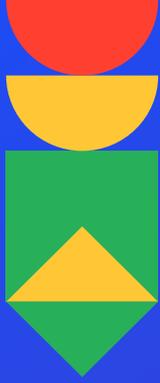
The number of employees that are concerned their role will be made redundant has reached a peak of 27%, still only a little higher than it was at the start of the year (Q1 2024 24%) and this time last year (25%). Male employees are much more likely to be concerned about their role (31%; cf. Female 24%).



## Agree and Strongly Agree

- I feel I need to work harder/longer hours to keep my job safe
- I anticipate there will be redundancies in my workplace in the next three months
- I am concerned my role will be made redundant

Q7. To what extent do you agree or disagree with each of the following statements? Australian Employees Note: Code frame reduced in Q1 2023



# Trending Concerns

Leave, demands at work, and productivity



# Accrued Leave

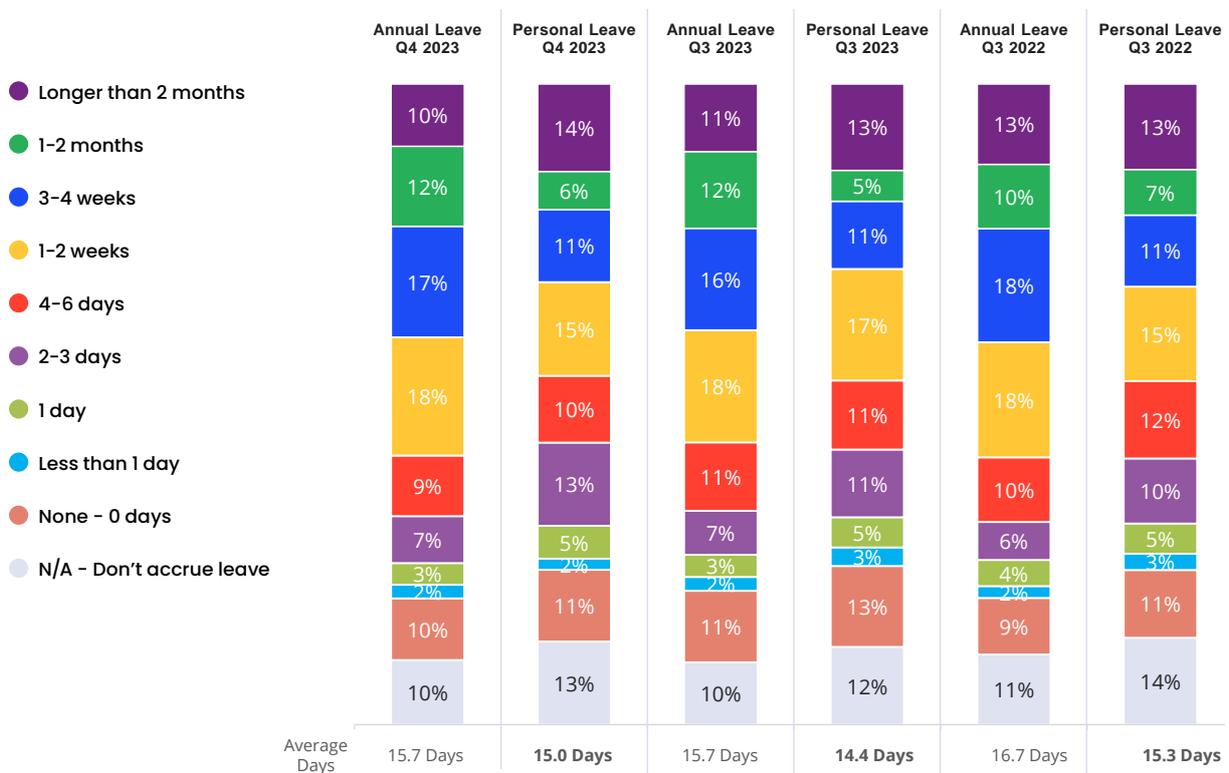
Over a fifth (22%) of Australian employees have accrued the yearly annual leave entitlement of four weeks / 20 working days or more. While the average employee has just under 16 days of annual leave accrued (15.7).

Older employees have accrued a higher number of annual leave days, with the average Baby Boomer and Gen X approaching the annual entitlement (Baby Boomers 19.9 days, Gen X 20.3 days, cf; Millennials 14.9 days, Gen Z 8.8 days).

When it comes to personal leave, the average employee has one and a half times the annual entitlement of two weeks / 10 working days (15.0 days), with three in ten (31%) exceeding it by accruing three weeks or more.

Again, older employees have accrued more personal leave, however it is Gen X, not Baby Boomers, who have the most accrued (Gen X 19.6 days, Baby Boomers 15.6 days; cf. Millennial 15.1 days, Gen Z 7.3 days).

## Accrued greater than annual amount



Q11. Thinking of annual leave and sick leave/personal leave, approximately how many days of leave will you have available at the end of September (Sept 30)? Australian Employees Q3 2023 (n=1021) // Q3 2022 Q13 (n = 1000)

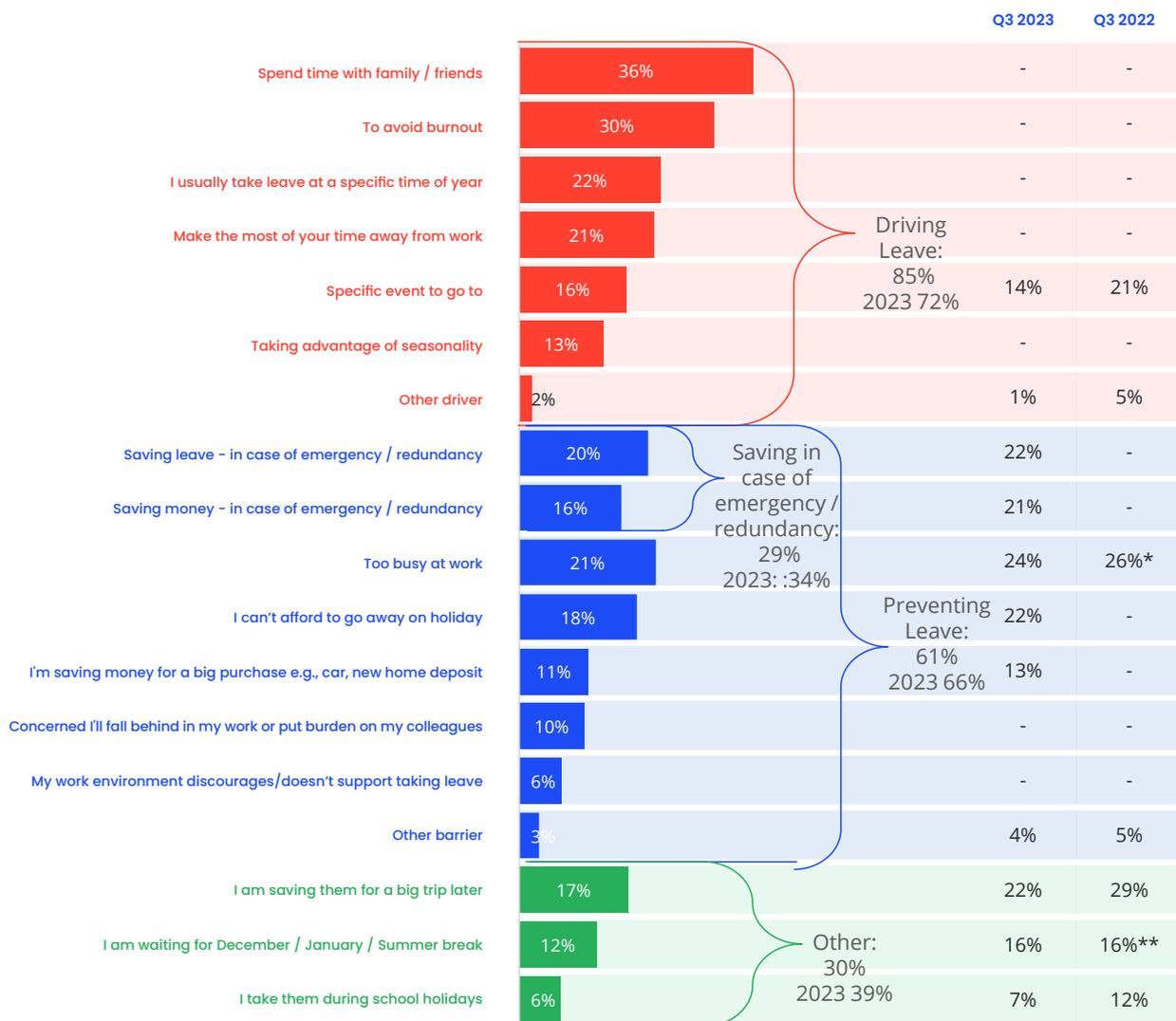
# Drivers and Barriers to Taking Leave

Five out of six (85%) Australian employees say the most common reason to take annual leave is to spend time with family and friends (36%), avoid burnout (30%), take leave at a specific time of year (22%) and making the most of their time away from work (21%). Male employees are more likely to be driven to take annual leave by usually taking leave at a specific time of year (25%; cf. Female 18%).

Avoiding burnout is the most popular driver for Gen Z (39%) while spending time with family and friends is the most popular for every other generation (Millennials 39%, Gen X 35%, Baby Boomers 35%).

Just over three in five (61%) employees have something preventing them from taking leave with the most popular reasons being too busy at work (21%), saving leave in case of emergency (20%) and not being able to afford to go away on holiday (18%).

All of these have decreased since 2023 (busy at work 24%, saving leave 22%, can't afford it 22%). Gen Z employees are twice as likely as any generation to say they are prevented from going on leave because they are saving for a big purchase (19%; cf. Millennials 10%, Gen X 6%, Baby Boomers 8%).



Q12. What is driving or preventing you from taking annual leave? Those who accrue annual leave (n= 920) // Q3 2022 Q14 (n = 889)\*Wording change from "Too much work" \*\* Wording change from "I am waiting for December"

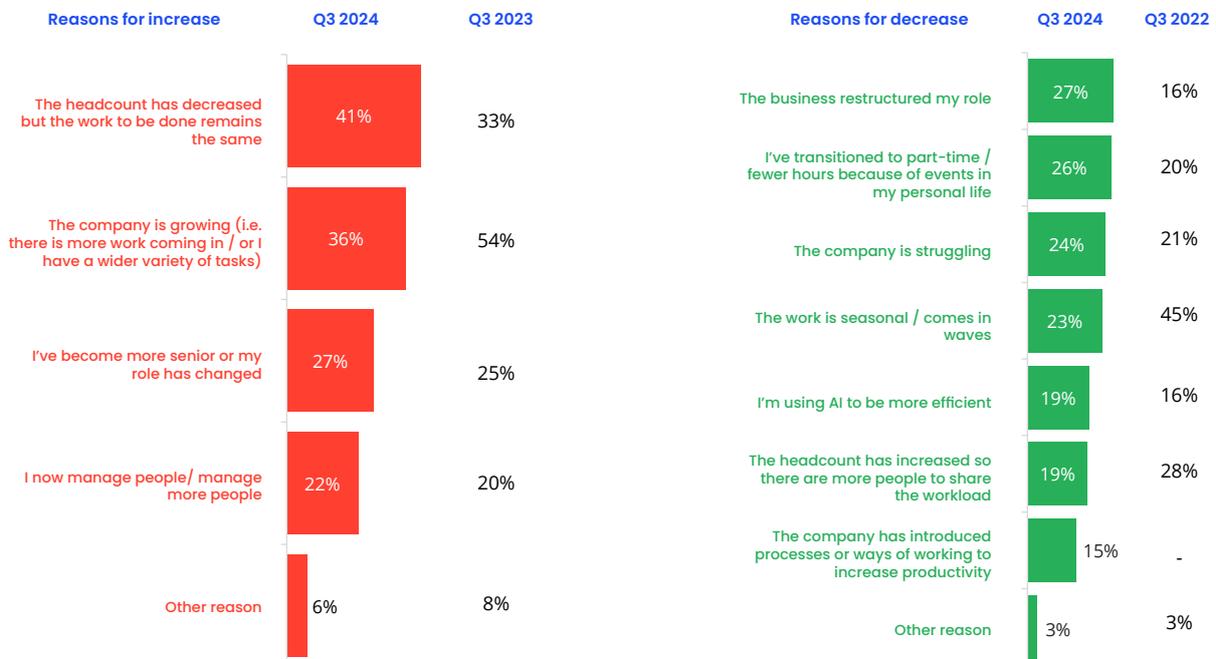
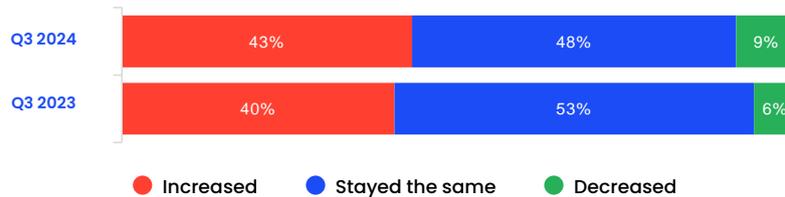
# Workload and Demands at Work

Just under half (43%) of Australian employees say their workload has increased over the past three months, slightly increasing from Q3 2023 (40%).

Employees in QLD are also the most likely to say their workload has increased over the past three months (52%; cf. NSW/ACT 41%, VIC 39%, TAS/NT 48%, SA 40%, WA 42%)

Out of the employees that said their workload increased, just over two in five (41%) said it was due to headcount decreasing but the work remaining the same, a strong increase from last year (Q3 2023 33%). Over a third (36%) say it is due to the company growing or the company having a wider variety of tasks, decreasing from last year (54%).

## Has your workload increased or decreased over the past three months



Q13. Have the demands of your role increased/decreased/remained the same over the past three months? Australia Employees (n= 1,031) // Q3 2023 (n=1021)Q14a. You said the demands of your role increased, what are the reasons behind the change? Those with increased role demand (n= 437) // Q3 2023 (n= 414)Q14b. You said the demands of your role decreased, what are the reasons behind the change? Those with decreased role demand (n= 90) // Q3 2023 (n= 64)

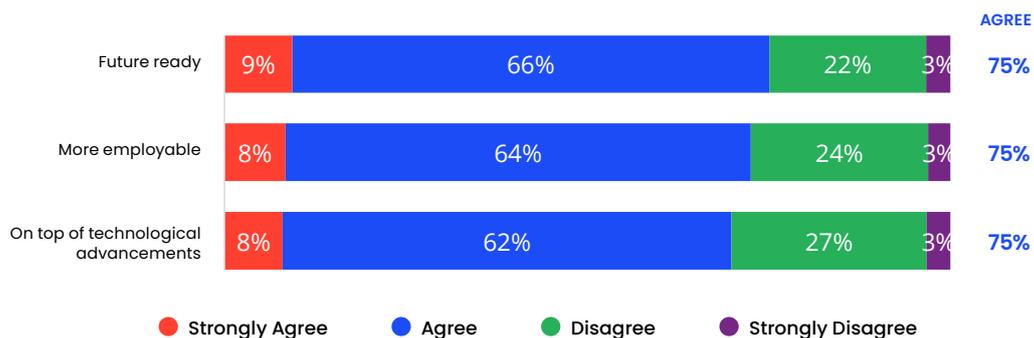
# Productivity and Technology Training

Three quarters (75%) of Australian employees say their organisation delivers the training and development opportunities they need to be future ready while almost three quarters (73%) say it provides what they need to be more employable.

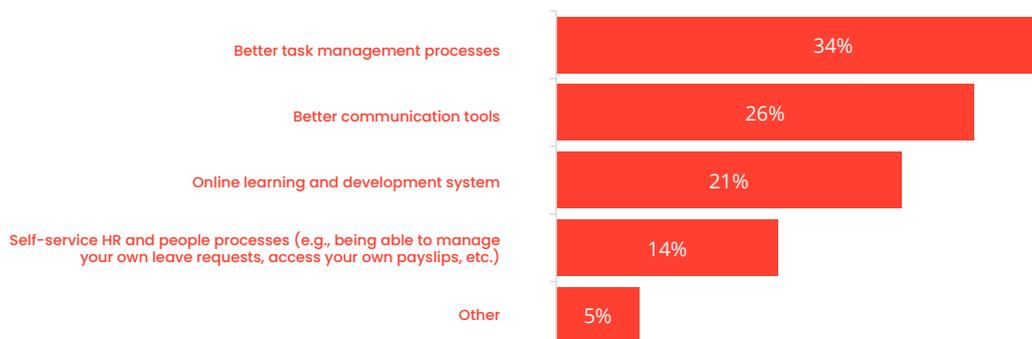
Seven out of ten (70%) Australian employees believe their organisation delivers the training and development opportunities they need to be on top of technological advancements.

A third of Australian employees say that better task management processes would help them be more productive in their day-to-day work life (34%), while a quarter say better communication tools (26%) and a fifth (21%) say online learning and development systems would help them be more productive in their day-to-day life.

Thinking of the rapidly evolving technological landscape in which we now operate, to what extent do you agree or disagree that your organisation delivers the training and development opportunities you need to be...



Which of the following do you think would help you be more productive in your day-to-day work life?



B15. Thinking of the rapidly evolving technological landscape in which we now operate, to what extent do you agree or disagree that your organisation delivers the training and development opportunities you need to be... Australian Employees (n= 1,031)

B16. Which of the following do you think would help you be more productive in your day-to-day work life?. Australian Employees (n=1,031)

# RELEASING HR'S FULL POTENTIAL

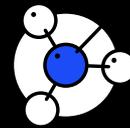
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