ELMO Software
Employee Sentiment Index

Aotearoa New Zealand | April - June 2025

Contents

Overview

500+ RESPONDENTS | **Apr-Jun 2025** | **New Zealand Employees**

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

For this wave of the survey, respondents were asked to reflect on the three-month period between April 2025 and June 2025.

In 2025, ELMO Software updated the fixed survey questions we've been asking since 2021. These changes reflect the evolving workplace landscape, including rapid technological advancements (particularly AI) and the now well-established ways of working in a post-COVID world.

We also introduced the Index — a new measure designed to capture how employees feel about their work experience, providing a deeper layer of insight beyond traditional engagement metrics. The Index aggregates responses into a single, trackable score that reflects the overall sentiment of employees across key factors that influence it, including economic and job security, wellbeing, compensation and recognition, and mobility.

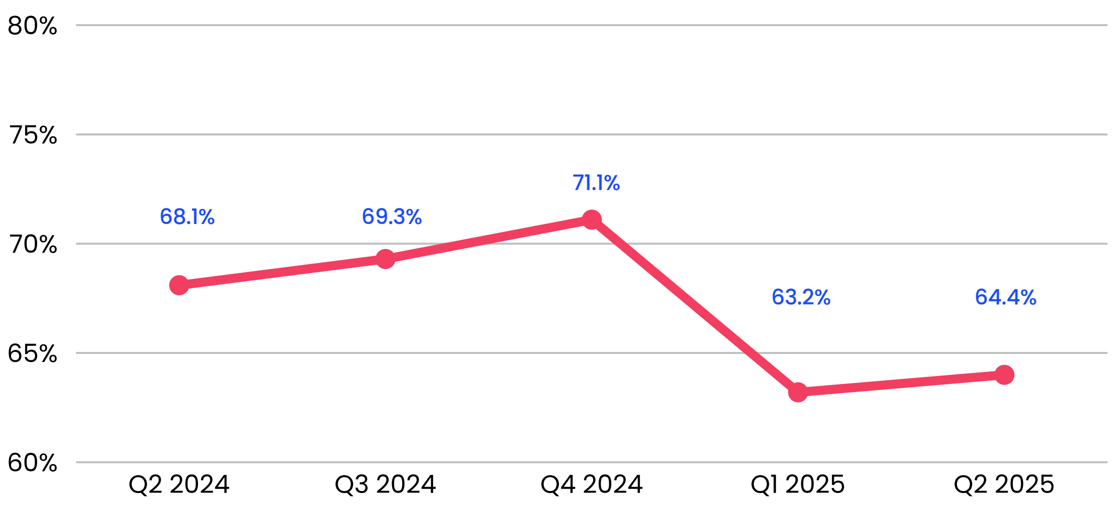
Key Findings

Tracking the Index

The latest score of 64.4, while a slight improvement from 63.2 in Q1 2025, is still well below the levels recorded in 2024.

All key metrics remain weak, with only very marginal gains this quarter: economic and job security rose to 22.9 (from 22.5), wellbeing to 13.6 (from 13.3), mobility to 14.6 (from 14.3), and compensation and recognition to 13.3 (from 13.1).

The subdued sentiment suggests that employees continue to feel uneasy about the broader economic environment, personal financial stability and overall wellbeing.



	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Economic and job security	26.5	26.7	27.3	22.5	22.9
Wellbeing	15.5	15.2	16.0	13.3	13.6
Compensation and recognition	12.7	13.4	13.0	13.1	13.3
Mobility	13.5	14.0	14.7	14.3	14.6

Fixed Questions

This quarter, economic security remains fragile, with only one in five employees feeling economically secure (on par with 20% last quarter). The number of employees who feel they're earning 'nowhere near enough' has decreased slightly to one in seven (14%) down from 18% last quarter.

Redundancy concerns have stabilised, but pressure remains. While 43% of employees are worried about their role being made redundant (down 3 percentage points), nearly half (47%) feel they must work harder or longer hours to keep their job safe (on par with last quarter 48%).

Income doesn't reflect wage sentiment

More than half of employees (**52%**) feel they **aren't earning enough**, yet wage sentiment remains steady. A solid **60%** believe they're **paid fairly** for their work, consistent with previous quarters. This suggests that while economic pressures weigh heavily, many employees still view their pay as fair relative to their role.

Persistent burnout

Exhaustion remains widespread, with **48%** employees **feeling burnt out** in the past three months, comparable to last quarter. However, employees are taking **more time off** compared to last quarter, including for legitimate **sick leave** (48% compared to 40%) and **annual leave** (52% compared to 46%).

Skill outplays technology

Concerns about automation and AI remain low. **Two in three** employees agree their skill set is specialised and **unlikely to be replaced**. Meanwhile, nearly three in five view AI as a tool to support them in their role.

Topical Questions

This quarter, we explore how employee trust and autonomy have evolved over the past year.

Our 2025 HR Industry Benchmark Report identified increasing productivity as the top priority for New Zealand HR professionals, but a reliance on manual processes was the biggest barrier to achieving this. So, it's unsurprising to see that only three in ten employees say their organisation has a formal, consistent process with clear criteria and regular documented reviews (despite 79% agreeing their goals and expectations are clear). This suggests a lack of formal performance processes, potentially due to the number of manual systems, may be impacting broader organisational goals.

To connect or disconnect?

While **60%** of employees say they feel comfortable **ignoring out-of-hours contact**, nearly **two in five do not**, highlighting a lingering discomfort with setting boundaries. Women are significantly more likely than men to feel this way (44% compared to 34%).

The price of commitment

Nearly **two in three** employees admit they've responded to out-of-hours contact simply to appear committed or **avoid negative judgement**. One in four have experienced one or more negative consequences for not responding.

Feedback is vital

Only **one in three** employees say they **receive helpful feedback** frequently enough to support their improvement and motivation. This lack of consistent feedback could be undermining performance, engagement and growth.

Fixed Question Analysis

Perceived Security

Perceived job security has improved this quarter, although it's 4 percentage points below the same time last year.

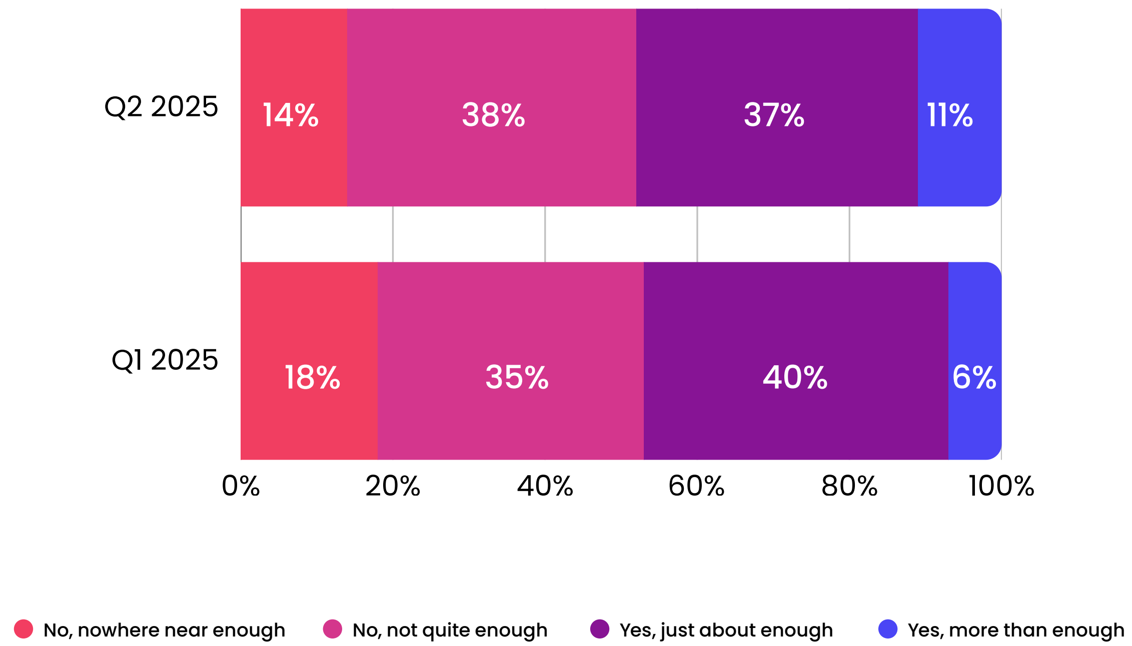
Economic security remains fragile. Only 22% of employees report feeling economically secure, up slightly from 20% in Q1 2025. Meanwhile, the proportion who feel economically insecure remains unchanged at 30%, which is reflective of persistent financial unease amid ongoing economic uncertainty.

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, over the last three months (January to March 2025)? Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502), Q2 2024 (n=522)

Perceived Earnings

Financial pressure remains high, with employees still divided on whether their current income meets their personal and family needs amid ongoing cost-of-living challenges. This quarter's results show little change from the last.

Nearly half (49%) say they earn enough, though this includes 37% who are only just managing. In contrast, more than half 52% feel their income is insufficient, including 14% who say they are nowhere near meeting their own and their family's financial needs.

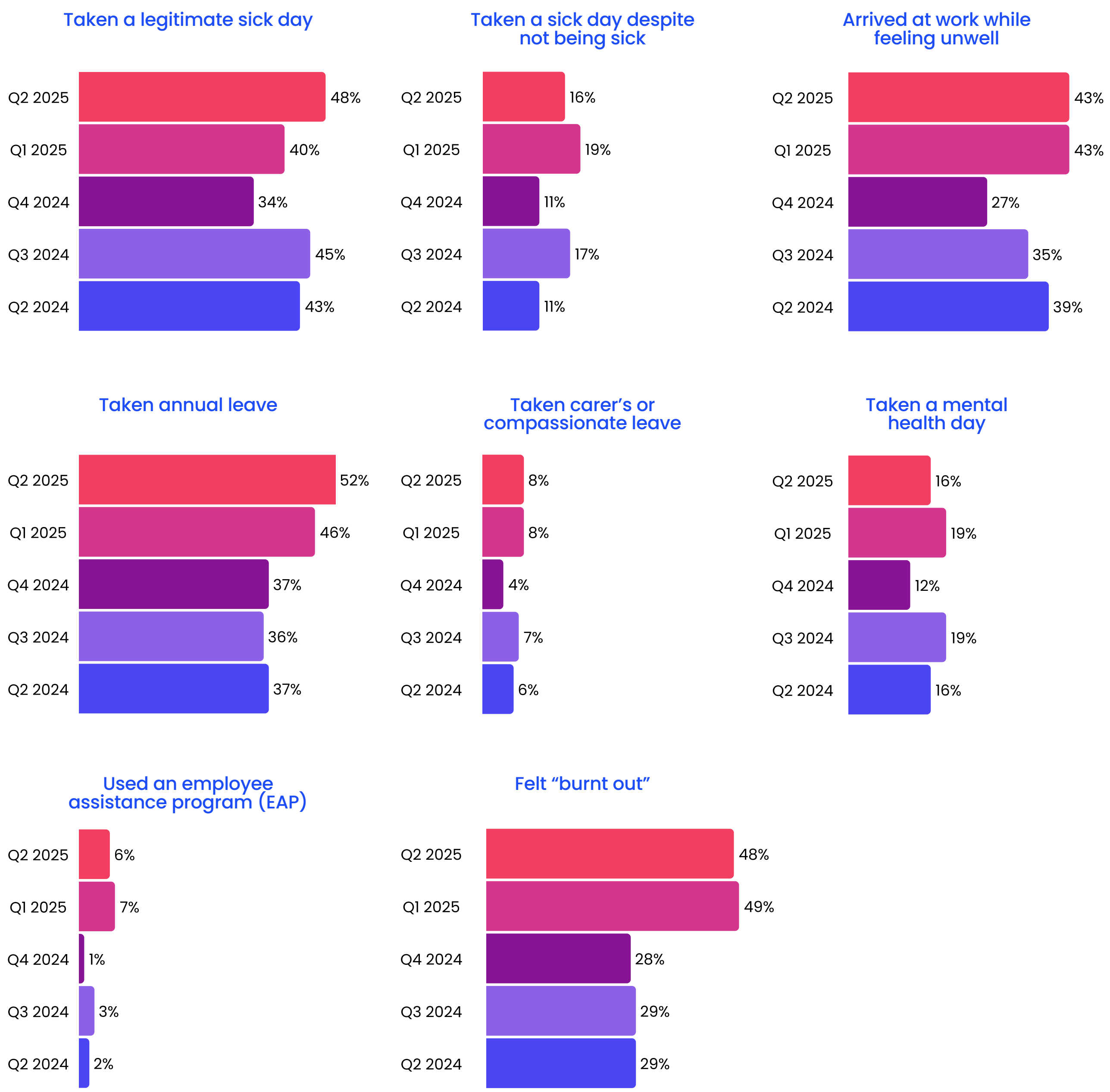


Q2: Considering the current cost of living, do you feel that you are earning enough to meet your and your family's financial needs? Q2 2025 (n=508), Q1 2025 (n=512)

Employee Wellbeing

Concerns about employee wellbeing and engagement persist. Burnout remains high, affecting 48% of employees, broadly in line with last quarter (49% in Q1 25). Presenteeism is also steady, with 43% of employees reporting they've worked while feeling unwell, the same as last quarter. Meanwhile, employees are taking more time off compared to last quarter, including for legitimate sick leave (48%, compared to 40%) or annual leave (52%, compared to 46%).

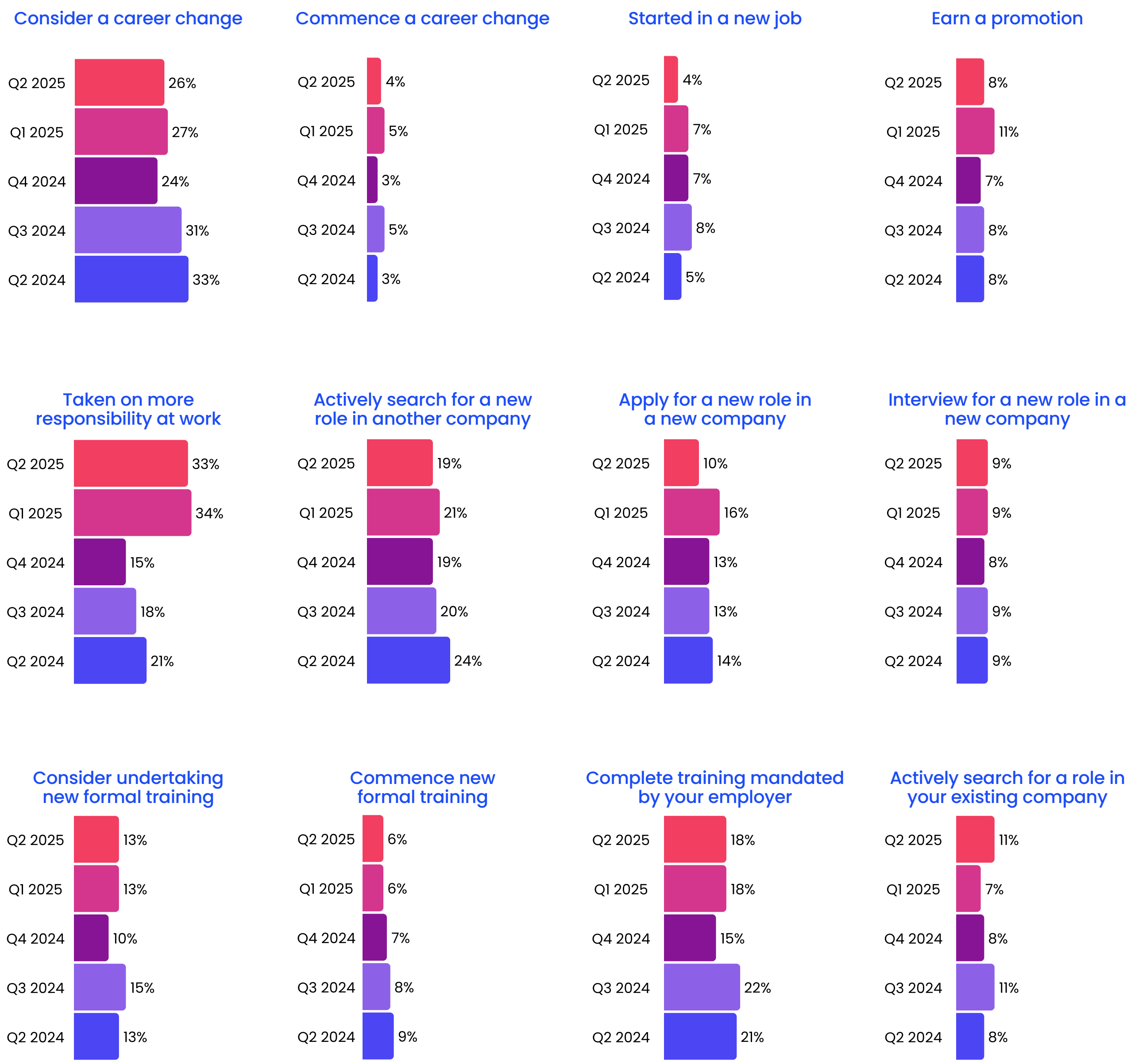
These findings suggest that many employees continue to feel the strain on their wellbeing.



Q3: Over the past three months (January to March 2025), have you? Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502), Q2 2024 (n=522)

Employee Mobility

Employee mobility metrics remained relatively stable this quarter. Fewer employees have applied for a role in a new company (10%, down from 16%), while slightly more have actively searched for a role within their current organisation (11%, up from 7%). One in three employees (33%) have taken on more responsibilities at work in the past three months, on par with 34% in the previous quarter, but this is notably higher than levels seen in 2024.

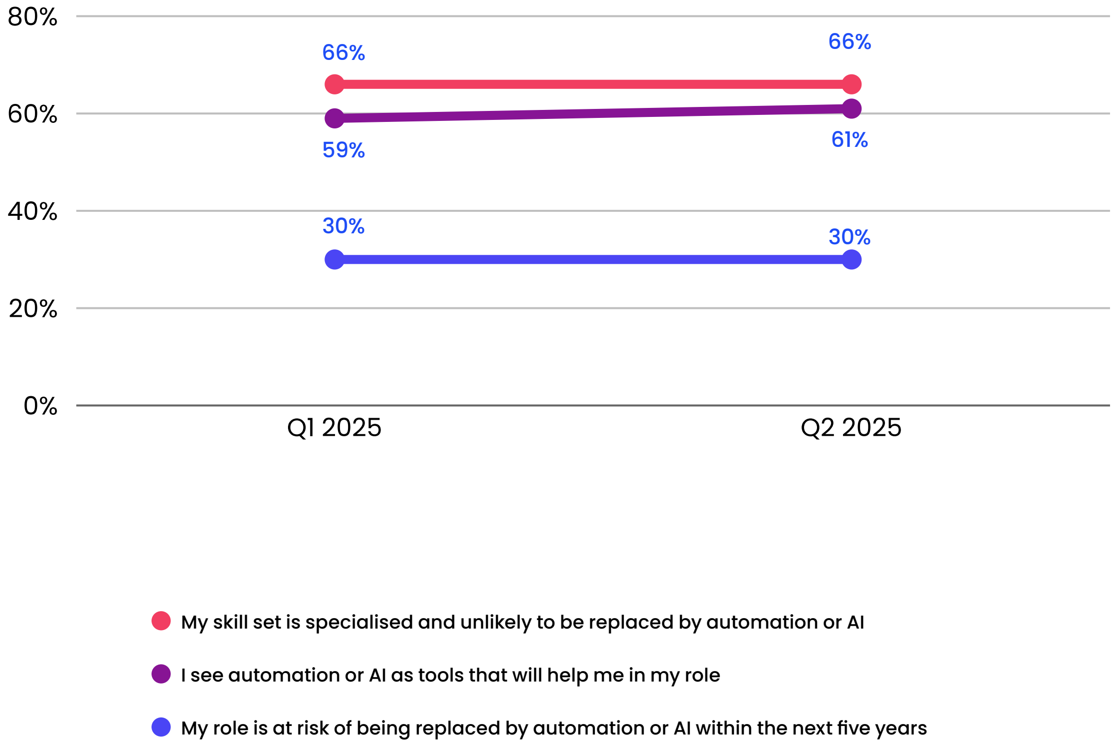


Q6: In the past three months (January to March 2025), did you? Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502), Q2 2024 (n=522)

Future of Work

Most employees remain unconcerned about the impact of automation or AI on their job security. Two in three (66%) believe their skill set is specialised and unlikely to be replaced and three in five (61%) see automation or AI as tools that will support them in their role.

Concerns about roles being replaced by automation or AI are consistent with last quarter, with 30% of employees expecting their role to be affected within the next five years. This highlights a clear opportunity for targeted skills development and upskilling support.

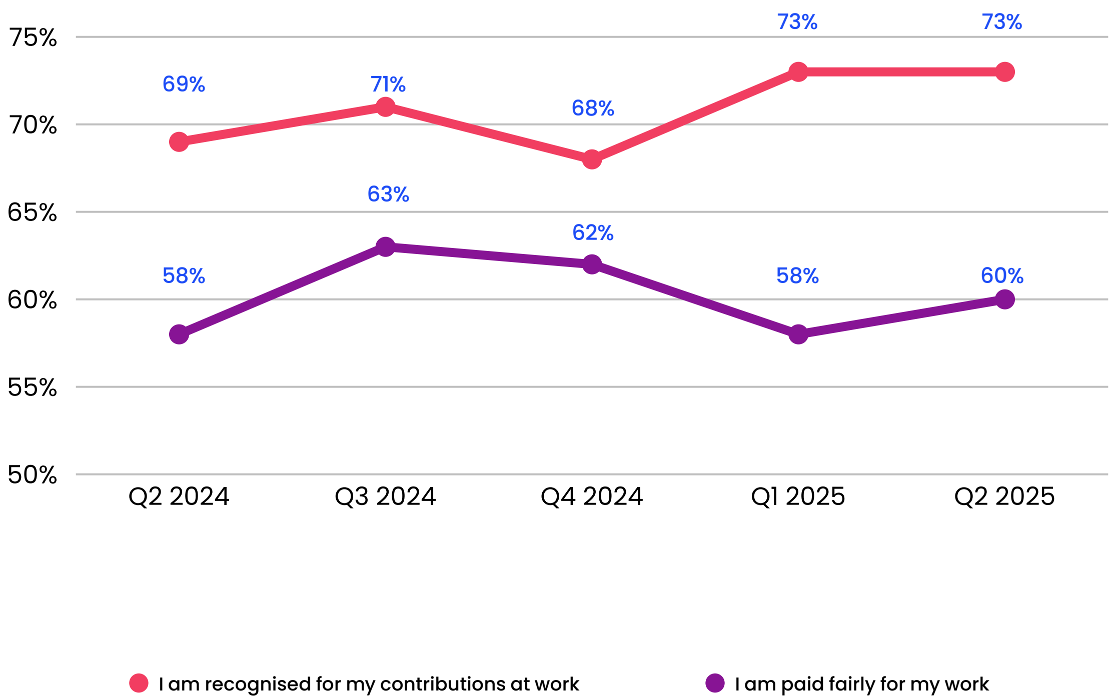


Q5: To what extent do you agree or disagree with each of the following statements? Q2 2025 (n=508), Q1 2025 (n=512)

Recognition and Remuneration

Employee sentiment around recognition and remuneration remains steady. Three in four (73%) feel recognised for their contributions at work, unchanged from Q1 2025. Similarly, 60% believe they're paid fairly for their work, compared to 58% in Q1 25.

However, this sentiment contrasts with the 52% of New Zealand employees who say their income doesn't meet the cost of living. The issue appears to be less about perceived fairness at work, and more about shrinking purchasing power. In short, while many view their pay as fair, it no longer goes as far as it once did.

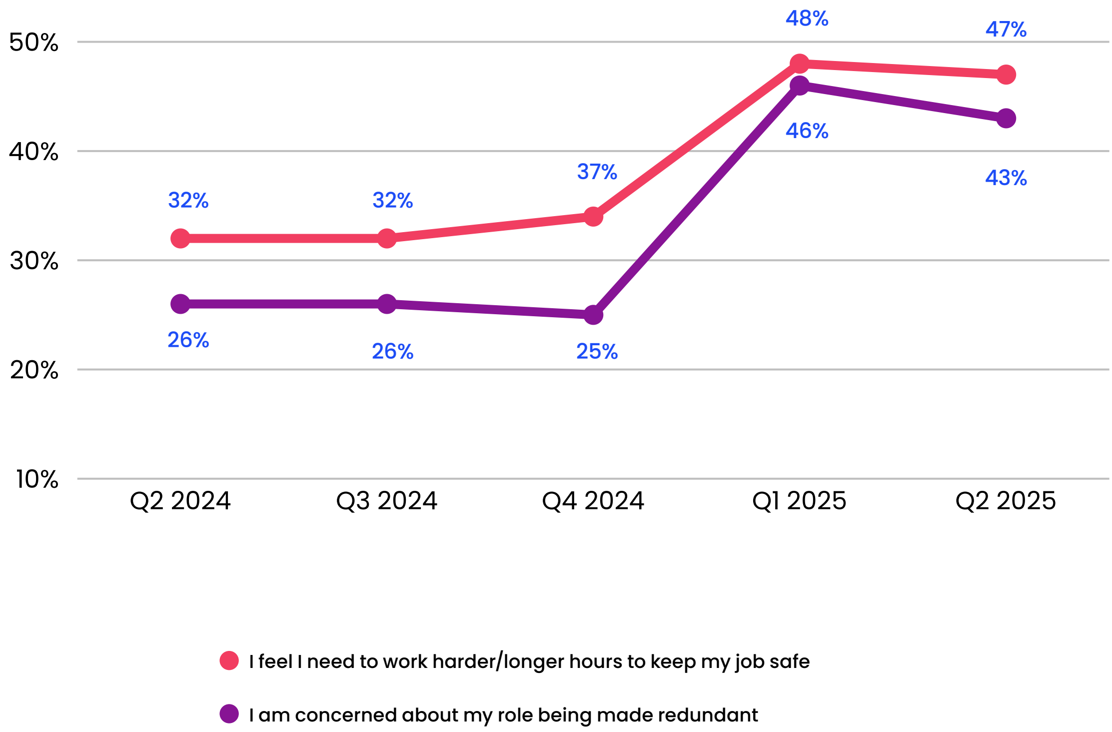


Q7: To what extent do you agree or disagree with each of the following statements? Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502), Q2 2024 (n=522)

Job Safety and Redundancies

Redundancy concerns remain prevalent, with 43% of employees worried about losing their role, down from 46% last quarter.

Nearly half of employees (47%) also feel they need to work harder or put in longer hours to keep their job secure, consistent with 48% in Q1 2025. This suggests anxiety around job security continues to shape employee behaviour.



Q7: To what extent do you agree or disagree with each of the following statements? Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502), Q2 2024 (n=522)

Employee Priorities

Remuneration and organisational stability remain the top employee priorities, unchanged over the past three quarters.

There have been only minor shifts in the relative importance of other factors such as organisation culture, flexible/remote working, career development opportunities, and easy and/or short commute times.

Interestingly, despite the lingering concerns around worker wellbeing, wellbeing initiatives are now ranked 7th on the list, down from equal 5th in the previous quarter. Workforce diversity and employee reviews of the leadership continue to be the lowest priorities.

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Remuneration and bonus payments/incentives	1st	1st	1st	1st	1st
Stability of an organisation	2nd	2nd	2nd	3rd	Tied 4th
Culture of the organisation	3rd	4th	Tied 3rd	4th	3rd
Flexible/remote working	4th	3rd	Tied 3rd	2nd	2nd
Career development opportunities	5th	Tied 5th	6th	Tied 6th	Tied 6th
Easy and/or short commute	6th	7th	5th	5th	Tied 4th
Wellbeing initiatives	7th	Tied 5th	9th	Tied 6th	10th
Professional learning opportunities	8th	8th	8th	Tied 10th	9th
The ethical standing/reputation of the organisation and leadership	9th	9th	7th	Tied 10th	Tied 6th
Diversity among employees/senior leadership team of the organisation	10th	10th	10th	Tied 6th	11th
Online or word-of-mouth employee reviews of the leadership	11th	11th	11th	Tied 6th	8th

Q9: Thinking about choosing a new employer, rank your top five most important factors from the list below? Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502), Q2 2024 (n=522)

Topical Analysis

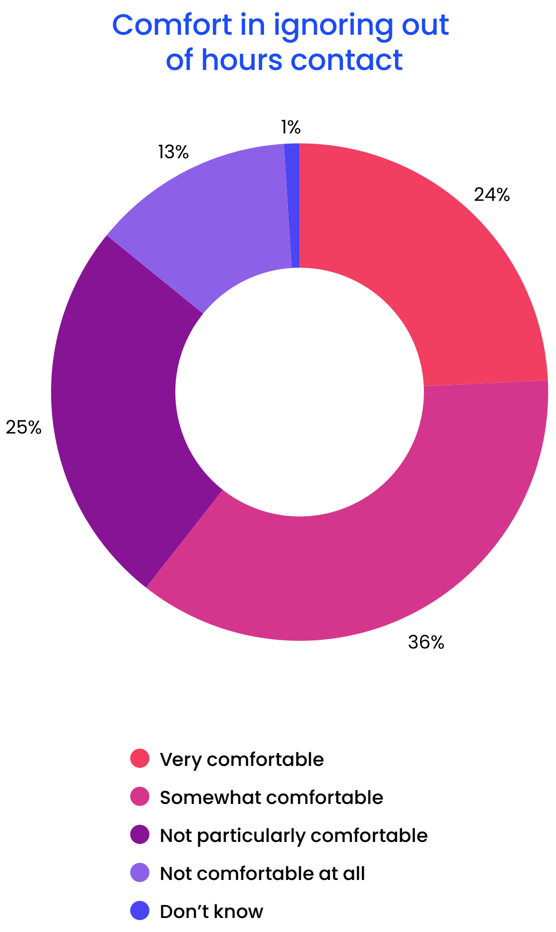
Performance Management

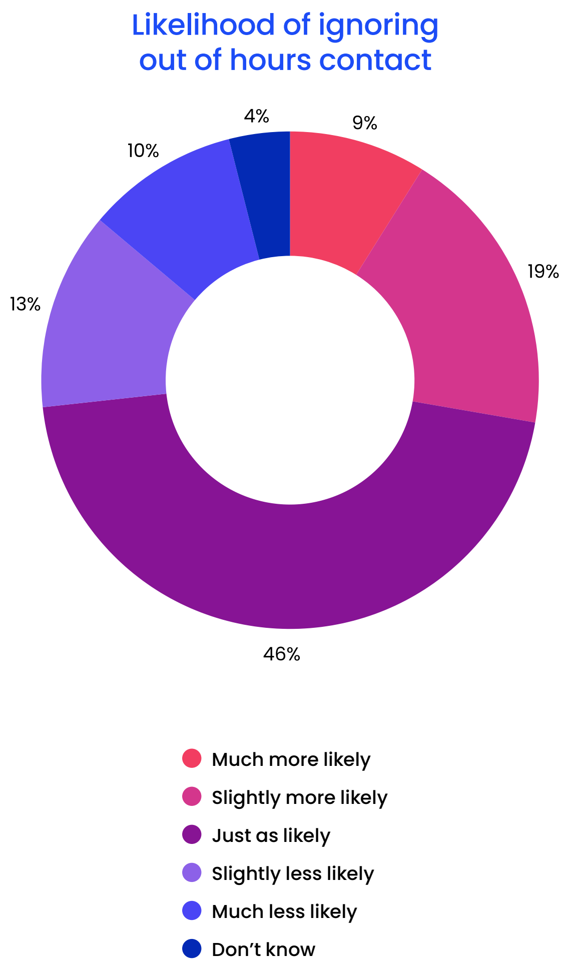
To Connect or Disconnect?

Boundaries between work and personal time appear to be blurred. While three in five employees (60%) say they'd feel comfortable ignoring a work-related call, email or message from their manager outside of their contracted hours, only one in four (24%) would feel very comfortable doing so. Nearly two in five (38%) would not feel comfortable, with women significantly more likely than men to feel this way (44% compared to 34%).

This suggests that despite growing awareness around the importance of work-life balance, many employees still feel pressure to remain available beyond working hours.

The tension is further reflected in behavioural shifts. While nearly three in ten employees (28%) say they're now more likely to ignore out-of-hours messages from their manager, nearly one in four (23%) say they are now less likely to do so, highlighting a workforce still divided on setting firmer boundaries.



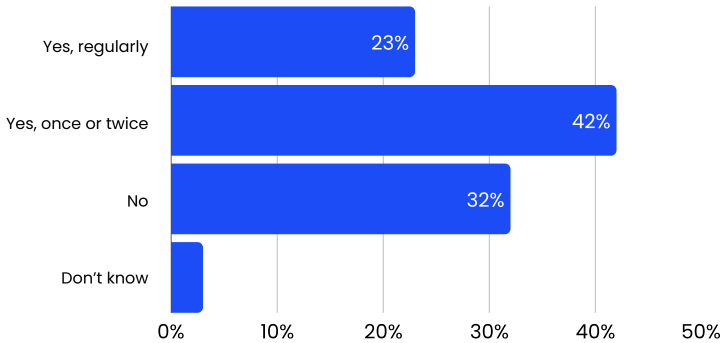


Q: How comfortable, if at all, would you feel ignoring a work related call, email or message from your manager outside of your contracted working hours? Q2 2025 (n=508)
Q: Compared to this time last year, are you more or less likely to ignore work-related calls, emails or messages from your manager outside of your working hours? Q2 2025 (n=508)

To Respond or Not?

Nearly two in three employees (65%) admit they've responded to work-related messages from their manager outside of working hours simply to look committed or avoid negative judgement. This includes almost one in four (23%) who say they do this regularly, underscoring the ongoing pressure many employees feel to appear constantly available, even when off the clock.

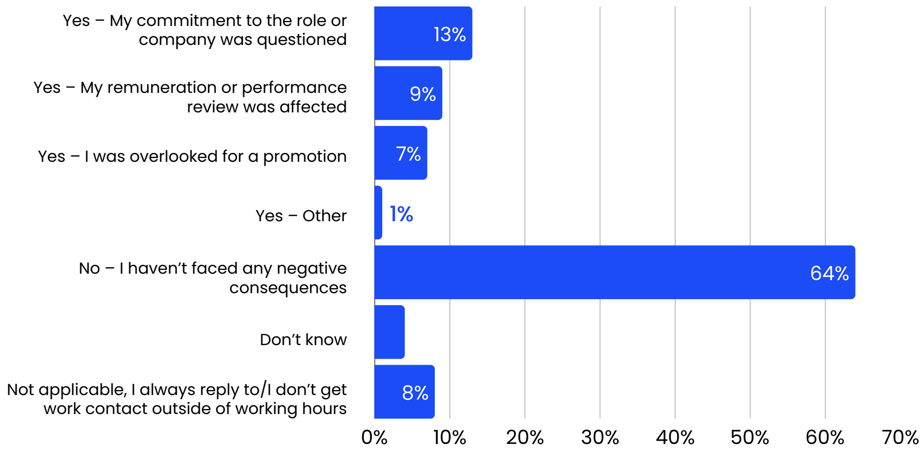
Responded to out of hours contact to look good



While nearly two-thirds of employees (64%) say they haven't faced any negative consequences for ignoring work-related communications outside of hours, this isn't the case for everyone.

Almost one in four (24%) employees report experiencing at least one negative outcome. This includes 13% who say their commitment to the role or company was questioned, 9% who say it affected their remuneration or performance review and 7% who feel they were overlooked for a promotion.

Consequences of not responding to out of hours contact

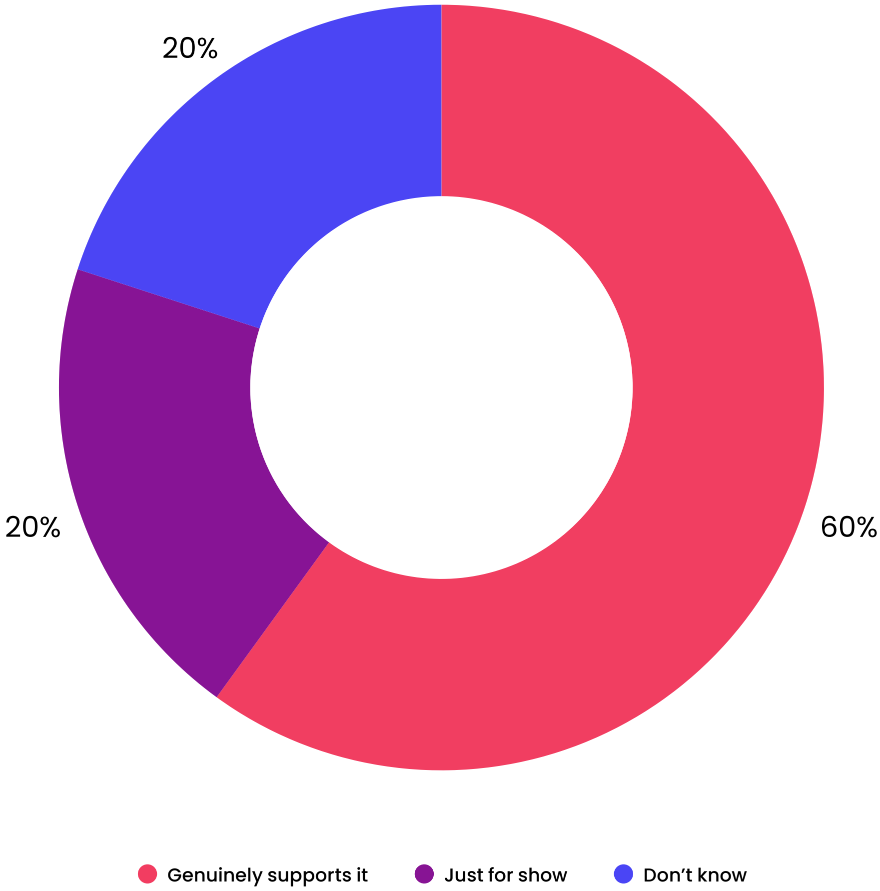


Q: Have you ever responded to a work call, email or message from your manager outside of your working hours just to 'look committed' or avoid negative judgement? Q2 2025 (n=508) Q: Have you ever faced any negative consequences for not replying to a work call, email or message outside of your working hours? Please select all that apply. Q2 2025 (n=508)

Organisational Support, Fake or Real?

Three in five employees (60%) believe their employer genuinely supports their right to switch off outside of work hours. However, one in five (20%) view this support as superficial and a further 20% are unsure, indicating that for many, employer messaging around work-life balance may lack credibility or consistency in practice.

Genuine support or just for show?



Q: Do you think your employer genuinely supports your right to switch off outside of work hours, or is it just for show? Q2 2025 (n=508)

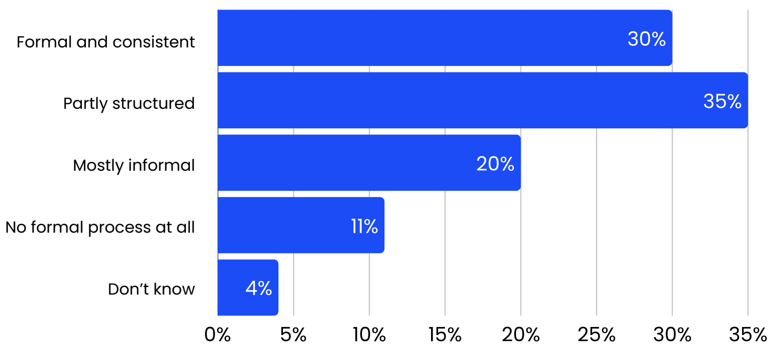
Performance Management

Significant gaps remain in performance management across New Zealand workplaces. Only three in ten employees (30%) say their organisation has a formal, consistent process with clear criteria and regular documented reviews.

Roughly one third (35%) describe their organisation's process as only partly structured, with guidelines applied inconsistently. A further 20% say it's mostly informal, relying on ad-hoc conversations with limited documentation.

More concerningly, one in ten (11%) report no formal process at all, and 4% are unsure whether any exists, highlighting a widespread lack of clarity and structure.

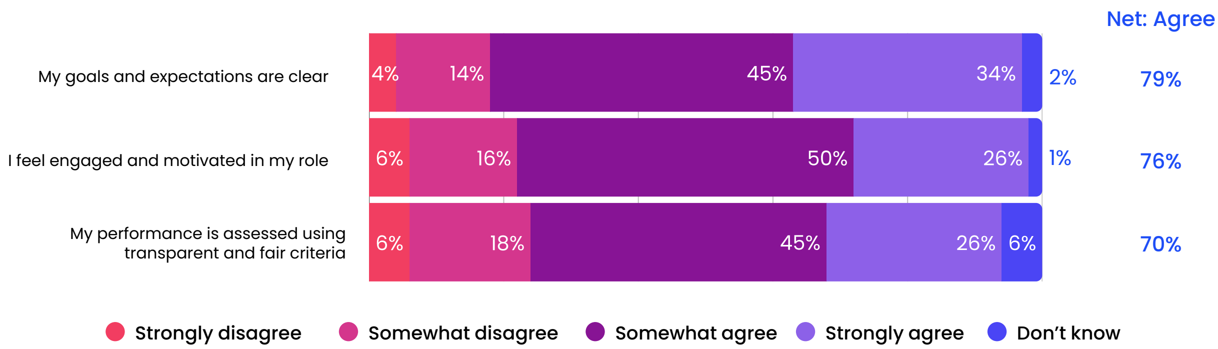
Performance management process



Employees' perceptions of their roles reflect the broader state of performance management in New Zealand workplaces.

While nearly four in five (79%) say their goals and expectations are clear, only 34% strongly agree. Similarly, 70% believe their performance is assessed fairly and transparently, but just 26% strongly agree.

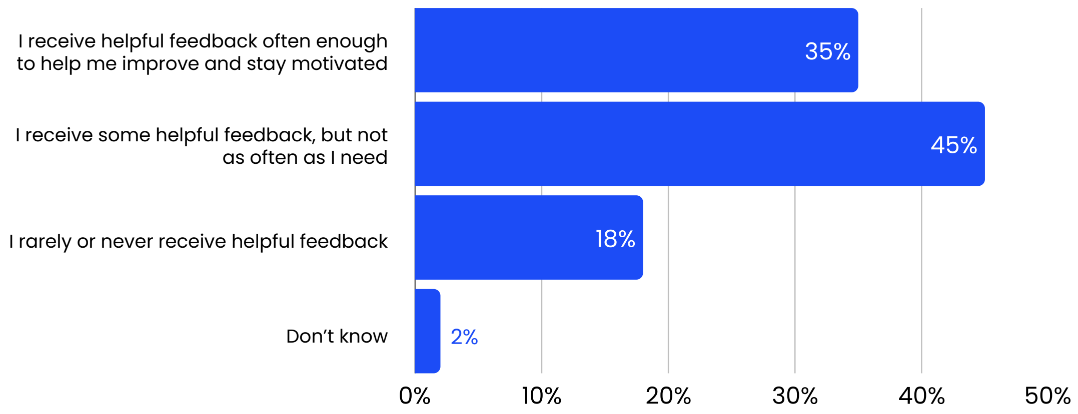
And while 76% report feeling engaged and motivated, fewer than three in ten (26%) feel this strongly. These findings suggest that while broad alignment exists, deeper confidence and connection may be lacking, highlighting a gap between policy and lived experience.



Q: Which of the following best describes the performance management process at your organisation? Q2 2025 (n=508)
Q: To what extent do you agree or disagree with each of the following statements about your role? Q2 2025 (n=508)

Only 35% of employees say they receive helpful feedback often enough to support their improvement and motivation. Almost half of employees (45%) report getting some helpful feedback, but not as frequently as they need. Alarmingly, nearly one in five (18%) say they rarely or never receive helpful feedback, highlighting a significant gap in ongoing performance support and development.

Feedback received at work



Q: How would you best describe the feedback you receive at work? Q2 2025 (n=508)

Methodology

The research was commissioned by ELMO Software and conducted by YouGov in accordance with ISO 20252 standards.

YouGov surveyed 508 New Zealand employees aged between 18 and 64 (excluding self-employed employees) between 1 and 4 July 2025.

The research was conducted via an online survey. Respondents were members of a permission-based panel, geographically dispersed throughout New Zealand including both capital city and non-capital city areas.

After surveying, the data was weighted to the latest population estimates sourced from Stats NZ.

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