ELMO Software
Employee Sentiment Index

Aotearoa New Zealand | July - September 2025

Contents

Overview

500+
RESPONDENTS

Jul-Sept
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 July 2025 and September 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

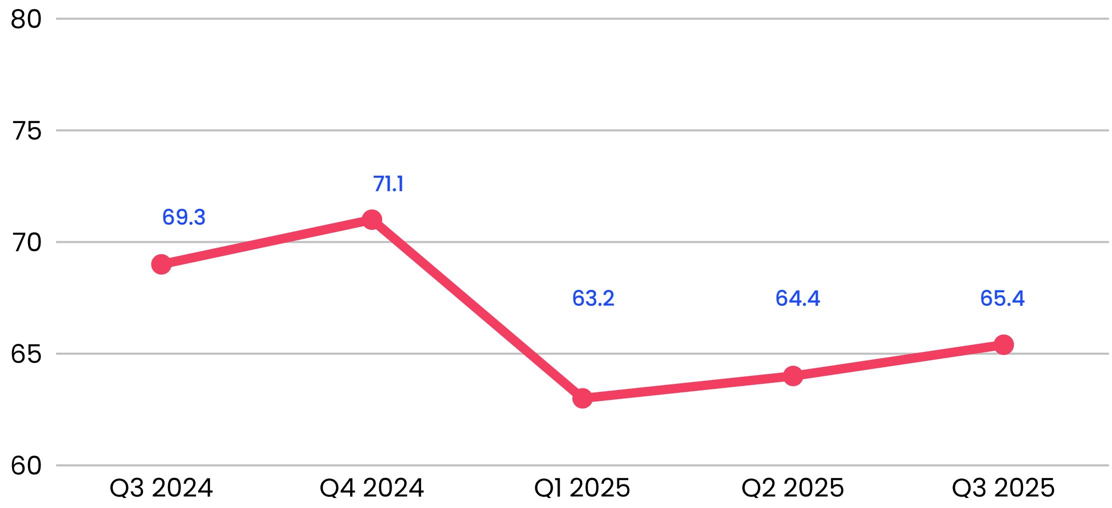
Tracking the Index

The Index has shown a generally stable trend for New Zealand employees. The latest score of 65.4 shows an improvement from the last quarter (64.4) but still sits notably below the high achieved in Q4 2024 (71.1).

There was a modest improvement in economic and job security (23.8, up from 22.9), while the other indicators remained relatively stable:

- Wellbeing (13.4 compared to 13.6)
- Compensation and recognition (13.8 compared to 13.3)
- Mobility (14.4 compared to 14.6).

Despite a marginal recovery from last quarter, this subdued sentiment suggests a stabilising yet cautious outlook among New Zealand employees and a lingering sense of unease about broader economic and workplace factors.



	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Economic and job security	26.7	27.3	22.5	22.9	23.8
Wellbeing	15.2	16.0	13.3	13.6	13.4
Compensation and recognition	13.4	13.0	13.1	13.3	13.8
Mobility	14.0	14.7	14.3	14.6	14.4

Fixed Questions

Following a dip in overall sentiment in the first half of 2025, New Zealand employees are showing tentative signs of recovery. Job and economic security have slightly improved, and perceptions of fairness and recognition are trending upward.

Employees currently appear comfortable but cautious. They're maintaining role stability without taking on additional responsibilities, reporting marginally lower levels of burnout, but taking more leave - a combination that signals stabilisation rather than renewed engagement.

Burnout and disengagement rising?

Employee wellbeing remains under strain, with high burnout levels dipping slightly from **48% to 45%** this quarter. More employees are taking time out, with **increases in both sick leave and a rise in mental health days** from **16%** to **21%**, signalling fragile engagement levels and a need for more proactive strategies.

Workforce holding steady

Stability and caution continue to shape the labour market, with **job security holding steady** and a limited appetite for role changes. Since last quarter, the proportion of employees seeking a career change remains unchanged at **26%**, and those taking on additional responsibilities are also holding firm at **33%**.

Recognition improving

Employees are feeling just as valued for their contributions this quarter, with recognition remaining unchanged at **73%**. However, sentiment around remuneration fairness has risen, with **nearly two in three** (65%) believing they're **paid fairly** for their work, up slightly from 60% last quarter.

Topical Questions

According to ELMO's 2025 HR Industry Benchmark report, upskilling, cross-skilling and reskilling employees was the top challenge for Kiwi businesses (32%), highlighting the pressure on organisations to build capability. This quarter, we reflect on the other side of the story: how employees feel about the support they're receiving to grow their skills and careers so far in 2025.

Three in four (76%) employees have received some form of training in the past 12 months, and it's emerging as a notable retention driver. Employees who perceive limited career progression are far more likely to consider leaving, highlighting the importance of sustained investment in learning - not just as a development strategy but as a core engagement and retention lever.

Skills confidence

84% of employees feel their skill set is ahead of, or keeping pace with, industry changes. However, **13%** of New Zealand employees still feel they're being left behind by a **skills deficit**, signalling the need for targeted support to ensure no one is left behind.

Workplace capability

While most employees are confident in their workplace training, only **57%** believe their employer invests in their **long term career growth**. Interestingly, three in five (**63%**) employees say they would **consider leaving** their employer if their career growth or skills development stalled, underscoring the clear link between development and retention.

AI readiness

While **88%** of employees believe **AI is relevant** to their role or industry, only **15%** feel well supported by their employer in AI related training (nearly three in four (**73%**) citing one or more areas of inadequate support). Only **52%** feel prepared for AI-driven changes over the next 3-5 years, suggesting organisations are yet to fully translate awareness into action.

Fixed Question Analysis

Perceived Security

Sentiment around job and economic security remains subdued this quarter.

Less than half of employees (45%) feel secure in their job, up from 43% in Q2. Only 23% feel economically secure, virtually unchanged from 22% in the prior quarter, and far below the 47% recorded in Q4 2024.

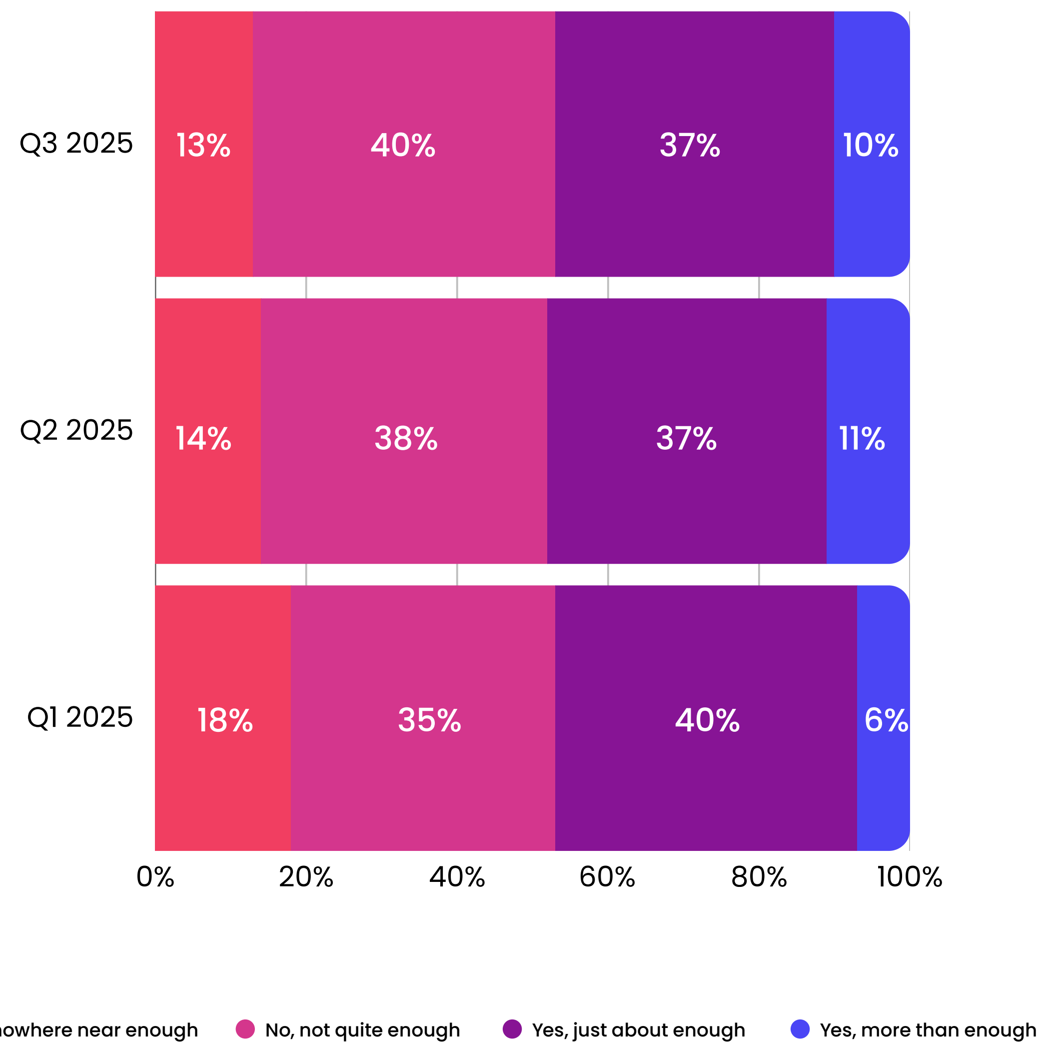
Despite weak improvement, overall economic confidence remains well below 2024 highs, indicating employees are feeling cautious about external conditions.

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 (July to September 2025)? Q3 2025 (n=532), Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502)

Perceived Earnings

Reflecting relatively weak confidence in economic conditions and job security, fewer than half (48%) feel they earn enough, down from 49% last quarter. A further 37% say they are just about managing, unchanged from last quarter, suggesting financial stability has plateaued.

Still, two in five (39%) feel their income is insufficient, including one in ten (13%) who say they are 'nowhere near' meeting their financial needs.



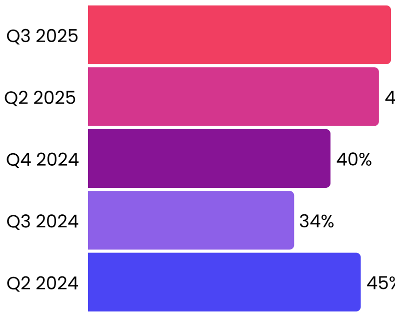
Q2: Considering the current cost of living, do you feel that you are earning enough to meet your and your family's financial needs? Q3 2025 (n=532), Q2 2025 (n=508), Q1 2025 (n=512)

Employee Wellbeing

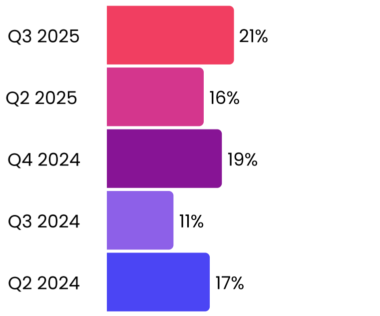
Burnout remains persistent, with 45% of employees reporting feeling burnt out, a slight improvement from Q2.

At the same time, more employees are taking time off with legitimate sick leave rising to 50% (up from 48%) and annual leave holding steady at 52%. This suggests that employees are using their leave entitlements, but not necessarily recharging.

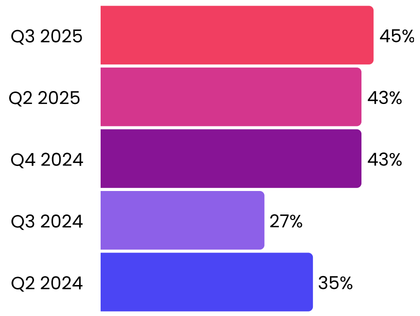
Taken a legitimate sick day



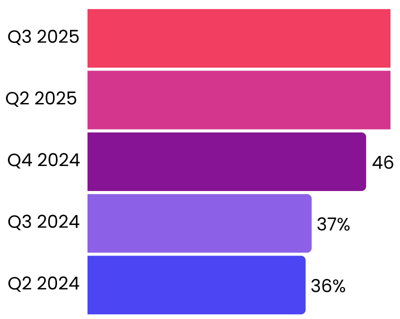
Taken a sick day despite not being sick



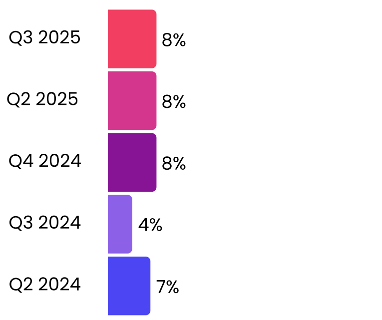
Arrived at work while feeling unwell



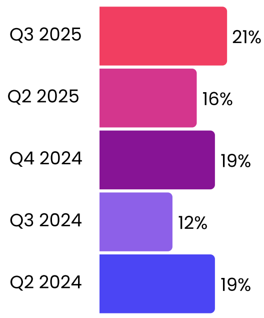
Taken annual leave



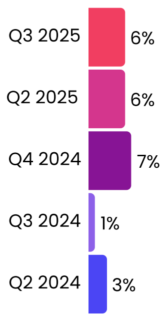
Taken carer's or compassionate leave



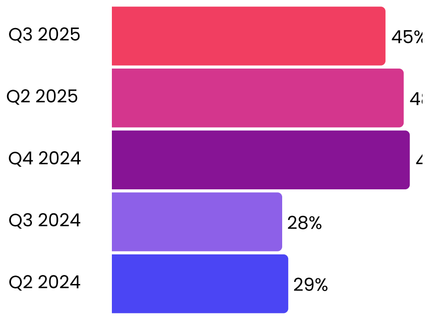
Taken a mental health day



Used an employee assistance program (EAP)



Felt "burnt out"

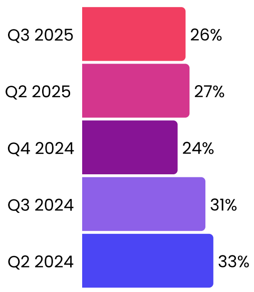


Q3: Over the past three months (July to September 2025), have you? Q3 2025 (n=532), Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502)

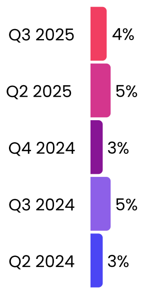
Employee Mobility

Caution continues to shape the labour market, with both job security and new role exploration holding steady. The proportion of employees considering a career change or taking on additional responsibilities remains unchanged from last quarter. This reflects a cautious workforce maintaining stability within existing roles, highlighting the opportunity to re-energise the employee experience and strengthen career pathways.

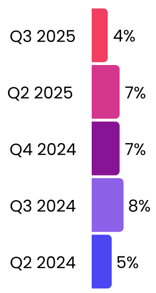
Consider a career change



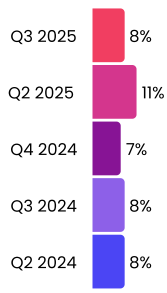
Commence a career change



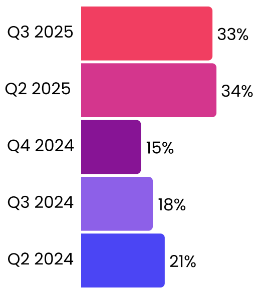
Started in a new job



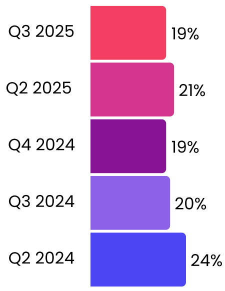
Earn a promotion



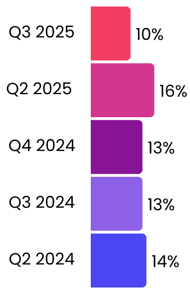
Taken on more responsibility at work



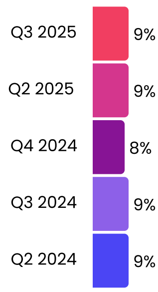
Actively search for a new role in another company



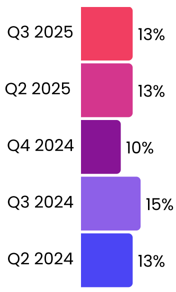
Apply for a new role in a new company



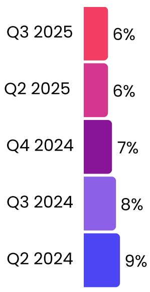
Interview for a new role in a new company



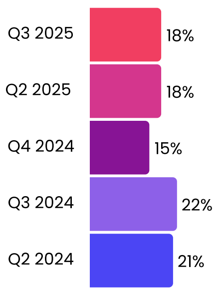
Consider undertaking new formal training



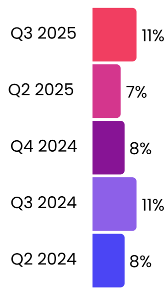
Commence new formal training



Complete training mandated by your employer



Actively search for a role in your existing company

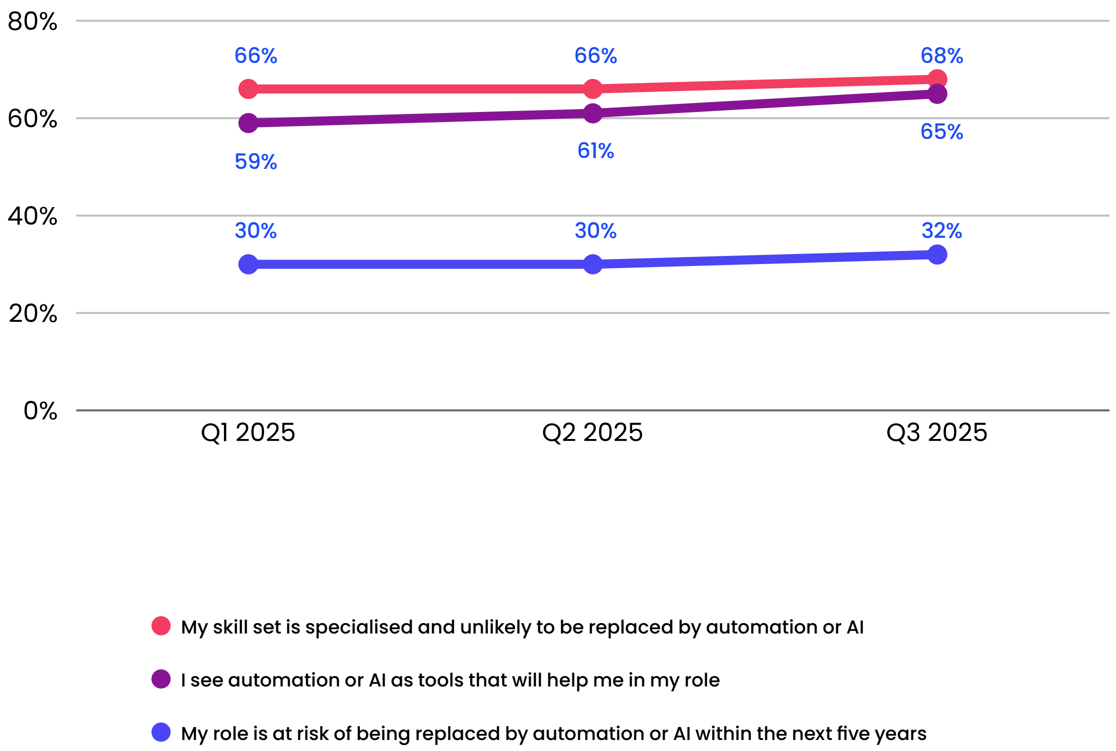


Q6: In the past three months (July to September 2025), did you? Q3 2025 (n=532), Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502)

Future of Work

Most employees remain unconcerned about the impact of automation or AI on their job security. Nearly seven in ten (68%) believe their skill set is specialised and unlikely to be replaced and almost two thirds (65%) view automation or AI as tools that will support them in their role.

However, one in three (32%) now believe their role is at risk of being replaced within the next five years, up slightly from 30% in the last quarter, signalling the growing need for skills development.



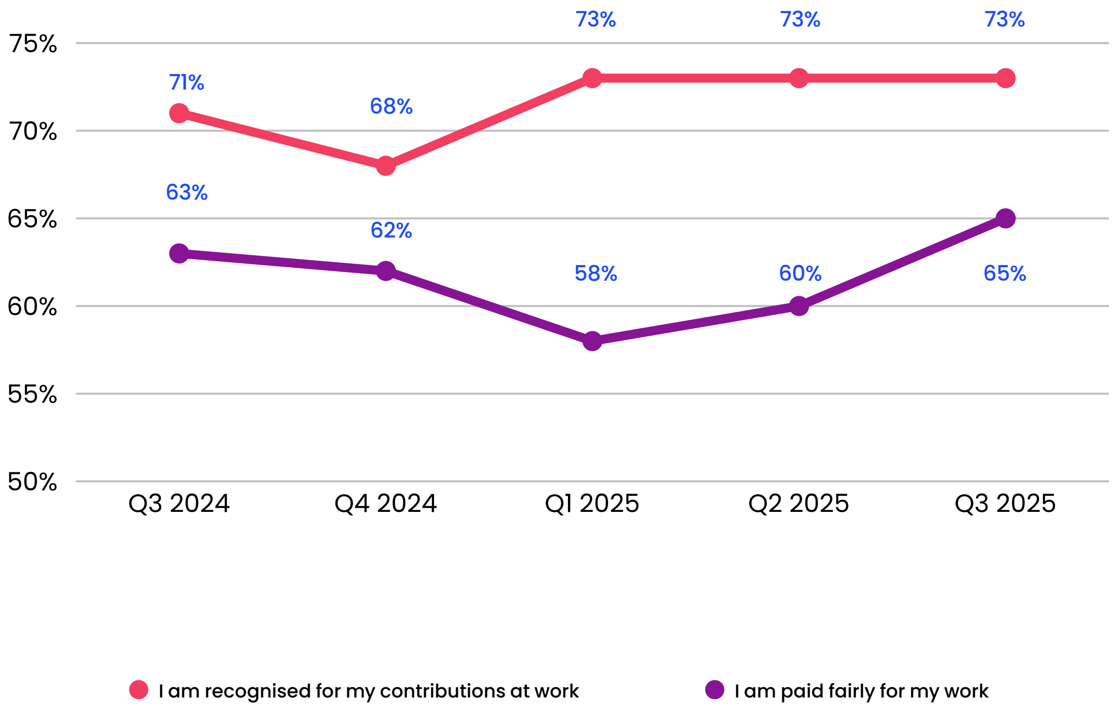
Q5: To what extent do you agree or disagree with each of the following statements? Q3 2025 (n=532), Q2 2025 (n=508), Q1 2025 (n=512)

Recognition and Remuneration

Perceptions of recognition remain stable, while fairness has improved.

Nearly three quarters (73%) of employees feel recognised for their contributions (unchanged from last quarter), and encouragingly 65% now believe they're paid fairly (up from 60%).

Together, these results indicate that employees are feeling more valued and appropriately rewarded, even though fewer than half (48%) feel they earn enough, pointing to cost-of-living pressures rather than salary dissatisfaction as the underlying issue.

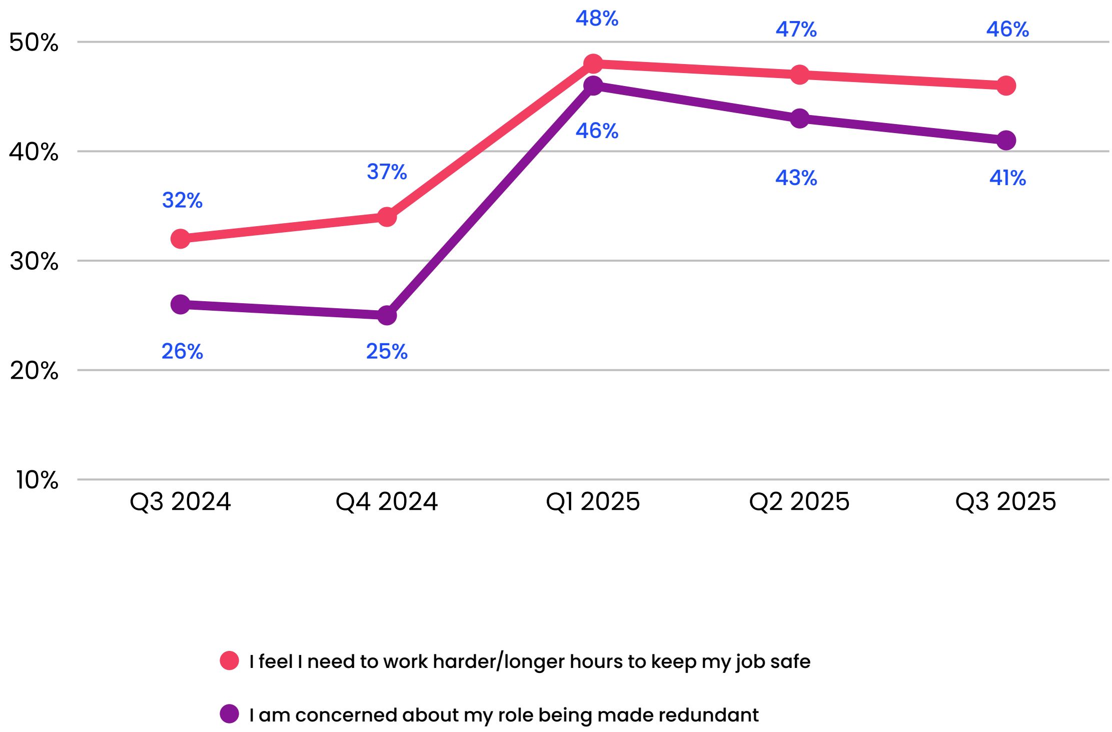


Q7: To what extent do you agree or disagree with each of the following statements? Q3 2025 (n=532), Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502)

Job Safety and Redundancies

Despite improving overall sentiment, concerns about redundancy remain high this quarter, with two in five (41%) expressing concern about their role being made redundant, slightly down from 43% last quarter but still significantly above the levels seen in late 2024.

Nearly half (46%) also feel they must work harder or put in longer hours to keep their job secure, consistent with 47% in Q2, but still well above 2024 levels, indicating that job security anxiety remains a significant pressure.



Q7: To what extent do you agree or disagree with each of the following statements? Q3 2025 (n=532), Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502)

Employee Priorities

The top three priorities for employees remain unchanged: pay, stability and culture.

All other factors remain similarly stable. Interestingly, despite the lingering concerns around this issue, wellbeing initiatives still rank 7th on the list.

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

Q9: Thinking about choosing a new employer, rank your top five most important factors from the list below? Q3 2025 (n=532), Q2 2025 (n=508), Q1 2025 (n=512), Q4 2024 (n=521), Q3 2024 (n=502)

Topical Analysis

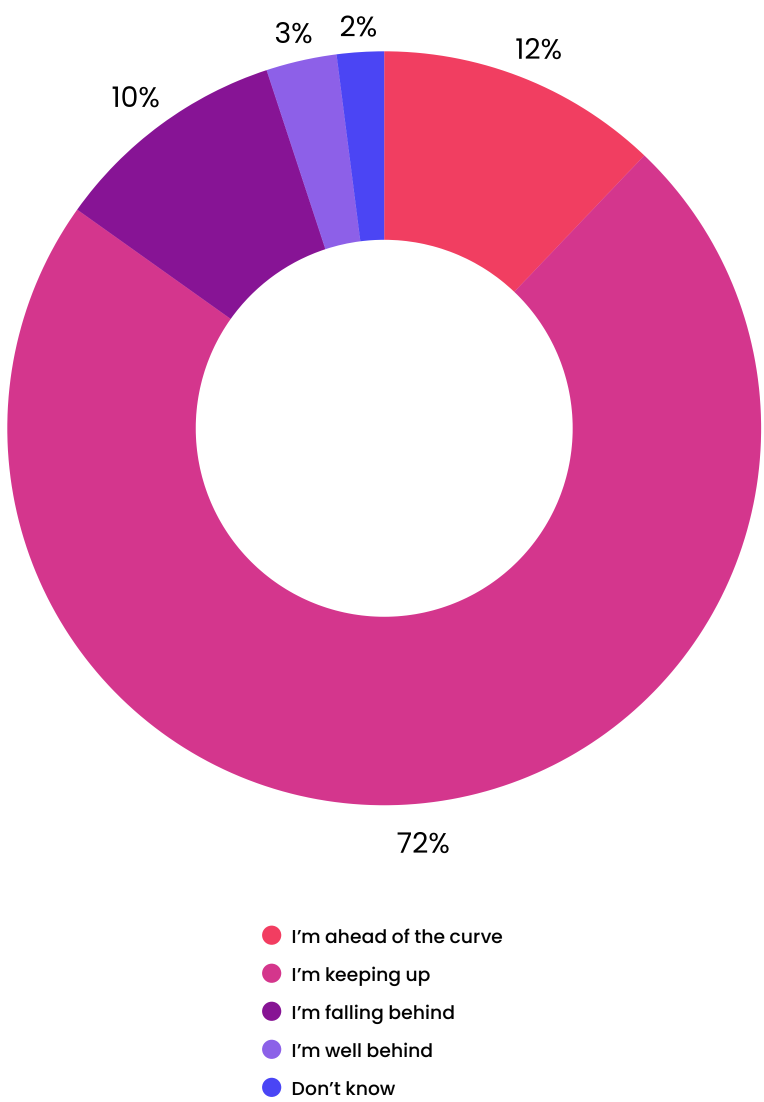
Skills and Training

Skills Are At Pace

Employees generally express confidence in their skills readiness, with more than four in five (84%) believing their current skill set is keeping pace with changes in their industry and the broader workforce.

Around one in eight (12%) feel they are ahead of the curve, while 13% believe they're falling behind, including 3% who feel they're well behind.

Whether skill set is keeping pace with changes



Q: How well do you feel your current skill set is keeping pace with changes in your industry and the broader workforce? Q3 2025 (n=532)

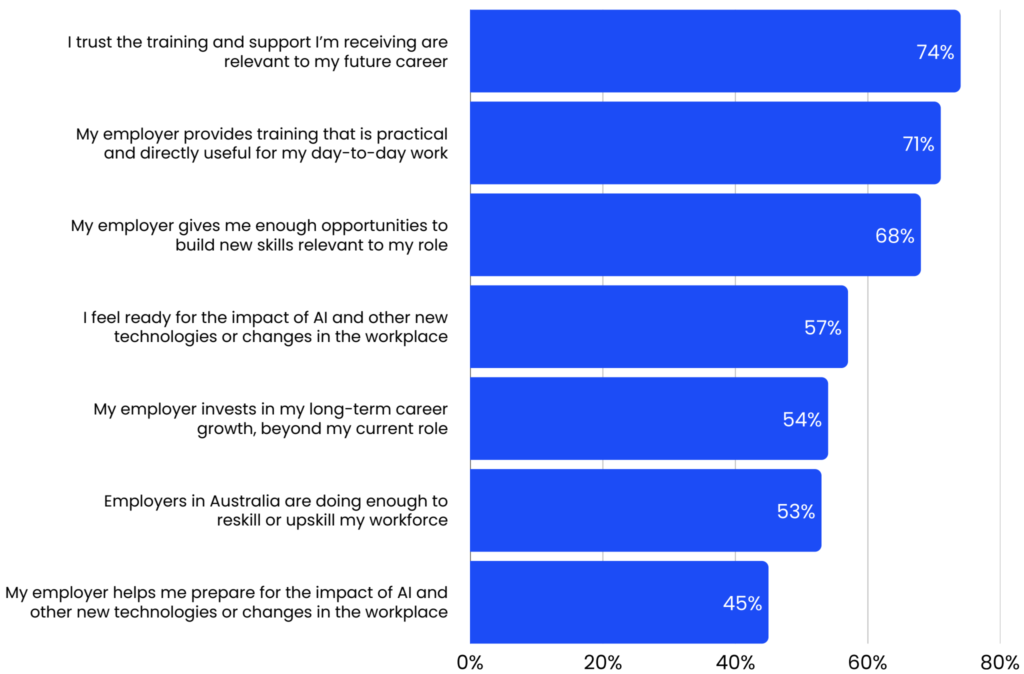
Training On Track, But Future Focus Lags

The confident outlook on skills readiness is reinforced by overall trust in workplace training. Three in four employees (76%) believe the training and support they receive is relevant to their future career. A similar proportion say their employer provides training that's practical and directly useful for their day-to-day work (75%) and offers sufficient opportunities to build new skills relevant to their role (75%).

However, preparedness for technological change is more mixed. Only three in five employees (62%) feel ready for the impact of AI and other new technologies, while just over half (54%) believe their employer helps them prepare for these shifts.

Longer-term development also appears weaker. Around three in five employees say their employer invests in their career growth beyond their current role (61%), and a similar proportion (56%) agrees that employers in Australia are doing enough to reskill or upskill the workforce overall.

Agreement with statements about skills and training



Q: To what extent do you agree or disagree with each of the following statements? Q3 2025 (n=532)

Training Widespread, But Gaps Remain

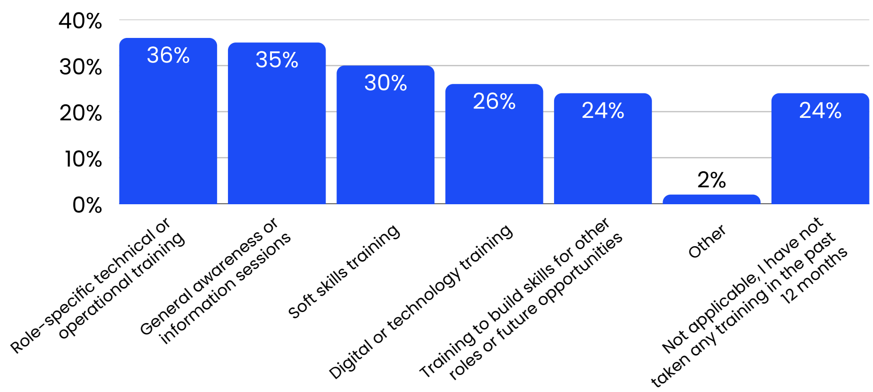
Three quarters (76%) report having received some form of training in the past 12 months, whether provided by their employer or self-arranged.

The most common types include general awareness or information sessions (35%), soft skills training (30%), and digital or technology training (26%) and training aimed at building skills for other roles or future opportunities (24%).

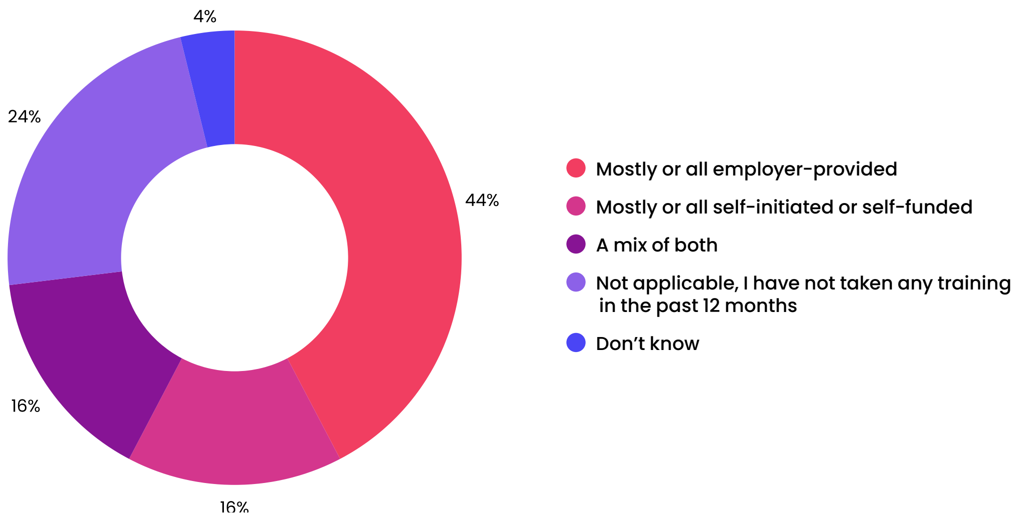
Overall, more than two in five employees (44%) say the training they received was mostly or entirely employer-provided, while one in six (16%) say it was self-initiated or self-funded. 16% also report a mix of both.

However, almost a quarter of employees (24%) - or around 620,000 employees - say they haven't undertaken any training in the past 12 months.

Types of training received in the past 12 months



How training was accessed



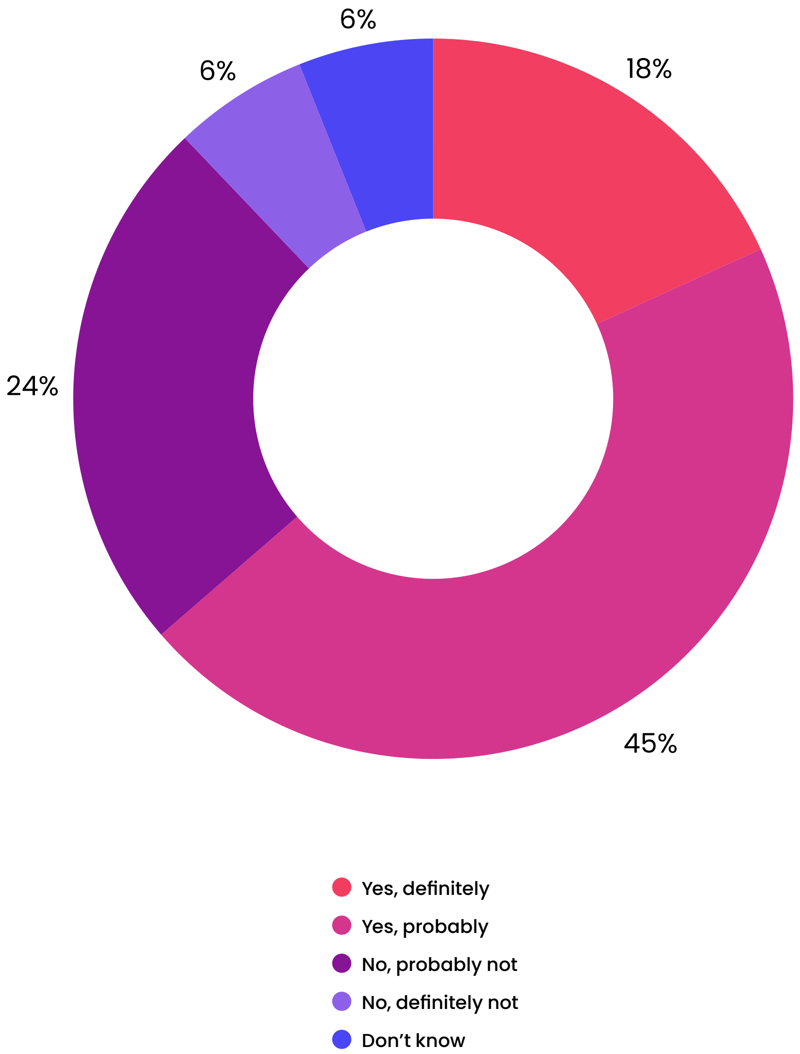
Q: In the past 12 months, which, if any, of the following types of training have you taken to develop your skills - whether provided by your employer or arranged yourself? Q3 2025 (n=532)
Q: Thinking about the training you took in the past 12 months, how was it accessed overall? Q3 2025 (n=532)

Training As A Retention Driver

Training is emerging as a clear retention factor. Over three in five employees (63%) say they would consider leaving their current employer if their career growth or skills development stalled — including 18% who say they would 'definitely' do so. Three in ten (31%) wouldn't, while 6% remain unsure.

This highlights the link between professional development and retention, reinforcing the value of ongoing learning investment.

Is training a retention driver?

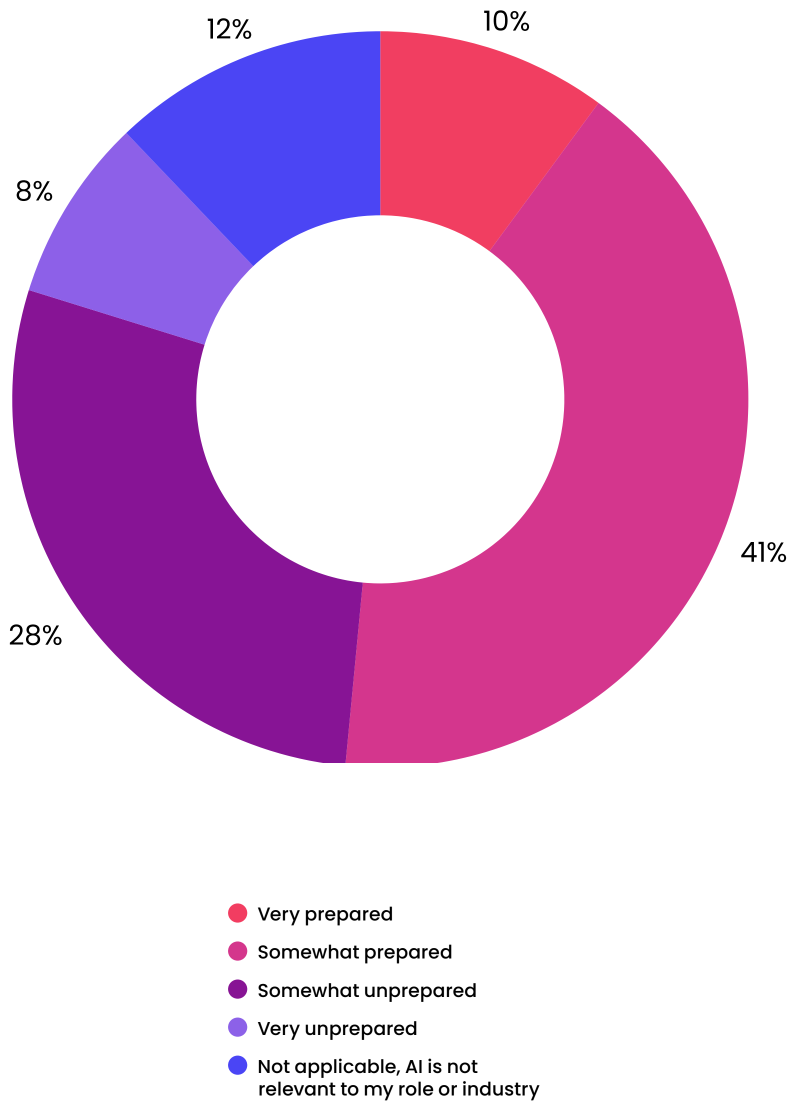


Q: Would you consider leaving your current employer if you felt your career growth or skills development were stagnating? Q3 2025 (n=532)

AI Seen As Relevant, But Readiness Lags

Nearly nine in ten employees (88%) believe AI is relevant to their role or industry. However, just over half (52%) feel prepared for AI-driven changes over the next three to five years, and only one in ten (10%) feel 'very prepared'. In contrast, more than a third of employees (36%) — around 900,000 employees — feel unprepared, including nearly one in ten (8%) who say they're 'very unprepared'.

AI readiness



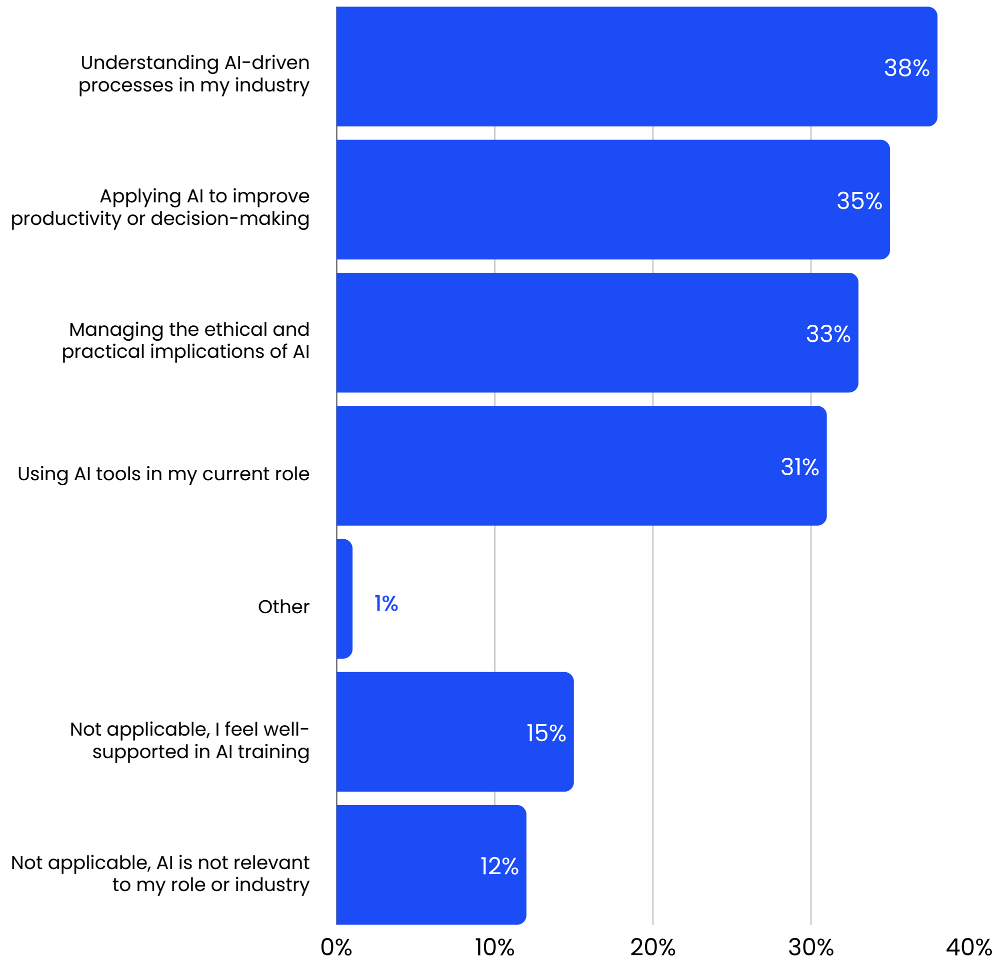
Q: How prepared do you feel for AI-driven changes in your role or industry over the next 3-5 years? Q3 2025 (n=532)

When it comes to employer support for AI, only one in seven employees (15%) feel well supported in accessing AI-related training. Almost three quarters (74%) report at least one area where their employer isn't providing enough support.

Employees most commonly cite needing greater assistance in understanding AI-driven processes within their industry (38%), using AI tools in their current role (35%), applying AI to improve productivity or decision-making (33%), and managing the ethical and practical implications of AI (31%).

This highlights a growing gap between AI awareness and the practical support employees need to apply it effectively.

AI training gaps



Q: In which, if any, of the following areas of AI training do you feel your employer is not providing enough support? Q3 2025 (n=532)

Methodology

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

YouGov surveyed 532 New Zealand employees aged between 18 and 64 (excluding self-employed employees) between 1 and 6 October 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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