

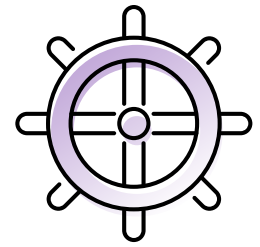
● 2022 Alight international workforce and wellbeing mindset study

Putting purpose into practice



alight

Defining your company as a purpose-driven organization once might have seemed like a nice-to-have or only relevant for certain industries. However, our data shows that employees are increasingly differentiating employers based on their purpose and how that purpose is a part of their ethos. It also correlates with their desire to stay and their productivity. This nice-to-have suddenly looks like it could be a must-have in today's tough talent market.



The 2022 *Alight international workforce and wellbeing mindset study* (2022 Mindset Study) shows that employees certainly care about more of the intangibles of the employee experience. They increasingly differentiate one employer from another based on things like taking a public stand on social / political issues, being highly purpose-driven, being environmentally and socially responsible and providing meaningful work. It is expected from any employer in today's post-pandemic world.



Examining employee expectations

Alight's annual Mindset Study examines employee perceptions of their employee experience and wellbeing.

For our 12th annual study, we expanded our scope and reach. The 2022 survey included respondents in the United Kingdom, France, Germany and The Netherlands, as well as the U.S. This year's study includes 2,000 employees from each country. We asked about employee experience, wellbeing, technology and total rewards, to name just a few topic areas. Any trend data reflects U.S. employee results because this was the first year to include employees in Europe. As always, we polled employees representing all generations, a broad array of industries and a variety of work and life situations.

Timing gives us important context for what was going on with employees when surveyed. Results are from March 2022, as the latest COVID-19 wave was waning in the U.S., U.K., France, and Germany. The Netherlands was nearing the end of a national lockdown. Inflation was on the rise and the war in Ukraine had just begun at the end of February.



Purpose as a priority for people

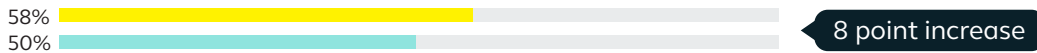
When asked what can differentiate one employer from another (versus just expecting it from any company), employees continue to put better than average pay and benefits in the top five every year. Yet, we consistently see more items that relate to culture and mission in the top 10, including taking a public stand on social and/or political issues, a strong fit with my values and is a highly purpose-driven organization. A strong company culture, being environmentally and socially responsible and providing meaningful work had relatively large increases in their rankings in the last year.

Looking at how people are feeling about their alignment with their company's values, purpose and belonging, we can clearly see that workers feel a stronger connection to their employers than in the past couple of years. In fact, 59% of employees feel connected to the purpose or mission of their company. This is an increase of 8 points in the last year and a 15-point jump compared to three years ago.

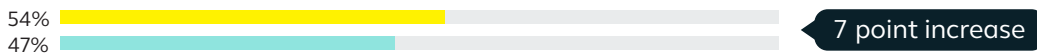
When it comes to value-related questions, we see year-over-year increases for personal alignment and how they are seeing the values come to life with their coworkers and leaders.

When it comes to values, employees who agree or strongly agree with:

My personal values align well with the company values



The company values are consistently demonstrated by people at my company



Leaders consistently demonstrate our values and encourage a positive culture



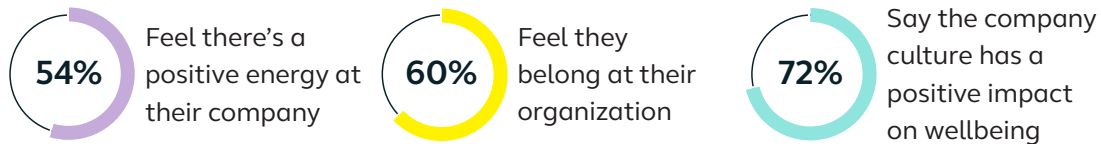
■ 2022 ■ 2020



#1 differentiator:
taking a public
stand on social/
political issues

Purpose drives positivity

This increasing positivity plays out in the general culture in the U.S., as 54% (a 11-point increase) feel there is a positive energy and excitement at their company. And 6 in 10 feel like they belong at their organization (a 6-point jump). This outlook certainly bodes well for recruiting and retention efforts, but it also can give a boost to the individual. Our data shows 72% of employees say that the company culture has a positive impact on their wellbeing (up by a whopping 44% year-over-year).

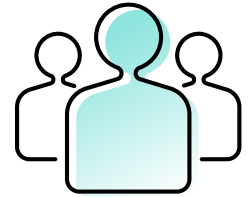


The 'Great Resignation' may be more of a 'Great Reprioritization' as some people are seeking out employers that they feel good about. It also could be a factor of companies being more comfortable communicating directly to their colleagues and communities around their values, purpose and stances.



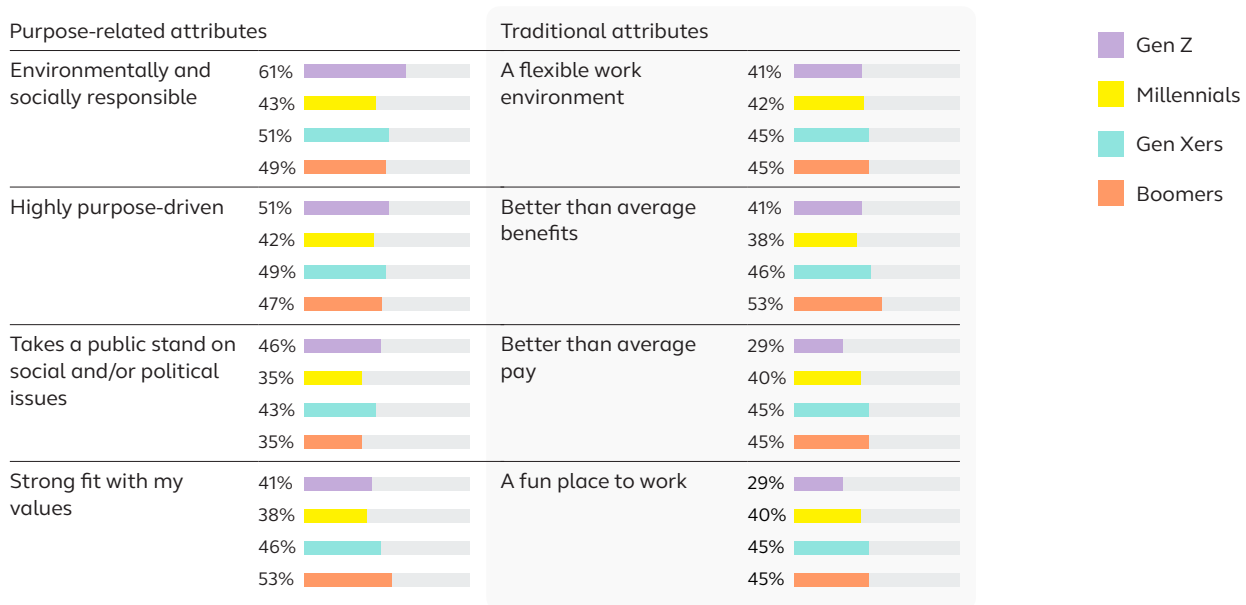
Generational differences stand out

While working for an organization with a strong purpose is increasingly important for employees, this is particularly true for younger generations. For Gen Z, what differentiates companies more than anything else, is whether the organization they work for is environmentally and socially responsible. Being highly purpose-driven a second. Gen Xers, likely your current leaders, also see these two factors as bigger differentiators than Millennials and Boomers.



By nearly 20 percentage points, being socially responsible (61%) is more of a differentiator for Gen Z than flexible work environment (41%), benefits (41%) and pay (29%).

Differentiates one company from another:

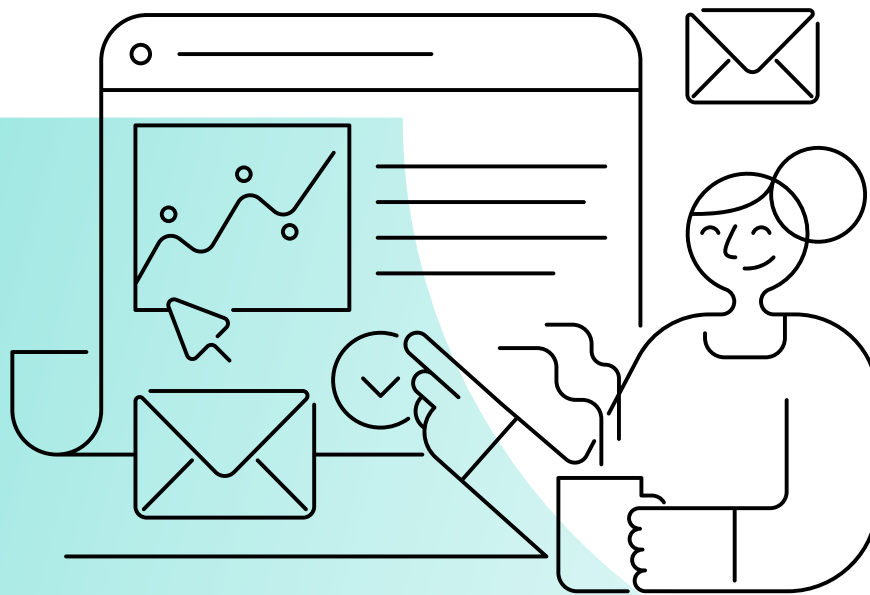


Aligning pay with purpose

While pay is a differentiator, a living wage is an expectation from any employer and this is backed up in our [*Winning with Wellbeing Study*](#). 44% of people (41% of Gen Zers) don't feel like they are paid enough for the work they do. Paying employees enough so they can live is essential. You can't get away with espousing a purpose and then pay below the market rate. Still, in a fight for talent, leaning into your mission and the world beyond the corporate walls could be a distinct advantage.

Interestingly, Gen Z employees don't see taking a stand on social or political issues as a differentiator; they just expect this from any employer. However, all other generations do see this as the top differentiator so being direct and public will go a long way with all your generational targets.

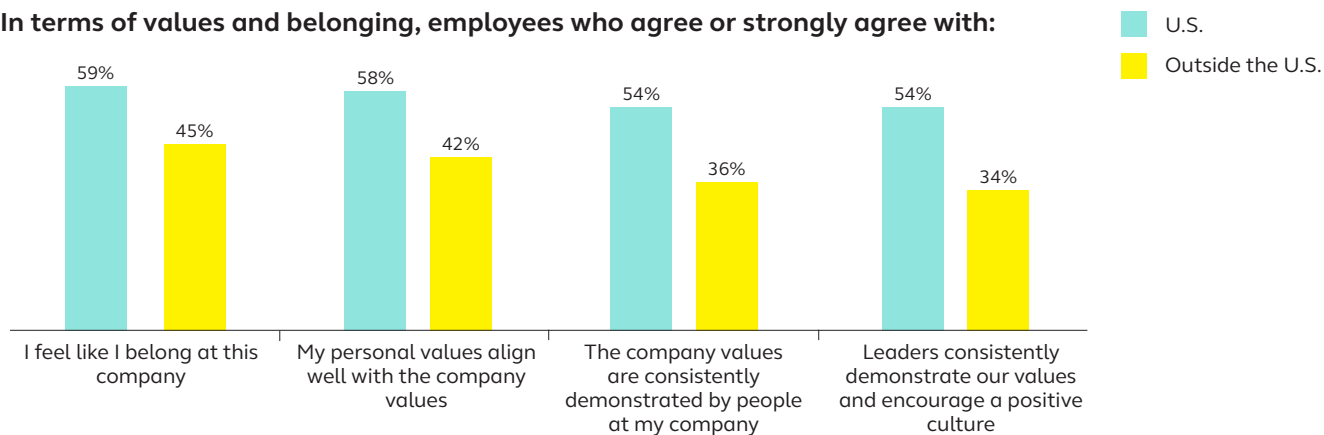
Just as we have seen with benefits programs, companies need to ensure they continuously evolve their stances, their purpose and their values. For example, values defined five years ago might very easily represent the values of older generations. It's worth examining what you're putting out in the market about the future and meaning of work for your organization and your people.



Purpose outside the U.S. lags, but is still a priority

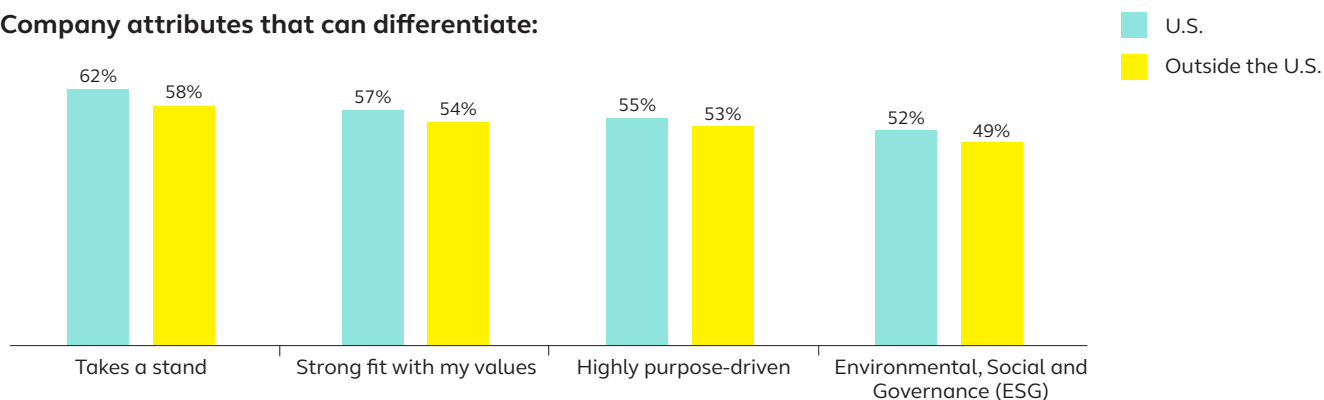
The gains we see in the U.S. when it comes to feeling employees belong at their company and value alignment aren't showing up outside the U.S. In fact, there are some sizable gaps between perceptions of U.S. and European employees when it comes to these topics (with the largest differences for French employees).

In terms of values and belonging, employees who agree or strongly agree with:



However, when asked about what really differentiates one employer from another, there are more similarities in things that can make a company stand out.

Company attributes that can differentiate:



Note: In this case, German employees felt these more to be expectations, rather than differentiators.

So, while employees in Europe aren't feeling as connected or aligned as you might like, it is important to them and could be a meaningful way of attracting and retaining key talent at a critical time.

Why employers need to pay attention

Beyond being relevant for the future generation, creating a culture and environment defined by purpose provides the foundation for productivity. Purpose and value are direct drivers of employee productivity. In fact, we looked at 47 different drivers of productivity. Not surprisingly, four of the top 11 focused on company purpose and values, including:

- I can be myself at work
- I feel like I belong at this company
- My personal values align with the company values
- I feel connected to the purpose or mission of my company

Impact on improving productivity

I have tools, technology and resources that enable me to work effectively	12%	<div><div></div></div>
I can be myself at work	11%	<div><div></div></div>
I know where to go to find information on pay, benefits or human resource topics	10%	<div><div></div></div>
I feel like I belong at this company	7%	<div><div></div></div>
I am effectively able to manage my work and personal life commitments	7%	<div><div></div></div>
My company does a good job communicating with employees overall	6%	<div><div></div></div>
The communication i receive is open and honest	6%	<div><div></div></div>
I feel well-informed on matters that are relevant to me	6%	<div><div></div></div>
My personal values align well with the company values	4%	<div><div></div></div>
I often dread going to work or starting my workday	4%	<div><div></div></div>
I feel connected to the purpose or mission of my company	3%	<div><div></div></div>

And in a tough labor market, we know that being purpose-driven drives talent retention. We found that only 4% of people who left a job in the last 18 months moved on for better alignment with values or purpose. Yet, 39% of current employees say that meaningful work is more important to them than pay. In fact, when we look closely at those people who say they don't intend to leave their company soon, more of them say they expect a purpose-driven organization than those looking and 28% more indicate that they feel connected to the purpose of the company. So, if you can make that connection real, it can make a difference in keeping your people productive, engaged and employed.



4 in 10
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What you can do now

Expectations are shifting and employers would be wise to stay ahead of the curve when it comes to telling an authentic story about your purpose, values and stances. Being purpose-driven makes not just economic sense but is a requirement to be competitive in attracting and retaining key talent. Sitting on the sidelines or moving too slowly in these areas could mean that your people will feel less connected and could start to look elsewhere.

A few questions to ask yourself as you embark on your own purpose transformation:

- Could your employees articulate your purpose?
- Do you have an internally focused ESG strategy that goes beyond your investors?
- Are your leaders exemplifying the values of the company?
- How comfortable are you taking a stand publicly about emerging issues?
- Is there alignment for people in terms of the company mission and their ability to personally do meaningful work?
- Is your communication strategy connecting the dots for all these aspects of the employee experience for candidates and current employees consistently?

The time is now. People expect more from their employers. Be purposeful about your purpose and put it out there or risk them finding it elsewhere.



About Alight

Alight is a leading cloud-based human capital technology and services provider that powers confident health, wealth and wellbeing decisions for 36 million people and dependents. Our Alight Worklife® platform combines data and analytics with a simple, seamless user experience. Supported by our global delivery capabilities, Alight Worklife is transforming the employee experience for people around the world. With personalized, data-driven health, wealth, pay and wellbeing insights, Alight brings people the security of better outcomes and peace of mind throughout life's big moments and most important decisions. Learn how Alight unlocks growth for organizations of all sizes at alight.com.

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