



# Insights Report:

What Australian Employees  
Want From Their Workplace



# Forward .

## The Australian workplace is changing and employees are at the centre of it all.

Flexible work, healthy workplace cultures, wellbeing strategies and benefits are becoming top priorities for employees.

What's behind the shift?

New generations armed with a social conscience, a need for connectivity and a demand for wellbeing, are entering the job market. Technology continues to evolve, altering expectations around how we communicate, the way we work and where we work. Old hierarchies are breaking down in favour of more collaborative models that prioritise recognition and team work. Outside the workplace, the cost of living is rising and a large chunk of our workforce are finding themselves financially vulnerable.

As a result, employees are beginning to want more from their employers and this is directly influencing decisions around where to work and how long to stay. For those wanting to attract and retain the best talent and build world class businesses, it's well worth taking the time to stop and discover what it is employees want.

As they say, ask and ye shall receive. We asked, and the answers ranged from expected to surprising. We hope you learn from our insights and applaud all businesses who seek to make employment more rewarding for their staff. After all, the equation is simple. The creation of a better world at work equals the creation of a better world.



**Ben Thompson**  
CEO and co-founder of Employment Hero

## About this report

Employment Hero partnered with YouGov Galaxy, a leader in the field of data and market research, to find out what Australian employees want. We asked 1,001 full- and part-time employees from around the country what they wanted from their workplace. The data was then weighted by age, gender and region to reflect the latest population estimates. This report discusses the survey results in detail. We hope you find them enlightening and they help you develop a better workplace.

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# Key Insights.

## **We've broken this report down into three key categories:**

- Recruit and retain
- Benefits and wellness
- Employees and pay

Clear trends can be seen across all three areas. Benefits are gaining momentum, employees financial health is dwindling, flexible working is immensely popular and there is a greater demand for transparency and easier access to one's own data.

# Key Insights.

## Benefits are gaining momentum

Pay is an important consideration for employees, especially high income earners, but it is not the make-or-break factor it once was. Benefits like discounts on everyday items, flexible work and a strong work culture all play key roles when it comes to attracting and retaining staff.

As the chart on the right indicates, employees top three considerations when looking for a new role are pay, location and flexible working.

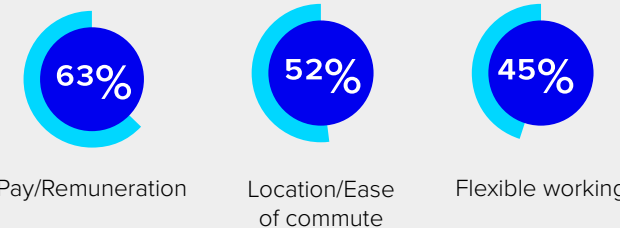
However, demographic analysis revealed that while higher income earners (those earning \$90k or more per year) cited pay as a key consideration (69%), those earning less than \$40k per year said they are more likely to be swayed by flexible working (63%) and the ease of commute (62%).

In addition, pay is not the topmost reason an employee will leave a role. As can be seen in the chart on the right, a toxic work culture is the primary reason an employee will quit a job.

When we investigated employee loyalty, we again saw a dichotomy between higher and lower income earners. When it comes to staying with an organisation, pay is more likely to influence high income earners (61%). Those with lower incomes are more likely to stay because they like their co-workers (62%), are made to feel appreciated (55%) or have flexible working conditions (55%).

A clear picture emerges when you couple this information with the knowledge that over 1 million workers look for added benefits that have tangible financial value when searching for a job and that over 1 million workers would be tempted to leave a job if they were not offered benefits that provide discounts on things like groceries, petrol and gym membership. Employees are looking for more than remuneration. They are looking for healthy work cultures and added benefits. Those who earn less are even more likely to be influenced by workplace culture and the benefits on offer.

### Employees' top three considerations when looking for a new role are:



### The three main reasons employees leave a role are:



# Key Insights.

## Financial health is dwindling

When we asked employees what benefits they'd most like their employers to provide (see the chart on the right), flexible work was the clear winner. However we could also see that benefits that had tangible financial value were also popular including discounts on electricity and petrol.

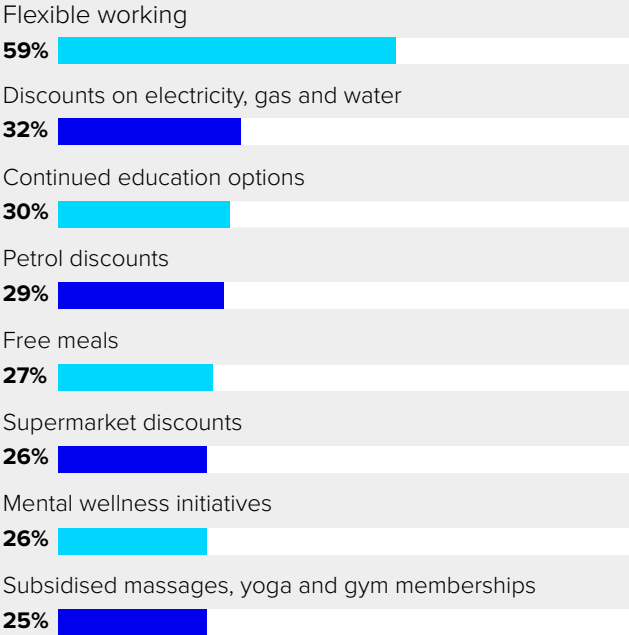
The increased popularity of workplace benefits, especially those that offer monetary perks, can be linked to the state of employees financial health. A whopping 52% of all workers admit they have had difficulty meeting all of their financial commitments, with power bills (15%) and credit card balances (11%) providing the biggest problems.

Additionally, over 2.5 million workers (or 26% of the working population) have taken out a payday loan. Again we saw a difference between high and low income workers, but perhaps not what you would expect. High income earners (31%) are more likely to have taken out a payday loan than those on lower incomes (20%).

Regardless of salary size, payday loans increase financial vulnerability. Our results reveal that those who have taken out a payday loan (85%) are much more likely to have experienced difficulty paying bills on time than those who have never needed a short term loan (40%).

As a result, those who have ever taken out a payday loan (along with millennials, who as a generation are more likely to take out payday loans), have a stronger desire to set their own pay date (35%) and use features that allow them to track spending (30%).

### The top benefits employees would most like to see their employers provide are:



# Key Insights.

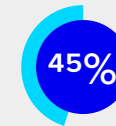
## Flexible working

Flexible working has joined the ranks of remuneration, location and career progression, when it comes to key factors employees consider when looking for a job and when staying in a job. It's also been cited as a key benefit needed for boosting wellness in the workplace and is the benefit employees would most like their employers to provide.

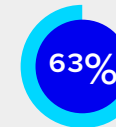
On top of this, lower income workers (55%) are more likely to stay in a role if there are flexible working options. We also saw that flexible working conditions are especially important to female employees (62%) and part-time workers (63%).

The increasing popularity of flexible work can be attributed to changing workplace structures, the continuing digitisation of the workforce and the growing desire for better work-life balance. By introducing flexible work policies, businesses stand to improve their desirability, increase retention rates and create a healthier (and thus more productive) work culture.

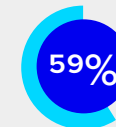
## The rising popularity of flexible work



of employees said they took flexible work into consideration when weighing up a new job



of employees said flexible work was a benefit that would help maintain physical and mental health



of employees said flexible work was a benefit they'd most like to see their company provide

# Key Insights.

## Transparency and easy access

Greater access to their own information is another trend we have seen emerge among employees.

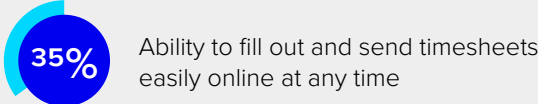
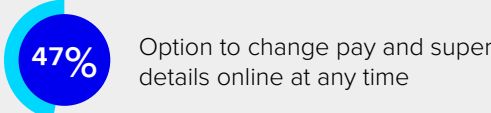
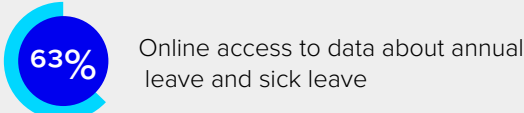
There is an undeniable rising demand for employees to have more control over their pay information. More than half of all workers would like to access their sick leave, annual leave and payslips online.

As can be seen, most workers (63%) would like to be able to check their sick leave entitlements, annual leave time and payslips online at any time. There is also appeal in being able to set one’s own pay date (26%) and a system that permits spending and savings to be tracked (24%).

Around 1.8 million employees, or 15% of the working population, also said that self-serve HR tools like those that allow checking sick leave entitlements or annual leave (as mentioned above) would lead to increased loyalty toward their employers.

Living in a digital age with vast amounts of information at our fingertips, the desire for increased transparency and easier access to one’s own information comes at no surprise.

## The pay features with greatest appeal among employees are:





# Recruit and Retain.

**The secret to recruiting and retaining great staff is to provide more than a healthy paycheck.**

Remuneration is still a top consideration but our data reveals that employees are beginning to expect more than a salary from their employers. Flexible work, healthy workplace cultures and benefits are front of mind for employees when prospecting for new roles, measuring loyalty toward their employers and making decisions regarding departure. We are entering a new era of employment and the benchmarks for attracting great talent are changing.

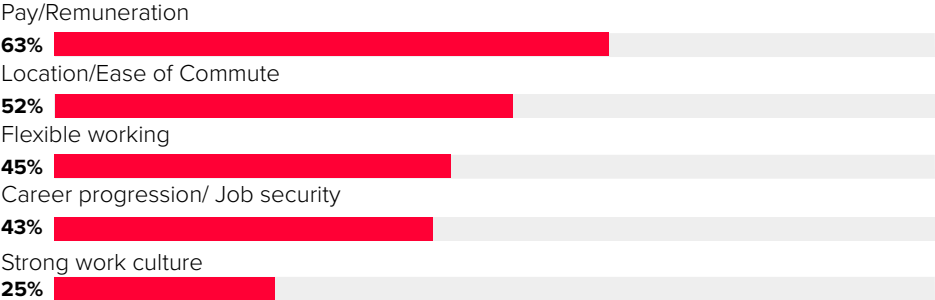
# Recruit & Retain.

## Why employees accept job offers.

The top five considerations employees make when prospecting a new job are: pay, location, flexible working, career progression and a strong work culture, in that order.

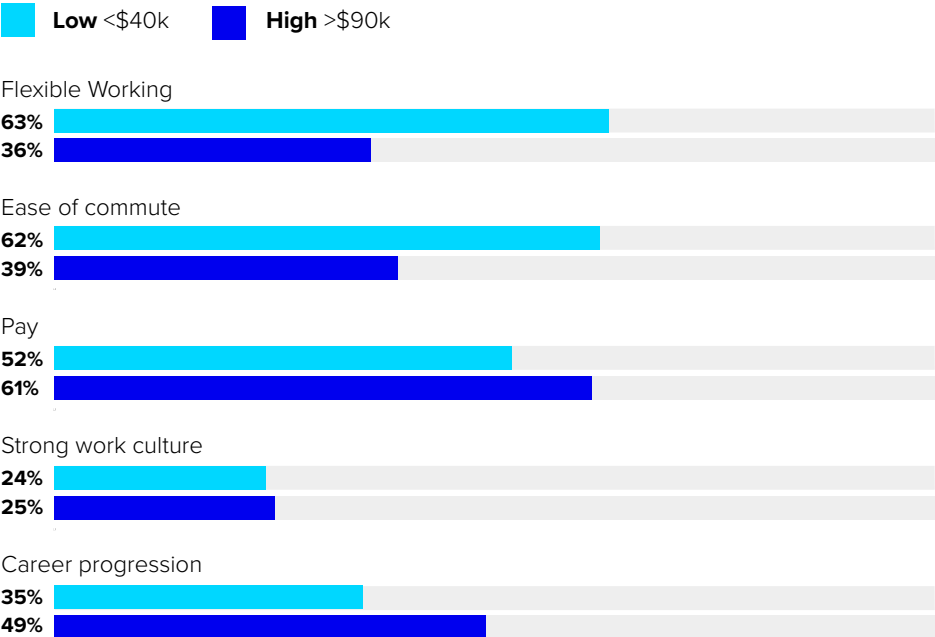
Flexible working has become a key consideration for employees. Higher income earners (those earning \$90k or more per annum) are more likely to consider pay a top priority (69%) while those who earn \$40k or less are more likely to be swayed by flexible working and ease of commute (62%).

### Top 5 considerations when looking for a new role

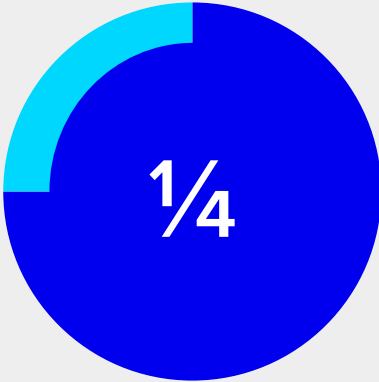


### High vs Low income earners

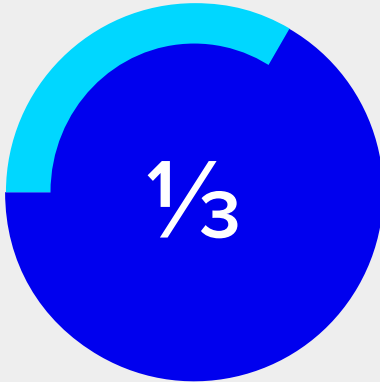
When it comes to looking for a new job, high and low income workers value different features.



# Culture Is Key.



**1 in 4** employees will look for an employer with a strong work culture and who offers team and company level activities.



**1 in 3** employees will stay in a role longer if there is a stronger work culture.

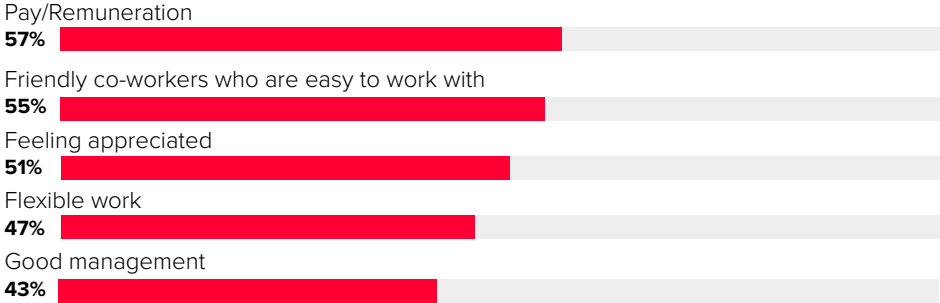
# Recruit & Retain.

## What is the key to retaining employees?

Retaining and fostering loyalty from employees requires more than a good salary. The top five factors that influence an employee’s decision to stay in a role long-term are: pay, friendly colleagues, feeling appreciated, flexible work and good management. In short, pay coupled with a healthy work culture is what encourages employees to lay down roots. The proof is in the close ranking between considerations. While employees list pay as the top consideration (57%), the requirement for friendly co-workers comes in a close second (55%).

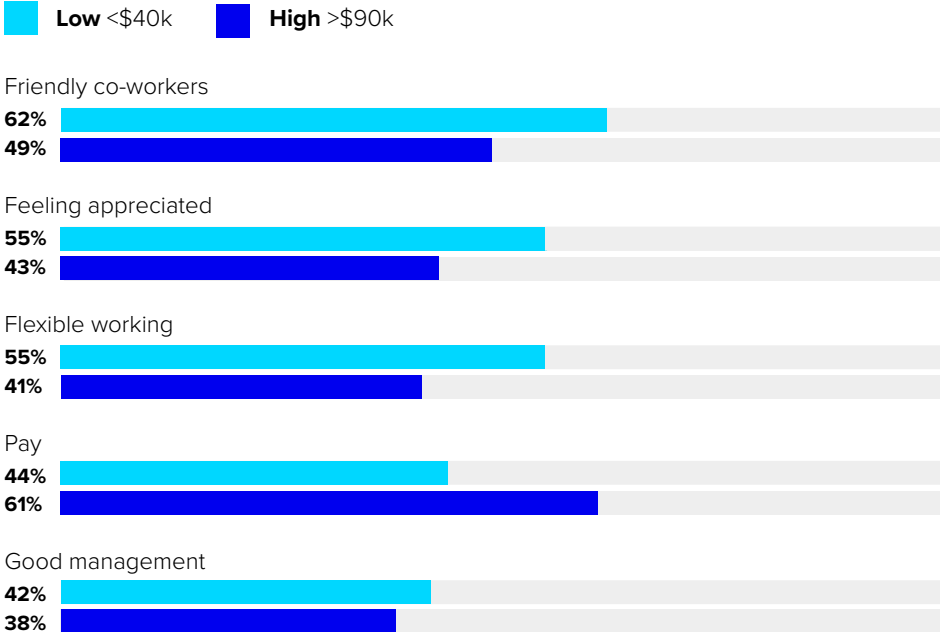
Interestingly, pay is more likely to influence those earning over \$90k per year (61%). Those earning less than \$40k per year are more likely to stay in role because they like their co-workers (62%), are made to feel appreciated (55%) and have flexible working conditions (55%).

### Top 5 reasons employees stay in a role



### High vs Low income earners

When it comes to factors that foster loyalty, higher and lower income workers have differing priorities.



# Industry Insight.



Remuneration is a key reason those in the mining industry remain in a role (**81%**). Hospitality workers are more likely to stay because they like their co-workers (**61%**).

# Benefits & Transparent Access.



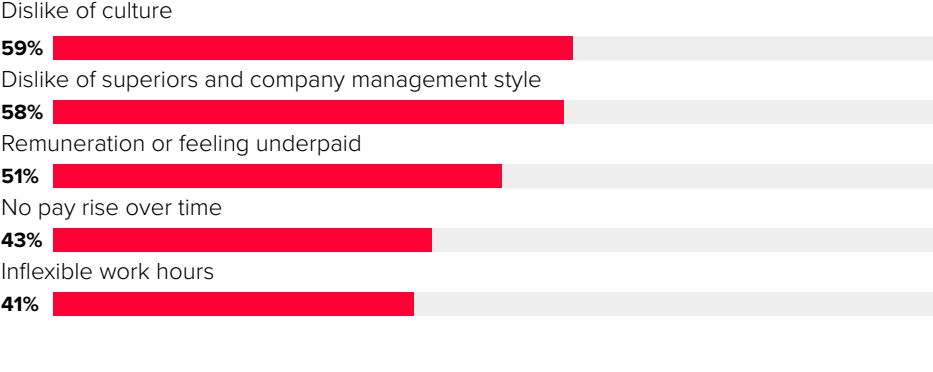
Employees said that loyalty can also be fostered by providing money saving benefits (**17%**) and access to self-serve HR that allows employees to check details such as annual leave or sick leave entitlements at anytime (**15%**).

# Recruit & Retain.

## Why employees quit.

There are many natural reasons an employee might choose to leave a workplace like changing career paths or feeling ready for a new challenge. And then there are causes that could have been circumvented. Surprisingly, pay is not the topmost reason an employee will leave a role (43%). The winning reason is a dislike of work culture (59%) followed by dislike of company management style (58%).

### The Top 5 reasons employees quit



### High vs Low income earners

Both high and low income earners agree that dislike of company culture is the top reason they would quit a job. Higher income earners are less likely to leave a role due to inflexible work hours.



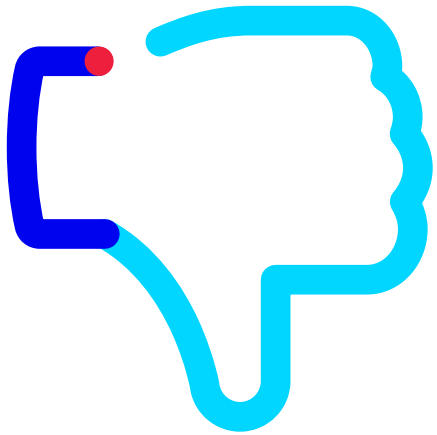
# Generation gap.



Clashing with superiors or issues with the company management style are more likely to prompt Baby Boomers (**70%**) to start looking around for a new job than Millennials (**46%**).



# Industry Insight.



Those who work in arts/media (**70%**) and farming/horticulture (**74%**) are even more likely to quit due to a dislike of work culture.

# Benefits and wellness.

**The line between work and life is blurring and as a result benefits are becoming an increasingly important part of recruitment and retention.**

Employee benefits and wellness strategies work hand-in-hand when it comes to creating a strong work culture and healthy work environment. Our data reveals that over 1 million workers (11%) look for added benefits that have tangible financial benefits when searching for a job. Furthermore, over 1 million workers would be tempted to leave a job if dissatisfied with benefits on offer. What we will see is the benefits of most importance are those that make salaries go further, create strong workplace cultures and demonstrate a commitment to employees.

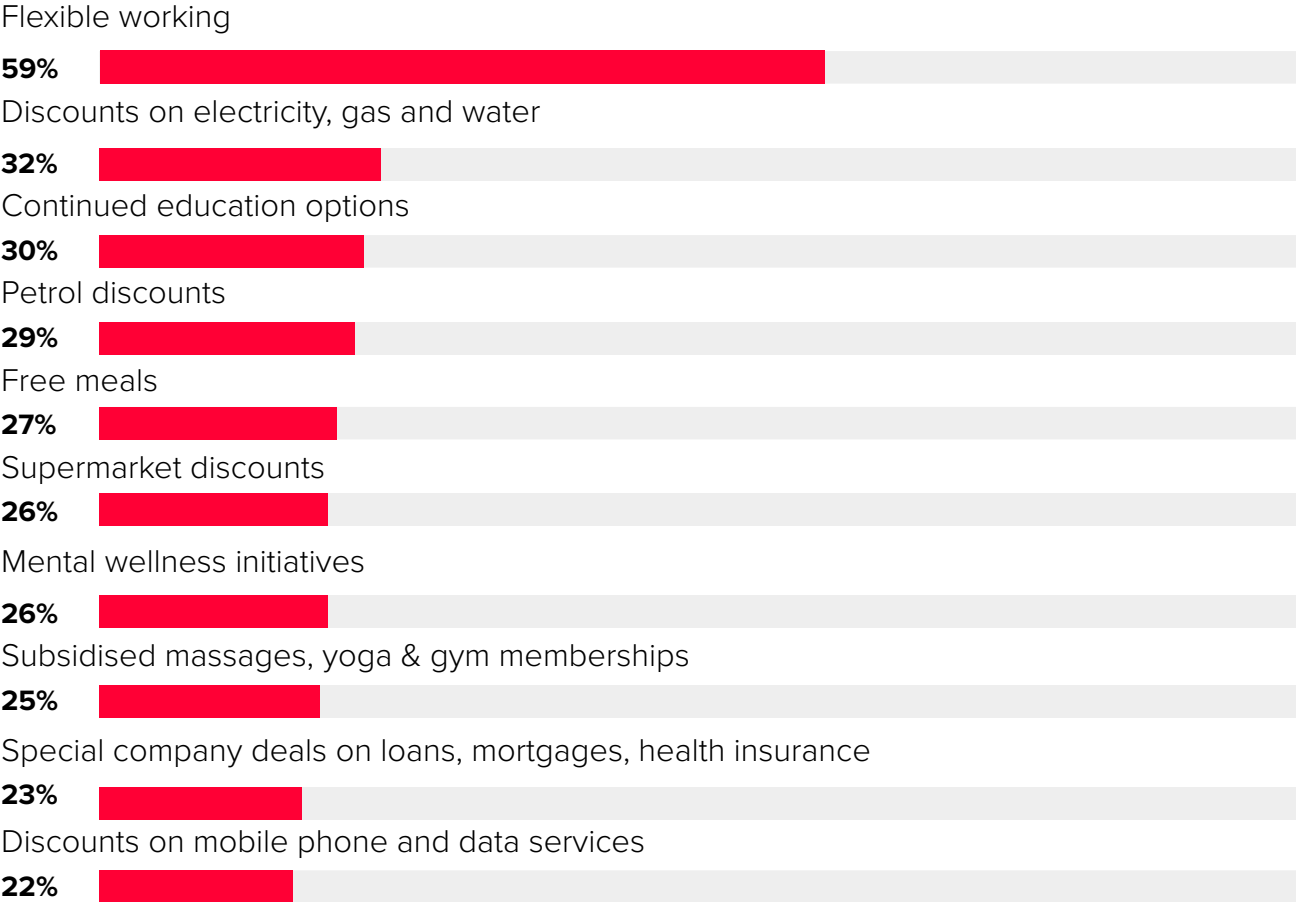
# Benefits & Wellness.

## The benefits employees want.

We know benefits are important. But what benefits would employees like their employers to provide? Here is a list of the top 10 benefits employees would like to see in the workplace.

Flexible working is a clear winner. Discounts on electricity, gas, water and petrol are popular (32%) because they offer the overwhelming majority of employees tangible financial benefits. Other financial benefits that would also be popular include free meals (27%), supermarket discounts (26%) and subsidised massages, yoga and gym memberships (25%). Non-financial benefits that appeal to employees include continued education options (30%) and mental wellness initiatives, like counselling and wellness policies (26%).

### Top benefits employees would like their company to provide

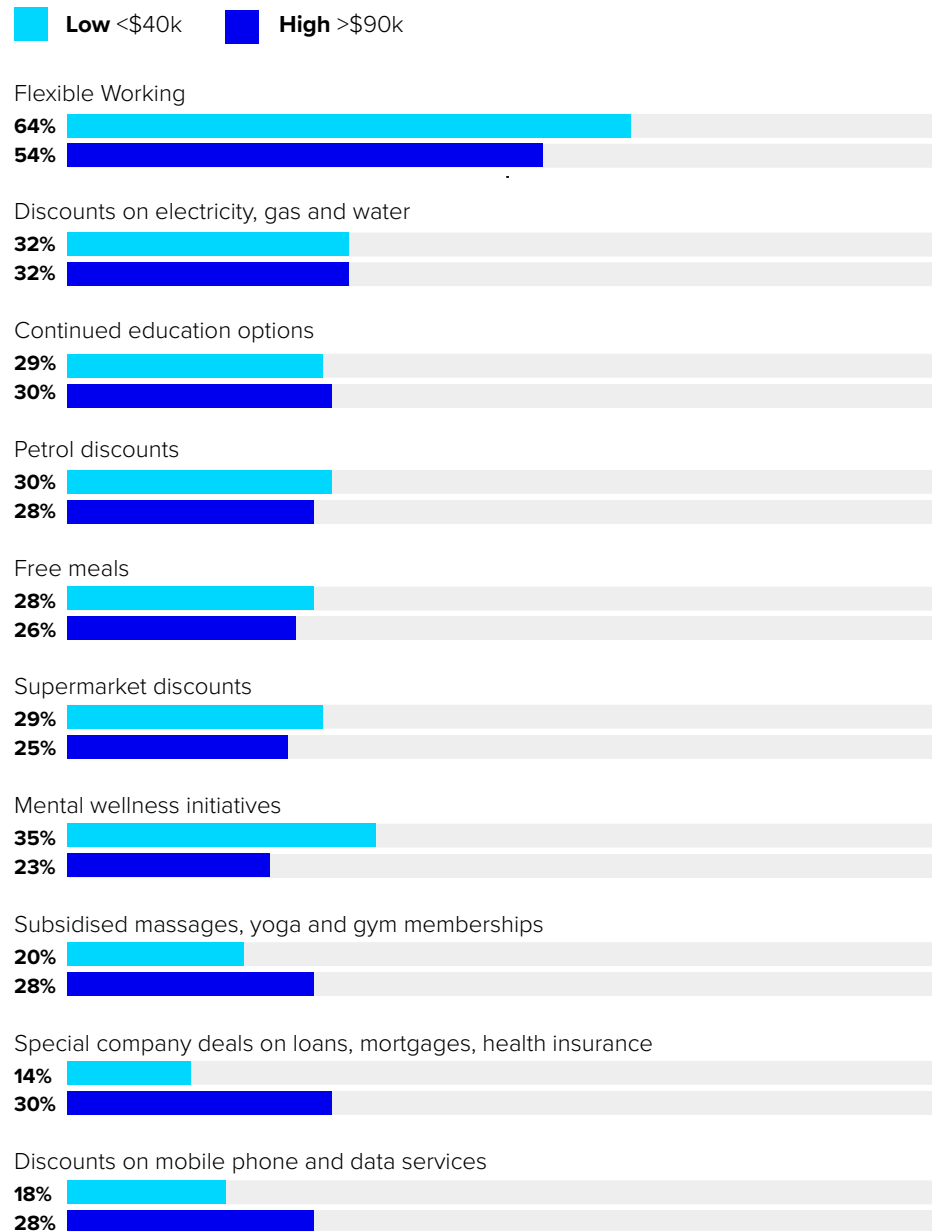


# Benefits & Wellness.

The benefits employees want.

## High vs Low income earners

Desires align when it comes to the benefits high and low income workers would most like their employers to provide.



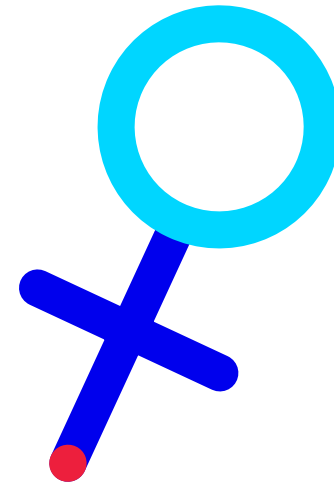
# Recruit & Retain.



**1 million+** employees look for added benefits that enable them to save money when looking for a new job.

**1 million+** employees would consider leaving a job if an employer didn't offer benefits like discounts on groceries, petrol and gym membership.

# Demographic Difference.



Flexible working conditions are especially important to female employees (**62%**) and part-time workers (**63%**)

# Generation Gap.



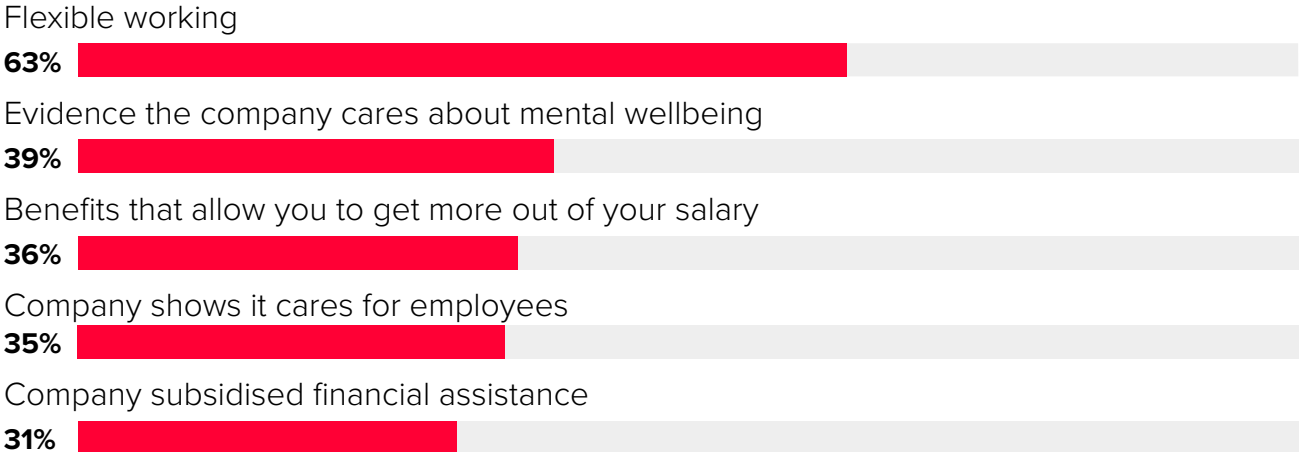
Millennials (**17%**) are much more likely than Gen X (**9%**) and Baby Boomers (**6%**) to be influenced by the added benefits on offer.

# Benefits & Wellness.

## Creating Wellness.

It's more important than ever to promote wellness in the workplace. 59% of employees will leave a role due to a toxic work culture and part of the definition of a toxic workplace is one that disregards the wellbeing of its employees. Wellbeing in the context of work, refers to an employees financial, physical and mental wellbeing.

### Top 5 workplace benefits for holistic wellbeing





# Industry Insight.



Those who work in the healthcare sector (**46%**), financial services (**43%**) and education (**42%**) find company initiatives like subsidised counselling, mental health days and meditation and yoga, to be especially important.

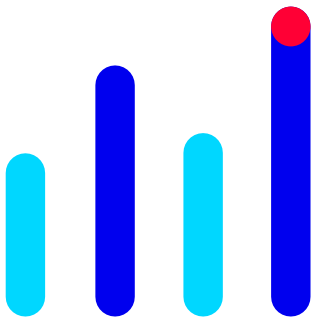
Fostering an active social life is especially important to those who work in the financial services (**43%**) and retail, wholesale and distribution (**42%**) sectors.

# How employees say companies can show they care for their people.



- Fostering an active social life
- Organised company outings
- Advice on career management

# How employees say companies can provide financial assistance.



- Free financial advisory services
- Help creating budgets
- Advice on how to save for and reach financial goals

# Employees and Pay.

## **The way employees get paid is of increasing importance.**

Our financial health is declining. Around half of all workers (52%) admit they have had difficulty meeting all of their financial commitments, with power bills (15%) and credit card balances (11%) providing the biggest problems. On top of this, 2.5 million Australians have taken out a payday loan, which makes them 85% more likely to experience hardship in paying bills on time.

In terms of transparency, there is huge appeal in being able to check annual leave, sick leave and pay slips online at anytime (63%). With dwindling financial health and a desire for easier access to one's own details, it's time to review current practices and assess whether change is needed to help reverse the situation.

# Employees & Pay.

## Financial Health.

From difficulty paying bills on time to payday loans, employees are experiencing more financial stress than ever. The financial health of an employee impacts their life but it also impacts their work. Financial stress can lead to poor physical health, anxiety and depression and decreased engagement. It's therefore important for employers to take notice of financial health and listen to employees when it comes to ideas on how to alleviate the burden.

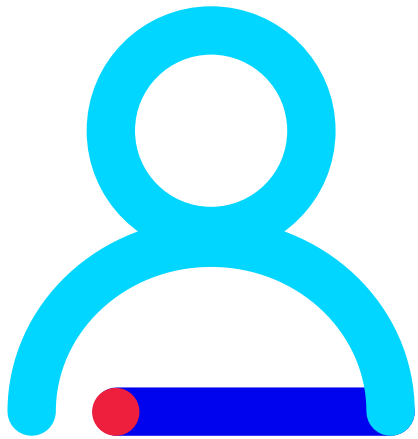
### Payday payback

Those who have taken out a payday loan are 85% more likely to experience difficulty paying bills on time than those who have never needed a short term loan (40%).

This includes difficulty paying:



# Payday loans.



2.5 million workers (**26%** of the working population) have taken out a payday loan. Those who have taken out at payday loan are proven to be more likely to be financially vulnerable.

# The great divide.



**52%** of all workers have had difficulty meeting financial commitments.

The biggest stress points are power bills (**11%**) and credit card repayments (**11%**).

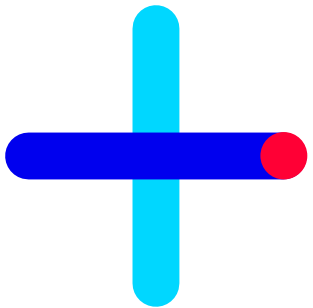
# Generation gap.



Millennials (**37%**) are more likely than Gen X (**26%**) and Baby Boomers (**10%**) to have taken out a payday loan.

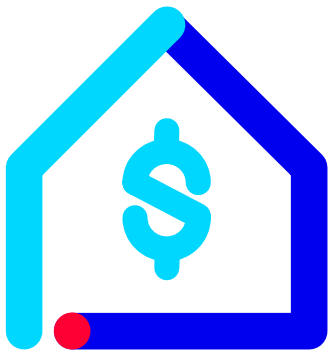


# High vs Low Income Earners.



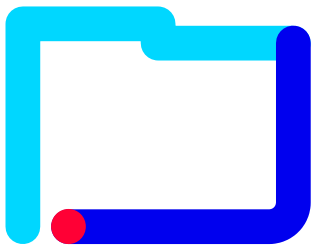
High income earners (**31%**) are more likely to have taken out a payday loan than those on lower income (**20%**).

# Demographic Difference.



Renters are more likely to have needed a payday loan (**35%**) than homeowners (**23%**).

# Industry Insight.



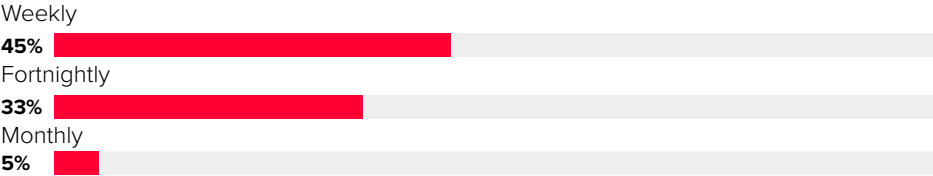
The highest incidence of payday loans occurred among IT workers (**41%**).

# Employees & Pay.

## The way employees are paid.

We asked employees about how often they would prefer to get paid and the pay features that were most appealing to them. The biggest find was that 63% of employees would like to be able to check their sick leave entitlements, annual leave time and payslips online at any time, indicating a growing desire for easier access to one’s own details and transparency. The data also revealed most employees prefer frequent payments, either weekly (45%) or fortnightly (33%). Only a small percentage of employees (5%) prefer to be paid monthly.

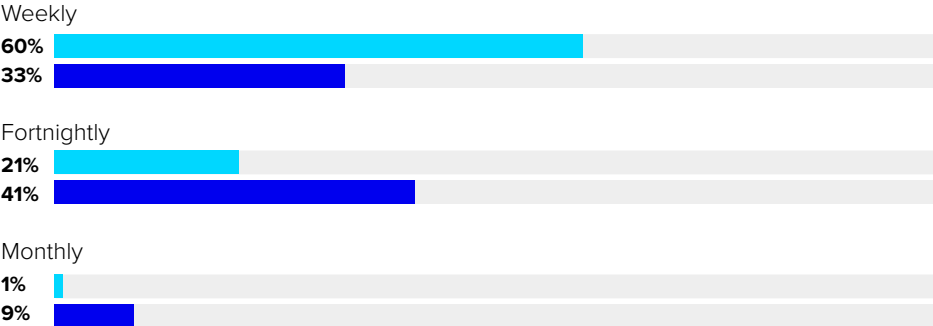
### Preferred employee pay frequency



### High vs Low income earners

Lower income workers have a strong preference to be paid weekly while those on a higher income prefer fortnightly payments.

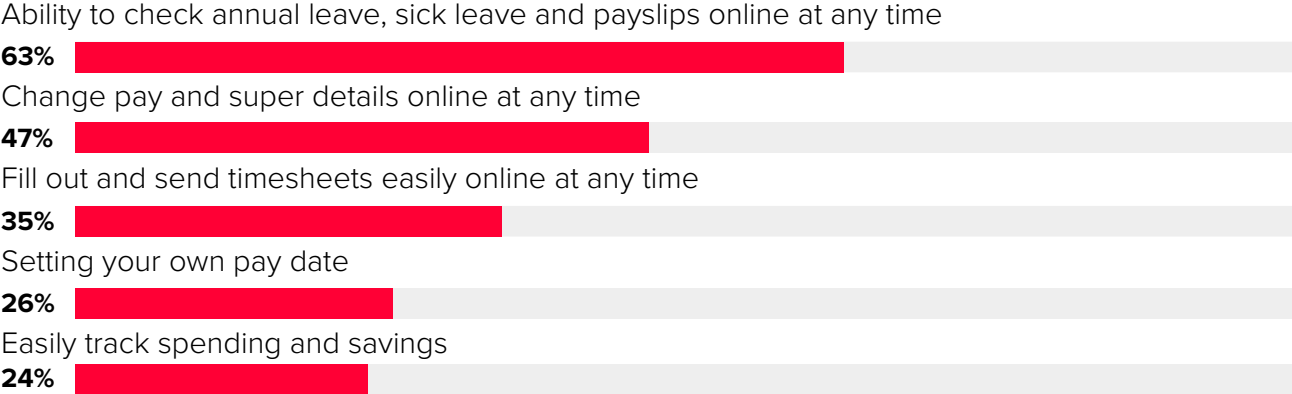
■ Low <\$40k    ■ High >\$90k



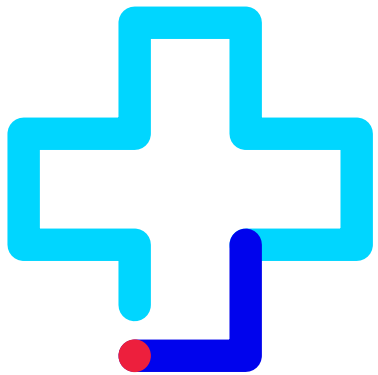
# Employees & Pay.

The way employees  
are paid.

### Top 5 pay features employees desire

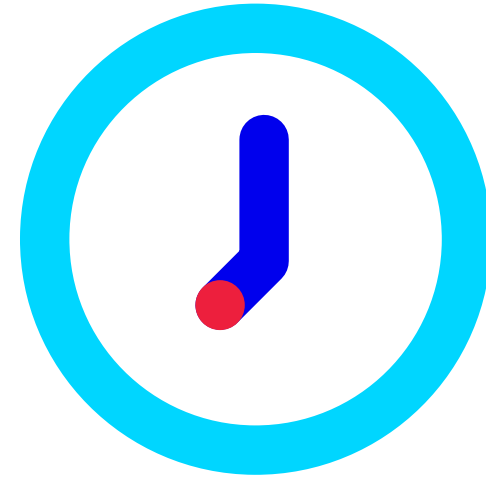


# Industry Insight.



Female employees (**70%**), Baby Boomers (**73%**) and government employees (**76%**) would most like to be able to check annual leave, sick leave and payslips online at anytime.

# Demographic Difference.



Setting your own pay date is especially popular among Millennials (**34%**) and those that have ever taken out a payday loan (**38%**).

# Spend and Save.



Tracking spending and savings is also popular among Millennials (**34%**) and those that have ever taken out a payday loan (**30%**).



## About Employment Hero.

### **Employment Hero is on a mission is to make employment easier and more rewarding for everyone.**

We are an HR management software for small to medium businesses. We empower SMEs them by providing automated solutions for employee management and engagement (from timesheets to business updates) and payroll. Our platform reduces admin time by up to 80% and is used by well over 3,500 businesses, collectively managing over 100,000 employees.

We also provide comprehensive employee benefits and discounts that allow salaries to stretch further. They come in the form of four modules collectively called: WorkLife.

WorkLife comprises of:

#### **Savings Hero**

Savings Hero sets employees up for financial success. Employees set savings goals and actively track their progress, connecting work and life goals.

#### **Hero Shop**

Combining the buying power of over 100,000 employees on the platform means your employees can now save on just about everything via Hero Shop!

#### **Life Hero**

Our curated content hub helps employees improve their mental, physical and financial wellness, making them more focused and engaged at work.

#### **InstaPay**

A groundbreaking first in Australia, InstaPay is like a completely automated pay advance system, which is cash flowed by Employment Hero, not your business.

### **Acknowledgements**

**Research and data analysis:** YouGov Galaxy

**Author and Project Coordination:** Talisa Clavijo

**Design:** Kirrilee Phillips

## Appendix.

### Methodology

This study was conducted online among a representative sample of full- and part-time workers.

The sample comprises 1,001 respondents, distributed throughout Australia including both capital city and non- capital city areas.

YouGov Galaxy designed the questionnaire. The questionnaire was transferred into Web Survey Creator in order to be hosted online. For each question the respondent had to click on the response which represented their answer.

Fieldwork commenced on Friday 27 July and was completed on Monday 30 July, 2018

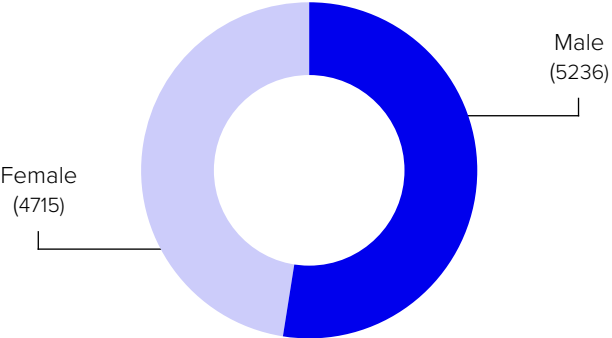
Following the completion of interviewing, the data was weighted by age, gender and region to reflect the latest population estimates.

### Demographics

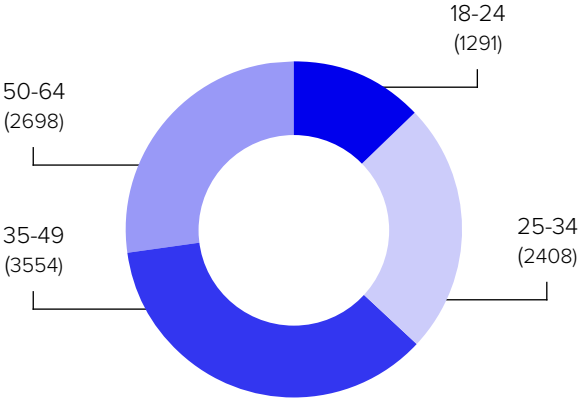
Each response in our survey was analysed by a series of demographic values. The number of completed interviews has been weighted to reflect the latest ABS population estimates. These estimates are shown in the thousands (shown in brackets) in this demographic breakdown.

# Appendix. Demographics

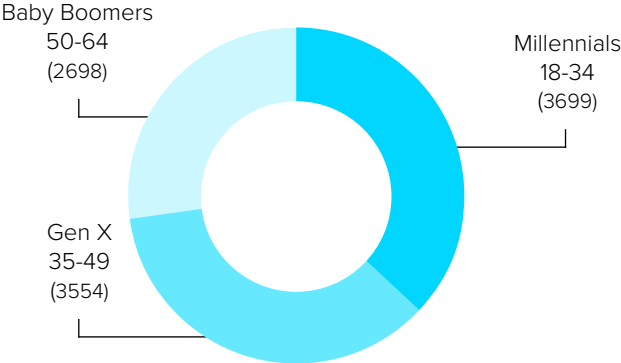
## Sex



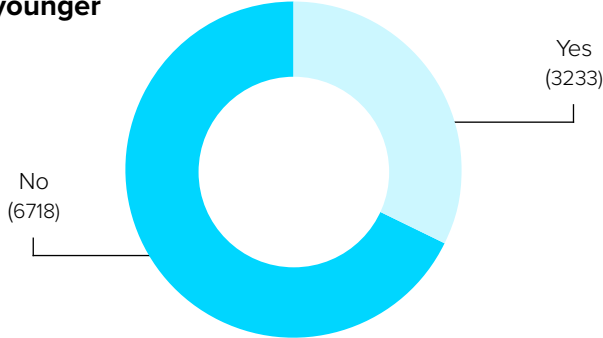
## Age



## Generation



## Parent to a child aged 12 years or younger

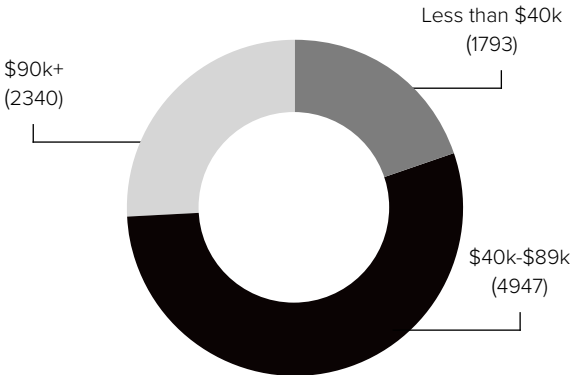


# Appendix. Demographics

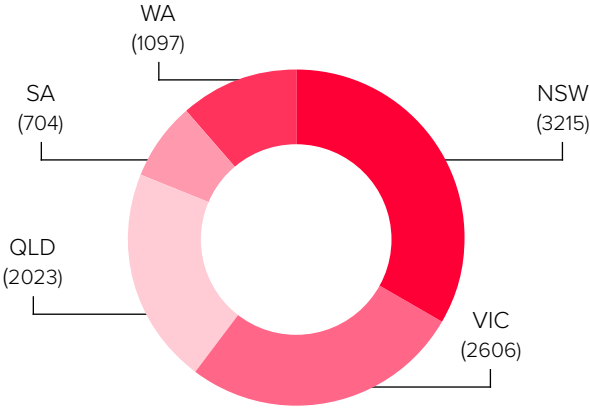
**Work Status**



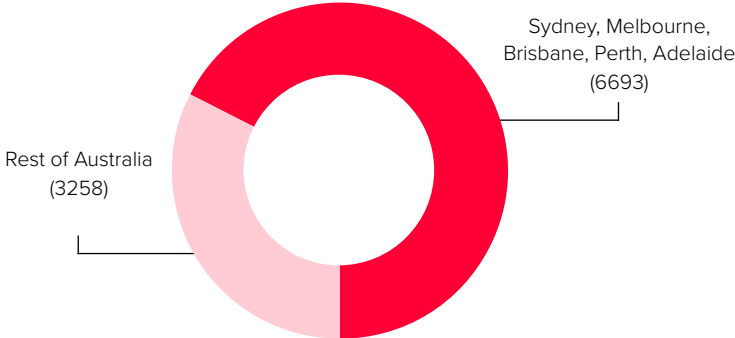
**Personal Income**



**State**

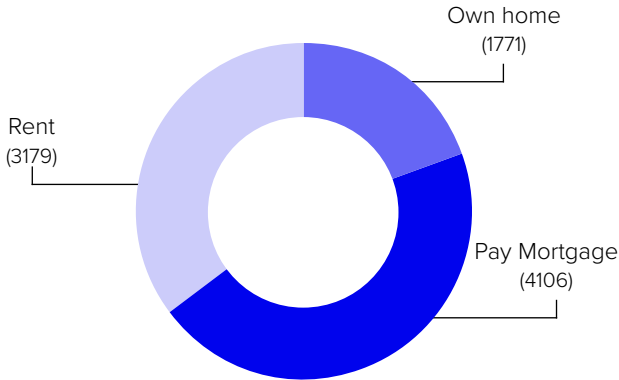


**Capital City**

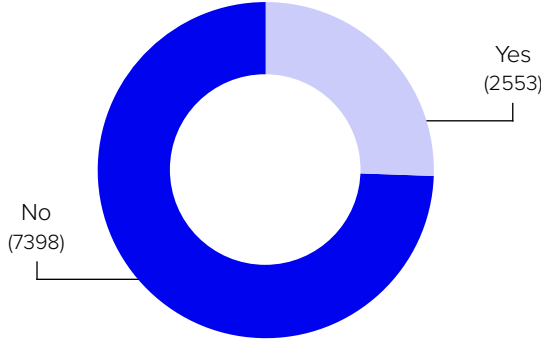


# Appendix. Demographics

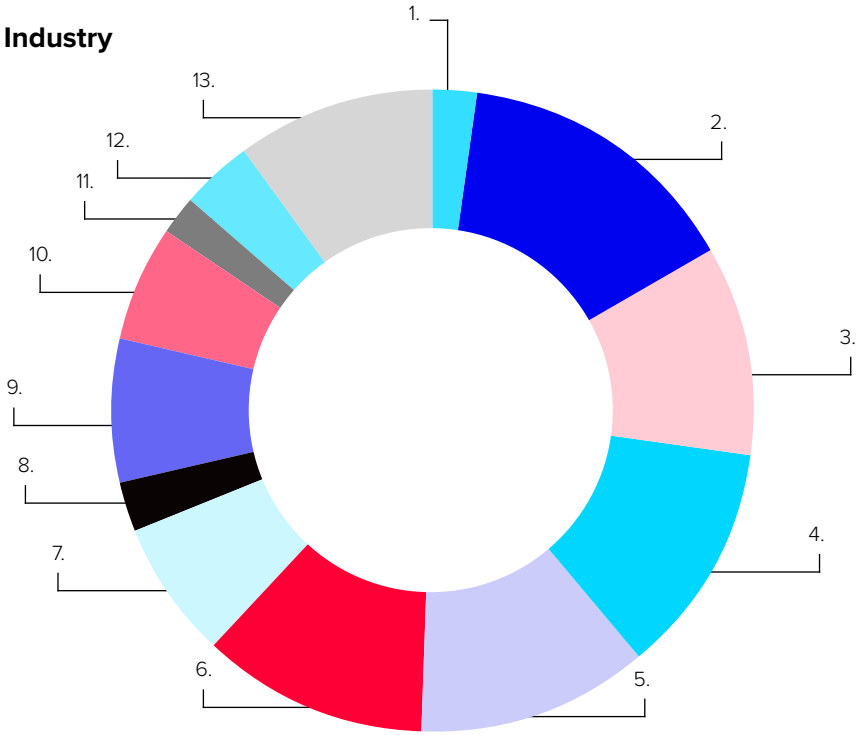
## Home Situation



## Ever had a payday loan



## Industry



- 1. Mining (222)
- 2. Retail, wholesale, distribution (1449)
- 3. Government (federal, state or local council) (1043)
- 4. Education (1177)
- 5. Healthcare and social services (1162)
- 6. Construction, engineering and manufacturing (1129)
- 7. Financial services, business services, real estate agents, insurance (698)
- 8. Arts, media and recreation (229)
- 9. IT and technical services (720)
- 10. Hospitality and food (585)
- 11. Farming, horticulture, forestry (189)
- 12. Personal or other services (372)
- 13. Other (976)

