ADP Research Institute® Global Study Uncovers A Renewed Desire for Career Progression within an Evolving Workplace Environment in "People at Work 2023: A Global Workforce View"

Workers' expectations for career development and training opportunities are on the rise, along with expectations for pay raises, flexibility and a supportive workplace culture.

Overall, worker optimism about the next five years in the workplace is strong.

ROSELAND, N.J., April 19, 2023 /PRNewswire/ -- As the world of work continues to adjust to the pandemic's lingering effects on the global labor market, workers reveal they want, and need, more from their employer in the latest "People at Work 2023: A Global Workforce View" study from ADP Research Institute (ADPRI). The annual global study identifies and explores employees' attitudes toward the current world of work, what they expect from the workplace of the future, and points to the initiatives and best practices employers are developing to help employees flourish.

According to ADPRI's annual survey of more than 32,000 workers, including the gig economy, across 17 countries, workers demand more personally and professionally, yet that desire is matched with the expectation of increased pay and flexibility. As workers' expectations rise, the onus is on employers to satisfy workers' needs to ensure maximum motivation, dedication and effectiveness in their workforce.

"Workplace dynamics are beginning to solidify after three years of pandemic-driven disruptions, with workers remaining consistent in wanting increased pay, flexibility and a positive workplace culture; however, the interplay among these factors will challenge employers to get creative in order to meet employees' needs," said Nela Richardson, chief economist, ADP. "Forward thinking leaders will need to find ways to help safeguard workers' financial health, while bolstering their professional development."

People at Work 2023: A Global Workforce View

The following are key takeaways from the report:

Pay and Compensation: How Much is Enough?: Worldwide expectations for pay raises over the next 12 months are high, but the actual salary changes over the previous 12 months paint a different picture.

- Globally, 10% of workers expect a salary increase of over 15% in the next 12 months; however, during the previous 12 months, just 3% of worldwide workers received such an increase.
- Workers averaged eight hours and six minutes of unpaid working time, down slightly from eight hours 33 minutes last year, pointing to the importance of ensuring worker productivity and efficiency.
- When asked the most important factor in a job, six in 10 (61%) pointed to salary, followed closely by job security (43%), career progression (40%) and enjoyment of their work (37%).
- Workers are confident that they will get a pay raise (62%) or a bonus (41%) from their current employers in the next 12 months but if not, there's a strong sense that they'll be able to secure one by moving jobs. Six in 10 (60%) would consider relocating for better opportunities.

For Workers, Deciding *When* **They Work is More Important Than** *Where* **They Work:** Worldwide, workers agreed that flexibility in hours is more important than flexibility in location. Yet still, the trend of "digital nomads," the concept of remote working, is taking on an international perspective and appears to have staying power.

- When asked about the most important factors in a job, 29% of workers said flexibility of hours was most important compared to 17% who said flexibility of location. Perhaps the best of both worlds, workers with 'hybrid' working arrangements are the most satisfied with their flexibility of hours (60%) and location (62%).
- The recent trend of "digital nomads" has potential to become a permanent fixture of the workforce, with almost half of workers (48%) saying they could relocate overseas and still stay working for their existing employer. Nearly three in 10 workers (28%) think that within five years, it will be the norm in their industry to have the ability to work anywhere in the world.

A Caring Workplace Culture: While fewer people report that their work is suffering due to poor mental health than last year, the proportion still remains high. Employers continue to work on creating innovative initiatives that can support positive mental health as well as financial wellness.

- Although stress levels have eased slightly, nearly two-thirds (65%) say stress adversely affects their work; 63% of people experience stress at least once a week, down from 68% last year.
- Employees are prioritizing financial wellness, maintaining a trend that was established during the COVID-19 pandemic. Recognizing the cost-of-living pressures that many people are under, almost two-thirds (63%) of workers say their employer provides advice on financial wellbeing.
- Team building activities, offering employee assistance programs and the idea of implementing a four-day work week are gaining traction as mental health-boosting initiatives team building activities and stress management breaks top the list. Notably, one in five (20%) workers say that creating an inclusive workplace culture is a key plank of their employer's support for positive mental health, up from one in eight in 2022.

Feelings About the Future: Despite recent uncertainty, workers remain largely satisfied with their current employment while open to creative approaches for balancing work and home time. Employees also have a greater focus on skills development and career progression.

- Almost four in 10 workers (37%) don't feel secure in their jobs. Nonetheless, optimism about the next five years in the workplace remains high. Nine in 10 workers (90%) say they're satisfied in their jobs while more than four in 10 workers (44%) expect a promotion in the next 12 months.
- Additionally, almost eight in 10 (78%) say they have the skills needed to advance their careers to the next level within the next three years and 68% say their employer invests in the skills they need to advance their careers all of which are critical factors in career progression (which was cited as important in a job by 40%, up from 23% last year). Looking ahead, management skills are what 38% believe are the most important in their roles, followed by people skills (33%) and data analysis skills (31%).
- When it comes to considering options on time away from work, more than a quarter (27%) think in the next five years it will become the norm to purchase additional holiday allowance, and one in six (18%) think that it will become normal practice to reduce their salary in return for more annual leave, expectations that tend to come from younger workers, suggesting that another revolution in accepted workplace norms is on the horizon.

"Reimagining working arrangements helped employers navigate workplace disruptions over the past three years," said Richardson. "Going forward, employers that focus on career progression while retaining and advancing a caring and inclusive workplace culture can better meet the needs of their workforce, both now and in the future."

For additional findings and deeper context to the global worker perspective in ADP Research Institute's "<u>People at Work 2023: A Global Workforce View</u>," report as well as regional breakouts, visit ADPRI.org.

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