

A NATIONSWELL **PRIMER:** GET THE IDEA IN 5 MINUTES OR LESS.

## **How Employees Value Social Impact**

Business performance and brand value are increasingly understood as connected to an organization's social purpose and impact. In fact, 89% of business leaders believe companies that lead with purpose have a competitive advantage in today's marketplace, and 85% agree being a purpose-driven company drives profit (Porter Novelli, 2020). One of the groups at the root of this advantage are employees, who exert significant influence over a company's success. In an environment where leaders overestimate customer trust by 38% and employee trust by 45% (Deloitte, 2021), it's important to understand how these stakeholders factor social impact into their decisions about which corporations to buy from and work for.

The NationSwell Insights team has compiled illustrative data about the ways employees are driving up the value of corporate social impact. For information on how consumers do the same, check out "How Consumers Value Social Impact."

## **The Numbers:**

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In 2022, when deciding on a job, 60% of employees expected "the CEO to speak publicly about controversial social and political issues that I care about." (Edelman Trust Barometer, 2022)
In mid-2021, one in five employees left or were planning to leave their jobs. Of these employees, 59% were driven by "finding a better values fit." (Edelman Trust Barometer, 2021)

In 2021, 76% of employees reported that they would take action to "produce or motivate urgently necessary changes within my organization." (Edelman Trust Barometer, 2021)

- Since the onset of the COVID-19 pandemic, employee-led activism has risen by 40%, and 80% of employers anticipate that it will escalate within their companies by 2024. (SHRM, 2021) (Forbes, 2022)
- In 2019, 87% of employees reported that companies "should take a public position on societal issues relevant to their business" and 74% felt that they "should take a position on issues even when they aren't directly relevant to their business." (Gartner, 2019)
- Employees and teams who are engaged through social impact and internal programming within organizations show 21% greater profitability to the business due to less turnover, higher retention, and more intentional engagement. (Forbes, 2019)

Purpose-oriented companies have higher productivity and growth rates, along with a more satisfied workforce who stay longer with them. These companies report 30% higher levels of innovation and 40% higher levels of workforce retention than their competitors. (Deloitte, 2019)