

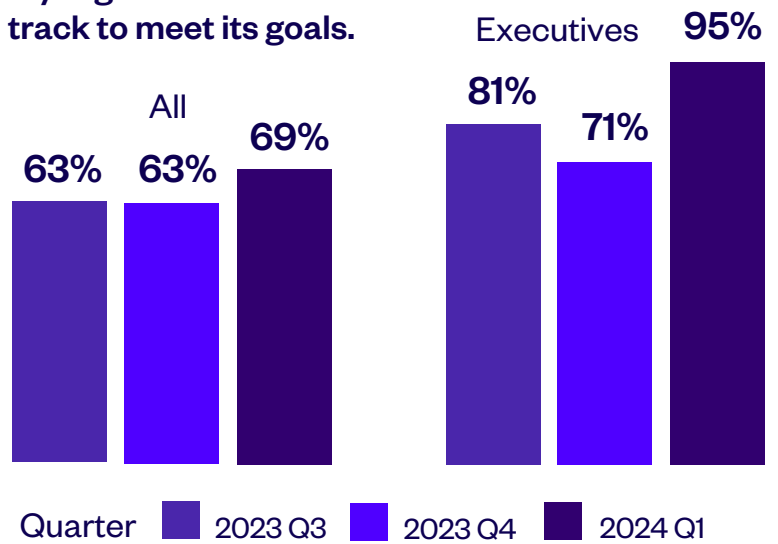
The 2024 Q2 State of *Culture*: A Stable Outlook Leaves Room for Improvement

In our 2024 Q2 State of the Culture survey, we've continued to capture feedback from professionals across multiple industries—gaining insights into how well their respective organizations are tracking toward goals, while also noting any broader differences among salaried and hourly employees. A sense of stability appears to be a general theme, no doubt stemming in large part from an economic soft landing that few pundits predicted and many did not expect.

Confidence Defies Economic Views

The disconnect between people's ongoing negative perception of the economy and the economy's actual strength has been widely reported in recent months. Despite the potential influence of that factor, we saw a 6% boost in the number of respondents who said their organization was on track to meet goals. This sentiment rang true whether survey participants were salaried or hourly employees. However, when further broken down by role, the increase was most prominent among executives, where it jumped from 71% to 95% over the previous quarter. By industry, the non-profit sector topped the list in terms of the biggest upward delta (21%), with 52% of respondents agreeing their organization is poised to meet its goals.

My organization is on track to meet its goals.

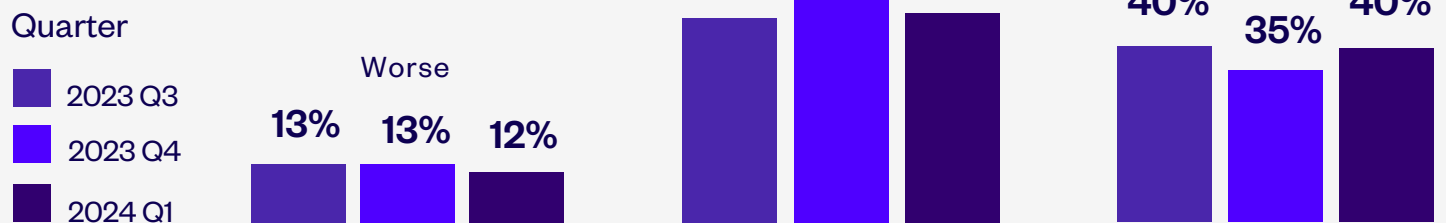


A Brief Dip, Then a Rebound

While dropping somewhat at the end of last year, the number of professionals who have a positive view of organizational culture rebounded. Through the first quarter of 2024, it jumped from 35% to 40%, reflecting more respondents who said their culture is better now than a year ago.

Meanwhile, the future of their culture appears to be stable for most respondents. In fact, 92% expect it to be the same or better, which aligns with their responses from the previous two quarters.

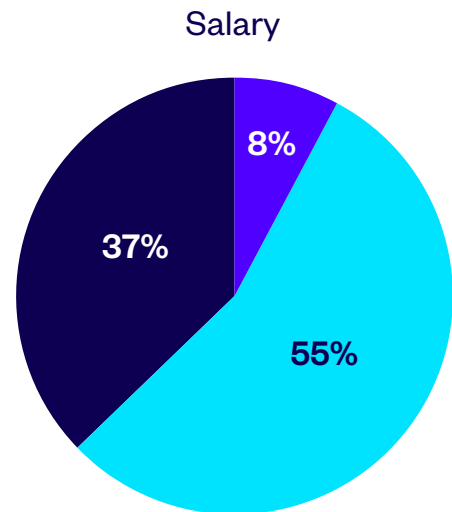
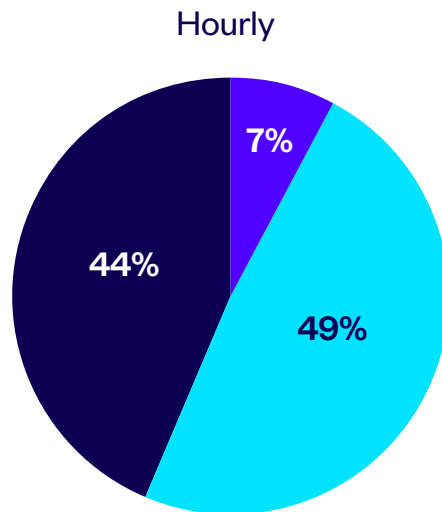
Would you say your culture is better or worse than it was one year ago?



Hourly Workers Give Culture A Future Edge

There was no measurable difference in how all salaried vs. all hourly workers viewed their organizations' ability to meet goals overall—with the majority saying their organization was tracking favorably. The biggest spread occurred when asked how their organizations would fare in the future—with 44% of hourly workers responding optimistically compared to 37% of salaried employees. From the salaried perspective, those results could link to a recent spate of publicized layoffs in the business and consulting services sectors, while more recent wins for unionized workers may be impacting results attributed to hourly employees.

My organization will be doing worse or better one year from now.



Takeaways: Be Confident, But Mindful

It's encouraging that nearly 70% of respondents believe their organization is in good shape to meet goals—never mind the negative economic mindset reported by the mainstream media. Still, it's critical to stay on top of trending issues in workplace culture and how they could impact organizational results. For example:

1. How are organizations assessing and incorporating employee input as they roll out or ramp up return-to-office policies so they can minimize disruption and bolster productivity?
2. What are leaders doing to understand the implications of AI technologies on workplace culture? Which processes and roles will be most affected? What's needed to inform and upskill workers so they're prepared for these changes?

There's no guarantee how long the current "breather" in the economy will last. While it does, it offers organizations the perfect opportunity to strengthen organizational culture to both increase employee satisfaction and their ability to achieve strategic goals and objectives.