2022 BUSINESS GENEROSITY REPORT:

A Road Map for Resilience

Presented in partnership with: **GEORGIA CEO**

Over the last four years, goBeyondProfit and Georgia CEO have captured significant research insights into business generosity here in Georgia. Talking to both employed adults and those running businesses, our reports explore the relevance of generosity in the life of a company and the connection between generosity and the bottom-line.

As the landscape around business has changed, the role of business generosity has also evolved. Disruptions in the markets and in people's personal lives ushered in the request that generosity begin at home, inside a business, in terms of employee care and business operations as well as outside the business through support to address community needs. In the chapters of this report, we have worked to bring clarity and concrete guidance around this evolution of business generosity – a road map of sorts – in the midst of on-going turbulence. **We are pleased to bring you the 2022 goBeyondProfit research report.**

SUMMARY OF FINDINGS:

Generosity influences employment decisions

Year over year, we ask employees if generosity efforts impact their decision about who they work for and the answer is a resounding yes (Page 4). **In fact, for the majority of employees, working for a generous company is now extremely or very important.** But there's a distinct difference between what employees would like to see when it comes to generosity toward employees (Page 6) versus generosity toward the community (Page 12).

Employees who consider generosity when deciding where to work

47% 2019
49% 2020
60% 2021
75% 2022
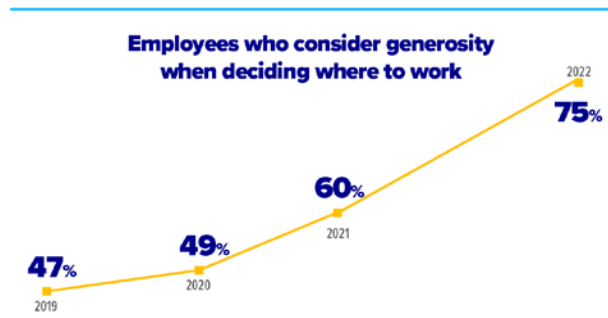
Why are employees leaving?

1. Compensation
2. Mental Health Issues

What do employees need?

1. Flexibility
2. Mental Health Support

RED ALERT: Mental health concerns reach historic high

In the summer of 2020, employed adults in Georgia told us their mental well-being was leaning toward the positive. But they also indicated that they needed their employer to know that they were emotionally impacted by events of the year. Stressors have compounded and this year's data raises a concerning red flag around mental health. When asked how employers can best demonstrate their care and generosity toward employees, respondents choose Mental Health Support as their #2 choice. When asked their reasons for leaving current employers, they named Mental Health as their #2 reason.

If executives focus entirely on employee's top request – compensation – without tuning into these underlying health and wellness issues, turnover will likely continue. **People want their employers to know they are hurting and they are asking their employers for help** (Page 6).

Flexibility increases the connectivity of company culture

We explored crosstabs of the data to find out the impact of remote work on company culture. Company values and purpose statements remain effective tools for connectivity and cohesive culture. But as executives wrestle with whether they can maintain their historically successful company culture, the answer appears to be that you cannot go back to the way things were without consequences. **People who experienced flexible work schedules find their company culture more compelling and feel more connected.** People without flexibility feel significantly less connected and far more skeptical of the promises of the company culture. (Page 9)

Remote Employees Agree:

90%
company values create positive culture

86%
company values increase loyalty

85%
company values help employees feel more connected

Trust needs to go both ways...

Employees trust the businesses in their lives to do what is right. Overall, they trust that businesses are putting their commitments into action. They also trust business to solve the problems we collectively face and offered their input into the specific actions they would like to see business take (Page 12).

In return, employees are asking to be trusted. They want their senior leaders to demonstrate that they trust them and named lack of trust in their top four reasons for leaving their current employer. In contrast, executives did not indicate that they need help trusting their employees. This appears to be a disconnect. (Page 6)

Generosity Tied to Core Business

Generosity's relationship to the bottom line

The trend line is clear. Year over year, business executives find increasing ROI for generosity. This year's data reveals exponential leaps in adoption and attitude of business generosity strategies into core business.

Business executives' responses indicate overwhelming agreement that business generosity efforts impact key measures of long-term business sustainability. Back in 2019, only 43% of executives said generosity significantly impacted core financial measures. In 2020, 64% executives said generosity played a critical role in overall business health.

Today, 81% of executive respondents say that generosity makes their business more resilient. 80% of executives tie generosity efforts directly to revenue generation, i.e. gaining new customers. 83% agree that generosity helps them attract and retain talent and 88% of executives agree that generosity helps them create the connected, engaged culture that keeps talent.

Executives' Opinion:

88% generosity helps create connected culture

83% generosity helps attract and retain talent

80% generosity helps gain new customers

When we asked Georgia executives, only 1% of respondents said that business generosity is a temporary requirement because of the pandemic. In fact, 86% of executives named business generosity as either an important way of operating a company (57%) or the future of sustainable business (29%). In fact, the majority of executives claimed they are actually enthusiastic about the impact leading with generosity can have on their business (51%). Only 2% expressed feeling pressured to do things that aren't core to their business.

## Generosity's influence on employees' decision to stay

goBeyondProfit's study confirms many executives' fears that employees are looking for greener pastures with 30% of employee respondents saying they are likely to leave their current job in the next six months.

However, generosity efforts can play a role in helping them stay as generosity continues to rise in importance across employee demographics. In 2019, only the younger cohort of employees (under 35) felt strongly that generosity factored into their decision to work for or stay with a company. By 2021 that number rose, with 60% of all employed adults saying generosity influenced their employment preferences. In this

63% say generosity helps keep them at their job

75% really want to work for a generous company

year's study, a strong number of respondents (63%) say that generosity efforts influence their decision to stay with their current employer. The vast majority (75%) of employed adults claim that it's very or extremely important to work for a company they perceive as generous, with an additional 20% considering it moderately important.

In fact, women find generosity a far more compelling factor than their male counterparts. Generosity plays a more significant role in employment decisions of younger employees (under 35) and those of color, but what they are looking for in terms of how a company demonstrates generosity is considerably different. (See Page 12)

Employees who consider generosity when deciding where to work

2019 — 47%
2020 — 49%
2021 — 60%
2022 — 75%
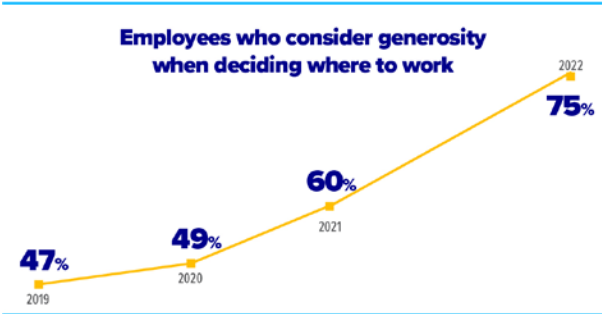
This year's data shows generosity's steadily increasing relevance to the core of business. But expectations for how a business demonstrates this generosity to stakeholders has evolved.

In the following chapters, we dig into specifics in order to clarify and define generosity in terms of specific, implementable tactics. You will find concrete actions that define what generosity toward employees looks like versus those actions that define generosity toward the community.

Prioritizing Employee-Centric Generosity

How to prioritize generosity efforts

Survey respondents were given a list and asked in what order a generous company should prioritize taking care of their stakeholders. The responses came back with resounding alignment – focus on employees. 85% of executives and 82% of employees chose employees as either their #1 or #2 choice with the vast majority placing employees at #1.

EMPLOYEES
CUSTOMERS
SHAREHOLDERS & COMMUNITY

Subsequently, executives selected customers 74% of the time landing them in second place, with shareholders at a mere 17% in a distant third. Similarly, employees also selected customers 60% but placed community as their distant third 24%.

Executives recognize generosity's role in company culture. 88% agree that generosity helps create a connected, engaged culture and 83% believe that generosity helps them attract and retain talent. However, the data shows they may not be aware of what employees consider the most effective ways to demonstrate their generosity.

In fact, 1 in 3 employees graded their employer a C, D or F in the ways they currently demonstrate generosity to employees. There's a substantial opportunity to improve this perceived gap with specific, concrete actions that better align with employee desires.

What exactly do employees want?

In an open-ended question, we asked employed adults to name specifically what a company does that shows them it's truly generous. 63% of the responses focused on specific programs and offerings for the employee work experience including compensation. Only 31% of their responses mentioned traditional definitions of generosity such as charitable giving to the community and volunteerism. This reinforces the guidance that right now, **the top priority for demonstrating generosity at your company is to improve generosity towards employees.**
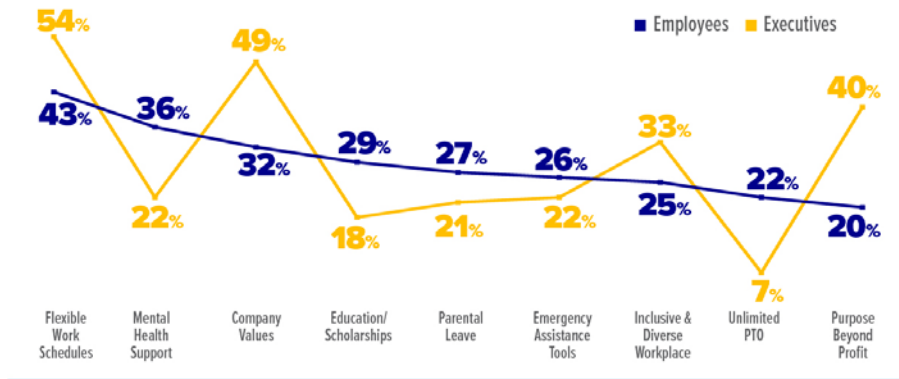
To dig deeper into specific tactics, respondents were given a list of concrete ways that a company can demonstrate generosity inside their business. **Executives and employees alike both selected flexible work schedules as the top choice.**

Most Important Demonstrations of Generosity to Employees

■ Employees ■ Executives

Flexible Work Schedules: Executives 54%, Employees 43%
Mental Health Support: Employees 36%, Executives 22%
Company Values: Executives 49%, Employees 32%
Education/Scholarships: Employees 29%, Executives 18%
Parental Leave: Employees 27%, Executives 21%
Emergency Assistance Tools: Employees 26%, Executives 22%
Inclusive & Diverse Workplace: Executives 33%, Employees 25%
Unlimited PTO: Employees 22%, Executives 7%
Purpose Beyond Profit: Executives 40%, Employees 20%

Executive respondents aligned around three priorities, naming flexible work schedules as #1 (54%) closely followed by statements describing company culture such as company values (49%) or a purpose beyond profit (40%). Executives' fourth pick for demonstrating generosity to employees was an inclusive and diverse workplace (33%).

While employed adults also selected flexible work as their top choice for demonstrating generosity to employees (43%), they quickly converged around specific employee care benefits. Mental health support (36%) was their second choice, but it is valuable to notice the tight race between employee education/scholarship assistance (29%), parental leave (27%), emergency assistance tools (26%), and an inclusive and diverse workplace (25%) all in a near tie for fourth. Of note, employees of color were statistically more likely to place employee education or scholarship assistance in their top 3 (34% vs 24%).

It is clear that an important misalignment exists when it comes to specifics on "how to" demonstrate generosity toward employees. While executives elevated company culture statements as proof of their generosity to employees, with 40% of executives naming "purpose beyond profit" in their top three, employees focused on specific actions, with "purpose beyond profit" ranking at the very bottom of the list. Page 9 outlines the power of company culture statements to drive connectivity but when it comes to showing employees you care, tangible actions are the priority.

WARNING: Mental health support plays a major role in why employees are leaving AND what will help them stay

Throughout the survey, respondents continually elevated mental health among a wide range of options. We asked the most influential reasons for why they would leave their employer and gave them the opportunity to select up to three choices. The answers tell a compelling and concerning story. While executives deal with the reality of a talent shortage and compensation battle, paying closer attention to the role of mental health may actually be the key to keeping and attracting talent.

What is influencing employees to leave their company?

38% COMPENSATION / BENEFITS
35% BURNOUT / MENTAL HEALTH
33% BAD MANAGER
29% NOT VALUED / TRUSTED IN MY JOB
18% NO SENSE OF PURPOSE BEYOND PROFIT
15% LACK OF BELONGING / CONNECTIVITY
14% NO OFFERING HYBRID / FLEXIBLE SCHEDULE
12% NOT A GENEROUS COMPANY
9% NONE
9% CHILDCARE / CAREGIVER ISSUES

38% of employee respondents chose compensation as an influential reason for leaving, followed quickly by 35% who selected mental health. Interestingly, other factors that contribute to poor mental health (i.e. bad manager and not feeling valued or trusted in their job) followed closely behind.

When given nine options for how an employer can demonstrate generosity to employees, a flexible work schedule was the top choice but mental health support (36%) was the resounding number two. Employees who worked remotely are even more likely to say that mental health support (44% vs 31%) is a way that executives can show generosity to employees.

Why are employees leaving?	What do employees need?
1. Compensation	**1.** Flexibility
2. Mental Health Issues	**2.** Mental Health Support

As executives consider the makeup of their workforce, mental health support is 20 percentage points more important to employees under 35 and 10 percentage points more important to women as an important way to demonstrate generosity.

A word of caution, when given the exact same options to choose from, mental health support did not show up in executives top four choices for how best to demonstrate generosity toward employees.

Employees want to be trusted. Executives may not be aware that there's room for improvement

6%

of executives said they need help trusting employees

When asked specifically what their chief executive can do to demonstrate generosity, employees name listening (53%) and trust (44%) as their top choices. Interestingly, while executives and employees agree that listening is the #1 way that a leader can demonstrate generosity, there's a disconnect for executives on the importance of trust. Executives ranked trusting employees as their fourth choice for how to display generosity behind listening, transparency, and empathy. When asked in a later question whether they need help demonstrating that they trust employees, again there was a disconnect as very few executives named trust as a concern (6%).

When you look at this data holistically, the many warning signs surrounding your employee's mental health paint a concerning picture. **From feelings of burn out to bad managers who make them feel undervalued or distrusted, employees are sending a clear message that they need help.** Inspiring purpose statements and grounding company values do not meet deep personal needs. If executives focus entirely on employee's top request – compensation – without tuning into these underlying health and wellness issues, turnover will likely continue.

Link Between Flexibility and Company Culture

Exploring the impact of remote work on company culture

As remote work became the new normal for many over the course of the pandemic, executives raised concerns about sustaining their company culture when people could not gather in an office setting. Today, worries about maintaining a coherent, compelling company culture continue to plague business leaders grappling with employee demands for flexible work options. **The data suggests culture might actually be more powerful with increased flexibility.**

The majority of survey respondents said that they worked either remotely or in a hybrid setting over the past two years (65% of executive respondents and 57% of employee respondents) with only 33% of executives and 43% of employees saying they were in the workplace 100% of the time. When given an array of options on how a business can best demonstrate generosity to employees, both executives and employees selected flexible work schedules as the #1 priority. As you will see in the specifics, the data suggests that employees declare more positive impressions of company culture when this primary request for flexibility is met.

Flexibility impacts recruitment & retention

Working for a generous company is very or extremely important to

81% of remote employees

Those who worked remotely over the past two years were more likely to say that it is very or extremely important that they work for a generous company (81%). Those who worked in a hybrid setting found generosity only slightly less compelling (78%), with those who were full-time in the workplace noting the importance of generosity at 68%. Overall – this reminds us that all employees weigh generosity highly in their decisions about where to work. Yet, the more flexibility they receive, the more potent generosity efforts are in attracting and retaining employees.

For those who worked entirely remote, they were more likely to give their employer an A or B grade for their generosity efforts toward employees (74% of respondents) and gave their employer consistent high marks for generosity toward the community. This holds true for those who worked in a hybrid setting with employers maintaining an A or B grade for their generosity efforts toward employees (73% of respondents).

Flexibility also seems to play a role in convincing employees to stay at their current job. Most remote and hybrid workers factor generosity into their decision to stay in their job (both at 71%).

Here's where a lack of flexibility starts to create a stark decline in employee attitude. For those who were in the workplace full time, generosity only influences their decision to stay 52% of the time. While this tells us generosity continues to influence people the majority of the time, the 20 percentage point decline with lack of flexibility is worth noting.

For non-remote employees:

20% points

generosity's role in retention

Flexibility increases effectiveness of values & purpose

Remote Employees Agree:

90%
company values create positive culture

85%
company values guide decision making

86%
company values increase loyalty

COMPANY VALUES: In earlier chapters we noted that both executives and employees see company values as an important way to demonstrate business generosity internally. This study found that most respondents were aware of their employer's stated company values (81% executives vs. 72% employees), with many believing they have a profound impact on company culture.

For those who are aware of their employer's company values, they see the significant positive role company values play regardless of whether they worked remotely or were fully in the workplace. For instance, 83% of employees believe company values create a more positive culture. 77% say company values clearly guide decision making and 75% say they increase employee loyalty.

Good news, employees also agree strongly that company leaders' performances support the values with 76% saying managers conduct aligns and 75% saying executive leadership conduct aligns with company values.

The data tells us that company values resonated more with employees who had flexibility.

An extraordinary 90% of remote workers believe company values create a more positive culture and 85% say company values help them feel more connected. A remarkable 86% of remote employees say company values increase their loyalty and they gave their managers much higher marks for their conduct with 88% saying their manager's conduct aligns with values.

When you take a look at those employees who worked in a hybrid model, company values still maintain high marks for effectiveness with a strong 83% agreeing that company values create a more positive culture and 77% believing that values help them feel connected. 76% of hybrid workers say the values increase their loyalty and 77% say their manager's conduct aligns.

For those who worked entirely in the workplace, their responses convey a consistently concerning trend. While 76% of in office employees say that company values have a positive impact on culture, this is a significant difference from the 90% of remote employees who hold positive feelings about company values.

For non-remote employees:
18% points
company values increase their loyalty

For those in the office entirely, 70% say that the company values increase their sense of connectivity which is a stark difference from the 85% of remote workers who note the effectiveness of values on their sense of connection. The negative trend line continues with 68% of workplace employees saying the values increase their loyalty compared to 86% of their remote peers.

PURPOSE STATEMENT: Overall employee respondents were less aware of their employer's purpose statement (65% of employees; 76% of executives). But the majority are aware and believe the purpose statement has a strong impact on culture with 80% of employees and 88% of executives stating that purpose statements create a more positive culture. 77% of these employees believe that the purpose statement clearly guides decisions making in their company and 69% believe the purpose inspires them in their work.

Alignment Around Working Together Towards the Company's Purpose

97% of executives agree

83% of employees agree

Interestingly, 97% of executives see the people in their company working together towards the company's purpose and 83% of employees agree.

Without a doubt, flexibility increases a purpose statement's efficacy.

As with the values statement, a remarkable 90% of remote workers claim the purpose statement has a positive impact on culture and 81% find that the purpose statement clearly guides decision making in their company.

Remote workers are more aligned with executives in their strong sense (92%) that everyone at their company is working towards the purpose and that purpose has a high likelihood of increasing their loyalty (81%).

Hybrid workers are slightly less inclined, but still a convincing 79% agree that the purpose statement creates a more positive culture. Even more than their remote peers, 85% of hybrid respondents said that purpose clearly guides decisions making. There's a strong dip in the efficacy of a purpose statement to increase loyalty for those who worked hybrid at 63% but this is still the majority. There's more agreement (87%) that everyone at their company is working together towards the purpose.

As with the company value statements, the purpose statement is an effective tool for company culture but there is a statistically significant trend that highlights the disconnect for those employees who worked solely in the workplace.

Remote Employees Agree:

90% purpose statement create positive culture

81% purpose statement guides decision making

81% purpose statement increases loyalty

Lack of flexibility damages trust and connectivity

This study found that 39% of employees who operated solely in the workplace graded their CEO a C or lower for generous leadership. They are less likely to agree that their manager's conduct aligns with company values (67% compared to 88% for remote) which is a red flag for retention given that 33% of respondents cited a bad manager as an influential reason for why they plan to leave their current job. And they are more skeptical about the role values or purpose play in creating a more positive culture or connectivity.

Those who worked at the workplace were also less likely to trust their CEO is putting commitments into action and less trusting of any institution to do what is right, including their own employer.

Employees want actions more than words

It's important to note that a healthy group of employees think their employer's company values are just for show (38%) with younger employees being even more skeptical (46%). Executives overwhelmingly disagree (86%), but this same sentiment holds when it comes to a company purpose statement. A notable number of employees (39%) consider the company purpose statement as just for show with younger employees being significantly more skeptical (50%). According to employees company values and purpose statements have a strong correlation to positive culture and their decision to stay.
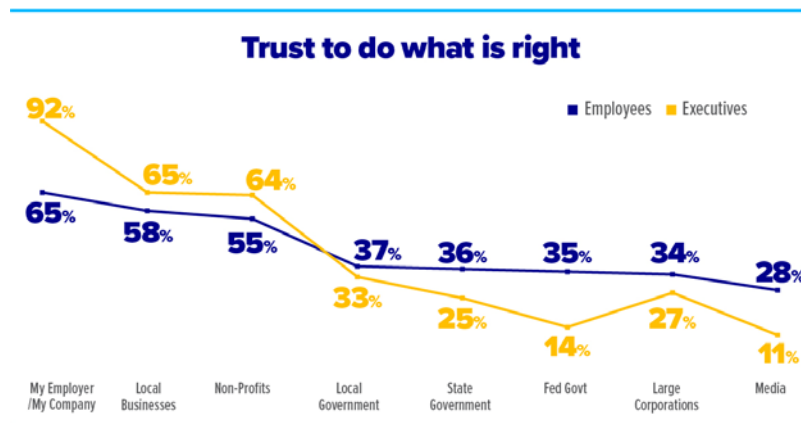
The road map for success includes:

- ✅ Reinforce words found in the company values and purpose statements with concrete actions
- ✅ Prioritize generous action to employees far and above generosity toward the community

Maintaining Trust and Solving Problems

There's good news. Employed adults in Georgia trust business to do what is right

When given the option of who they trust "to do what's right", Georgian's named their employer as the most trusted institution (65%). Next on the list in a near tie for second are small, local businesses (58%) and nonprofit organizations (55%). Importantly, trust in larger corporations appears to sit in close proximity to trust in government while media falls clearly in last place.

Trust to do what is right

■ Employees ■ Executives

	My Employer /My Company	Local Businesses	Non-Profits	Local Government	State Government	Fed Govt	Large Corporations	Media
Executives	92%	65%	64%	33%	25%	14%	27%	11%
Employees	65%	58%	55%	37%	36%	35%	34%	28%

Trust increases when it comes to solving societal problems

Again, respondents have a high degree of trust in local business (76%) and their own employer (75%) to help solve problems. Employees who are younger than 35 and of color are statistically more likely to trust their employer to help solve problems. Trust in large corporations increases when it comes to helping problem solve, earning them a sizable increase from 34% to 57%. Across both executives (58%) and employees (62%) there is consensus that business in general is putting commitment to generosity into action.

Important evolutions for demonstrating generosity to the community

Employees provided input into how business can effectively demonstrate generosity toward the community and help solve societal problems:

CHARITABLE GIVING: When asked how a company might demonstrate generosity toward the community, all respondents (executives and employed adults alike) believe that charitable giving is the best choice. Executives (69%) and employees (50%) selected charitable giving as their top choice with contributions of expertise as their strong second.

Executives **(69%)** and employees **(50%)** agree that charitable donations are the top choice.

Employees placed matching gifts in the number three spot, elevating this option as a way to possibly indicate their interest in having some agency and support in personal charitable giving.

It is important to note, that employees under the age of 35 and those of color were less likely to select charitable giving and more interested in activities such as lobbying or public statements.

When asked about effective ways for business to solve societal problems, executives elevated charitable donations as a more successful tactic for large corporations (66%), than for small, local businesses (52%). Employees agreed with the weight of this prioritization indicating greater importance for large corporations (53%) to contribute financial donations than small, local businesses (41%)

CORPORATE VOLUNTEERISM: Executives should take note of important feedback in the data about corporate volunteerism. Executive respondents selected volunteerism as one of their top three ways to demonstrate generosity to the community, but employees ranked other activities higher. For employed adults, company volunteer projects came in fifth place behind other activities such as charitable giving (50%), contributions of expertise or skill (34%), matching gifts (33%) and environmentally conscious business practices (32%).

3 out of 4 employees did not select "company volunteer projects" as their preferred way to serve.

When asked specifically about how they would prefer to volunteer, the top choice among employees was to be given PTO to volunteer wherever they like. Only a quarter of employees selected company sponsored volunteer projects as their preferred choice with almost an equal amount (22%) indicating that they would like to know that company volunteer projects exist, but they do not want to feel pressured personally to participate.

Employees under the age of 35 were far more likely to notice if their employer offered company sponsored volunteer opportunities than their older colleagues (62% compared to 33% for those older than 35) and the vast majority of younger employees (83%) said that if it was offered, they participated in a company sponsored volunteer project in the past two years. But again, when given the choice how they prefer to serve, 4 in 10 preferred PTO to volunteer where they choose.

Employees selected volunteerism as their second choice for a small, local business to help while business leaders elevated volunteerism to their number one way for small, local businesses to tackle problems.

2X Employees under 35 and people of color prefer lobbying and public statements.

LOBBYING & PUBLIC STATEMENTS: When it comes to ways business can demonstrate generosity to the community, neither lobbying nor public statements were prioritized by either employees or executives as top choices (Page 6).

However, if you look at the opinions of employees under the age of 35 and colleagues of color you will find they were twice as likely to select lobbying or public statements as a top three choice for ways their employer can demonstrate generosity to the community.

Opinions on these activities shift in terms of effective ways for businesses to help solve societal problems. In this framing, executives (48%) and employees (33%) were more likely to select this as an effective way for large corporations to solve problems. However, employees were more inclined than executives to say they would like to see businesses of all sizes making public statements in an effort to help solve problems, with younger respondents relying twice as much on CEO statements to inform their judgement of a company's generosity.

METHODOLOGY:

Georgia senior executives qualified for the survey if they were in a senior leadership position with a company that has a Georgia presence. goBeyondProfit and Georgia CEO, a network of local websites focused on the state's business communities, obtained respondents for this survey via invitations to their email databases and social media followers. The survey was open from March 21 – April 29, 2022 and drew 200 completed responses. At a 95% confidence level, this survey has an error range of +/- 6.93%.

An online survey was conducted among employed adult Georgians between March 1 – April 4, 2022. goBeyondProfit contracted with Qualtrics, a provider of first-party data, contributed by people who opt-in to participate in surveys and market research, for the sample. Respondents qualified for the survey if they were 18 years of age or older and were employed by a company that has a Georgia presence or a Georgia office. The survey drew 510 completes. At a 95% confidence level, this survey has an error range of +/- 4.34%.