Accelerating a Just Transition

How Employees Are an Untapped Asset in Corporate Sustainability

October 2024





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Introduction & Research Goals

Companies must invest in shifting their internal cultures to fully harness the potential of their employees toward a just transition.

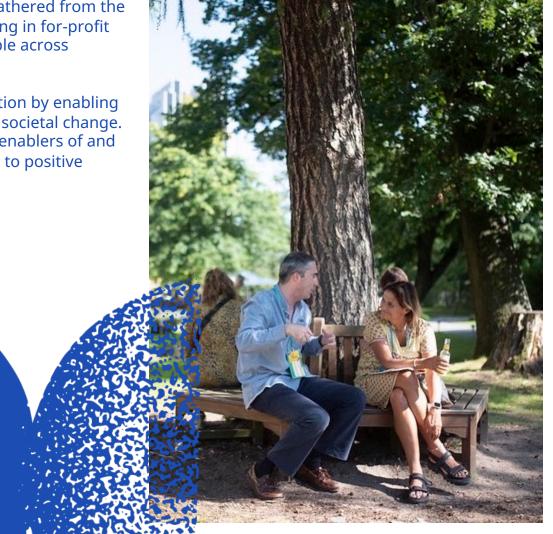
Ashoka and GlobeScan have explored the role of corporate employees in accelerating sustainable and inclusive societal change. While studies to date primarily focus on the sentiments of senior leaders and investors, we saw an opportunity to uncover the views of everyday employees.

Employees are noticing a growing discrepancy between their organizations' sustainability pledges and real-world impact. Companies can close this gap by supporting and mobilizing even more employees to contribute to positive impact in their jobs, which in turn will strengthen workforce loyalty and retention.



This report presents the insights gathered from the opinions of 8,613 employees working in for-profit companies with at least 1,000 people across 31 countries.

We hope to accelerate a just transition by enabling even more people to participate in societal change. This includes raising awareness of enablers of and barriers to employees contributing to positive impact in their jobs every day.



Executive Summary

Employees are an untapped catalyst for driving a netzero future. Along with an enabling work environment, they can play a pivotal role in the just transition.

- As businesses face mounting pressure to address climate change and social inequality, there is a growing discrepancy between corporate sustainability pledges and real-world impact. Seventy-four percent of employees agree that what their employer says about social and environmental responsibility is inconsistent with their company's actual behaviors.
- Additionally, the findings emphasize the strong business case for sustainability and the risk of inaction. A total of 88 percent of employees agree that as their company increases its performance on social and environmental responsibility, individual motivation and loyalty increase. Companies risk a demotivated workforce and weak retention and attraction if they do not close the gap between intentions and actions.
- However, the research also signals hope. An overwhelming 82 percent of employees believe they help create positive social and environmental solutions through their work, with 39 percent saying they strongly agree. Despite the widening gap, many employees feel they are active contributors to positive change.
- There is an opportunity to leverage the positive perceptions and the loyalty of workforces to unleash more contribution to net-zero actions. This requires work environments that mobilize and support employees through qualities like autonomy, initiative, transparency, collaboration, and teamwork.

"Companies that fail to align their words with action risk losing both current and future talent. Employees are more loyal and motivated when they see their company taking concrete steps toward making positive contributions to society and the planet."



Chris Coulter, CEO of GlobeScan



Findings & Analysis







The Opportunity

Corporate employees are an untapped catalyst for driving a net-zero future. With the right organizational environment, employees can accelerate the pace and impact of sustainability actions.

And employees are contributing. The *State of Corporate Volunteering 2024* study found a 57 percent increase in corporate volunteering between 2022 and 2023.*

While corporate volunteering is important for employee engagement and pride, these efforts are not sufficiently embedding sustainability into business operations.

Companies can accelerate and deepen their sustainability actions by mobilizing even more employees to create a positive impact in their jobs. This requires work environments that value autonomy, initiative, transparency, collaboration, and teamwork. "There is an untapped opportunity for businesses to better mobilize their workforces toward sustainability actions. Employees want to contribute, but they need an enabling organizational environment to do so."



Sarah Jefferson, Senior Director at Ashoka's Changemaker Companies



*Source: The State of Corporate Volunteering 2024 (benevity.com)

Global Results

Employees Perceive a Gap between Intentions and Behaviors

Over seven in ten employees surveyed (74%) believe that there is a gap between what their company says about social and environmental responsibility and how their company behaves.

8 32 18 Strongly agree Somewhat agree 42 Somewhat disagree Strongly disagree

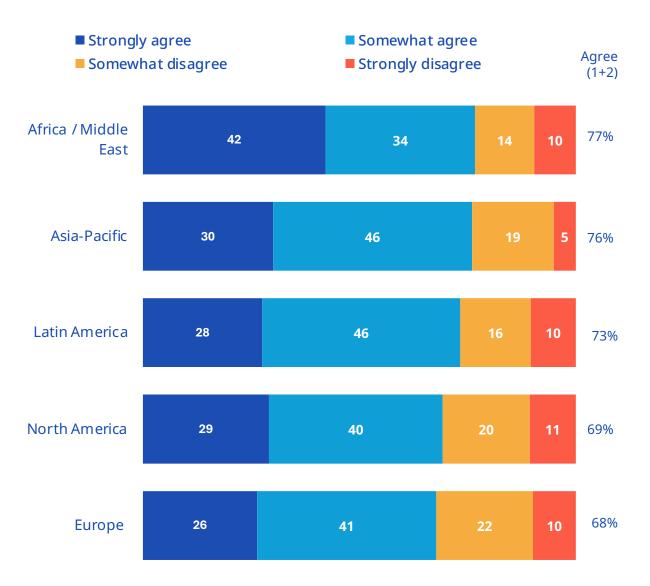
T15. Please indicate if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the following statements. – There is a gap between what my company says about social and environmental responsibility and how we actually behave.

Regional Results

Employees Perceive a Gap between Intentions and Behaviors

Employees in Africa and the Middle East are more likely to strongly agree that there is a gap than their counterparts in Europe.

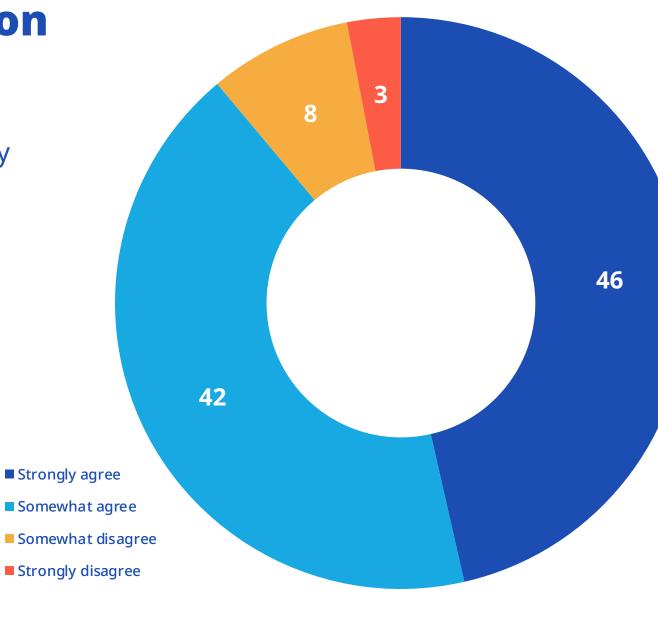
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There Is a Risk to Inaction

Nearly nine in ten corporate employees surveyed (88%) at least somewhat agree that the more socially and environmentally responsible their company becomes, the more motivated and loyal they become as an employee.

T15. Please indicate if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the following statements. – The more socially and environmentally responsible my company becomes, the more motivated and loyal I become as an employee.

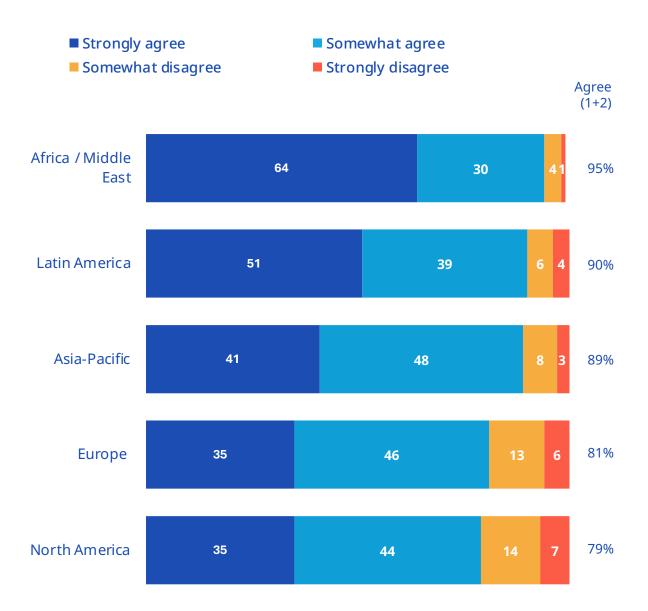


Regional Results

There Is a Risk to Inaction

Latin America and Africa and the Middle East feel the strongest correlation between loyalty and motivation when it comes to the social and environmental responsibility of their employers.

T15. Please indicate if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the following statements. – The more socially and environmentally responsible my company becomes, the more motivated and loyal I become as an employee.



Global Results

Employees Feel They Are Active Contributors

Globally, eight in ten employees surveyed (82%) say they contribute to positive social and environmental solutions at work, with the top enabler being a supportive organizational culture.

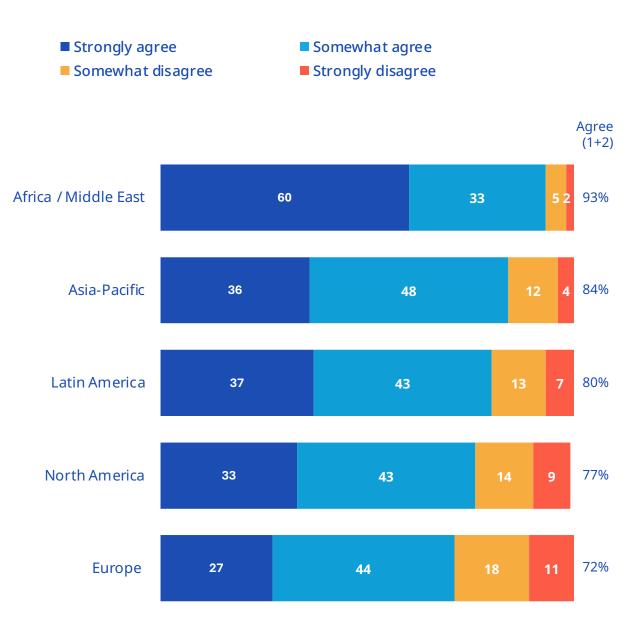
6 12 39 **43** Strongly agree Somewhat agree Somewhat disagree Strongly disagree

T15. Please indicate if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the following statements. – I am helping to create positive social and environmental solutions in my job.

Employees Feel They Are Active Contributors

In Africa and the Middle East, employees are twice as likely to strongly agree that they contribute to social and environmental solutions at work than their counterparts in North America and Europe.

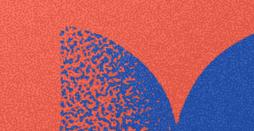
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Enablers & Barriers to Employee Participation





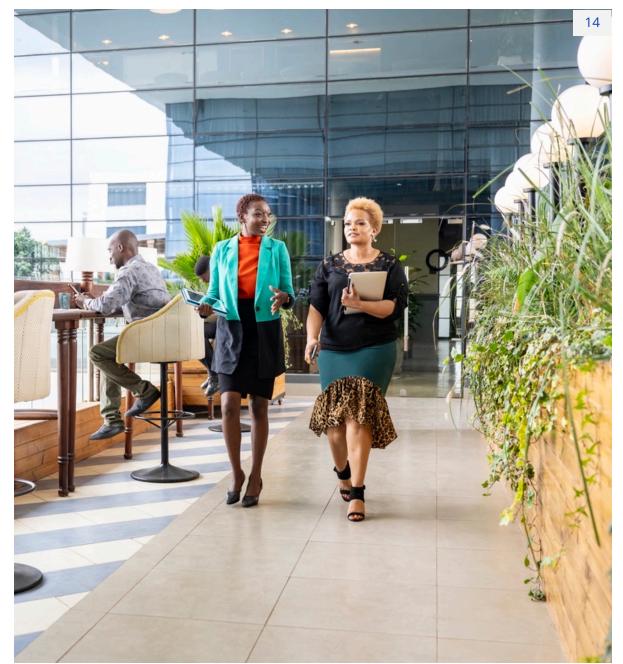
Employees Identified the Main Enablers of and Barriers to Contributing to Positive Impact at Work – and Culture Matters

One of the top enablers cited is a **supportive organizational culture** that promotes autonomy, listens to employees' ideas, encourages teamwork and innovation, and creates high levels of communication and transparency. Another top enabler is **strong collaboration** both across internal departments and with external stakeholders.

The primary barrier to contributing is the **belief that positive impact is outside employees' scope of work** or feeling they **lack control or power to contribute ideas**. Other barriers include a lack of time, knowledge and skills, and budget.

Note: While 'culture' emerged as a significant theme in the findings, most of the enablers and barriers listed are linked to an organization's culture. We define culture as "how things are done in our organization."

Responses on enablers and barriers were captured through open-ended analysis.



Five Enablers Help Employees Contribute to Social and Environmental Solutions at Work



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Creative and Autonomous Culture	Strong Collaboration and Teamwork	Access to Education and Tools	Strong Leadership and Vision	Company Policies and Practices
Employees highlight the importance of feeling supported and valued to develop positive social and environmental solutions at work. This includes a culture of autonomy and taking initiative , encouraging creativity and innovation , and high levels of communication and transparency .	Employees need effective collaboration and teamwork, both internally across teams and externally with partners, to develop solutions to social and environmental challenges.	Before they can act, employees emphasize the need to be equipped with a holistic understanding of the sustainability challenges affecting their industry, along with the risk of inaction. Once they have this understanding, they need access to skills, data , and technology to implement sustainability solutions at the workplace.	Employees need supportive leadership that sets a clear direction, builds momentum, and encourages employees to contribute to sustainability efforts. Along with strong leadership, there needs to be a vision rooted in humanistic values like compassion, well-being, and responsibility to society.	Employees mention that company policies and practices that prioritize environmental and social responsibility enable them to engage in impact. This includes having clear guidelines and structured initiatives. This also includes financial and non- financial rewards for contributing to positive impact at work.

Those who work at a large company with more than 1,000 employees. T80. What most enables you to help create positive social and environmental solutions in your job?

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What Are Employees Saying about Enablers?



Creative and Autonomous Culture	Strong Collaboration and Teamwork	Access to Education and Tools	Strong Leadership and Vision	Company Policies and Practices
"A company culture that encourages and empowers employees to take initiative to create positive change." Female, 45–54, Kenya	"Collaboration and teamwork with colleagues from various departments and open communication channels for feedback and idea sharing." Male, 35–44, Singapore	"Access to accurate information and advanced tools. This allows me to provide well-informed advice and innovative ideas." Female, 35–44, India	"Commitment and support from management in driving sustainability and social responsibility. Leaders can set the vision, provide resources, and encourage employees to participate." Female, 35–44, Vietnam	"Incentive mechanism to encourage employees to propose and participate in innovative projects to improve the environment/society." Female, 65+, Saudi Arabia
"The freedom of creation that my company sponsors and makes available." Female, 24–34, Brazil	"Seeing motivation and encouragement from co-workers." Female, 25–34, Thailand	"By being more aware of the social and environmental implications that occur as a result of companies, like the one I work for." Female, 18–24, Australia	"Senior management listens to my suggestions about positive social and environmental practices." Female, 55–64, Egypt	"Initiatives that empower employees to take ownership of social and environmental projects." Female, 45–54, Kenya
"The company actively encourages everyone to care for the environment and actually take action." Male, 35–44, China	"Partnerships with institutions, public administration sectors." Female, 35–44, Brazil	"By first understanding the need or the gap that needs to be addressed, putting into consideration cultural practices." Female, 35–44, Kenya	"The corporate culture is very focused on social contributions and sustainability. This is in the DNA of the organization." Male, 35–44, Netherlands	"The company's official statement of eco-friendly policy." Male, 45–54, South Korea

T81. What most enables you to help create positive social and environmental solutions in your job?

Five Barriers Hinder Employees from Contributing to Social and Environmental Solutions at Work



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Viewed as Others' Responsibility	Lack of Time	No Control or Influence	Lack of Knowledge and Skills	Lack of Budget and Resources
Many employees believe that creating positive social and environmental solutions at work is not their duty or falls outside their scope of work . They feel that the company has specific positions dedicated to corporate sustainability, resulting in a lack of ownership and participation.	environmental initiatives. Some find that long working hours and heavy workloads hinder their ability to contribute.	An unsupportive organizational culture hinders employees' ability to develop positive solutions at work. This includes excessive bureaucracy that stifles creativity, a lack of management support that disempowers employees, and insufficient authority, control, or decision-making power to implement meaningful changes.	A lack of awareness and understanding of social and environmental issues is a key barrier for corporate employees in creating positive solutions at work. This includes both insufficient "soft" knowledge and technical expertise on how to effectively implement solutions to these challenges.	Financial limitations are a significant barrier to creating positive social and environmental solutions. This includes insufficient budgets, funding, and financial incentives. Without adequate financial resources, employees also face a lack of essential materials and tools needed to implement effective social and environmental initiatives at work.

Those who work at a large company with more than 1,000 employees. T80. What most enables you to help create positive social and environmental solutions in your job?

What Are Employees Saying about Barriers?



Viewed as Others' Responsibility	Lack of Time	No Control or Influence	Lack of Knowledge and Skills	Lack of Budget and Resources
"It is not my role or responsibility." Male, 35–44, Canada	"The working hours and tasks are too stressful to balance social responsibility." Female, 65+, Saudi Arabia	"I have no options for that in a company with 22,500 employees. I am at the bottom of the hierarchy." Male, 55–64, Netherlands	"Only the lack of technical know-how will prevent me from doing so." Male, 25–34, Canada	"Limited resources including insufficient funds, manpower, technology, etc., which limit the development of large-scale and in-depth solution projects." Female, 45–54, China
"It is not my field of work." Male, 35–44, Saudi Arabia	"No time from work." Male, 18–24, Germany	"The red tape and bureaucracies where you are treated like a worker and that's where it ends; any ideas you come up with are just thrown out." Male, 35–44, South Africa	"I'm not completely familiar with the topic." Male, 35–44, Mexico	"No resources." Female, 45–54, Hong Kong
"It is not something that is part of my job, we have special positions for that." Female, 35–44, Netherlands	"No time. Doing day-to-day tasks takes up all my time and energy." Female, 55–64, Singapore	"I am only operational production staff. I don't have the power to make decisions on projects carried out in the company." Male, 35–44, South Africa	"I wouldn't know where to start." Female, 45–54, USA	"Lack of manpower and resources." Female, 65+, Canada

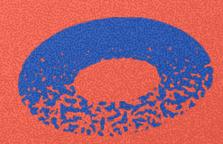
T81. What most enables you to help create positive social and environmental solutions in your job?

Join us in creating a culture of impact where employees are supported and mobilized to accelerate the pace and impact of sustainability actions.

Follow us on LinkedIn for additional research, case studies, tips, and a community of peers:

in <u>GlobeScan</u>

in <u>Ashoka</u>



Methodology

Analysis focused on 8,613 employees working in for-profit companies with over 1,000 employees across 31 countries.



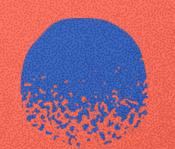
This analysis was part of a larger global survey conducted by GlobeScan, which polled the general public on attitudes toward societal change (*n*=30,216).

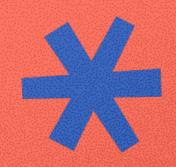
Samples are representative of online population, weighted to reflect general population census data.

Online surveying in July and August 2024.



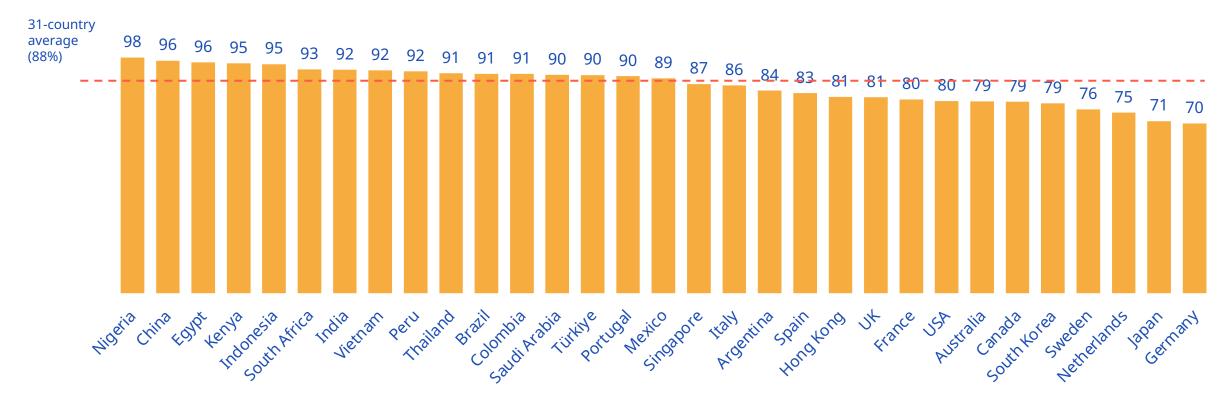
Appendix: Country-specific Responses







Corporate employees overwhelmingly agree that corporate responsibility increases loyalty and motivation, especially those in the Global South

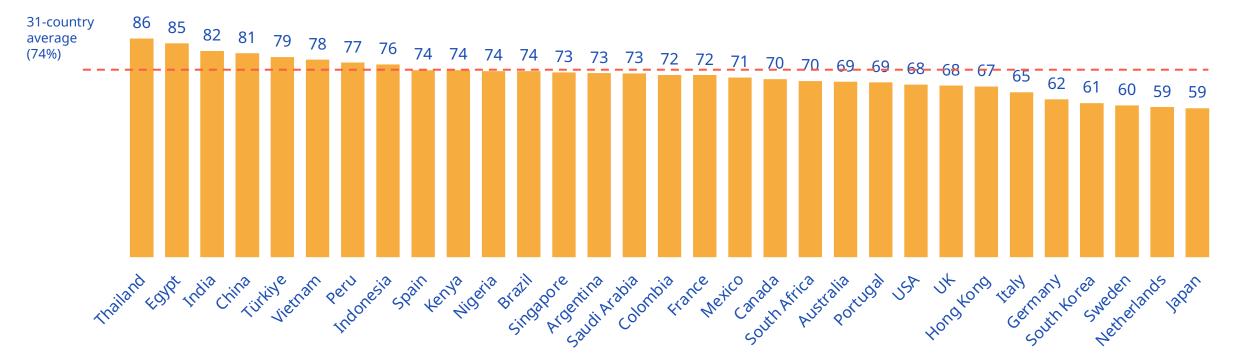


Those who work at a large company with more than 1,000 employees.

T15. Please indicate if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the following statements.

The more socially and environmentally responsible my company becomes, the more motivated and loyal I become as an employee.

Most corporate employees in nearly all countries surveyed agree that there is a gap between the company's social and environmental aspirations and how it behaves

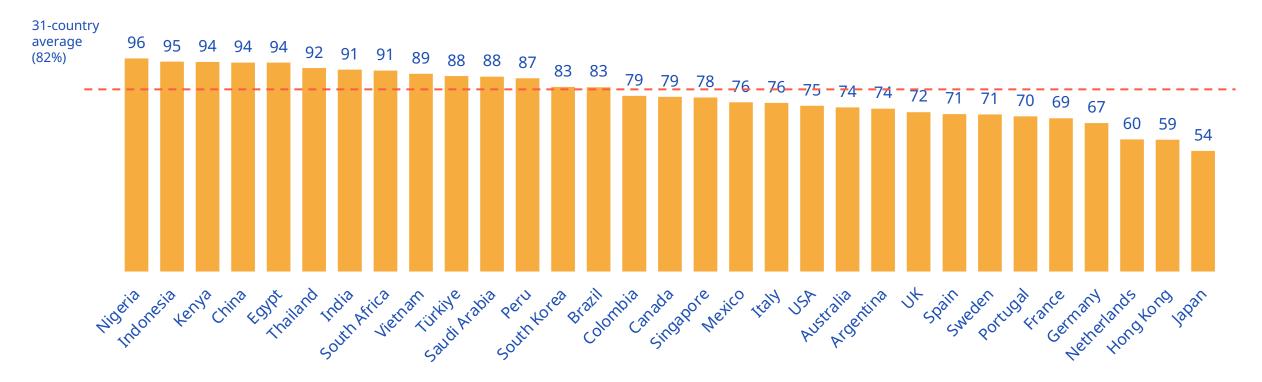


Those who work at a large company with more than 1,000 employees.

T15. Please indicate if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the following statements.

There is a gap between what my company says about social and environmental responsibility and how we actually behave.

Corporate employees around the world say they are helping to create positive social and environmental solutions at work, although less so in Japan, Hong Kong, and across Europe



Those who work at a large company with more than 1,000 employees.

T15. Please indicate if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the

following statements.

I am helping to create positive social and environmental solutions in my job at work.

GlobeScan is a global insights and advisory firm specializing in trust, sustainability, and engagement. We equip companies, NGOs, and governmental organizations with the insights they need to make sense of a rapidly changing world and respond to shifting societal and stakeholder expectations.

We help our clients craft evidence-led strategies that reduce risks and create value for themselves and society. Our purpose is to co-create a sustainable and equitable future.

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Founded in 1980, Ashoka is a global leader in identifying and supporting the world's leading social entrepreneurs.

By learning from their innovations, we mobilize a global community committed to building a world where everyone is a changemaker.

Ashoka Changemaker Companies, Ashoka's corporate advisory arm, partners with leading corporations to accelerate the rise of an inclusive and regenerative economy by advancing a corporate culture of changemaking.

Changemaker Companies | Changemaker Companies Ashoka

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