

WORKER CONFIDENCE INDEX:

Second Quarter 2024



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What is the U.S. Worker Confidence Index?

The U.S. Worker Confidence Index (WCI) gathers feedback from American employees to measure how confident and secure they feel in their jobs. Several indices examine the labor market and attitudes about the economy, but they do not address the employee perspective to evaluate their attitude and perceived level of job security. *HRO Today Magazine* and Yoh Recruitment Process Outsourcing have been producing this Index since 2014.

Each month, approximately 1,000 online interviews are conducted of full-time workers in the U.S. aged 18 and older. Quarterly reports are based on approximately 3,000 responses. Each question uses a five-point scale, with one meaning “strongly disagree” and five meaning “strongly agree.” *HRO Today Magazine* employs Big Village’s CARAVAN® Omnibus Surveys to collect the data.

Respondents are asked about key aspects of employment confidence, including job security (likelihood of job loss), opportunity for advancement, compensation expectations, and trust in company leadership. These areas create the four sub-indices that produce the overall WCI, and the results of each are examined in this report:

- **Job Security Index**
- **Likelihood of a Promotion Index**
- **Likelihood of a Raise Index**
- **Trust in Company Leadership Index**

Why is the WCI important?

More than two-thirds of gross domestic product in the U.S. comes from individual consumption,¹ and a sense of job security greatly determines how much households are willing to spend.² Therefore, knowing the confidence of workers can help us explain and forecast economic performance.

Additionally, worker confidence in each area of the WCI will strengthen companies and their profitability. Workers with low job security have worse mental and physical health, along with a more negative attitude toward their jobs.³ The added stress, frustration, resentment, and exhaustion that comes from the threat of job loss makes it more difficult for employees to be effective and perform.⁴ And these employees become more interested in creating the appearance of performance rather than actually improving it. Low job security is defined by those who feel they will likely lose their job involuntarily.

Low pay and no opportunities for advancement are two main reasons employees quit their jobs.⁵ Given high inflation, it is clear why finding a new job with higher pay is a prime motivator. And employees continue to want to advance their careers and are more likely to leave if they cannot do so in their current companies. However, retention may improve if employees feel they will get a promotion or raise, a big issue in today’s tight labor market.

Trust in leadership drives employee performance, increasing engagement, productivity, and innovation. But distrust can diminish innovation, morale, and performance among employees, which can ultimately inhibit company growth and hurt the bottom line.⁶ Workers in high-trust organizations are more engaged, which leads to greater productivity, better quality products, and higher profitability. They are also more energized, collaborative, and stay in their jobs longer than those in low-trust companies.⁷

The WCI tracks these performance indicators, which shows the quality of contribution workers will make to companies and the economy.

Executive Summary

According to the latest Worker Confidence Index (WCI) results, American workers felt less confident in their jobs in the second quarter compared to the first, primarily in their expectations for a promotion and a raise. However, they felt it was less likely that they would lose their jobs. In other words, they felt more optimistic about keeping their jobs, but less optimistic about progressing within them.

Perhaps this was because the U.S. labor market cooled off in the second quarter, staying strong but not as red hot and turbulent as it was over the past few years, thus presenting fewer opportunities but a greater sense of stability and security in work.

In this report, we will explore what happened for the American worker in the second quarter of 2024, starting with the results of the WCI. We will also review the broader trends in the U.S. economy and labor market to give context to the WCI and paint a complete picture of how workers felt and why.



The WCI in the second quarter of 2024

Worker confidence slipped for the second straight quarter. Overall worker confidence was 107.3 in the second quarter, lower than in the first quarter when it was 111.3 and in the fourth quarter when it surged to a record high of 114.9.

However, job security improved. Workers felt more hopeful about keeping their jobs, as the Job Security Index recovered from three straight quarters of decline and rose to 100.6 in the second quarter. Yet this improvement could not make up for a decrease in the three other indices of the WCI.

Confidence weakened in other areas of work, which dragged on overall worker confidence. The Likelihood of a Promotion Index fell the most to 115.3. The Likelihood of a Raise Index also fell to 112.3 but was still higher compared to the same time last year. The Trust in Company Leadership Index slipped slightly to 101. None of these three indices could maintain the jump in growth that each had in the fourth quarter of 2023.

Remote workers had the lowest job security. To gain insight into the impact of remote and hybrid work, we

began to include job type in our study this quarter, which segments remote, hybrid, and on-site workers. Remote workers had the lowest job security by far in the second quarter, while on-site workers had the highest. Hybrid workers had the most confidence overall.

Democrats felt particularly less confident. Since 2024 is an election year, we will be studying the impact of political affiliation on worker confidence. In the second quarter, confidence fell for workers in every political party, but the most for Democrats, even though they still held the most confidence overall.

The WCI accurately predicted the Consumer Confidence Index (CCI). The WCI and CCI have a predictive relationship. At least two-thirds of the time, when the WCI goes up (or down) in one quarter, the CCI will go up (or down) in the next. In our first quarter report, the WCI went down, so we predicted the CCI would go down in the second quarter, which it did. Since the WCI went down again this quarter, we predict the CCI will also do so in the third.

Now let us look at how the WCI results fit into the bigger picture of the U.S. economy and labor market.

The labor market cooled yet stayed strong.

The U.S. labor market showed signs of softening in the second quarter, as unemployment ticked up to 4.1% in June, job gains in April and May were revised downward, and wage growth slowed. Still, unemployment stayed historically low, more jobs were added in June than expected, workforce participation rose, and wage growth outpaced inflation.⁸ The Fed asserted that the labor market was strong, and that it was tight but no longer overheated. The cooling was seen as a return to a more balanced, pre-pandemic norm that helped ease inflationary pressures caused by the red-hot pace of the labor market over the past few years.⁹

The economy sped up, while inflation slowed down.

The U.S. economy grew better than expected in the second quarter, by an annualized 2.8%.¹⁰ But this growth was accompanied by a reduction in inflation by 0.1% from May to June and increased the chance of an interest rate cut in September.¹¹

Stocks kept rallying.

Following news of easing inflation and a solid jobs report,¹² the stock market maintained a stellar performance in the second quarter, with the S&P 500 rising 3.9% and reaching an all-time high in June.¹³ Big tech companies drove the market, mainly from the success of their AI products.¹⁴

Consumer confidence slipped.

The U.S. Consumer Confidence Index (CCI), which measures consumer sentiment about the economy, slipped 6.5 points to 99.7 in the second quarter. Strong sentiment about the current labor market helped sustain confidence, while concerns about the future brought it down.¹⁵

The CCI is viewed as a leading indicator because it asks consumers about their spending plans in the near future. Banks look to the CCI to forecast lending, retailers and manufacturers use it to set inventories, and the Fed watches it closely to determine interest rates. As mentioned earlier, we accurately predicted this decrease last quarter based on the decrease that occurred in the WCI in the fourth quarter of 2023.

The ideal yet uncommon economic scenario, known as a soft landing, happens when a central bank raises interest rates enough to correct high inflation but not too much that it overly restrains the economy and causes a recession or spike in unemployment.

The economy and labor market are trending toward balance.

The ideal yet uncommon economic scenario, known as a soft landing, happens when a central bank raises interest rates enough to correct high inflation but not too much that it overly restrains the economy and causes a recession or spike in unemployment. Whether the U.S. can stick a soft landing this year will largely depend on the labor market. If employment and wages grow too much then it would sustain inflation, or weaknesses could take a turn for the worse and cause unnecessary damage.

So far, the slowing-without-contracting scenario has occurred, as labor supply has grown while high labor demand has faded gradually, bringing the labor market and broader economy more into a steady balance. But the final outcome remains to be seen.

Overview of the Worker Confidence Index

The WCI for the last five quarters, displayed in Figure 1, slipped four points to 107.3 in the second quarter of 2024, after it also slipped in the first quarter from a record high of 114.9 in the fourth quarter of 2023. However, the WCI in the second quarter was slightly higher than average, indicating a good level of confidence.

Worker confidence varied in the different areas of the WCI, as seen in Figure 2. The Job Security Index increased this quarter, while the other three indices declined, which brought down the overall WCI. The Job Security Index rebounded from three straight quarters of decline, rising 4.7 points to 100.6. But none of the three other indices could maintain the jump in growth each had in the fourth quarter of 2023. The Likelihood of a Promotion Index fell the most, by 13.8 points to 115.3, which was the lowest it has been in two years. The Likelihood of a Raise Index also fell, by 5.6 points to 112.3, but was still higher compared to the same time last year. The Trust in Company Leadership Index was also at its lowest point in two years, slipping slightly by 1.4 points to 101.

Worker confidence by gender in Figure 3A shows that overall confidence slipped for both men and women this

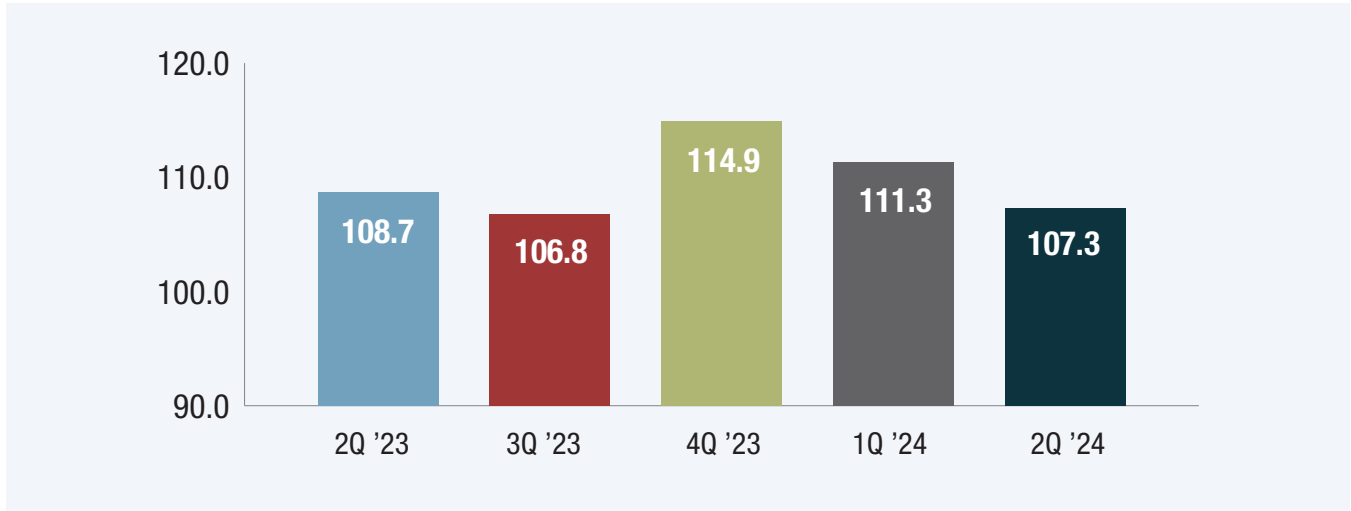
quarter, by 4.7 points to 107.5 and by three points to 107.1, respectively, as men lost especially more confidence in getting a promotion. The greater loss in confidence for men almost eliminated the confidence gap between the genders, where men are historically more confident than women. However, both improved their sense of job security.

Worker confidence by race in Figure 3B reveals that confidence decreased for African American and Caucasian workers yet rose for Hispanic workers this quarter. The WCI for African American workers fell 10.6 points to 125.4, and for Caucasian workers 5.9 points to 99.6, but rose for Hispanic workers by 11.9 points to 122.3. As is normally the case, minority workers felt lower job security than Caucasian workers, yet felt more confident in the other three areas of the WCI which increased their overall confidence.

Worker confidence by job type was mixed in the second quarter, as illustrated in Figure 3C. This quarter, we began studying worker confidence by how respondents work: remote, hybrid, or on-site. In the second quarter, remote workers had the lowest job security by far, as

Worker Confidence Index

Fig. 1



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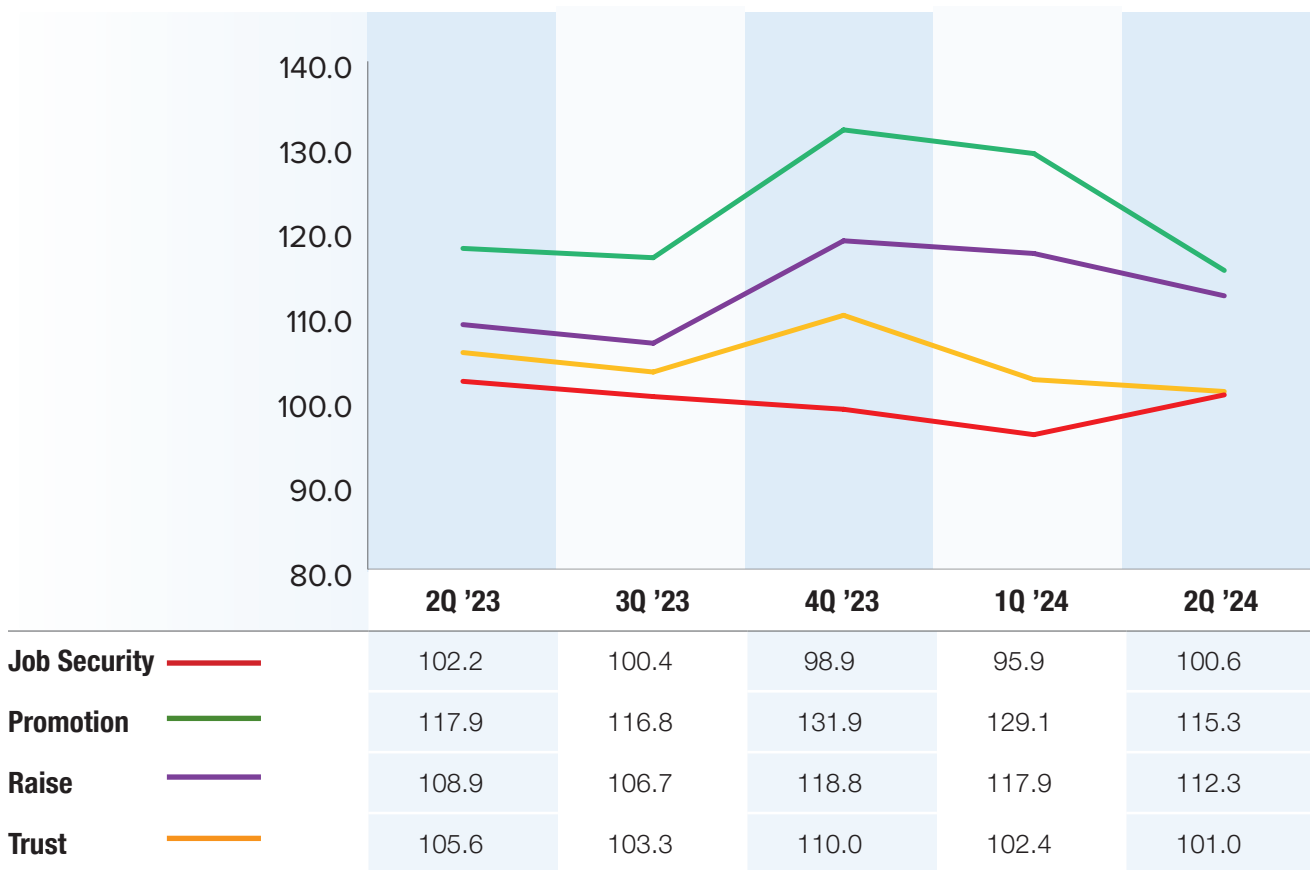
29.3% feared job loss. On-site workers had the highest job security, as only 7.4% feared job loss, but they were the lowest in the other three indices, which brought down their overall confidence rating. As a result, hybrid workers came out as being the most confident overall.

Workers from every political party felt less confident this quarter, especially Democrats, as shown in Figure 4A. Democrats still had the most confidence overall, but went down nine points to 111.7, followed by Republicans, down 0.5 points to 110.3, and Independents, down 4.1 points to 91.4.

Figure 4B, which displays the four indices of the WCI by political party affiliation, explains that job security improved for every political party, but confidence in the other areas of the WCI mostly declined. Republicans had the highest job security, increasing 4.3 points this quarter to 105.2, as well as the highest confidence in getting a raise at 117.1 and the greatest trust in company leadership at 104.8. Democrats had the most confidence in getting a promotion at 127.1, which kept their overall confidence higher. Independents had the lowest level of confidence in every index.

The Four WCI Indices

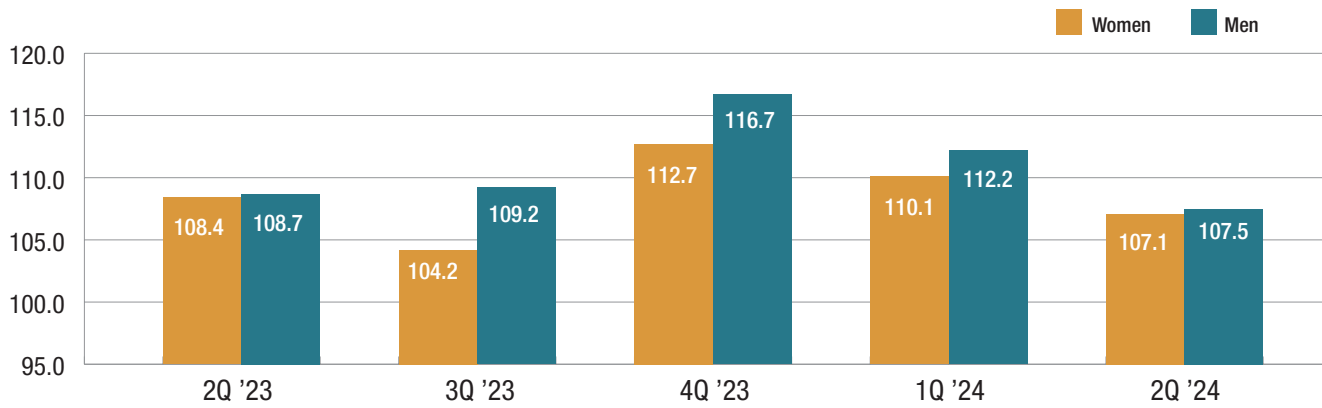
Fig. 2



WORKER CONFIDENCE INDEX | SECOND QUARTER 2024

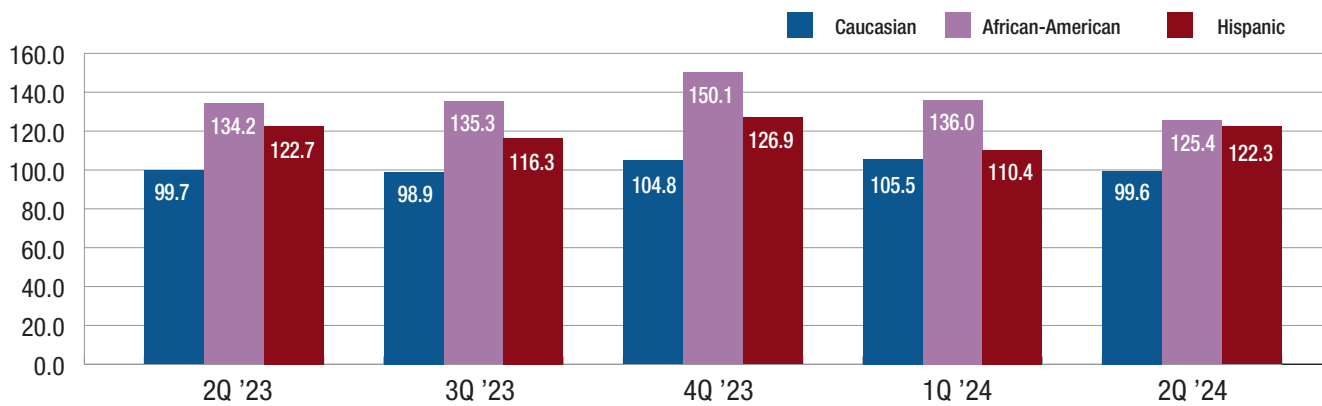
Worker Confidence Index: Gender

Fig. 3A



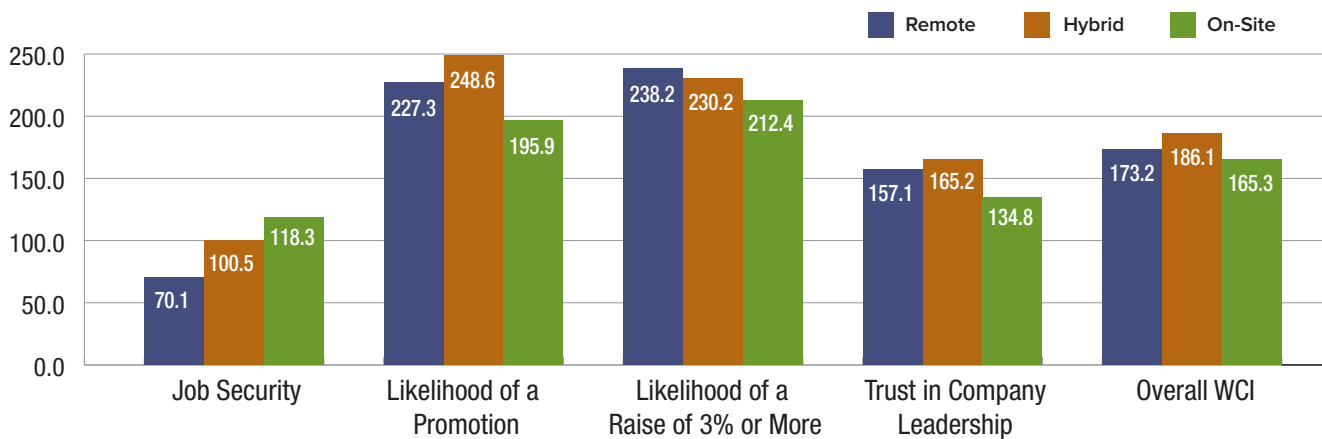
Worker Confidence Index: Race

Fig. 3B



WCI Indices by Job Type, 2Q 2024

Fig. 3C



Worker Confidence by Political Party Affiliation

Studies show that people tend to have a more positive outlook on the economy when their party's president is in office, and a more negative outlook when not.¹⁶ Since 2024 is an election year, we will examine worker confidence by political party affiliation every quarter and compare it to the last presidential election year of 2020.

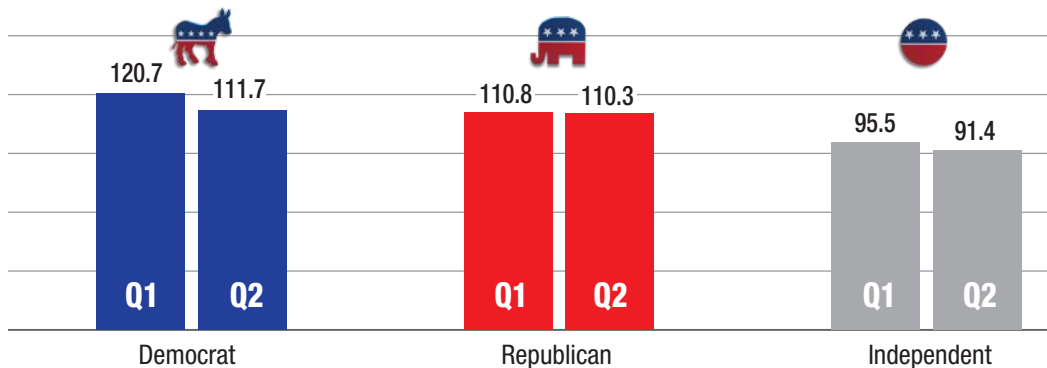
When Biden defeated Trump four years ago, the confidence of Republican workers declined 13.9 points in the fourth quarter of 2020, while it rose 3.5 points for

Democrat workers. But what will happen when Trump faces Harris?

Democrats started 2024 feeling the most confident about their employment situation overall, with a worker confidence rating of 120.7 in the first quarter. However, the confidence gap between Democrats and Republicans narrowed in the second quarter. Even though confidence fell for workers in every political party, confidence for Democrats fell the most, by nine points.

Worker Confidence Index by Political Party Affiliation 2Q'2024

Fig. 4A



Like the first quarter, Republicans had higher job security than Democrats in the second quarter, by 5.3 points, while Independents had the lowest job security, 12.9 points lower than Republicans, and were the lowest in every other index.

In the first quarter, Democrats were higher in the other three indices, which raised their overall confidence rating.

However, in the second quarter, Democrats slipped below Republicans in their confidence about receiving a raise and their trust in company leadership, lower by 1.6 points and 0.4 points, respectively. Democrats still felt more optimistic about getting a promotion, higher by 13.2 points, which raised their overall confidence just slightly above Republicans.

Fig. 4B

Index Category Detail by Political Party Affiliation 2Q'2024

	Democrat	Republican	Independent
Job Security Index	99.9	105.2	92.3
Likelihood of a Promotion Index	127.1	113.9	87.1
Likelihood of A Raise Index	115.5	117.1	97.8
Trust in Company Leadership Index	104.4	104.8	88.5

THE FOUR SUB-INDICES THAT CREATE THE WCI

Job Security

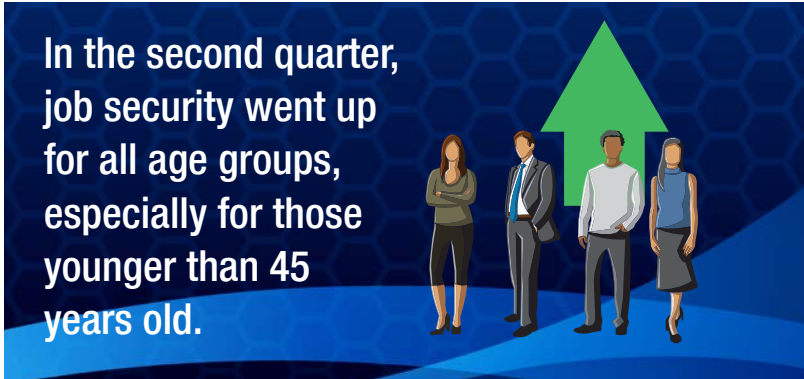
Do you feel it likely that you will involuntarily lose your job or that your job will be eliminated in the next 12 months?

The Job Security Index jumped 4.7 points to 100.6 in the second quarter after slipping for three straight quarters. Of all respondents, 10.4% felt they may involuntarily lose their job in the coming year, down 2.8 percentage points from last quarter and 0.5 percentage points from the second quarter of 2023. Job security increased across all demographic segments.

For both men and women, job security increased, but more so for men this quarter. Fear of job loss declined for men by 4.7 percentage points, as 11.2% feared job loss. It declined for women by one percentage point, as 9.7% of women feared the same. Men have lower job security than women, and their sense of job security is not as stable as women. However, men are higher in the other three indices which increases their overall confidence.

In the second quarter, job security went up for all age groups, especially for those younger than 45 years old. Workers aged 35–44 had the greatest boost in security, as their fear of job loss decreased 6.1 percentage points to 12.9%. Those aged 25–34 had the lowest sense of job security, as 17.4% feared job loss. Workers who were 45 or older still had the highest level of job security overall. Historically, workers aged 18–44 are the most concerned about job loss and have the most quarter-to-quarter variability, indicating a lower and more unstable sense of security compared to older workers.

Job security increased for all income segments as well, especially for workers who made more than \$50,000. Those who made less than \$35,000 had the lowest level of job security, as 13.3% feared job loss, while those making \$50,000–\$75,000 had the highest job security,



In the second quarter, job security went up for all age groups, especially for those younger than 45 years old.

as only 6.5% feared it. In general, those who make less than \$35,000 tend to have lower job security, while those who make \$35,000–\$75,000 have higher. Confidence fluctuates the most for those who make more than \$75,000.

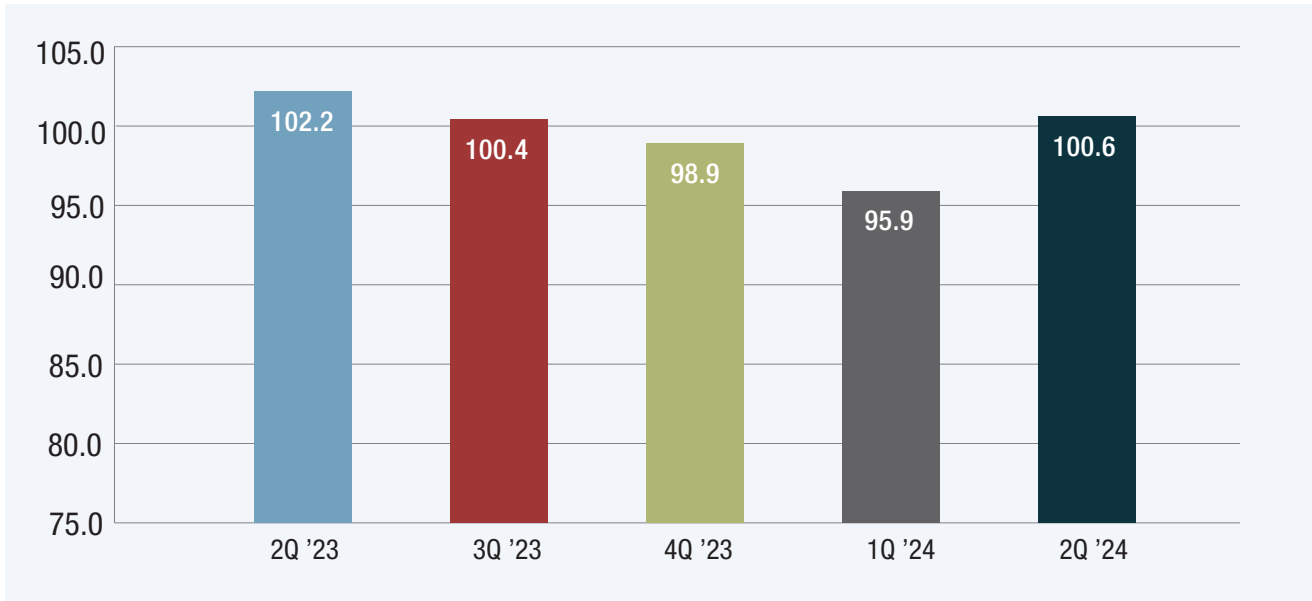
For every race and education level, job security rose compared to the previous quarter. African Americans once again had the lowest job security, as 16.7% feared job loss. But job security rose more for African American and Hispanic workers this quarter than for Caucasian workers, who continued to have the highest job security overall.

Workers with a high school diploma or less continued to have the lowest level of job security, as 12.1% feared job loss. College graduates increased job security the most, as their fear of job loss fell 3.9 percentage points. Those with an incomplete college degree had the highest level of job security once again this quarter, as 9.2% feared job loss.

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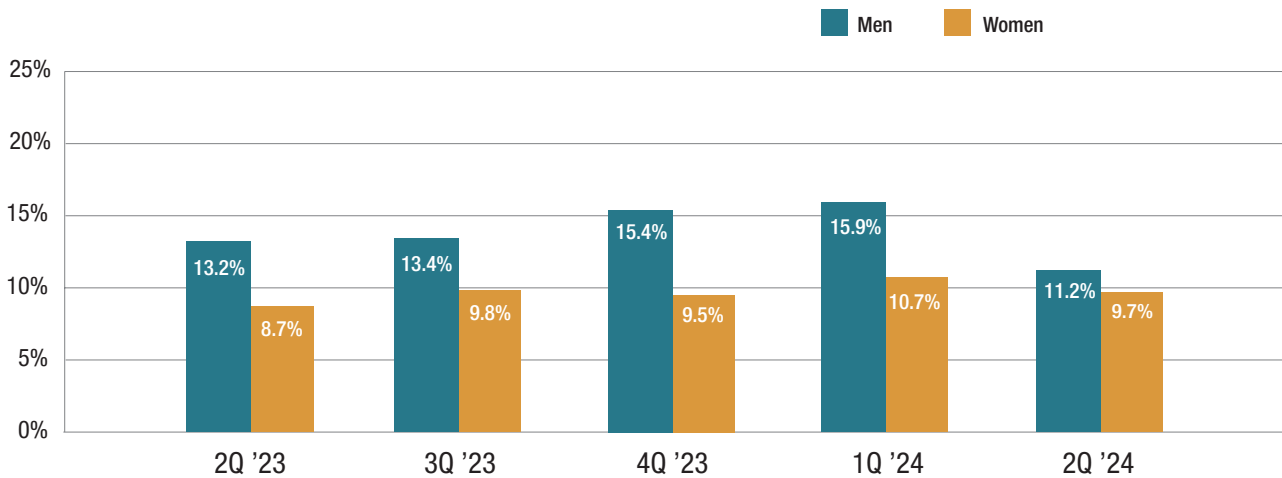
Job Security Index

Fig. 5



Likelihood of Job Loss by Gender

Fig. 6



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Fig. 7

Likelihood of Job Loss by Age	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
18–24	20.8%	23.4%	25.3%	22.6%	16.6%
25–34	14.6%	13.7%	18.5%	21.6%	17.4%
35–44	15.1%	16.9%	18.5%	19.0%	12.9%
45–54	10.8%	9.9%	11.4%	10.3%	9.4%
55–64	5.5%	7.0%	5.9%	8.1%	7.9%
65+	3.9%	4.0%	2.5%	3.3%	2.4%

Fig. 8

Likelihood of Job Loss by Household Income	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
< \$35K	12.7%	12.3%	14.0%	13.4%	13.3%
\$35–\$50K	9.6%	9.6%	8.3%	11.0%	10.2%
\$50K–\$75K	9.7%	11.8%	11.5%	11.3%	6.5%
\$75K–\$100K	10.9%	11.2%	13.5%	16.1%	11.9%
\$100K+	9.9%	11.5%	13.1%	14.4%	8.7%

Fig. 9

Likelihood of Job Loss by Race	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
Caucasian Only	9.0%	9.5%	9.9%	10.9%	7.9%
African American Only	18.9%	18.3%	20.7%	21.0%	16.7%
Hispanic	11.6%	13.3%	15.0%	17.4%	13.2%

Fig. 10

Likelihood of Job Loss by Education	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
HS Grad or Less	11.3%	11.3%	14.2%	14.0%	12.1%
College Incomplete	11.6%	11.7%	10.1%	11.7%	9.2%
College Grad	10.1%	11.6%	12.5%	13.5%	9.6%

Likelihood of a Promotion

Do you feel you'll receive a promotion from your current employer over the next 12 months?

The Likelihood of a Promotion Index fell more than any other index this quarter, by 13.8 points to 115.3. Of all workers, 22.3% believed they would receive a promotion from their current employer within the next year, down 2.7 percentage points from that last quarter. Most demographic segments lost hope for a promotion this quarter.

Both men and women felt a promotion was less likely. Men lost much more confidence than women with a decline of 4.6 versus 0.9 percentage points, respectively. Men continued to feel more confident, as 26.1% believed they would get a promotion versus 18.7% of women. Even though men tend to feel more confident in this area, women tend to have less quarter-over-quarter variability, suggesting a more stable outlook.

Every worker younger than 65 felt less confident about getting a promotion, but workers who were older only increased confidence by 0.5 percentage points and had the lowest confidence by far, as only 3% expected a promotion. Those aged 25–34 were the most confident, as 40% thought they would receive a promotion. Those aged 35–44 decreased confidence in this area the most, by 7.2 percentage points. In general, workers start their careers feeling confident about getting a promotion, with around 40% feeling so, but this confidence turns downward after age 45 and gets closer to zero after age 65, likely because there is less opportunity for promotion as one ages.

Confidence by income segment varied, either declining or staying flat. Workers who made more than \$100,000 lost confidence the most, by 7.6 percentage points, but still had the second highest confidence level as 26.2% expected to get promoted. Those who made \$75,000–\$100,000 increased confidence slightly and felt the most confident about being promoted (27.1%). As is normally the case, those who made more than \$75,000 felt the most confidence about getting a promotion, while those who made less than \$35,000 felt the least (18.3%).

Confidence by race also varied this quarter. Hispanic workers were the only racial segment to feel more confident about getting a promotion, and they had the highest confidence overall, increasing 4.1 percentage points to 31%. African American workers lost confidence the most, by 6.4 percentage points, but still maintained high confidence (30.7%), and Caucasian workers continued to have the lowest confidence (18.1%), which is historically the case.

For all education levels, confidence in getting a promotion declined this quarter, the most for college graduates, falling 5.7 percentage points to 24.2%, even though they still felt the most confident. Workers with an incomplete college degree felt the least confident (19.6%).

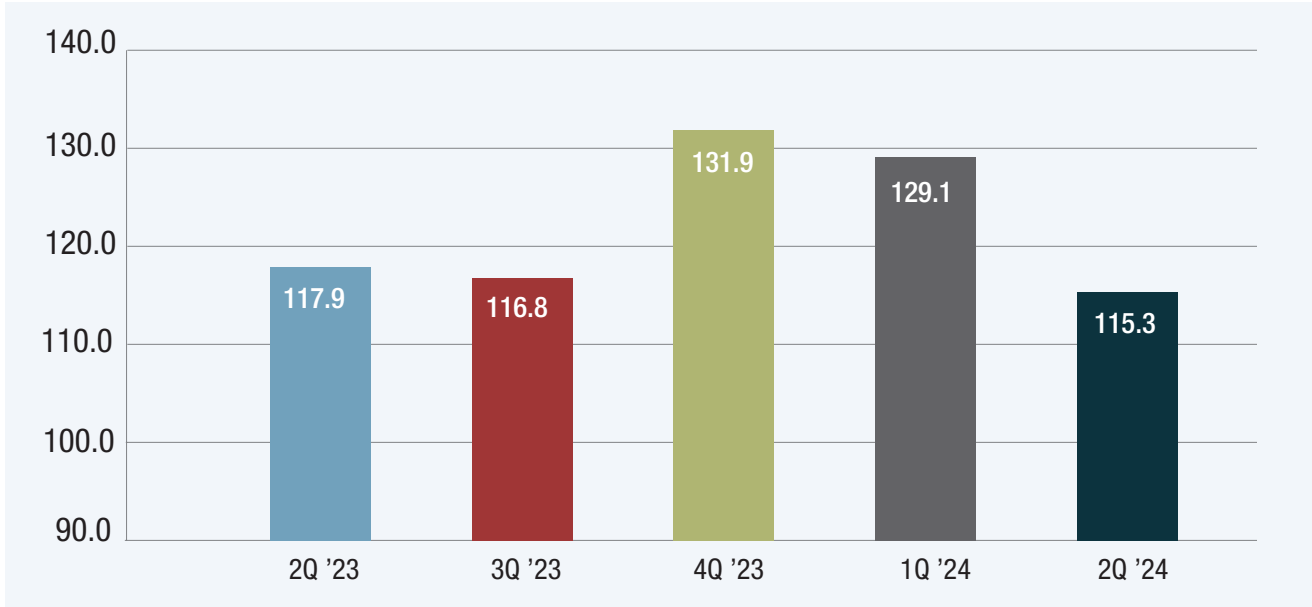
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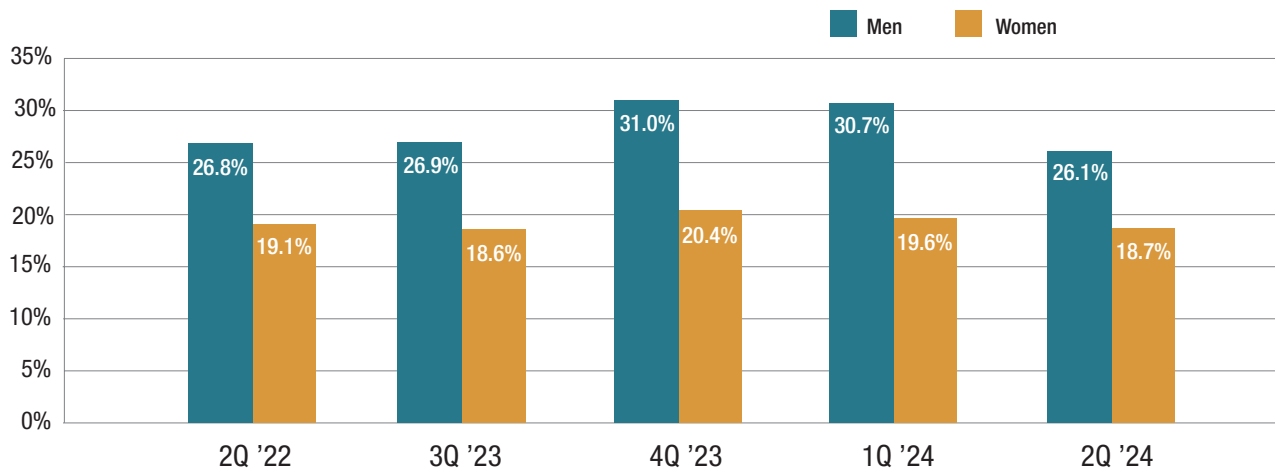
Likelihood of a Promotion Index

Fig. 11



Likelihood of a Promotion by Gender

Fig. 12



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Fig. 13

Likelihood of Promotion by Age	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
18–24	40.9%	34.5%	40.5%	39.8%	38.9%
25–34	40.0%	37.3%	43.5%	42.3%	40.0%
35–44	35.5%	37.6%	41.7%	39.3%	32.1%
45–54	19.3%	20.7%	28.4%	22.7%	18.2%
55–64	9.9%	12.4%	7.7%	13.9%	11.4%
65+	2.3%	2.3%	2.6%	2.5%	3.0%

Fig. 14

Likelihood of Promotion by Household Income	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
< \$35K	18.2%	15.7%	19.9%	20.0%	18.3%
\$35–\$50K	20.8%	21.0%	22.9%	22.7%	23.2%
\$50K–\$75K	24.5%	21.8%	25.4%	25.1%	21.4%
\$75K–\$100K	31.0%	29.9%	29.5%	26.2%	27.1%
\$100K+	26.4%	31.8%	34.4%	33.8%	26.2%

Fig. 15

Likelihood of Promotion by Race	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
Caucasian Only	18.0%	18.4%	20.4%	21.8%	18.1%
African American Only	36.3%	37.1%	41.4%	37.1%	30.7%
Hispanic	30.4%	27.3%	33.4%	26.9%	31.0%

Fig. 16

Likelihood of Promotion by Education	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
HS Grad or Less	19.8%	19.7%	24.8%	23.3%	22.2%
College Incomplete	23.0%	20.4%	20.7%	20.4%	19.6%
College Grad	25.9%	27.3%	29.7%	29.9%	24.2%

Likelihood of a Raise of Three Percent or More

Do you feel you'll receive a raise of 3% or more after your next review?

The Likelihood of a Raise Index contracted by 5.6 points to 112.3. Of all workers, 30.7% anticipated a raise of 3% or more, which was a decline of 1.5 percentage points compared to last quarter, but an increase of 0.9 percentage points compared to last year. This index has been particularly volatile since 2020, likely due to inflation as well as a tight labor market that has increased companies' retention efforts.

Men and women both lost confidence in getting a raise this quarter, but men more so. Women decreased in confidence by one percentage point, as 26.3% felt they would get a raise, while men decreased by two percentage points, as 35.5% felt the same. Historically, men are more confident in this area than women, by around 12 percentage points.

Confidence in this area declined for workers younger than 55 years old but rose for workers older. The younger workers were still more confident, with those aged 25–34 and 35–44 being the most confident, as 45.3% and 42.5% felt they would get a raise, respectively. Historically, confidence in getting a raise starts off relatively high and increases somewhat until it peaks at around 45%, and then begins to decline after age 45 until it reaches less than 10% after age 65, which parallels the Likelihood of a Promotion Index

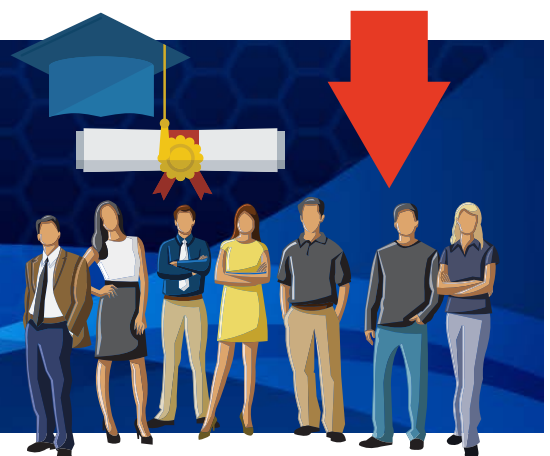
because workers have likely reached their career potential or face ageism.

Confidence by income declined for every income segment, and confidence rose with income level. Workers who made more than \$100,000 had the most confidence of 42.7%, while those who made less than \$35,000 had the lowest confidence of 21.9%. Those who made \$50,000–\$75,000 declined in confidence the most, by 2.5 percentage points, to 29.9%. Historically, the more money a worker makes, the more they expect to get a raise.

As with confidence in getting a promotion, Hispanic workers also increased confidence in getting a raise, by 1.8 percentage points to 33.5%, while the other racial segments declined in confidence. African American workers declined the most, by 4.8 percentage points, but held the highest level of confidence (37%), which is historically the case. Caucasian workers felt the least confident about getting a raise (28.3%).

Every education level lost confidence in getting a raise this quarter. Workers with an incomplete college diploma decreased confidence the most, by 2.6 percentage points to 26.8%, while college graduates held the most confidence at 37.8%.

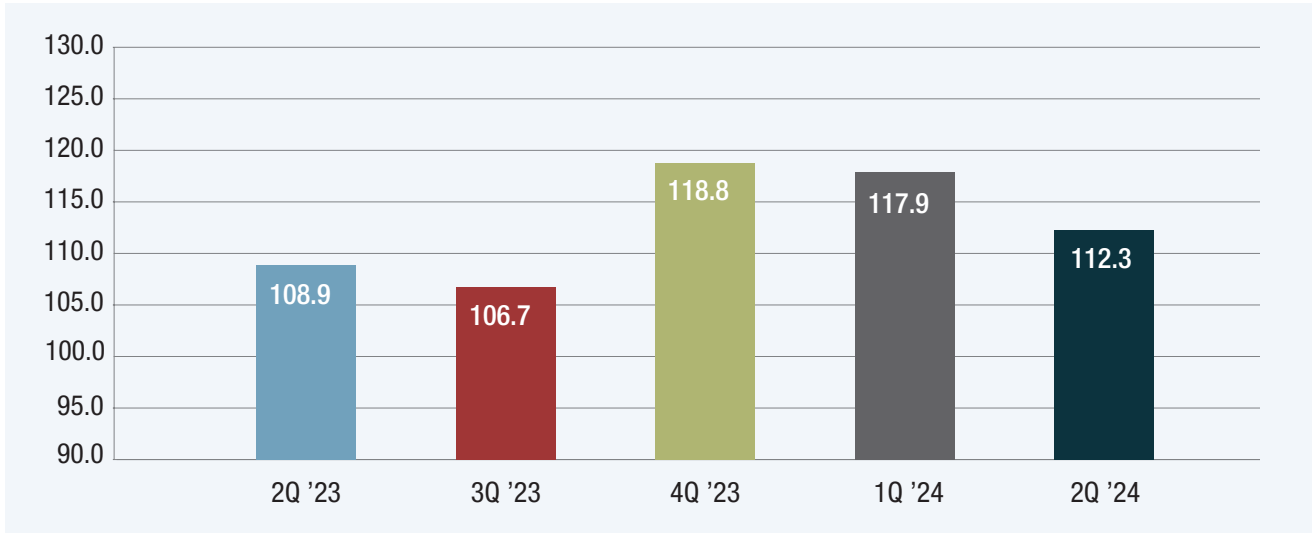
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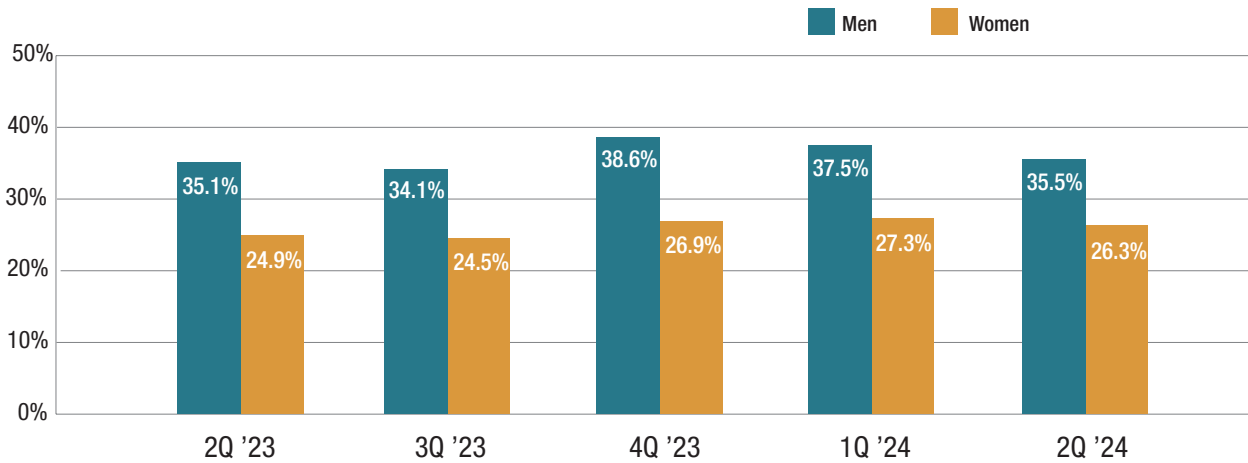
Likelihood of a Raise of More than Three Percent Index

Fig. 17



Likelihood of a Raise of More than Three Percent by Gender

Fig. 18



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Fig. 19

Likelihood of a Raise of More than Three Percent by Age	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
18–24	39.7%	36.0%	40.4%	40.6%	38.3%
25–34	44.5%	37.5%	45.7%	47.4%	45.3%
35–44	43.6%	44.5%	47.6%	46.1%	42.5%
45–54	34.8%	33.3%	37.1%	35.6%	31.3%
55–64	20.5%	24.3%	22.9%	25.3%	26.4%
65+	5.6%	8.0%	10.3%	8.5%	9.1%

Fig. 20

Likelihood of a Raise of More than Three Percent by Household Income	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
< \$35K	21.7%	19.3%	22.6%	23.1%	21.9%
\$35–\$50K	27.4%	26.1%	31.0%	29.4%	27.3%
\$50K–\$75K	30.6%	29.0%	31.3%	32.4%	29.9%
\$75K–\$100K	38.8%	33.9%	41.3%	37.8%	37.6%
\$100K+	39.3%	44.2%	46.3%	46.1%	42.7%

Fig. 21

Likelihood of a Raise of More than Three Percent by Race	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
Caucasian Only	26.6%	26.9%	29.1%	29.9%	28.3%
African American Only	39.6%	38.1%	46.9%	41.8%	37.0%
Hispanic	34.5%	31.9%	34.6%	31.6%	33.5%

Fig. 22

Likelihood of a Raise of More than Three Percent by Education	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
HS Grad or Less	24.7%	24.0%	29.4%	26.7%	26.6%
College Incomplete	27.8%	28.3%	29.3%	29.5%	26.8%
College Grad	36.7%	35.2%	38.0%	40.0%	37.8%

Trust in Company Leadership

Do you trust your company's leadership to make sound decisions for the company and its employees?

The Trust in Company Leadership Index fell slightly, by 1.4 points, to 101 this quarter. Of all workers, 43.6% trusted their leadership. Typically, this index has been the most stable but has been volatile in the past year, which is significant because trust in the workplace is crucial to organizational health and employee engagement.

Trust increased for men, while it decreased for women. Of men, 48.9% trusted in their company leadership, a 1.8 percentage point increase from last quarter. Of women, 38.6% trusted, a 3.1 percentage point decline. Men still felt more trust in their company leadership, which is historically the case.

Trust varied by age, decreasing for workers aged 25–54, while increasing for younger and older workers. The youngest segment (18–24) had the most trust at 60.2%, while the oldest (65+) had the least amount of trust at 22.2%. Historically, trust starts at a higher level, around 60%, and then begins to decline after age 45, reaching around 20% after age 65.

Trust also varied by income level. Workers who made \$75,000–\$100,000 decreased trust the most, by 4.6

percentage points, while those who made \$35,000–\$50,000 increased the most, by 7.3 percentage points. Workers who made less than \$35,000 trusted in their company leadership the least (31.9%), while those who made more than \$100,000 trusted in it the most (55.7%). Historically, income and trust in leadership rise together, as workers with higher salaries are close to or part of their leadership teams, but those who make more than \$100,000 experience more quarter-to-quarter variability, suggesting their trust wavers the most.

Caucasian workers declined in trust this quarter, by 2.1 percentage points, and had the lowest level of trust (40.4%). Trust was the higher for African Americans (52.6%), and Hispanic workers increased trust the most by 4.1 percentage points to 48.2%. According to our data, Caucasian workers trust in leadership the least, while African Americans trust the most.

Trust declined for college graduates, by 2.9 percentage points, but rose for workers who had some college or less. College graduates still felt the most trustful (49.1%), as is normally the case.

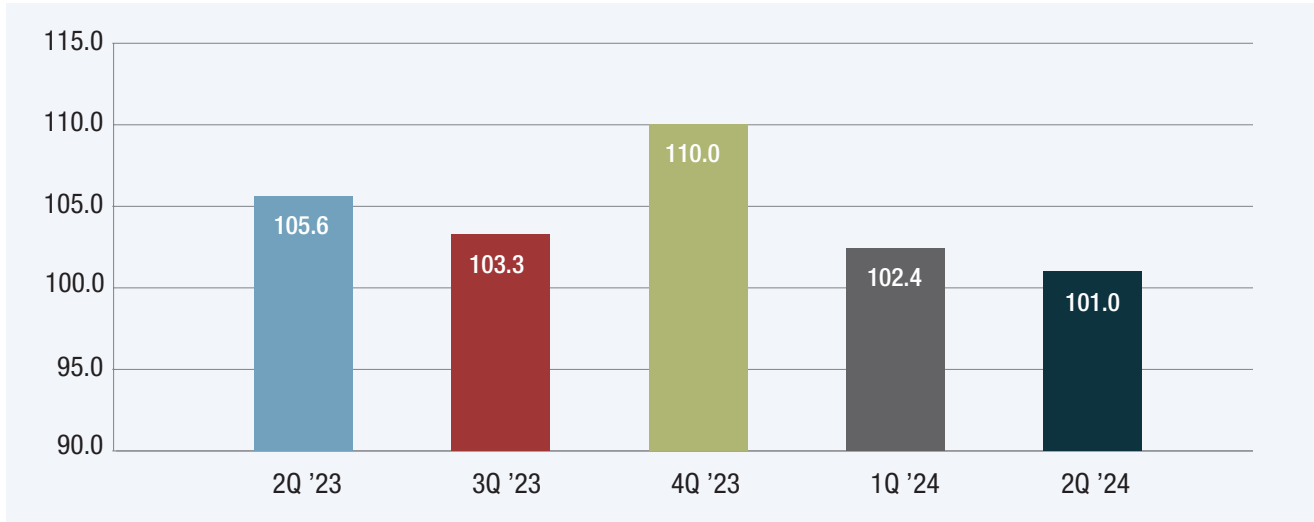
Of men, 48.9% trusted in their company leadership, a 1.8 percentage point increase from last quarter.
Of women, 38.6% trusted, a 3.1 percentage point decline.



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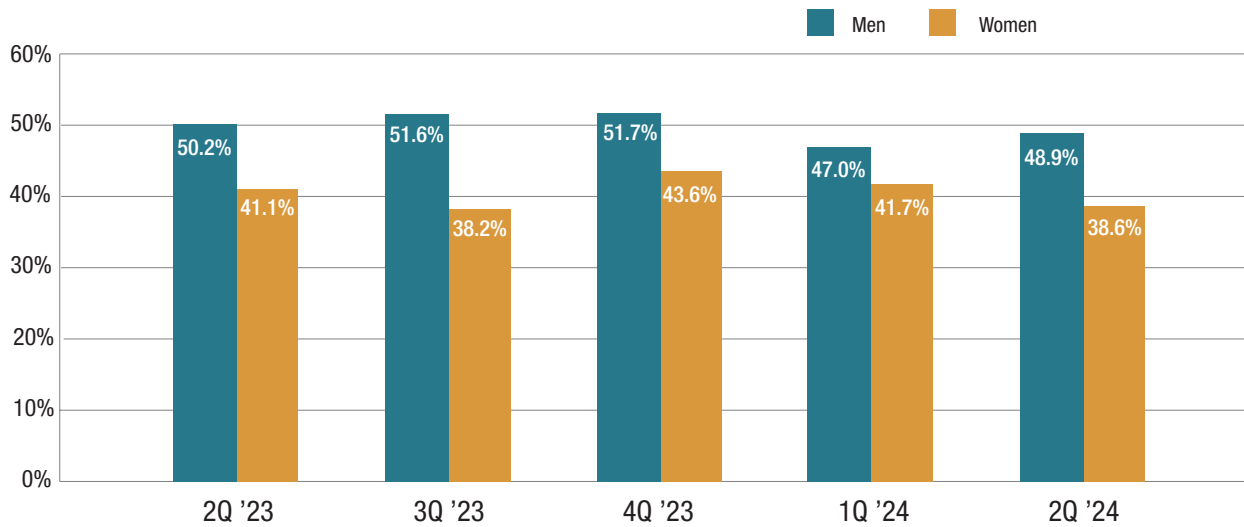
Trust in Company Leadership Index

Fig. 23



Trust in Company Leadership by Gender

Fig. 24



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Fig. 25

Trust in Company's Leadership by Age	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
18–24	60.9%	57.8%	57.2%	57.9%	60.2%
25–34	60.2%	54.4%	60.8%	55.0%	54.6%
35–44	56.2%	58.8%	61.5%	58.0%	54.0%
45–54	51.1%	48.4%	55.2%	48.5%	42.7%
55–64	36.4%	39.7%	37.3%	34.9%	39.5%
65+	20.8%	20.1%	23.4%	22.1%	22.2%

Fig. 26

Trust in Company's Leadership by Household Income	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
< \$35K	38.6%	33.8%	36.7%	34.4%	31.9%
\$35–\$50K	44.1%	40.0%	44.5%	39.9%	47.2%
\$50K–\$75K	48.9%	49.4%	50.8%	48.5%	44.2%
\$75K–\$100K	49.8%	49.0%	53.9%	54.6%	50.0%
\$100K+	53.1%	58.3%	60.9%	54.8%	55.7%

Fig. 27

Trust in Company's Leadership by Race	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
Caucasian Only	43.1%	42.2%	44.2%	42.5%	40.4%
African American Only	52.0%	51.7%	57.6%	50.5%	52.6%
Hispanic	49.1%	46.4%	49.7%	44.1%	48.2%

Fig. 28

Trust in Company's Leadership by Education	2Q '23	3Q '23	4Q '23	1Q '24	2Q '24
HS Grad or Less	42.9%	38.9%	43.3%	39.4%	40.6%
College Incomplete	43.3%	43.8%	43.1%	40.2%	40.4%
College Grad	50.2%	51.2%	55.2%	52.0%	49.1%

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Fig. 29

Study Demographics 2Q 2024		Percent
Gender		
Male		48.8%
Female		51.2%
Age		
18–24		11.8%
25–34		17.4%
35–44		16.8%
45–54		15.5%
55–64		16.1%
65+		22.4%
Race		
White Only		67.5%
Black Only		13.3%
Hispanic		19.2%
Household Income		
\$35K or Less		34.9%
\$35K–\$50K		12.7%
\$50K–\$75K		17.7%
\$75K–\$100K		11.4%
\$100K+		23.2%
Education		
HS Grad or Less		38.5%
College Incomplete		25.1%
College Graduate		36.4%
Political Affiliation		
Republican		42.5%
Independent		14.3%
Democrat		43.1%
Job Type		
Remote		19.1%
Hybrid		24.6%
On-Site		56.3%

Endnotes

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