

WORKER CONFIDENCE INDEX:

Third Quarter 2021



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Background

HRO Today Magazine and Yoh Recruitment Process Outsourcing have been working together since 2014 to produce an index that measures U.S. employment security from the perspective of employees.

There are already multiple indices that examine attitudes about the economy, such as the Consumer Confidence Index, Gallup's Economic Confidence Index, BLS Job Openings and Labor Turnover Survey (JOLTS), and the United States Consumer Sentiment.

However, these indices focus on macro metrics, with much less emphasis on attitudinal measures of those employed. In contrast, the Worker Confidence Index (WCI) measures perceived employment security among employees. This is significant because according to the U.S. Bureau of Economic Analysis (BEA), approximately 71 percent of goods produced in the U.S. are for personal consumption. Because the perception of job security greatly impacts purchasing behavior, there is a need to focus on individuals' attitudes about their job outlook.

Methodology

Each month, *HRO Today* Magazine employs Engine Insight's CARAVAN® Omnibus Surveys to collect data about worker satisfaction. Approximately 1,000 online interviews are conducted monthly among those aged 18+ working full-time in the U.S. Quarterly reports are issued based on 3,000 responses per quarter.

Respondents were asked a series of four questions. Each question uses a Likert-type scale where respondents rate each question on a 1-5 scale, with one being "very poor" and 5 being "very favorable." The four questions address each of the following areas: possibility of involuntary job loss, likelihood of promotion, anticipation of a raise of at least 3 percent, and trust in company leadership.



Executive Summary

With COVID-19 cases from the Delta variant peaking in the third quarter, along with many of the pandemic related benefits ending, economic indicators varied considerably throughout the quarter. The unemployment rate dropped by 1.1 percentage points from the end of the second quarter to 4.8 percent by the end of the third quarter, the lowest since the start of the pandemic.¹ Additionally, July had the largest increase in non-farm payrolls since August of 2020 with over 1 million jobs added. Yet only 194 thousand non-farm jobs were added in September, the lowest since December.² Inflation also remained prevalent in the quarter as in both July and August, inflation remained at or above 5.3 percent.³

In the third quarter of 2021, the Worker Confidence Index (WCI) decreased by 9.7 points from 2Q 2021 to 102.0, though it remained slightly higher (0.8 points) than last year. Three of the four indices that make up the Worker Confidence Index decreased from last quarter with The Likelihood of a Promotion Index decreasing the most, down 20.1 points to 113.7. The Job Security Index was the only index to increase, up 2.3 points to 88.1.

Job Security Remains Weak, Despite a Slight

Quarterly Increase. The Job Security Index was the only index to increase from last quarter, up 2.3 points to 88.1. On a year-over-year basis, the index increased by 5.6 points, but remains below its pre-pandemic levels. Overall, 15.5 percent of workers believe that it is likely that they will lose their job in the next 12 months, the lowest since the first quarter of 2021. Concern over job security varied greatly by education level. Job Security among those with a college degree or incomplete college degree dropped by nearly 5.0 percentage points while job security among high school graduates increased by 0.8 percentage points. Women felt more secure about their jobs than men, consistent with earlier study trends, as concern fell by 3.0 percentage points for women and 2.6 percent for men.

The reason for high job security is likely tied into the labor shortage. The US labor force shrank in September, resulting in five million fewer people working than before the pandemic began and three million fewer even looking for work. The reasons for this are myriad, including the belief by many that generous unemployment benefits

have kept people at home. But the real reason may be more complex. Economists point to a complex, overlapping web of factors, many of which could be slow to reverse. The health crisis is still making it hard or dangerous for some people to work, while savings built up during the pandemic have made it easier for others to turn down jobs they do not want. Psychology may also play a role. Surveys suggest that the pandemic led many to rethink their priorities, while the glut of open jobs—more than 10 million in August—may be motivating some to hold out for a better offer.⁴

The Likelihood of Promotion Index Decreased the Most of Any Index.

The Likelihood of a Promotion Index decreased substantially in the third quarter, down 20.1 points to 113.7 in the third quarter of 2021, by far the most of any index. In July, the index remained high at 132.0 but fell by 31.5 points to 100.5 in August, the lowest since November 2020. While men remain more confident in receiving a promotion than women, the gap between them declined to 7.1 percent, the smallest since 2018.

Workers Feel Substantially Less Confident They Will

Receive a Raise. The Likelihood of a Raise Index decreased to 106.0, down by 11.5 points from last quarter, the second largest decrease of any of the indices. As educational attainment rises, optimism in receiving a raise follows suit, and the trend continued in the third quarter. While optimism among all education groups fell since last quarter, those with a college degree were the most optimistic, as over one-third (35.3 percent) were confident they would receive a raise.

Older Workers Feel More Confident While Younger Workers' Confidence Drops. Despite the drop in the overall Worker Confidence Index, there was a stark difference in confidence among various generations. The Baby Boomer generation and those just slightly younger than them, those aged 55 or older, noticed a stark increase in confidence, while those aged 54 or younger noted an overall decline in confidence. Part of the drop could be attributed to older individuals tending to have lower rates of unemployment and are less affected by the extended unemployment benefits running out at the beginning of September.⁵ Additionally, the eviction moratorium was struck down by the Supreme Court, impacting younger workers more as they rent

apartments and homes at a higher rate compared to other age groups.⁶

Employees' Trust in Company Leadership Down but Still Remains Strong. The index decreased 9.7 points since last quarter to 100.2 and down 10.6 points since last year to the lowest point since the third quarter of 2017. Since the onset of the pandemic, the quarterly index has not dipped below 100. Overall, 43.3 percent of individuals trust their company's leadership. In the third quarter, trust among women dropped nearly twice as much as among men, down 5.3 percentage points versus 3.0 percentage points, respectively.

Worker Confidence Index by Month

In August 2021, the Worker Confidence Index decreased to 99.1, the lowest point since November 2020 after inflation remained at or above 5 percent for four straight months and the delta variant became more prominent.⁷

US Stock Market Recovery

The three major stock market indices in the United States noted mixed results after increasing handsomely in the first half of the year. The Nasdaq increased the most in the quarter, increasing by 1.5 percent, while the S&P 500 increased 0.6 percent and the Dow Jones Industrials decreased by 1.5 percent.⁸ The volatility in the quarter was caused by the potential systemic risks from China's Evergrande crisis along with inflation fears.

Comparison with other indices

One of the more widely referenced indices designed to gauge U.S. consumer sentiment about the economy is the Consumer Confidence Index (CCI). There was a decrease of 5.1 points from the second quarter average but since last year, the index is up 23.4 points. The quarterly average currently stands at 116.5.

Typically, there is a correlation between what the WCI predicts will happen to the CCI at the end of the next quarter. A decrease in the WCI in the prior quarter would suggest that the CCI will decrease at the end of next quarter. WCI results from the third quarter of 2021 suggests the CCI will decrease at the conclusion of the fourth quarter of 2021.

Thomson Reuters stated that earnings in the third quarter of 2021 are estimated to increase by 32.0 percent from the third quarter of 2020. Of the companies in the S&P 500 that have reported earnings in the third quarter of 2021 to date, 82.9 percent have reported earnings above analyst expectations.⁹

The Worker Confidence Index

In the third quarter of 2021, the WCI decreased by 9.7 points to 102.0 from 111.7 in the second quarter of 2021. This was the largest quarterly decrease in over a year, though the index was still 0.8 points higher on a year-over-year basis. On a monthly basis, the index reached below 100 in August, the first time it went below 100 since January 2021.

There are four components that comprise the overall index: Possibility of Involuntary Job Loss, Likelihood of Promotion, Anticipation of a Raise of at Least Three Percent, and Trust in Company Leadership.

Figure 2 illustrates the four indices that comprise the WCI. Three of the four indices that make up the WCI declined in the third quarter. The Likelihood of a Promotion Index decreased the most of any of the indices, down 20.1 points to 113.7 in the third quarter of 2021. The Job Security Index was the only index to increase, up 2.3 points from last quarter to 88.1. On a year-over-year basis, three indices remained higher, with the exception being Trust in Company Leadership, down 10.6 points to 100.2. Even with the decline, the Trust in Company Leadership Index has been relatively stable throughout the pandemic.

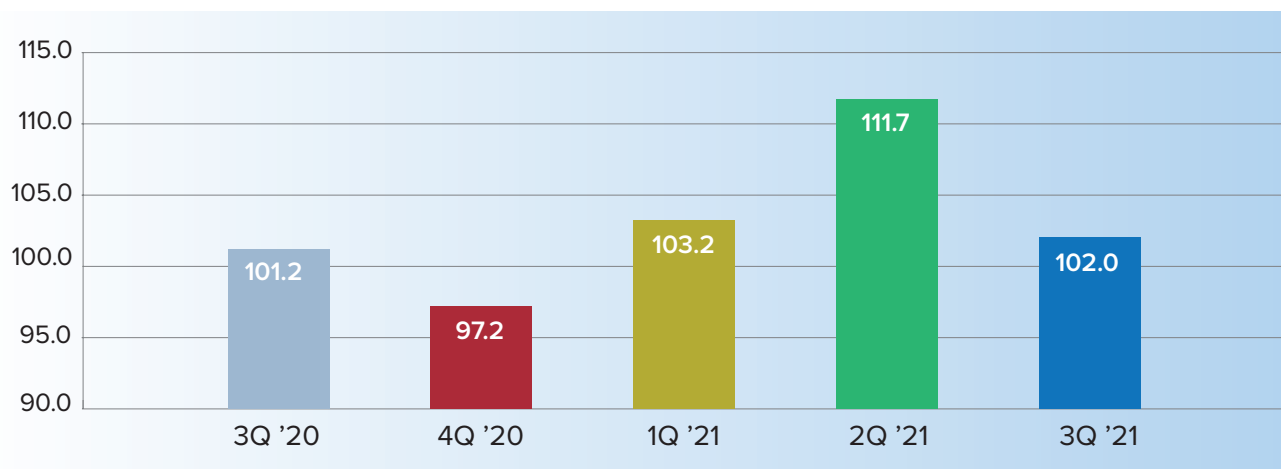
Looking at results by each month (Figure 3), the WCI fell below 100 in August for the first time since January, down to 99.1. Fears over inflation, the spike in COVID cases from the delta variant, and the extended unemployment benefits coming to an end were likely contributors to the dip in confidence.

Figure 3A shows worker confidence by gender. It reveals decreases among both men and women. Confidence among men dropped the most from last quarter, down 11.8 points versus a 6.8 point drop for women. Figure 3B segments worker confidence by race. Whites' confidence decreased the most in 3Q 2021, down 10.9 points from last quarter to 92.9. Hispanics' confidence decreased the least, down 1.0 points to 122.9, while Blacks' confidence decreased by 5.2 points to 127.3 points.

When examining worker confidence by education level, those with an incomplete college degree remained the least confident in the third quarter of 2021, despite dropping the least of each of the education groups. Those with a college degree had the largest drop in confidence since last quarter, down 17.6 points to 108.5. See Figure 4.

Worker Confidence Index

Fig. 1



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Index Category Detailed Trend Analysis

Fig. 2

	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
Job Security	82.5	85.0	84.2	85.8	88.1
Promotion	111.6	106.6	118.8	133.8	113.7
Raise	100.0	96.2	102.9	117.5	106.0
Trust	110.8	101.1	106.9	109.9	100.2

Selected Index Category Detailed Trend Analysis: Rolling 12 Months

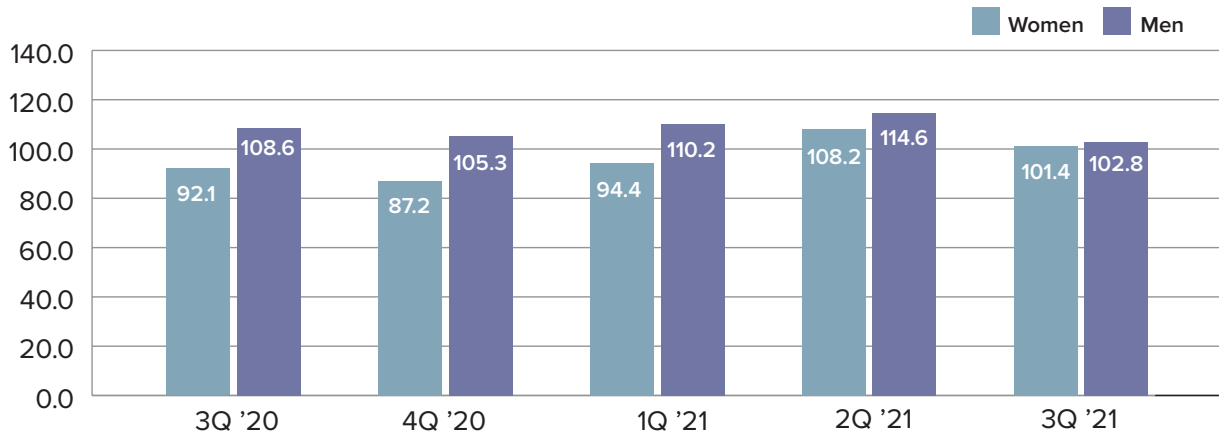
Fig. 3

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Jul	Aug	Sep
Overall	103.7	95.5	92.5	99.2	103.7	106.7	114.7	116.0	104.5	106.9	99.1	100.0
Job Security	87.0	88.9	79.2	74.3	90.9	87.5	88.9	86.4	82.2	87.9	89.7	86.7
Promotion	114.4	100.1	105.2	116.4	108.8	131.2	137.1	139.0	125.1	132.0	100.5	108.7
Raise	109.4	91.3	87.9	103.8	103.9	100.8	121.8	119.9	110.8	111.2	103.6	103.3
Trust	103.9	101.7	97.7	102.2	111.3	107.2	110.9	118.6	100.1	96.5	102.8	101.3

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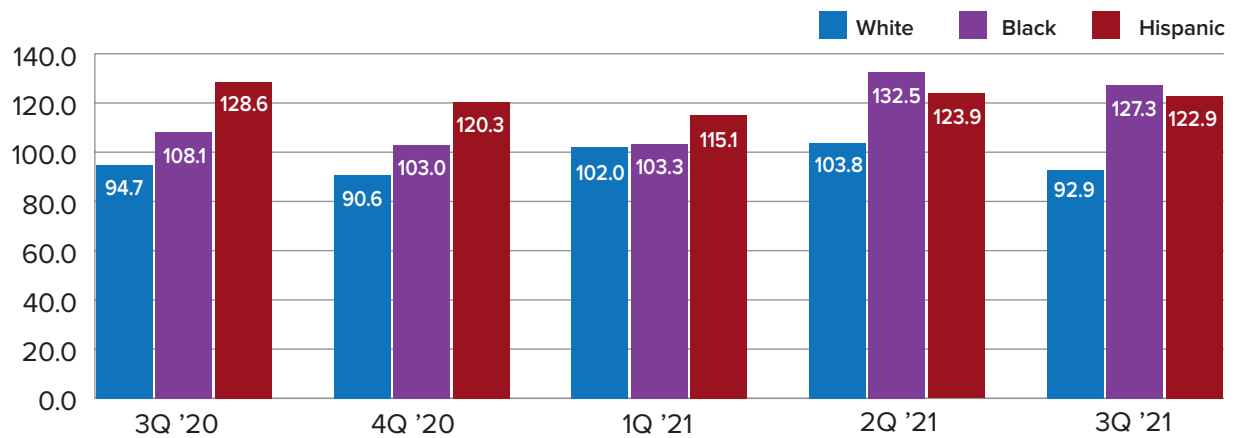
Worker Confidence Index: Gender

Fig. 3A



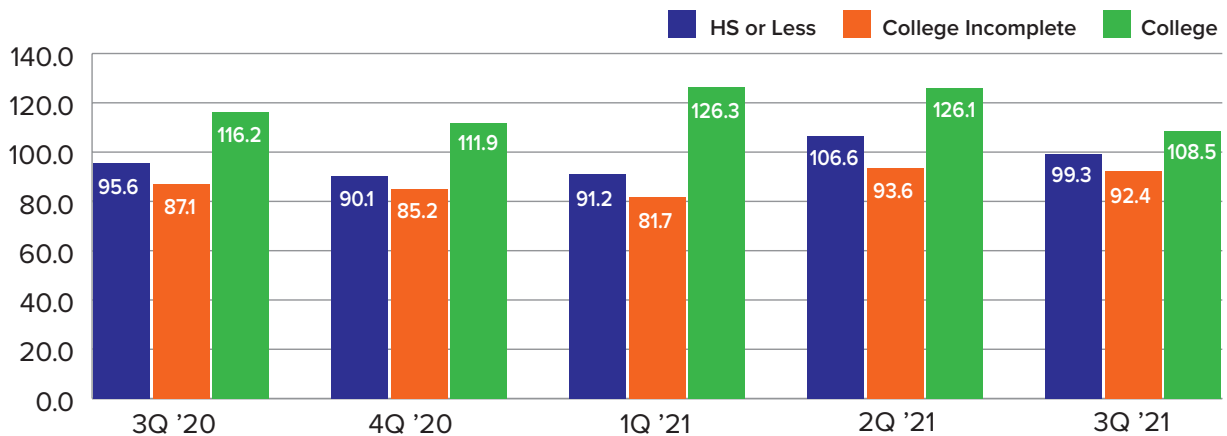
Worker Confidence Index: Race

Fig. 3B



Worker Confidence Index: Education

Fig. 4



WHAT'S DRIVING THE WORKER CONFIDENCE RESULTS?

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 increased slightly from the last quarter, up 2.3 points to 88.1, the highest in over a year. The Job Security Index has had a gradual rise over the last five quarters. Overall, 15.5 percent of respondents indicated they felt that they were likely to lose their jobs, a 2.7 percentage point decrease from 18.2 percent in the second quarter of 2021. This marks the first time since the first quarter of 2020 that it has dropped below 18 percent.

Concern over job security decreased at a similar rate for both men and women since last quarter and last year. Men's concern decreased by 2.6 percentage points to 18.7 percent while women's concern decreased by 3.0 percentage points to 12.4 percent. Since last year, men's concern decreased at a lower rate than females, decreasing 3.2 percentage points versus 3.5 percentage points, respectively. The gap between men and women also increased to 6.3 percentage points.

In the third quarter of 2021, results continue to illustrate the inverse linear relationship that exists between age and job security. Younger workers are more inclined to fear a job loss than older workers. Those aged 25 to 34 had the largest decrease in concern of any age group since last quarter, down 7.6 percentage points to 22.4 percent. Those aged between 55 and 64 were the only group to have more concern in losing their job from last quarter, up 3.5 percentage points to 12.6 percent.

Those making between \$35,000 and \$50,000 felt the most concern of losing their job of any income group at 17.1 percent in the third quarter, up 1.3 percentage points from the prior quarter. Those making \$100,000 or greater had the largest decrease in concern of losing their job

since last quarter, down 8.4 percentage points to 15.4 percent. This is the first time since the fourth quarter of 2018 that those making over \$100,000 have not had the most concern of any income group.

In 3Q 2021, concern over job security varied greatly by race. Hispanics' concern decreased the most of any race, down 7.2 percentage points from last quarter to 20.7 percent. Concern among Whites and Blacks decreased by 1.3 and 6.7 percentage points, respectively, to 12.2 and 24.9 percentage points.

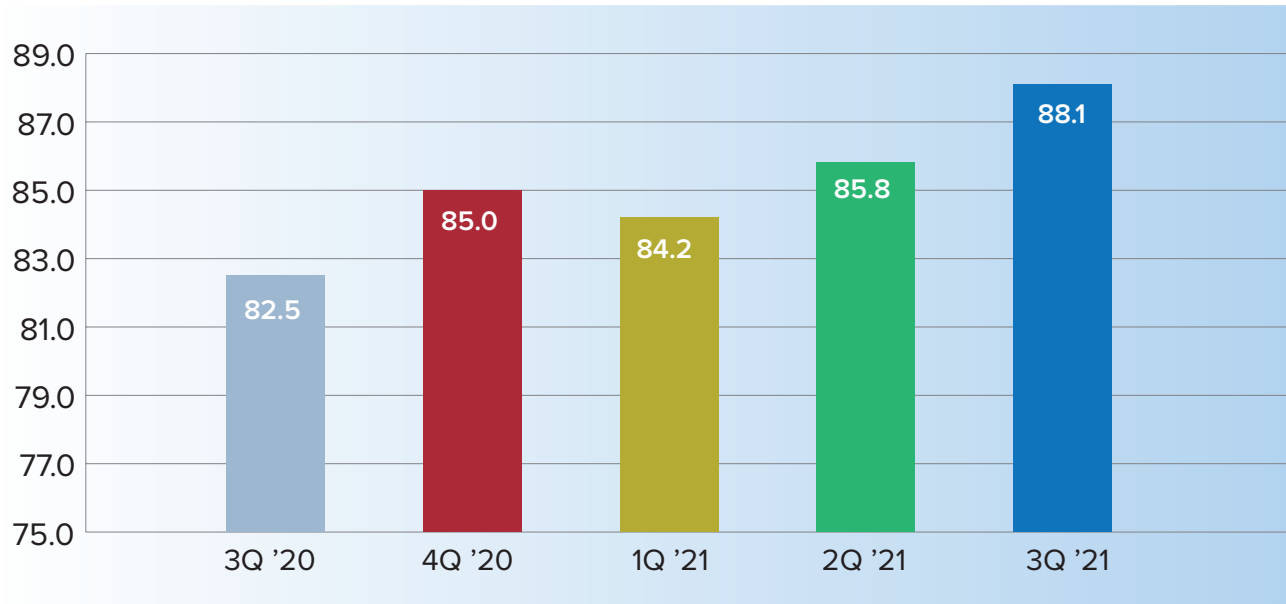
The level of respondents' education revealed mixed results. Those with a college and incomplete college degree both noted nearly a 5-percentage point decrease in concern in losing their job to 17.2 percent and 12.3 percent, respectively, while concern among those with a only high school degree increased by 0.8 percentage points to 16 percent. Since last year, all three racial groups had a decrease in concern in losing their job.

Those aged between 55 and 64 were the only group to have more concern in losing their job from last quarter, up 3.5 percentage points to 12.6 percent.



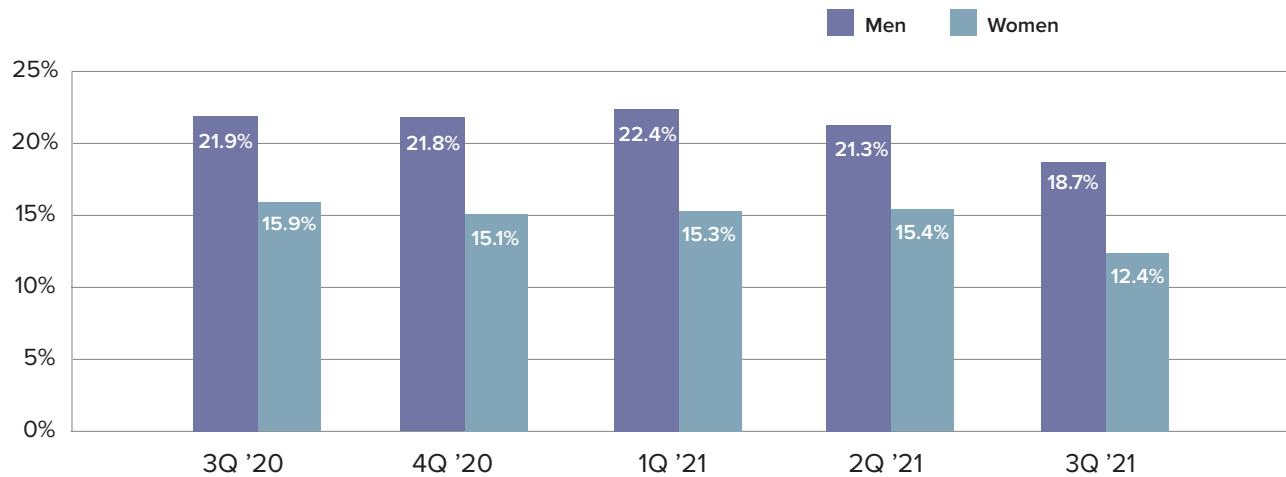
Job Security Index

Fig. 5



Likelihood of Job Loss by Gender

Fig. 6



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Fig. 7

Likelihood of Job Loss by Age	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
18–24	23.2%	24.3%	25.4%	31.9%	27.4%
25–34	27.8%	23.7%	24.0%	30.0%	22.4%
35–44	29.2%	28.8%	24.7%	22.7%	18.2%
45–54	19.2%	18.9%	19.8%	19.2%	13.9%
55–64	11.9%	14.1%	16.8%	9.1%	12.6%
65+	5.0%	5.0%	7.3%	4.6%	4.4%

Fig. 8

Likelihood of Job Loss by Household Income	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
< \$35K	17.8%	18.7%	19.1%	18.6%	16.7%
\$35–\$50K	16.4%	16.9%	16.8%	15.8%	17.1%
\$50K–\$75K	14.7%	15.2%	14.5%	15.2%	12.0%
\$75K–\$100K	16.0%	15.5%	15.8%	14.2%	14.5%
\$100K+	27.3%	22.8%	25.8%	23.8%	15.4%

Fig. 9

Likelihood of Job Loss by Race	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
White	16.5%	16.2%	16.2%	13.5%	12.2%
Black	17.1%	24.1%	18.6%	31.7%	24.9%
Hispanic	31.1%	25.4%	27.1%	27.9%	20.7%

Fig. 10

Likelihood of Job Loss by Education	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
HS Grad or Less	17.2%	18.1%	16.4%	15.2%	16.0%
College Incomplete	17.1%	14.6%	15.9%	17.2%	12.3%
College Grad	22.1%	21.7%	23.6%	22.0%	17.2%

Likelihood of a Promotion

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

In 3Q 2021, the Likelihood of a Promotion Index decreased the most of any index since last quarter, down 20.1 points to 113.7. On a monthly basis, the index fell to 100.5 in August, the lowest level since November of 2020. Just over one-in-five (22.0 percent) anticipate a promotion in the next 12 months, a 3.9 percentage point decrease from the second quarter of 2021, though still up a slight 0.4 percentage points since last year.

Both men and women felt less confident that they would receive a promotion compared to last quarter. Confidence among men fell by 6.8 percentage points to 25.7 percent while for women it fell 1.2 percentage points to 18.6 percent. The gap between the genders fell to the lowest level since the fourth quarter of 2017 at 7.1 percentage points.

Those study respondents under the age of 45 were again the most inclined to anticipate a promotion. But after increasing three consecutive quarters, respondents aged 25 to 34 indicated the largest decrease in anticipation of a promotion on a quarter-over-quarter basis of any age group, decreasing 13.0 percentage points to 37.3 percent. Overall, the strong inverse relationship between the likelihood of a promotion and age remained largely present in the third quarter, meaning that the older someone gets, the less likely they are to feel that they will get a promotion.

The youngest age segment felt nearly 10 times more likely to get a promotion than the oldest age segment.

Those making between \$35,000 and \$50,000 were the only group to feel more inclined to anticipate a promotion, up 7.5 percentage points to 24.6 percent. The highest income group, those making greater than \$100,000, had the largest decrease in optimism of any income group, down 12.5 percentage points to 30.8 percent, the lowest since the second quarter of 2020.

Minorities within the study are generally more optimistic than Whites about receiving a promotion, and that trend remained consistent in 3Q 2021. Confidence in receiving a promotion among Blacks and Whites dropped by about four percent since last quarter, to 33.8 percent and 17.5 percent, respectively. Confidence among Hispanics remained nearly the same as last quarter at 31.8 percent.

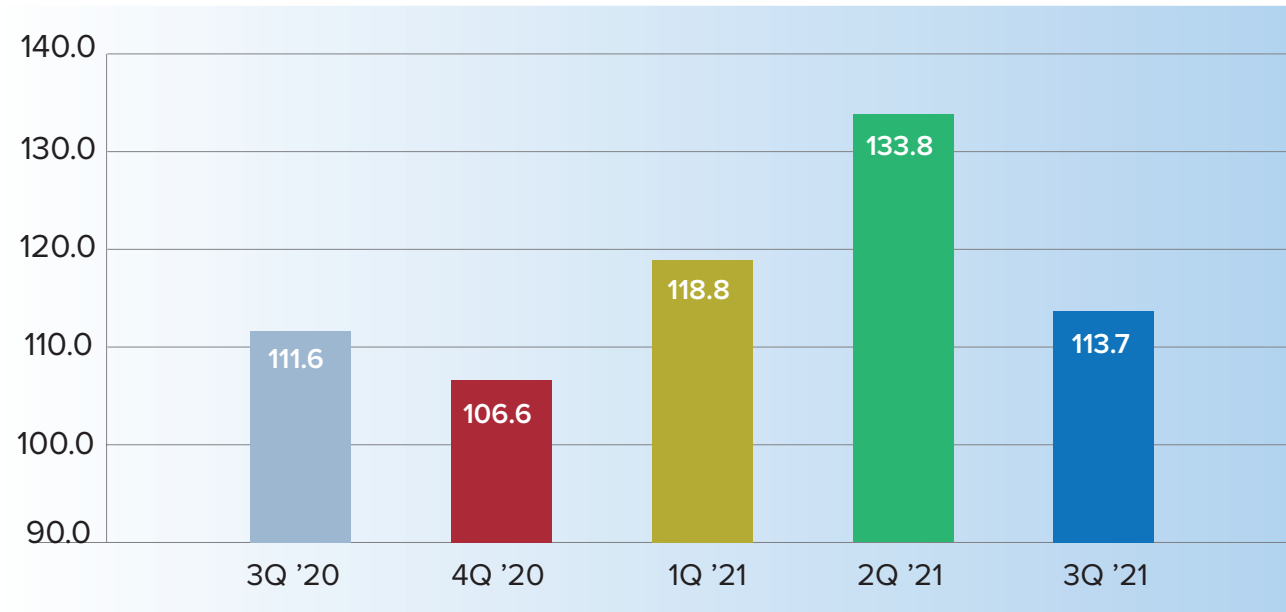
Respondents with a college degree remained much more confident in receiving a promotion, consistent with the historic norm. Over one-fourth (27.3 percent) of individuals with a college degree felt they would receive a promotion, though the dramatic 8.3 percentage point quarterly point drop was the most since the inception of the study. Confidence among those with an incomplete college degree fell the least, down 0.6 percentage points to 19.5 percent while confidence among those with a high school diploma decreased by 2.2 percentage points to 18.6 percent.

Both men and women felt less confident that they would receive a promotion compared to last quarter. Confidence among men fell by 6.8 percentage points while for women it fell 1.2 percentage points.



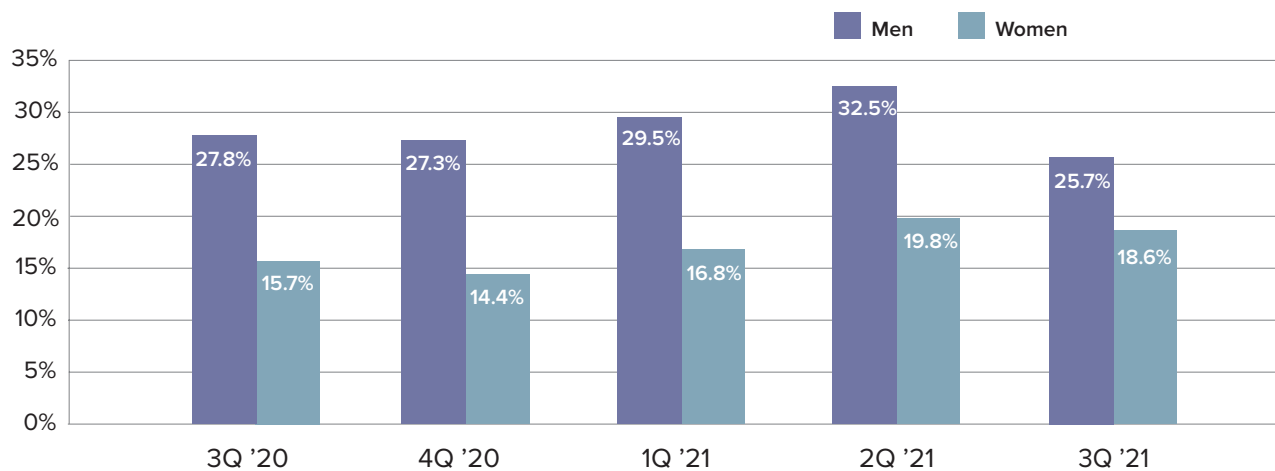
Likelihood of a Promotion Index

Fig. 11



Likelihood of a Promotion by Gender

Fig. 12



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Fig. 13

Likelihood of Promotion by Age	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
18–24	36.2%	34.2%	30.3%	39.4%	35.7%
25–34	33.1%	33.8%	41.5%	50.3%	37.3%
35–44	36.2%	31.3%	39.7%	38.7%	34.0%
45–54	20.0%	21.1%	23.8%	24.7%	20.4%
55–64	8.5%	8.1%	6.7%	7.9%	9.7%
65+	3.4%	2.8%	3.1%	3.7%	3.8%

Fig. 14

Likelihood of Promotion by Household Income	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
< \$35K	16.4%	16.0%	14.9%	21.1%	17.6%
\$35–\$50K	16.2%	15.5%	18.1%	17.1%	24.6%
\$50K–\$75K	18.6%	18.0%	17.0%	22.6%	17.5%
\$75K–\$100K	23.2%	20.9%	28.4%	26.5%	22.4%
\$100K+	36.6%	37.0%	43.1%	43.3%	30.8%

Fig. 15

Likelihood of Promotion by Race	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
White	18.2%	17.5%	21.7%	21.7%	17.5%
Black	26.6%	23.8%	25.8%	37.8%	33.8%
Hispanic	35.2%	31.1%	29.3%	31.9%	31.8%

Fig. 16

Likelihood of Promotion by Education	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
HS Grad or Less	17.4%	16.1%	16.7%	20.7%	18.6%
College Incomplete	17.1%	15.7%	15.1%	20.1%	19.5%
College Grad	30.1%	29.8%	35.6%	35.6%	27.3%

Likelihood of a Raise of More than Three Percent

Do you feel you will receive a raise of three percent or more after your next review?

The Likelihood of a Raise Index decreased a substantial 11.5 points from the second quarter of 2021 to 106.0. (Figure 17). Overall, 29.0 percent of survey respondents indicated that they anticipated a raise of 3.0 percent or more at their next review, a decrease of 3.1 percentage points since Q2 2021.

While both genders felt less likely to get a raise since last quarter, men's confidence decreased at a far faster rate than women, down by 5.0 percentage points versus 1.4 percentage points, respectively. Men remained more likely to believe that they will receive a raise than females as the gap between the two genders fell to 8.3 percentage points, the lowest in two years.

Typically, those in the first half of their careers (age 44 or younger) are the most inclined to feel that they will get a raise of at least three percent in the next 12 months. That trend continued as about 40 percent of those 44 or younger felt optimistic in receiving a raise compared to an average of 20 percent or less for those aged 45 or higher. However, since last quarter, those aged 55 or older felt more optimistic in receiving a raise while those aged 54 or lower felt less optimistic in receiving a raise.

Generally, as income increases, so does the belief in the likelihood of a raise. Those with household incomes above \$100,000 were nearly two times more likely as those with incomes below \$35,000 to believe in the likelihood of a raise, 41.4 versus 22.2 percent, respectively. Every income group felt less optimistic in receiving a raise since last quarter, except for those that make between \$35,000 and \$50,000, as their optimism increased 5.9 percentage points to 28.8 percent.

Each race segment examined felt less optimistic in receiving a raise since last quarter as Whites' and Blacks' optimism fell by 2.9 percentage points while Hispanics' optimism fell by 1.7 percentage points. But since last year, Hispanics are the only group to feel more pessimistic in their chances of receiving a raise, down 2.6 percentage points. Overall, minorities remain more optimistic they will receive a raise than Whites.

The potential for a raise is where the education segment consistently shows differentiating attitudes. Belief in a raise was again higher for college graduates than any other segment, as 35.3 percent of college graduates felt that they would get a raise, though that was down 6.5 percentage points from last quarter. Optimism among those with an incomplete college degree and a high school diploma both decreased by 1.4 percentage points from last quarter to 28.0 percent and 23.5 percent, respectively.

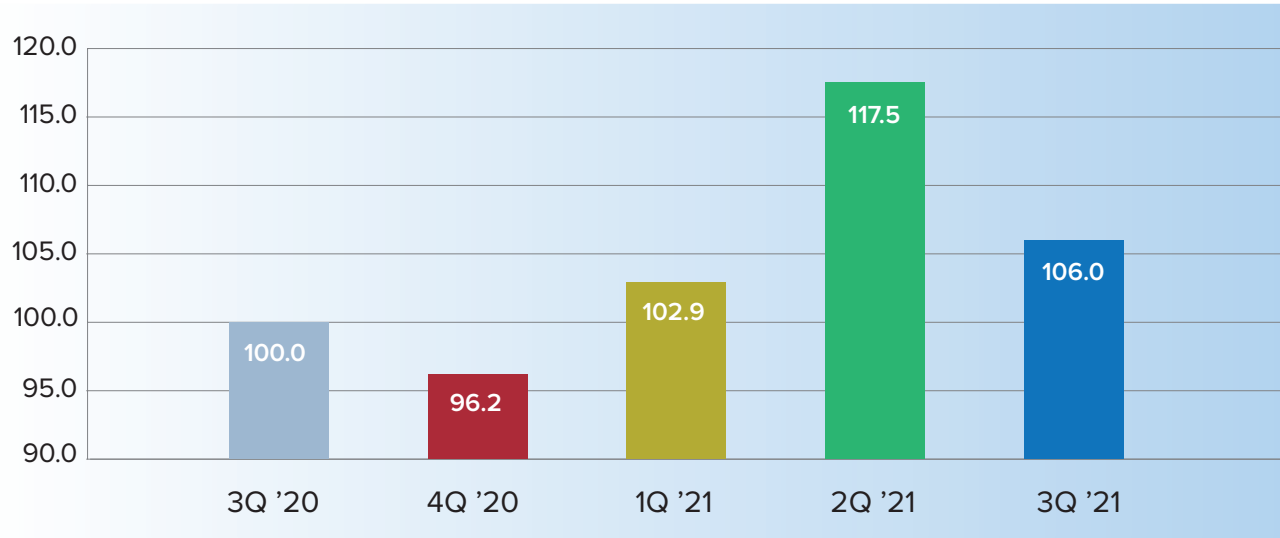


The Likelihood of a Raise Index decreased a substantial 11.5 points from the second quarter of 2021 to 106.0.



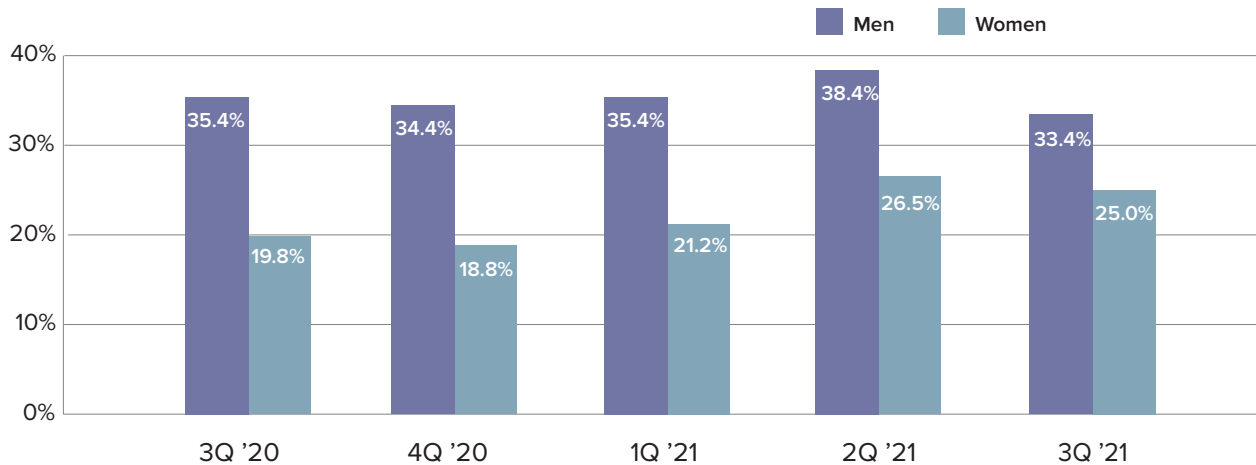
Likelihood of a Raise of More than Three Percent Index

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	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
18–24	38.1%	35.9%	30.6%	43.2%	37.5%
25–34	39.1%	38.2%	45.4%	54.4%	42.1%
35–44	38.9%	39.9%	45.7%	43.7%	41.9%
45–54	29.6%	26.0%	31.0%	38.6%	31.4%
55–64	17.8%	19.2%	15.6%	16.5%	20.8%
65+	7.7%	5.7%	6.7%	6.7%	8.5%

Fig. 20

Likelihood of a Raise of More than Three Percent by Household Income	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
< \$35K	20.1%	19.5%	17.5%	23.9%	22.2%
\$35–\$50K	24.6%	23.2%	19.0%	22.9%	28.8%
\$50K–\$75K	24.7%	24.6%	25.3%	30.8%	25.2%
\$75K–\$100K	32.0%	28.5%	38.0%	36.3%	34.5%
\$100K+	42.4%	43.0%	50.5%	52.2%	41.4%

Fig. 21

Likelihood of a Raise of More than Three Percent by Race	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
White	24.9%	23.6%	26.6%	28.4%	25.5%
Black	28.6%	32.8%	29.4%	42.2%	39.3%
Hispanic	38.0%	34.2%	35.1%	37.1%	35.4%

Fig. 22

Likelihood of a Raise of More than Three Percent by Education	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
HS Grad or Less	21.0%	21.4%	19.5%	24.9%	23.5%
College Incomplete	24.7%	23.5%	23.0%	29.4%	28.0%
College Grad	37.0%	34.3%	41.2%	41.8%	35.3%

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 in the third quarter of 2021 decreased by 9.7 points to 100.2, the lowest since the third quarter of 2017. Overall, 43.3 percent of respondents reported they trusted company leadership, a 4.1-percentage point decrease from 47.4 percent in the prior quarter.

Both men and women felt less trust in company leadership as women's trust fell by 5.3 percentage points and men's trust fell by 3.0 percentage points. Men remain far more likely to trust their company leadership than women, 49.0 percent versus 38.0 percent, respectively.


Over one-half of the respondents aged 44 or younger trust their company's leadership, contrasting sharply with those over the age of 45, whose trust declines sharply as respondents age. Those aged between 25 to 34 had the largest decrease in trust since last quarter, down 19.6 percentage points, to 52.3 percent. While those aged 65 and over were the only group to feel more trust in company leadership since last quarter, they are by far still the least trusting segment.

There is also usually a relationship between trust in company leadership and income. As income increases,

so does trust. This is not surprising, given that the most highly compensated employees often tend to be a part of a company's leadership team. But trust among the highest income group, those making \$100,000 or more, dropped 12.9 percentage points to 57.1 percent, the lowest level in over two years. Those with an income between \$35,000 and \$50,000 were the only income group to have their trust increase, up 3.8 percentage points to 42.1 percent.

In the third quarter, minorities' trust in company leadership remained higher than that of Whites, continuing the historic norms. Blacks were the only racial group where trust in company leadership increased since last year and last quarter, up 2.8 and 1.5 percentage points, respectively, to 51.5 percent. Trust among Whites and Hispanics dropped by 5.8 and 1.8 percentage points, respectively, to 39.9 and 52.3 percent.

Nearly every quarter of the study has also shown that as educational attainment increases, so does trust in company leadership. In the third quarter of 2021, individuals with a college degree again had the most trust in company leadership at 51.4 percent, though it was down 7.0 percentage points from last quarter. Trust among those with a high school diploma and an incomplete college degree decreased by 2.2 percentage points and 3.4 percentage points, respectively.

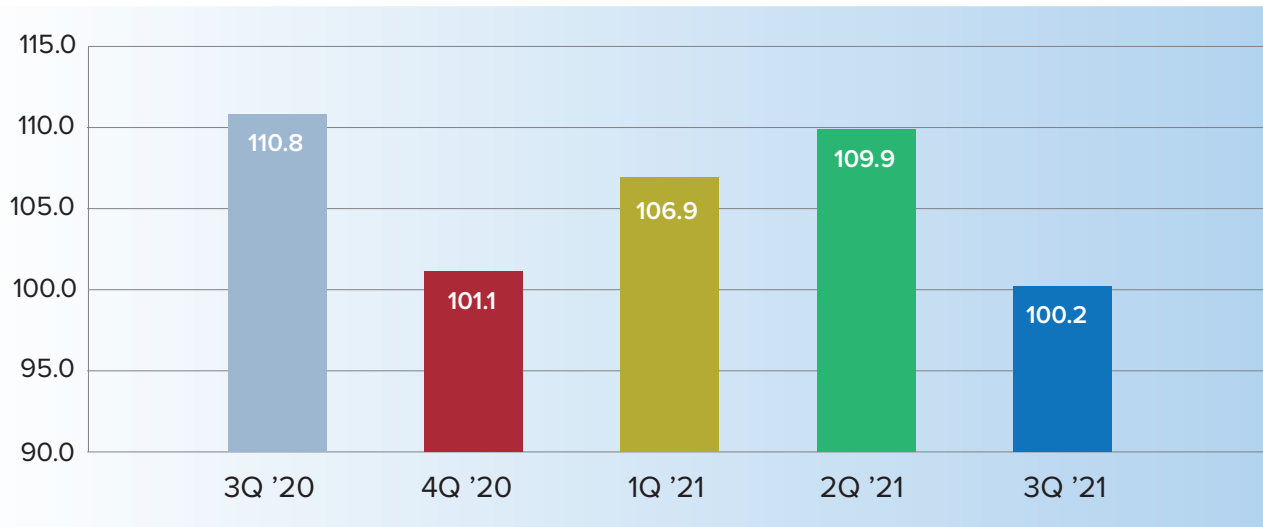


The Trust in Company Leadership Index in the third quarter of 2021 decreased by 9.7 points to 100.2, the lowest since the third quarter of 2017.



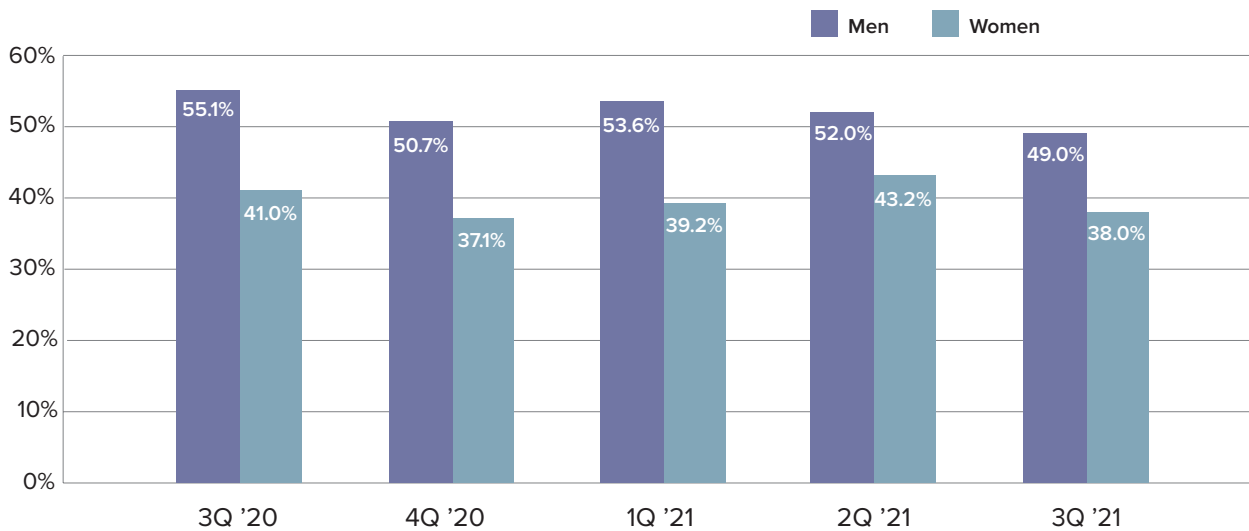
Trust in Company Leadership Index

Fig. 23



Trust in Company Leadership by Gender

Fig. 24



WORKER CONFIDENCE INDEX | THIRD QUARTER 2021

Fig. 25

Trust in Company's Leadership by Age	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
18-24	61.3%	53.4%	52.9%	55.7%	54.5%
25-34	60.0%	55.5%	64.8%	71.9%	52.3%
35-44	57.1%	53.4%	61.3%	59.5%	57.9%
45-54	48.4%	45.1%	50.8%	50.0%	47.6%
55-64	42.5%	35.3%	31.3%	36.7%	34.8%
65+	25.8%	25.7%	24.1%	20.8%	22.6%

Fig. 26

Trust in Company's Leadership by Household Income	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
< \$35K	37.7%	35.2%	33.6%	37.0%	36.4%
\$35-\$50K	45.4%	41.2%	38.2%	38.3%	42.1%
\$50K-\$75K	46.6%	39.4%	44.3%	46.1%	41.9%
\$75K-\$100K	52.9%	51.6%	56.8%	54.5%	43.1%
\$100K+	65.8%	63.0%	69.6%	70.0%	57.1%

Fig. 27

Trust in Company's Leadership by Race	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
White	45.9%	41.4%	46.3%	45.6%	39.9%
Black	48.7%	42.3%	41.4%	50.0%	51.5%
Hispanic	55.0%	50.5%	49.0%	54.1%	52.3%

Fig. 28

Trust in Company's Leadership by Education	3Q '20	4Q '20	1Q '21	2Q '21	3Q '21
HS Grad or Less	39.7%	33.4%	37.4%	39.9%	37.8%
College Incomplete	45.0%	42.8%	40.0%	43.3%	39.9%
College Grad	59.7%	56.4%	60.1%	58.4%	51.4%

Fig. 29

Study Demographics 3Q 2021	Sample Size	Percent
Gender		
Male	1,457	63.2%
Female	847	36.8%
Age		
18–24	347	43.5%
25–34	162	20.3%
35–44	71	8.9%
45–54	90	11.3%
55–64	91	11.4%
65+	37	4.6%
Race		
White	1,894	68.7%
Black	361	13.1%
Hispanic	503	18.2%
Household Income		
\$35K or Less	1,082	35.8%
\$35K–\$50K	480	15.9%
\$50K–\$75K	532	17.6%
\$75K–\$100K	290	9.6%
\$100K+	636	21.1%
Education		
HS Grad or Less	1,131	37.5%
College Incomplete	810	26.8%
College Graduate	1,079	35.7%

Notes

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- 8 The Market Intelligence Desk Team, "September, Third Quarter 2021 Review and Outlook," Nasdaq, October 1, 2021, <https://www.nasdaq.com/articles/september-third-quarter-2021-review-and-outlook-2021-10-01>
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