

Much Ado About Gen Z: Are young workers really driving corporate activism?

Business has become increasingly involved in social and political issues. Some believe this is because each successive generation has been more left wing than the last, and thus expect brands to undertake corporate activism.

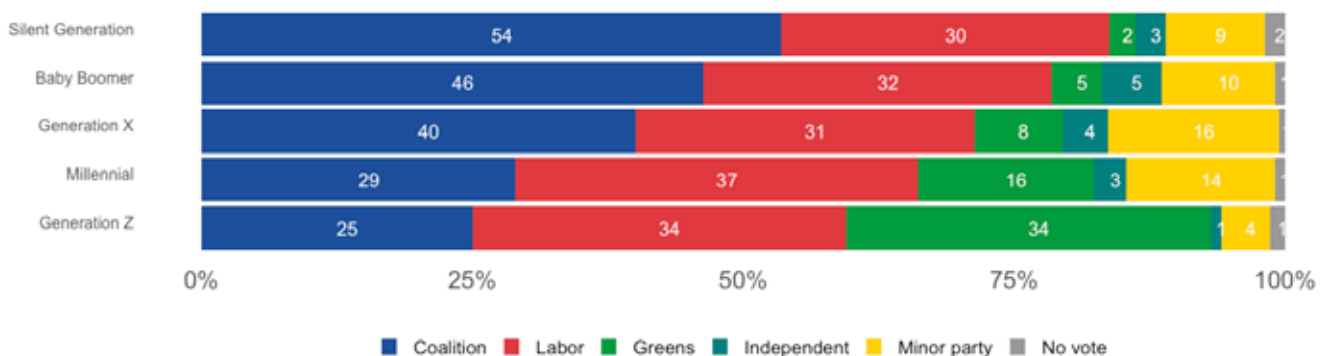
Certainly, Millennials are not shifting to the right as they age, and Generation Z is shifting further to the left as measured by their voting preferences.¹

Has this shift in voting preferences influenced the corporate as well as

the political landscape? The Centre for Independent Studies recently commissioned a survey asking what employees, shareholders and customers thought about corporate involvement in social and political activism.²

To identify their political leanings, respondents were asked how they voted in the 2022 election and how they would vote at the time of the survey (April 2024). With many Generation Z respondents turning 18 between the last election and now, there was an increase in the number of Greens supporters in the sample.

Figure 1 - Vote intention by generation
Sample of 2,500 Australians



As these young people come of age with increasingly left-wing views and enter the workforce, are their employers responding by trying to signal their

engagement with political and social issues — perhaps even because they think they need to get involved to attract and retain young workers?

2. YOUNG WORKERS' VIEWS ON CORPORATE ACTIVISM

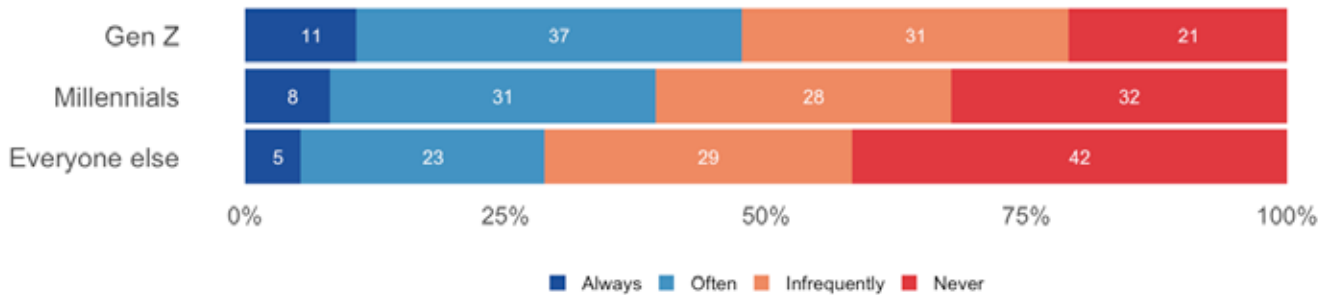
It might seem a logical conclusion that the impact of younger left-leaning generations of employees could be responsible for the nearly ubiquitous rise of corporate activism.

CIS research showed that Generation Z is the most aware of the activist initiatives taking place at their companies and they are the most aligned with it. However, the difference is marginal. Only 13% of Generation Z closely follows activism compared to the 10% average. Close to 60% of Generation Z workers aren't paying any attention at all.

Younger generations also report they are more closely aligned with activist initiatives. However, it also remains a very small minority (11% of Gen Z and 8% of Millennials) who are 'always' aligned with their employer's activism. This is compared to 52% of Gen Z and 60% of Millennials who are 'never' or 'infrequently' aligned with the activism.

Further, the difference in alignment between Greens, Labor and Minor Party supporters is negligible. Even among Coalition supporters the difference in 'always' in agreement is relatively insignificant.

Figure 2 - Stakeholder support for corporate activism
Employees and shareholders by generation



When asked whether they thought businesses should stick solely to providing good service to customers and high returns to shareholders, and stay out of politics, the answer was a resounding 'yes' across all generations and political leanings.

Gen Z and Millennials were more likely to say businesses have an obligation to the community to engage in social and political advocacy. However, of Greens-supporting Gen Zs and Millennials, 53% said they thought businesses should stick to business.

3. QUITTING JOBS BECAUSE OF CORPORATE ACTIVISM

Between 10-11% of Millennial and Gen Z employees have left a role because of their employer's activism, compared to between 3-4% of Gen X and Baby Boomers.

The higher turnover rate for younger generations likely reflects, in part, the greater workplace transience of younger generations.

However, when those who report leaving jobs are broken down by vote intention the results tell a concerning story.

In their short careers, 21% of Gen Z Coalition supporters have quit a job because of a corporation's

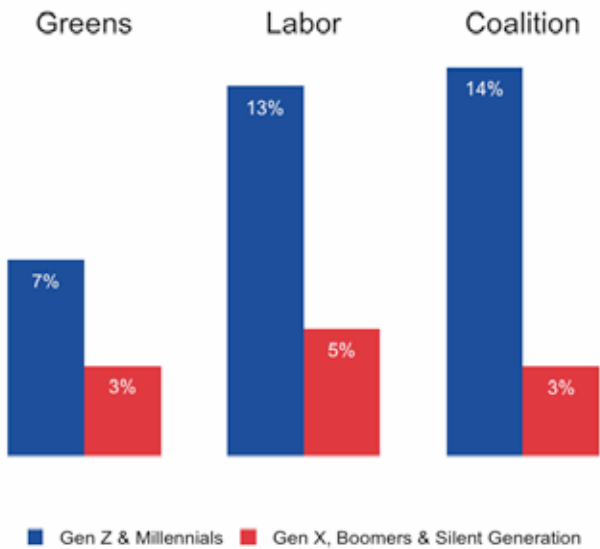
political and social advocacy. That is four times the rate of young Greens supporters.

For Millennials the difference is less drastic. However, both Coalition and Labor supporters have left jobs at much higher rates than their Greens-leaning peers.

Of workers under 40, twice as many Coalition and Labor supporters than Greens supporters have left jobs because of corporate advocacy.

This indicates that corporate activism is making Gen Z and Millennial employees with right-wing or moderate left-wing political leanings (implied by vote intention) feel so alienated they choose to leave a workplace.

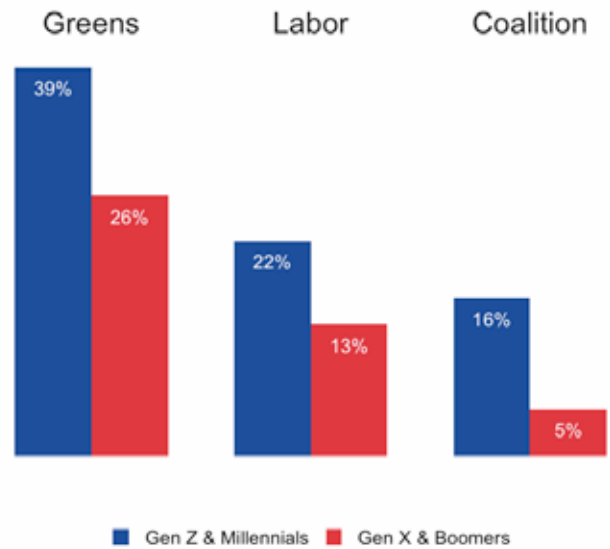
Figure 3.1 - % of voters who have left roles because of corporate activism



The number of people who say they would seek out jobs because of corporate activism is quite small, particularly when compared with those who have taken the step to leave a job. Leaving a job where you are already established is a much more significant decision than factoring in corporate advocacy as part of a job search.

Among Coalition supporters nearly as many people say they have left a job because of corporate activism

Figure 3.2 - % of voters who would apply for roles because of corporate activism



(14%) as say they would apply for a job because of corporate activism (16%).

Unsurprisingly, young Greens supporters are the only group where a significant number of respondents factored activism into their job search. This is likely because as a less mainstream party, the Greens attract people who are more politically engaged and young people have more flexibility when considering their career options.

4. HOW POLITICS AFFECTS 'HIRABILITY'

Younger generations are much more likely to believe their employer considers personal convictions when making both hiring and promotion decisions. This no doubt affects how young people present themselves publicly both online and offline.

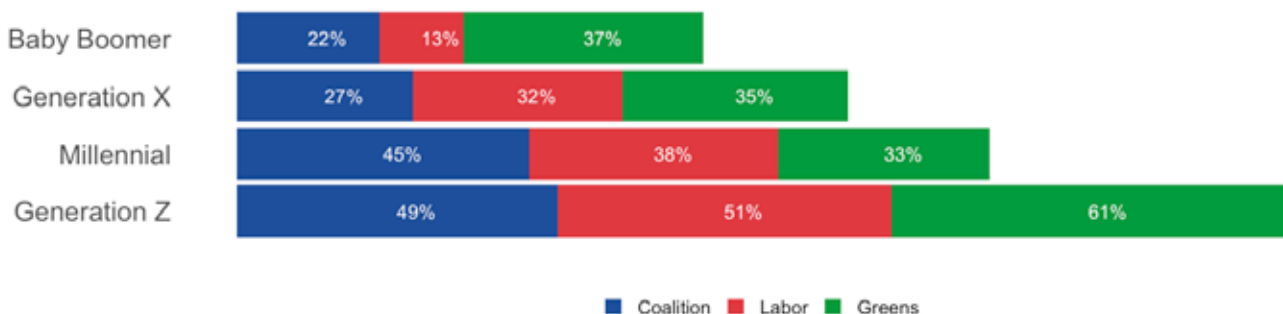
This could lead those with right-wing and more moderate left-wing views to feel they must use

greater caution in expressing their worldview than their left-wing peers.

Additionally, Coalition supporters were more likely to say personal convictions were a 'major' factor when their employer evaluated people for potential opportunities, while Greens supporters tended to say they were a 'minor' factor.

Figure 4 - Effect of personal convictions on employment

% of voters who believe they're a factor in hiring & promotion at their company



When asked why they believed corporations engaged in political and social activism 16% of Gen Z ranked 'a desire to attract staff, especially younger, more politically aware workers' as the number one reason for advocacy. This is double the next closest group, Millennials.

Rightly or wrongly, Gen Z seems to believe they are being evaluated according to their political worldview and that corporations are using activist virtue-signalling as a means of attracting progressive workers.

5. COULD CORPORATE ACTIVISM BE DISCRIMINATORY?

Should employers, in fact, make hiring decisions on the political and personal worldviews of applicants (as over half of Gen Z workers believe), then that would indicate a considerable and concerning bias in corporate spaces. According to the Human Rights Commission Act 1986 and various state laws, it is

illegal for employers to discriminate against workers on the basis of political opinion.³

It could be argued that activist initiatives on the part of employers create hostile work environments for employees that hold differing views to those being asserted by the business.

6. CONCLUSION

While younger generations are more aware and more closely aligned with corporate activist initiatives, they may in fact be the greatest victims of corporate advocacy gone overboard.

Instead of believing they are solely assessed on their merits and abilities, most young people think their employers judge them on their ability to toe a politically correct corporate line. Among more right-leaning Gen Z workers, a shockingly high proportion have quit jobs because of corporate activism—especially considering the short time they have been in the work force.

Most young people say corporations should stick to providing desirable goods and

services to customers, employment to workers, and returns to shareholders.

Younger generations are extremely cynical about big business's motivations to jump on social justice bandwagons.

The massive corporate push to get involved in political and social issues is the result of many factors over which the youngest and most inexperienced cohort of workers has little control. The polling shows the majority of them are not engaged with the activism — and are certainly not driving it.

Rather, Gen Z feel they must contort themselves into the correct ideological box to earn a living and move forward in their careers.

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Endnotes

- 1 Taylor, Matt. 2023. *Generation Left: young voters are deserting the right*. Sydney: Centre for Independent Studies. <https://www.cis.org.au/publication/generation-left-young-voters-are-deserting-the-right/>.
- 2 Cowan, Simon, and Emilie Dye. 2024. *Business Means Business. Why Corporates Should Avoid Social Activism*. Survey, Sydney: Centre for Independent Studies. <https://www.cis.org.au/publication/business-means-business-why-corporates-should-avoid-social-activism/>.
- 3 Australian Human Rights Commission. *Good Practice, Good Business: Quick Guide to Discrimination Laws*. Sydney: Australian Human Rights Commission, June 2024. https://humanrights.gov.au/sites/default/files/2024-06/gpgb_quick_guide_to_discrimination_laws.pdf.