

Move Over, Millennials: Generation Z Comes To The Workplace

Insights 10.01.19

You may have noticed a new trend in your workplaces of late without even realizing it. As recent graduates descend into the workforce in entry-level positions across America, you may be under the impression that you are engaging with yet another crop of millennials, that over-analyzed and frequently maligned generation. However, these newest workers – aged 23 and younger – are actually the dawn of Generation Z's coming of age. What can employers expect from the generation who has never known a world without search engines?

Big Mood: Gen Z Storms Into The Workforce

First things first. Generation Z is the term most accepted at the current time to define those born in the late 1990s and later (with the oldest born around 1995 to 1997, depending on the source). There are approximately 60 million members of Gen Z, and while most are still minors at this point, they are expected to account for <u>one-fifth of the workforce</u> by 2020. In other words, if you don't work with them yet, you should expect to work with them in the very near future.

What are their defining characteristics? The most racially diverse generation, <u>72% believe racial equality</u> is the most important issue today, and nearly half believe employers should be doing more to promote inclusion. They also have greater diversity in gender; in a survey of teens in California, 27% identified as <u>non-binary</u>.

Their outlook is framed from major events that occurred in the early 2000s: the dot-com bust, 9/11, and the subprime mortgage crisis that led to 2008 recession. Given those events, it is perhaps not surprising that, as a generation, they are <u>pessimistic</u>, <u>anxious</u>, <u>and skeptical</u>. And they are <u>stressed</u>. So now that you have a general sense of what they are like, what do you need to know about them as employees in order to best benefit your workplace?

How Do You Do, Fellow Kids? Communicating With Gen Z

We'll start with technology, one of the primary factors that has defined this latest generation. Facebook came to the scene when the oldest were still in elementary school, and approximately <u>90% have a digital footprint</u>. However, while one might assume that Generation Z prefers communicating through digital means, a recent survey found that <u>51% prefer face-to-face interactions</u>, and only 25% prefer digital communication. This contradicts <u>managers' expectations</u>, a plurality (41%) of whom believe smartphones and tablets will be the most effective means of communication.

The challenges in communicating with Gen Z may not arise from the method, but rather the content. Gen Z is known to be <u>less focused</u>, <u>but better at multitasking</u>. The key is to get to the point. This generation, who can spot a <u>Valencia filter</u> in the blink of an eye, want their managers to <u>give it to them straight</u>, so that they can be better set up for success.

Also, mentoring is of prime importance to this youngest generation in the workplace. Seventy-five percent" (alternatively, "Three-quarters") of Gen Z workers surveyed say they want <u>a boss who can coach</u> them; they value frequent feedback and manager consistency.

"Upload Your Resume... Now Painstakingly Fill Out This Application": Hiring Gen-Zers

So how do you go about staying competitive in the modern recruiting game and capturing the newest workers to come work for you? Generation Z wants real connections, even with their recruiters. In fact, they rank the <u>recruiters they worked with</u> as the number one factor that influenced whether or not they accepted a job – five times higher than technology and nearly four times higher than a speedy interview process.

That said, outdated technology can be a turn-off to potential Gen Z applicants. <u>Over half</u> of Gen-Zers will not even complete a job application if the recruiting methods are outdated, and 26% say that lack of tech throughout the hiring process would deter them from accepting a job offer. To appeal to onthe-go Gen Z applicants, employers should consider mobile-friendly job application sites and applications. You may even consider <u>using text messaging</u> as part of your interview process to appeal to their desire for expediency and efficiency.

When You're Trying To Decide Whether To Go Into Work Or Drive Across The County To Start A New Life: Creating A Gen-Z-Friendly Culture

Once you have hired them, you need to turn your attention toward retention tactics. Like millennials, Gen-Zers are global citizens interested in opportunities and companies that follow sustainable business practices, give back to their communities, and know how their work is making an impact. And while they agree with millennials and rank salary and work-life balance as the top two considerations when deciding on whether or not to accept a job offer, their third highest priority is meaningful work.

In the same vein, Gen Z also places a high-value on <u>company culture</u>. But that doesn't necessarily mean you need to break out the cornhole sets and electronic scooters around the office. Rather, they want to work for companies that treat their employees like people and provide opportunities for growth. Given Gen-Zers' high stress levels and greater propensity to seek out <u>treatment for their mental health</u>, however, it may be worthwhile to revisit your benefits plans to make sure mental health coverage is sufficient.

Over half of Gen-Zers plan to leave their current employer within three years, but they may stick around if they have an opportunity to grow within the company. Over half aspire to hold management positions. Financial security is also a priority, particularly since only 30% are confident they will be able to repay their student loans.

Been There, Done That

If some of these themes sound familiar, they are. When Gen-X came of age in the early 1990s, they expressed a desire to influence social values, address global issues, and promote racial understanding. And just a few years ago, a study showed that a majority of millennials would take a pay cut to work for a responsible company.

But there are key distinctions researchers are finding with Generation Z compared with millennials. Specifically, Gen-Zers are more independent and competitive, whereas the prior generation values collaboration. But mostly they're just extra – that is, they are extra diverse, extra accepting, extra stressed, and extra ambitious.

In Conclusion

The newest generation to join the workforce is accustomed to being sold a bill of goods. From Snapchat filters to #fakenews, they are hyperaware that nearly everything they consume has already been "spun" at best, and they are inherently skeptical. And perhaps because of that, they say they place high value on honesty and transparency.

Because 79% of managers say that they do not plan to change their management style to meet the next generation of workers, there is opportunity for those willing to cut to the chase to attract and maintain the newest generation of ambitious, critically thinking workers. None of these suggestions mean you need to radically change your way of doing business, and in fact, adopting them will not lead you to be valuing the younger generation over the rest of your workers. Instead, you'll simply create a more flexible work environment suited for the 21st century.

For more information, contact the author at <u>MEWalker@fisherphillips.com</u> or 858.597.9611.

Top 10 Tips For Working With Gen Z Workers

- 1. Use recruiters who can connect with candidates
- 2. Ensure you have up-to-date hiring technology
- 3. Provide face-to-face, personalized communication
- 4. Be a straight shooter and deliver your message efficiently
- 5. Offer frequent feedback and mentoring
- 6. Offer meaningful work

- /. Promote a positive work culture with opportunities to grow
- 8. Provide mental health coverage
- 9. Give independence and autonomy once earned
- 10. Be honest and transparent

Service Focus

Counseling and Advice