



What Do Employers Need to Know About Gen Z? 6 Tips on Attracting and Retaining Young Professionals

Insights

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The oldest members of Generation Z are turning 25 this year, which means they are graduating from college, trade schools, master's programs, even law school – and entering the workforce in rapidly increasing numbers. In fact, Gen Z is expected to account for 27% of the country's workforce just three years from now. How is Gen Z changing the way we work, and what are young professionals seeking from their employers? We asked our Fisher Phillips associates – who are either Gen Z or on the cusp – to chime in. Here are six takeaways to think about as you develop your staffing strategies for the next generation.

1. Understand What Defines a Generation

As a starting point, we should note that not all Gen Z professionals want the same things from their employers. Moreover, many workplace benefits are desired across the generations, and some characteristics correlate to a person's life stage rather than generation. For example, an employee who is just starting their career will likely be focused on different benefits than an employee who is nearing retirement age.

That being said, in the U.S., the generations are typically grouped together based on certain events that shaped their early lives. Here are some examples that pertain to the primary generations that make up today's workforce:

- **Baby Boomers** (the largest generation, born from 1946 to 1964) were born during the economic uptick after World War II and were shaped by historic events such as the civil rights movement and the moon landing.
- Members of **Generation X** (born from 1965 to 1980) were influenced at a young age by the end of the Cold War, the mass corporate layoffs of the 1980s, and the rise of the personal computer.
- Many **Millennials** (born from 1981 to 1996) were old enough to understand the significance of the 9/11 terrorist attacks when they happened. Millennials were shaped by the Great Recession and the prominence of social media in everyday life.

What events have affected **Gen Z** as a cohort? Members of Gen Z are often called “digital natives” because they mostly grew up with access to the Internet and portable electronics, such as smart phones and tablets. They also may describe themselves as “stressed” or “anxious” in light of

mounting environmental issues, political strife, and coming of age during a global health crisis. They also tend to focus on work-life balance and flexibility.

Keep in mind that every individual is shaped by their own unique circumstances. As noted by Michael Dimock, president of Pew Research Center, the generations “are a *lens* through which to understand societal change, rather than a *label* with which to oversimplify differences between groups.”

But the shared experiences and common interests of the group can shed some light on how to best adapt your company policies and practices to attract and retain Gen Z workers, including the following insights.

2. Let Go of Misconceptions

“There seems to be a perception among business leaders that Gen Z employees do not work as hard as previous generations, but that simply isn’t true,” says Marisol Ruiz, an associate in Fisher Phillips’ Tampa office. “While Gen Z is willing to work hard, they also want a healthy work-life balance.” In essence, she says, they prefer to “work to live” rather than “live to work.”

Stereotyping young people as “lazy” is nothing new. You may recall that Gen Xers were once labeled “slackers” and Millennials were called “entitled.” Employers should let go of negative stereotypes that are often used to describe younger workers who may have a new approach to the workplace and their careers.

Likewise, employers should combat bias against older workers who may be incorrectly viewed as “out of touch” or adverse to technology. The Age Discrimination in Employment Act (ADEA) protects workers age 40 and older from age-based discrimination – but regardless of whether a particular worker is covered by the ADEA, your organization can benefit from challenging age-based preconceptions. You may create a more motivated and productive workforce as a result.

3. Consider the Many Aspects of WFH arrangements

Chase Parongao, a Fisher Phillips associate in Los Angeles, graduated from law school at the beginning of the COVID-19 pandemic, which forced drastic workplaces changes overnight. “I was really worried about learning how to be an attorney online,” he recalls, “but as I learned more about expectations and gained confidence, I started to like working online.” And Parongao is obviously not alone, as many employers are now accommodating WFH arrangements at their employees’ request.

Ruiz agrees. “COVID taught a lot of people the value of flexibility, and Gen Z employees tend to look for employers that allow them to work at least partly from home.” She also recognizes that face time with employers is important but says allowing employees to have some time to work from home goes a long way. “It not only saves on commute time and gas but also improves office culture because the fact of the matter is people like working from home,” she says.

Figure Out How to Thrive

Despite the rise in flexible work arrangements and work-from-home policies, many employers are still trying to figure out how to thrive in new remote and hybrid work environments. Most workplaces have not mastered structures that preserve a vibrant and healthy workplace environment while still offering flexibility to work remotely when needed, observes Jack O'Connor, an associate in Fisher Phillips' Philadelphia office. He finds that workplaces tend to fall into one of two categories:

1. In-person environments that are too strict on remote work, or
2. Offices that become ghost towns as employees switch to fully remote work.

"This has hurt the office environment in many places and is particularly harmful for younger workers who are seeking to network, gain mentorship, and desire a base level of socialization at work," he says. So, how can you strike a balance? Communication is the key.

While there's no one-size-fits-all solution, O'Connor suggests that employers continue to have conversations with employees and listen to their suggestions on how to facilitate meaningful interactions and foster successful working environments.

Recognize that many older workers also value remote work. As Parongao notes, they may need flexibility to balance work and family responsibilities – or they may not need as many networking opportunities or as much face time if they are more established in their careers.

Develop an Effective Policy

Of course, if you decide to roll out a remote work policy, you will need to consider the wage and hour and security implications and develop a plan to legally manage your remote employees. Your Fisher Phillips attorney can help.

4. Embrace Diversity and Account for Cultural Differences

Researchers widely agree that Gen Z is more racially and ethnically diverse than any prior generation – which makes it even more important not to make broad generalizations based on birth year.

Cultural Diversity

Zinnia Khan, a Fisher Phillips associate in Boston, notes that it's common in many non-Western cultures for family members of different generations to live in one household. "Generally speaking, those coming from such cultures may have a better ability to interact with and relate to those from other generations," she says. "Many non-Western cultures are deferential toward elders and expect

younger generations to conform to older generations' expectations and established norms, rather than reconsider these norms and expectations."

Parongao grew up in Hawai'i, which is influenced by Asian and Pacific Islander culture and emphasizes community in the more traditional sense. He says the Western focus on individualism and autonomy may not always apply, which made the transition online feel isolating. "I do enjoy remote work, but I also value sharing space with others and physically being part of a community."

Diversity, Equity, and Inclusion Programs

As workplaces become increasingly diverse, you should recognize the many benefits of an effective diversity, equity, and inclusion program and explore the options that work best for your company, while taking care to ensure that you do not unwittingly run afoul of relevant workplace laws.

5. Create Mentorship Opportunities

Whether a young professional works in the office or remotely, a strong mentorship program can be highly beneficial. "Finding someone who takes the time to guide me through my professional life and truly invests in helping me succeed is important," Ruiz says. "I want feedback to understand how I can improve, or to hear if I'm doing a good job. Having a mentor to provide honest feedback and providing me with a safe space to have a conversation about my experiences in the workplace is very important."

Ruiz has mentors both inside and outside of the firm, and she values the knowledge that they share with her. Critically, she says, "mentor" should be more than just a title. An effective mentor is available, shares their experiences and helps new professionals gather the tools to succeed.

6. Rethink Your Employee Benefits

Young professionals may be disillusioned with benefits that pay mere "lip service," Khan says. "Think of those which seemed novel around 10 years ago, such as the office with ping pong tables, beer on draft, and nap pods."

Make it Count

Instead, young professionals value work-life balance and boundaries. "The pandemic heralded a sea change in this respect and demonstrated that productivity was possible without long nights at the office and coming into the office five days a week," Khan observes. "Being able to set one's own schedule, operating on a remote or hybrid schedule, and respecting time off are all offerings young professionals value."

Adopt Genuine PTO Policies

Benefits like “unlimited vacation” may be viewed with skepticism, O’Connor says. A benefit that is meant to be enjoyed becomes anxiety-inducing if managers either do not respect the policy or passively retaliate against an employee for taking time off. Thus, younger employees who have yet to establish themselves professionally may prefer a set number of vacation days.

If you do have an unlimited vacation policy, be sure to apply the policy equitably and have checks and balances in place to ensure employees are taking time off to recharge. Consider working with your Fisher Phillips counsel to develop an effective paid time off (PTO) policy.

Consider Gender-Inclusive Family Leave Policies

Another important point you should note is that Gen Z is less likely to view family leave as gender-oriented, O’Connor says. “When family leave is seen as gender-inclusive, it benefits all employees and becomes less of a career obstacle.”

Recognize that Retirement is Still Relevant

Notably, traditional benefits are still important to young professionals. The skyrocketing costs of living and overall inflation make benefits like 401(k) matching, profit sharing, and good health insurance significant to attracting and retaining Gen Z, according to Ruiz.

Conclusion

We will continue to follow trends and developments as members of Gen Z enter the workforce and shape workplace policies and practices. Make sure you are subscribed to [Fisher Phillips’ Insight System](#) to get the most up-to-date information. For further information, contact the authors of this Insight or your Fisher Phillips attorney.

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