The Next Generation in the Workforce

In our April edition, we noted that millennials are becoming the largest share of the American workforce and highlighted what they tend to look for in an employer. Now the next generation is beginning to enter the workforce. As a group, they are significantly different than the millennials that precede them. Paying attention and responding to these differences can help us be more successful in attracting and retaining members of this new generation.

Welcome to the workplace Generation Z, the generation born between the mid-to-late 90s and the early 2000s. They grew up during the Great Recession and tend to have a more skeptical view of institutions and take a more pragmatic, independent approach than other recent generations. They are also the first generation to have access to information 24/7 and active engagement in virtual social networks.

Based on surveys and research, what do members of Generation Z look for in the workplace?

- **More Information, More Often.** They seek transparency in organizational decisions and frequent feedback about their performance. Periodic reviews will no longer do. They are accustomed to continuous feedback and expect it to be candid and honest.

- **Job Stability and Security.** Experiencing the Great Recession at a young age has taught many of them to be in survival mode, resulting in a much more competitive mentality than the millennials that came before. Generation Z’s seek to be judged on their own merits. Even though 61% of them say they would stay at a company for more than 10 years, a greater proportion of them try to provide their own security by engaging in some other income-producing activity, referred to as a “side hustle”.

- **Fast Advancement in the Organization.** One characteristic Generation Z’s seem to share with millennials is an expectation to advance at a fast pace throughout their career. In their case this is fueled by the constant information they receive through social media about the progress others are making, resulting in a desire to “keep up with the Joneses” that is well known to some past generations.

- **The Opportunity to Pursue Multiple Career Paths.** More than any other generation, Z’s can see what others are up to all the time through social media. They are accustomed to being exposed to several roles and thus seek to have the opportunity to engage in multiple roles with one employer. Most of them would be interested in employers who provide opportunities to rotate into different jobs with different levels of responsibility.

- **A Customized Workplace.** This generation grew up in a world where nearly everything could be tailored and customized to individual preferences. From apps to playlists to items on the grocery shelves to shoes to interest groups and so on, they are accustomed to finding what suits them best. They expect a customized career path and are likely to be dissatisfied with needing to fit into one that is already prescribed.

Like every generation before them, Generation Z’s have distinct needs that present a different set of challenges. These challenges are compounded when their desires differ from those of other generations. But those differences are neither good nor bad. We can be more productive if we accept and address them without passing judgment. Understanding them can provide an opportunity to recruit and successfully retain our future workforce.