

# THE COMPLETE GUIDE TO MANAGING & MOTIVATING YOUR GEN Z STAFF



# A new generation of employees has arrived.

Generation Z, the youngest generation to approach the working world, will soon surpass Millennials as the most populous generation on earth. By 2030, this group will make up a  $\underline{\text{huge 30\%}}$  of the workforce, bringing new demands, expectations, and priorities for employers to consider.

Often raised by innovative millennials, Gen Z is the most diverse and educated age group in the professional world today. They were born into a connected, digital, and empathetic world and spend approximately half of their waking hours interacting with technology. Shaped by an era of social feeds and internet culture, the slew of powerful social justice movements they've witnessed in recent years have given them a unique sensibility and a strong stance regarding ethical business practices and equity.

Though Generation Z has several valuable characteristics to bring to the global workforce, their approach to the workplace may cause some challenges for business leaders as they aren't motivated or moved by the same things as their millennial parents. This means to engage and successfully manage your new workforce, you may need to implement different strategies.

Today, we will define the Gen Z employee, what they need from an employer, and how you can manage your youngest team.

#### **Defining the Generation Z Workforce**

While generational cut-off points aren't an exact science, anyone born between 1997 and 2012 is generally considered to be part of "Generation Z". This group is the cohort preceding "Generation Alpha" and succeeding the millennials.

This is where the current landscape is on the brink of a massive transformation. Just as the arrival of the millennial worker prompted significant changes in the management of talent, the introduction of Generation Z will alter the way we think about "the modern professional" forever. And once again, companies will find themselves having to adapt, and quickly as the reputation that Gen Z have developed for being fast-paced, highly educated, and motivated individuals is already placing them in high demand amidst a rampant talent shortage problem. However, the unique set of characteristics, priorities and expectations they have can be difficult to understand for employers and consequently make adaptation a challenge.

Some of these key characteristics defining Gen Z include:

#### • Focus on Empathy:

Gen Z has grown up in a difficult world, exposed to significant stress levels and economic turmoil. As a result, according to a recent McKinsey report, many would choose a job <u>promoting a healthy lifestyle</u> over a role with a high income. Gen Z employees want a high level of empathy from their employers, and they expect leaders to be invested in protecting their physical and emotional health.

However, there is still some disparity between such expectations and the reality young employees are having to live with on a daily basis, with more than 1 in 3 working Gen Zers saying they find it difficult to cope with excessive pressure and stress at work. While there has been a bigger focus on mental health in recent years with efforts to improve workplace culture and provide support for employees increasing, today's generation of workers still expect much more of the same from their employers. The cost of failing to provide such would prove too dear as it could mean facing the double whammy of losing talent your company has worked hard to recruit and struggling to attract talent in market with a serious skills shortage' problem. As burnout and lack of work/life balance have been found to be common reasons for Gen Z to quit their roles, a bigger focus on the health of your Gen Z employees is an absolute must.

#### • Tech Savvy:

According to a global survey, <u>around 98%</u> of Gen Zers own a smartphone, and half spend about 10 hours a day using it. Brought up in a world surrounded by technology, Gen Zers spend a huge portion of their lives on social media and the internet. They expect to work for companies with a strong investment in the latest tools and services, especially those that will increase efficiency and automate less complex functions in order to allow for more time to tackle the more in-depth, demanding matters. Companies with outdated tools and software will risk losing out on a lot of the potential that today's generation of talent has to offer and losing the interest of their Gen Z team members.



#### • Cultural Diversity:

Gen Z are the most welcoming, accepting, and diverse generation yet, hailing from countless different groups, cultures and orientations. Many of these employees are more at home in a diverse workplace, believing everyone should have the freedom to "be themselves" and thus, will only consider companies that take their Diversity, Equity, and Inclusion practices seriously. Additionally, around 68% of these workers say they think it's important to work for an employer with an active commitment to supporting social causes, which makes communicating this through your employer brand essential. Ensuring that diversity is shown at all levels in the company (especially amongst senior employees) and demonstrating how your work culture supports inclusion will effectively convey your authenticity & suitability to potential employees.

#### • Competitive:

Although they are keen to befriend people at work and build personal relationships with their colleagues, Gen Z are a naturally ambitious bunch. They are highly driven and competitive individuals, and have strong goals as well as a clear vision of what they want to accomplish in their career. Employers can take advantage of this natural sense of competitiveness to encourage and motivate team members by providing regular training & career growth opportunities and facilitate both the business' and employees' success.

#### • Desire for Stability:

Generation Z are far more risk-averse than millennials. While they're still motivated by benefits and a good salary, they're also looking for clear evidence that they have a strong future with their chosen business and as such, stability is crucial for them.

When advertising roles to the Gen Z population it's important to carefully outline how they make for a predictable, stable and well-rounded career experience. Working with Gen Z employees on plans for long-term career growth and development shows them you prioritise their goals as well as your business' and will help to make them feel more at home.

#### Millennials vs Generation Z: The Difference

Millennials may have raised the Gen Z community, but there are some major differences between the two groups regarding workplace motivation and performance.

The <u>Millennial generation</u> is an optimistic group, brimming with digital pioneers who witnessed the rise of social media, instant messaging, video conferencing, and countless other tools. Like Gen Z, millennials are committed to work-life balance, but they also prefer working in collaborative environments, where they can frequently connect with others.

Alternatively, Gen Z employees in the current landscape are proactive, innovative individuals keen to implement significant change on the world around them. They're more realistic and cautious than their millennial counterparts due to growing up during economic turmoil.

Gen Z employees might prefer to have their own workplace or work remotely rather than interact with people daily, as they are more accustomed to a more personalised workspace. However, they still want to develop strong relationships with their team members through social media and digital connections.

While millennials are highly focused on job opportunities and career exploration, Gen Z focuses more on stability and job security as they grew up in a time of significant economic recession., Although they're keen to educate themselves and explore new responsibilities when they arise, they may be less likely to hop between jobs than their predecessors.

# How to Manage Generation Z in the Workplace

Managing a Gen Z workforce means committing to a new leadership style.

When asked what they value most in a leader, <u>one study found Gen Z</u> have empathy and honesty at the top of their list. This generation wants their leaders to be transparent, supportive, respectful and endeavour to build strong connections with their employees.

At the same time, Gen Zers love to work in an environment brimming with innovation and opportunity. They want to explore flexible working practices and work with the latest technology available in their field. Here are some of the most important points your business leaders will need to consider when managing a Gen Z workforce:

#### 1) Prioritise Collaboration and Communication

Having been raised in the age of social media, it's little surprise that gen Z value social interaction. As they like being constantly connected to the people they work with, senior figures at your company will need to create a culture of team spirit, camaraderie, and collaboration in a variety of ways, both traditional and digital. These employees are just as happy connecting with their colleagues over video conferences and phone calls, as they are doing so face-to-face, so it's important that your company starts to embrace a more non-traditional approach to communication and collaboration.

To create a sense of transparency within the workplace, your business leaders must ensure they're open and consistent with their communication strategies. Keeping employees regularly updated on the latest developments will make them feel more secure.

#### 2) Allow for Independence and Autonomy

Gen Zers are ambitious individuals who like having their own independence. Although they appreciate feedback and guidance from leaders, they also want the room to explore their own strategies and work how they feel most comfortable. This means leaders at your business will need to give their Gen Z employees ownership over their projects.

Allowing team members to choose their schedules or suggest their methods of tackling projects will make them feel more respected and engaged in their work. Gen Z should have access to plenty of tools for independent research and opportunities to share their thoughts and insights with leadership and other team members regularly.

## 3) Implement Strategies for Work-Life Balance

Burnout and stress have been significant problems for the millennial group, with around <u>28% saying</u> they suffer from this issue regularly in the workplace. Having learned from the struggles of their parents, Gen Zers now prioritise work-life balance more than most.

81% of Gen Z employees say flexibility in choosing how and when they work is important. Employees today expect access to fully remote or hybrid working strategies, and some Gen Zers are also becoming more interested in the concept of the 4-day work week, so they have more time to recover from their time in the office. To meet the current expectations of candidates, employers will have to offer various working styles outside the standard 9-to-5 experience. It will also be important for leadership to encourage good work-life balance among team members by convincing them to take regular breaks and manage their schedules effectively.

#### 4) Embrace New Technology

Gen Z and technology go hand-in-hand as they are the first generation to enter the workforce with no memory of a time before social media and Wi-Fi. This means that companies hoping to attract and engage this new era of employees will need to be digitally savvy. Business leaders can improve their Gen Z staff's productivity and performance by implementing tools that help these team members manage their work. Utilising productivity and project management apps, collaboration tools, and video conferencing services is a good start and companies must also ensure they're regularly updating and improving their technology stack. This means implementing new software and services as they emerge and even investing in a cloud environment for software. Collecting feedback from employees on the tools they prefer to use will help to guide successful investments.

#### 5) Empathise with Mental Health Needs

Empathy is everything to <u>Gen Z employees</u>. Around 82% of employed Gen Zers today say it's important for managers to offer "mental health days" when they're feeling burned out or stressed. Gen Z staff members want to know that their leaders are committed to keeping them happy and healthy, and senior figures at your company will need to actively demonstrate this in different ways. For instance, it's a good idea to implement a wellness strategy in the workplace which focuses on giving team members ways to manage stress and avoid burnout. Offering certain perks like access to counselling, more vacation days when employees feel overwhelmed at work, and competitive salaries to address financial concerns will be a good way to attract and retain Gen Z employees.

#### **How to Motivate Your Gen Z Employees**

One of the more positive characteristics of Gen Z employees is they're already highly self-motivated. After watching their parents struggle through a recession, this group is driven to establish themselves in their chosen company and achieve financial stability.

However, Gen Zers are also highly driven by their values. They're more than willing to jump from job to job if it means finding a workplace suited to their goals. Already, studies show around 56% of Gen Z employees are planning to switch jobs in the next year.



To motivate and retain your Gen Z staff, you'll need to follow these steps:

#### **Step 1: Provide Regular Feedback**

While Gen Z employees like the freedom to explore their own strategies and work styles, this doesn't mean they don't want regular feedback. They are highly motivated by positive acknowledgement and recognition. Like their millennial counterparts, Gen Z employees need to know when they're <u>doing a job well</u> and want real-time performance updates.

Rather than waiting for an annual performance review to explore the strengths and weaknesses of your Gen Z employees, focus on developing a more regular feedback routine. Simple messages to your team members letting them know they're doing a good job can help them stay focused and engaged in their role.

Clear expectations are also extremely important when working with Gen Z employees. These competitive professionals want to deliver their best work, but they can only do so when they clearly understand what's expected.

#### **Step 2: Promote Interpersonal Relationships**

<u>Around 73% of Gen Zers</u> say they feel isolated or lonely from time to time at work. Gen Z employees might spend most of their time using online communication methods, but they still want to feel connected to the rest of their team. Promoting interpersonal relationships is a great way to boost the engagement of your staff and make them feel more committed to the workplace. Companies can invest in everything from bonding days with gamification elements that can leverage Gen Z's competitive nature to regular video conferencing between remote workers.

It's also important to ensure they have a chance to develop a relationship with their leaders. These employees want to be able to connect regularly with managers and supervisors, as well as colleagues.



#### **Step 3: Provide Growth Opportunities**

Because Gen Z employees are interested in future-proof jobs, leaders need to ensure their team members can see a future with the business. In a climate where the skills required to succeed in any workplace are constantly evolving, Gen Z professionals need to be able to expand their knowledge and talents continually.

37% of Gen Z team members say professional growth and learning opportunities are their number one priority when looking for a new job. This may be why many technology companies with strong reputations for innovation and development have captured the attention of so many new candidates. With this in mind, it's important to have a clear development strategy.

Business leaders can experiment with everything from online learning opportunities for their team members to mentorship and shadowing for staff looking for promotions. Showing a clear path for progression in your company will be crucial to maintaining employee engagement.

#### **Step 4: Promote Diversity and Inclusion**

Gen Z employees feel most comfortable in a diverse workplace, capable of accepting and supporting all kinds of team members. <u>Around 63% of Gen Z employees</u> say it's important to be able to share ideas and learn from people with unique backgrounds.

To keep teams motivated, business leaders will need to ensure their Gen Z employees have plenty of opportunities to work with people who have different skills and lives to their own. A strong DEI strategy will make it easier for employers to build a diverse selection of staff members.

Inclusivity is particularly important for Gen Z teams. This means business leaders must implement campaigns ensuring their staff members feel valued, no matter their background. Ensuring every staff member feels listened to and respected is critical for ongoing motivation. You can help your Gen Z employees thrive by inviting them to more strategy meetings, listening to their ideas, and gathering regular feedback.

#### **Step 5: Offer the Right Benefits**

Keeping your Gen Z employees motivated ensures you're offering the right perks and benefits for working with you. Though Gen Z staff members still want to be paid the right salary for their skills, they're also highly motivated by security and benefits.

Around  $\underline{70\%}$  of  $\underline{\text{Gen Z professionals}}$  think health insurance is a must-have benefit for a business, while others are looking for access to paid education and mentorship. Companies must offer traditional and modern benefits to keep  $\underline{\text{Gen Z on track}}$ .

Compensation perks, wellness benefits, student loan assistance, and attractive maternity and paternity policies are all a good way to appeal to this security-focused generation. However, it's worth talking to your team members and tailoring benefits packages to different needs where possible.

### **Understand and Optimise Your Gen Z Workforce**

The rise of Gen Z in the current landscape marks a transformational time for business leaders and managers. How you motivate and support your youngest employees will differ from how you've served their millennial and Boomer counterparts.

Fortunately, with a strong understanding of the characteristics of the Gen Z community, you'll be better prepared to attract and retain the right talent.

Of course, one of the easiest ways to ensure you're collecting the right talent for your team from the Gen Z employee landscape is to work with a specialist recruiter. A recruitment agency will help you to tailor your job descriptions and offers to speak to the youngest generation.

Attracting the right team members from day one will make it much easier to build a phenomenal team of hard-working, diverse, and highly educated Gen Z staff.

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