HR Insights

Engaging Generation Z in the Workplace

Generation Z (Gen Z) accounts for a growing percentage of the global workforce. In the second quarter of 2024, this group comprised 18% of the U.S. labor force, and this rate will only continue to grow. These individuals, born between 1997 and 2012, range from 13 to 28 years old, making up nearly all of the current as well as the next wave of young professionals. The U.S. Bureau of Labor Statistics predicts that by 2030, Gen Z will constitute 30% of the workforce.

However, many individuals in this demographic feel disengaged or disempowered in the workplace. Research by analytics and advisory firm Gallup found that disengagement affected Gen Z more than other generations in 2024, as they were five percentage points less engaged than in 2023. Employers who take measures to engage with Gen Z workers and adapt to their needs may experience increased productivity and heightened retention and attraction of these workers.

This article explains how engaging Gen Z is important for organizations, outlines challenges employers face in these efforts and provides tips on engaging this demographic in the workplace.

Who Are Gen Z, and Why Engage Them?

Gen Zers are often socially conscious, digitally savvy and invested in career development. They are passionate about social causes and may choose to work for organizations with similar values over higher-paying positions. According to a survey conducted by Deloitte, 75% of Gen Z and millennial workers factor in an employer's community engagement and societal impact when searching for employment.

This generation of workers tends to value honesty and transparency from employers, prioritize mental health and job flexibility, and seek opportunities for career growth. They are also more willing than previous generations to leave their jobs if they don't offer what they desire. As such, they will likely remain loyal to employers offering development opportunities and internal support.

With Gen Z comprising almost a third of the global workforce by 2030, it's clear that engaging this demographic is crucial for employee attraction and retention. It's also essential for organizational productivity. Gen Z workers can bring fresh ideas and creativity to an organization; as digital natives, Gen Z can bring new talent and in-demand skills into the workplace, driving innovation and efficiency. Therefore, harnessing this potential can keep organizations ahead in a competitive market. Engaging this generation can help maintain a productive workforce and drive long-term organizational success.

Employer Challenges to Engaging Gen Z

Even though engaging Gen Z in the workplace provides attraction, retention and productivity benefits, this effort is not without challenges.

The following are obstacles employers may encounter when engaging Gen Z:

- **Changing needs**—Gen Z's needs and desires differ from those of previous generations, putting pressure on employers to close the gap. Gen Zers have new expectations at work, such as up-to-date technology, work-life balance, mental health support and career development.

- **Increased desire for feedback**—Many managers report that Gen Z wants more feedback, often at least once a week. Without it, these employees may feel disengaged and stuck. By focusing on meaningful feedback and direction while offering flexibility and autonomy, employers can help these employees thrive in their jobs.

- **Lack of soft skills**—Although they possess strong technical skills, Gen Z employees may widely lack soft skills, such as communication, time management and teamwork. This is likely due to many of this generation entering the workforce during the COVID-19 pandemic when remote work was the norm. With the lack of in-person work, many didn't gain practical interpersonal communication experience through traditional work environments. By providing guidance and training, employers can help employees develop soft skills to complement their technical abilities.

Employers might encounter challenges when appealing to Gen Z, but implementing the right strategies can allow these employees to succeed and foster a productive, engaged workforce.

How Employers Can Engage Gen Z

Employers can engage Gen Z employees and improve attraction and retention rates among young workers by proactively responding to Gen Z's wants and needs. Here are strategies for employers to engage Gen Z in the workplace:

- **Make work meaningful.** According to the Deloitte survey, 86% of Gen Zers said a sense of purpose was important to their job satisfaction. They want to feel that their work is meaningful and contributes to the success of the organization

by being able to employ their skill sets. Employers should emphasize the significance of employees' jobs and create a work environment where they can see the impact of their work. These efforts can help attract as well as motivate employees.

- **Enhance onboarding.** Employers shouldn't rush Gen Z employees through onboarding; experts recommend this process lasts 12 to 18 months. Onboarding should include teaching new employees how to develop both hard and soft skills to enhance their performance and satisfaction. This process also allows employers to highlight the impact of employees' roles, thus demonstrating that their work is meaningful.

- **Utilize the latest technology.** Technology company Dell reported that almost all Gen Zers (91%) say technology influences their employment decisions. Generally, these workers have little patience for outdated systems. Additionally, up-to-date devices and systems tend to improve efficiency and productivity.

- **Prioritize mental health**. Gen Z workers say mental health benefits are a key consideration when choosing an employer. Organizations can create a positive mental health culture by making mental health resources and programs readily available, training managers to be empathetic and encouraging employees to take vacation time. This can reduce employee burnout and stress, increasing productivity and engagement. Putting mental health first may also include offering competitive compensation, expanded family leave policies and child care subsidies.

- **Allow flexibility and autonomy**. Gen Z tends to look for jobs that fit their life, not the other way around. They seek jobs that focus on employees as people, allowing them autonomy to work when and how they please, and promote a work-life balance.

- **Provide career development opportunities**. Younger workers highly value professional growth and learning opportunities. Employers can remove stress and guesswork by providing

career ladders that outline an employee's potential path for growth. Organizations can also prioritize internal promotions and create mentorship programs to foster interpersonal relationships and development opportunities among employees.

- **Commit to societal issues**. According to Mercer, 80% of Gen Z employees are likely to be disengaged at work when their organization's values do not align with their own. Employers who show they are involved in and concerned with societal concerns, such as environmental sustainability, may experience improved attraction and retention of Gen Z workers.

- **Gauge employee feedback**. It's essential to survey Gen Z employees regularly. Listening and responding to their feedback can help these workers feel empowered, boosting engagement and morale. Further, adapting based on this feedback fosters a culture of trust and collaboration. This process also benefits organizations by identifying areas for improvement.

Conclusion

Gen Z individuals are a growing percentage of the global talent pool. However, like every new demographic entering the workforce, these employees have unique needs and priorities. Employers who actively engage Gen Z may experience a competitive advantage when hiring and retaining these workers. These initiatives may also contribute to increased satisfaction and productivity.

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