

More Money and Less Diversity: What is the Ideal Workplace According to the Gen-Z Perception?

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Abstract: In the evolving employment landscape, organizations are compelled to confront the formidable challenge of managing a multigenerational workforce. Generation Z—also referred to as Gen-Z, iGen, or the post-millennial cohort—are embarking on their initial career endeavors and are anticipated to significantly transform the work sphere in the forthcoming years. To tailor the prospective work milieu to the traits, necessities, and expectations of these youths, comprehending their conception of an optimal workplace is imperative. Concurrently, to efficaciously navigate talent management, it is paramount for organizational leaders to gain a nuanced comprehension of the factors influencing young individuals' decisions to depart from their jobs. This manuscript offers preliminary insights from a research endeavor conducted to discern Gen-Z's perspectives regarding the job market. A digital survey was disseminated in the summer of 2023 among Gen-Z individuals, garnering 461 responses. The investigative outcomes afford a distinctive opportunity to enhance our grasp of the anticipations and vocational ambitions harbored by this nascent workforce. In addition to a pronounced preference for substantial remuneration, commensurate benefits, and superior, adaptable working conditions, data indicates that Gen-Z places considerable value on the prospect of professional growth. We deduce that if employers accentuate their commitment to employee development and progression, they will more readily captivate this demographic's allegiance. Given the findings and Gen-Z's heightened propensity for intrinsic motivation relative to preceding generations, it is incumbent upon business executives to cultivate managerial competencies conducive to bolstering the young workforce's sense of purpose. These revelations provide a propitious foundation for extended inquiry into the future of employment, particularly concerning the assimilation of "digital natives" therein.

Keywords: Generation Z, Labor Market Entry, Future of Work, Talent Management, Career Expectations

1. Introduction

In the changing work landscape, organizations are forced to face a significant new challenge in managing a workplace that contains several generations at the same time. Organizations with a diverse generational composition currently include under one roof four generations of employees: the baby boomers who are retiring at an increasing rate; Generation X who have been employed for many years; the millennials who manage a career alongside a family; and Generation Z – also known as Gen-Z, iGen, or postmillennial – who are taking their first steps in the job market. The intergenerational gap in the world of work is contributed by the fact that each generation has a different set of expectations, unique behavior patterns, and other motivational factors (Racolța-Paina and Irini 2021).

Gen-Z is generally considered to be young people born from the mid-1990s to 2010, with the oldest among them currently in their 20s (Benitez-Marquez et al. 2022). From their infancy, they experience a digital environment that develops at an accelerated rate, with multiple screens and a multitude of stimuli (Seemiller and Grace 2018). Given that they do not know a world without the Internet and that they were raised with mobile technology, they are often called “digital natives” (Barhate and Dirani 2023; Benitez-Marquez et al. 2022; Chillakuri 2020). Moreover, due to the high level of digital literacy, Gen-Z is considered more technologically savvy than any previous generation (Iorgulescu 2016).

2. The Research Purpose

Gen-Z is expected to change the world of work noticeably in the upcoming years (Kirchmayer and Fratricová 2020). To adapt the future work environment to the characteristics, needs, and demands of these young people, it is essential to understand what their perception of an ideal workplace is. Alongside this, and to take effective steps to manage talent, it is critical that corporate leaders develop a better understanding of the reasons why young people choose to leave their workplace. This paper presents preliminary evidence from a study we conducted intending to identify the Gen-Z's attitudes concerning the employment market.

3. Methodology

An online questionnaire was distributed in the summer of 2023 among Gen-Z and was answered by 461 respondents. In terms of gender, 241 men (52%) and 220 women (48%) took part in our study. Among the

participants, 67% work part-time (N=151) or full-time (N=157), while the rest do not work (N=153). The sample included 42% job seekers (N=192), of which 58% are employed who looking for their next professional challenge (N=111). Most of the respondents had a secondary school education (N=248, 54%), and 24% were defined as academics. To comply with accepted ethical rules and with the aim to collect authentic points of view on the world of work, we did not include minors in this study. Descriptive statistics were initially applied to the dataset, with subsequent plans for comprehensive statistical tests to identify correlations.

4. Preliminary Results

We asked the subjects to choose from a set of 10 elements what is the main element that motivates them in choosing a workplace. We understand that Gen-Z aspires to high salaries, with good benefits and extended conditions (N=176, 38%). Opportunities for promotion, self-development, and career growth came second on the list and were also identified as critical to the decision (N=140, 31%). When we asked the respondents what the second most important consideration in their search for a future employer is, the results were quite similar (see Figure 1).

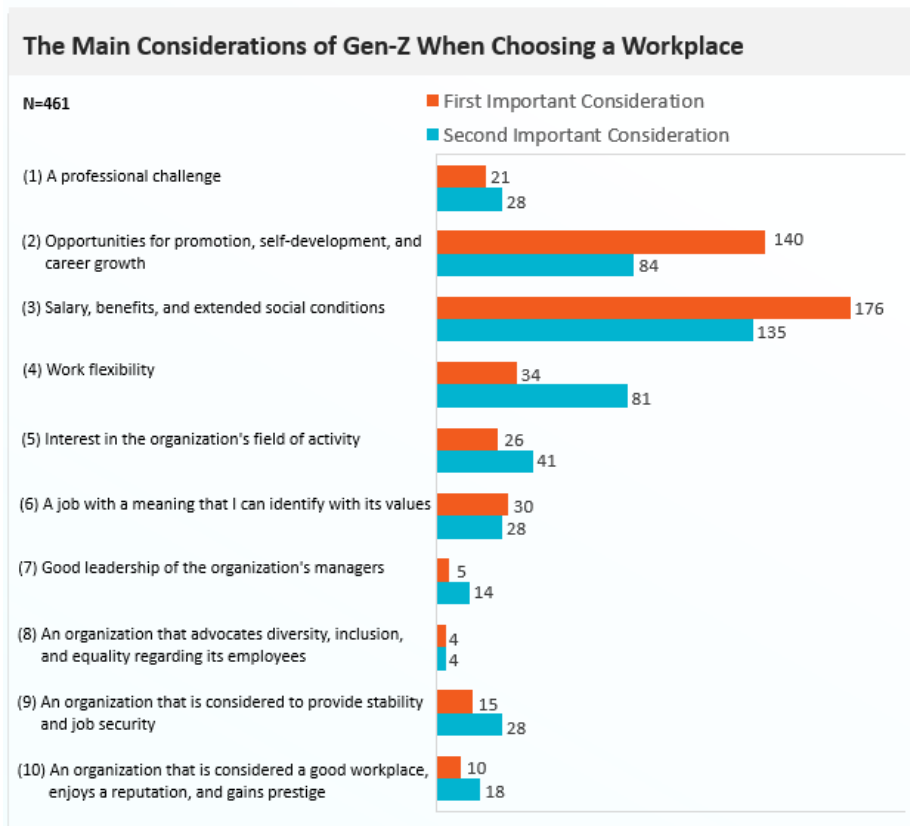


Figure 1: Key workplace priorities for Gen-Z candidates

If in the past stability and job security were the most important values in the employees' considerations when applying for a job (Maloni et al 2019), we discover that the new generation of employees is less conservative and does not place them as the top priority (N=15, 3%). Moreover, despite the growing awareness of the issue in recent years, less than 1% indicated that they would choose a workplace according to its degree of support for diversity, inclusion, and equality (N=4, 0.8%).

For the past decade, global media discourse has extensively covered the far-reaching impacts of climate change on our daily lives. The multitude of articles on this subject encouraged the perception that sustainability has a warm place in the hearts of the younger generation. Nevertheless, our research unexpectedly discloses that one-third of the respondents conveyed that the commitment of their organization to sustainability and environmental quality is of negligible or minor importance to them (N=152, 33%). It can be assumed that even if the issue deserves treatment in their view, they do not see corporate responsibility as directly related.

The participants' responses to inquiries about their core message for business leaders emphasized the importance of a substantial income and fair compensation for their work. Within this discourse, a remark from one respondent illuminates the dominant stance among the younger generation on entering the job market: "Gen-Z is unwavering in its employment conditions, thereby rejecting any form of exploitation."

It is interesting to find that about a third of the respondents (37%) agreed (N=106) or completely agreed (N=66) that they would prefer an interesting job with an average salary to a boring job with a high salary. In other words, over 60% are interested in making a good living, even at the cost of a lack of interest in work (see **Figure 2**).

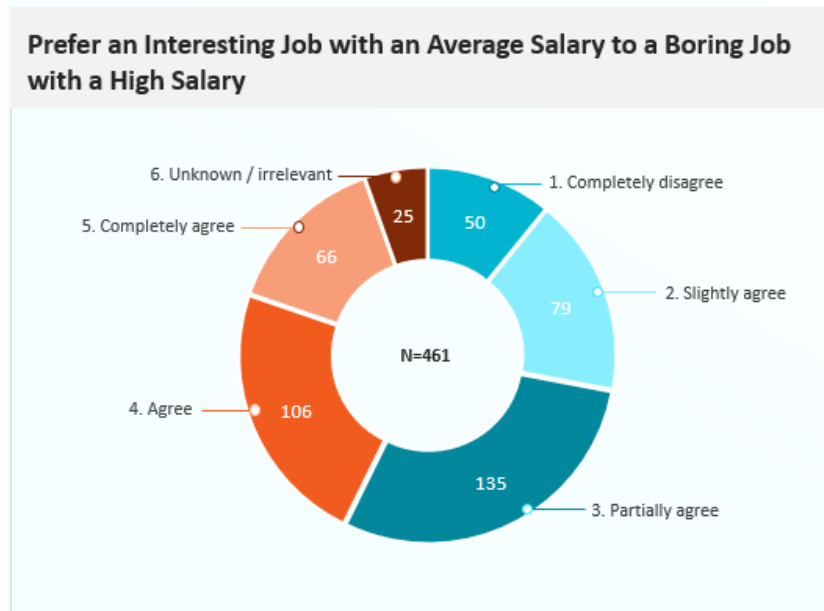


Figure 2: The preference for engaging work at average pay over monotonous roles with high compensation

Our research also delved into the potential catalysts for the digitally native generation's decision to exit their organization and seek a career change (see **Figure 3**). In corroboration with the results above, a quarter of the participants expressed they would tender their resignation if the salary did not fulfill their expectations, or if the benefits were found to be inadequate (N=114, 25%). Therefore, the predominant cause for resignation, as well as the chief incentive for affiliation with an organization, are intimately linked to opportunistic motives, encapsulated by the query, "What do I gain from this?".

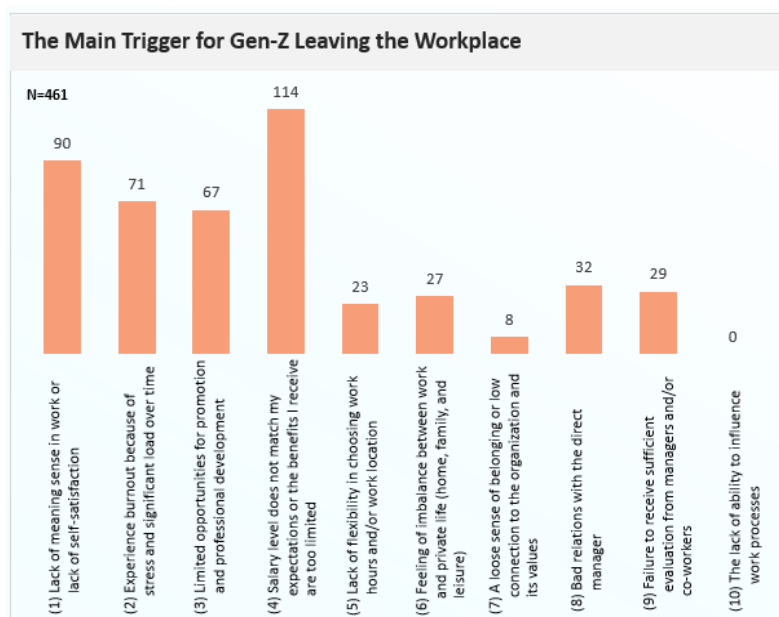


Figure 3: Principal catalysts for Gen-Z's workplace departure

Gen-Z is widely recognized for its idealism and goal-oriented approach in personal endeavors. The respondents highly value a sense of purpose and personal fulfillment in their professional roles, with 20% indicating that the lack thereof would compel them to consider resigning from their position (N=90).

In line with previous works, which claimed that Gen-Z places a high value on work-life balance (Kodithuwakku et al. 2018), our findings show that 71% agreed strongly (N=127) or agreed very strongly (N=201) that flexibility in working hours is extremely important for them. Moreover, 86% stated that they feel a high appreciation for organizations that encourage their employees to decide where they want to perform their tasks – from the office or home (N=398). Nevertheless, we find that only 8% would consider resigning if their employer required them to come to work in the office at least 3-4 times a week (N=35). This finding may be related to our discovery that the socio-economic situation worries the younger generation; Many of them chose to mention the harsh reality of the high cost of living in response to the open questions.

5. Summary

As a new generational wave begins to enter the workforce, it is imperative for corporate leaders to prepare their organizations for the workers of tomorrow. This research, with its preliminary results presented here, provides important insights that may help attract, retain, and manage Gen-Z talent, while creating a thriving and dynamic workforce.

The findings reveal a unique window for developing an improved understanding of the expectations and career aspirations of the new generation of workers. Along with the distinct desire for a high salary, adequate benefits, and excellent and flexible employment conditions, there is a statistic that suggests that Gen-Z attaches great importance to the feeling that they have where to grow. We understand that if employers emphasize the efforts they make for the development and advancement of employees, they will more easily win the hearts of this generation.

Considering the findings and that Gen-Z is more motivated by internal motivation compared to the generations that preceded it (Mahmoud et al. 2018), business leaders must adopt managerial skills that will be useful in strengthening the young workforce' meaning sense. Added value for businesses can be achieved by implementing effective support mechanisms for changes in work environments and developing career paths tailored to this new age group.

The results provide a rich foundation for further research on the future of work, particularly regarding the integration of "digital natives." Future studies could delve into the evolving expectations of Gen-Z as they advance in their careers, examining how their needs and aspirations change over time.

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