

WHO IS GEN Z: A DRIVE FOR DEVELOPMENT

Thought Leadership



The second in our Who Is Gen Z series, the Korn Ferry Institute's Amelia Haynes and Tessa Misiaszek break down why investing in learning and development is a key to keeping Gen Z talent.

Gen Z is one of the most intrinsically motivated generations. They are driven by meaningful work, responsibility, and the opportunity for growth and advancement. Growth, in fact, is the greatest source of motivation for Gen Z, according to a 2021 study in the *European Journal of Training and Development*. But companies won't get away with a copy-paste of previous learning and development (L&D) models. Gen Z talent is coming into the workforce with different kinds of qualifications, approaches to learning, and values. And if their L&D needs aren't met, they won't be inclined to stay. Understanding Gen Z's development wants and needs, then, will be a top priority across the employment cycle for this generation.

Gen Z's educational path differs from previous generations

Before the pandemic, only about two-thirds of students who began their college education completed it within six years, according to one study. Since the pandemic, a recent Gallup poll found these numbers have only declined, with a significant number reporting that it was very difficult to remain enrolled during that period. Many students—especially Native and Indigenous students, multiracial students, and lower-income students—delayed graduation, with some students taking gap years and never returning, according to the Higher Learning Commission.

Outside of pandemic pressures, there has been a steady shift away from traditional 4-year models, with more students considering associate degrees, micro-credentials, and certificate programs, according to a 2021 survey from Hanover Research. In fact, more than 50% of Gen Z students report being open to these kinds of alternatives. What's more, the same Gallup poll found that 20% of adults who are not currently enrolled in higher education have considered joining a 2-year program, while 19% report have considered pursuing certificates, making these options the most popular pathways to higher education for those not currently enrolled.

In parallel, the Higher Learning Commission found that employers support and often encourage short-term credential programs that offer immediate return-on-investment. In particular, there has been an increased interest in certificate and micro-credentialing programs in fields like health informatics and business. And, according to Hanover Research, universities are being challenged to reimagine or restructure their current offerings, learning outcomes, and tuition structures to support these in-demand programs to match the needs of a workforce focused on developing new skills. These programs can support the reskilling and upskilling that lead to immediate promotion or new job attainment.

Because rates of attendance and completion of higher education programs are falling for Gen Z students, the Gen Z worker does not necessarily come with traditionally recognized qualifications. The Gen Z learner is looking to develop job-relevant skills, both in non-traditional educational settings as well as on the job. But they may be losing out on some of the basic lessons a person learns in a higher education journey—in and out of the classroom. Negotiation, conflict resolution, emotion management, building trust, developing relationships, and engaging in constructive dialogue are all skills people learn in higher education settings.

Why learning & development matters to Gen Z

Research on Gen Z talent shows that a focus on development and career progression is deeply linked to being values-driven. Gen Z, perhaps more than other generations, values purpose, meaningfulness, and intrinsic motivation, according to a 2022 *Sustainability* study. This meaningfulness can be fostered through the acquisition of skills and knowledge, as well as support of career progression that enables employees to grow professionally. The same study found that Gen Z prioritizes work activities, learning new skills, and taking on challenges as a way of making a difference in their community and to experience their potential in a way that serves a higher purpose.

For Gen Z, opportunity for growth and development is an extension of their commitment to inclusion, equity, and sustainability. Gen Z is more diverse than previous generations, and this diversity—in addition to pervasive conversations

around social justice and equality—has created a generation deeply focused on these issues. As such, they place high value on the democratization of learning, according to research published in the journal *Current Psychology*. Some studies suggest that, in recognizing that underemployment significantly disproportionately affects women and marginalized populations, infrastructure around L&D can create the necessary learning and growth opportunities that can mitigate these inequities. What's more, having an inclusive workforce necessitates training around conflict resolution, building trust, emotion management, and positive dialogue, underscoring the need for a robust and integrated learning and development function.

An analysis of Korn Ferry global engagement data shows that 76% of Gen Z employees view learning & development as an important driver of their own engagement in the workplace. In addition, 60% of employees under the age of 40 viewed understanding their own career advancement as another important driver in their commitment to a company, while 94% of employees—across all generations—report they would stay at their job longer if the company invested in their own learning and progression. Researchers from the University of California-Berkeley found that, despite being one of the most motivated generations, only 19% of Gen Z'ers have held an entry-level job prior to adulthood. But these jobs are critical for building basic skills around workplace behavior and effective interpersonal dynamics. Companies, then, will need to understand the learning patterns and preferences of Gen Z, as well as the skills that will be required to help Gen Z catch up.

Key takeaways for companies

1. Gen Z is highly motivated by opportunities for development and career progression. Being digital natives, they are hyper-cognitive, juggling multiple forms of technology at once, and they mirror this in their drive for personal and professional development.
2. They learn differently compared to previous generations, opting for experiences versus traditional incentive. Values play a big role in what and why they choose to learn.
3. If they're not given the opportunity to develop and advance, they will seek alternative employment.

“Today’s companies need to become learning organizations, which has a direct impact on a firm’s performance,” says Mark Arian, CEO of Korn Ferry Consulting. “Therefore, companies need to make learning accessible to employees, which will win their loyalty and fuel the growth of the company.”

Development opportunities are the top consideration for millennials and Gen Z talent in choosing their employers. Not only is it a key factor in how Gen Z chooses where to start working, it also determines whether they stay with an employer. And Gen Z professionals are most likely to leave an organization when these individual needs around flexibility, opportunity for growth, and career progression are not met, according to *Current Psychology*.

As Arian puts it, “With today’s competitive landscape for highly skilled Gen Z talent, it is important for companies to demonstrate their investment in the professional growth of their employees.”

Authors

Amelia Haynes

Research Manager, Korn Ferry Institute

Tessa G. Misiaszek, PhD

Head of Research, Korn Ferry Institute

Contributor

Mark Arian

CEO, Korn Ferry Consulting

About Korn Ferry

Korn Ferry is a global organizational consulting firm. We work with our clients to design optimal organization structures, roles, and responsibilities. We help them hire the right people and advise them on how to reward and motivate their workforce while developing professionals as they navigate and advance their careers.

Korn Ferry. Career Makers. Business Advisors.