

WHO IS GEN Z: THE RESTLESS GENERATION?

Thought Leadership



The third in our Who Is Gen Z series, Korn Ferry Institute's Amelia Haynes and Tessa Misiaszek explore why Gen Z employees are leaving their jobs and what to do to make them stay.

Some organizations believe that there is something profoundly different about the next generation of talent, as evidenced by alarming rates of attrition among employees ages 18 to 25. As much as 50% of Gen Z workers are reportedly disengaged from their jobs, and a recent Korn Ferry article suggests that workers 35 years old or younger are [especially susceptible to disengagement](#). According to a recent study, 40% of Gen Z employees report wanting to leave their job in the next two years, while 35% say they would leave their current job without having another lined up. With Gen Z workers posed to make up [a quarter of the labor force by 2025](#), engaging and retaining this talent pool is critical to the future of any organization.

Why are Gen Z employees leaving?

They feel disconnected.

Gen Z talent is more likely than other generations to be ambivalent about their workplace. Roughly half of Gen Z employees are not engaged: research shows that most young workers [don't feel a close connection to their coworkers, manager, or employer](#). And recently, there have been [significant decreases](#) in the extent to which young people feel “cared about” at work.

Faced with this dilemma, many employers have pushed for return-to-office policies, counting on the notion that connection is a byproduct of proximity. However, companies would be remiss to think that this quick fix would reignite Gen Z

talent. Echoing sentiments that have been seen across job forums and social networking sites, return-to-office policies would likely have an overwhelmingly negative affect on Gen Z retention. According to a 2022 survey, Gen Z talent is [more likely than any other generation to leave or consider leaving a job due to inflexible work policies](#).

Fortunately, there are alternatives to increasing connection. Developing robust onboarding practices is one way Gen Z talent can be re-engaged and ultimately retained. Effective onboarding [has been shown to increase both retention and productivity](#), by as much as 82% and 70%, respectively. Yet, a recent survey found that only 10% of employees felt that their organizations had successful onboarding programs, underscoring a significant opportunity to increase retention and engagement without a blanket back-to-office call.

The future is unclear.

Development plays a critical role in the experience of the Gen Z employee. Gen Z talent is eager to learn and keen on understanding the opportunity for mobility and career progression—even more so than their Gen X and Baby Boomer counterparts. In fact, over the first three years of employment, lack of opportunity for internal mobility has shown to have a [significant negative impact](#) on the likelihood of employee retention.

Gen Z's constant push for progress is likely related to the fact that they are the most interconnected

generation yet, according to a 2017 ISE Research Institute study. They are being raised at a time when information is constantly available and evolving. Thanks to online education platforms, streaming services, and digital information centers, their appetite and access to information provides instant gratification. To keep Gen Z meaningfully engaged, researchers suggest companies need to provide access to learning and career advancement opportunities.

A recent study published in the journal *Sustainability* also shows that skill variety creates an experience of work meaningfulness for Gen Z, which is critical for retention. Intent-to-stay, therefore, can be supported through activities like skill building, knowledge acquisition, and supporting career progression. Managers be strategic about assigning projects and developing career pathways that focus on skill development and align with goals and values of Gen Z employees. Development opportunities not only get Gen Z in the door, but also keep young talent interested and engaged over the course of their employee experience.

They're burned out.

Mental health issues have been increasing over the past several years, likely in part due to the effects of the pandemic. For college students, emotional stress was cited as the primary reason for dropping out or considering dropping out of school in 2021. Today, it is an even more commonly cited reason to break from higher education than it was in 2020, according to a recent Gallup poll. The stress of those students has become the stress of the Gen Z employee.

Sixty-eight percent of Gen Z and younger millennials report feeling stress “a lot of the time.” As burnout has been shown to influence job performance and long-term career growth, this is a serious concern for leaders. Burnout is also correlated with physical health risks and poor personal relationships. Employees who experience chronic stress are more likely to leave their job, which may explain in part the phenomenon of “job hopping” seen in younger generations.

As Gen Z talent pays more and more attention to their well-being, they are looking for companies to do so as well. A recent report found that [two-thirds of Gen Z employees](#) would like to see their employers demonstrate greater investment in mental health and well-being to improve company culture; over 50% of millennials, 41% of Gen X'ers, and 31% of Baby Boomers said the same. When considering whether to take a job with a different

organization, Gen Z talent is considerably more likely to look for greater work-life integration and better well-being.

They're looking for purpose.

Engaging and retaining Gen Z talent is as much about what a company offers them as much as it is about what the company stands for. For younger generations, purpose is pervasive. Gen Z is looking for meaningful work that offers them an opportunity to grow and develop, as well as a company that is publicly committed to improving society, protecting the environment, and supporting people's well-being.

The upbringing of Gen Z has been defined by social unrest, climate change, and global crises, which in turn has shaped their views and purpose. As a result, research shows, Gen Z shows higher levels of respect and concern for individual rights, privacy, and equal opportunity than previous generations, prioritizing mental health and social values. This impacts [the products they choose to buy and where they choose to work](#). Gen Z talent makes these kinds of decisions in ways that support the communities in which they live and make a positive impact on the world.

Not only is Gen Z highly vested in determining their own purpose, but they are also seeking better alignment between their employment and their values—[more than other generations](#). In fact, Gen Z's level of satisfaction with their employer's commitment to social impact, diversity, inclusion, equity, and sustainability has been shown to directly impact job loyalty and intention to stay. Those who are satisfied with their organizations commitment level and demonstrate efforts in these domains are [more likely to want to stay with their employer for at least five years](#).

“If you are on calls with me 10 years ago versus now, you would see a difference in my approach to engage the workforce,” says Doug Charles, President of Korn Ferry's Americas region and Global Consumer operations. “Before I spent a lot of time showing people the plan or convincing folks that we had steps to get form point A to point B. Now, I spend more time ‘pulling’ them than ‘pushing.’” “I spend time explaining the situations, our options, and why we are thinking of moving in a certain direction. It's more time on the ‘why’, which makes an impact on this next generation of young talent,” Charles adds.

Organizations need to ensure that work is purpose-driven and provide opportunities to engage in activities that have a clear impact on

others, as well as be deliberate about sharing stories about the work that highlight Gen Z employees' impact. These kinds of practices will create meaningful experiences and support the retention of Gen Z employees.

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Gen Z may appear to be a restless generation

Many Gen Z employees report hoping or planning to leave their current job within the next six months. But Gen Z isn't leaving for the sake of leaving. Young professionals are looking for flexibility, a clear career trajectory, a commitment to mental and physical health, and alignment with personal values. Putting this all together, employers have an opportunity to offer a total rewards package to new Gen Z employees that will attract, develop, and retain them at the company for the long term.

Key takeaways for companies

1. Gen Z is especially susceptible to disengagement. Engaging and retaining Gen Z talent is as much about what a company offers them as much as it about what the company stands for.
2. Gen Z is looking for meaningful work that offers them an opportunity to grow and develop, as well as a company that stands for (and practices) commitment to society, environment, and well-being.
3. Developing a matrixed organization that allows for opportunities for cross-functional teams and new work experiences will help retain a generation of workers who learn at a much faster pace than previous generations.

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