5 Ways the Workplace Needs to Change to Get the Most Out Of Generation Z

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Get ready: This newest generation thinks about work differently than any before.

Everyone loves to ask questions about millennials: what do millennials want? How do you work with millennials? Why can't we stop talking about millennials? But the oldest millennials are now approaching 35: They're already part of the work culture. The next big step is for organizations to also begin thinking about Generation Z, those born in the mid-'90s to early '00s. Generation Z currently makes up a quarter of the U.S. population, and more than 20 million of them about to enter the workforce, all fueled by their own motivations and needs.

A recent report from Adecco Staffing USA sheds light on Generation Z and its ideas about work and the workplace. There is a great deal of interesting data in the report, but one thing that stands out is their openness to moving from job to job. The report states that 83% of today's students believe three years or less is the appropriate amount of time to spend at their first job and over a quarter (27%) of students believe you should stay at your job for a year or less.

These stats aren't good news for employers. Recruitment and retention remain key lines on every company's balance sheet. Current data suggests it costs between \$15,000 and \$20,000 to replace millennial employees and increased turnover driven by Generation Z would only accelerate those costs. While there are many factors that will impact how companies attract and keep the next generation of employees, the time is now to start thinking about how the workplace can be an asset.

Here are five emerging themes from Generation Z our team at CannonDesign sees and ideas for how organizations should address them to best position their workplaces for success.

1: Prepare Millennials for Managing Generation Z

As millennials hit their early and mid-30s, they are beginning to manage the first members of Gen Z who enter the workforce. This will create an interesting dynamic as the two generations are similar, but have unique differences. Early research suggests Gen Z prefers in-person communication with managers and peers. They also show preference to well-defined chains of command and teaching-style leadership, which may bode well for millennial managers as they prefer working more openly and closely with their direct reports. Millennials may have an easier time managing Gen Z in the workplace than their Baby Boomer superiors did with them, which may be due in part to the similar characteristics they both have: high levels of self-confidence, a desire to learn new job skills, and a "can-do" attitude toward work.

Where the two differ is that Gen Z tends to be more realistic regarding expectations in the workplace and has a stronger desire for managers to listen to their ideas and value their opinions. Gen Z has seen millennials struggle during the recession and is more concerned about financial stability, landing a stable job, and securing a healthy trajectory for their career. In addition, Gen Z tends to thrive on private time to think, tinker, and explore new ideas, while remaining close to their teammates for mentorship, advice, and connection. Millennial managers will need to find opportunities for Gen Z employees to lead, showcase their abilities and provide a fresh perspective for many undertakings to fuel their entrepreneurial tendencies—all helping them secure a bright future within the company. Organizations will need to coach millennials on how to provide this type of management and also create workplaces that support these relationships to maximize Gen Z's potential.

2: Detox Your Workplace of One-Size-Fits-All Solutions

If there's one undeniable positive to be gleaned from the past decade of back and forth about open vs. enclosed office environments, it's that organizations are now realizing they need to invest in customized workplace solutions that address four main types of work: concentration, collaboration, socialization, and education. This will become even more necessary as Gen Z brings enhanced individualistic and entrepreneurial drives into the workplace that will require re-thinking how the workplace can support collaboration, idea generation, and recognition. With mobility on the rise and less time spent working at a personal desk, companies need to create purposeful spaces designed to support these various work modes.

The Adecco report also highlights that Gen Z is eager to thrive in the corporate world and 30% believe their education has not taught them "real life" business skills. As a result, they're looking for work environments that foster mentoring, learning and professional development opportunities. These desires are fueled by their concern for financial stability and entrepreneurial tendencies. All of this, coupled with the preferences of three other generations in the workplace, means it's even more imperative for organizations to invest in research and take closer looks at their organizations—their culture, the types of work their people do, the engagement level of employees—and create strategic responses.

Understanding these realities and responding to them with workplace solutions creates a winwin for the company and its employees.

3: Encourage Team Work, Play, and Flexibility

Other telling stats from the Adecco report show that a friendly work environment and allowance for flexible schedules were both in the top five attributes Gen Z will look for in a job. More than any other previous generation, Gen Z will put pressure on organizations to provide flexible work environments. They will be looking for workplaces that stimulate their entrepreneurial edge, by balancing opportunities for short bursts of face-to-face collaboration with private space for independent quiet work. This means companies need to find creative ways to introduce a variety of spaces into their real estate. Embracing private spaces, open spaces, and fun, social spaces in technology-rich environments will be key to creating a work environment that is attractive to Gen Z.

Organizations also need to understand that modern technology means that employees do not need to be tethered to their desks. With the ability to read e-mail on their phone and update presentations on their iPads, Gen Z will look for highly flexible work environments and may choose to work at their desk for certain tasks and then from a collaborative open space for another. Some organizations are even beginning to look at how they can integrate outdoor environments to further enhance flexibility and choice for employees.

Beyond just the workplace, Gen Z will continue to blur the lines between work/life balance as they expect to have fun at work and stay connected digitally 24/7. With technology that enables us to work anywhere anytime, the 9-5 work day is quickly becoming a thing of the past.

4: Constant Connectedness Requires Seamless Integration

Gen Z has never known a world without computers. Most of them spend hours a day connected digitally via their phone, laptop, or tablet. In fact, according to a <u>Sparks & Honey report</u>, these "digitarians" will often multi-task across five-screens throughout the day. Technology is an integral part of Gen Z's lives and they will expect it to be seamless in their work experience. Advance technology will determine where and how Gen Z works, whether it's an app that allows them to choose a place to work based on access to natural light, noise, and number of people nearby, to the gesture-enabled smart watch they can use to send a document while in route to a meeting or even the virtual reality avatar they can use when they get to their destination. Gen Z is well versed in real-time workplace tools that allow them to communicate, edit documents, and advance work collaboratively regardless of geographies or time zone barriers.

No doubt, technology advances will continue to change the way we all work, but however technology is integrated into the workplace, speed is the critical name of the game. Gen Z has grown up always thinking "there's an app for that," and they rely on technology to expand their resources and be very efficient in their work. Downtime caused by technological inadequacies is especially frustrating to Gen Z and often a leading cause of dissatisfaction in the workplace.

Organizations that are at the forefront of workplace technology trends and invest in IT infrastructure that supports this seamless experience will be pleasantly surprised and rewarded by Gen Z's ability to leverage this connectivity.

5: Healthy Place, Healthy Bottom Line

Generation Z has grown up immersed in the discussion about climate change and the need for sustainable design solutions. They expect organizations to care about their energy use and carbon footprint and have an interest in helping. Data from Sustainable Brands in 2014 suggested that 77% of Generation Z feel businesses should make "doing good" a central part of their business and 45% agreed with the statement that they'd rank working for a company that helps make the world a better place as important as salary. This is aligned with data that reveals 76% of Generation Z is concerned about human impact on the planet and believe they can operate as a change agent.

In addition to sustainable design solutions, a recent global study by The Nielsen Company revealed that 40% of Gen Z prefer food ingredients that are sustainably sourced, reduce disease risk, and promote good health. Not only is this their preference, 41% of Gen Z and 32% of Millennials are willing to pay a premium for it. These stats could bode well for companies' wavering on whether or not to close their underutilized food service facilities or those looking to invest in healthier onsite food options for their employees. Moreover, reports from Millennial Branding and Randstad indicate 40% of Gen Z want companies to have a formal wellness program.

These statistics are eye-opening and it suggests organizations need to truly embrace a sustainable, healthy culture that is embodied by their workplace - everything from how natural daylight fills the space, to energy performance, to space that accommodates virtual meetings, to a place for walking meetings, to the healthy food options available onsite. There are ways for every organization, regardless of size or scale, to create sustainable and healthy strategies that are integrated into workplace design.

Gen Z is about to enter the workforce and companies will need to work harder than ever before to recruit and retain the best talent. Organizations need to start developing plans for success today because, before you know it, we'll be talking about whatever generation comes after Generation Z, and it will be too late.