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Hey Bosses:
Here's What
Gen Z Actually
Wants at Work

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Abstract

Given the increasing presence of Generation Z in the workforce (estimated to make up 36% of the global workforce[i]), we set out to better understand their perspectives about work and, more specifically, their relationships with their bosses. We identified five key challenges or areas of misalignment that are common to the relationship between Gen Z workers and their bosses, including differences in (1) importance placed upon empathy, (2) perspectives on mental health, (3) ideas about the importance of work to personal identity, (4) expected and actual job training and (5) ideal reward structures. These specific challenges tend to fall into three different types of gaps: knowledge gaps, alignment gaps, and execution gaps, each with implications for what members of Gen Z and leaders can do to close the gaps. This is part one of a two-part report exploring the perspectives of Generation Z at work.

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[i] Top 5 Motivators for Gen Z in the Workplace - The HR Gazette and HRchat Podcast (hr-gazette.com)

Introduction

Gen Z, the generation of individuals born between 1997 and 2012, (who in 2023 are between the ages of ten and twenty-five) is the first to grow up with smartphones and social media, along with the associated conveniences and pitfalls. They are also the first generation to finish their education and enter the workforce during a time of pandemic, a global quarantine, and the hybridization of work. Deloitte's annual Gen Z and Millennial Survey [ii], currently in its eleventh iteration, has pioneered the examination of Gen Z's distinctive qualities. The most recent survey illuminates Gen Z's uniquely purpose-driven characteristics as both consumers and workers on a global scale. As consumers, Gen Z voices their opinion with both their wallet and their voice: they are the first generation raised in an era where social media enables consumer coordination and mobilization to hold companies accountable. Gen Z has been equally vocal about their expectations as workers. They cite pay, mental health, and burnout as top reasons for leaving their jobs, and work/life balance, flexibility, and development as priorities when choosing a new job.

> *You do your own research [before taking a job]: social media … has users showing you what a day in the life of a role looks like. It's an honest review of work-life balance, not from the employer."*
> *– Hayleigh*

Unlike older generations who established their professional identities in primarily in-person spaces and networks, Gen Z has entered the workforce in a post-pandemic state of flux, one where recent Deloitte studies have found that there is little consensus amongst workers[iii] and organizations[iv] alike about what the future holds at work. Gen Z is navigating this landscape of isolation and social challenges to establish their professional relationships and work identity.

> *Remote work makes it challenging to grow professional relationships; it's not like I can't be myself, but it's harder for those instances to come up."*
> *– Tate*

[ii] The Deloitte Global 2022 Gen Z and Millennial Survey
[iii] Making Hybrid Work for Everyone | Deloitte US
[iv] 2021 Return to Workplace Survey | Deloitte US

While these previous studies illuminate Gen Z in rich detail, we recognized an opportunity to add further dimension to our understanding by exploring one of the most critical relationships for Gen Z: their relationship with their bosses. Perhaps nowhere are professional relationships more important to workforce engagement and job satisfaction than between a worker and a boss, as vividly illustrated by the common saying "you don't quit a job, you quit your boss." The relationship between Gen Z and their bosses is a crucial meeting point where the beliefs and preferences of Gen Z interact with the often differentgenerational sets of beliefs and preferences of their bosses. As such, we chose to explore this relationship to further understand the challenges between Gen Z workers and their bosses and begin investigating potential solutions to address these gaps.

> *I can't be in the office, which limits my ability to get to know people. A majority of time is with coworkers on calls, but there is always an agenda we need to get through and no small talk"*
> *– Taylor*

Our aspiration is to Elevate the Human Experience™ because we don't wake up as 'employees' or 'customers'; we wake up as humans. To that end, we have been researching the lived experiences of different groups of humans with intersecting identities because we believe that you can't elevate anyone's experience generally; you must understand their lives specifically. We know through our prior research that all younger generations trust less than older generations at work[v], and that 18-24 year-olds are more likely to be talked over at work than their older colleagues[vi]. So, what's unique about Gen Z? We set out to find out by conducting more than a dozen qualitative interviews with Gen Z workers. Based upon themes identified during those interviews, we surveyed 2,000 Gen Zers[1] and 600 bosses distributed across the other generations in the workforce – Millennials, Gen Xers, and Baby Boomers. The survey included demographic breakouts by gender, identification with the LGBTQIA+ community, racial/ethnic diversity, and between blue-/white-collar professions. It included a mix across work stages and types, organization sizes, and boss levels (see figure below). We also incorporated data from the survey completed by Deloitte's Workforce Experience by Design[vii] team that surveyed over 4,000 individuals across industries and role-levels, which included a mix across age, primary work environment, and other socioeconomic variables.

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[1] For our research on Generation Z in the workplace, we only included members of Gen Z who were 18 years of age or older. The Gen Zers interviewed represent a range of 0-5+ years of work experience.
[v] The Four Factors of Trust | Deloitte
[vi] Elevating the Human Experience (deloittedigital.com)
[vii] Research shows workforce experience drives loyalty and retention (deloittedigital.com)

Our Segmentation

Total Respondants 1718

Women	**774**	LGBTQIA+	**419**	Blue Collar	**829**	Racial/Ethnically Diverse	**798**
Non-Women	**944**	Non-LGBTQIA+	**1299**	White Collar	**798**	White/Caucasian	**1051**

We designed our study to examine the relationships between Gen Z workers and their bosses. Through the study, we found certain areas where the two groups share the same priorities and beliefs. For example, both Gen Z workers and their bosses feel they are on the same page with respect to the need for patience when cultivating working relationships. Both groups also place value upon showing appreciation for positive contributions, and upon the importance of psychological safety. In addition, both groups greatly appreciate flexibility in the workplace. These areas of alignment indicate the budding potential in the relationships Gen Z is forming as they interact with—and work alongside—members of other generations. However, as we look more closely, there are some notable challenges and areas of disconnect that stand out between Generation Z and other generations.

[vii] Research shows workforce experience drives loyalty and retention (deloittedigital.com)

Five Key Challenges

We identified five main challenges for Gen Z employees and their bosses based on survey responses. These challenges represent areas where the beliefs and priorities of the two parties may create tension or difficulty.

1   **Contrasting views on the importance of empathy:**
Gen Z workers highly value empathy on the part of their bosses and consider it a prerequisite to engagement at work, but bosses do not place as high of a value upon demonstrating empathy.

Clara[2], a shift supervisor from Illinois, described her experience over the course of her five years in the workforce at a large wholesale retailer. She spoke of an intense focus on productivity measures and tangible outcomes on the part of management. This focus often came at the expense of feeling like her boss cared about her as a person. She described feeling like there was a lack of consideration for her emotional state and respect for her as a person.

> *"Our employee survey asks a question like 'Do you feel respected?' and I thought to myself 'No!' I have never gotten that respect since management [has] more of a 'do your job and get it done' mentality."*
> *-Clara*

She is not alone in placing importance on empathy. We found that Gen Zers rated empathy as the second-most important trait in a boss which would help them relate to Gen Zers, behind only patience. However, this is distinctly at odds with the attitudes of the bosses of Gen Z workers we surveyed. When bosses were asked what they believe are the top traits for them to relate to Gen Zers, bosses rated empathy a distant fifth. Clara's sentiment played out in our survey responses, where Gen Zers were the generation least likely to say that their manager treats them with respect.

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[2] Note: all names and stories have been altered in order to protect the anonymity of research participants

1/3

1 out of 3 of Gen Zers in the work force reported not feeling cared for at work

Addressing this area of challenge is crucial for creating a workforce that is engaged.

3.3x

Gen Zers who feel cared for at work are 3.3x more likely to look forward to coming to work and are less likely to have plans to leave their job

What we heard during our research paints a picture of managers who are scratching their heads wondering how they can help Gen Z take on more responsibility and feel more engaged at work. What bosses don't realize is that for Gen Z, empathy is considered a precondition to taking on increased responsibility and to meaningful engagement. Without a concerted effort to be more empathetic, bosses run the risk of their workers feeling disengaged, which can lead to lost productivity and increased turnover. Clara told us that she anticipates likely leaving her role soon and moving onto something else, despite not having another opportunity identified. Clara is not alone; the 2022 Gen Z and Millennial survey found that of the 40% of Gen Z workers who want to leave their jobs in the next two years, a third of them would do so without having another job lined up.

*Gen Zers Ranked **empathy** their second most important trait in a boss, bosses placed it a on average, a distant fifth*

2

**Divergent views about mental health
and the mental health impacts of work:**
Gen Z workers feel that they are not getting the mental health
support they need in the workplace and believe their ideas on the
mental health impacts of work differ from those of their bosses.

The 2022 Gen Z and Millennial report found that nearly half of Gen Zers feel burned out from their workloads; our research drives this point further, finding that the "mental health impact of work" is the area in which Gen Zers feel that their ideas most differ from those of leaders in the workplace. This sentiment held particularly true for our respondents who identified as women and LGBTQ+. This is a disconnect bosses recognize too, though to a lesser extent: about a quarter of bosses said they felt that mental health expectations of Gen Z conflict with existing workplace norms. All of this often plays out within a hybrid environment, where there is less direct social interaction, and it can be hard for bosses to monitor the wellbeing of their employees given the limited contact. We heard from Alexa, a Technical Account Manager who described how easily work can become an all-consuming presence, particularly in a world where the expectation is that you're working from home.

> *I want to leave work at work and not FEEL like I have to think about it; I don't want to feel overwhelmed."*
> **– Alexa**

We found that less than half of Gen Zers say their boss helps them maintain a healthy workload and 28% of Gen Zers say they struggle with their mental health because of their boss. This number was even higher, at 31%, for members of our survey who identified as racially / ethnically diverse.

However, we heard that bosses can help the situation by providing Gen Z workers with support. Alexa told us about one such helpful practice her boss engages in: holding 'career working sessions' where her boss takes into consideration her interests and skills and discusses the different types of roles that she could potentially grow into in the future.

This nontraditional support and more holistic interest in Gen Zers as human beings has the potential to be incredibly important.
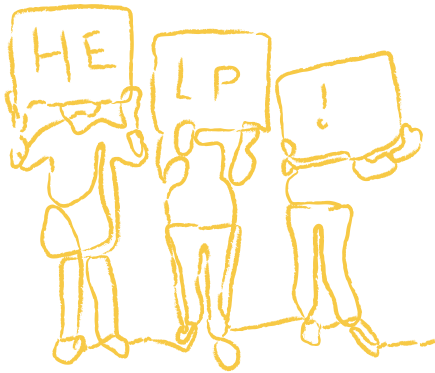
While 40% Gen Zers say that they do not get the support they need to perform well at their job, those that get the support they need at their job are 6.1x more likely to agree that work has a positive effect on their mental health

Mental health impacts of work is the number one area in which Gen Zers think their ideas differ from those of workplace leadership **#1**

3 **Disparate views on the importance of work to personal identity:** Gen Z workers and their bosses place different values upon work being a part of their personal identities.

Entering the workforce is a transitional period for each generation, but we learned that Gen Z has found this transition especially difficult. It is possible they feel this way due to the purpose-driven nature of the generation — which can lead to the belief that work must have a higher purpose — or due to the hybridization of work and the blurring of lines between work and home. We heard from Gen Zers such as Steve, a Sales Development Rep, that this transition into the workforce can fundamentally affect parts of their identity.

We found that the relationship between work and identity can shift over time. For Gen Zers who have not yet entered the workforce, less than half want work to be a significant part of their identity once they start working; this number is even lower for those individuals who anticipate pursuing a blue-collar career. In contrast, for Gen Zers already in the workforce, we found that 61% feel that work is a significant part of their identity. Despite this elevated importance for Gen Zers in the workforce compared to their pre-workforce counterparts, they still lag behind their boss' sentiment, with 86% of bosses saying that work is a significant part of their identity. Gen Zers notice this difference in attitudes towards work between them and their bosses, and feel that "attitudes towards work" are the second-greatest area in which their views differ from their bosses.

Our research paints a picture of the changing nature of identity, as well as the transitional time that entering the workforce represents. However, we also find that this translates into important outcomes:

Gen Z is the least likely generation to say that they often go above and beyond what's required of them at work.

This could be because of the limited upside: whereas bosses going above and beyond what's required of them may accrue benefits to their identity, Gen Zers are more likely to draw a line between work accolades and their personal identity. There are opportunities for bosses to think about how they motivate their employees based upon each individual's priorities, identity, and values, rather than assuming an inherent standard of value that work carries for all workers. And for Gen Z workers, there is an opportunity to recognize that identity is not fixed, and that engaging in the workplace is another opportunity to continue to learn and grow in new and unexpected ways.

"Work lets me push myself personally to grow and I can use these lessons and translate them into different parts of my life. Work exposes you to different mindsets, people, and problems."
- Maurice
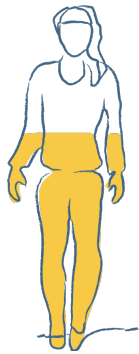
Gen Z
61%

Bosses
86%

While 61% of Gen Zers in the workforce said that work was a significant part of their identify, the number for bosses was far greater at 86%

4 Insufficient training and job-readiness for success:
Both Gen Z workers and their bosses feel that Gen Zers are underprepared and undertrained for their jobs, but struggle to address these deficiencies in increasingly virtual work environments.

Jenna, a recently graduated Customer Experience Agent, spoke to us about starting her first job. She described an experience with minimal human interaction, endless video-based trainings, and little actual skill-building or mentorship. She described the difficulty of this experience, highlighting the mental health impacts of isolation, as well as a general feeling of unpreparedness for the job. And according to our data, many Gen Zers feel similarly – we found that only half of Gen Zers feel they've been trained well enough to be successful when they enter the workforce, and 59% of bosses said the same about their Gen Z workers.

In this case, the challenge is not that Gen Zers and their bosses aren't on the same page – both parties feel that Gen Zers are largely not prepared for the workforce, and both parties are interested in addressing the problem. However, we heard stories about the deficiency of current training and development approaches, particularly in an increasingly hybrid world. There is a significant challenge that both bosses and Gen Zers must collaboratively work to address to ensure that workers are receiving the training they need to succeed.

The stakes here are significant:

2.5x

Gen Zers who believe they are learning the skills they'll need for the future in their current jobs are 2.5x more likely to agree that staying at their current organization is the best way for them to advance their career

If bosses and organizations are unable to effectively train Gen Z workers, not only are they reducing the effectiveness of their workforce, but they also face the potential for higher turnover. This turnover then requires more effort on the part of bosses to foster meaningful relationships within a team facing constant change in personnel.

5 **Contrasting ideal reward and recognition structures:**
Gen Zers want time-off as a reward from bosses, whereas bosses favor traditional forms of reward and recognition.

We heard about the importance of effective reward and recognition structures to Gen Z workers. However, we also heard interesting differences in which forms of rewards and recognition Gen Z prefer compared to their bosses. Edmund, a 24-year-old Mail-Processing Clerk, recounted to us how the overtime and hard work that accompanied holiday season started to leave less room for other aspects of life – aspects that were more important to his identity. The traditional compensation of increased wages and verbal appreciation didn't ease the lingering feeling that he was sacrificing things that were important to him.

> *I was doing overnight shifts and working long hours. I left work feeling drained ... I found that work started taking away my focus to play rugby and make music. These were activities that were part of my identity"*
> *-Edmund*

When we spoke to Edmund, he was looking for another job that had greater flexibility and time-off. And we found that this is a common set of priorities for his generation. Gen Z worker's ranked time-off as their top-choice for recognition by their bosses, many citing the desire to recharge and reconnect with their personal passions after the periods of intense work that often accompany accomplishment. However, when bosses were asked how they currently reward or recognize employees, they ranked time-off a distant 12th. There are some indications that bosses are open to utilizing time-off as a reward: when asked how they would like to reward or recognize their employees, they ranked time-off sixth.

This data shows that while time-off is still a less desirable form of recognition to bosses than it is to Gen Zers, bosses still would like to give more time-off than they currently do. Whether this is due to attitudinal or organizational constraints is likely context dependent, but it marks a significant opportunity for many teams. Gen Zers are aware that bosses have a different view of time-off: when asked where they felt their views were most misaligned with their bosses', Gen Zers ranked "time-off" as the third-greatest area. Time-off requires more exploration to determine how it might become a more standard form of reward, and designed in such a way as to increase positive engagement rather than create distance or disengagement between workers and their jobs.

Gen Z   **Time-Off**   Bosses

#1   #12
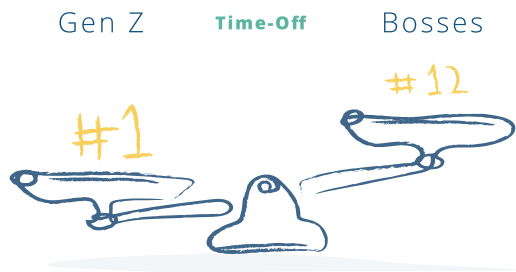
Gen Zers ranked time-off as the top compensation preference while bosses ranked it a distant twelfth

Higher-level Gaps

As we examine the challenges between Gen Z workers and their bosses, it is clear that many challenges share similar characteristics. As a leader, your relationship with Gen Z employees may fall into one of three gaps:

Knowledge
Alignment
Execution

1. **Knowledge Gap:** Bosses don't fully understand what Gen Z wants, but they agree that change is necessary.

Situations that fall within this gap are those in which bosses do not understand the exact issues or problems that their Gen Z employees are facing (such as in the different values placed upon empathy), but they are motivated to make positive changes. Unfortunately, the lack of understanding can often result in ineffective solutions or, at worst, actually contribute to the underlying problem. For example, in our research we heard from one Gen Z worker about a boss who recognized that his team needed improved mental health resources but didn't understand the specific resources that would most help address the underlying problems. This Gen Z worker noted that the boss then considered the problem "solved" after providing his chosen resources and would not further address the issue, leaving a negative impression on the workers that he had been seeking to help.

2. **Alignment Gap:** Bosses understand what Gen Z wants but disagree about whether a change is necessary.

Situations that fall within this gap are those where leaders understand the challenges being faced by Gen Z but disagree about the necessity for resolving the challenge or about the particular solution that would resolve it. An example of this sort of gap would be a Gen Zer asking for additional time-off as a reward, but a boss believing it might be disruptive to productivity to reward top performers with the ability to not work. In Alignment Gap situations, it is important for the two sides to work to recognize the validity of the other's position so that a mutually-agreeable solution can be determined.

3. **Execution Gap:** Bosses and Gen Zers agree that change is necessary, but bosses don't have the ability to deliver the desired changes.

In the Execution Gap, leaders understand what Gen Z wants, are aligned on the necessity to act, but struggle to do so. Leaders at different levels of organizations may lack agency, resources, or tools to circumvent existing policies that were put in place before Gen Z joined the workforce. Leaders may know that they need to improve their onboarding process, training, and/or coaching programs, but balk at doing so due to the significant commitment of time and resources it would take. And similarly challenging, leaders may not know of any solutions to help close a gap.

What can a leader do to address these challenges and close these gaps?

1. **Get curious.** We have shared qualitative and quantitative data from across industries in the US; you could explore a similar line of research with your workforce to understand what would elevate their experiences and build the trust of Gen Z specifically.

2. **Connect.** Be intentional about creating opportunities for connections between members of Gen Z and older generations. This can include investments in new workplace tools for engagement that connect employees using algorithms and emerging technologies[3].

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[3] One example of such technology is Natter, an innovative video conferencing platform specifically created to facilitate intimate conversation amongst group members.

3. **Co-create.** More than other Generations, Gen Z wants to have their voices heard. They want agency to create the future that they find meaningful. Enlist their energy and problem-solving skills.

4. **Build a culture of reverse-mentoring.** Your company already likely has older employees mentor Gen Zers. In the same way, you can promote a culture in which Gen Zers reverse-mentor their mentors, helping these older employees better understand Gen Z.

5. **Ask the influencers.** Tap into influential members of Gen Z inside and outside your organization to help test your ideas and shape the future culture of the workforce. We are collaborating with Gauge, a black-owned startup that has a network of over 12,000 influencers, to help us shape the actions we can take and access communities that are historically overlooked.

In all of this, it can be helpful to realize that each challenge and each gap represents an opportunity and a chance for increased connection and innovation as we create the workplace of the future.

Conclusion

One area that both members of Gen Z and their bosses agree is that the workplace can and must change.

+7/10
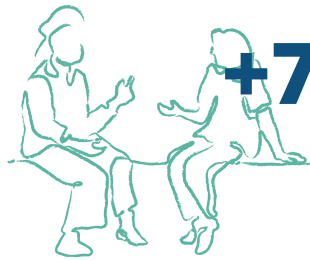
More than seven in ten bosses said that they are excited about the ways that the workplace will change as Gen Z makes up an increasingly greater portion of it

However, it would be unfair to assume that the workplace will be the only thing changing, as both Gen Z workers and bosses will also invariably adjust attitudes and behaviors to form the workforce of the future. We saw evidence of these shifts in our data when we found increasing percentages of Gen Z workers identifying with their jobs once they entered the workforce. While we have laid out some archetypes for the challenges between Gen Z workers and their bosses, each organization, each team, and each worker-boss relationship will have its own nuances, challenges, and opportunities for growth for all parties involved.

We recognize that identifying common challenges faced by Gen Z workers and their bosses is only the beginning of the process. As a continuation of this work, we will engage in an ongoing design process to further explore and develop solutions in this space. This research report identifies five common challenges faced by Gen Z employees and their bosses. We will conduct further rounds of qualitative research with Gen Z influencers as we seek to co-create solutions to these challenges.
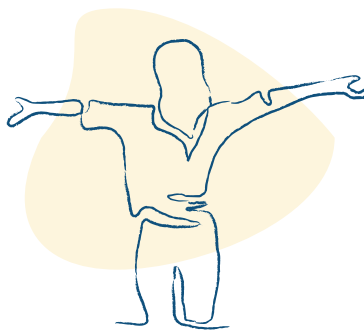
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