



# Gen Z at work

## 4 key steps for building lasting loyalty





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# Introduction



**Jessica Holt**  
Managing Director, EMEA

The term “multigenerational workforce” has gained increasing prominence in recent years, as organisations face the challenge of navigating four generations in their workforce for the first time. This diversity in generations can significantly impact workplace loyalty, as different age groups often have different priorities and expectations.

Our survey shows that older generations - Gen X, Baby Boomers, and even Millennials - prioritise long-term loyalty to a single employer and are less inclined to change jobs. In contrast, Gen Z sees loyalty as a two-way street, expecting employers to offer growth, development, and meaningful work in exchange for their loyalty. In short, what a “career” meant 20, or 30 years ago is no longer what it means to young professionals today.

High turnover can be costly for organisations due to lost productivity and onboarding, as it typically takes new hires around 28 weeks to reach full productivity.

When other factors such as hiring costs and potential additional temporary staffing needs are included, turnover cost per employee remains high. [PwC reports](#) that the United Kingdom’s inability to retain talent results in a staggering annual cost of approximately £42 billion for British businesses.

Given the stark contrast in workplace loyalty perceptions between older generations and Gen Z, who tend to switch jobs more frequently, the question arises: How can organisations instil workplace loyalty among Gen Z and mitigate the associated high turnover costs?

In this report, we present findings from our recent multigenerational workforce survey and share insights from industry experts on how to retain Gen Z employees and reduce the costs and challenges linked to their potential departure from your workforce.

# Navigating the multigenerational workforce

## Baby Boomers

(Born 1946-1964)

This generation experienced economic prosperity and social change. Many are now in senior positions within organisations. They often seek job positions with good benefits, retirement plans, and long-term stability.

## Millennials

(Born 1981-1996)

Also known as Gen Y, Millennials came of age during the digital revolution and the rise of the internet. They value work-life balance, personal development, and technology.

## Generation X

(Born 1965-1980)

Often referred to as Gen X, this group grew up during times of economic recession and witnessed the rapid rise of technology. They are known for their adaptability and entrepreneurial spirit.

## Generation Z

(Born 1997-2012)

The newest entrants into the workforce, Gen Z is characterised by their tech-savviness, social consciousness, and a preference for flexible work arrangements.



## Understanding Gen Z in the workplace

Gen Z's presence in the workplace has sparked both admiration and debate. This generation is reshaping traditional work norms, prioritising mental health, autonomy, and purpose over rigid hierarchies and long-term job commitments. Due to this shift in values from that of generations before them, 74% of managers and business leaders reported finding Gen Z more difficult to work with than other generations.

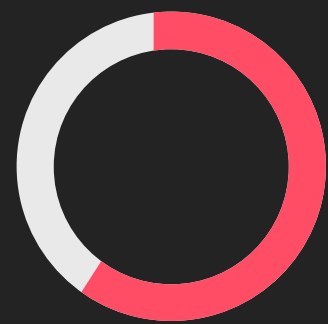
These young professionals are often misunderstood, as their focus on meaningful work, flexibility, and mental well-being is sometimes perceived as a lack of commitment. However, their refusal to embrace traditional management roles and their push for “conscious unbossing” reflect a deeper shift in how they view leadership and workplace culture. As businesses adapt to these changing dynamics, embracing Gen Z's values will be critical in fostering an engaged, multigenerational workforce.





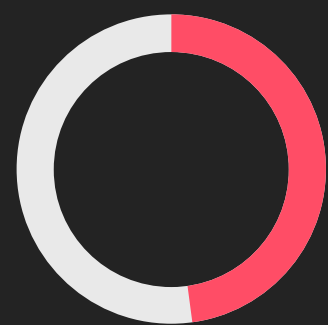
Our survey results reveal Gen Z values career fulfilment and their outlook on workplace loyalty greatly differs from older generations.

## Loyalty to company



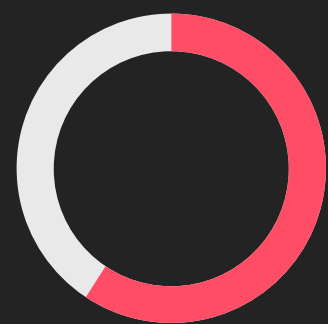
**64%**

of Gen Z stay with current employer for less than 2 years.



**48%**

of Millennials and Boomers stay with current employer for 5+ years.



**64%**

of Gen X stay with current employer for 5+ years.

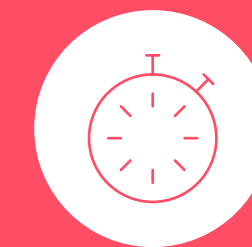
## Loyalty to industry

Gen Zs change industry

**3.5 times**

Millennials change industry

**2.9 times**



**Minimum time  
someone should stay  
in a job**

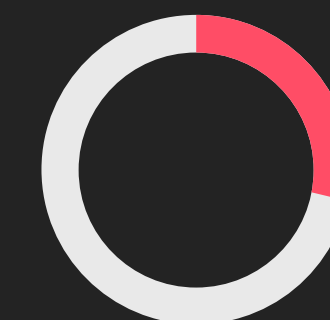
Baby Boomers say  
**3.75 years**

Gen Z say  
**1.33 years**



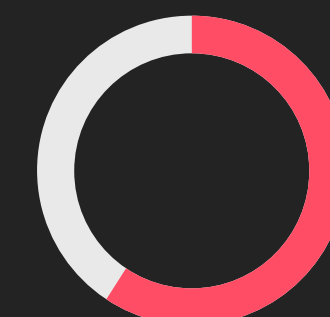
## Upskilling

### Gen Z



**34%**

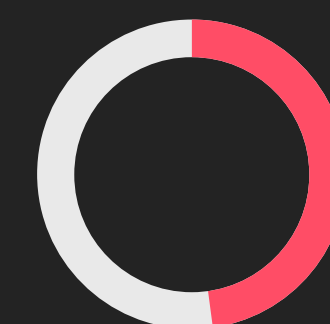
would take up freelance work to upskill themselves.



**73%**

would take a big pay cut or step down to switch to a more fulfilling career path.

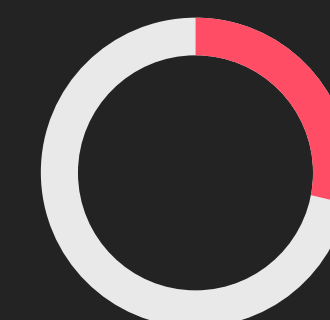
### Gen X



**41%**

would take a big pay cut or step down to switch to a more fulfilling career path.

### Baby Boomers



**32%**

would take a big pay cut or step down to switch to a more fulfilling career path.



# Factors shaping loyalty among Gen Z

## Social

Unlike the generations before them, Gen Z has been at the forefront of various social movements, such as Black Lives Matter, climate activism, and LGBTQ+ rights. They are passionate about social justice issues and expect their workplaces to reflect their values of equality, inclusion and sustainability. A lack of these values within the workplace will influence them to quit or change jobs and join an organisation that they perceive matches their values.

## Culture

Gen Z and millennials, shaped by a culture of continuous learning, prioritise organisational cultures that encourage skill development. Gen Z, in particular, often pursue side hustles or start businesses. Insufficient emphasis on skill development in the workplace prompts job switching. Additionally, having grown up with a wide range of cultures and in the era of climate awareness Gen Z will swiftly leave organisations lacking diversity, equity, and inclusion, or with poor ESG initiatives, gravitating toward those that do.

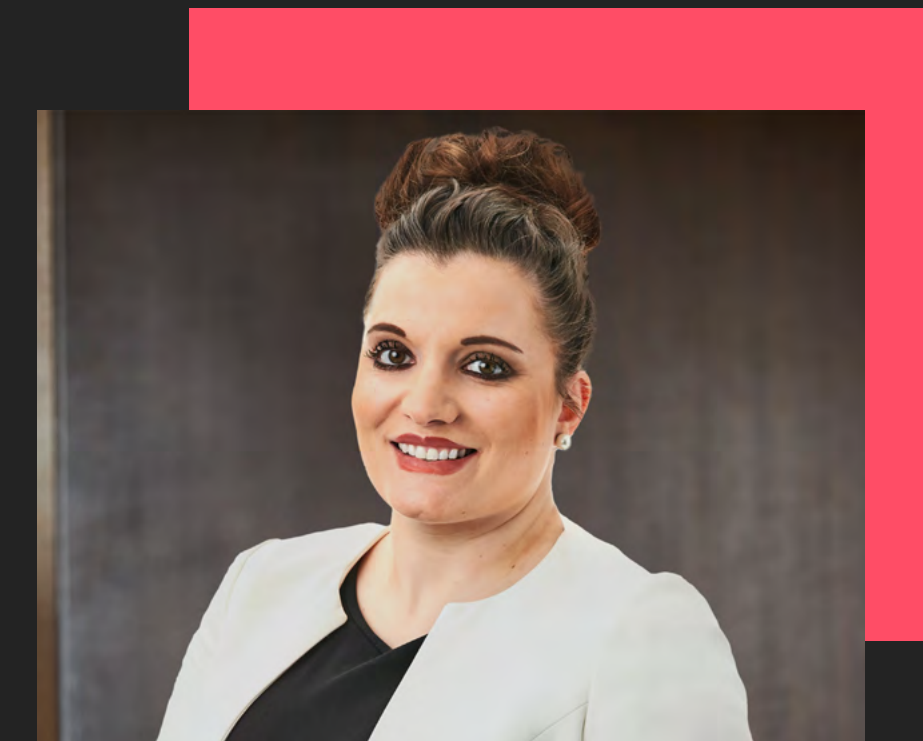
## Technological

Gen Z, unlike the generations before them, grew up in the tech age. They have easy access to online job boards and social media which also provides them another avenue for job opportunities. These tech advances have streamlined the job searching and job-switching process. They’re also accustomed to freelance and gig work and value flexible working arrangements for a better work-life balance. Insufficient technology in the workplace to support these practices can impact their loyalty to an organisation.

## Economic

Boomers traditionally embraced a long-term commitment to one company, and Generation X, emerging during the economic recessions of the 1980s and 1990s, valued workplace stability. However, younger generations, in today’s globalised and tech-driven job market, face more work opportunities. In addition, Gen Z, for example, experiences substantial salary increases of 10-15% when changing jobs. An appealing strategy, during the challenging economic times they face.





**“Technological advancements, social and cultural shifts, and a rapidly changing economy have empowered generations like Gen Z to take a more dynamic approach to their careers. Unlike older generations, they prioritise growth, adaptability, and meaningful experiences, making strategic job moves that align with their values and aspirations.”**

**Serena Pook**  
Global Head of Sourcing



## Step 1

# To create lasting loyalty among Gen Z employees implement skills-based hiring

## What is skills-based hiring?

Skills-based hiring assesses and selects candidates based on their skills, abilities, and competencies, rather than education, qualifications or experience. This approach fills talent gaps by hiring for potential and ensures adaptability to tech advancements and changing industry trends.

Skills-based hiring allows organisations to recruit individuals who may not tick every box on a traditional job description but possess the core skills that are essential to excel in the role. This allows organisations to bring in talent that they can shape and mould to fit their job descriptions, now and in the future. It's not just about filling positions; it's about building a team of individuals who are not only qualified but also have the passion and capacity to grow within organisations. It's crucial to assemble a workforce that not only meets the needs of today but evolves into the future.



## How does a skills-first hiring approach help in retaining a Gen Z workforce?

Insights from our [Top 10 Labour Market Trends](#) highlight that high university costs and student loan interests are discouraging young people from pursuing the traditional higher education-to-job routes. Embracing a skills-first approach, where for example a degree is not an essential requirement, levels the playing field and aligns with Gen Z's entrepreneurial spirit and ambitions for career advancement. This approach enhances the likelihood of long-term commitment from Gen Z talent within your company.

By focusing on a skills-first strategy in your hiring process, you can draw in highly sought-after Gen Z candidates who may not necessarily possess the conventional educational qualifications but still have the soft skills and potential you need.







**“The prospect of accumulating substantial student loan debt is a major concern for Gen Z, especially when they are uncertain about the return on investment in terms of future job opportunities and income.”**

**- Top 10 Labour Market Trends**

**Phill Brown**  
Global Head of  
Market Intelligence



## Step 2

# Integrating reskilling, upskilling and internal mobility initiatives into your HR strategy

Reskilling refers to the process of acquiring new skills or completely retraining employees to take on entirely different roles or responsibilities within the same organisation. Upskilling involves enhancing the existing skills and capabilities of employees to help them perform better in their current roles or to prepare them for more advanced positions.

Both approaches are valuable for filling skills gaps, maximising your current talent pool, and boosting employee retention among Gen Z by making it easier for them to move around, and move up, within your organisation. This fosters job satisfaction and helps them achieve their career goals while gaining new experience and learning new skills.

This strategy, in general, is crucial because of the ongoing technological advancements, shifting job requirements, and industry changes that continually occur.



## Step 3

# Consider the importance of ESG values amongst Gen Z

Gen Z want their employer to be serious in their sustainability and overall ESG (Environmental, Social, and Governance) initiatives. A lack of perceived seriousness or effective ESG practices will lead them to 'climate quit' or 'conscious quit' their job. Climate quitting is a trend in which individuals are willing to leave their jobs due to a perceived lack of ESG practices by employers which exacerbates the skills shortage issue.

Organisations can counteract this problem by effectively showcasing what ESG initiatives they have in place and how impactful they are. Examples can include electric car purchase schemes, single-use plastic bans in offices, or sustainable travel policies.

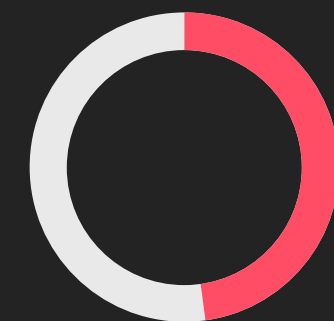
Gen Z at work

**Gen Z was raised in an era with increased awareness of mental health. They value remote work and flexible schedules. Offering sabbaticals aligns with their lifestyle of reducing stress and burnout while enhancing mental and physical health. Organisations should consider a flexible working approach to reap higher retention rates among Gen Z.**



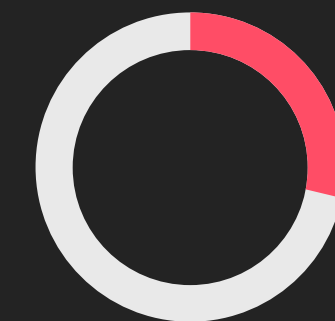
## Offer a more flexible work-life balance

While pay increases and promotions are always a solid incentive to attract candidates, Gen Zs are likely to prioritise work-life balance.



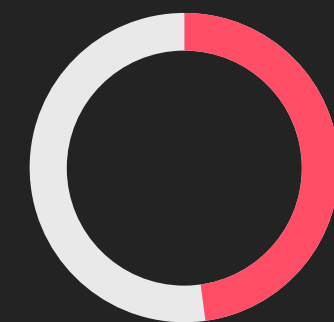
**58%**

of all UK employees would consider returning to a previous employer if offered a pay rise.



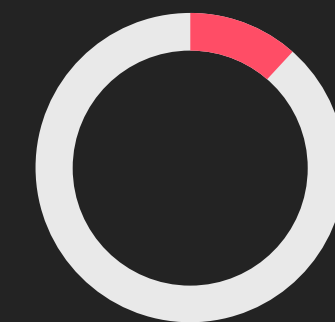
**24%**

of Gen Zs would be swayed by being offered a sabbatical.



**43%**

of Millennials would be enticed back by a promotion.



**5%**

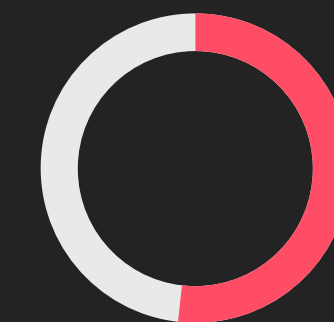
of Boomers would be swayed by being offered a sabbatical.



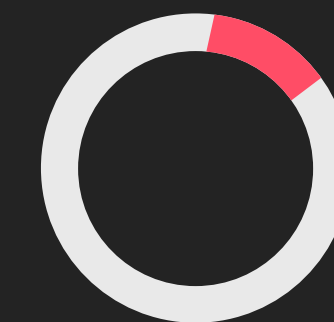
## Step 4

# Gen Z's AI concerns - strategies for reassurance

Did you know 56% of Gen Z are concerned that AI is going to steal their jobs in the future compared to just 17% of baby boomers?



Gen Z  
**56%**



Baby boomers  
**17%**



# Gen Z's AI concerns – strategies for reassurance

## Upskilling and reskilling

As mentioned previously, upskilling and reskilling initiatives provide a host of benefits for Gen Z, and reassurance from the threat of AI is another benefit. Provide upskilling and reskilling initiatives to help employees acquire new skills that complement AI technologies, fostering personalised learning paths for career growth.

## Training and workshops

Provide comprehensive training and education about AI and automation technologies. Offer workshops, seminars, or online courses that explain the capabilities and limitations of AI. Make sure employees understand how AI can complement their work, enhance productivity, and create new opportunities rather than replace their roles.

## Be collaborative

Involve Gen Z in the decision-making process regarding AI implementation. Seek their input on how AI can best support their work and address their concerns. Encourage a culture of continuous feedback, where employees can report AI-related issues or biases they observe.

## Transparency

Be transparent about your organisation's use of AI. Communicate the specific AI applications in place and how they benefit employees and the company. Address concerns related to data privacy and job security, explaining the measures taken to protect sensitive information and how AI complements human roles.



## 5 key takeaways

1

Gen Z tends to switch jobs more frequently, which poses a challenge for organisations in terms of retaining this generation and mitigating high turnover costs. They view loyalty more as a two-way street, expecting opportunities for growth and development in return.

4

Surprisingly, Gen Z are the generation that fears the impact of AI on their jobs the most. Consider strategies that will reassure them that AI enhances their abilities and does not replace them.

2

To retain Gen Z employees for more than 1 year, organisations should consider a skills-based hiring approach.

5

Gen Z employees value flexible working practices, diverse and inclusive work environments, and authentic ESG initiatives. Prioritise a flexible work-life balance, and impactful ESG policies which align with their values, lifestyle expectations and mental well-being.

3

Incorporate reskilling into your HR strategy. This helps Gen Z employees adapt to changes in the job market and industry, fostering job satisfaction and long-term commitment.





**“Today’s multigenerational workforce poses a unique challenge for organisations. Our survey highlights that while Gen X, Baby Boomers, and even Millennials place a higher emphasis on traditional, long-term loyalty, Gen Z views loyalty as a two-way street, expecting opportunities for development and flexible work arrangements as standard.”**

**Jessica Holt**  
Managing Director, EMEA



## Recommended content

### Employee Benefits Guide 2024

The UK's talent landscape is constantly evolving, and staying ahead of the competition requires insider knowledge. Our Employee Benefits Guide 2024 is your definitive resource for understanding what matters most to professionals in terms of job benefits.

Download the [Employee Benefits Guide 2024](#)





# How we are helping organisations retain the Gen Z workforce

## Future of Work

Addressing the rising demand for incorporating ED&I and ESG initiatives among Gen Z employees is crucial for HR and Talent Acquisition leaders. Our award winning Future of Work services are designed to provide you with clear and actionable recommendations to improve your hiring and retention strategy.

## Hire Train Deploy

Our Hire Train Deploy solution delivers high-potential early-in-career candidates, employed and trained by us, and deployed to clients as non-permanent resources.

HTD drives social mobility, improves diversity, and increases access to fulfilling careers for underrepresented Gen Z talent.





# About

Robert Walters is the world's most trusted talent solutions business. Across the globe, we deliver recruitment, recruitment outsourcing and talent advisory services for businesses of all shapes and sizes, opening doors for people with diverse skills, ambitions, and backgrounds.

We help organisations find the skills and solutions to reach their goals and assist talented professionals to power their unique potential.

# Connect with us

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