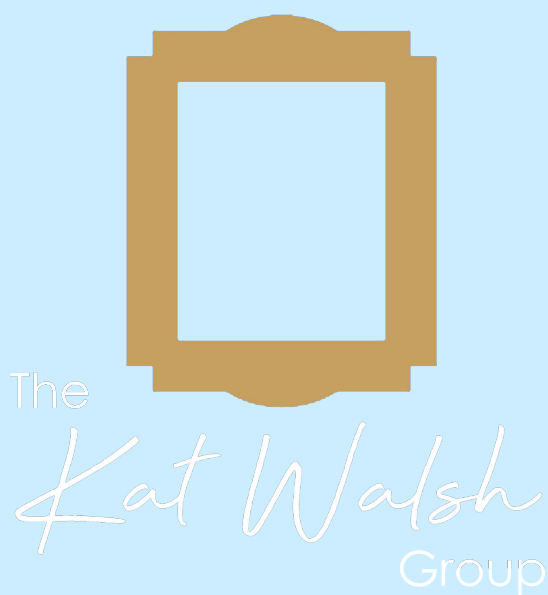


Unheard Workforce Voices: The Silent Drain on Corporate Revenue

The financial and human
impact of Gen Z in the
workforce.



Kat Walsh, 2024
katwalshgroup.com

The Maverick Workforce: Gen Z.

The Great Pandemic accelerated the inevitable: a reset of Work-Life Balance. Careers no longer dictate family, lifestyle, and personal growth. Instead, there is a shift towards a more balanced approach as the US moves to a Life-Work Balance, offering the promise of improved well-being and productivity.

Gen Z, in particular, wants to be respected and engaged holistically at work, but not at the expense of the rest of their life. In Global State of the Workplace: 2023 Report, Gallup “estimates that low engagement costs the global economy \$8.8 trillion. That’s 9% of global GDP — enough to make the difference between success and failure for humanity.” (1)

According to a 2024 survey by Chief Executives, 60% of CEOs consider “retaining and engaging employees their top priority in 2024, up from 57%” in 2022. This underscores the crucial role of CEOs in shaping the future work environment. Second in CEO importance: improving cost structure. (2)

The reasons for the disengagement of the workforce can be addressed by organizations with a dedicated focus on individual well-being. Reengaging and activating these young professionals will improve profitability and an organization’s Corporate Social Responsibility reputation.

The Gen Z Movement is bleeding into other generations of the workforce. To grow shareholder value, it’s imperative to prioritize the well-being of all generations of individuals.

This paper will link and resolve the two primary CEO concerns: retaining and engaging talent and cost retainment.

Kat Walsh

Gen Z: redefines “Having it All.”

It’s not a new phenomenon, it’s a resurgence of an old, elusive goal.

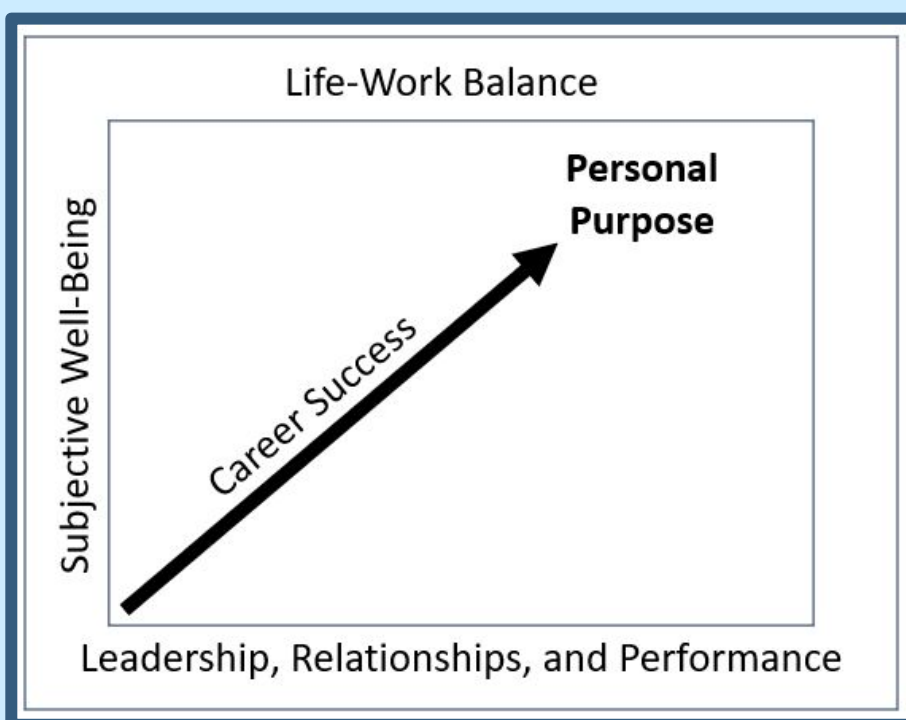
Historically, an individual’s career dictated where they lived, where they socialized, when they started and built a family, and how much time they had for personal, spiritual, and relationship development. This was considered the “cost” of having a robust career.

Additionally, there was a common drive for people to “have it all,” a concept that means having a high-powered career, a fulfilling family life, and continual personal development. Yet, according to Harvard Business Review, “When it comes to having a high-powered career and a family, the painful truth is that women in the United States don't "have it all." (3) Not only were unable to “have it all”, most working Americans didn’t.

Few People “Had It All”

Especially for women and people of color, in terms of skin color, neuromechanics, and personality.

Gen Z is reviving and redefining "having it all", making it their goal to find balance between career and family success while focusing on meaningful change in the environment and personal well-being.



Gen Z: redefines career engagement and growth.

And the big revelation: it's not just Gen Z, they're just the vocal ones.

Soft Skills and Personalized Development Matter More and More

Gen Z....	issue can be resolved by...
Want to be fully engaged, not bored at work.	Using technology to isolate individual attributes for creating cross-functional teams.
Wants a long-term career with a distinct contribution to their company, their teams, and the world.	Educating contributors to take ownership of their own development plans that align with their definition of meaning.
Feel organizations don't respect unique or controversial perspectives.	Deploying Generative AI to train managers and leaders on attributes
Feel organizations value profits over people.	Building robust talent education programs to help contributors understand the intersections of profits and well-being.

Innovating the Life-Work Balance is not new.

Gen X has worked on improving lifestyle for years:

Improving Life-Work balance has been a slow process, Paternity Leave was initiated in 1993 with the Family Leave Act, yet only 32% of companies offered in 2022

Gen Z: fearless about finding new jobs.

Gen Z disengagement turns to resignation.

The Society for Human Resources (2023) revealed that 23% of employees are engaged at work. That leaves 77% disengaged.

Gen Z feels they have more to offer than their current roles will allow them to showcase. They feel empty when they don't reach their full potential or have purpose.

44% of current Gen Z professionals will leave their jobs in the next six months. (18)

“I don't feel like I'm making a difference at work. I feel bored and unfulfilled.”
CY, Gen Z individual contributor

“I've been promoted and gotten a raise, but I still don't feel like this is the best role for me.”
PD, Gen Z individual contributor

When the gap between potential and actual contribution is too vast, the contributors have three primary options for resolution (17):

- Discuss the issue with a manager, Leadership, or Talent Development and work through career path revisions.
- Quiet Quit, going to work, but remaining disengaged which further widens the gap.
- Resign from the role.

The gap decreases when Gen Z experiences holistic well-being, feeling that they contribute to society, work, or community at their self-expected potential.

61% of disengaged associates are actively seeking new roles. (1)

Gen Z: fatigued by outdated HR methods.

Companies cannot continue to value efficiency in hiring over finding the best candidates.

In 2024, according to Sales Education Foundation, over 50% of college graduates from all majors, begin their professional career in entry level sales roles. And over 60% of those will “fail within the first year of employment.” (4)

- Embedded processes for the 1.2M graduates who will be recruited, trained, and attrit within one year costs the US roughly \$50M (5). The cost of recruit’s time and emotional well-being is incalculable.
- Resume submission and interview processes aren’t reliable for understanding an individual’s invisible assets and unique perspectives. On the contrary, applicant tracking systems (ATS) seek minimum standards for hiring.

Invisible attributes:
Values, habits, beliefs, heritage, lifestyle, self-identity, ethnicity, thinking styles, personality, and many others.

“I don’t want to be in sales, but I want a job and need to have something for my resume. I know I won’t like it.” MJM Gen Z Contributor

Modern Organizations with Modern leadership thinking:

- Use AI mapping to link contributor attributes and recognized leadership attributes.
 - Deploy Attribute Training and Gratitude Practices
- Recognize learned, inherited, and inherent attributes bring different skills sets to the organization.
- Teach contributors to own their development plans and career paths with organizations support.
- Support individual development plans that bring value to contributors life outside of the organization.
 - Learn and teach instead of train.
- Recognize cross-generational communication gaps and bring improvements to collaboration projects.

Gen Z Hiring: Orgs reinvent hiring tactics.

ATS Hiring misses Gen Z sensibilities.

It can be argued that the greatest evangelists of an organization are its workforce. Gen Z members are capable of digitally attracting the attention of peers quicker than any generation before them. Organizations should leverage their youngest, viral evangelists.

For 84% of Gen Z, learning and development opportunities are as valuable (54%) or even more valuable (30%) than a promotion or title change. (18)

Gen Z shows fatigue in the hiring process; They know how to manipulate their resumes and interviews remaining a step ahead of HR hiring teams, but find the role is not motivating.

Gen Z, who have successfully navigated a rigorous hiring process and landed their "dream jobs", won't jump ship if they're hired into the best role for their soft skills.

1. Companies that use technology to discover what Gen Z talent attributes and soft skills map to jobs will win loyalty.
2. Onboarding that emphasizes career development find higher acceptance among Gen Z.
3. Gen Z feels will collaborate and provide honest input into their development plans and careers.

**Just like in Healthcare, people need to be their own Advocates:
Organizations that teach Gen Z to own their career development plans will win.**

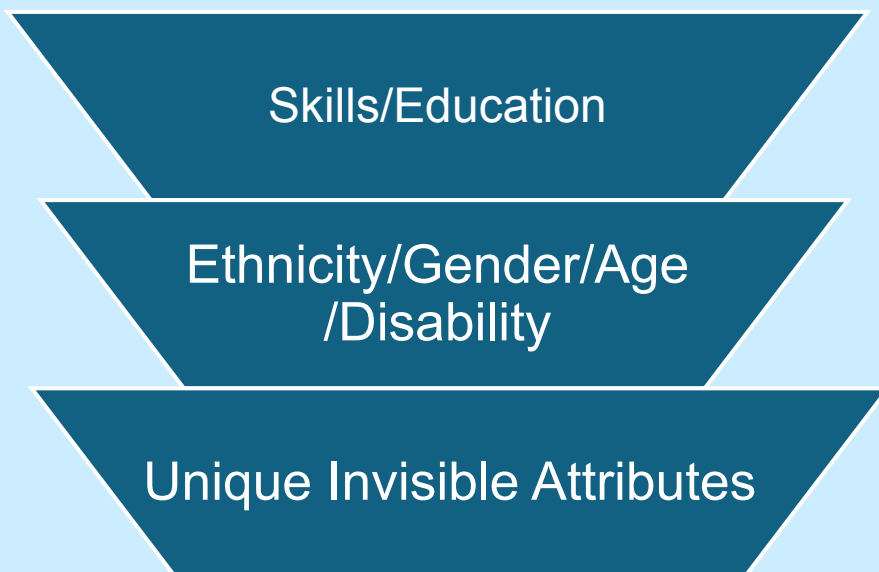
46%
of Employees Say
(18)

- Their managers don't know how to help them with career development.
- Their company "rarely" or "never" helps them explore opportunities for growth outside of their current department.

Gen Z: DEI is not the Same as Individuality

Neither is wrong: DEI groups people into logical cohorts based on demographic data while Individuality has no groupings.

Gen Z is the key to future success as they make up 27% of the workforce in 2025 and more each year after. They coach their corporate clients to relish and leverage the individuality of their talent. The result is a workforce that feels respected, appreciated, productive, and motivated.



While Diversity, Equity, and Inclusion are important, DEI represents the highest level of understanding and respecting talent. It goes beyond just grouping people by ethnicity, gender, socio-economics, or other metrics.

Organizations that take it a step further and teach individual contributors to recognize, respect, and enhance their own and others' unique attributes drive innovation, fresh ideas, and new skills.

Solutions: engagement is affordable.

Gen Z is ahead of their parents in soft skills, value, and Purpose.

Organizations that prioritize, train, develop, and organize around what matters most to Gen Z will thrive.

Learning from the Non-profit sector, who pay lower salaries in every level of the organization, from CEO to entry level. Yet people forgo earning more income to purchase meaning and purpose aligned with their values and beliefs. The explanation for this is simple: the organization is aligned and supports the purpose of the associate.

The two great motivators: compensation and purpose aren't mutually exclusive.

HR Benefits Budget Reallocation becomes clear option for cost containment success.

Organizations Benefit from New Focus:

- 1) Costs are contained when people are placed in the proper roles with proper development plans; Employers have fewer associate resignations..
- 2) Employees who feel they have a purpose perform better, are more empathetic, better communicators, have stronger relationships, and make better leaders.
- 3) Re-allocating budgets from corporate-wide, generic programs pays for targeted Individual Engagement Programs.

Percentage of employees who leave an organization for a new career path.
(13) (14)

Non-profit
19%

For Profit
35%

Solution: Gen Z taking more responsibility.

Organizations can only do so much, then Gen Z needs to take accountability for their own personal development.

HR's responsibility is to collaborate with Gen Z on designing clear, precise, data driven development and career plans.

Gen Z needs to be responsible for implementing those plans.

The Future of Training

Telling Contributors, Managers, and Leaders how to learn will not work in the future.

Organizations that allow contributors to learn in their most productive way will not be effective in the future.

Organizations that enable contributors to learn in their most productive way will experience greater adoption of skills and concepts.

One-sized Corporate Training Won't Work in the Future for Developing People...



Think differently.

Have different learning opportunities.

Learn differently.

Have different learning aspirations.

Communicate Differently.

Solution: Educate Gen Z on Practical Business.

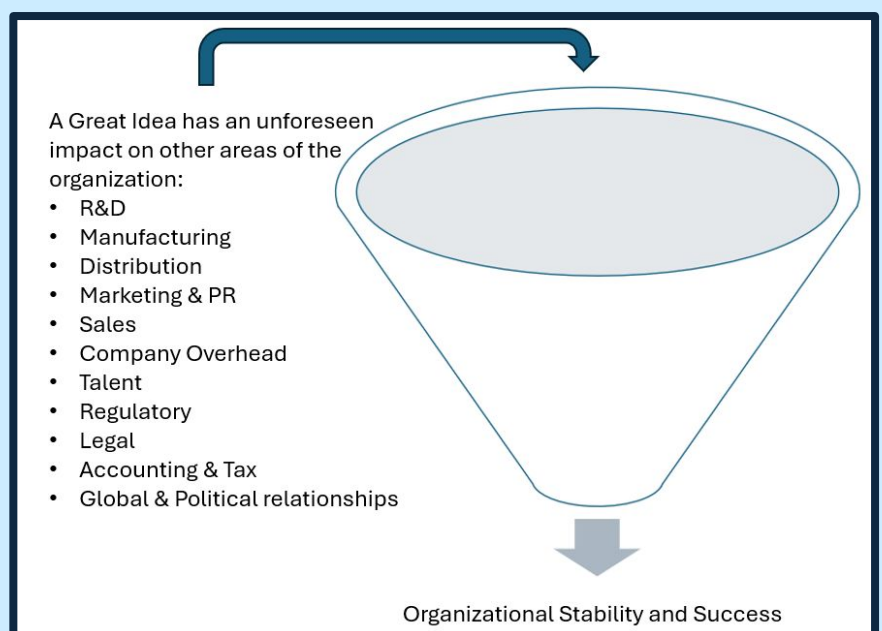
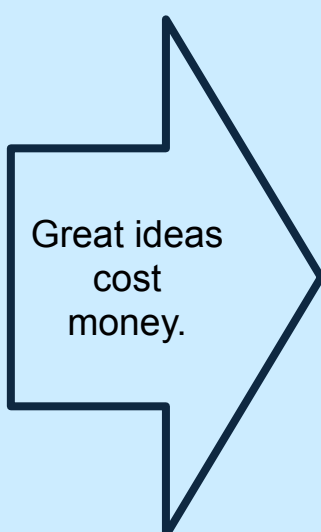
Lesson from your workforce: Gen Z doesn't know what they need to learn about running a successful business.

Company's care deeply about their contributors while balancing the company's profits, but the message is not getting through to contributors.

In 2023, only 48% of employees in Aflac's survey said they are confident that their employer cares about them—down from 56% in 2022 and 59 percent in 2021.

Gen Z lacks experience. They are willing to learn and **prefer hands on, interactive learning**. Organizations that incorporate mentorships, role-swaps, active teaching, and collaborative programming will excel with Gen Z.

“I was so frustrated that they wouldn't promote me to the position they kept dangling in front of me until they told me that the most important [raw ingredient] had gone up in cost and they were forced to put the new placements on hold.” - Gen Z



Solution: Help Gen Z understand your company.

Lesson from your workforce: Gen Z doesn't know what they need to learn about running a your business successfully.

Gen Z lacks experience. They are willing to learn and **prefer hands on, interactive learning**. Organizations that incorporate mentorships, role-swaps, active teaching, and collaborative programing will excel with Gen Z.

The majority of contributors, regardless of tenure, don't understand the end-to-end operations of their organization.

Most people working in an organization don't understand the responsibilities of colleagues in other departments or how decisions made in one department can impact another. When contributors become embroiled in cross-departmental conflicts, it is often a result of lack of understanding and poor communication.

My Company Training, specific to each organization, builds strong, cross-collaboration and practical innovations in all departments of an organization.



Do all company contributors know:

- 1) How to read their company's financial reports?
- 2) Their company's manufacturing and distribution process, end-to-end?
- 3) What a day-in-the-life of Sales, Accounting, Marketing, Legal, Auditing, R&D looks like and how they are incentivized?

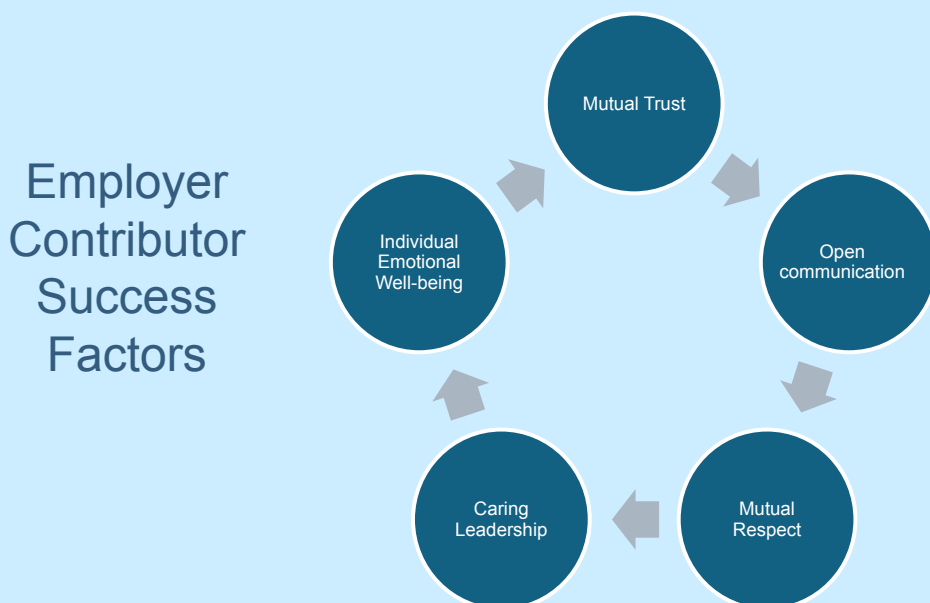
Solution: Employers are best suited to succeed where society has failed.

Degradation of family and social relationships is impacting the mental well-being and emotional success of people, but trust in employers is strong and work relationships build health.

Relationships are undergoing a significant shift across the globe. “The youngest generation of adults are half as likely to be close to their adult families and three times more likely to not get along with them at all relative to their grandparents' generation.” (7)

“The risk of mental health challenges is ten times higher among those who lack close family relationships and friendships compared to those with many close family and friends.” (7)

Building and maintaining healthy relationships is a fundamental component of healthy human functioning, emotional well-being, and having a Purpose in Life.



The 2024 Edelman Trust Barometer notes “As today’s societal issues continue to mount, employees now see their workplace as a safe space for debate and turn to it as a primary source of community — before their neighbors and religious organizations.”

Solution: Straightforward Approach to Progress.

Gen Z doesn't expect perfection, they want to see progress.

Step 1: Assess your specific workforce

Don't make generalizations about your associates. Discover their individual attributes.

Step 2: Educate your team

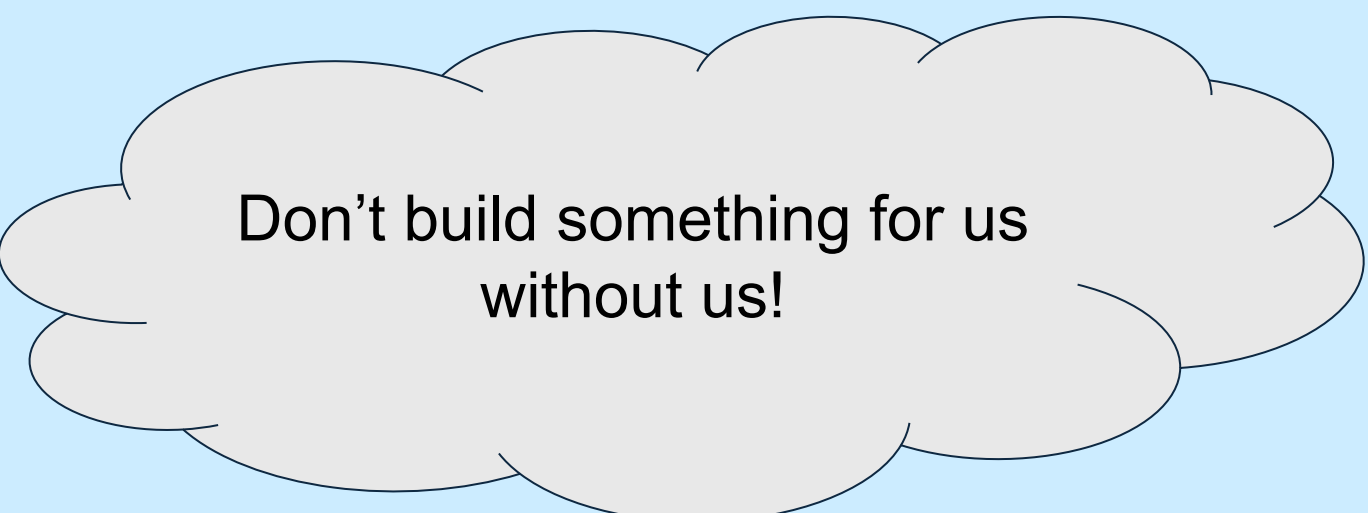
Become true mentors and guides to your Gen Z contributors. Educate contributors from all generations on the workings of your organization from end to end.

Step 3: Don't waste the new knowledge you've obtained.

Help your contributors use their own data to build their emotional well-being and develop their careers. AND, use the aggregate data to streamline your contributor and manager training programs.

Step 4: Commit to ongoing progress.

Continue to communicate and exchange ideas to design ongoing engagement programs that improve the lives of your contributors to bring out their best performance year after year.



Don't build something for us
without us!

Resources:

- 1) <https://www.gallup.com/workplace/349484/state-of-the-global-workplace.aspx>
- 2) <https://chiefexecutive.net/new-ceo-survey-finds-retaining-and-engaging-employees-remains-top-priority-and-challenge-for-2024/>
- 3) Hewlett SA. Executive women and the myth of having it all. Harv Bus Rev. 2002 Apr;80(4) 66-73, 125. PMID: 11930783.
- 4) <chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://salesfoundation.org/resources/2023/2023-key-stats-sales-education.pdf>
- 5) Calculation: 60M graduates in 2024; 50% go into sales; 60% of those leave in a year; average entry level salary for sales is \$50K
- 6) https://www.qualtrics.com/ebooks-guides/2024-ex-trends-report/?utm_source=google&utm_medium=ppc&utm_campaign=NA|SRC|GEN|EX&utm_content=Pulse_Surveys&utm_term=employee%20pulse%20survey&utm_keyword=b&matchtype=b&device=c&creative=667653867593&gad_source=1&gclid=EAlaIQobChMI_Mjq99POhQMV9FFHAR3-fACpEAAAYASABEgJ48vD_BwE
- 7) <https://mentalstateoftheworld.report/>
- 8) <https://www.edelman.com/trust/2022-trust-barometer/special-report-trust-workplace>
- 9) <https://news.gallup.com/poll/349094/workers-stay-unwanted-job-health-benefits.aspx>
- 10) <https://www.visualcapitalist.com/cp/ranked-worst-companies-for-employee-retention-u-s-and-uk/#:~:text=With%20a%20turnover%20rate%20of,jobs%20before%20the%20second%20year.>
- 11) <https://www.zippia.com/advice/internship-statistics/>
- 12) <https://www.aflac.com/business/resources/aflac-workforces-report/default.aspx>
- 13) <https://www.forbes.com/sites/forbesbusinesscouncil/2022/06/13/the-great-resignations-impact-on-nonprofits-and-what-to-do-about-it/?sh=404e9abe7424>
- 14) <https://www.gartner.com/en/newsroom/press-releases/2022-09-15-gartner-hr-research-finds-just-25-percent-of-employees-are-confident-about-their-career-at-their-current-organization#:~:text=%E2%80%9CThirty%2Dfive%20percent%20of%20employees,employer%20for%20better%20career%20trajectories.%E2%80%9D>
- 15) <https://www.pbs.org/wgbh/frontline/article/what-has-happened-to-boeing-since-the-737-max-crashes/>
- 16) <https://www.shrm.org/topics-tools/news/benefits-compensation/paid-paternity-leave#:~:text=According%20to%20SHRM%20research%2C%20paid,them%2C%20but%20that%20is%20changing.>
- 17) The Theory of Discrepancy, clearly proposes that human behavior desires to reduce the gap between the self they actually present and the self they ought or wish to be (Higgins, 1987).
- 18) <https://resources.intoo.com/featured-content/intoo-unlocking-organizational-success-report-2024#main-content>
- 19) Rio Mattajang. (2023). THE IMPORTANCE OF SOFT SKILLS DEVELOPMENT IN HUMAN RESOURCE MANAGEMENT. Jurnal Ekonomi, 12(04), 2361–2368. Retrieved from <https://ejournal.seaninstitute.or.id/index.php/Ekonomi/article/view/3473>