

The Restless Generation

How your finance team can
get the most out of Gen Z
financial professionals



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Gen Z has entered the workforce, and you need them

1997–
2012

The birth years typically considered to constitute Gen Z

Finance companies are keen to understand Generation Z professionals, a group of young people with bolder and more clearly defined aspirations for their work lives than other age groups.

When an employer doesn't meet these aspirations, Gen Zers (sometimes called zoomers) are prone to leaving their jobs or doing the bare minimum in a trend known as #quietquitting.

Before we look at how to motivate your youngest hires and stem costly turnover, let's define Generation Z. Gen Zers are typically considered anyone born between 1997 and 2012. This generation makes up roughly one-quarter of the American population today, and by 2025, the Gen Z cohort will represent nearly one-third of the workforce, according to the Conference Board.

This generation stands out for being digital natives and for having come of age during COVID-19. Importantly for employers, the attitudes of the Great Resignation (or the Big Quit), in which employees left their jobs *en masse* after rethinking their priorities during the pandemic, are shaping Gen Z's earliest work experiences.

Roberta Katz, a former senior research scholar, senior administrator at Stanford University, and co-author of *Gen Z, Explained*, selected four adjectives that best describe Gen Z employees in contrast to other generations: "self-directed," "pragmatic," "tech savvy," and "collaborative."

That self-directedness can translate into questioning the conventions of the workplace. "For us, the side hustle is a real thing," says Connor Blakley, CEO and founder of Youth Logic, a Gen Z marketing agency. "The 9 to 5 can feel like a ball and chain."



62%

of Gen Zers are seeking new jobs

Source: Oliver Wyman

Retaining Gen Z finance talent

From the employer's perspective, Gen Z's fabled restlessness is presenting an enormous retention headache.

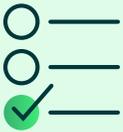
The 2021 turnover rate in finance and insurance was 26% for employees of all ages, according to Zippia, an aggregator of career intelligence. If that rate weren't already uncomfortably high, Gen Z presents some unique challenges, with a staggering 62% of employees in this age group seeking new jobs, according to Oliver Wyman.

And with each employee departure costs roughly one-third of that individual's annual earnings, according to the Society for Human Resource Management, the numbers paint a worrisome picture.

Increasingly, finance leaders are realizing that it's vital to not only attract these digital-first workers but also to keep them engaged. Here are five attributes Gen Z wants from employers.



Self-directed



Pragmatic



Tech savvy



Collaborative

Source: Gen Z, Explained

Work/life balance

is the top reason Gen Zers choose to work for their current employer

Source: Deloitte

1. Gen Z wants financial security

Much of what Gen Z wants from employers is a twist on standard fare.

Deloitte's 2022 global survey of millennials and Gen Zers found that the top reason Gen Zers choose to work for their current employer is a good work/life balance (32%). This is followed by learning and development opportunities (29%) and high salary or other financial benefits (24%).

A desire for financial security chimes with concerns of banking and insurance professionals regardless of age. In a 2022 survey by Mercer, "covering monthly expenses" scored highest among the top concerns for financial-service employees.

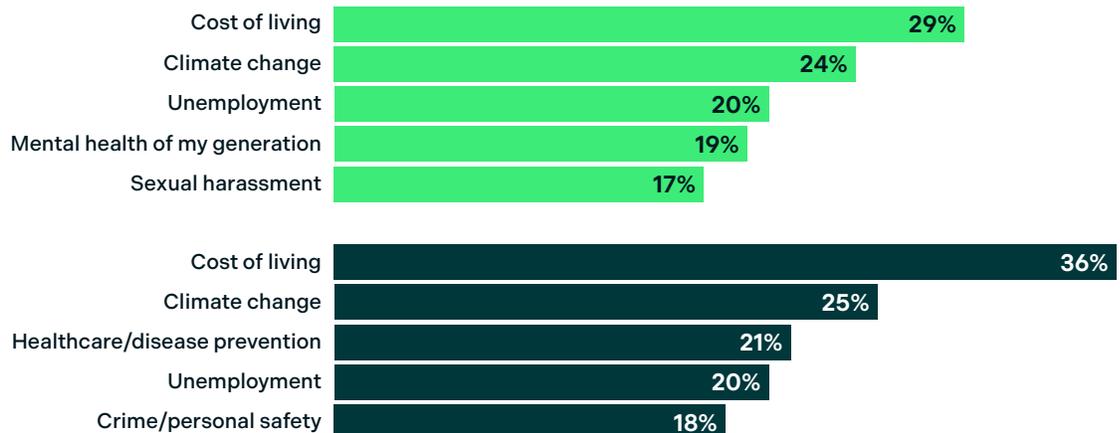
Pay transparency is vital

Thirty-four percent of Gen Zers said they'd share pay information, such as salaries and bonuses, with anyone who asks, according to a 2022 survey of 4,778 U.S. professionals by LinkedIn Market Research. This compares to a mere 7% of Gen Xers and 4% of baby boomers who said the same.

One loud-and-clear signal of pay transparency is listing salary ranges in job postings.

In Adobe's most recent future workforce study, 85% of upcoming and recent grads said that they're less likely to apply for a job if a company doesn't publish a salary range.

Top concerns for Gen Z and millennials (Source: Deloitte)





2. Gen Z wants an employer to care about their well-being

In Deloitte's study, 57% of Gen Zers said that workplace well-being and health are a greater focus for their employers since the pandemic.

"In corporations, the idea of accommodations tends to be oriented towards very obvious physical disabilities," says Diane Gayeski, a professor of strategic communications at Ithaca College and principal at Gayeski Analytics.

Changes in higher education are creating new dilemmas for employers on this front. "A growing percentage of college students identify as having various kinds of learning and communications disabilities, and they expect accommodations," she says.

55%

of Gen Zers have been diagnosed with or have had treatment for mental illness

Source: McKinsey

Mental health matters

Stress is high for Gen Z. They have entered the workplace during the pandemic amid concerns over rising inflation rates and fears of recession.

As a sign of the magnitude of mental health as a concern, 55% of the 1,763 Gen Z respondents to a 2022 McKinsey survey said that they had either been diagnosed with or received treatment for mental illness.

Also in the McKinsey survey, over a quarter of 18- to 24-year-olds said mental health issues had a major impact on their ability to perform at work (compared with 14% of all employed respondents).

There are signs that Gen Z women are disproportionately affected by mental health woes. In the Deloitte study, 53% of Gen Z women say they regularly feel stressed or anxious “all” or “most of the time,” compared with 39% of Gen Z men.

“Mental health should be on every company’s radar,” says Zinnia Khan, an associate at Fisher Phillips, a national labor and employment law firm representing employers and management. She emphasizes that this issue is particularly pressing for financial-service professionals because “finance is a Type-A field.”

Burnout levels are high

One area that employers are positioned to address is high levels of employee burnout. In Deloitte’s survey, nearly half (46%) of Gen Zers agreed that they feel “burned out due to the intensity of my workload.”

Flexibility and robust health benefits are a possible response to burnout experienced by finance employees.

75%

of Gen Zers prefer a hybrid or remote working situation

Source: Deloitte

3. Gen Z wants flexible working options

“Gen Z doesn’t want to adhere to pre-pandemic norms. Remote work and hybrid work are big sticking points for them,” says Fisher Phillips’ Khan.

When it comes to appealing perks, Khan urges employers to think beyond the free lunches and nap pods that motivated earlier whiz kids, opting instead for hybrid schedules, robust leave and/or sabbatical programs.

Where work is performed is another burning issue for this generation. Currently, 75% of Gen Zers would prefer a hybrid or remote working situation, according to Deloitte’s survey. And yet, the survey found that only 49% of Gen Zers say they currently have the option to work remotely at least some of the time.

The opportunity to work outside the office is highly valued among financial-services professionals regardless of age. Pontoon, a talent solutions provider, surveyed finance workers in 2022 and found 70% want flexibility and remote working options.

Work faster in four days

One idea for accommodating these preferences is the four-day work week, an arrangement in which employees receive 100% of their pay for working 80% of the time in exchange for a commitment to delivering 100% of the output.

When a nonprofit tested the four-day work week with 2,900 U.K. workers from June to December 2022, 43% reported an improvement in mental health.

What’s more, participating companies saw benefits, too. Hiring rates increased, absenteeism decreased, and revenues rose by 35% over the six-month trial period, compared with similar periods from previous years.



4. Gen Z wants to change the world

More than other age groups, Gen Z is serious about working for companies with values that align with their own.

“Employers are seeing that this is a generation that cares very much about the purpose and values of the organization,” says Gayeski.

A company’s engagement levels can affect employees’ engagement, too. For instance, 80% of Gen Zers in the Oliver Wyman survey said that they would be less engaged in day-to-day activities at work if their employer were not engaged in social issues.

Studies also show that Gen Z’s commitment to social activism is intensifying over time.

In 2021, 39% of Gen Z respondents to an EY survey said that they wanted to make a difference in the world with their careers, up from 33% who said the same in 2019.

One way to support employee engagement is with matching programs for charitable contributions.

Over 40% of Gen Zers say that they want employers to donate money to worthy causes or to match their own contributions. This is 11% higher than other generations.

Remember that “Gen Z is good with statistics, and they’re adept at figuring out when employers are paying lip service,” says Khan. She urges employers to walk the talk by demonstrating how they are acting upon their good intentions.

5. Gen Z wants to develop personally and professionally

“Listening and responding with empathy” is not traditionally an attribute you’d find on a candidate’s resume, but these soft skills are becoming increasingly valuable to both employees and employers.

Bank of America, for example, is using virtual reality to help employees develop these critical abilities. Through real-time analytics embedded in its VR technology at 4,300 financial centers, BofA can identify skill gaps in its workers and help them with targeted follow-up coaching and personalized guidance.

This is the type of training and career development that Gen Zers are clamoring for.

In a recent LinkedIn survey, 76% of Gen Z employees wanted more opportunities to learn/practice new skills or expertise, compared to 55% of millennials and just 36% of baby boomers.

Beyond robust training and development programs, Gen Z is eager to be heard and valued in a way that few other generations have demanded.

For this reason, Youth Logic’s Blakley suggests companies think less in terms of hiring Gen Z employees and more as “collaborating with us.”

“Knowledgeable Gen Zers want to be taken seriously,” he says. “We’ve had so much access to technology, we’re a supercharged generation, and this can be insanely beneficial to employers.”

To read more about how Gen Z is affecting trends in digital payments, [download our study](#) on Generation Z and digital payments.



To-dos for getting the most out of Gen Z



Allow them to work flexibly



Be transparent about pay



Care about their well-being



Communicate with them about stress levels



Give them personal and professional development opportunities



Learn more

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