



The Gen Z Effect in Australia and New Zealand

Understanding your newest employees' views on work, corporate culture, automation and you

For more than a decade, Millennials have defined workplace trends. Their working preferences, tech habits and professional aspirations have reshaped recruiting and transformed workplace culture. But now **Generation Z is coming of age, entering the workforce and climbing the corporate ladder.** This year, they'll surpass Millennials as the most populous generation worldwide.¹ **They are the new agents of workplace change.** In Australia and New Zealand, there's been a lot of speculation about what Gen Z means for the world of work. **But there hasn't been a meaningful exploration of Gen Z's preferences and expectations for the modern workplace.**

Now that Gen Z's oldest members have spent roughly three years in the workforce, Nintex saw an opportunity to go straight to the source.² By directly engaging with both current and rising Gen Z employees in Australia and New Zealand, we wanted to dive beneath the hype-fuelled headlines and emerge with an informed portrait of an emerging working generation.



¹ <https://www.bloomberg.com/news/articles/2018-08-20/gen-z-to-outnumber-millennials-within-a-year-demographic-trends>

² For the purpose of this study, we define Gen Z's oldest members as being 23 as of April 2019, when we conducted our surveys for the study. This age cut-off was informed by Pew Research Center data: <https://www.pewresearch.org/fact-tank/2019/01/17/where-millennials-end-and-generation-z-begins>



Is Gen Z just Millennials 2.0, as some have suggested? What motivates them to stick around — and what sends them packing? What do they need to do their best work?

To address these questions and understand what Gen Z means for the world of work, Nintex conducted two surveys: first, a survey of both current and future Gen Z employees in Australia and New Zealand, and second, a survey of enterprise decision makers in those same countries.

SURVEY LOGISTICS

Gen Z

We surveyed **450** current and future Gen Z employees, with **325** from Australia and **125** from New Zealand. All Gen Z respondents were between the ages of **18** and **23**. We defined current Gen Z employees as graduates of a three- or four-year university degree program who now have a job where they use a computer for **5+** hours a day. We defined future Gen Z employees as either current enrollees in three- or four-year university degree programs who will actively seek full-time employment upon graduation; or, graduates of a three- or four-year university degree program who are actively seeking full-time employment.

450

CURRENT
AND FUTURE
GEN Z
EMPLOYEES

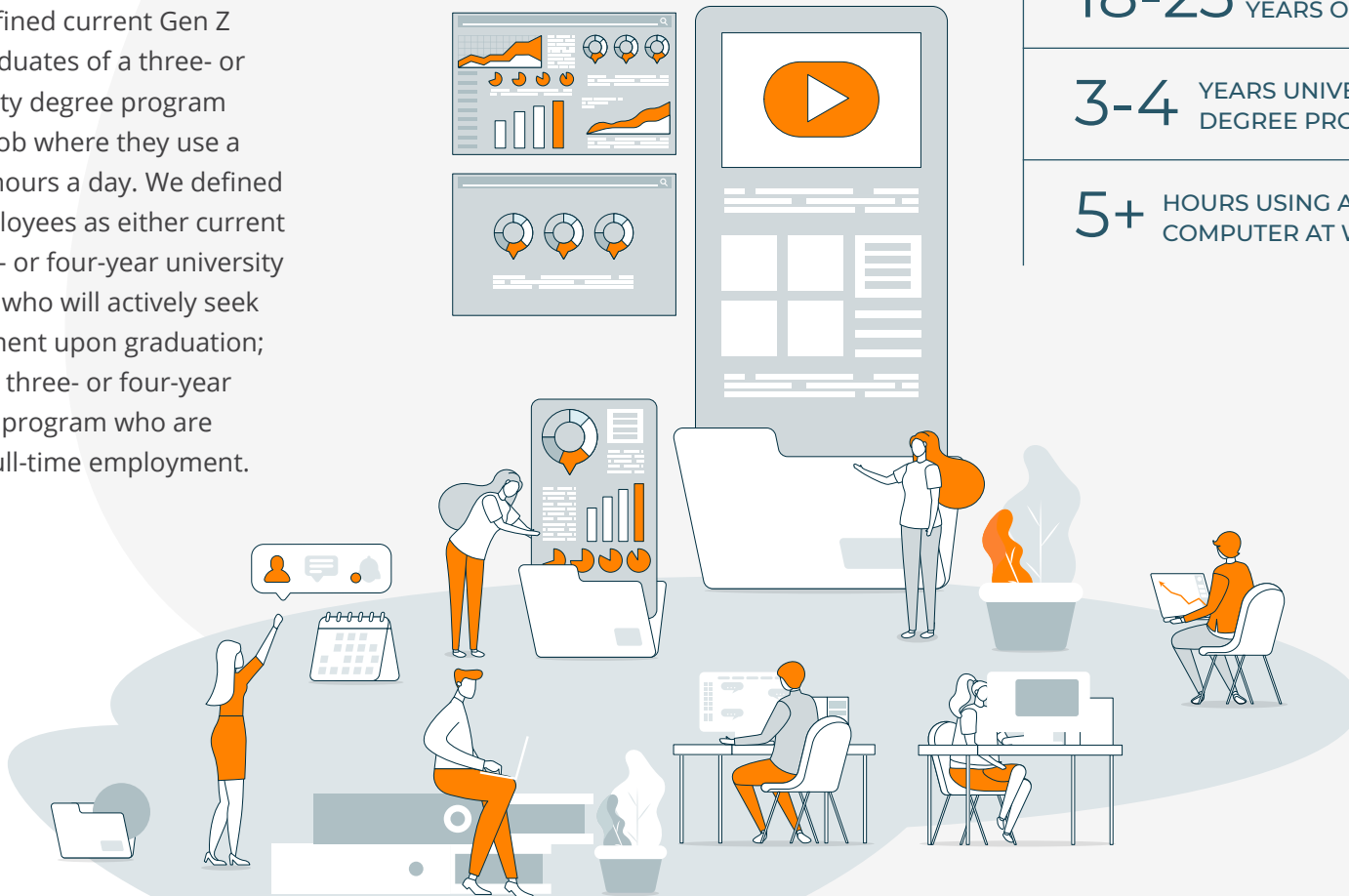
325 FROM AUSTRALIA

125 FROM NEW ZEALAND

18-23 YEARS OLD

3-4 YEARS UNIVERSITY
DEGREE PROGRAM

5+ HOURS USING A
COMPUTER AT WORK



SURVEY LOGISTICS

Decision makers

We surveyed **430** enterprise decision makers, with **250** from Australia and **180** from New Zealand. All decision makers surveyed work at a company with more than **250** employees, and are at either the management, VP/director or C-suite level. To qualify for the survey, decision makers had to be directly involved in choosing new technology or helping their organisation to implement new technology, including the buying and selection of new apps and tools.

430

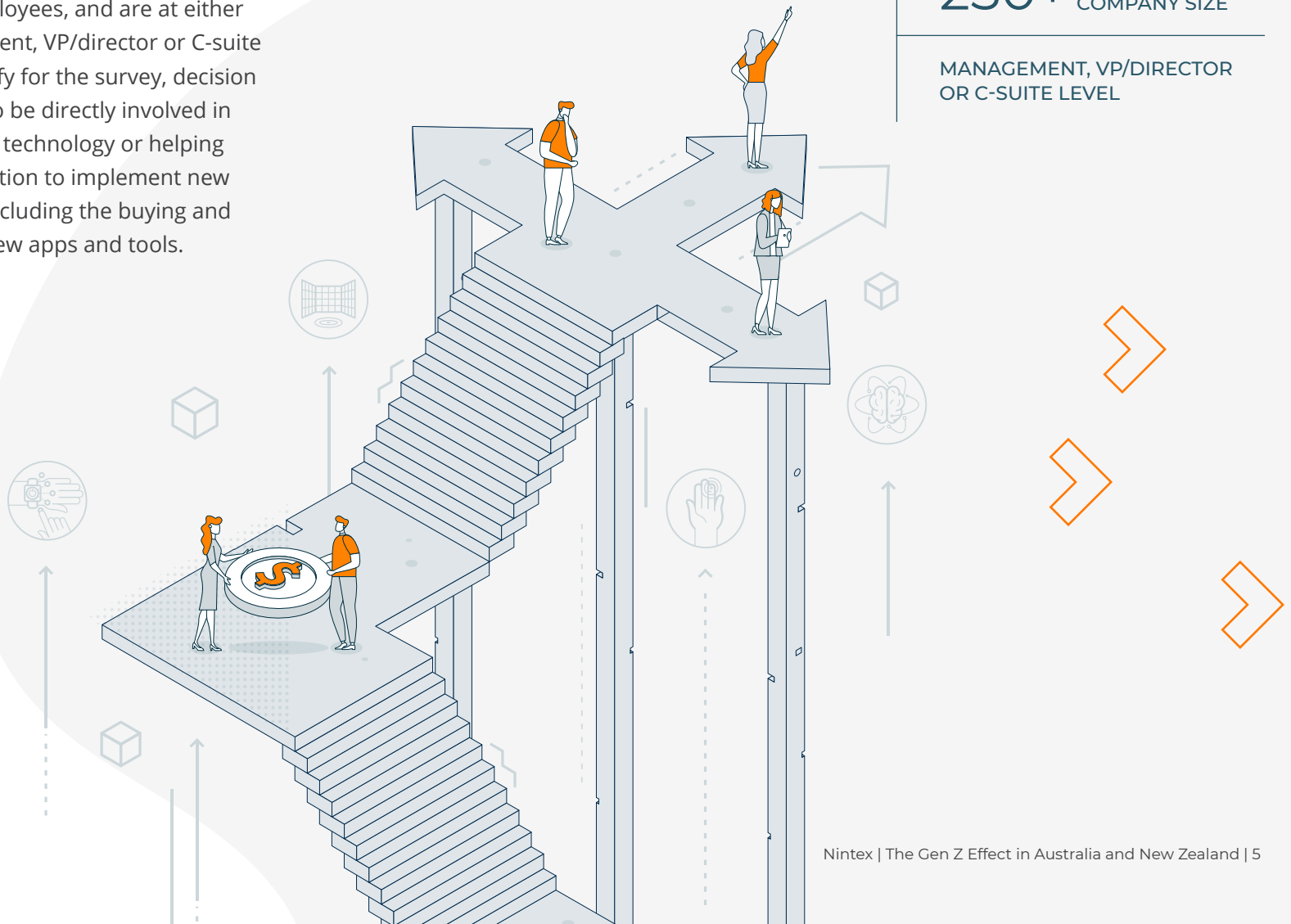
ENTERPRISE
DECISION
MAKERS

250 FROM AUSTRALIA

180 FROM NEW ZEALAND

250+ COMPANY SIZE

MANAGEMENT, VP/DIRECTOR
OR C-SUITE LEVEL

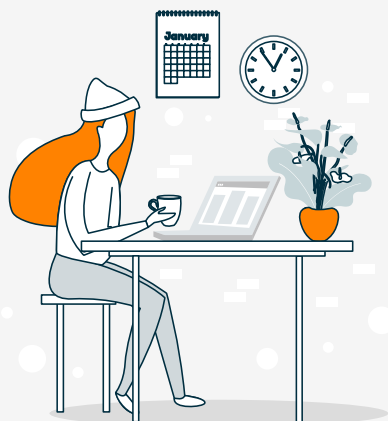




THE BIG TAKEAWAY

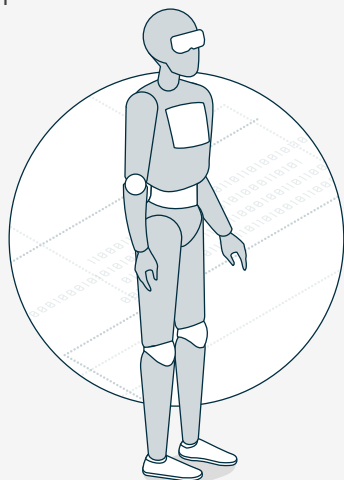
Attracting and retaining Gen Z talent demands a new playbook. Far from being Millennials 2.0, Gen Z is uniquely driven by personal convictions, a desire to grow within, and add lasting value to a company. They just need the flexibility and support to flourish.

Key findings



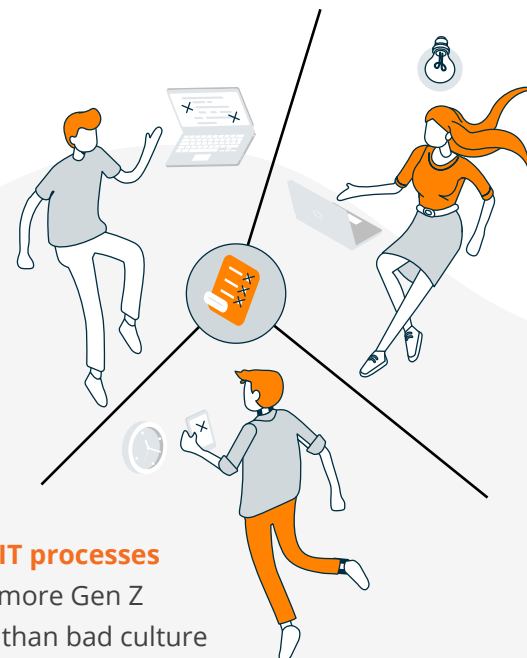
Work flexibility

such as the ability to work remotely and set your own hours — is the single biggest draw to an entry-level job for Gen Z, ahead of salary.



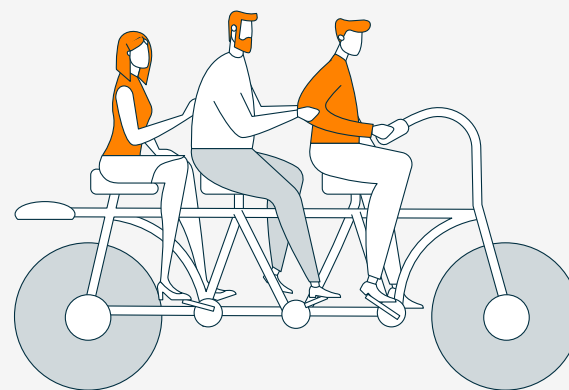
Weekly check-ins are the key to effectively managing Gen Z.

Fear of job loss is holding Gen Z back from fully embracing technologies like artificial intelligence and automation.



Broken IT processes

will fuel more Gen Z attrition than bad culture and missed promotions.



There's an unexpected **harmony across the four working generations**. *In short:* Drama may make headlines, but they all get along.



Gen Z at university.

Learning, loans and working alone.

Gen Z grew up in the shadow of the 2008 global financial recession, and many of their parents bore the brunt of its impact.³ They then entered university amid rapidly escalating education costs, facing a debt situation that some argue has reached a crisis point.⁴

These two factors — the awareness of economic instability and the experience of student debt — have forced financial responsibility on Gen Z in a way that's arguably without precedent. Yet despite this heightened awareness, Gen Z doesn't leave university chasing a price point. Their focus is more holistic.

³ https://www.pewtrusts.org/-/media/legacy/uploadedfiles/pes_assets/2013/EMPRetirementv4051013finalFORWEBpdf.pdf

⁴ <https://www.forbes.com/sites/zackfriedman/2019/02/25/student-loan-debt-statistics-2019/#4403799f133f>



United in debt

For Gen Z, debt is an almost universal experience. As we found, nearly three-quarters of Gen Z in Australia and New Zealand graduate from university saddled with student loans. Debt has a decisive impact on how Gen Z approaches the working world, from negotiating salaries to determining how long they'll remain in a job. It also creates a sense of financial discipline they carry with them into the workforce.

“

I'm afraid I will
not earn enough
to get by.



Driven by self-belief

Despite shouldering loans, personal conviction and intellectual interest drive Gen Z's choice of study — ahead of career potential and money concerns. Gen Z is compelled much more by personal convictions than career prospects this places them in notable contrast to Millennials, for whom career-focused majors took priority.⁵

“ I fear not using my knowledge.

⁵ <https://fivethirtyeight.com/features/students-at-most-colleges-dont-pick-useless-majors>

WHY GEN Z SELECTED THEIR UNIVERSITY MAJOR

62% It's what I found most personally interesting

34% It best prepares me for a specific career

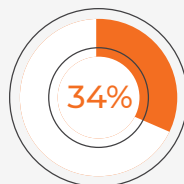
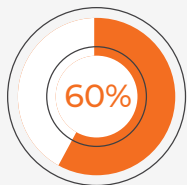
4% It sets me up to make a lot of money



Collaboratively fluent, preferably independent

Gen Z is hyper-fluent in collaboration platforms like Google Docs, GroupMe and Facebook Messenger. Ninety-three percent of Gen Z uses these platforms frequently to complete class assignments. But while Gen Z knows these platforms, they're inclined to work solo: The notable majority of Gen Zers

— **60%** — say they prefer individual assignments in university over group work, with more than one-third (**34%**) having a strong preference for individual assignments.



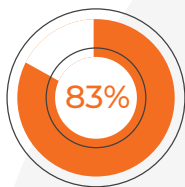
“

I'm concerned
about not
fitting in.



Gen Z on the job.

Tendencies and expectations



The vast majority of enterprise decision makers (**83%**) told us they view Gen Z as its own unique generation, separate and distinct from Millennials.

They're wise to have this view. As we found, the workplace tendencies that characterise (or perhaps stereotype) Millennials — negotiating every job offer, hopping at the first new opportunity — largely do not apply to Gen Z. Instead, Gen Z views an entry-level job as a chance to grow.

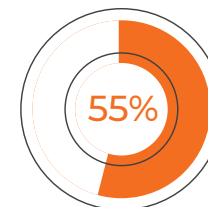


Salary negotiations are not a given

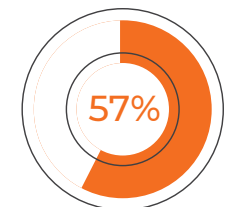
It's often assumed that for all younger employees, a job offer is always an opportunity to negotiate. If that was true for Millennials, it's not the case for Gen Z: Only a modest majority of current Gen Z employees (**55%**) said they negotiated their salaries for their current job, slightly less than the percentage of decision makers who did the same for their first job offer.

“ I fear not making enough money.

NEGOTIATED SALARY FOR FIRST JOB



Gen Z



Decision makers



A preference for frequent, in-person check-ins

If the stereotype is that Gen Z prefers text-based to face-to-face communication, this doesn't apply at all to manager check-ins: **58%** want check-ins to take place entirely in person, while **31%** want mostly in person. Only **2%** of Gen Zers would choose to virtualise check-ins. For Gen Z, the optimal check-in frequency is once a week — this is the level at which Gen Zers are most likely to say their review cadence is “just right”.

“ Employees should always know where they stand.

GEN ZERS WHO HAVE CHECK-INS WEEKLY/DAILY/BIWEEKLY, FEEL THAT CHECK-IN CADENCE IS OPTIMAL

71% Weekly check-ins

53% Daily check-ins

50% Bi-weekly check-ins



No job hopping here (with some conditions)

Gen Z isn't poised to be a job-hopping generation. The notable majority of current Gen Z employees (**61%**) say they plan to remain at their job for more than a year, with **61%** of that group saying they plan to stay for over two years. But their loyalty is not a given. One key (and predictable) factor behind Gen Z remaining in a job is landing a promotion — which roughly half (**48%**) of them expects to happen at their one-year mark. And if workplaces don't offer new learning opportunities, chances for career growth, and process clarity, then Gen Z will be out the door sooner than planned.

“ Stagnation is my biggest fear.

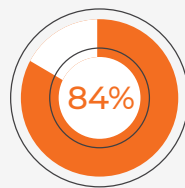
WHAT WILL CAUSE GEN Z TO LEAVE A JOB SOONER THAN PLANNED

- 59%** Finding a job that pays a higher salary
- 31%** A lack of new learning opportunities
- 30%** Lack of opportunities for long-term career growth
- 27%** Feeling the work isn't meaningful
- 26%** Broken IT processes
- 24%** Bad company culture
- 24%** Personal life choices (i.e. marriage, relocation)



App use: Whatever gets the job done best

With Gen Z, engaging in so-called “shadow IT” — using apps in the workplace not formally approved by IT — will become standard practice. The vast majority of Gen Z (**84%**) told us that if they had to choose between two apps — the app their company tells them to use and the one they know will most effectively handle the task — they’ll go with the latter. This finding should indicate to enterprises that any attempt to suppress shadow IT will be a losing battle. Instead, the onus is on enterprises to adapt to Gen Z’s preference for app flexibility.

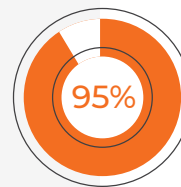


“
I fear
redundancy.”



Unexpected cross-generational harmony

There's been a lot of speculation about — and planning for — how four generations will work together under one corporate roof. Generational think pieces have presumed the relationship will be adversarial, particularly with Gen Z on the scene.⁶ But our findings paint a very different, and much more hopeful, picture. As both Gen Z and older decision makers told us, everyone is actually getting along and feeling listened to. From Gen Z's standpoint, their older counterparts are open and attentive: **95%** see their manager as open to improvements and keen on making Gen Z's job easier. Similarly, decision makers not only feel close to Gen Z — they ranked their connectedness to Gen Z at a seven out of 10 — they also value and act upon this new generation's suggestions. Eighty-three percent of decision makers told us their company has adopted a new technology or tool specifically because it was proposed by a Gen Z employee.



“

I'm concerned about not being able to connect with co-workers.

⁶ <https://www.information-age.com/generation-z-set-clash-older-workers-over-communication-differences-research-123460274>



The flex factor

Work flexibility (such as the ability to work remotely and flexible hours) is the single most important factor behind current Gen Z employees' selection of their job — more important, even, than salary. This desire for flexibility above salary and work-life balance presents a notable point of contrast with Millennials, whose focus was more on money and company culture.

“ A cubicle desk job is what I'm most afraid of.

TOP 4 FACTORS BEHIND GEN Z'S SELECTION OF THEIR JOB

36% Work flexibility

32% Salary

29% Work-life balance

29% Potential for career growth



Cross-country differences

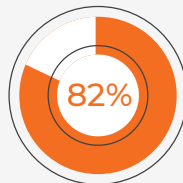
We observed some notable points of contrast between Gen Z employees in Australia and those in New Zealand. One key difference is what drives employees to their current job. While Australian Gen Z respondents said work flexibility and salary were the two biggest drivers behind their job selection, New Zealanders instead pointed to opportunities for new learning and career growth as the biggest incentives. Another notable difference is debt: New Zealand respondents are almost 10% more likely to have debt upon graduation than their Australian counterparts. However, this won't be the case in the future, given that New Zealand is proactively working to eliminate university tuition by 2024.⁷

⁷ <https://www.studyinternational.com/news/free-university-australia-new-zealand>



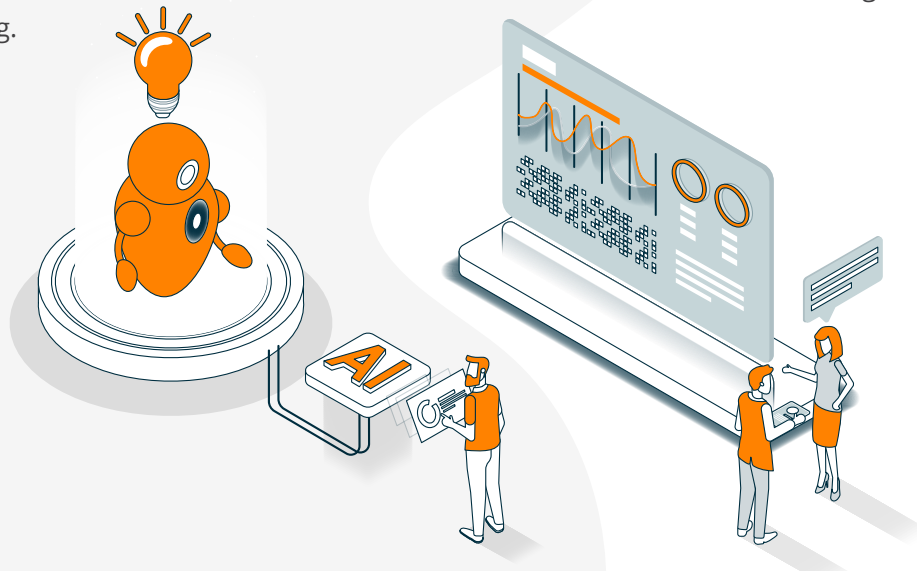
The opportunity and anxiety of automation

Automation and artificial intelligence (AI)-driven tools are becoming ubiquitous within the workplace. The vast majority of companies (**82%**) currently use automation and AI-driven tools to a moderate or very significant extent, according to the decision makers we surveyed. Both Gen Z and their managers have mixed feelings about these resources, seeing them as both promising and anxiety-producing.

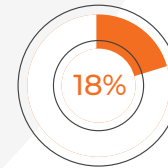


Recognising the opportunity in automation

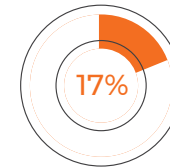
The vast majority of Gen Z (**87%**) and decision makers (**89%**) view AI and automation as a resource that will make their jobs easier. Current Gen Z employees also pointed to specific processes they'd like to see automated, starting with technology troubleshooting.



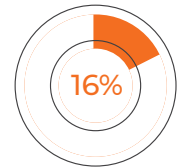
THE TOP 3 PROCESSES GEN Z EMPLOYEES WOULD AUTOMATE TODAY



Technology troubleshooting



Access to tools and documents that enable good job performance

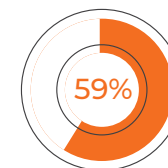


Requesting a new computer or other device

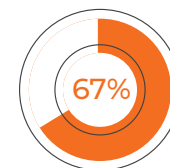
But will AI take my job?

Still, **59%** of Gen Z and **67%** of decision makers are concerned about AI and automation impacting their job security. The conspicuous exception here are Baby Boomer decision makers, who are largely (**62%**) unconcerned about AI threatening their jobs, likely because most members of this generation are nearing retirement age.

CONCERNED ABOUT AI AND AUTOMATION



Gen Z



Decision makers



Meeting the Gen Z moment

It's easy to regard the arrival of Gen Z in the workplace as a harbinger of discord and disruption. However, we found the four working generations — Gen Z, Millennials, Gen X and Baby Boomers — are more alike than not, and that Gen Z is arriving on the scene determined to work hard and to grow.

**The rise of Gen Z is an opportunity for companies to foster a committed new class of employees.
But to do that, they must offer a workplace worth sticking around for.**

Here's how enterprises can best meet Gen Z's workplace expectations

CULTIVATE AN IMPROVEMENT CULTURE

One in which continuous evolution is the norm. Process shortcomings won't send Gen Z packing, but a lack of willingness to change these processes will.

Create a culture defined by continuous process improvements — and one in which Gen Z can play an active role in evolving these processes. For their part, decision makers are already moving in the right direction with their openness to Gen Z's process-based suggestions.

BUILD AN EMPOWERMENT NARRATIVE AROUND AI AND AUTOMATION

Gen Z — and everyone else, for that matter — sees the potential in AI and automation but need to know it won't eliminate their jobs.

Companies should position these technologies as a partner, not a competitor, and a solution to augment, not replace.

MAKE FLEXIBLE WORK OPTIONS A MATTER OF COMPANY POLICY

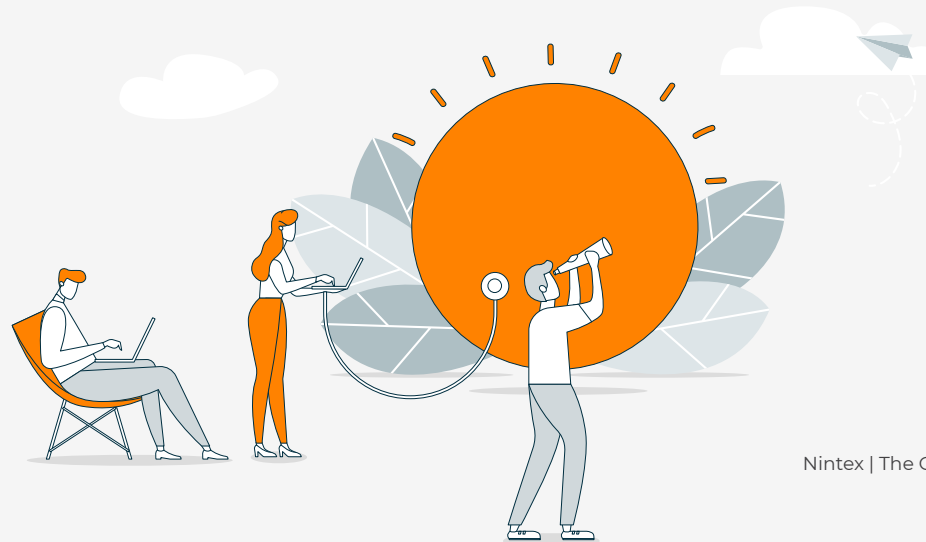
Whether or not to offer flexible work policies remains a point of contention among enterprises. But there's no longer room for debate.

With Gen Z indicating they'll choose flexibility over salary, it's time for companies to provide that option if they want to keep Gen Z around.

INVEST IN GEN Z'S INCREMENTAL CAREER GROWTH

Gen Z doesn't enter the workforce planning to job hop. They are prepared to put in the time to grow with their first employer.

But employers should meet them halfway by accommodating their expectations for new learning, frequent in-person check-ins, and an opportunity to advance at the 12 to 18-month mark.



Because Gen Z has only been in the workforce for a few years, work routines are still in their nascency and may evolve as they settle into the workforce. But what's clear now is this: Gen Z and their older counterparts feel engaged with one another. **The presumed disconnect of a multi-generational workforce hasn't come to pass.** Instead, an unlikely harmony has emerged, along with **a new generation that cares deeply about adding value and growing their careers.**

As one Gen Z respondent told us, their **biggest fear** about entering the workforce is that they'll **"be stuck doing benign work of little value"**.



Gen Z is here to work
— but they want to make
that work count.

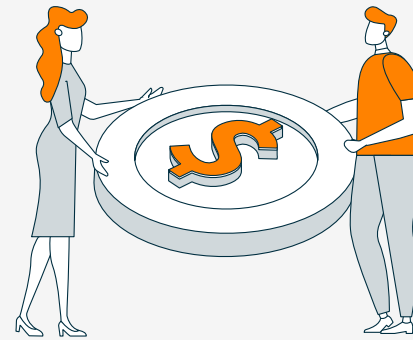
Focus on: New Zealand

We found that **eight out of 10 New Zealand Gen Zers graduate from university with debt**, notably more than in Australia. But while the Labour-led government has made significant strides toward alleviating this debt load — implementing a free first year of tertiary education starting last year, followed by a full three-year subsidisation by 2024 — most of the Gen Zers we surveyed aren't eligible for this benefit.⁸ Yet even with sizeable loans, New Zealand's Gen Zers aren't motivated by money in university, with only **22%** saying their ultimate potential salary dictates their choice of study.

Instead, the vast majority of Gen Z in New Zealand (**89%**) enters university to study what they find personally interesting. They then approach the workforce with a similar focus on development and personal growth, ranking new learning opportunities the most important factor when deciding on their current place of work. But we found that managers in New Zealand largely aren't aware of the degree to which Gen Z values learning relative to money: Only **24%** of managers said they thought a lack of new learning opportunities could fuel unplanned Gen Z attrition.

8 out of 10

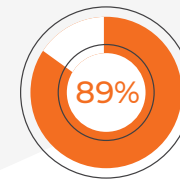
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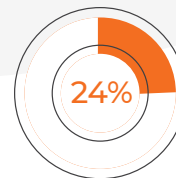
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Say their ultimate potential salary dictates their choice of study.



Enters university to study what they find personally interesting.



Of managers said they thought a lack of new learning opportunities could fuel unplanned Gen Z attrition.

⁸ <https://www.studyinternational.com/news/free-university-australia-new-zealand>, <https://www.newshub.co.nz/home/politics/2017/11/what-the-new-government-means-for-students.html>

Focus on: Australia

In a 2004 academic report on Australia's Millennial population, its authors asserted that the country's Millennials could be broadly characterised by a preference for teamwork and group projects.⁹

By contrast, we found that the majority of Australia's Gen Z population prefers individual work over group-based projects — one sign that Gen Z represents more of a generational inflection point than a continuation of the Millennial narrative. Indeed, if Millennials have at times been faulted (deservedly or not) for a laissez-faire attitude toward work and loyalty, that doesn't seem to be the case for Australia's current Gen Z employees, nearly **one-third** of whom told us they feel their job is their identity.

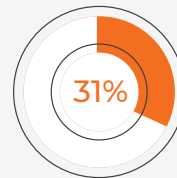
But while Gen Z is committed to their work on a personal level, it is possible for workplace inefficiencies to test that commitment: **31%** told us broken IT processes could send them searching for a new job sooner than planned.



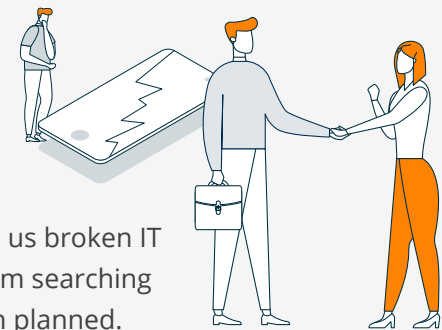
The majority of Australia's Gen Z population prefers individual work.



Of Australia's Gen Z employees feel their job is their identity.



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⁹ <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.216.2538&rep=rep1&type=pdf>

