



SERIES EPISODE 1

Job Candidate Expectations: Recruiting Generation Z

Intro: Welcome to Strategic Insights, brought to you by PrideStaff. On each episode, we bring you interviews with leading management and employment experts from across the country. Your host for Strategic Insights is Brad Smith. And now here's Brad.

Brad Smith: Hello and thank you so much for listening in to Strategic Insights from PrideStaff. I'm your host, Brad Smith, and today I'm excited. We have part two of our series on job candidate expectations. Joining me today is Daan Renssen, Strategic Part and Owner of the Thousand Oaks PrideStaff Office. Daan, thank you so much for your time today.

Daan Renssen: You're welcome. Thanks for having me here, Brett.

Brad Smith: So Daan, I mentioned in part one, we talked a lot about the challenges we face with a candidate driven market, and how employers need to be open to transferable skills, more flexibility, changing tone in their recruitment, marketing and their ads. And we talked a little bit about what employees really value today. I want to hone in and focus on the newest entrance into the workforce today, the Gen Z. They're very unique group of people coming in. And as employers, we need to shift, we need to adapt, and we need to be open to it.

When you look at the overall workforce right now, we have four main generations. We have the baby boomers. The challenge there is that they're retiring in droves. They're taking a lot of knowledge with them and thought leadership with them. So as organizations, we need to plan for that and we need to look at a knowledge transfer plan and make sure we're bringing in the right people early enough in the process so that we can retain that expertise.

Then we have Gen X. These are people born between 1965 and 1980. This is mainly the first generation with two income families, and these people are fiercely independent and typically very self-reliant. Then the next generation are millennials. These are the people that are born between 1981 and 1996. And this was really our first generation to grow up with computers and the internet. They're digital natives, they're tech savvy, and they have a strong sense of social justice.

And Daan mentioned in episode one, a lot of these people want to make sure that they align with organizations that share their values, that share their social causes. It's going to be very important for millennials and Gen Z, that we adapt and align with those values. The millennials right now are the biggest group here, and they're assuming management and leadership roles. And then finally, Gen Z. These are people that were born between 1997 and 2012, and then the newest generation entering the workforce. They're highly connected digital natives. They have a very diverse and global worldview and maybe a different relationship with work.

Daan, if you don't mind, let's briefly discuss that last point there. I want to make sure that we understand and meet the expectations of the Gen Z demographic and their relationship to work. In your experience, how does their relationship to work differ from maybe the Boomers and Gen X?

Daan Renssen:

I think there has been a massive shift in work relations between the boomers and the newer generation. So, when you think of it, when the Boomers started their career, even some of the Generation X, there was an excess in talent. There was a market where there were many, many people fighting for the same jobs. So that generation, especially in corporate, was taught that they were always replaceable. You had to work really, really hard to keep your position, and if you didn't, there was always somebody waiting and eager to take your position. And now it's the reverse. So basically, when you think of it now, we are in a situation where there are more jobs than talent.

So first of all, I think it's important to know that if there's a generational conflict, if you have a management layer, let's pay especially the more senior management. Because there by sheer age, they have worked longer. That is used to a work environment where people were trained to work really hard and always look over their shoulders for somebody to come and take their job. Dealing with a new generation that comes in and says, well, hey, if this doesn't work out, I have five other options. You can imagine that's the kind of a generation gap, and there's a lot of misunderstanding on what motivates people. There's a lot of misunderstanding between management to classic management and new interest in the workforce, what it takes to motivate people, what are the right incentives? What are people looking for?

Another way of thinking about Gen Z, I always like to paint a picture on how they were erased. When you think of it, a Generation Z has never had a life without a mobile phone. People tend to forget the first iPhone was in 2007, there were other phones before that. But obviously, if you've never had a life without a mobile phone, you automatically assume that life is always connected, life is always online, and live is always there. They're not just computer savvy, they're not just tech savvy, they're also expect to always have every information, everything at their fingertip. That's an integral part of their life and their input. So, where a lot of older generations have a hard time accepting that Gen Z is always on their phone, it is because the phone is an integral part of their life.

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Brad Smith: So there's a lot of different dynamics at play here. And thinking about from a Gen Xer seat, when you grew up working 60, 80-hour weeks and you see somebody come in that isn't willing to do that, how's that make you feel? And as leaders, as company leaders, how do we get over that?

Daan Renssen: I think that the first step is always to just put yourself in the other person's shoes. I think a good way of ending miscommunication is just assume yourself in that order position. And like I said just before, realize how that new generation grew up. That still makes it hard because if you've had 10, 20, 30 years of mental training, that's how you work. It is hard. So, what does it mean? A new generation, I have the number here. I think for generation Z, it is expected that they probably change jobs 10 times during their career, probably even before they turn 40. So that is the new normal.

If you are raised in a period, let's say, you started your career in the nineties and it was still normal to have a job for life, maybe two, three jobs during your whole career. That is a different thing. So just accepting that a new generation's coming in and seeing a job as a contract, where basically they're saying, I give you my give skills, but just realize that in three, four years from now, I'm going to move on. And I think as employer, it's very important to realize that that's what you have.

And let's assume you have three years. That means you need a very efficient way to train people, to get them up to speed as fast as possible. And then you're going to have two, three years out of that person before you should assume that they will be moving on to another position. From the candidate point of view, we should also realize that for most people to make a career, it is physically impossible to have many careers within companies because there aren't that many layers left. So, careers are either horizontal, just you go into another category or not a career. Or if you want to make a career within your category or within your specialization, you have to hop jobs, you have to move jobs to actually make a step-in salary and make a step in experience. So the moment you know that as an employer, I think that will help a lot of employers realizing and understanding why that's the case.

Brad Smith: Yeah, and I love your emphasis on quick efficient training and onboarding. Very important because we do have some limited shelf life of candidates today. And we just have to expect that as more tenured managers. Now, Daan, I want to talk a little bit about recruiting Gen Z. So, you and your team are constantly recruiting new talent. When you're talking with the newest entrance into today's workforce, what is most important to them? What are some of their unique preferences? And what are they looking for in a position or a company?

Daan Renssen: There are soft and hard failure. I think we should also realize that Gen Z is a generation that grew up with wage technician, there wasn't much growth in salaries. And a lot of them are coming to a workforce where it's really crushing student debt. So, on the one hand, they are very financially motivated because

they need to pay for a student debt, and they are finding that they need to find ways to get an increase in salary. That's the rational part.

I think the softer part is that this generation is very aware of values. They want to work for companies they can associate with. They want to work for companies that stand for the same values that they have. I mean, we might all know Simon Sinek, he is a philosopher or give him a title. But he has this famous diagram that basically says the what, the how and the why. And why is like, why are you doing what you do? What is the why of your job? And I think a lot of younger generation employees, they ask themselves, why am I doing this job? And they want to have an employer that basically gives them a reason to. That means that any employer that does good, that leaves the world a better place after them before, that any employee that where a candidate feels like they're adding something good to the world has a major benefit.

Brad Smith:

I love that you brought up Simon Sinek, he's one of my favorite authors and speakers. And I love starting with the why. So, as you're crafting your job descriptions, as you're working in leading your teams, you really need to connect the dots for employees. And make sure that they truly understand what their why is? How do they fit into the greater good that your company is doing? How do they impact the world positively? And if you can show them that path and you can show them that their why aligns with your company's why, and they're making a greater impact on the world. You're going to drive productivity, you're going to drive innovation, and you're going to improve retention across your entire organization.

So again, when thinking that or even rolling out a new company initiative, start with the why, think about the why behind this. And that's a great way to rally the troops and get people behind that. Now Daan, I want to build on this a little bit more and talk more specifically about recruitment strategies. Where and how do employers attract this growing audience, the newest people entering the workforce? And is there something that they need to do different beyond just thinking about the why?

Daan Renssen:

I think one way of looking at it, I think personality becomes a lot more important. So, personality means your personality as a company. That's like the bigger picture. But also, the personality of diversity and personalities within your company. So, if I take my own company, on purpose, I've built a very diverse team. Because I realize that the personality that my recruiters have, that's what connects them to both candidates and clients. And will be to take two extremes. We have people that are very outgoing, bubbly, and they will connect with different candidates and different clients than versus people that are highly efficient, almost nerdy in their rationale, and they connect with other clients and candidates. And I think having the diversity in your company will help you to be attractive to candidates and I think clients, as well, to be honest. And it all boils down to that people are looking for a personal connection.

I mean, as a little side discussion there, Brad, if people ask me, will AI take over your business? I think as an owner of a staffing company, that personality, that personal connection you build with both your clients and your candidates, that is so unique and cannot be taken over with AI for the time being. So, it's also a longer term strategy to remain relevant in this business.

Brad Smith:

I love that concept of AI, too. Thinking about how you could potentially use AI to speed up the process where you can get to the point where you're building that more personal connection. So, looking at it to more efficiently do those things that don't require that personal connection to free your recruiters, free your team, free your leaders, your managers up to build those personal connections, I think is very important.

Daan, in part one of this series, we talked about how there's a massive shortage in some industries. And how workers are transitioning from other industries in making career changes. One area that we're seeing a massive shortage in is the light industrial and manufacturing talent. What do companies in those spaces do to attract people? Because we've been ingrained and hit over the head over the last decade, maybe more, that you need to go to college, you need to go to college, you need to go to college. What do we do? Because there is a big gap there for people in the light industrial and manufacturing sector, that are looking to hire that just can't find that talent that's willing to take those non-degree positions.

Daan Renssen:

And I don't want to offend anybody, but I hate to say, but I think that industry as a total has done a pretty poor job in marketing their jobs and the career path as a viable path for a lot of people. To give an example, I think a lot of ... if you look at machine shops and light industrial, there are a lot of very small ... it's very fragmented. There are a lot of many, many smaller companies that really never banded together and sold their career path as a viable option.

To name some numbers. If you are a skilled machinist or you are a skilled HVAC repairman or a repair person, you can easily make \$80,000 to \$100,000 a year. And I would argue that for a lot of people coming out of high school, the system pushes a lot of people towards college. And where I think what we need as a country, what we need as an industry is a well-established system where, A, people are aware of the fact that our viable career path, a very lucrative career path, when you work with your hands and hands on.

And I think maybe a good example is Germany has a long-established, really solid program with apprenticeships. Where there many incentives for both candidates and employers to take on apprentices and teach them on the job how to get a skill. Which makes it worthwhile for both the employer investing time and effort in teaching a person, and giving a candidate a great career path to kind of become a skilled laborer. I'm seeing the first signs that people are bending together and I think there are some really hopeful first signs that both the industry and the government is realizing this is an issue. It will take a few years before we see the ship turning and see that happening. But I just want to

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shout it from the roofs, from the highest roof, that skilled labor is a very, very viable career path for many people that might not linger in having gone to college with a high-quality student debt. And they might have been much better off skipping college and going to a skilled labor.

Brad Smith:

So, I'm encouraged to hear that you're seeing some signs of that shifting right now in organizations. Things like chambers, industry groups, things like that, getting together to do a little bit more lobbying in that side. But as end employers, we need to do a better job of tying the why back to this type of work. Why is this work important? What's the benefit to the end employee?

There's great opportunity for upward mobility in these spaces. There's amazing opportunity to learn new skills that are in extremely high demand. And people coming out of high school don't incur that high volume of college debt and educational debt that hangs over them for years and maybe decades into their life. So, I'm glad to hear that we're making some improvements, but I think there's a long way to go. And as end employers, we can do a great job of telling the successful stories of the people in these roles that are working for us right now. And let's shout that, as Daan mentioned, from the rooftop so that everybody can see that.

Daan, I alluded to this earlier, but every time I mention Millennials or Gen Z to Baby Boomers and Gen X, you can almost sense a little bit of tension. Talk to me a little bit about some common misconceptions you see that, as employers, we might need to get over.

Daan Renssen:

I think we're already touched upon job hopping. I think I just want to highlight again, as job hopping doesn't mean un-loyal. I think we should separate being loyal to the company by staying long. I think for Gen Z, being loyal means I'm super loyal to you for three or four years, and then I move on. So, I think that's a very important one, a very often misunderstood.

I think also that the daily work routine is kind of very often misunderstood. For a lot of people, like I said, that never knew a time before mobile phone. What we're seeing is that they don't work four hours, go to lunch, work another four hours, go home. They typically work in highly concentrated, like let's say micro blocks of work, take a micro break and then go back to work. And that's also how they've been raised. If you think of this is a generation that has been raised with video gaming and what have you. So, they have peers where they're highly concentrated and really give it all, and then need to step out for five to 10 minutes, just take a breather and go back to work. As long as you know this and as long as you recognize that they are having shorter periods of high focus, then they actually tend to be highly functional, highly productive, and highly efficient. It's just a different work like rhythm, in a way.

Brad Smith:

Yeah, it's a different relationship with work. Now I get that and I understand that, but as leaders of an organization, sometimes it's tough to deal with. How

do you go about making accommodations for certain part of the workforce?
And making sure that you're firm with what needs to get done?

Daan Renssen: Let's take a step back. The older way of managing a workforce is by having key performance indicators, basically action driven. If you do these actions, you get to the results. I think a younger generation says, what do you expect me to do? And give me more leeway of flexibility how I get there. So as an example, take an example like a classic old way of managing staff would be you have to make so many phone calls, you have to create so many reports, you have to do so many things. It's very numerical what you need to do, action driven. How many actions do you need to take to be successful? A younger generation says, tell me how many reports I need at the end of the day and give me leeway how I get there. I think as a manager, you need to learn to manage your employees different.

And I think it also comes in handy. That's another topic we haven't discussed yet, Brad, is how about remote work, hybrid work and what have you? When you think of it, if you manage a team by defining actions how to get there, and people will work remote, it's very hard to actually check if they made those actions. However, if you value your team based on what they create or what the deliverables are in the end, and give them more leeway how to get there, that's also a recipe to be more successful in remote work and hybrid. So I think it's assuming that in some categories, hybrid work is a new normal. I think that's another thing that a lot of employers need to learn and need to change to effectively manage their workforce.

Brad Smith: So just to kind of recap things, we need to, number one, make sure and know that there are generational differences. People have different relationships with work and that's okay. We need to make sure that everyone in the organization understands their why. And their why aligns with their professional and personal goals, and those of the company. We need to make sure that we know that people work in different capacities and be open to that. And we need to clearly, and concisely identify what the expectations are. And make sure that that's communicated throughout the entire organization.

Daan, thank you so much. Just amazing takeaway for today. For organizations and companies that are looking to attract talent in this market right now, any closing words of wisdom?

Daan Renssen: Whew. I should have prepared this, Brad. No.

Brad Smith: Big topic, I know.

Daan Renssen: Sorry. It's one little closure word, it's another thing I forgot to mention in this discussion is that Generation Z really values personal relations even at work. So what it also means is the Generation Z, they're looking for feedback. This is not a highly critical, highly self-critical generation. And they want a manager that

actually tells them, on a much more frequent basis, how they're doing, how they can improve, and how they can get better.

Brad Smith: Daan, thank you again so much. For those listening, I hope you found some value in today's episode. If you are currently hiring, you need assistance, you need help with how to recruit in specific markets, specific industries, specific types of individuals, reach out to your local PrideStaff office. We are here to help. They do this 24/7 and recruit around the clock to make sure that you get the talent you need to drive productivity in your organization. Daan, for all of us and all of those listening, thank you so much.

Daan Renssen: It was a pleasure. Thank you, Brad.

Brad Smith: Take care.

Closing: Thank you for listening to Strategic Insights brought to you by PrideStaff. Whether you're looking for high level workforce consulting or staffing help to meet demands, PrideStaff is here to help.