We’ve reached the end of the entry-level millennial.

While millennials are currently the largest generation in the U.S. labor force, it’s Generation Z that will be filling internships and entry-level roles for years to come. With the oldest members of Generation Z just starting to enter the workforce, it’s time to take a step back from the millennial mindset and understand the wants and needs of a new set of employees. With over 60 million members of Gen Z in the United States alone, the relevance of this generation’s workplace preferences isn’t going to fade soon – it’s time to take a closer look.

To find out what Gen Z actually cares about in a career, RippleMatch analyzed tens of thousands of student profiles and discovered how companies can effectively appeal to Gen Z. In our analysis, we found that reaching this pragmatic and entrepreneurial generation will take more than a high salary and a big name. For companies to stand out to Gen Z, they need to heavily emphasize opportunities for professional development and the chance to grow with the company, along with offering an inclusive and collaborative environment. But what Gen Z wants also depends on who you look at - read on to find what matters most to Gen Z across population segments like gender, race, ethnicity, and education.
If you’ve been relying on your company’s good name or impressive compensation packages to draw in the best entry-level candidates so far, it’s time to take a different approach.

In our extensive analysis of Gen Z workplace preferences, we discovered what students are really looking for in their careers. When it comes to staying with a company longer-term, Gen Z shows more promise than millennials, who are known for their job-hopping tendencies. Following professional development, Gen Z ranks “Upward Mobility” as the second most important factor when looking for a job.

Companies need to provide the professional development tools to allow Generation Z to grow in the workplace, as well as offer career mapping to show Gen Z their potential for promotion within the company. If Gen Z employees see that the only way to progress in their careers is by going to a different company, it will be difficult to hold onto top talent and your retention rate will suffer.

WHAT GEN Z WANTS AT WORK

Upon signing up for RippleMatch, students are asked to rank the importance of things like professional development, social impact, community and work/life balance on a scale from 1-5, with 1 being “Not at all Important” and 5 being “Extremely Important.” All of the average data points fell above a 3.0, showing that Gen Z considers all of the offered values at least “Somewhat Important.” But with a max deviation of 1.5 between data points, it’s clear that Gen Z prioritizes certain workplace values over others.
Interestingly, for Gen Z, upward mobility is not synonymous with higher compensation. Being able to work on fulfilling projects and make an impact within a company is more valuable than a high salary. And it’s a workplace preference supported by other research done on Gen Z.

A survey conducted by Ernst and Young on over 1,600 Gen Z interns found that potential for career progression and growth is the most important factor to Gen Z when searching for a job. This Gen Z group ranked salary as the least important, with only 1% of participants selecting it as something they prioritize most during a job search.

Another large-scale survey of Gen Z by Trendera found that 73% of respondents believed having a successful career is very important, but only 53% of Gen Z felt the same way about “making lots of money.”

When it comes to their careers, it’s clear that Gen Z values upward mobility and mentorship over high compensation packages. But why do they care so little about company prestige? It’s an unsurprising preference when you look at the existing data on Gen Z. Consumer reports on Gen Z have found that this generation is less trusting of big brands, instead choosing to research and form their own conclusions on what a brand stands for and if it’s something they want to align themselves with. A recognizable name alone won’t necessarily harm your chances with Gen Z, but it won’t win them over.

To stand out to Gen Z, you will have to show that your company offers things this generation actually values, like professional development and upward mobility. Utilize things such as social media or a section on your website to highlight specific ways your company helps its employees grow professionally, and make sure you’re bringing up those opportunities during informational interviews or career fairs.

ABOUT GEN Z

Born between 1997-2010, the oldest members of Gen Z will soon be making waves in the workforce. Pragmatic and sensible, Generation Z has been described as the overachieving younger siblings of millennials but have their own defining and unique characteristics. Read our entire overview on this up-and-coming generation here.
When it comes down to what Gen Z women vs. Gen Z men want at work, there are a few key differences. While the data shows that professional development is the most important factor and company prestige and compensation are the least, the data in between tells a different story between what these two groups value.

There’s a clear difference between men and women in the importance placed on having a social impact, as well as other factors such as a sense of community, work-life balance, and job security.

The importance of a company’s social impact had the highest difference between women and men, with women ranking it about 10% more important than men did. Outside data shows it’s not just the workplace that women are more concerned about social impact than men. A study by MTV and the Public Religion Research Institute found that young women tend to be more politically active and civically engaged than young men and also view things like protests more positively than men do. It’s clear that the socially-conscious attitude of young women extends into the workplace, so emphasizing your company’s social initiatives can help you stand out to Gen Z women.

Professional development was still the highest ranked factor between both genders, but the next most important thing differed between Gen Z men and women. Upward mobility was the second most important thing to Gen Z men, while a sense of community came second for Gen Z women. That doesn’t mean upward mobility isn’t important to Gen Z women - it ranked as the third most important - but having a supportive and communal workplace is a priority for young women, who also value work-life balance and job stability more than men.
Generation Z is the most racially diverse generation to date – in the United States, Gen Z is the last population expected to have a white majority. According to the United States Census Bureau, 49% of children under the age of 15 are minorities, compared to millennials who were 55% non-Hispanic white and Gen X who was 60% non-Hispanic white. By 2020, more than half the children in America will belong to a non-white racial or ethnic group, making the “minority” the new majority. This increasingly diverse workforce is good news for companies – a report by McKinsey&Company found that diverse teams perform better, and companies lagging in representation are falling short when it comes to profitability. Reaping the benefits of a diverse team calls for an inclusive workplace. And to attract the best, most diverse candidates, it’s important to have a sense of what’s important to the different racial and ethnic segments within Gen Z.

RippleMatch analyzed the workplace preferences of thousands of underrepresented minority (URM) students and found a few key differences that employers should keep in mind when marketing to URM candidates.

One of the biggest differences between URM students compared to the data pulled from all Gen Z students is the importance of job stability. Looking closer, URMs as a whole ranked the importance of job stability 5% higher than white men did. The importance of job stability is even more prevalent when broken down further by race and ethnicity – black/African American young people, consider job stability nearly 10% more important than white men, and Hispanic/Latino young people rank its importance 7% higher than white men did.

The importance of compensation also presents another difference between URM students and other Gen Z segments. According to a Pew Research Center analysis, pay isn’t equal across race and ethnicity – on average, whites and Asians receive higher median
hourly earnings than blacks and Hispanics/Latinos. Our data shows that the importance of compensation isn’t the same across different groups either, with URM students ranking the importance of compensation higher than both white students and Asian students did.

While professional development is still the most valuable thing you can offer to URM students, to reflect the importance placed on job stability and compensation, be upfront about the salary of your entry-level role and if the position can lead to long-term opportunities with the company.

The importance of social impact emerged as another difference in our analysis, especially when taking a closer look at Gen Z racial and ethnic segments. Out of all the population segments, white men ranked a company’s social impact as the least important, at a 3.27. Black/African American students valued a company’s social impact higher than any other racial/ethnic group did, ranking it 15% higher than white men. While not included among URM students, our data also shows that students identifying as LGBTQ ranked a company’s social impact at 3.74, higher than any other Gen Z segment, including women.

When it comes to social impact, the difference in priority levels across racial and ethnic groups is not unique to RippleMatch data. In the study produced by MTV and PRRI, black, Hispanic, and white young people were asked to rank how important certain issues are to them personally. The study found that black young people care the most about issues such as gender equality, race relations, and income inequity, followed by Hispanic young people, and then by white young people, who cared the least about each issue presented.

While young people in general have more progressive views than generations past, the investment in social change clearly varies across racial and ethnic groups – a fact that carries over into the workplace. To appeal more to URM students, don’t hesitate to showcase how your company’s social impact initiatives are making a difference globally and locally.

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**DIVERSITY IN THE WORKPLACE**

**IMPORTANCE OF SOCIAL IMPACT**

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**THE IMPORTANCE OF SOCIAL IMPACT**

Not every Generation Z population segment is as concerned about their employer making a difference. The importance placed on a company’s commitment to social impact varies across race, ethnicity, gender, and even sexual orientation.

*RippleMatch defines URM as students who identified as Black/African American, Hispanic/Latino, Native Hawaiian/Pacific Islander, Native American/Alaskan Native, Two or more races, and Other.*
Beyond the workplace preferences of Gen Z women, men, and URMs, we decided to take a look at the workplace preferences between students at elite and non-elite schools. We defined elite schools as Ivy League schools and schools with low acceptance rates and high rankings on U.S. News & World Report.

The biggest difference? Those at non-elite schools are much more concerned about job stability than those at elite schools, ranking it 8% more important.

Students at elite schools likely feel as if their education and university name can bring them additional job opportunities if one falls through, or they’ve seen data that the median pay for Ivy League graduates is significantly higher than pay for non-Ivy League grads. Notably, those at elite schools are also less concerned about upward mobility than students at non-elite schools, slightly prioritizing a communal workplace over the potential for promotions.

The second-largest deviation between non-elite schools and elite schools was the importance of work-life balance, with students from non-elite schools ranking it significantly higher than their peers from elite schools. The intense mindset of students at elite schools that already tends to prioritize work over life is carrying over into the workplace, while students from non-elite schools care for a more well-rounded approach to their professional lives.

When targeting your employment opportunities to specific schools, it’s good to be aware that things like job stability, work-life balance, and upward mobility are far more important to those at non-elite schools than it is to those at elite schools, but emphasizing the chance to join a close-knit team can appeal to students at elite schools.
GEN Z STEM MAJORS VS. NON-STEM MAJORS

Taking a deeper look at the technical skills of Gen Z, we analyzed the workplace preferences of STEM majors vs. non-STEM majors, identifying two main areas where they differ.

The most significant finding that emerged when comparing the workplace preferences of STEM majors vs. non-STEM majors is just how little STEM majors care about company prestige. Non-STEM majors were above the Gen Z average, while STEM majors were far below. This suggests that while Google and Facebook may be tough competition when it comes to recruiting the most elite engineers, smaller companies can succeed here with the right strategies and messaging.

The second biggest difference between STEM majors and non-STEM majors was the importance of upward mobility. While professional development was essentially tied between STEM and non-STEM, non-STEM majors ranked upward mobility as more important than STEM majors did. It’s possible this is due to the fact that because of the relative security of the STEM field, non-STEM majors are just more concerned about upward mobility. Compensation is also more important to non-STEM majors than to STEM majors. Considering that, on average, STEM majors make $15,000 more than non-STEM majors, it’s understandable that non-STEM majors are concerned about compensation and recognize that upward mobility is a path to higher pay.

While non-STEM majors are more concerned about upward mobility, it’s still important to STEM majors, along with professional development. When deciding how to attract top STEM talent to your company, it’s clear that your company’s well-known name won’t determine a student’s decision to join your company. Whether your company is 20-person team or a 2000-person team, make sure you emphasize what you can offer in terms of mentorship, skill-building, and career mapping when trying to lock down STEM talent.
With Gen Z’s priorities and preferences laid out, you should now have a sense of what this generation is looking for in a job. But what is it like to work with members of Gen Z?

The highest personality data point among Gen Z was their self-selected preference for challenging the status quo. It shouldn’t come as a surprise that this generation isn’t afraid to go against the grain – one Gen Z survey found that 72% of high school students want to start their own business someday, and other reports are labeling Gen Z as the most self-starting generation yet.

Gen Z’s affinity for entrepreneurship doesn’t mean they aren’t excited about traditional career paths, but it does show how Gen Z could fit into a work environment. According to our data, Gen Z is competitive, extroverted, and collaborative, making open floor plans and cross-functional teams a great fit. Trendera’s report on Gen Z also adds some color to Gen Z’s workplace personality, with 72% of Gen Z describing themselves as ambitious, and nearly three-quarters of agreeing that it’s important to work at a job they give them a sense of purpose.

To get the most out of Gen Z employees, your company should tap into this generation’s natural inclination toward collaboration and problem solving, and allow them to have ownership over the projects they’re assigned.

Whether the task is big or small, helping Gen Z understand how their work can make a difference in the organization can speak to the importance of meaningful, game-changing work.

Gen Z is often described as pragmatic and sensible, traits that are typically linked to growing up during a major recession. But Gen Z’s affinity for security and stability hasn’t stopped them from becoming one of the most entrepreneurial generations yet. Stemming from an inclination toward problem-solving and skill-building, Gen Z’s entrepreneurial goals aren’t simply to be the next Mark Zuckerberg — it’s to create their own chance at success.
When it comes to Gen Z in the workplace, our data paints a clear picture of the priorities and preferences of this generation. Here are some steps we’d take to succeed when hiring Gen Zers:

1. **Professional Development Opportunities Are Essential**

   Across every single Gen Z segment, professional development came out on top as the most important factor in a job, while compensation ranked near the bottom. If you’re trying to convince a Gen Z student that your company is right for them, showcase your mentorship and skill-building programs before you talk salary, and make it clear that you’re invested in helping them grow as people. While this financially-responsible generation still cares about compensation, having stellar opportunities for professional development could help you edge out a company that’s simply offering a high paycheck.

2. **Don’t Rely on Your Company’s Name**

   With company prestige ranking as the least important factor to the Gen Z job search, legacy companies can’t rest on the laurels of their well-known name. It’s not that Gen Z is against well-known companies – they just care more about the workplace culture and how the company can help them progress through their career. If your company has a recognizable name, don’t get too comfortable. A big name might help you stand out at a career fair, but it won’t automatically lead to top Gen Z candidates accepting your job offer.

3. **Recognize the Multifaceted Nature of Gen Z**

   As shown by the variances in data across different segments of Gen Z, the importance of things like social impact and work-life balance depends on who you’re looking at. While professional development is important across the board, emphasizing different aspects of the company to different candidates can help you connect with individual Gen Z’ers, especially if you’re working to build a more diverse team.

   With the Gen Z workforce just getting started, positioning your brand to attract the best talent is essential. Remain authentic and highlight your existing strengths, but develop a long-term strategy to offer robust professional development programs and ensure that you have an inclusive workplace. Because ready or not, Gen Z has arrived in the office – and they plan on making an impact.

To figure out how to showcase your company to Gen Z candidates or to get a sense of how well you speak to this generation, schedule a free Gen Z brand consultation here.
RippleMatch helps entry-level candidates find their dream jobs. Figuring out where to begin a career is a huge decision, but students are often forced to rely on overstretched career services centers and family friends when they begin their job search. RippleMatch has built the first product ever to automate early career recruiting and career coaching. The company’s software handles all the heavy lifting that has traditionally gone into recruiting for companies and helps candidates find the right opportunities.

Since launching from a college dorm room, RippleMatch has taken off on college campuses, raised around $5 million in venture funding, and brought on some of the most exciting companies in the country as customers.

RippleMatch collected data on Gen Z candidates over the course of a year. Upon signing up for an account on RippleMatch, students are asked to select on a sliding scale from not at all important, to extremely important to rank the importance of the following: Compensation, company prestige, social impact, professional development, strong sense of community, work-life balance, upward mobility and job stability.

Students are also asked personality questions, selecting on a sliding scale from strongly disagree to strongly agree to rank their agreements on the following statements: I am more extroverted than introverted, I prefer working on a team to working individually, I am very competitive, I like to challenge the status quo.

Data points were averaged from a subset of 30,000 student accounts. To find averages of population segments, student accounts were segmented by various components such as race, ethnicity, gender, sexual orientation, university, and major, and averages were calculated within those segments. Demographic and education information is self-reported and not required.