

Leadership for Gen Z

Navigating Challenges & Engagement

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Opening Story

Imagine a young employee, overwhelmed by constant notifications, facing burnout due to 'infinite workdays.'

Story of “ANA”

A promising young professional fresh out of university is joining your organisation. She enters with enthusiasm, driven by a deep desire for meaningful work and rapid career advancement. Initially excited, she dives into her new role, quickly proving herself capable and committed.

But soon....

- Her eagerness leads to working **excessively long hours**, blurring her **work-life boundaries**—emails and Slack **messages pile up**, even late into the night, creating a sense of never truly **disconnecting from work**. **Anxiety** and **burnout** begin to take hold.
- Her eagerness leads to working **excessively long hours**, blurring her **work-life boundaries**—emails and Slack **messages pile up**, even late into the night, creating a sense of never truly **disconnecting from work**. **Anxiety** and **burnout** begin to take hold.
- Priya, who is comfortable sharing openly, frequently discusses her **anxieties** and **stresses** at work, **expecting empathy**. However, her managers—more traditional and reserved—struggle to address such emotional openness effectively, which creates awkwardness and misunderstanding.

But soon....

- She also notices there isn't a clear career path or structured feedback system in place. Used to continuous validation and growth expectations, Priya starts feeling uncertain and frustrated.
- **Priya deeply values social responsibility and purpose-driven work. She initially thought your company aligned with her values, but when she sees only superficial commitment to sustainability and community efforts, she feels disillusioned.**
- Moreover, Priya, despite being tech-savvy, experiences embarrassment—what we might call 'tech shame'—when she struggles with unfamiliar enterprise tools, feeling isolated and reluctant to seek help.

And finally...

Within months, Priya, once optimistic and highly motivated, considers leaving her role. Her managers, unaware of these compounded challenges, feel puzzled by her declining performance and engagement.

Priya's story isn't unique. It reflects a broader reality faced by leaders everywhere today. Our challenge—and opportunity—is adapting leadership practices to address these evolving expectations and create environments where talented Gen Z employees like Priya thrive."

Who Is Generation Z?

- **Born between 1995 and 2015:** The youngest workforce generation.
- **Digital Natives:** Born and raised in a world dominated by technology—social media, smartphones, and constant connectivity are second nature.
- **Realistic yet Ambitious:** Shaped by global events (economic downturns, pandemics), they're cautious, practical, yet eager for rapid success.
- **Socially Conscious:** Prioritize purpose-driven roles, ethical workplaces, and genuine commitment to sustainability and diversity.
- **Feedback-Oriented:** Expect continuous, meaningful feedback; thrive when guided rather than managed traditionally.
- **Desire Flexibility & Autonomy:** Value flexibility in work (remote/hybrid), autonomy, and clearly articulated career pathways.
- **Short Attention Spans:** Prefer dynamic roles and varied tasks; easily disengaged by monotonous or unclear tasks.

Why This Matters...?

1. Rapidly Growing Workforce Segment:

- By 2030, Gen Z will constitute approximately 30% of the global workforce, shaping corporate cultures and driving future growth.

2. High Turnover Risk if Unaddressed:

- Gen Z employees average only 1–2 years in a role when their values, growth expectations, or feedback needs aren't met.

3. Impact on Organisational Culture:

- Gen Z's values on authenticity, sustainability, and flexibility significantly influence workplace culture and norms, affecting employee satisfaction across all generations.

4. Innovation and Competitive Advantage:

- Organisations successfully engaging Gen Z unlock fresh perspectives, increased innovation, digital competence, and strong adaptability to changing market conditions.

5. Leadership Adaptation is Essential:

- Leaders must rethink traditional management approaches to retain Gen Z talent effectively and maintain organisational competitiveness.



Challenges Working with Gen Z in the Workplace

Challenges Working with Gen Z in the Workplace

1. Anxiety & Burnout
2. Oversharing & Boundaries
3. Rapid Career Growth Demands
4. Purpose Over Paycheque
5. Generational Friction
6. Tech-Shame & Digital Dependency
7. Preference for Flexibility and Remote Work
8. Financial Concerns and Job Stability

Challenge 1: Anxiety & Burnout

- ◆ **Challenge:** Gen Z often feels stressed and tired because they are constantly connected to work. They continue to check messages even late at night or on weekends.
- ◆ **Example:** At **Goldman Sachs**, young employees worked more than 90 hours a week. Many felt burned out. The company had to reduce their working hours and offer mental health support.
- ◆ **Behavioural Clue:** They quickly reply to emails or chats, even during personal time. They avoid taking breaks or time off, afraid they might look lazy.
- ◆ **Root Cause:** Gen Z wants to do well and be accepted. They are afraid to say “no.” They think working more means they are doing better.

Challenge 1: Anxiety & Burnout

Leader's Challenge:

1. Spotting signs of burnout early without micromanaging
2. Balancing performance pressure with empathy
3. Creating a culture of psychological safety where Gen Z feels comfortable discussing mental health
4. Normalising breaks, PTO, and emotional resilience without reducing accountability

Challenge 2: Oversharing & Boundaries

- ◆ **Challenge:** Gen Z talks about their personal life or mental health at work. They are open about feelings. But older managers may feel uncomfortable or unsure how to respond.
- ◆ **Example:** At a **startup in Berlin**, Gen Z employees shared personal stories during team meetings. The founder added short “check-in” sessions so employees could share feelings in a safe way.
- ◆ **Behavioural Clue:** They talk about stress, therapy, or personal problems in group calls or work chats.
- ◆ **Root Cause:** Gen Z grew up in a world where talking about feelings is normal. For them, it shows trust—not weakness.

Challenge 2: Oversharing & Boundaries

Leader's Challenge:

1. Managing blurred professional-personal boundaries, especially in hybrid/remote setups
2. Navigating sensitive disclosures in public forums (e.g., Slack, meetings)
3. Setting clear communication norms without making Gen Z feel silenced
4. Building trust without overexposing team or leadership dynamics

Challenge 3: Rapid Career Growth Demands

- ◆ **Challenge:** Gen Z wants to grow quickly in their job. They expect feedback frequently and want to know how to advance in their careers. If they don't see progress, they feel stuck or bored.
- ◆ **Example:** At **PwC**, the company gave young employees small promotions, learning badges, and regular feedback. This made Gen Z feel supported and reduced people leaving the company.
- ◆ **Behavioural Clue:** They often ask questions like: “What’s next for me?” or “Am I doing well?” They get unhappy if there is no clear plan.
- ◆ **Root Cause:** Gen Z grew up with instant rewards—likes, comments, quick results. They are used to fast feedback and progress.

Challenge 3: Rapid Career Growth Demands

Leader's Challenge:

1. Managing expectations around fast promotions and visible success
2. Preventing disengagement due to perceived “career stagnation”
3. Communicating that mastery takes time—without sounding dismissive
4. Creating growth plans and lateral development paths for high-potential Gen Z team members

Challenge 4: Purpose Over Paycheque

- ◆ **Challenge:** Gen Z wants to work in companies that care about people, the planet, and doing the right thing. If they don't trust the company's values, they may leave.
- ◆ **Example: Ben & Jerry's** is a popular company among Gen Z because they take real action for social and environmental issues. Their values are clear and honest.
- ◆ **Behavioural Clue:** They ask about company ethics, sustainability, or charity efforts. They may question leaders if company actions don't match words.
- ◆ **Root Cause:** Gen Z wants to feel proud of where they work. They choose jobs that match their personal values.

Challenge 4: Purpose Over Paycheque

Leader's Challenge:

1. Constantly linking everyday work to a higher purpose
2. Aligning corporate goals with individual values
3. Retaining talent who might leave if they feel “their work doesn’t matter”
4. Walking the talk—Gen Z expects leaders to be ethically consistent

Challenge 5: Generational Friction

- ◆ **Challenge:** Gen Z communicates differently from older employees. They prefer short and fast tools, such as chat apps, over long emails. This causes confusion or tension between age groups.
- ◆ **Example: At a logistics company, older managers preferred email.** Gen Z staff used chat apps. After communication training, both sides learned to respect each other's style.
- ◆ **Behavioural Clue: You might hear things like,** “They don't reply to my email,” or “They are too slow.” Misunderstandings happen often.
- ◆ **Root Cause:** Different generations have different ideas about what is polite, urgent, or professional. It's not about right or wrong—just different habits.

Challenge 5: Generational Friction

Leader's Challenge:

1. Mediating tension between Gen Z and older generations (e.g., Gen X or Boomers)
2. Bridging gaps in work styles, communication tone, and hierarchy tolerance
3. Avoiding favouritism while embracing diversity of thought
4. Coaching older team members to adapt without defensiveness

Challenge 6: Tech-Shame & Digital Dependency

- ◆ **Challenge:** Gen Z are proficient with phones and social media, but may not know how to utilise business tools effectively. They may also ignore rules about online safety.
- ◆ **Example:** A **media company** discovered that most security issues stemmed from young staff members clicking on fake links. The company added fun, easy-to-understand training to teach them about online risks.
- ◆ **Behavioural Clue:** They avoid asking questions when confused by business tools. They reuse weak passwords or fail to update their systems.
- ◆ **Root Cause:** They are confident with tech but not trained for business systems. They may feel embarrassed to ask for help—this is called “tech shame.”

Challenge 6: Tech-Shame & Digital Dependency

Leader's Challenge:

1. Supporting Gen Z's tech skills while closing gaps in business acumen or communication etiquette
2. Encouraging balanced use of tech without over-dependence (e.g., for decision-making or social connection)
3. Helping them avoid “tech shame” when asked to do non-digital or interpersonal tasks
4. Creating space for soft skills development (conflict resolution, stakeholder alignment, etc.)

Challenge 7: Preference for Flexibility and Remote Work

- ◆ **Challenge:** Gen Z strongly prefers **flexible work setups**—like working from home or choosing their own hours. But many older leaders still believe that working in the office is better for productivity and teamwork.
- ◆ **Example:** In a **Deloitte study**, many Gen Z employees said they would leave a job that didn't allow hybrid or remote work. Some companies are now offering "work from anywhere" options to retain young talent.
- ◆ **Behavioural Clue:** Gen Z may ask early in interviews: “Can I work remotely?” They may seem unhappy or less motivated in companies that expect them to be in the office every day.
- ◆ **Root Cause:** Gen Z started working during COVID times when remote work became normal. They value **freedom, trust, and work-life balance** more than being seen in the office.

Challenge 7: Preference for Flexibility and Remote Work

Leader's Challenge:

1. Leading hybrid teams effectively and maintaining cohesion
2. Rebuilding culture and trust without relying on physical proximity
3. Addressing fairness between in-office and remote employees
4. Redesigning performance measures for outcomes, not hours

Challenge 8: Financial Concerns and Job Stability

- ◆ **Challenge:** Gen Z is particularly concerned about **money, inflation, and job security**. Many people feel uncertain about the future and may frequently switch jobs to secure better pay or benefits.
- ◆ **Example:** The **Forage report** shared that Gen Z tends to **job-hop** more frequently than older generations, primarily due to financial reasons. They want clear information about salary, growth, and job safety.
- ◆ **Behavioural Clue:** They might ask: “How soon can I grow in this company?” or “Is there a bonus system?” If they don’t see financial security, they may leave quickly.
- ◆ **Root Cause:** Gen Z entered the workforce during economic uncertainty (COVID, layoffs, inflation). They want **stable income and honest communication** from leaders.

Challenge 8: Financial Concerns and Job Stability

Leader's Challenge:

1. Being transparent about company health, pay bands, and long-term career prospects
2. Offering meaningful benefits and learning opportunities when raises aren't possible
3. Retaining high performers amid high market competition
4. Addressing Gen Z's financial anxiety without promising false stability



Leadership Support

Recommended Leadership Styles for Managing Gen Z

Anxiety & Burnout

→ *Supportive & Empathetic Leadership*

Oversharing & Boundaries

→ *Coaching & Respectful Communication*

Rapid Career Growth Demands

→ *Growth-Focused & Mentoring*

Leadership

Purpose Over Paycheque

→ *Visionary & Purpose-Led Leadership*

Generational Friction

→ *Inclusive & Collaborative Leadership*

Tech-Shame & Digital Dependency

→ *Balanced & Learning-Oriented*

Leadership

Preference for Flexibility and Remote

Work

→ *Results-Oriented & Flexible Leadership*


Financial Concerns and Job Stability

→ *Transparent & Reassuring Leadership*



AI Enabled Leadership

Anxiety & Burnout

 **Tools to Use:** Sentiment analysis apps (e.g., Microsoft Viva Insights), AI well-being bots (e.g., Wysa, Headspace - Ginger)

 **How Leaders Can Use Them:**

- Use AI dashboards to **monitor employee mood trends** over time.
- Get alerts when teams show signs of high stress or reduced engagement.
- Set up **automated well-being check-ins** through chatbots to reduce pressure on HR.
- Analyse time logs and workloads to ensure no one is overworked.

Oversharing & Boundaries

 **Tools to Use:** AI content filters (e.g., Grammarly Business with tone suggestions), moderation bots (e.g., Microsoft Teams policies)

 **How Leaders Can Use Them:**

- Set **tone checkers** in team chat tools to guide respectful communication.
- Use **AI to flag oversharing or inappropriate disclosures** in team channels.
- Train teams with **AI-enabled digital etiquette simulations** to effectively manage personal and professional boundaries.
- Build awareness by using usage reports to highlight communication risks.


Rapid Career Growth Demands

 **Tools to Use:** AI learning platforms (e.g., Coursera for Business, LinkedIn Learning with AI), performance development platforms (e.g., Lattice)

 **How Leaders Can Use Them:**

- Offer **custom learning paths** powered by AI based on individual skills and interests.
- Show **progress visually** with AI dashboards, even if no promotion is happening yet.
- Use AI to **suggest lateral moves** or skill-building projects to keep motivation high.
- Personalize mentorship matching through AI-based profiling.


Purpose Over Paycheque

 **Tools to Use:** AI-driven engagement tools (e.g., Peakon, CultureAmp), storytelling platforms (e.g., Narrato), internal gig matching tools (e.g., Gloat)

How Leaders Can Use Them:

- Use AI to **connect employees to internal projects** that align with their purpose.
- Share **weekly impact stories** using AI content tools that link work to the company's mission.
- Conduct real-time pulse surveys to determine if employees perceive a meaningful impact in their roles.
- Use AI to analyse employee comments and spot purpose disconnects.


Generational Friction

 **Tools to Use:** AI-based collaboration apps (e.g., Humantelligence, Cloverleaf), personality insights (e.g., Crystal)

 **How Leaders Can Use Them:**

- Utilise AI to map the communication styles of each team member and establish collaborative guidelines.
- Run **team assessments** to understand generational preferences.
- Use AI suggestions to tailor coaching or conflict resolution by generation.
- Enable anonymous feedback to surface tensions early.


Tech-Shame & Digital Dependency

 **Tools to Use:** AI skill coaching platforms (e.g., CoachHub, BetterUp), co-pilot tools (e.g., Microsoft 365 Copilot, ChatGPT), roleplay bots

 **How Leaders Can Use Them:**

- Provide **real-time AI assistants** to help with writing, meetings, or decision support.
- Offer **soft-skill simulations** using AI bots for client conversations or practice providing feedback.
- Track progress in **non-technical skills** through AI assessments.
- Encourage blended learning—tech + people skills—with personalised AI suggestions.


Preference for Flexibility and Remote Work

 **Tools to Use:** AI-enabled productivity tools (e.g., Asana AI, Notion AI, Clockwise), meeting assistants (e.g., Otter.ai, Fireflies)

 **How Leaders Can Use Them:**

- Use AI to **assign, track, and analyse work outcomes**, not hours.
- Allow AI to **summarise remote meetings** and recommend next steps.
- Set up smart alerts for drops in participation or collaboration.
- Use dashboards to **monitor fairness** in workload across remote and in-office staff.

Financial Concerns and Job Stability

 **Tools to Use:** AI compensation insights (e.g., Payscale AI, Pave), career pathing tools (e.g., Eightfold.ai), retention risk models

 **How Leaders Can Use Them:**

- Share **transparent salary data and growth ranges** using AI-generated visuals.
- Utilise AI to display a personalised career growth map for each employee within the company.
- Spot **early signs of job-hopping behaviour** through AI attrition risk scores.
- Use simulations to show “what-if” scenarios for internal roles vs. external job moves.