



# Gen Z in the Workforce

IN THE CINCINNATI REGION

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e are pleased to present the first of two papers exploring Generation Z in the Cincinnati region. As our workplaces continue to evolve with older generations retiring and our economy continuing to change, we wanted to take a special look at this group of individuals as a growing segment of our workforce.

This first paper is focused on those who have or are pursuing a four year bachelor's degree or above, as we know that they are a vital part of the current work environment. Much has been said about this group in the media. Their perspectives are unique, having grown up during the Great Recession, in the era of smart phones and social media in everyone's pockets, and facing the challenges of navigating school and work as young people in a global pandemic. Their experiences give them distinct perspectives that we should seek to understand.

In addition to exploring some of the broader trends about them nationally, we wanted to localize who they are in the Cincinnati region and get a sense of why they are in our MSA - what they like, why they stay or leave, and what they hope to experience as they transition from their university studies into the workforce.

At the Cincinnati Chamber, our strategic plan is focused on growth. A key element of our plan is specifically population growth. We have 16 colleges and universities which attract thousands of new people to our region every year. We want to do all we can to connect these students to the vibrancy and resources of the Cincinnati region and encourage them to stay here after graduation. We also focus on how we can attract new people from this generation to move here when they graduate from schools elsewhere.

To that end, the Leadership Center strives to build a welcoming community where people feel connected to each other, where they can invest in their own development, and where they can find their place in our broader community, whether they are in school or in the workplace. With our universities, we are working to improve our region's student retention rate post-graduation through programs like CINC (Cincinnati Intern Network Connection), while seeking to design new concepts that achieve this objective. In partnership with hundreds of corporations and non-profits, nearly 500 people a year participate in leadership programs that aim to develop the leadership capacity of our workforce, while also tying people more tightly to Cincinnati through programs like Leadership Cincinnati, Cincy Next, WE Ascend, and Hello Cincy: Executive.

We also recognize that the experiences individuals have while in their specific work environments have a significant impact on their life satisfaction, which influence them to establish deeper roots in this region or contribute to their departure. The Workforce Innovation Center supports companies in creating inclusive workplaces that attract, retain, engage, and advance employees in ways that are meaningful for their businesses overall. We see Gen Z as a crucial part of our current and future workforce and know that the employers who are successful at connecting with them and drawing out their talents will have long-term benefits. It is our hope that as employers do this consistently, as a region we will keep and attract more people here.

We are especially grateful to the members of the Workforce Innovation Center Advisory Board for their sponsorship of this important report. We hope you will find this an insightful resource to understand Gen Z as colleagues and neighbors across the Cincinnati region.

Generation Z, commonly referred to as Gen Z, encompasses individuals born between 1997 and 2012. According to Statista<sup>1</sup> – a global data and business intelligence platform – 69.3 million Americans are Gen Z, accounting for 20.7% of the country's population. And according to Census Bureau<sup>2</sup> data, 49% of Gen Z identifies as a race or ethnicity outside the majority group (non-Hispanic white, 51%), making it the most diverse generation in the U.S. with members in the workforce today.

#### **DIGITAL NATIVES**

As McKinsey & Company notes in its "What is Gen Z" article<sup>3</sup>, Gen Z is the first generation to grow up with the internet and digital technology from a young age, meaning their behaviors, priorities, and defining characteristics are profoundly shaped by technology and the digital age. As true digital natives, they have been immersed in computers, smartphones, social media, and instant information and communication from a young age. Because of this, Gen Z exhibits a high degree of digital literacy and is proficient in navigating online spaces for both personal and professional purposes. They are adept at using technology for education, work, socializing, and entertainment – switching rapidly between each context with ease.

#### **DIVERSE AND OPEN-MINDED**

One of the defining demographic features of Gen Z is their ethnic and racial diversity, with nearly half being racial or ethnic minorities. As SHRM notes in "Gen Z: Beyond the Stereotypes" in its HR Quarterly magazine<sup>4</sup>, this diversity influences their values and behaviors, promoting a broader acceptance of different cultures, perspectives, and lifestyles. In a time where companies are placing increased importance on diversity, equity, inclusion, and belonging (DEIB) in the workplace, Gen Z is uniquely positioned to influence those efforts in a positive way. Welcoming and transparent workplace environments are what they seek, and they are more likely to support and advocate for DEIB initiatives in the workplace and society at large.

#### PRAGMATIC AND ALTRUISTIC

Like all generations, social, economic, and societal events shape the perspectives and narratives about a particular generation. The priorities of Gen Z are shaped by their unique socio-economic context, having grown up during times of significant economic uncertainty, including the 2008 financial crisis and the COVID-19 pandemic. These experiences have instilled a sense of pragmatism and financial caution in many Gen Z individuals, leading them to value job security and financial stability. Because of this, they are more likely to prioritize practical education paths and even question the value of a college degree, as the New York Times<sup>5</sup> recently cited a New America survey that found 44% of Gen Z respondents believed a high school diploma is all you need today to ensure financial security. Just 25% believed you need a bachelor's degree to be financially secure.

According to a recent report by Deloitte and the Network of Executive Women<sup>6</sup>, Gen Z individuals are also socially and environmentally conscious. They are deeply concerned about issues like climate change, social justice, and equity. As such, this generation expects transparency and ethical behavior from brands and employers. They often support and seek employment at companies that demonstrate a genuine commitment to a set of core values they can personally align with, as well as those that practice environmental sustainability and corporate social responsibility.

Gen Z no longer forms opinions of a company solely based on the quality of their products/services but now on their ethics, practices, and social impact.

 Excerpt from "Welcome to Generation Z," a report by Deloitte and the Network of Executive Women

## WHAT DOES GEN Z'S WORKFORCE PARTICIPATION LOOK LIKE?

Understanding Gen Z's demographics, behaviors, and priorities is essential for effectively engaging with this dynamic cohort. As they continue to enter the workforce and exert their influence, their unique perspectives and values will shape the future of workplaces, industries, and society at large. By recognizing and responding to their needs and expectations, employers can harness the potential of Gen Z to drive innovation and progress for their company and beyond.

#### AN AGING WORKFORCE

While Millennials recently surpassed Baby Boomers as the largest generation in the United States, Gen Z recently surpassed the number of Baby Boomers in the workplace - making them a key component of the workforce. The biggest questions are just how many members of Gen Z will participate in the workforce and when they will join it?

Millennials and Gen X currently make up the bulk of the workforce with 63.8% of workers in the U.S. falling between the ages of 25 and 54 in 2022, according to the Bureau of Labor Statistics<sup>2</sup>. That group does include the oldest of Gen Z, who would have been 25 at the time. The interesting note from this dataset is that only 12.8% of the workforce fell between the ages of 16 and 24 in 2022, while that number was 15.4% and 13.8% in 2002 and 2012, respectively.

These declines are happening alongside an uptick in older workforce participants in the U.S., as 6.6% of the workforce in 2022 was 65 or older, compared to just 3.1% and 5% in 2002 and 2012, respectively. This trend also coincides with a decline in labor force participation rate within the 16 to 19 and 20 to 24 age groups, as those numbers decreased from 47.4% to 36.8% and from 76.4% to 71% in those age groups from 2002 to 2022, respectively. In short: the workforce in the United States is getting older as Gen Z is not participating at the same rate as prior generations at their current age and older Americans are staying in the workforce longer than previous generations.

#### ATTRACTING, FOSTERING, AND RETAINING GEN Z TALENT IN THE CINCINNATI REGION

In the coming pages, we take a deeper look at Gen Z in the Cincinnati region – by the numbers, through their voice, and through the lens of what you can do as an employer to attract, foster, and retain Gen Z talent. We will show you what the data say about this generation at the local level, while using focus group results to share their thoughts on careers and work, company values and workplace policies that matter to them, the Cincinnati region, and much more. Finally, we will share some actionable insights on policies and practices your company can put into place to become an employer of choice for Gen Z.

## GEN Z BY THE NUMBERS

#### IN THE CINCINNATI REGION

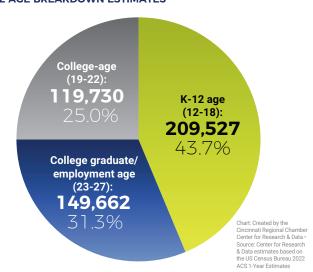
Gen Z is the second largest generation by population in the Cincinnati region, trailing Millenials by approximately 700 people. About 56.3% of Gen Z is college-age or older, and they are the most diverse generation in the Cincinnati region's workforce today with approximately 32.7% identifying as a racial or ethnic minority. As it pertains to our workforce, 41.6% of the 84,400 Gen Z graduates with bachelor's degrees from colleges and universities in the Cincinnati region from 2020 to 2024 chose to stay here. While this may seem like a low retention rate for a key population, these numbers align with other local peer regions like Columbus, Cleveland, and Indianapolis and it tracks with what we know - that students are mobile after college. This is also offset by a strong number of Gen Z graduates with bachelor's degrees that come to the Cincinnati region from colleges and universities outside the area. Of the current jobs in the Cincinnati region, 278,619 require a bachelor's degree, including high-demand roles like general and operational managers, registered nurses, accountants, secondary school teachers, and software developers. In order to keep college graduates here, companies will need to prioritize what Gen Z values and told us is important to them through our focus groups, including things like pay transparency, flexible work arrangements, and inclusive cultures.

#### **CINCINNATI POPULATION BY GENERATION**

Generation	Population
The Silent Generation	128,513
Baby Boomers	450,852
Gen X	440,906
Millennials	479,625
Gen Z	478,920
Gen Alpha	278,254

Table: Cincinnati Regional Chamber Center for Research & Data • Source: Center for Research & Data estimates based on the US Census Bureau 2022 ACS 1-Year Estimates

#### **GEN Z AGE BREAKDOWN ESTIMATES**



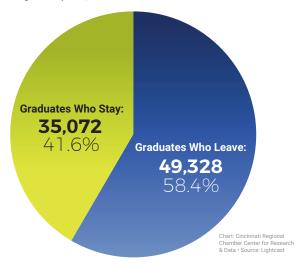
#### CINCINNATI REGION POPULATION DIVERSITY BY GENERATION

White Alone Black or African Am	erican Alone Asian Alone 2 or	More Races Hispanic or Latino	Native Hawaiian & Pacific Islander Alone	Other Race Alone	American Indian & Alaska Native Alone
Silent Generation					
Baby Boomers					
Gen X					
Millennials					
Gen Z					
Gen Alpha					

BY PERCENT	White Alone	Black Alone	Asian Alone	2 or More Races	Hispanic/Latino	Pacific Islander	Other Race Alone	American Indian
Silent Generation	85.6%	8.5%	1.6%	1.9%	0.5%	1.6%	0.2%	0.0%
Baby Boomers	82.3%	9.6%	1.6%	2.8%	1.4%	1.6%	0.7%	0.1%
Gen X	75.0%	10.6%	2.9%	4.4%	2.7%	2.9%	1.4%	0.1%
Millennials	68.5%	11.9%	4.1%	5.1%	4.3%	4.1%	1.9%	0.1%
Gen Z	67.3%	12.8%	2.5%	7.6%	5.0%	2.5%	2.2%	0.1%
Gen Alpha	61.0%	11.5%	3.4%	11.1%	6.4%	3.4%	3.1%	0.1%

#### **GEN Z COLLEGE GRADUATES WHO STAY VS. LEAVE**

Bachelor's Degree Recipients, Graduation Years 2020-24



#### GEN Z COLLEGE GRADUATES WHO STAY VS. LEAVE

Bachelor's Degree Recipients, Graduation Years 2020-24

City	Gen Z Grads Who Stay	Gen Z Grads Who Leave	Percent Who Stay	Percent Who Leave
Cincinnati	35,072	49,328	41.6%	58.4%
Columbus	40,547	60,559	40.1%	59.9%
Cleveland	24,009	31,813	43.0%	57.0%
Indianapolis	24,964	39,894	38.5%	61.5%

Table: Cincinnati Regional Chamber Center for Research & Data • Source: Lightcast

#### TOP DESTINATIONS OF GRADUATES LEAVING CINCINNATI

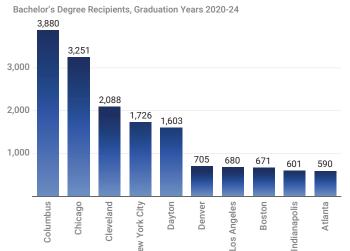


Chart: Cincinnati Regional Chamber Center for Research & Data • Source: Lightcast

### TOP NON-REGIONAL SCHOOLS CONTRIBUTING GRADUATES TO THE CINCINNATI REGION

Bachelor's Degree Recipients, Classes 2020-24

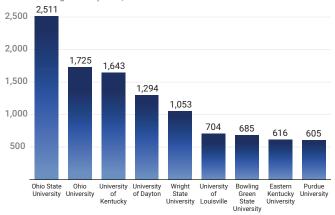
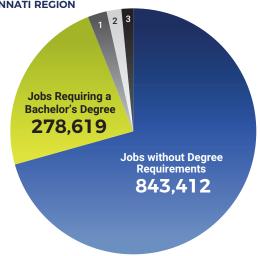


Chart: Cincinnati Regional Chamber Center for Research & Data Source: Lightcast

#### EDUCATIONAL REQUIREMENTS FOR JOBS IN THE CINCINNATI REGION



- 1 Jobs Requiring a Doctoral or Professional Degree
- 2 Jobs Requiring an Associate's Degree

3 Jobs Requiring a Master's Degree

### TOP JOBS IN THE CINCINNATI REGION WITH BACHELOR'S DEGREE REQUIREMENTS

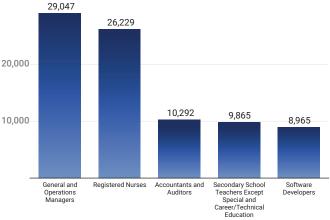


Chart: Cincinnati Regional Chamber Center for Research & Data• Source: Lightcast

## **BACHELOR'S DEGREE -**DISCUSSION GROUP INSIGHTS

In addition to understanding the data about Gen Z in the Cincinnati region, we also wanted to hear from people directly about their experiences and perspectives. We conducted four focus groups with a total of 27 participants. The sessions were audience-specific, designed around two groups within the Gen Z population: 1) college students expected to graduate within the next two years and 2) early-career stage workers who have graduated and are employed.

Participants represented diverse backgrounds and demographics including a nearly even mix of females and males, White, Asian, and Black individuals, and those who are from Ohio, Kentucky, other states, and international.

These Gen Z focus group participants demonstrated a high-level of engagement and willingness to participate. And while these participants aligned on many topics, they also showed variation, reminding us that this generation cannot be stereotyped with broad strokes.

## WHAT FOCUS GROUP PARTICIPANTS LOVE ABOUT CINCINNATI

- · Always something going on to do
- Parks and scenery
- Historical city with character
- · Lots of city pride
- · Great sports teams
- · Community assets like nonprofits
- · Walkable with transportation options
- Region is very diverse
- · Wonderful arts and culture

## PERSPECTIVES ABOUT THE CINCINNATI REGION

The majority of focus group participants plan to stay here for at least the next five years. When asked why, they have chosen to stay because of their job and job opportunities, the assets they see in Cincinnati, family and friend connections, and a reasonable cost of living. Those who intend to leave cited other career or education opportunities and family as the primary reasons for leaving the Cincinnati region.

#### PERSPECTIVES ABOUT EMPLOYMENT

**PAY:** For the majority of participants, adequate, fair and transparent pay is not just a preference, but an essential need to cover living costs. However, several participants described not choosing a job based on pay alone. If they perceive that a role provides reasonable pay and is clear about growth opportunities in the future, they are willing to take the role.

JOB SEARCHING & SATISFACTION: All participants shared that they utilize friends, family, professors, and social media, primarily LinkedIn, to learn about job opportunities and employers. Participants expressed a strong desire for job satisfaction and fulfillment, and they are willing to make changes to achieve those objectives. If they find themselves in an unsatisfying role, they are clear that they would not hesitate to leave a job if they are unhappy, undervalued, or underutilized.

**SCHEDULE & LOCATION:** Individuals expressed interest in living and working in a desirable area and expressed concerns about commuting to work. However, this doesn't mean that Gen Z wants to work remotely. This generation experienced the isolation that resulted from COVID-19 and as a result, wants adequate socialization and connectedness in the workplace. They value having a flexible schedule with hybrid options and some control over their work day.

#### **DIVERSITY, EQUITY, INCLUSION, AND BELONGING:**

This is important to Gen Z, particularly to individuals who identify as a member of the LGBTQ+ community, are a racial minority, or are women. They seek out workplaces that are inclusive, have defined values, where they feel safe and respected, and where they can bring their whole selves to work.

#### MOST IMPORTANT JOB FEATURES

Salary Loc Flex schedule Be Culture & values

Location Belonging

#### LEAST IMPORTANT JOB FEATURES

Company size
Pay
Remote/WFH

Political stance
Mental health benefits

## GEN Z - BACHELOR'S DEGREE - WHAT TO KNOW ABOUT GEN Z AND EMPLOYER BEST PRACTICES

As business, civic, and education leaders consider changing trends in the workforce, consumer habits, and geographies, we sought to understand Generation Z as we welcome more of them in the workplace every year. In particular, we wanted to get insights that would offer practical solutions for employers and community leaders seeking to successfully attract, retain, engage and advance this generation of workers. We know that if the Cincinnati region is able to do this well, we will see increased growth for our community, businesses, and the individuals in this generation.

## WHAT TO KNOW ABOUT COLLEGE EDUCATED GEN Z

We asked focus group participants what they wanted broader society to know and understand about them. They shared:

- Appreciate what Gen Z brings to the workplace: they are trainable, they are comfortable with change, and they want to improve the workplace and the world at large.
- Gen Z expects clear communication and transparency and they seek open, honest feedback.
- They want to be valued and recognized for their abilities and contributions, regardless of age, and treated as equals.
- They are motivated, hard workers but they don't want work to be their sole focus. They want to lead personally fulfilling, well-rounded lives that include hobbies, passion projects, and relationships.

## IN THEIR WORDS: WHAT GEN Z BRINGS TO THE TABLE

We're motivated and adaptable. We have experienced major life changes, particularly during the pandemic, and through them we have learned to effectively use the resources we have to build necessary skills.

- Discussion Group Participant

#### **EMPLOYER BEST PRACTICES**

What do the data and the focus group insights tell us about how employers can take concrete actions to employ and support this demographic in the workplace? Here are some Policy and Practice suggestions pulled from the Workforce Innovation Center's library of workplace practices that are proven to attract, retain and engage employees, particularly for Gen Z.

#### RECRUIT FAIRLY AND BROADLY

- · Create accurate job descriptions, without prohibitive requirements
- · List compensation publicly
- · Explain career mobility options
- · Provide systematic support immediately upon hire

### ENHANCE LEADERSHIP EFFECTIVENESS & COLLABORATION

- · Provide direct feedback about performance and communicate with employees regularly
- · Create a formal mentorship program with authentic mentors who are values-aligned
- Provide opportunities for networking and community involvement
- · Provide training to managers and supervisors

## INSPIRE A SENSE OF MEANING & BELONGING

- Conduct employee experience/well-being surveys and use data to inform policies and practices
- · Create a clear connection to the company mission
- · Focus on creating an inclusive environment
- Create statements and policies on diversity, equity, inclusion, and belonging within your organization

# GEN Z LIKES CINCINNATI. HOW DO EMPLOYERS KEEP THEM HERE?

As noted in this report, Generation Z is rapidly becoming a vital part of the workforce, and their impact is particularly significant in the Cincinnati region. With Gen Z comprising approximately 21% of the Cincinnati region's population and continuing to grow, understanding their expectations and preferences is crucial for employers aiming to attract and retain this talented cohort.

Gen Z brings distinct characteristics and values to the workplace. They prioritize positive work environments, career growth opportunities, and transparency from their employer. Additionally, this generation places a high value on DEIB in the workplace, as well as companies that have clear core values they can relate to and adopt.

As we held discussion groups for this report, one thing stood out: Gen Z's affinity for Cincinnati is evident. The region's affordability, vibrant cultural scene, strong sense of community, and growing economic climate make it an attractive place for young professionals. However, to retain these individuals, employers must offer competitive salary and benefits packages, continuous learning opportunities, and a workplace culture that resonates with their values.

As the Cincinnati region continues to evolve as a dynamic hub for young professionals, businesses that adapt and proactively meet the needs of Gen Z will not only create an engaging, supportive work environment, but also attract top talent and foster a workforce ready to drive innovation and economic growth.

## IN THEIR WORDS: WHY GEN Z LIKES CINCINNATI

Everyone here is buying into the community aspects - nonprofits, sports teams, going out with coworkers. Downtown feels alive, and there's always something going on to foster that sense of community.

- Discussion Group Participant

#### **SOURCES**

- "Generation Z in the United States statistics & facts,"
   Statista
- 2. "Who is Gen Z? Key insights in 4 charts," USAFacts
- 3. "What is Gen Z?," McKinsey & Company
- 4. "Gen Z: Beyond the Stereotypes," SHRM HR Quarterly
- 5. "Americans Are Losing Faith in the Value of College.
  Whose Fault Is That?." The New York Times Magazine
  6. "Welcome to Generation Z." Deloitte and the Network of Executive Women

#### **ACKNOWLEDGEMENTS**

This project was made possible by the insights and contributions of our 27 Gen Z focus group participants. The firsthand accounts of these young professionals allowed the Workforce Innovation Center to have a clearer idea of the values and expectations held by the new generation of workforce entrants and greatly informed the employer recommendations made in this report. We thank them for their participation.

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## HOW THE CENTER CAN HELP WITH GEN Z AND ALL TALENT/ WORKFORCE NEEDS

The Workforce Innovation Center was designed to help our region's employers address their most urgent talent needs and goals so that they can continue to operate effectively, delivering the products and services they offer. The consulting services and resources that we offer helps employers understand more about their unique workforce and gets them connected to new partners to support their employees. We have designed WIC to meet employers right where they are with insightful tools to solve problems and achieve their goals.

If you are looking for support to engage your employees, those in Gen Z and beyond, contact us to learn more about how we can best help your workplace thrive.

## ABOUT THE WORKFORCE INNOVATION CENTER

The Workforce Innovation Center at the Cincinnati Regional Chamber is a talent consulting practice that creates mutually beneficial solutions with positive outcomes for both employers and employees. Our approach addresses employers' most pressing workforce and human resources-related needs that enable them to make data-driven decisions about how to best attract, retain, engage and advance employees. Our offerings include consulting services, a career board and benefits/perks page, partnership with more than 80 workforce and talent organizations in the region, the Women of Color in Tech initiative. The Workforce Innovation Center's mission is to drive companies to adopt inclusive practices that empower employees and fuel businesses, enabling communities to thrive and our vision is that the Cincinnati region is a beacon of inclusion and engagement for employees resulting in long-term financial success, innovation and sustainability for its employers, and thereby, the community. For more information, visit:

#### workforceinnovationcenter.com

## ABOUT THE CINCINNATI REGIONAL CHAMBER

The Cincinnati Regional Chamber's mission is to grow the vibrancy and economic prosperity of the Cincinnati region. The Chamber team is working on behalf of member businesses to ignite business resiliency and inclusive growth, to invest in the people who call this region home, to lead regional connectivity through collaboration, and to champion the region's unique advantages. The Chamber is powered by inclusion, regional thinking, data, policy, and relationships. The Cincinnati Chamber's vision is that the region embodies the Future City, where business growth delivers the economic platform that accelerates opportunity for everyone who calls this region home. For more information, visit:

cincinnatichamber.com

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