



# Government can win the talent race—Here's how

Many younger employees value flexibility, purpose, well-being, and more. What can the public sector do to attract and retain this new generation of workers?

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# Introduction

IN THE WAR for talent, government is finding itself outgunned. While it has long been difficult for government to attract top talent—especially young, tech-savvy professionals—today it often feels close to impossible. Consider:

- The Texas state auditor reported a 38% turnover rate for Texas state employees under 30;<sup>1</sup>
- From January 2020—just prior to the pandemic—to January 2022, government lost more than 600,000 workers—more than manufacturing, wholesale trade, and construction *combined*;<sup>2</sup>
- In a 2021 survey of state and local government agencies, 38% said their retirement-eligible employees are accelerating retirement plans—the highest percentage since the survey began in 2009.<sup>3</sup>

This challenge is not new, but it has risen to a new level. Every two years, the Government Accountability Office (GAO) releases a “high risk” list of federal operations in need of transformation.<sup>4</sup> Strategic human capital management has appeared on this list since 2001; in 2021, it was flagged as an area that has become worse. The GAO’s assessment stems from government’s inability to hire and retain individuals in critical fields, including cybersecurity, enforcement of tax laws, and management of IT acquisitions.<sup>5</sup>

More than mere numbers, when you talk to public managers looking to hire professional and technical talent, you will often hear the same story: Can’t hire them, can’t keep them. This is at a time when the public sector is facing a slew of complex challenges, from climate change to cybercrime, that require highly skilled workers.

What’s behind the current crisis-level challenge in attracting talent? After all, government is still offering the same type of value proposition it always has: below-market compensation for skilled professionals, but higher than typical job security, a secure retirement, and a strong sense of purpose.

What has changed is the value that the private sector is offering: high compensation, flexibility, and rapid career advancement. What workers, particularly younger workers, want has also changed. **Data shows that there has been a significant shift in worker values, and a recalibration of how high-skill professionals view work in the context of their lives.** Today’s younger workers often want flexibility across all dimensions, an opportunity to exercise their entrepreneurial spirit, and an employer that promotes their well-being. They also care a good deal about compensation, and not as much as prior generations about a possible pension. **More than any other factor, this shift in workers’ values has made the traditional “employee value proposition” of the public sector less appealing for many.** However, there are steps that government can take to help dramatically improve its ability to recruit and retain top talent.

There may be current legislative constraints that prevent agencies from making big changes to attract and retain talent. However, the current circumstances—labor market shifts, changes in worker values—make a strong case for agencies to work with legislative bodies to bring policy changes that can enable the flexibility they need to compete for top talent.

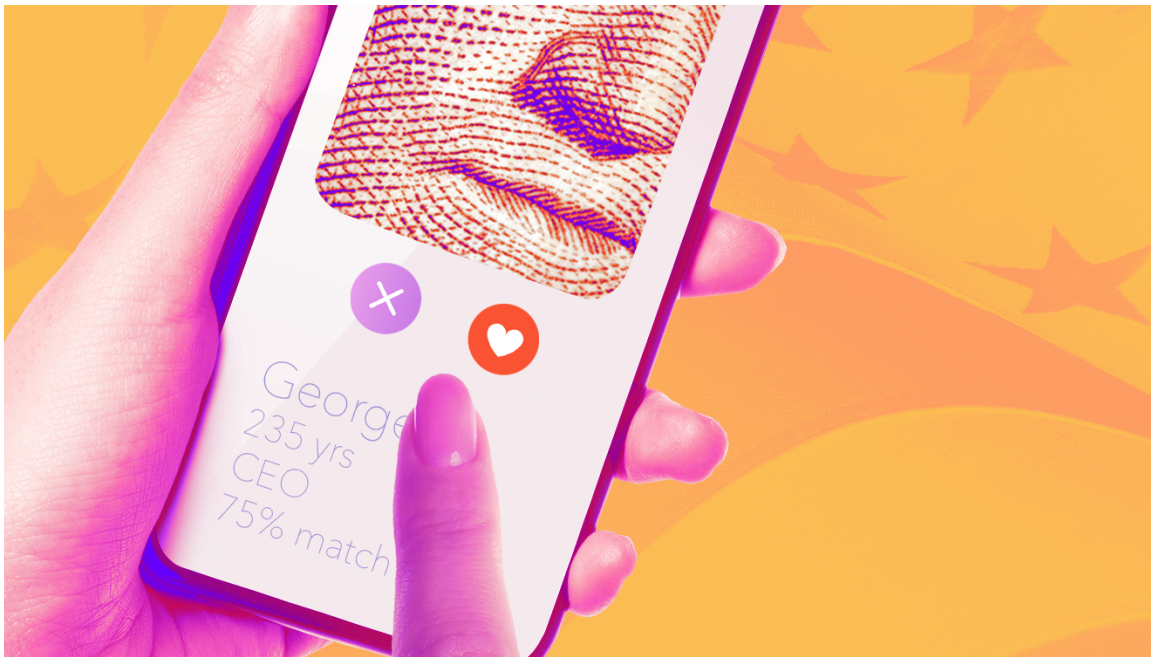
# The world of work has changed

**T**HE PAST 20 years have seen a massive shift in the labor force—gradual at first, then drastic, as the pandemic amplified existing trends. Every aspect of work—the what, where, and when of it—is being transformed. Moreover, a shift in worker attitudes is remaking the workforce, as retiring baby boomers are replaced by Generation Z. The result is a massive shift in what workers want from their relationship with their employer.

The transformation of the labor force that we are experiencing is truly unprecedented. In November 2021, the US Department of Labor reported 4.5 million workers (about 3% of all workers) quit or changed their jobs, the highest number in history.<sup>6</sup> Gig work is exploding—with the gig economy growing 33% in 2020 and adding 2 million new gig workers—as is the ability to “work from anywhere.”<sup>7</sup> And even while automation is

eliminating some routine jobs, the demand for skilled workers is as high as ever: As of December 2021, there were nearly two openings for every job seeker, with some 10.9 million job openings.<sup>8</sup>

These shifts are impacting both the private and public sector. Companies have responded by increasing pay, offering more flexible employment arrangements, and focusing on employee wellness, especially when it comes to professional and technical talent. Government is changing as well. Since the pandemic, it has dramatically increased its use of work-from-home and hybrid work arrangements. But it has often been less responsive than the private sector in offering employees key elements of what they are looking for—and finding.



# Life versus work: What do today's workers want?

A CLOSER LOOK AT attrition shows that the so-called “great resignation” is not a great resignation at all. Just as an avalanche is composed of thousands of tiny snowflakes, the “great resignation” reflects the shifting values of millions of individual workers.

In 2000, the labor force participation rate stood at 67.1%, and stayed in that vicinity until the financial crisis of 2008, when rates slowly began dropping. The pandemic caused a notable dip, and while rates have rebounded from the 2020 low, labor force participation in 2021 stands at 61.7%—rates not seen since the late 1970s.<sup>9</sup>

For many, the pandemic prompted reflection about what is most important in their lives. Work, it turns out, wasn't as important as many had thought, and people became less willing to center their lives

around their job. In a global worker survey, 65% said the pandemic had made them rethink the place that work should have in their life.<sup>10</sup> The share of US adults who cited their career as a source of meaning has declined from 24% to 17% since 2017.<sup>11</sup> In a recent study, 47% of respondents said they are more likely to put family and personal life over work than they were before the pandemic.<sup>12</sup> While some left the workforce altogether, many more reflected on what they wanted to get out of their jobs. We've already noted that November 2021 saw 4.5 million workers leave their jobs, the most in history.<sup>13</sup> Many left their job for a better one. But what exactly did they see as “better”?

While every individual is unique, there are five broad trends we've identified that highlight the shift in what workers, particularly younger workers, are seeking (figure 1).

FIGURE 1

## Five shifts in worker values



Source: Deloitte analysis.

## 1. Demand for flexibility across all dimensions

One big thing workers value today is flexibility. For years, gig work has increasingly been attracting workers who want to control *when* they work. The pandemic has shown many more that it is possible to control *where* they work as well.

Only 9% of workers with remote-capable jobs prefer returning to the office full-time.<sup>14</sup> According to a 2020 survey of 10,000 workers, almost 95% of workers want flexible hours and 78% of workers want location flexibility.<sup>15</sup> The pandemic has shown that this is possible. Between 2020 and 2021, the percentage of job postings offering work from home more than doubled (figure 2). According to data from ZipRecruiter, jobs specified as “remote” receive 300% more applicants than jobs that are not.<sup>16</sup>

## 2. Work that works for me

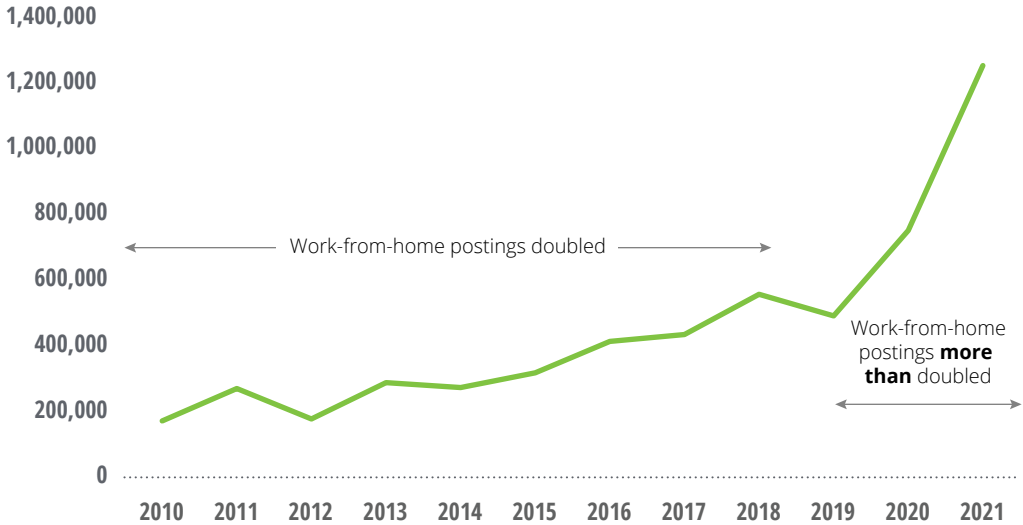
Workers are now seeking jobs that *work for them*. This often means better compensation, better work-life balance, and an environment where they feel a sense of belonging. They have little tolerance for a toxic work culture—unethical behavior, lack of respect for workers, or inadequate diversity, equity, and inclusion (DEI) efforts. A recent study showed that a toxic culture is 10.4 times more likely to contribute to attrition than inadequate compensation.<sup>17</sup>

## 3. Entrepreneurial spirit

The pandemic induced a growth in startups. Many workers are choosing to follow their dreams and build businesses where they work on their own

FIGURE 2

### Annual job postings with the option to work from home



Source: Deloitte analysis of Burning Glass data.

terms. The number of applications for new businesses increased from 2.8 million in 2015 to more than 5.3 million in 2021.<sup>18</sup> Gig work is also on the rise, with the United States seeing 2 million new gig workers in 2020.<sup>19</sup> The size of the independent workforce reached 51 million last year, a 34% jump from 2020.<sup>20</sup> This entrepreneurial spirit also applies to the salaried workforce where workers are looking for more agency, autonomy, and opportunity in their jobs.

#### 4. Focus on well-being

Workers are increasingly prioritizing their physical and mental well-being and seeking employers who do the same. About 73% of workers are seeking mental health coverage, and 72% say health and wellness stipends are critical.<sup>21</sup> In a recent Gallup poll on workplace wants, “*an organization that cares about employees’ well-being*” was in the top three wants across generations and the number one priority for millennials and Gen Z.

#### 5. Purpose and impact

Workers increasingly want a job that makes a difference. When asked about the most important or very important things personally when choosing a job, 54% of respondents said making a meaningful contribution to society, while 53% wanted a job that focuses on helping others.<sup>22</sup>

This should be good news for government, where the mission is often of vital importance. As the public sector saying goes, “We don’t make widgets.” The public sector helps those in need, keeps streets safe, protects the environment, and so on. But an important purpose alone often isn’t enough to attract the best and the brightest—they also want compensation, flexibility, etc. And workers interested in purpose-driven work increasingly also have myriad opportunities in the nonprofit and private sector to do this kind of work.

Talented job seekers today have significant bargaining power, and they are using it to obtain what they want—to have employers deliver on the values-driven benefits around pay, flexibility, purpose, and more.





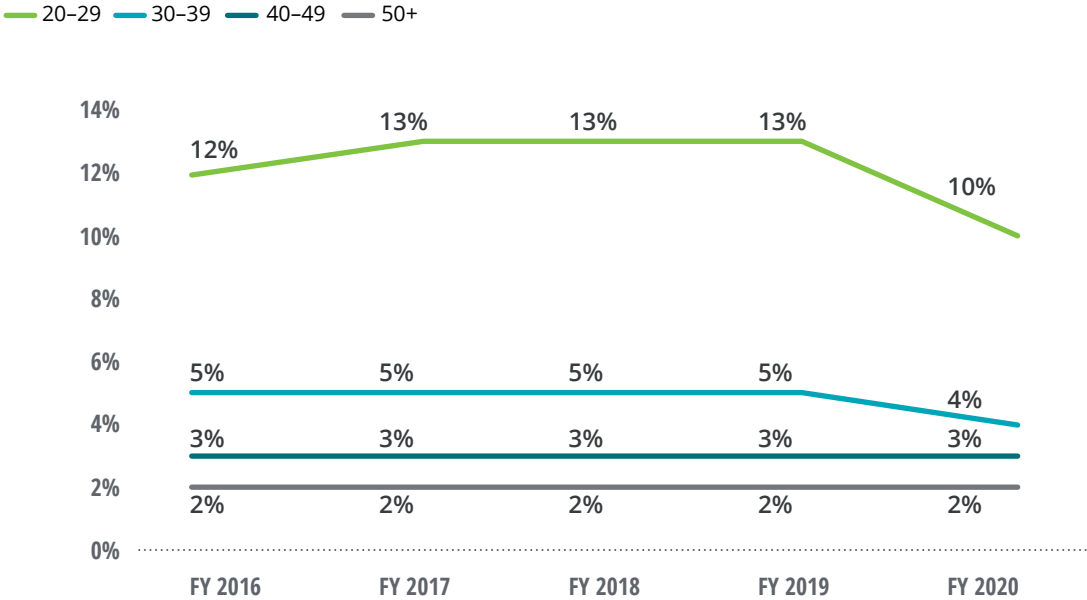
# What the values of younger workers mean for government as an employer

**G**OVERNMENT HAS LONG struggled to hire and retain talented young workers, as the “silver tsunami” of preretirement employees reaches retirement age. As the values of the younger cohorts shift, this challenge could grow worse unless government updates its approach to hiring and retention.

The oldest members of Gen Z (those born between 1997 and 2012) are now 25, and the youngest are

just 10 years old. This cohort will be the target hires for the next decade or more, and their interests are very different from those of baby boomers and Gen Xers, who now occupy most senior roles in government. Government has perennially struggled to attract young workers. Is the public sector positioned to attract Gen Z, which is forecast to make up one-third of the workforce by 2030?<sup>23</sup>

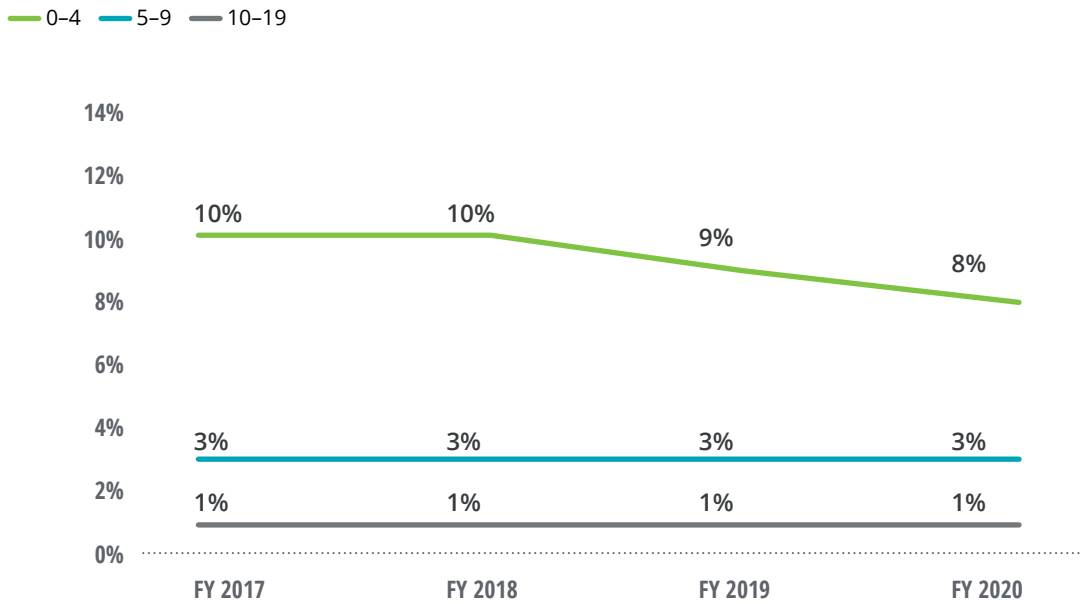
FIGURE 3  
**Annual quit rates by age in the US federal government**



Source: Deloitte analysis of OPM data.

FIGURE 4

### Quit rates by tenure in the US federal government



Source: Deloitte analysis of OPM data.

The data is not encouraging. Only 8.1% of the federal workforce is under the age of 30, compared to 23% in the private sector.<sup>24</sup> The federal government has consistently seen higher quit rates among workers under 30 (figure 3). The quit-rate-by-age data shows that workers in their 20s are five times more likely to quit than those in their 50s. Workers who have spent less than five years in the federal government are nine times more likely to quit than those who have spent more than 10 (figure 4). This isn't limited to federal workers. An investigation by the Texas state auditor's office found a 38% annual turnover for state government employees under 30, the chief reason for quitting being pay and retirement benefits.<sup>25</sup>






This is a growing problem for government whose workforce already skews older and is looking to increase its share of young, tech-savvy, skilled professionals. It is losing the very workers and skills it needs most.

One contributing factor could be government's "employee value proposition"—the sum total of what the worker gets from its employer.

In this increasingly competitive environment, government's traditional value proposition—below-market compensation for skilled professionals, higher than typical job security and retirement, and a sense of purpose—typically isn't as attractive anymore, especially considering what the private sector is offering (figure 5).

FIGURE 5

**What the private sector offers workers vs. what the public sector offers**

Value	Private sector	Public sector
 <b>Flexibility</b>	Very high	Varies, improving with telework
 <b>Work that works for me</b>	<ul style="list-style-type: none"> <li>• High pay, high risk</li> <li>• Portable 401(K)/pension</li> </ul>	<ul style="list-style-type: none"> <li>• Low pay, high stability and predictability</li> <li>• Defined benefits but requires decades</li> </ul>
 <b>Entrepreneurial spirit</b>	<ul style="list-style-type: none"> <li>• Medium-high</li> <li>• Opportunity for rapid growth</li> </ul>	<ul style="list-style-type: none"> <li>• Often low</li> <li>• Slow, predictable growth</li> </ul>
 <b>Well-being</b>	Medium and improving	Medium-low and improving
 <b>Purpose and impact</b>	Varies but increasing rapidly	Varies but often high

Source: Deloitte analysis.

# Tilting the playing field: How government can attract (and retain) new talent

**B**ARRIERS SUCH AS slow hiring processes, low pay, or weak branding can all inhibit government's ability to compete with the private sector when it comes to hiring and retaining talent. In its recent strategic plan for 2022–26, the Office of Personnel Management (OPM) pledged to “make the federal government a model employer and transform OPM into a leader in human capital management.” The plan also issued a number of hiring objectives—a 5% increase in the number of military spouses employed by federal agencies, a 5% increase in employees with disabilities, and a 10% increase in

early-career employees (interns and recent graduates).<sup>26</sup> Long term, OPM will focus more on governmentwide policy and coordination with chief human capital officers throughout the federal government as well as “shifting more low-risk delegations of authorities to agencies.”<sup>27</sup>

To achieve these goals and remain competitive in today's labor market, government agencies should rethink how they will manage and reward workers using both wage and nonwage incentives that align better with new worker values. Here are some steps to consider:

FIGURE 6

## Aligning actions with values shifts



Source: Deloitte analysis.

## 1. Demand for flexibility across dimensions

### PROVIDE FLEXIBILITY IN THE WHEN, WHERE, AND WHAT OF WORK

Workers now seek flexibility across all dimensions of work—not only when and where they work, but also what type of work they do. In today's increasingly hybrid work environment, government agencies should shift their paradigm around the when, where, and how of work.

The State of Tennessee's Alternative Workplace Solutions (AWS) allows state employees to work in nontraditional workspaces across the state government. Alternative work options include work from home, flexible work schedules, and free address—wherein employees use nonpermanent workstations. Through such flexible work arrangements, the policy aims to boost employee productivity.<sup>28</sup>

Governments can also let employees choose their projects or tasks. Research from the United Kingdom suggests that workers who reported higher levels of autonomy in their work or workplace culture are happier with their jobs.<sup>29</sup>

### EXPAND THE HIRING POOL TO SENIOR WORKERS

With increasing lifespans, more people plan to continue working later into their careers or find “second chapters” after retiring. According to a study published in the *American Economic Journal*, 60% of nonworking Americans in their late 60s or 70s said they'd be willing to return to work if they had flexible schedules—and about a fifth of those would take a more than 20% cut in hourly wages to do so.<sup>30</sup> Deconstructing jobs into distinct competency-based roles could offer older workers the flexibility they need to keep working and enable organizations to benefit from their knowledge and experience. Older workers also seek meaningful and fulfilling work, which could inspire

some to turn to government roles after a career in the private sector. In February 2022, the share of retired workers returning to the workforce rose to 3% of total retirees, the highest level since early March 2020.<sup>31</sup>

## 2. Work that works for me

### CREATE A CULTURE OF RESPECT, INCLUSION, AND BELONGING

Empathy and inclusive behaviors on the part of leaders and managers can help foster an inclusive and welcoming work environment. The pandemic has exacerbated stress and burnout among workers and showcased the importance of having empathetic leaders and a work culture that makes workers feel respected and heard. Even small steps to advance diversity and inclusion, such as adding personal pronouns to an email signature, can signal commitment toward inclusion. The United States Department of Veterans Affairs (VA) recently offered its workers and contractors the option to include personal pronouns in their email signature and their VA display name. Over 6,700 employees used this feature within weeks of its release.<sup>32</sup>

### INCREASE COMPENSATION

Pay matters—and compensation is undoubtedly one of the most important factors behind workers' employment choices and decisions to switch jobs. Nationally, pay increases for state and local government employees haven't kept pace with those of private workers. In fact, a recent Pew analysis showed that government wage growth lags the private sector by the largest margin on record.<sup>33</sup> This needs to be addressed.

Some agencies are doing it in innovative ways. For example, a new personnel system—the cyber talent management system (CTMS)—launched by the US Department of Homeland Security in November 2021 equipped the department with new tools to recruit and reward cybersecurity professionals. These include more competitive pay, tying pay

increases to mission impact instead of tenure, recognition payments, and extra time off for working under exceptional circumstances. Unlike the General Schedule, CTMS doesn't feature automatic pay increases.<sup>34</sup>

### 3. Entrepreneurial spirit

#### EMPOWER WORKERS TO PURSUE DIVERSE PROJECTS

While many workers might not quit their job to start a business, they seek opportunities to be more entrepreneurial at work. Government can invest in resources such as internal talent marketplaces—forums where employees can look for rotations, projects, or new roles within the organization—to provide a mechanism for employees to engage in projects they are passionate about or gain experience in different roles. NASA's Talent Marketplace and the Canadian government's Free Agent model are two examples of such arrangements.<sup>35</sup>

Many current public sector workers value stability, and employers should continue to offer that. But at the same time, overindexing on stability without corresponding actions to improve dynamism and novelty in the workplace or creating shorter-term career paths/opportunities could deter younger workers.

#### PROVIDE UPSKILLING AND PROFESSIONAL DEVELOPMENT OPPORTUNITIES

For a lot of workers (particularly Gen Z and millennials) continuous learning and skill development play an outsized role in improving job satisfaction.<sup>36</sup> In a study by Udemy, 80% of employees said that more learning and development opportunities would help them feel more engaged at work.<sup>37</sup> Organizations too find themselves in need of new skills and capabilities. Investing in upskilling and training initiatives can simultaneously accomplish the goals of building new competencies to address specific skill gaps

within the organization as well as boosting an organization's attractiveness to job seekers by offering opportunities to learn and grow. Almost 50% of workers would consider switching jobs for better training and upskilling opportunities and more than 60% said it was an important reason to stay at their current job.<sup>38</sup>

### 4. Focus on well-being

#### OFFER NONTRADITIONAL BENEFITS AND INDIVIDUALIZED REWARDS

Nearly 60% of employees want benefits that their employer doesn't presently offer, according to MetLife's 19th annual Employee Benefit Trends (EBTS) study.<sup>39</sup> Many government personnel systems are one-size-fits-all, making it hard to attract and retain talent. While data shows that benefits don't outweigh compensation when it comes to job selection, they can become the deciding factor if two jobs offer similar monetary compensation.

Allowing employees to choose their rewards (figure 7) can boost engagement and satisfaction. There are as many "futures of rewards" as there are workers. For example, one employee might value a child care stipend/voucher or points to use for grocery delivery while another might prefer a retail gift card or subsidized learning. Through the Federal Academic Alliance, OPM has arranged with leading universities and learning institutions to offer continuing education to federal employees at reduced rates. In some cases, this can even extend to spouses and legal dependents.<sup>40</sup>

#### SUPPORT WORKPLACE MENTAL HEALTH

Anxiety and depressive disorders more than tripled in the general population during the pandemic, and almost 68% of US federal workers felt increased stress.<sup>41</sup> Workplace mental health has emerged as an important area for employers to invest in. Nearly 40% of employers updated their health plans since the start of the pandemic to

FIGURE 7

## Values-driven rewards and benefits

### Flexibility

- Permanent remote work options
- Work-from-anywhere policies
- Flexible hours



### Convenience

- Stipends to cover green living, transportation, grocery delivery, dry cleaning, etc.
- Employee discounts and rewards
- Free meals



### Health and wellness

- Improved dental and vision coverage
- Health and wellness stipend
- Improved or new mental health coverage
- Improved health insurance coverage
- Free or subsidized onsite or telehealth services
- Improved or new fertility benefits
- Onsite gym/meditation spaces



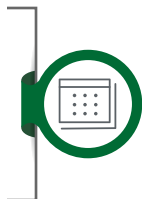
### Family and caregiving

- Caregiver days
- Onsite child care
- Child care assistance
- Pet-friendly accommodations like “pawternity leave” and bringing pets to the office
- Extending benefits to spouses and children
- Scholarships for children’s education



### Time off

- Unlimited paid time off
- Sabbatical/long-term paid time off
- Time off to volunteer
- Additional paid time off



### Learning and development

- Student loan benefits/relief
- Tuition reimbursement
- Coverage for online skill-development courses, books, etc.



Source: Deloitte analysis.

expand access to mental health services.<sup>42</sup> Leaders and managers also have a role to play here. By speaking openly about mental health and encouraging conversations on the topic, they can help foster trust and remove the stigma that prevents workers from seeking help.

## 5. Purpose and impact

### IMPROVE THE GOVERNMENT BRAND

To attract top talent, government should improve its brand and perception as an employer—particularly among new workers entering the workforce. (See sidebar: “Engaging with Gen Z.”) Government agencies do some of the most purposeful and high-impact work, yet they do not talk or write about it enough.

Government agencies should build their brand and showcase the dynamic and high-impact work they do. This can speak to the purpose-oriented side of the workforce, while also educating them on the wide range of roles, learning opportunities, and experiences that public service has to offer. For example, the city of Denver launched a branding campaign called “Be a part of the city that you love” to make multigenerational citizens feel a sense of pride in working for the government. It also included its employees as “brand champions.” The campaign led to a 19% increase in job applications.<sup>43</sup>

### FOCUS ON CAREER PATHS AND REARCHITECTING WORK

Employers should try to make the transactional parts of work—routine tasks such as data entry or generating status reports—more transactional by automating them or using gig work. This can not

only improve efficiency but also give workers more freedom and flexibility. At the same time, they should also make the nontransactional, human elements of work more individualized, allowing workers to determine where they find value and the career path they want to take.

Mapping out clear career paths for different roles, along with possible lateral moves, can help new or potential hires visualize their trajectory in the organization. For example, the US Cybersecurity and Infrastructure Security Agency launched a Cyber Career Pathways tool that can help workers explore their potential career path in cyber. The tool consists of 52 work roles, each containing a description of the job and the skill level needed to perform it.<sup>44</sup>

When determining whether an applicant is a good fit for a role, agencies should extend their thinking from skill set requirements to factors such as the alignment of behaviors and preferences. Strong matches can lead to improved productivity and job satisfaction and, ultimately, the evolution of a different kind of government worker.

## MAKE IT EASIER TO TRANSITION IN AND OUT OF GOVERNMENT

The government workforce increasingly needs more “triselector athletes”—individuals who can bridge the vastly different cultures of the public, private, and nonprofit sectors and apply their cross-sector skills and experiences to the most pressing challenges of today.<sup>45</sup> And with workers now choosing careers that span multiple roles and employers, government agencies should make it easier—and more rewarding—for workers to return to public service if they choose to do so. Some ways governments are doing this include strengthening alumni programs to encourage “boomerang” employees, using special hiring authorities, and creating opportunities for short-term assignments in government through secondments or programs such as the Presidential Innovation Fellows and White House Fellows among others. NASA, for example has been using limited appointment authorities in recent years to hire temporary talent. It envisions a more “porous border” with employees rotating between NASA and commercial space organizations.<sup>46</sup>

**“It’s the idea that we have a workforce in the future who have been developed in part by being at NASA and in part by being in other organizations, so that we really are learning and giving people experiences that add up to a really meaningful career.”**

— *Jane Datta, CHCO at NASA*<sup>47</sup>



Another important factor is the portability of retirement benefits.

Government employment policy is still rooted in the post–World War II workplace, characterized by stable, long-term employment with a single employer. However, emerging forms of work and careers don't fit within these traditional structures. Workers now hold an average of 12 jobs during their career span.<sup>48</sup>

Defined contribution plans or 401(K) style plans that are the norm in the private sector are easily

portable and allow workers to move between jobs and industries, taking along their accumulated retirement savings. But many public sector employers believe that a traditional pension or defined benefits plan helps attract and retain workers. These plans typically incentivize employees to stay until retirement and provide smaller benefits to employees who leave before retirement, limiting employee mobility. Career mobility is a core feature of today's workplace and addressing the benefits portability challenge will likely be important to attracting and retaining workers to government employment.

# Looking ahead

THE “GREAT RESIGNATION” will come to an end but the underlying shift in worker values is here to stay. To remain competitive, organizational workforce practices and policies should adapt to reflect changing worker values and preferences—flexibility, culture, entrepreneurial spirit, well-being, and purpose.

The challenges government faces today are momentous and need the best team on the field. In this new world of work, government agencies should change how they approach talent management to get the best and brightest to work on the most important challenges of our time.

## CHEAT SHEET: ENGAGING WITH GEN Z

- **Build a connection—in person**

Gen Z might have grown up texting, emailing, and instant messaging, but their preferred way of communicating with their managers is face to face.<sup>49</sup> They want to cultivate a deeper level of connection and coaching, which they have missed out on during the pandemic. According to LinkedIn, Gen Z searches for mentors on their platform doubled since last year (January 2022 vs. 2021).<sup>50</sup> Gen Z was immersed in technology at an early age but might still need to develop interpersonal and soft skills that are best learned through observation and in-person interactions. They are hungry for mentorship and growth. In a recent LinkedIn survey, 40% of Gen Z said they were willing to sacrifice some pay for “a stronger chance to grow in the role”—well ahead of other generations.<sup>51</sup>

**“Employers need to think about how they create mentorship and connection that will really keep Gen Z in place. Because they are likely to move around.”**

— *Karen Kimbrough, chief economist at LinkedIn<sup>a</sup>*

- **Be candid and transparent**

Gen Z prefers direct communication. Growing up in a world where information is at their fingertips, not getting direct answers to their questions can raise doubts. Be forthright in communicating your expectations and feedback. When it comes to feedback styles, Gen Z prefers straightforward feedback, in contrast to millennials who sought more encouraging feedback.<sup>52</sup>

- **Show them that you value their ideas**

Research has found that 45% of Gen Z workers believe it will be difficult to work with baby boomers.<sup>53</sup> They are concerned about not being taken seriously by older, more experienced colleagues and being dismissed as “kids.” They are eager to contribute and make their mark, so listen to their ideas and offer constructive feedback to engage them.

**“A lot of people are saying Gen Z are Millennials 2.0, and they’re absolutely flat wrong.”**

— *Jason Dorsey, millennial and Gen Z researcher and author<sup>b</sup>*

- **Highlight your commitment to diversity and inclusion**

Gen Z unequivocally prioritizes diversity and inclusion as core values and is looking for employers who share these values. Almost 70% of Gen Z respondents said they would “absolutely” be more likely to apply for a job that had recruiters and materials that reflected an ethnically and racially diverse workplace.<sup>54</sup> This applies to inclusion as well—88% agree that it’s important that potential employers ask people about their preferred gender pronouns. However, only 18% of Gen Z respondents report having had a conversation with a recruiter or a potential employer where they were asked for their preferred gender pronouns.<sup>55</sup> Make sure your communications, marketing materials, job postings, and websites represent diversity across multiple dimensions—race, gender, identity orientation, etc.

- **Communicate your values, mission, and brand**

Gen Z looks for alignment between their own personal values and goals and those of their employer. They value authenticity, diversity and inclusion, and social impact. According to survey data, 68% of Gen Z respondents said it was important for their employer to support a cause they care about.<sup>56</sup> Deloitte’s 2021 Global Human Capital Trends show that over the past two years, 49% of Gen Z said they have made choices around the type of work they are prepared to do and the organizations for which they are willing to work based on their personal ethics. Actively communicate your organization’s values and mission and highlight its broader impact on society.

- **Show them they are represented in your workforce**

Young people often want to work where other young people are—so focusing on retaining your existing Gen Z workers can play a role in attracting new ones. For in-person hiring events, consider enlisting young employees to serve as ambassadors and share their experience of working at the agency. For example, the CIA has started bringing younger officers on college visits so that recruits can “see themselves” in the agency.

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