





# TALENT ACQUISITION: BECOMING AN EMPLOYER OF CHOICE FOR GEN Z

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# **JCSP 48**

# **Service Paper**

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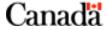
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# Talent Acquisition: Becoming an Employer of Choice for Gen Z

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# TALENT ACQUISITION: BECOMING AN EMPLOYER OF CHOICE FOR GEN Z

#### **AIM**

1. This service paper is meant to explore the challenges, necessities and nuances of meeting the CAF's staffing targets in accordance with SSE guidelines, especially in relation to the recruitment, and ideally retention, of Generation Z (Gen Z) candidates. The CAF is not alone in this endeavor - many of today's businesses are facing a similar staffing conundrum as they attempt to attract employees from the newest generation as they prepare to enter today's workforce. If the CAF truly wishes to compete as an employer of choice in today's job market and, equally as critical – recruit the best and brightest that Gen Z has to offer – it must modernize its recruiting and retention efforts appropriately, understand what events have shaped this group's value system and fully understand what motivates them.

#### INTRODUCTION

- 2. Gen Z, those typically classified as being born between 1995 and 2010<sup>1</sup>, represent the newest generation just starting to enter the workforce. The study of generations in the workplace is sometimes met with either skeptical eyerolling or unrealistic expectations of generational assimilation the old "If I had to do this, so should they" attitude. While it is much easier to expect Gen Z to quietly assimilate into the current CAF environment and culture (rife with Boomers and Gen Xs), doing so could prevent our organization from benefiting from what this cohort has to offer. While Gen Z is still too young to have been researched thoroughly by sociologists and other experts, the trends observed to date are remarkable when compared to previous generations.
- 3. The Strauss and Howe Generational Cohort theory postulates that shared life experiences, cultural backdrops and significant world events, especially those experienced during childhood and adolescence, play a critical role in shaping the values, motivations and personality of a generation<sup>2</sup>. Gen Z has been raised almost exclusively in a digital world and, as a result, is the most technologically astute generation. This characteristic spans ethnicity, language, income and gender. It is a generation to whom geographic boundaries or distances mean little in terms of connecting with others. Technology, social media and gaming have created a cohort of humans with friends around the world and little in the way of barriers to communication. All of this should suggest that communicating with this next generation of potential employees both in

<sup>&</sup>lt;sup>1</sup> Peter Karácsony, Tilla Izsák and László Vasa, "Attitudes of Z Generation to Job Searching through Social Media," *Economics & Sociology* 13, no. 4 (2020), 2.

<sup>&</sup>lt;sup>2</sup> Nana Amma A. Acheampong, "Reward Preferences of the Youngest Generation: Attracting, Recruiting, and Retaining Generation Z into Public Sector Organizations," *Compensation and Benefits Review* 53, no. 2 (2021), 78-79.

terms of recruitment strategies and once they are within the CAF – will require a very different approach<sup>3</sup>.

4. Following the analysis and discussion, the Service Paper will provide a set of recommendations based on peer-reviewed research and expert observation of generational trends in the workplace. The CAF will need to adopt a very proactive and modern approach to recruiting and retention if Gen Z is to consider it an employer of choice. We have much to lose in ignoring the interests and expertise of this evolving generation as they have much to offer any organization. As Baby Boomers and Gen Xs continue to retire from the CAF in large numbers, so too retire the characteristics of those generations: primarily the competitive, structured, strong work ethic that often put career progression first and all else second. Gen Z values career-building experiences but not at the expense of personal freedom<sup>4</sup>.

## **CONTEXT**

- 6. The Canadian Armed Forces is facing a concerning personnel shortage. According to a statement by the CDS in October 2021, General Eyre identified the "missing middle" crisis a shortage of approximately 7500 CAF members throughout the middle ranks of the organization<sup>5</sup>. Furthermore, Canada's current defence policy, *Strong, Secure, Engaged* emphasizes that current recruiting and retention efforts "are too slow to compete in Canada's highly competitive labour market". It goes on to further instruct that CAF recruiting must target those with highly technical skill sets for employment in areas such as space, cyber and artificial intelligence assets<sup>7</sup>. To say the organization is at a critical staffing juncture would be an understatement.
- 7. The CAF is also contending with its own internal leadership crisis that will continue to complicate recruiting and retention efforts for many years to come. While this service paper will not focus on the current challenges in dealing with fallout of repeated HISB events (Harmful and Inappropriate Sexual Behaviour) and sexual misconduct, it is important to acknowledge that public perception of the CAF has been tarnished as a result. Add to this the continued exodus of experienced CAF members and the future of Canada's military from a staffing perspective is bleak. Canada is not the only nation to be facing such staffing challenges within its armed forces. The US has also experienced a significant decrease in the size of its military, across all branches, and is painfully aware

<sup>&</sup>lt;sup>3</sup> Magdalena Graczyk-Kucharska and G. Scott Erickson, "A Person-Organization Fit Model of Generation Z: Preliminary Studies," *Journal of Entrepreneurship, Management and Innovation* 16, no. 4 (2020), 17.

<sup>&</sup>lt;sup>4</sup> Karácsony, "Attitudes of Z Generation to Job Searching through Social Media,", 3

<sup>&</sup>lt;sup>5</sup> CBC News, "Eyre Blames Sexual Misconduct Crisis, Pandemic for Shrinking Military", last modified 26 Oct 2021, https://www.cbc.ca/news/politics/wayne-eyre-armed-forces-sexual-misconduct-pandemic-1.6224791

<sup>&</sup>lt;sup>6</sup> Department of National Defence, *Strong, Secure, Engaged: Canada's Defence Policy* Government of Canada, [2017]). https://www.canada.ca/en/department-national-defence/corporate/reports-publications/canada-defence-policy.html
<sup>7</sup> Ibid, 20

that its "competitive military advantage has been eroding", according to a 2018 National Defense Strategy report<sup>8</sup>.

8. In order to meet the pressing need for a viable, sustainable and operationally capable future fighting force, there may be value in clearly identifying, studying and preparing for the next generation of potential recruits by taking a creative and very different approach to how the CAF is designed, how it operates and why it should strive to support the professional motivations and goals of Generation Z. Failing to do so may result in a dangerous continued reduction in size due to the CAF failing to be seen as an employer of choice for new members of the workforce. The work habits of Generation Z (and Gen Y – the Millennials – for that matter) have been identified as strikingly different than previous generational cohorts. While baby boomers and Gen X prioritized professional and financial stability and success, newer generations seem to be prioritizing personal and professional freedoms, family, marriage and parenthood above all else<sup>9</sup>. In the workplace they are seeking employment that will allow them to develop personally while contributing to the greater good <sup>10</sup>. An organization that does not value them or their continued development will fail to retain workers of this cohort. While the CAF has numerous opportunities for continued development, it behooves current leadership to examine whether the organizational status quo and personnel management policies will be sufficient to retain a young workforce that is already displaying tendencies to exit stage left if not professionally or personally satisfied with what is offered.

## DISCUSSION AND ANALYSIS

9 Current efforts to increase diversity and inclusion within the CAF are both valiant and overdue. These will need to continue for the military to remain an appealing and relevant profession for Gen Z – the cohort of focus in this service paper. However, there are other aspects of the organization that may deserve more intense consideration by policy makers as well. The military of today (and of the future) is clearly different from that of the Cold War era and even the early 2000s. Cost of living increases, radically different versions of "family" and the technologically savvy and highly connected Gen Z entering the workforce are placing new pressures on potential employers. Pressure to be more flexible, more environmentally aware, more responsive to employee needs (personally and professionally) are all changing the way work gets done, where it gets done and why it gets done. Highly structured, hierarchical and service-oriented institutions such as militaries are not immune from the effects of generational change. To attract and retain the appropriate talent from a generation that is displaying very different attitudes towards work, the CAF will need to consider some potentially radical changes to how it operates internally – in other words, how it conducts personnel management in the 21st century.

<sup>&</sup>lt;sup>8</sup> Christopher J. McMahon and Colin J. Bernard, "STORM CLOUDS ON THE HORIZON: Challenges and Recommendations for Military Recruiting and Retention," *Naval War College Review* 72, no. 3 (2019), 85.

<sup>&</sup>lt;sup>9</sup> Ibid, p. 88

<sup>&</sup>lt;sup>10</sup> Ibid, p. 88

10. A survey of 2000 Canadian women completed in 2017 by the Earnscliffe Strategy Group ominously demonstrated that employment in the CAF ranked second last on a list of twenty occupations (only a career in the mining industry fared worse than a career in the CAF)<sup>11</sup>. Clearly there is work to be done not just in marketing the CAF to the next generation of workers but also in ensuring CAF culture and work environment meet the needs and expectations of Gen Z. It could be argued that since significant attention and effort is being given to changing the current culture within the CAF, that this would also be the moment to concurrently evaluate our reputation as an employer of choice for Gen Z (and much of Gen Y). Inclusivity and diversity are not only familiar themes to Gen Z, they are essential ingredients of the workplace for this cohort.

## **CONCLUSION**

11. In order to attract and hopefully retain the next generation of CAF professionals, it is critical to have a thorough understanding of what motivates Gen Z, what values they cherish and what attitudes they possess with respect to employment 12. Dismissing any of these important factors or assuming Gen Z differs little from Gen X or the baby boomers will result in a serious staffing challenge for the profession of arms and the defence of Canada. The CAF already possesses many positive attributes that can make it an attractive career choice to Gen Z, including opportunities for advancement (promotions), adventure, integrated health care, job security, a robust pension plan and a variety of family support services through the Military Family Resource Centres available both domestically and on postings abroad. The biggest challenge may come in the way of retention given Gen Z seems to place less importance on long-term career commitment than previous generations. Leveraging the existing positive aspects which the CAF currently offers its members and striving to improve upon other benefits may be the key to success.

# RECOMMENDATION

12. Capturing and retaining the attention of Gen Z starts with smart use of multiple social media and other technology platforms – both during the recruiting process and once they are employed. Gen Z is the most technologically astute generation and has evolved to appreciate the immediate gratification that modern technology offers. An institution that cannot support the need of Gen Z to be technologically connected at all times will struggle to maintain relevancy among this cohort. Workplaces, base accommodations, training institutions and any other environment where Gen Z will spend time in uniform will need to accommodate this aspect of the "digital native" generation or risk being dismissed and obsolete.

<sup>&</sup>lt;sup>11</sup> Lise Bourgon, "The CAF Path Towards its 25.1% Employment Equity Objective: A Look Through the Lenses of Attraction and Recruitment", *The Canadian Military Journal* 22, no. 1, (winter 2021): p, 4, http://www.journal.forces.gc.ca/PDFs/CMJ221Ep5.pdf

<sup>&</sup>lt;sup>12</sup> Irina Sidorcuka and Anna Chesnovicka, "Methods of Attraction and Retention of Generation Z Staff," *CBU International Conference Proceedings* 5 (2017), 808.

- 13. The pandemic experience of Gen Z was one that saw an almost immediate pivot to on-line or remote learning. The swiftness of the transition from an in-person environment to a remote experience demonstrated the ability of many organizations to adapt and flourish in remote settings. For this reason, returning to a pre-pandemic, entirely in-person work environment will likely not occur given that many employees benefitted greatly from the flexibility offered by this shift. A blended work environment, or in many cases predominantly remote employment will be expected by the current and next generations of employees. The CAF will also need to plan for this new definition of workplace, especially for its positions that are heavily administrative in nature. Work-life balance is critically important to both Gen Y and Gen Z<sup>13</sup>. While it may have been important (in theory) to past generations as well, it seems to only be given lip service in today's workplace. A more genuine approach to demonstrating the importance of maintaining this kind of balance is required.
- 14. While geographical movement will likely always be a requirement in the CAF for many reasons (professional advancement, addressing critical vacancies, service spouse requirements, etc.), efforts to reduce the frequency of postings and better targeting of preferred regions could make the process more palatable to Gen Z members. Addressing the cost-of-living challenges in numerous areas in the form of more accurately calculated post-living differentials (PLDs) could go a long way in retaining this generation that has experienced firsthand the recent financial crisis and explosion of the Canadian real estate market. Another mechanism to increase longer term commitment from Gen Z would be to consider pay incentives for completing TOS contracts. Given that this generation appears to prefer short-term employment commitments, financially incentivizing periods of continued employment (i.e., every 3-5 years of continuous service) may serve to retain members for longer periods of time and may help with managing cost of living challenges in some areas of the country.
- 15. Reward mechanisms are an important motivator for all employees and Gen Z is no different. Rewards serve as a highly effective recruiting and retention tool if used appropriately and if tailored to generational values and motivators. Rewards can be either intrinsic (those that result in deep personal satisfaction) or extrinsic (public recognition, promotion). A recent study suggests that Gen Z is attracted to a potential employer primarily based on extrinsic motivators such as pay and benefits. However, longer-term retention within the organization tends to become dependent on intrinsic factors such as job satisfaction, reverse-mentoring (Gen Z values the opportunity to share their skills and knowledge with coworkers), personal development, a sense of contributing to society and helping others<sup>14</sup>. Understanding the key motivators of the Gen X cohort can potentially help the CAF retain the necessary talent that this generation has to offer.

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<sup>&</sup>lt;sup>13</sup> Ali B. Mahmoud et al., ""We Aren't Your Reincarnation!" Workplace Motivation Across X, Y and Z Generations," *International Journal of Manpower* 42, no. 1 (2021), 198.

Nana Amma A Acheampong, "Reward Preferences of the Youngest Generation: Attracting, Recruiting, and Retaining Generation Z into Public Sector Organizations," *Compensation and Benefits Review* 53, no. 2, 89

16. The CAF will always need to be ready to meet Canada's national interests and defence requirements, both domestically and abroad. To accomplish this critical mission requires a force that is well trained, disciplined and operationally ready. It is recognized that the CAF is distinct from other organizations in that it requires certain behaviours and philosophies that others do not – unlimited liability, unique warfighting or peace-keeping skillsets, and the willingness to embody the concept of service before self. A professional institution such as the CAF has the potential to remain an appealing employer of choice for a generation that values service to others. How the CAF leverages this aspect of its public reputation will be integral in enticing Gen Z to join and, more critically, to commit to a career. Recognizing what Gen Z can bring to the institution, supporting their continued professional development and genuinely engaging them in workplace decision-making may assist in ensuring this talented cohort sees the CAF as a viable and relevant employer of choice for years to come.

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