

Speakap Whitepaper

GENERATION Z AND THE FUTURE OF INTERNAL COMMUNICATION

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INTRODUCTION

Talented members of generation Z, born between 1990-2000, are slowly but surely entering the workplace. They clearly have their own opinions, expect a lot from their employers and don't need to be told about social media and smartphones. Welcome to the new era of internal communication!

Generation Z is more demanding than ever. Even more than Generation Y (1980-1990), also known as the millennials. They are first in a series of generations who are used to superfast communication, 100% openness and continuous feedback. Unlike their predecessors, they have no affinity with internal politics or one-way communication channels. The way in which they connect with co-workers and review information is radically different. They expect employers to talk with them and listen to them. They expect a relationship based on collaboration and involvement.



When searching Google for the term 'employee engagement', the international HR buzzword supporting this involvement will already produce some 10 million hits. But as is the case with many other general concepts, no one understands exactly what it entails, and that makes it difficult to establish clear measures for improvement.

About this whitepaper

This whitepaper demonstrates that with the right kind of communication policy, it's possible to shape employee engagement to a large extent. Companies spend large amounts of money and resources on their communication channels to reach customers and external relations but often neglect internal marketing focusing on staff members. Internal communication is a key element for any strategy, aimed at addressing the plethora of everyday issues within your organization, and never more so than now as we witness the arrival on the scene of Generation Z.

FROM GENERATION Y TO Z

Most likely you will have already met the first challenge: making your organization suitable for millennials, or Generation Y; the current 20 and 30-year olds who were born between 1980 and 1990. As far as possible, you would have allowed them to work remotely, made their work/life balance more flexible and offered them possibilities for personal growth. Perhaps you adopted new upgraded software in recent years and deployed a Bring-Your-Own-Device policy. By now, your business locations may feature hipster coffee culture characteristics such as a welcoming home-like office interior and cubicles. And, you will of course have been offering this experience to your Gen Y customers who, after all, are the same age as your millennial employees.

But having made all these efforts, a new generational wave is heading your way: Generation Z. For the most part, they were born to Generation X or baby boomer parents. While in most European countries they make up a smaller group than Generation Y, they significantly impact the toddlers and teenagers who were born in this millennium. After all, population growth in Europa further declined after 2000. Being the first digital generation, they are mapping out the way ahead. So, it's high time you should get to know them.

What do you need to know about them? The following characteristics unveil all you need to know about generation Z.

Digital Natives

Generation Z can't remember a time when there was no Internet or mobile phones. And they can barely remember a time when there were no social media. Generation Z busies itself for hours each day with Internet connected devices, in particular using mobile media such as smartphones, tablets and laptops. They communicate through emoticons and six second videos.

In short, they are used to digital media and expect to be able to fully connect to these in an office setting. They expect Wi-Fi to be available everywhere and to be able to contact their co-workers through social networks and consult one another remotely if necessary.

Perfect filter

As members of the mobile era, Generation Z are accustomed to receiving continuous flows of information. They consume this information easily and are capable of getting to the essence of any matter with a few short words. Being limited to using 140 characters is not a problem for this generation.

Generation Z doesn't like long and needlessly complicated emails. You don't need to discuss business targets and individual assignments with them at length. Provide them with this information in a concise manner and Generation Z will deliver exactly what you were after.

Entrepreneurs

Raised in an era with co-working spaces and massive success for start-ups such as Facebook, Airbnb and Uber, Generation Z considers the concept of working completely independently to be fairly normal. They have an aversion to corporate environments. In addition, they have a taste for escapism – they love adventure.

Even though a member of Generation Z might be a salaried employee, it's pretty likely he or she will have ambitions to start some kind of venture of their own. Especially, if their current job offers them little autonomy. Generation Z needs freedom. They have an urge to acquire businesses and build them up. When faced with questions and doubts, they have the entrepreneurial acumen and ambition to research the matter in hand and enlist help. As long as they have co-workers and the means to connect to these.

Pragmatic

Generation Z has also been influenced by the economic recessions of 2000 and 2008, along with foreign policy and the tensions following 9/11. As a result, they tend to want to look far ahead; they want to be ensured of a financially healthy life and therefore to be in a place where they can develop their career in a solid way.

With this long-term outlook, Generation Z is responsive to personal development programmes and any interaction that might contribute to their learning curve. With this attitude, they can be classed as very productive employees.

DIY specialists

Generation Z has seen several technologies come and go. This has encouraged them to quickly familiarise themselves with new tools and skills. To this end, they base their search for knowledge on information sourced through websites, tutorials and YouTube.

Just like there's no need to explain to Generation Z in any great detail their (individual) responsibilities and targets, they won't expect to be drip fed step-by-step instructions. All they need is clarity; otherwise they will be hindered by an Achilles' heel in the shape of a distinct lack of focus. Supplied with succinct instructions, however, they will (make sure they know how to) do the job.

Social Media savvy

While in 2005 just 7% of American adults used social media, by 2015 this figure had risen to 65%. Generation Z has been able to learn from this encounter with social media by older brothers and sisters. They have seen how important it is to limit their usage of social media. They won't lose themselves in social media, are more selective in their choice of platforms and know how to carefully build up their own identity or brand.

Members of Generation Z regard social media as a logical component of their lives and career progression. If they are offered access to internal social platforms, they will use them sensibly.

Authentic

In a world of artificially fabricated Facebook and Instagram likes and conversations and content curated in an overly obvious manner, Generation Z requires more authenticity. They value 'real and honest' conversations and want

to spend time in an environment where they and others can be fully true to themselves.

Organizations that approach Generation Z in a personal manner, rather than in an orchestrated way, will be more likely to get their respect and appreciation. They like organisations that share success as well as adversity and offer everyone the chance to express their views.



GENERATION Z AND INTERNAL COMMUNICATION

Generation Z possess a raft of positive characteristics for employers, including engagement, an entrepreneurial spirit and a fondness for autonomy. However, it's crucial to get the way in which to communicate with these potential employees just right. This can be achieved by adhering to the following six focal points:

Explaining how and why

When we were children we asked our parents at least 250 times a day 'Why?'. In this regard, not much seems to have changed. We still seem to be asking why we should be doing things, and why doing them is necessary.

This applies especially to Generation Z, a prime example of a generation with a vision all of its own. They don't need extensive explanations, but they do want to understand what the goal is, how to get there and what their contribution to the plan is. They want to feel appreciated and heard, and to be a real member of the team. This applies both to millennials and Generation Z; they both require feedback and interaction. Having grown up in the era of social media, they are accustomed to a continual flow of 'likes', 'sharing' and 'comments'.

Not only is it important to explain the why and how to employees, but it's also key to allow everyone to formulate an image of what he or she can go to contribute. Sharing updates about what a team or a company has achieved on a regular basis can be highly effective and motivational. Attaining jointly established goals increases the sense of being part of something and of working towards a specific end.

Already 73% of those employees who say they work at a 'focused' company, feel more involved than the less than 30% of employees who don't. Moreover, a recent global survey of 26,000 LinkedIn members found that 73% of respondents wanted a career that would make them feel their work 'mattered'.

An effective internal communication policy can motivate employees to work towards a common goal. By involving them in the 'Why?' businesses can also involve them to a large extent in the 'What'.

Controlling the message and the source

It's crucial that employees are never obliged to be appraised of important business updates from external sources. The new reality is that news is always and everywhere available through smartphones and other mobile sources. Many companies feel intimidated by this situation. There is, however, no other way to adjust to this reality. Always ensure that internal viewpoints are conveyed in a clear, transparent manner, not just during crises but also as part of your firm's daily activities.

Two key factors need to be in place to make sure that this information originates from the appropriate source, arrives in time and reaches all employees:

- 1.** A well formulated, yet flexible and fast editing system without any lengthy approval procedures linked to the company's hierarchy. Companies have now established a social media process capable of responding to a critical tweet within a few minutes or hours, rather than days.
- 2.** Secondly, organizations need to have access to a fast, interactive and reliable communications channel in order to reach out to all staff members. Fast and interactive here means digital, which these days equates to mobile. As is the case with many other requirements, a combination of new processes, skills and technologies is necessary to be able to create trust and transparency. This means companies can maintain control over the messages they forward and prevent information from being interpreted incorrectly.

Lifting up middle management

Most companies disperse information in a somewhat random top-down cascading fashion. The minute amount of information that reaches the target group in this way often leads to delays, will not generate feedback and is entirely reliant on the individual efforts of each employee in the chain.

Even today, a large number of messages might still be sent out, and for Generation Z this is not a problem by any means. However, the issue is that most of these messages won't reach those who actually carry out the relevant tasks.

Adopting the right kind of internal communication can make this chain far more productive.

Support middle management, lifting up its managers by consistently providing the required tools and information and enabling them to become the best leaders and 'messengers' for their employees. In addition, supply information that is not specifically targeting one single team. This can be facilitated using an organization-wide central communication channel, lessening the workload of middle management.



Moreover, internal communication offers companies a unique opportunity to better understand their staff, which in turn allows them to improve the way they train their managers. This applies in particular to millennial managers because they don't feel they have been equipped with the appropriate skills in this new role.

Although Randstad's recent study 'The future of the workplace' found that millennials count among their generation the greatest number of university graduates, they feel unprepared to resolve conflicts and to negotiate with and support older generations. They feel they lack the appropriate social skills to do this.

Effective internal communication helps teams in several different ways; it not only enables them to understand their co-workers better but also allows them to have a two-way conversation.

Safeguarding identity and satisfied customers

Your customers expect that you stay true to your brand. Always. This applies both to end-users and business customers. How can enterprises with hundreds or even thousands of middle managers make sure this process develops seamlessly? The answer is to focus on good internal communication with your sales and service personnel.

Clearly and succinctly communicated targets that will produce well-educated, well-informed and motivated Generation Y and Z employees. In turn, this means happy faces reflecting the company's profile to customers – resulting in increasing revenues.

Customer experience remains the most pivotal and greatest challenge for marketing professionals. In 2016, customer experience was ranked top of the list of investments in marketing technologies and it will determine in large part companies' innovation spend for 2017. Studies conducted by US research and consultancy firm Gartner have found that 89% of companies responding expected to be competing on customer experience in 2017. This was up from 36% four years ago. Moreover, from 2017 50% of investments in consumer products will be reallocated from innovation to customer experience.

Big brands are built up from the inside out. Start with the employees and their contentment and trust will directly reflect upon the customers.

Creating a better work environment

An improved working environment can assist businesses in two key areas. Firstly, it will mean a reduction in staff churn and secondly this will attract talented job candidates more quickly.

Staff turnover is increasing, with the annual cost for the US economy coming in at US\$3 billion. The autonomy-conscious Generations Y and Z love to 'job hop'. At least 40% said they plan to change jobs within the next two years. And it is up to the companies they currently work for to retain them.

Good quality internal communication facilitates a continuous flow of feedback and value, which results in an increasing sense of involvement on the part of employees, reduced staff turnover and ultimately significant cost savings for the company.

By using the latest developments – in particular the adoption of social media in scouting for talent – most people will know what kind of employer a company will prove to be, making it easier for them to know if they want to work at a specific firm. Having a well-functioning internal communication policy and an open working environment will provide your business with better opportunities in a very competitive market.

Happy employees and customers are the best advertisement for any collaboration.



Limiting rumours and promoting openness

Informal communication has both advantages and disadvantages. Benefits include the fact that casual communication in office corridors can help interpret the manager's information. It can even bridge the gap with those who didn't receive the formal information or missed out in some way, and it's more flexible than formal communication. In addition, these chats in the corridors can help improve relations between employees. They also boost the dissemination of knowledge by sharing tips that can make the work itself more efficient.

However, informal communication also has the potential to twist the meaning of information, and to confirm rumours and misunderstandings. And, informal communication is difficult to control.

Good internal communication can help to emphasise the benefits of informal communication. By communicating in a timely and frequent manner, it can help reduce rumours by clarifying information and directives.

In addition, Generation Z (and Y) employees greatly value transparency when it comes to interacting with various management levels. They even list this preference as their main priority in terms of their happiness and contentment at work.

Transparency and a rumour-free environment are key focal points of the next generation of employees (and customers), who tend to have a sceptical outlook.

THE IMPORTANCE OF INTERNAL COMMUNICATION

Effective internal communication is a powerful tool which helps to enrich the lives of employees. It increases customer satisfaction, leads to profit growth and a 36% rise in overall productivity of the company. Talking to staff members is no longer an afterthought, it is considered just as important as external communication. It's an important business capability that inspires and works to get the entire organization on the same page. Internal communication specialists must raise the bar higher and confidently place their job responsibilities on the executive agenda.

A 2016 study into internal communication found that budgets allocated for internal communication were trending upward rather than declining. 87% of respondents expected budgets to remain solid or grow. With a top-down hierarchy in the process of slowly disappearing and a young generation Z poised to make their mark, internal communication and employee involvement are two subjects which no longer can be dismissed and will need to feature prominently on the 'to-do-list' of every company.



ABOUT SPEAKAP

Speakap has developed an internal social platform, offering employees an identical experience to that provided by their personal social media. Our goal is to assist companies seeking to improve their internal communication, knowledge exchange and employee engagement.

Our solution ensures that organizations or their divisions and teams can highlight important discussions in an open, transparent environment. In addition, our platform facilitates private conversations between two or more persons. It is also possible to use Speakap to create groups for specific subjects. Each new department or group forum will feature timelines and chat capabilities.

Employees at Rituals, Hudson's Bay and Ikea, among others, utilise our timelines and private chat options to communicate with each other, to connect, to view files and exchange knowledge. According to one's preference, this environment can totally reflect the look and feel of the business.

Being internal communication specialists, we realise how important it is to thoroughly prepare in order to create a successful new social platform. We use a team of experts who support enterprises with the rollout and installation. After all, technology only has a significant added value when we first create the appropriate conditions.

For more information, please check out [speakap.com](https://www.speakap.com) and blog.speakap.com.

Review our other whitepapers at [speakap.com/en/resources-us](https://www.speakap.com/en/resources-us)

- 'The important role of the internal community manager'
- 'Internal communication from a strategic standpoint'
- 'Innovation and the importance of social and emotional capital.'

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