

# Gen Z: Will They Stay or Will They Go?



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University educators (faculty and staff) spend considerable time advising students about various career paths and sales roles. Usually, it is time well-spent. However, some of the worst phone calls educators receive are from recent graduates who say, ‘I hate what I’m doing—I’m ready to quit.’ When this happens, we are reminded that Gen Z is different from prior generations (e.g., Millennial, Gen X, and Baby Boomers) in the way they search for full-time roles before they graduate, what they anticipate their entry-level day-to-day tasks to entail, and how they expect to be managed at work.

The turnover rate for first-year salespeople is staggering. Almost 60 percent of them burn out and quit in their first year. Additionally, insights from Gartner suggest that 37% of inside sellers intend to look for a new job in the next year. To help curb this staggering rate, we provide insights from a recent literature review on Gen Z in professional selling (see Loring & Wang, 2021) and from interviews with 15 Gen Z inside salespeople. We propose critical activities for university sales programs and sales organizations to better integrate Gen Z. Our goal is to better align university sales programs and sales organizations with Gen Z’s unique characteristics to increase job placement and improve retention of first-time salespeople.

To learn more about Gen Z and their engagement in their sales role, we recently interviewed 15 early-career inside sales representatives. The 15 inside sales representatives averaged 1.1 years of total sales experience in inside sales, but 8 of them (53%) had already quit their first company. Before we discuss how to better serve Gen Z, we must understand who they are as a generational cohort.

Based on our research and in our own experience leading a university sales program, we offer three key observations about Gen Z.

## **1. GEN Z HAS WITNESSED A FINANCIAL CRISIS**

We found that Gen Z witnessed their parents lose their jobs and/or change their spending habits because of the 2008 financial crisis. As a result of witnessing their parents’

### REFERENCE:

Loring, A. and Wang, J. (2021). Engaging Gen Z in professional selling: a systematic literature review, *European Journal of Training and Development*, Vol. ahead-of-print, No. ahead-of-print.

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adjustments, Gen Z is more risk-averse than many prior generations. Specifically, within our sales program, we are witnessing students who prefer a higher guaranteed base salary, so they know they can pay for basic living expenses; this is different from many sales organizations that offer low starting salaries and high commission potential.

### **2. GEN Z CRAVES SUPPORT AND MENTORSHIP**

The most important factor attributed to whether they stay or quit a job is their manager. Gen Z craves supportive managers and mentors who care about them personally and professionally. They are fiercely loyal and will follow managers from company to company, but they will quickly quit a company if their manager is unsupportive. Support is more important than any other work benefits such as offering beer in the fridge, free lunch, or a ping-pong table (which was more important to Millennials).

### **3. GEN Z GETS BORED**

Gen Z is also entrepreneurial and bored with routine. They desire autonomy for both when and how they work (i.e., how they execute the sales process). Traditional business development roles (the common entry point for many first-time salespeople) are typically structured so that new hires can learn the sales process. This is counter to Gen Z's desire for job control and increases their likelihood of quitting.

Based on our research and experience, we recommend four critical activities which will help ensure that sales program graduates accept the right roles for them and that sales organizations are prepared to retain Gen Z.

#### **1. UNIVERSITY SALES PROGRAMS SHOULD ENCOURAGE PERSONALITY ASSESSMENTS**

On several occasions, an excited student will stop by to share the news that they accepted a full-time sales role with “the company of their dreams.” Often, students are unable to answer questions about what they will be doing in their starting role. Instead, they respond by saying, “but it’s with (insert prominent company here)!” Or “but the starting salary is \$80,000!” Salary and company prominence are potentially key factors. However, our Gen Z students may be missing the most crucial factor: whether their natural talents and personality characteristics fit with the specific role and company.

Students rarely consider how their unique talents and interests directly connect to the specific role, company, or industry. It is time for sales educators and sales organizations to revisit the qualities and characteristics that make someone a good fit for a full-time sales role.

Assessments such as the Chally and CliftonStrengths help students understand how their unique personality aligns with various sales roles. The better they understand themselves the better they can articulate to companies what makes them a good fit for the role.

#### **2. SALES ORGANIZATIONS SHOULD CONTINUE TO PARTNER WITH UNIVERSITY SALES PROGRAMS**

University Sales Center Alliance (USCA) affiliate schools provide opportunities for sales organizations to build relationships with current students. These relationships reduce the risk Gen Z has with organizations and roles they are unfamiliar with. According to the Sales Education Foundation, sales program graduates ramp up 50% faster and turnover 30% less than graduates from non-sales educated students.

#### **3. SALES ORGANIZATIONS SHOULD CLEARLY EXPLAIN HOW AND WHEN AUTONOMY WILL BE PROVIDED**

Since Gen Z is entrepreneurial and desires autonomy, sales organizations should foster merit-based incentives, in which early career salespeople clearly know what is expected of them and how they can earn more autonomy in their role and with their schedule.

#### **4. CREATE MENTOR PROGRAM FOR NEW HIRES**

Gen Z needs personal and professional support in the workplace. They want their managers to care about them as people. Mentors play a crucial role in advising and encouraging Gen Z without the potential negative repercussions that could come from their manager.

Gen Z will continue to enter the workforce for the next ten years; therefore, sales educators and organizations should consider aligning with the needs of Gen Z and helping them adapt to the workplace. Together, we can improve the retention of first-time sales professionals. ▲