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2026 Gen Z and Millennial Survey

Progress on Their Own Terms

A Letter from Elizabeth Faber

When Deloitte started this research 15 years ago as “The Voice of Millennials”, millennials were entering the workforce in large numbers and challenging long-standing assumptions about work and the employer-employee relationship. As Gen Zs began to enter the workforce five years later, we expanded our scope to include their unique perspectives. Now, as these generations increasingly become parents and caregivers at home and managers and leaders in the workforce, Deloitte’s Global Gen Z and Millennial Survey continues to examine how they think about work, life, and leadership.

This year, the report reflects the views of more than 22,500 Gen Zs (born between 1995 and 2007) and millennials (born between 1983 and 1994) across 44 countries. It also includes insights from business leaders across markets based on qualitative interviews.

Over the past 15 years, these generations have changed work in tangible ways: Driving an evolution in leadership and workplace culture; normalizing flexible and hybrid work; advancing more open conversations about mental health; and elevating purpose and values as visible factors in career decisions.

But while expectations have shifted and norms have evolved, some structural realities have been slower to follow. In the face of economic pressure, rising costs of living, housing constraints, geopolitical

instability, and rapid technological change, many Gen Zs and millennials are choosing to sequence ambition—investing first in skills, stability, and well-being before committing to roles or paths that feel unsustainable.

These generations came of age during a period marked by repeated disruption. Those conditions did more than shape attitudes; they altered timelines. Traditional milestones—buying a house, starting a family, stepping confidently into senior leadership—have become harder to reach and often come with greater tradeoffs than previous generations faced.

Despite external pressures, many Gen Zs and millennials are maintaining a positive outlook. Both generations are more optimistic about their personal financial futures than about the broader economy. They are actively reshaping their careers through continuous learning and skill development. They largely see the proliferation of AI as an accelerant, not a threat, expecting it to free up more time, improve output, open new paths for growth, and create new opportunities for entry-level workers—but many also feel that they are adapting to AI faster than their organizations. And for these generations, purpose remains central: More than nine in 10 say it is important to their job satisfaction, and many are already working in roles aligned with their values.

The data points to a need to redefine leadership. Interest in management and senior roles is high among Gen Zs and millennials, but it’s not the priority for most, as leadership continues to be associated with burnout, unsustainable workloads, and insufficient support. Rather than rejecting leadership outright, Gen Zs and millennials are signaling that the old model no longer works. They are willing to lead, but they want to do so in environments that prioritize flexibility, well being, and meaningful impact.

These generations want to build durable foundations before making life-defining moves. They are seeking stability before committing to major decisions. And their ambition is tempered by a demand for a manageable workload, clear support, and achievable pathways to success. They are choosing what is sustainable, not performative, and aligning life choices with realistic conditions rather than traditional timelines.

This 15th anniversary report tells a coming of age story not of delay, but of discernment. Gen Zs and millennials are adapting to a world that has demanded resilience early and often. They are moving forward thoughtfully, selectively, and on their own terms. How they navigate uncertainty—how they define success, weigh tradeoffs, and engage with employers—will help set the norms Gen Alphas encounter as they begin entering the workforce in a few years. This underscores a broader reality: What generations need, want, and expect from

work will and should continue to evolve. Meeting that reality requires dynamic models that are constantly adapting.

It is my hope that organizations will use these important insights to help create workplaces that can keep up with the pace of evolving needs, priorities, and expectations, and enable people, across generations, to thrive on their own terms.



Elizabeth Faber
Deloitte Global
Chief People
& Purpose Officer

Executive Summary

Financial pressure is shaping both personal and professional decisions

For the fifth consecutive year, cost of living is the top concern for Gen Zs and millennials, far surpassing other societal and workplace concerns. Financial strain has become a defining feature of how these generations work, live, and plan for the future. Nearly half of respondents report living paycheck to paycheck. A majority (69% of Gen Zs and 64% of millennials) say that the availability or affordability of housing has a direct impact on their career decisions and where they can work, and 51% of Gen Zs and 40% of millennials say they cannot afford to own a house.

More than half of Gen Zs (55%) and millennials (52%) say they are delaying major life decisions, such as marriage, starting a family or business, or furthering education, due to their financial situation. Despite these pressures, optimism persists, particularly among Gen Zs: 53% expect their personal financial situation to improve over the next year, compared with 45% of millennials.

Leadership ambitions are conditional as many consider the tradeoffs

Consistent with last year's findings, only 6% of Gen Zs and millennials say achieving a leadership position is their primary career goal. Among those who are not prioritizing leadership roles, the most cited barriers are perceptions of stress and burnout, excessive responsibility, and concerns about work/life balance. When asked about their ideal career path, most favor steady progress over fast-paced advancement. Just 25% of Gen Zs and 21% of millennials prefer rapid promotions and title changes, while others are willing to make lateral moves or step back to gain the experience they believe will support long-term success.

This reflects caution about the tradeoffs leadership may present, not a lack of ambition. Over the course of their careers, 76% of Gen Zs and 67% of millennials say they are interested in pursuing senior or executive leadership roles. Beyond higher compensation, the conditions that would make leadership more appealing include flexible work arrangements and greater clarity about the paths to leadership within their organizations. Together, these findings suggest that traditional leadership models are misaligned with expectations around well-being. Regardless of whether they currently hold leadership roles, 69% of Gen Zs and millennials believe they

have the power to drive change within their organization, suggesting that even when individuals postpone leadership roles or major career moves, they still see themselves as contributors who can shape outcomes from where they are.

Adaptability is now a core career capability

While uncertainty has slowed some major decisions, it has accelerated how Gen Zs and millennials invest in their own employability. They are responding to rapid workplace change by prioritizing skills development, continuous learning, and innovative tools such as AI. As a result, adaptability has become a core career capability, one that enables them to remain relevant and resilient amid constant change.

Executive Summary

AI adoption is accelerating faster than organizational readiness

AI adoption is now mainstream. Nearly three-quarters of Gen Zs (74%) and millennials (74%) report using AI to some extent in their day-to-day work, a sharp increase from the 57% of Gen Zs and 56% of millennials who said the same a year ago. AI's role extends beyond productivity, with many also using it as a tool for well-being and growth. Respondents are using AI to identify learning and development opportunities (79% of Gen Zs and millennials), seek career advice (72% of Gen Zs and 69% of millennials), and cope with work related stress (67% of Gen Zs and 65% of millennials).

Despite widespread use, many Gen Zs and millennials feel their organizations are not prepared. The systems, tools, and training they rely on are lagging behind individual AI adoption. Lack of knowledge and experience is the most cited barrier to effective AI use. Around one-third of respondents do not believe their employer is sufficiently training employees on the capabilities, benefits, and value of AI, and around 30% say their employer is not prepared for the changes that AI will bring.

Mental health is improving, but stress remains embedded in everyday work

Overall mental health is trending upward. Sixty-three percent of Gen Zs and 66% of millennials now rate their mental health as good or extremely good, up from 52% and 58%, respectively, in 2025. Stress, however, remains a baseline experience. Roughly one-third report feeling anxious or stressed most or all of the time, driven by financial pressures and workplace factors such as long working hours. The proliferation of digital tools and platforms adds to this strain: More than half of Gen Zs (58%) and millennials (54%) report experiencing digital fatigue, feeling overwhelmed by constant alerts and the need to navigate multiple tools and platforms. Rather than easing workloads, digital complexity can intensify feelings of pressure and fragmentation throughout the workday.

While there is certainly more work to do, this year's data reveals meaningful and sustained progress towards supportive work environments, where employers take the mental health of employees seriously and have policies in place to help, and where people feel more comfortable speaking with their managers about mental health.



Executive Summary

Purpose and connection define the ideal workplace and influence retention

Nearly all respondents (96% of Gen Zs and 97% of millennials) say that having a sense of purpose at work is important to their overall job satisfaction and well-being. And this is backed by behavior: About 40% of respondents have rejected a potential employer based on their personal ethics or beliefs, and 68% of Gen Zs and 72% of millennials say their current job enables them to make a meaningful contribution to society.

Social connection also plays an important role. Roughly two-thirds of respondents in both generations say they have at least one close personal friend at work. Those with close workplace friendships are more likely to plan to stay with their organization longer. Among Gen Zs, those with close workplace friendships are 15 points more likely to stay with their organization for more than five years (48% vs. 33%). This trend is even stronger among millennials: Those with close workplace friendships are 18 points more likely than those without to say they plan to stay with their organization for more than five years (61% vs. 43%).

As a major generational transition approaches, preserving knowledge is critical

As large numbers of baby-boomer and older Generation X workers approach retirement, organizations face growing risk around knowledge continuity. Only about half of Gen Zs and millennials say their teams could maintain performance if a key expert left tomorrow, citing limited incentives for knowledge sharing, lack of time, and high turnover as barriers. At the same time, Gen Alphas will begin entering the workforce in a few years, prompting leaders to view the challenge as a leadership and work design challenge—preserving institutional knowledge while creating roles that deliberately build human judgment, influence, and collaboration in an AI-powered workplace.



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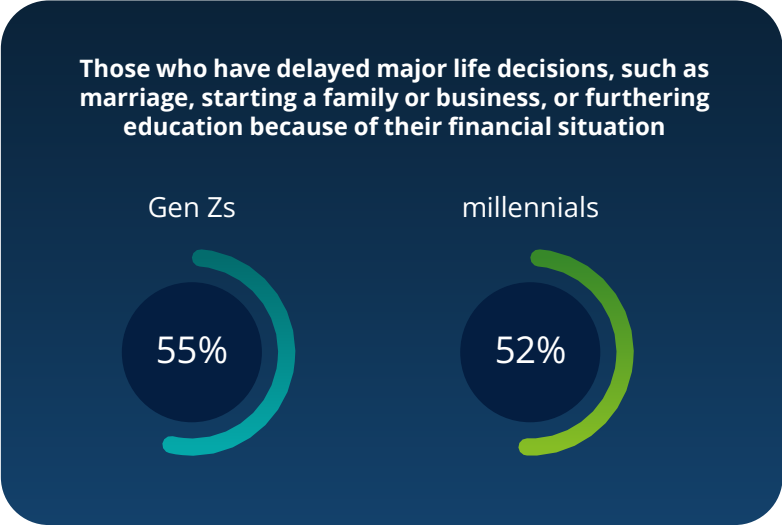
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The ‘Maybe Later’ Reality: Financial Pressure and Delayed Decisions

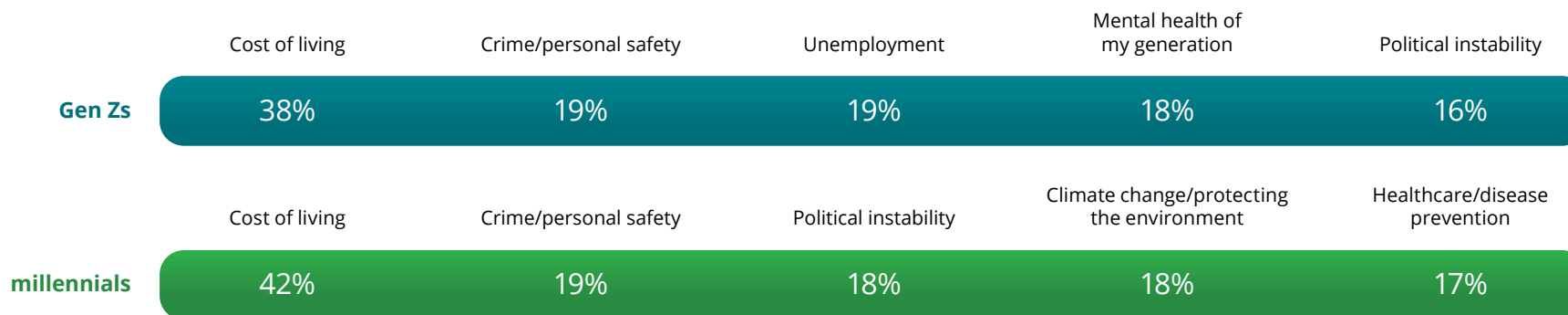
Across the data, financial pressure emerges as the central force shaping how these generations think about work, stability, and the future. It is the constant backdrop against which career and life decisions are made. For the fifth consecutive year, cost of living stands out as a top concern, cited by 38% of Gen Zs and 42% of millennials, far exceeding worries about crime, unemployment, the environment, or geopolitics.

This persistence reflects a new normal. Cost of living concerns have become a defining feature of everyday life, giving rise to a theme that has unfolded over the past 15 years of this survey—the story of the “maybe later” generations. These are generations who are ambitious and engaged but have had to postpone major personal and professional decisions: More than half of Gen Zs (55%) and millennials (52%) say they have delayed major life decisions, such as marriage, starting a family or business, or furthering education, because of their financial situation. A majority (69% of Gen Zs and 64% of millennials) say that the availability or affordability of housing has a direct impact on their career decisions and where they can work, and 51% of Gen Zs and 40% of millennials say they cannot afford to own a house.



Q: Thinking about your finances, to what extent do you agree or disagree with the following statements?

Top concerns



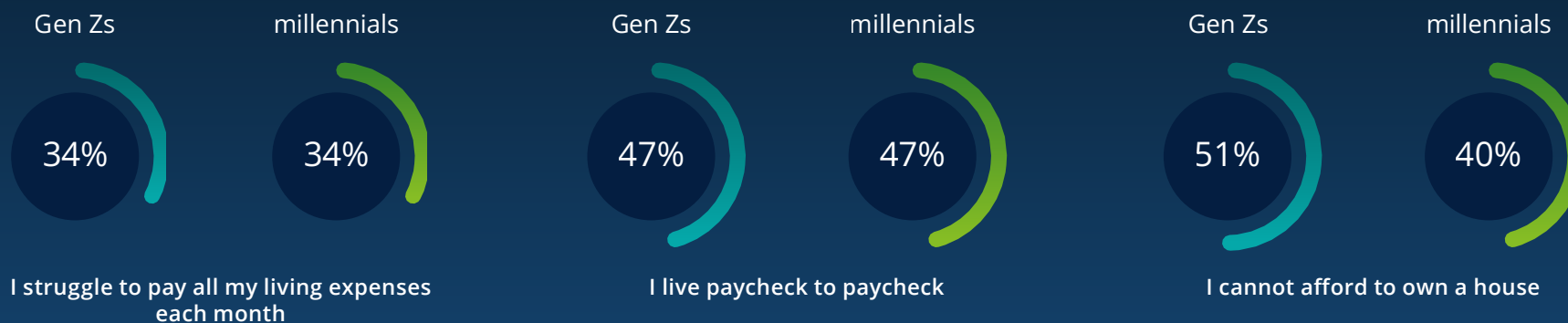
Q: Of the following issues, please rank your top three concerns with your first selection being the issue that is MOST concerning.

The 'Maybe Later' Reality: Financial Pressure and Delayed Decisions

Financial vulnerability is a reality for many respondents, but there are signs of hope and improvement. Fifty-three percent of Gen Zs and 45% of millennials expect their personal financial situation to improve over the next 12 months, up from 49% and 41%, respectively, in 2025. Last year, 52% of both groups reported living paycheck to paycheck: This year, that has decreased to 47% for both Gen Zs and millennials. And while 34% of Gen Zs and millennials still say they struggle to pay all of their living expenses each month, this is down from the 37% of Gen Zs and 35% of millennials who said the same last year.



Percentage who agree with the following statements about financial security



Q: Thinking about your finances, to what extent do you agree or disagree with the following statements?

When asked to reflect on the cost of living and financial concerns, Gen Zs and millennials said...



"Cost of living is my biggest concern because prices are being raised while salaries are not, causing economic damage, and a loss of the ability to buy what we want"
 – Khalil, millennial

"My husband and I both make over six figures each, but our buying power now versus a few years ago is just not even close to the same. Our income has increased, but the thought of being able to buy a house is just not feasible with interest rates and things like that. We'd be spending way more on less house right now"
 – Rukaya, Gen Z



"The cost of living is a significant concern because it directly affects my ability to meet essential needs like housing, food, and transportation. When costs rise faster than income it strains our budgets, reduces our ability to save, and limits discretionary spending"
 – Tymon, Gen Z

"My number one concern is the cost of living. The cost of homes have gone up so much, especially to get one that is in a nice, safe neighborhood...it's almost out of reach. So, it's really disappointing. Employers are not paying even close to the cost of living. When I see jobs advertised online in my city, the salaries don't match what it costs to live here. People can't live off these salaries. And I'm not talking about being able to afford luxury items. I'm talking about simply room and board, groceries, and other everyday items, and if there's anything left over for savings. It's very hard for people to save because they're spending all their money on housing"
 – Mel, millennial

Takeaways for business leaders

Financial pressure continues to shape how Gen Zs and millennials think about work, stability, and long-term decisions, making cost of living and financial security an enduring talent consideration. While there are signs of gradual improvement, housing affordability and everyday expenses still influence where people can work and how willing they are to make longer-term commitments. Organizations that respond with competitive pay and benefits that help address financial constraints, such as housing or relocation support, student debt assistance, or greater choice in how rewards are allocated, may be better positioned to attract and retain talent.

These pressures also play out in where, when, and how work is done. Housing costs, commuting expenses, and caregiving responsibilities directly shape career choices and mobility, often in ways traditional work models fail to accommodate. Clear, consistent approaches to location flexibility, hybrid work, and scheduling can meaningfully expand employees' options and reduce unnecessary tradeoffs. Equally important is acknowledging financial pressure openly and normalizing these conversations rather than leaving employees to manage them quietly. As financial pressures shape everyday decisions, targeted employer support can help drive meaningful gains in engagement, retention, and performance.



Leadership, Reconsidered

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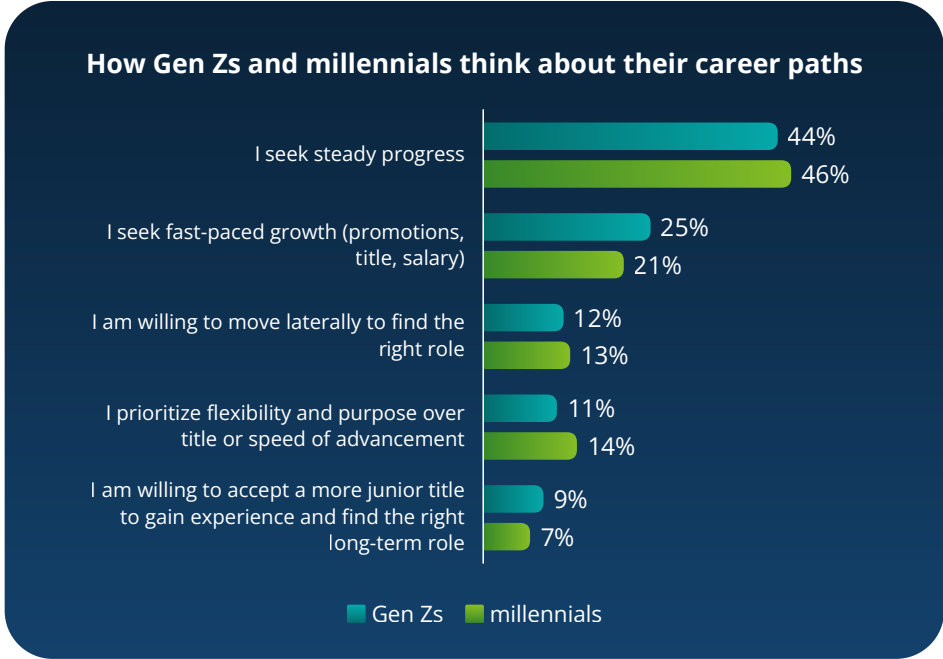
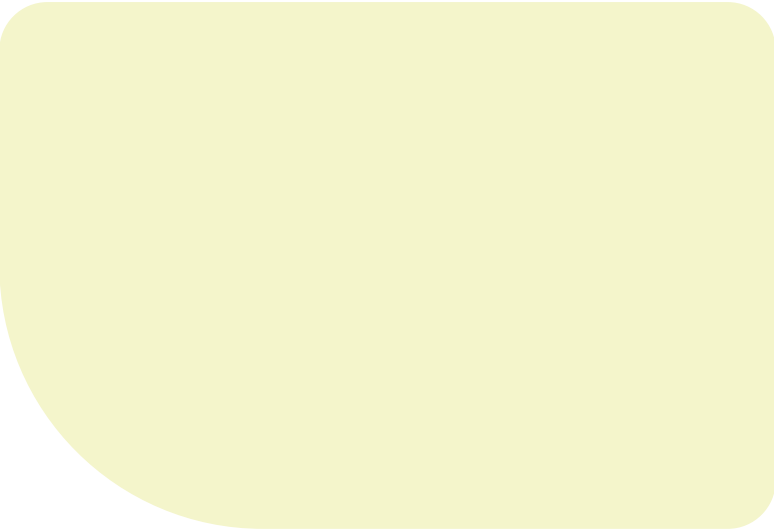


Leadership, Reconsidered

Gen Zs and millennials are making career choices that prioritize long-term fit over short-term advancement. Progress is no longer measured solely by how high or how fast one climbs, but by whether that climb is sustainable. Rather than pursuing traditional, linear advancement, these generations are resequencing careers—prioritizing balance, autonomy, and the ability to adapt without burning out.

When asked about their ideal career path, 44% of Gen Zs and 45% of millennials say they prefer steady progress, compared with just 25% of Gen Zs and 21% of millennials who favor fast-paced growth marked by rapid promotions or title changes. Roughly 20% of both generations would be willing to move laterally or accept a more junior title to gain the experience they believe will support long-term success. For most, progress means moving forward in ways that feel manageable and realistic: Maintaining a good work/life balance, achieving financial independence, and job stability are the most commonly cited primary career goals.

“Millennials and Gen Zs very much want the opportunity to have a whole life that’s not just about climbing a corporate ladder. They value well-being. They’ve seen the people who are raising them, they’ve seen the world, and they have a lot more access to information. They want to enjoy life. That’s what they value more”
 - Megan Korn Russell, integrated marketing and communications executive and adjunct professor for Texas Christian University (TCU) and University of Dallas



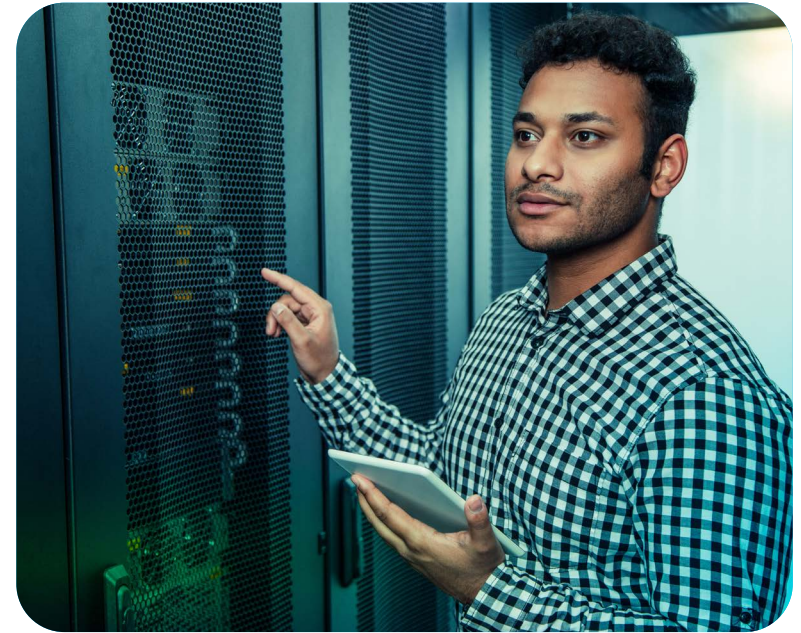
Q: Which of the following best reflects how you think about your career path?

Leadership, Reconsidered

This shift in how progress is defined is especially evident in how leadership fits into career priorities. Consistent with last year's findings, when asked about their primary career goal, only 6% of Gen Zs and millennials say achieving a leadership position is their top priority.

The reasons are telling. Among those who are not prioritizing leadership roles, the most commonly cited barriers are stress and burnout (50% of Gen Zs and 49% of millennials), excessive responsibility (50% of Gen Zs and 48% of millennials), and concerns about work/life balance (41% of Gen Zs and 46% of millennials). Leadership, as it is currently experienced, is often associated with significant well-being tradeoffs, leading many Gen Zs and millennials to question whether it is worth the cost.

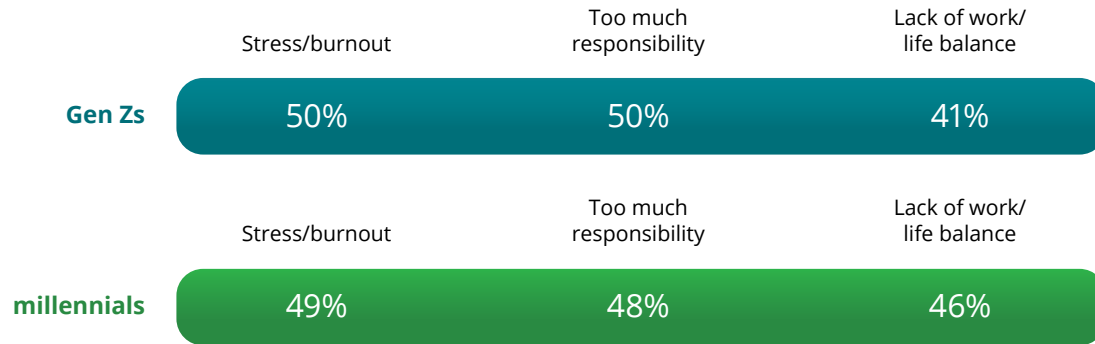
At the same time, delaying leadership does not equate to disengagement or a diminished sense of agency among these generations. Regardless of whether they currently hold leadership roles, 69% of Gen Zs and millennials believe they have the power to drive change within their organization, citing employers that actively seek employee input and incorporate feedback. Only about one-quarter of each generation say decisions are largely top down and that employee feedback is rarely acted upon. This suggests that even when individuals postpone leadership roles or major career moves, they do not see themselves as powerless or peripheral, but as contributors who can shape outcomes from where they are.



"It's interesting that so few are prioritizing leadership, but I do not think that it means 'no one wants to lead.' It's just not the only thing that matters to them. Many employees no longer see leadership as the only, or even the primary, way to make an impact or be recognized. It suggests a shift in how leadership and contributions are valued"

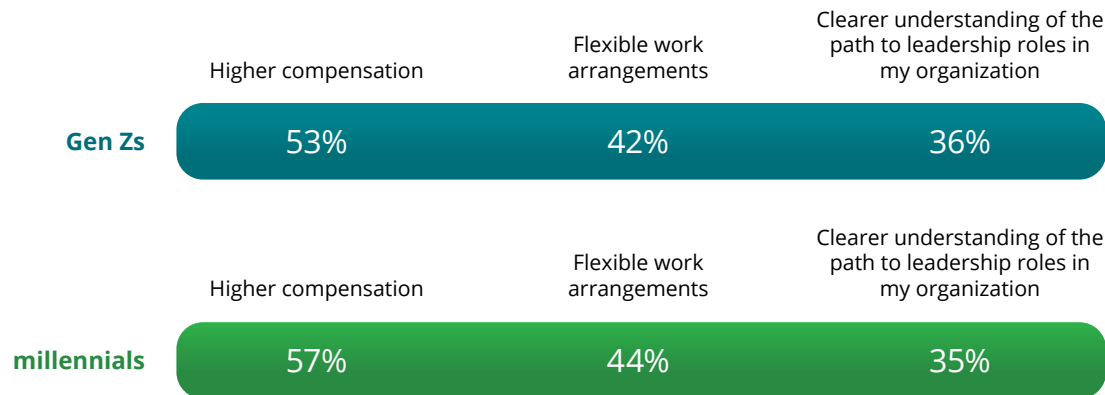
- Nic Scoble-Williams, Global Future of Work Leader, Deloitte

Top reasons for not pursuing leadership roles



Q: What are the top three reasons you are not prioritizing a leadership position in your career?

Top factors that would increase interest in leadership roles



Q: What would make you more interested in pursuing a leadership role in the future?



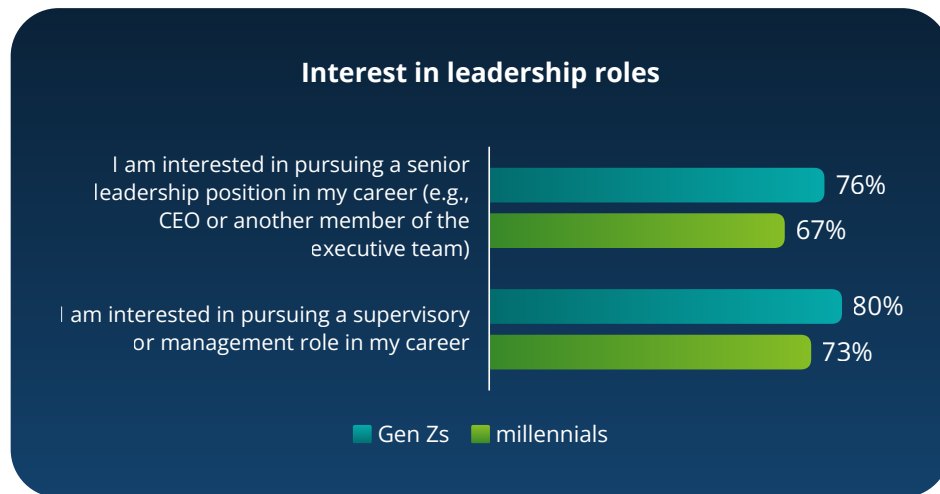
“Gen Zs and millennials don’t always want to be leaders in the same way as boomers or Gen X. Leadership roles are still appealing, but they need to offer flexibility. When they are weighing whether they want a leadership role, their thinking is focused around do they have a sense of safety and belonging, and can they maintain their quality of life and physical and mental health in this role”
 - Mike Canning, Global Chief Strategy officer, Deloitte Global

Leadership, Reconsidered

Importantly, the survey findings do not reflect a rejection of leadership altogether. Interest in leadership remains high over the course of a career: 76% of Gen Zs and 67% of millennials say they are interested in pursuing executive leadership at some point, and 80% of Gen Zs and 73% of millennials express interest in supervisory or management roles. Many are already taking on these responsibilities, with 45% of Gen Zs and 61% of millennials currently supervising or managing others to some extent. Leadership, then, is viewed less as an immediate objective and more as a future option to be pursued when conditions feel more supportive and sustainable.

When respondents describe the conditions under which leadership would feel worth pursuing, they most often point to higher compensation, flexible work arrangements, and greater clarity around paths to leadership within their organizations.

Interestingly, Gen Zs and millennials who are already in senior leadership positions largely report positive experiences. Compared to those in junior roles, they are more likely to report positive mental health and good work/life balance, and less likely to cite workplace factors such as long working hours as a source of stress. The findings suggest that those in leadership positions are not necessarily experiencing the well-being tradeoffs that many Gen Zs and millennials associate with leadership. It could also point to differences in expectations, with those who reach senior roles being more accustomed to the demands of these positions.



Q: Please rate your level of agreement with the following statements. (asked of those not already in senior leadership roles.)

“They’re looking for flexibility, balance, and having a connection between their personal purpose and their careers. They want their work to be meaningful, and to scale. Sometimes there’s a perception that that’s not possible in a leadership role because leadership is perceived as being more structured or demanding. I think Gen Zs and millennials want to be leaders on their own terms”
 - Soledad Alvarado Ganzhorn, Senior Vice President – Global Head of SAP Next Gen, SAP



“I think there’s this assumption that as you climb the ladder, you have more stress. I’ve been in junior roles where it’s been stressful, and I’ve been in senior roles or supported senior leaders where they’ve had low stress and good work/life balance. So, the analogy that the more senior you are, the more stress you have should be questioned”
 - Charlotte Simpson, Corporate Officer – Head of People and Organisation, Novartis Pharma K.K.

Leadership, Reconsidered

For many Gen Zs and millennials, progress may require keeping multiple options open. Nearly 30% of Gen Zs and roughly one-quarter of millennials have a part- or full-time side job in addition to their primary role. While additional income is the most common reason—44% of Gen Zs and 48% of millennials with a side job cite financial necessity—side jobs also serve as a way to build skills and explore interests. More than one-third say their side job helps them develop important skills and relationships, about 30% describe it as a hobby, and roughly 25% say it allows them to make a positive contribution to their community.

Gen Zs and millennials are redefining progress in response to a world where uncertainty feels higher, margins are thinner, and the consequences of burnout are more immediate. They are not necessarily opting out of leadership, but highlighting a growing gap between traditional leadership models and broader definitions of success that emphasize well-being, flexibility, and long-term sustainability.



When asked to reflect on their career paths and leadership ambitions, Gen Zs and millennials said...



"I would hope to be able to move up the ranks, but to put [it] this way, I would like those things to happen, but I want to do it in a way that makes sense for my lifestyle and my personal life goals too"
 – Dalia, millennial

"I want to be fulfilled in what I do. I don't necessarily need all the promotions for my job to fulfill me. I want to change the world for the better through work, but also be able to come home and live my life, relax, and have that separation. And I think having a leadership position would not really enable me to have a good work/life balance"
 – Nita, Gen Z

"Success means different things to different people. To me, it really is all about work/life balance"
 – Zeina, Gen Z



"I've always been interested in helping people, and I think pursuing a management role or a supervisor role in my career would definitely allow me to grow as a leader. And having one of those positions also gives me a higher salary, which would help address concerns I have around stability and being able to gain better financial resources to support myself and be more independent, as I've always wanted to be. However, one concern I have is that it would drive me away from doing the actual work and being in the trenches, seeing the impact I'm making directly one on one"
 – Omar, Gen Z

Takeaways for business leaders

For business leaders, these findings point to a growing mismatch between how careers and leadership roles are traditionally structured and how today's workforce defines progress. Gen Zs and millennials are not rejecting ambition; they are recalibrating it around well-being and long-term fit. Organizations that continue to signal that success requires constant acceleration, linear promotion, or personal sacrifice risk narrowing their talent pipelines. Instead, organizations should be more intentional about how they guide careers, broadening what they recognize and reward as high-performing talent. Employees who build breadth, adaptability, and impact by moving across roles may be just as valuable as those who move quickly up the hierarchy.

This shift also calls for a reassessment of leadership itself. When leadership is consistently associated with burnout and excessive strain, organizations could likely see decreased interest and delayed uptake. The opportunity is to redesign leadership roles so they are well supported and focused on enabling others—sharing responsibility, building capability, and creating clarity—rather than absorbing endless demands. Doing so may make leadership more attractive for these generations as it helps strengthen adaptability, trust, and long term performance across the organization.



"It's not that Gen Zs and millennials are opting out of leadership or management completely. Many still aspire to be leaders, but they're not willing to do it at the expense of other priorities. They want it to fit with the rest of their life"
- Becky Frankiewicz, President and Chief Strategy officer, ManpowerGroup

Continuous Learning and Adaptability as a Career Strategy

3



Continuous Learning and Adaptability as a Career Strategy

If uncertainty has slowed some decisions, it has accelerated others. Gen Zs and millennials are adapting to rapid workplace change by investing in skills, continuous learning, and new tools to future-proof their careers. Adaptability has become a core capability—one that allows them to remain employable, relevant, and resilient amid constant change.

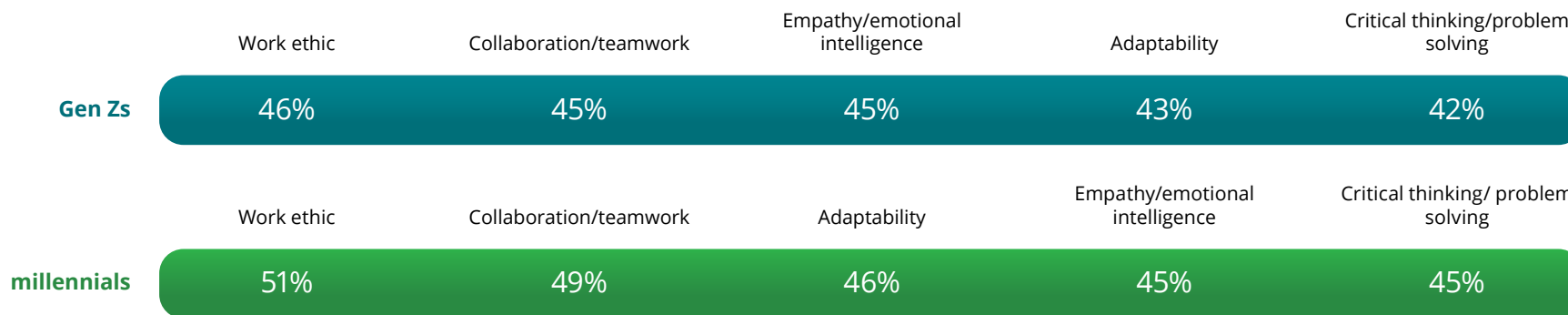
When asked to assess their own skillsets, both Gen Zs and millennials identify work ethic, collaboration, empathy, adaptability, critical thinking, and communication skills as core strengths. Looking ahead, both generations are focused on strengthening capabilities that combine human judgment with technical fluency: Public speaking, leadership, AI fluency, communication skills, and creativity are top areas they want to develop further.



“The skills that matter most for the future are curiosity, asking the right questions, and the agility to keep learning. It’s about the drive to solve problems, connect the dots, and collaborate effectively. Ultimately, it comes down to cognitive strength, emotional intelligence, curiosity, and a continuous learning mindset”
 - Meghna Punhani, Chief People Officer, Eightfold AI

Top skills

Those who say they have advanced level skills in the following areas...



Q: Rate the level of skills you have in the following areas, and whether you are interested in further developing them.

Continuous Learning and Adaptability as a Career Strategy

Managers play an important role when it comes to skill building. Gen Zs and millennials who have managers with strong communication skills are much more likely to say they have advanced level skills across key areas like leadership, people management, AI fluency, and adaptability.

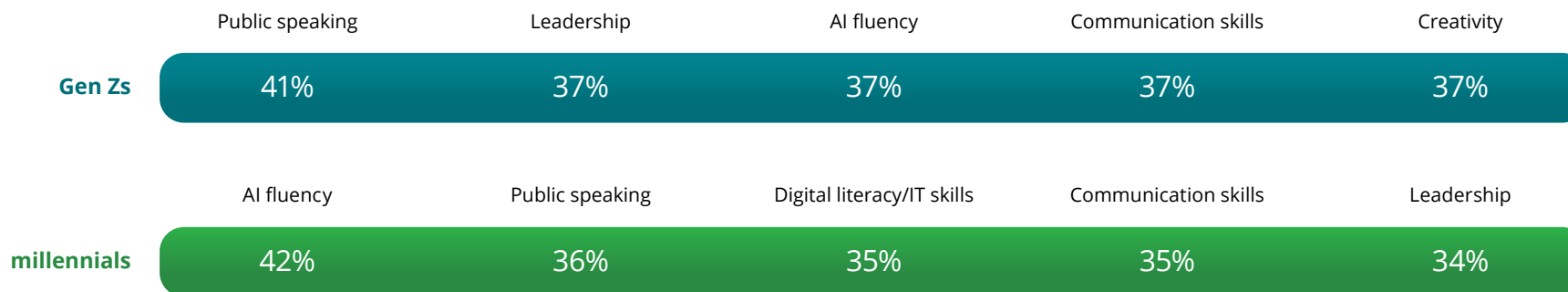
[Deloitte's 2026 Human Capital Trends report](#), which includes insights from workers, managers, and executives, revealed that one in three experienced more than 15 major work-related changes in the past year alone. These vary from changes in the work itself and skills required, implementation of AI-related tools, technology automation, and strategy or business model changes.

Learning, in this rapidly evolving world of work, is continuous rather than episodic. Many Gen Zs and millennials report actively seeking new training opportunities as skill requirements shift, and most express confidence in their ability to develop and apply new skills, particularly in areas such as AI. For these generations, adaptability reflects not just a response to new trends, but a learned strategy shaped by repeated exposure to change.



“As AI reshapes careers, Gen Alpha’s advantage will be their technical fluency, which differentiates them from earlier generations. What will be most important for their success, however, is how effectively human skills—such as empathy, communication, and connected thinking—are developed alongside that fluency. These skills will be the real value-add as AI increasingly takes over more task based work”
 - Nicolai Andersen, Global Strategy, Risk, and Transactions leader, Deloitte Global

Top skills they’re interested in developing

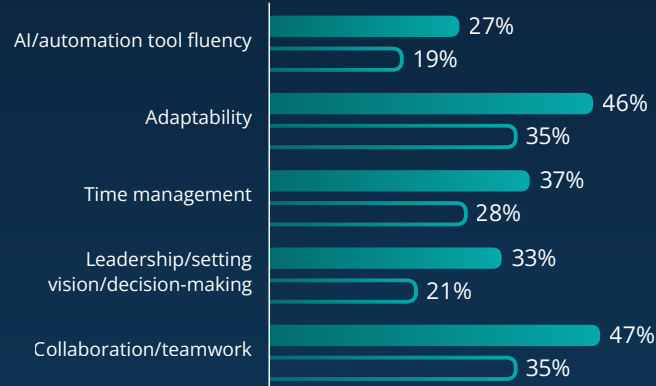


Q: Rate the level of skills you have in the following areas, and whether you are interested in further developing them.

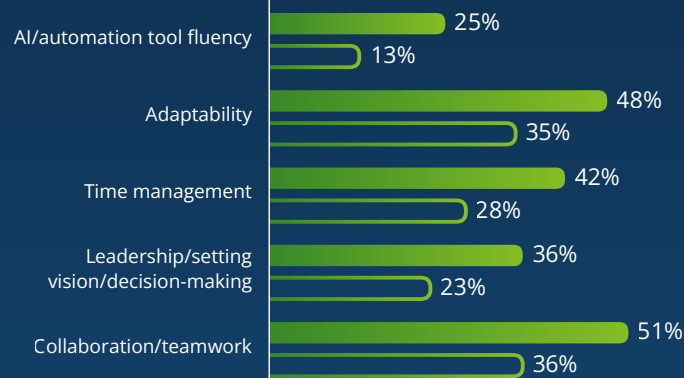
Continuous Learning and Adaptability as a Career Strategy

Those who share clear expectations with their managers about their roles are more likely to say they have advanced level skills across key areas

Percentage of Gen Zs who say they have advanced skills, by agreement with statement



Percentage of millennials who say they have advanced skills, by agreement with statement



■ Gen Zs (agree) ■ Gen Zs (disagree) ■ millennials (agree) ■ millennials (disagree)

Q: Please rate your level of agreement with the following statements about your current manager.
 Q: Rate the level of skills you have in the following areas



“Gen Z and Gen Alpha tend to try a lot of different things to feel fulfilled and build their experience. They’re not looking for only stability because they don’t expect stability. Many millennials expected stability and are angry they didn’t get it. The younger generations saw that and were like, “Why would I expect stability? I’m just going to have to make my own path”
 - Megan Korn Russell, integrated marketing and communications executive and adjunct professor for Texas Christian University (TCU) and University of Dallas

When asked how they think about learning, development and the skills they need to succeed, Gen Zs and millennials said...



"I will do what's needed to make sure that I have the knowledge necessary to be successful. So definitely just continuing my education, my learning, that's actively what I'm doing now"
- Gyatri, millennial



"I'm constantly looking to evolve and learn new things and get better in my line of work"
- Dmitriy, millennial

"I just like to be constantly learning and growing, so I don't necessarily have to be climbing the ladder up to CEO or anything, but I do want to be learning new skills and adding on to my tool set"
- Ella, millennial

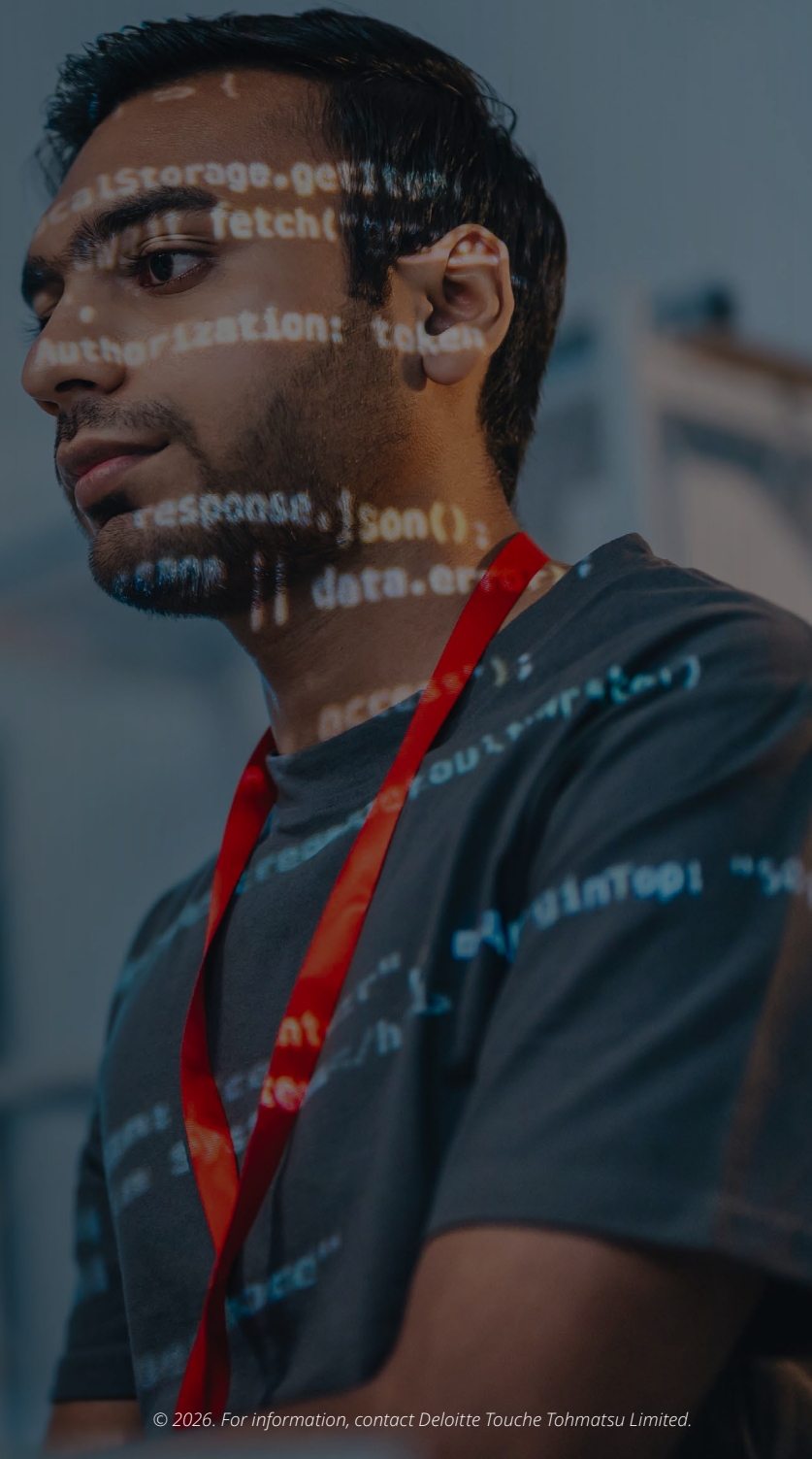
Takeaways for business leaders

Leaders can strengthen adaptability by making learning continuous and embedded in everyday work. This means creating regular opportunities for people to build and apply new skills—especially those that combine human judgment with technical fluency—rather than relying on episodic training or one-off upskilling initiatives. Just as importantly, managers need to be equipped and expected to play an active role: modeling curiosity, encouraging experimentation, and supporting learning in real time. When learning is treated as an expected and supported part of the job, rather than something added on to already full workloads, adaptability becomes a shared organizational capability rather than an individual burden. Organizations that invest in manager capability, normalize learning as part of performance, and give people room to practice new skills are likely better positioned to build a workforce able to evolve and adapt to constant change.



AI and the Readiness Gap

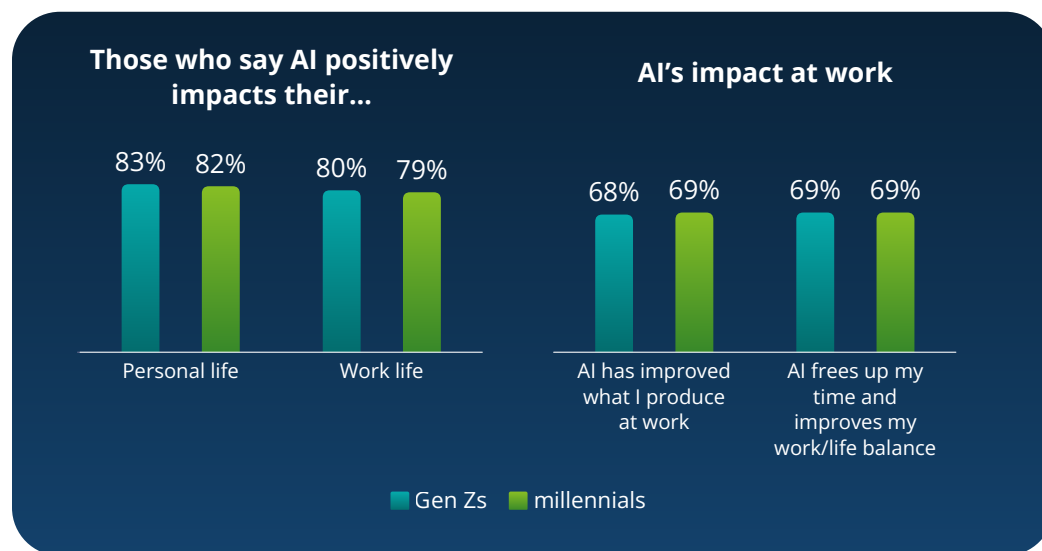
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AI and the Readiness Gap

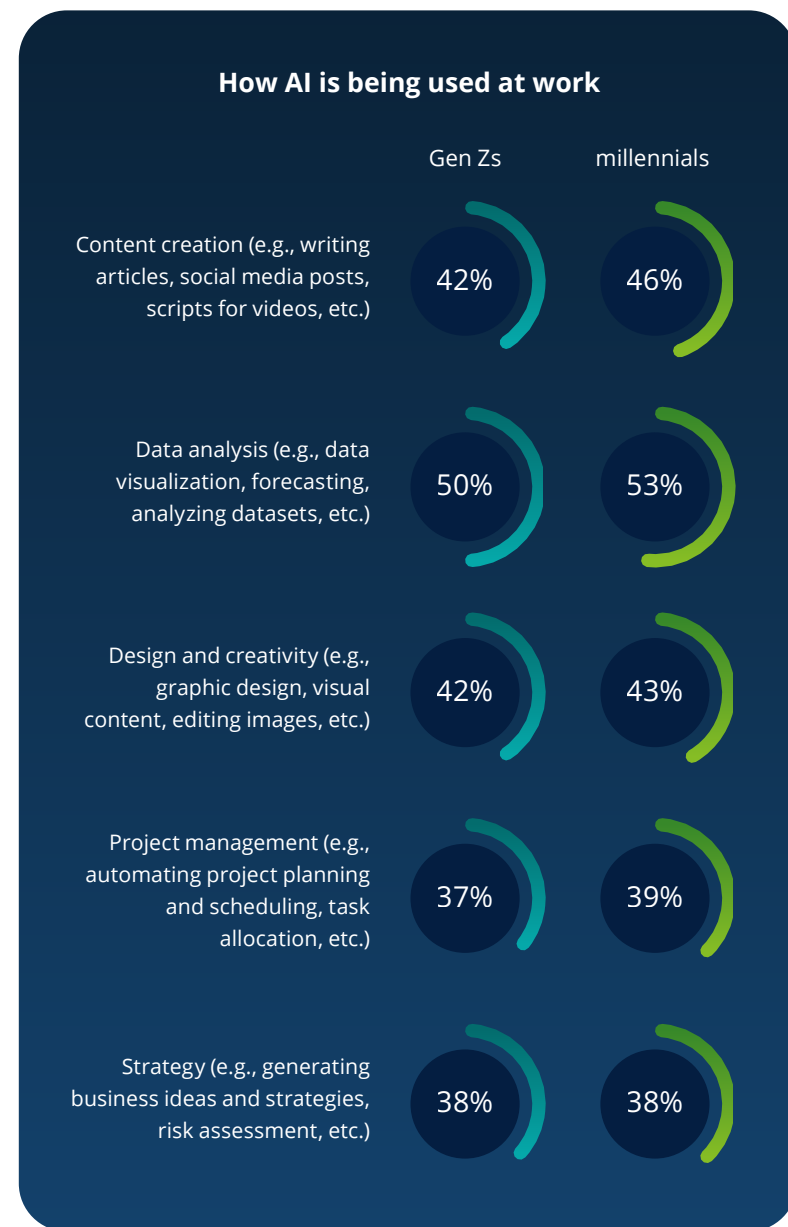
The adoption of AI has become a clear expression of this adaptive behavior. What was once considered a niche or emerging technology is now mainstream: Roughly three-quarters of Gen Zs (74%) and millennials (74%) report using AI to some extent in their work, a sharp increase from just over half last year (57% of Gen Zs and 56% of millennials). And for these generations, AI is largely seen as an upgrade, with large majorities reporting it has had a positive impact on both their work and personal lives through improvements in efficiency, output quality, and work/life balance.

AI's role extends beyond productivity. Many respondents also report using AI to identify learning and development opportunities (79% of both generations), seek career advice (72% of Gen Zs and 69% of millennials), and cope with work-related stress (67% of Gen Zs and 65% of millennials). In this sense, AI is increasingly used as a career coach, supporting growth, decision-making, and resilience—not just task completion.



Q: Rate your level of confidence in the following statements. (showing very positive / somewhat positive)

Q: To what extent do you agree or disagree with the following statements related to AI in the workplace?



Q: How do you currently use AI tools (GenAI, agentic AI) in your day-to-day work?

AI and the Readiness Gap

However, individual adoption is outpacing organizational readiness. Nearly one-third believe their organization is not prepared for the changes AI will bring (30% of Gen Zs and 31% of millennials). This is up from about 20% of respondents in last year's survey who said their employer is not prepared for the changes that GenAI will bring. Further, sixty-two percent of Gen Zs and 60% of millennials say their workplace AI tools could be improved, with 33% of Gen Zs and 32% of millennials saying they are only somewhat or not at all sufficient. This disconnect is reinforced in other pieces of Deloitte research. [Deloitte's 2026 State of AI in the Enterprise](#) report found that, despite high expectations for automation, 84% of companies have not redesigned jobs around AI capabilities. Fewer than half of companies are making significant adjustments to their talent strategies, with most focused on educating employees, but far fewer rearchitecting roles, workflows, and career paths. And [Deloitte's 2026 Human Capital Trends](#) report found that 42% of workers said that their organizations are not evaluating the impact of AI on the organizational culture and its people.

The readiness gap also shows up in how Gen Zs and millennials assess leadership capability. While most Gen Zs and millennials feel capable using AI tools themselves (68% of Gen Zs and 66% of millennials), fewer express the same confidence in their senior leaders (60% of Gen Zs and millennials). The role managers should play is also unclear: Only a minority believe managers should focus on redesigning work to maximize the benefits of AI or guiding teams on how to integrate AI effectively (28% of Gen Zs and 30% of millennials), and even fewer think this is happening in practice (20% of Gen Zs and 21% of millennials). In fact, guiding teams on effectively integrating AI into work falls at the very bottom of the list of responsibilities that respondents believe their managers should be focused on, suggesting that many organizations are not clearly communicating the importance of leadership redesigning work to maximize the benefit of AI.



"AI creates value when leaders redesign roles and reimagine workflows with AI at the core. Managers play a critical role by translating that redesign into how teams actually work—shifting the team mindset from AI as a productivity tool layered onto legacy processes to AI as a structural collaborator woven into how work is conceived, divided, and executed"

- Nitin Mittal, Global AI leader, Deloitte Global

AI and the Readiness Gap

Concerns about trust, training, and integration persist. More than one-third of respondents say they do not trust AI tools to produce accurate or unbiased outputs (36% of Gen Zs and 34% of millennials), and a similar share do not believe their employer is providing sufficient training (36% of Gen Zs and 38% of millennials). Barriers to AI use include limited experience, few learning opportunities, poor integration with existing systems and workflows, tools that fail to address role specific needs, and restrictions or compliance requirements that limit use.

These challenges point to a widening gap between individual adaptability and organizational readiness. While Gen Zs and millennials are experimenting with new tools, learning on the fly, and adjusting how they work, many feel they are adapting faster than the structures around them. In many cases, adaptation is happening despite organizational infrastructure, not because of it.

“Many organizations are looking at how to maximize return on their AI investment by progressing from treating AI like a tool rollout to an opportunity for transformation. Real progress starts when leaders design for scale—reimagining work processes, integrating AI into core workflows, establishing governance that’s codified into the models as guardrails, and rethinking roles so humans and machines can collaborate effectively to drive value”
 - Nitin Mittal, Global AI leader, Deloitte Global

Top three barriers to AI use

Gen Zs

- Lack of knowledge and experience
- Compliance requirements limit use
- AI tools available at work lack creative capabilities

millennials

- Lack of knowledge and experience
- Lack of effective training
- Compliance requirements limit use

Q: What are your biggest barriers to using AI at work?

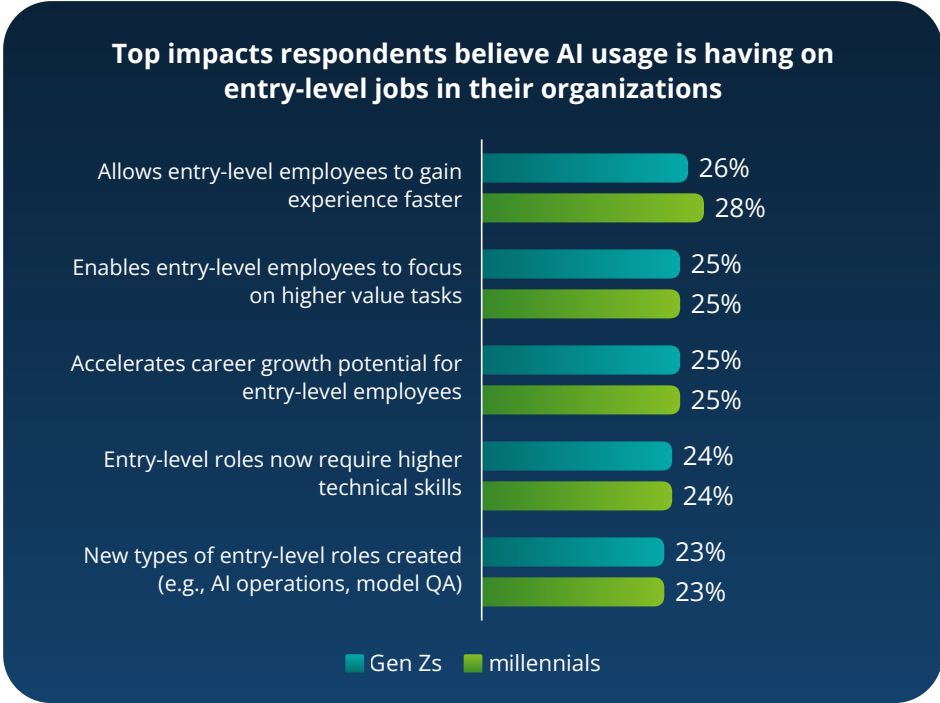


AI and the Readiness Gap

Many Gen Zs and millennials believe AI offers an opportunity to enhance entry-level career opportunities and development. When asked how AI usage impacts entry-level jobs within their organizations, the top-cited answers were that it allows entry-level employees to gain experience faster (26% of Gen Zs and 28% of millennials), focus on higher value work (25% of Gen Zs and millennials), and accelerate career growth potential (25% of Gen Zs and millennials). Some also said that AI is leading their organizations to create new entry-level roles (23% of Gen Zs and millennials) and offer higher compensation for entry-level candidates with AI skills (22% of Gen Zs and 20% of millennials). A smaller group expressed concerns about AI's impact on hiring for entry-level roles. Roughly 20% of respondents say their organizations are making fewer entry-level hires (20% of Gen Zs and 17% of millennials) and replacing more entry-level roles with internships or apprenticeships (19% of Gen Zs and 17% of millennials).

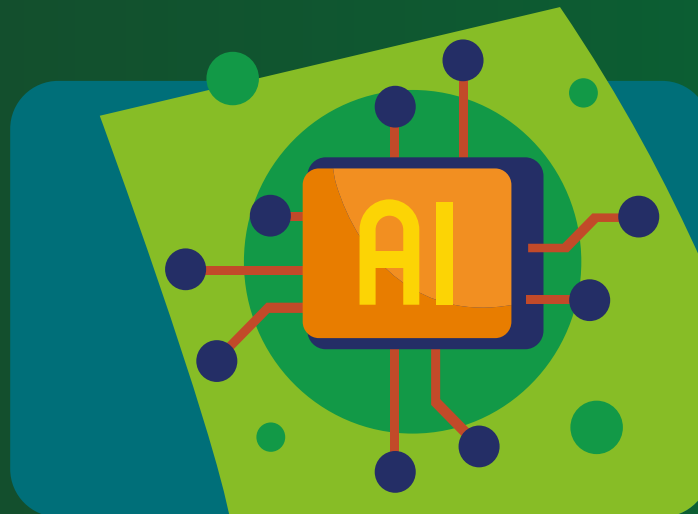
“Employers should think about who is taking responsibility for AI oversight and how it is being implemented. In many organizations, it seems like whoever has time is just experimenting. But the groups more likely to succeed are those who are shifting leaders so their whole job is to look at AI cross-functionally, implement it intentionally, and roll it out across the organization”

- Megan Korn Russell, integrated marketing and communications executive and adjunct professor for Texas Christian University (TCU) and University of Dallas



Q: In your experience, how has AI usage impacted entry level jobs at your company or in your industry (select all that apply)?

When asked to reflect on how they see AI changing their roles and careers over the next five years, Gen Zs and millennials said...



"In five years, I expect AI to significantly change my role by automating routine tasks, allowing me to focus more on strategic decision-making, creativity, and leadership. My responsibilities will likely include managing AI tools and integrating them effectively into workflows, while my career path may shift toward roles that blend technical expertise with human-centered skills"

- Ivan, millennial



"The growing use of AI is influencing my career plans by pushing me to focus on roles that involve creativity, problem solving and human judgment"

- Rafael, Gen Z

"I anticipate my work to be less of a hands-on coder and more of an orchestrator—setting the direction, guarding quality, and enabling the team to leverage AI effectively"

- Ana, millennial

"I expect that AI will open new career opportunities, requiring me to continuously upskill in areas such as data literacy, AI governance, and human-AI collaboration"

- Leila, Gen Z

Takeaways for business leaders

Leaders should treat AI adoption as a work redesign and change management effort, not a technology rollout. That means intentionally redesigning roles and workflows so humans and AI work together, and equipping managers to translate that redesign into how teams actually operate. Trust and culture are critical enablers: AI doesn't scale through pockets of experimentation, it scales when leaders have a coherent AI strategy in place that drives deliberate decisions about governance, training, and how work gets done. Organizations that redesign work, invest in manager capability, and build trust alongside deployment are better positioned to move from fragmented experimentation to sustained, scalable value for the organization.



Well-being as Infrastructure

5



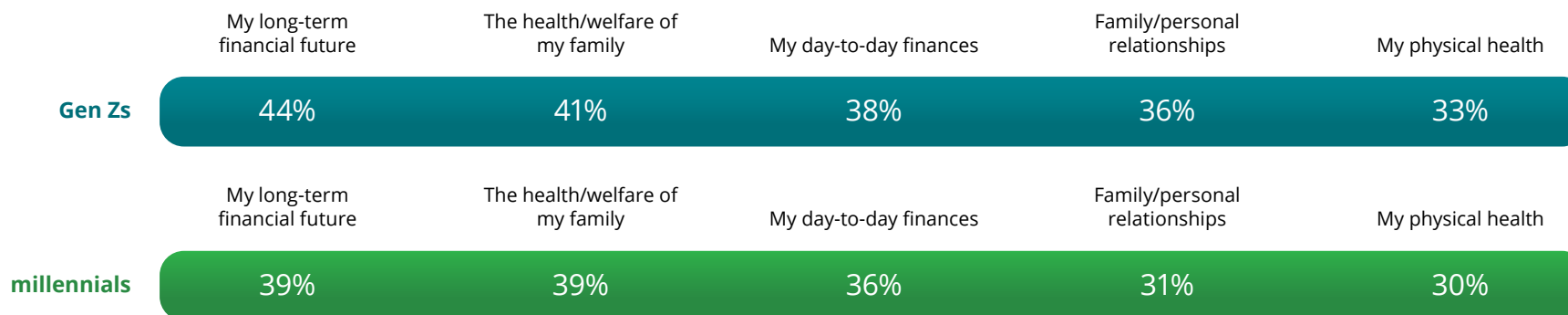
Well-being as Infrastructure

Gen Zs, in particular, have helped bring conversations about well-being and mental health into the mainstream at work. For both Gen Zs and millennials, well-being is increasingly treated as infrastructure; it is the foundation that determines what they can take on. Mental health is a critical component of that foundation, and there are signs it is improving.

Sixty-three percent of Gen Zs and 66% of millennials now rate their mental health as good or extremely good, up from 52% and 58%, respectively, last year. More than 40% of respondents in both groups say their overall mental well-being, including stress and anxiety, is better than a year ago. Another roughly 40% say it's about the same, while only 15% report that it has worsened. However, persistent stress remains: 34% of Gen Zs and 30% of millennials still report feeling anxious or stressed most or all of the time, and nearly half of Gen Zs (48%) and millennials (45%) say they feel burned out.



Top factors contributing to anxiety/stress



Q: To what extent do each of the following contribute to your feelings of anxiety or stress

Well-being as Infrastructure

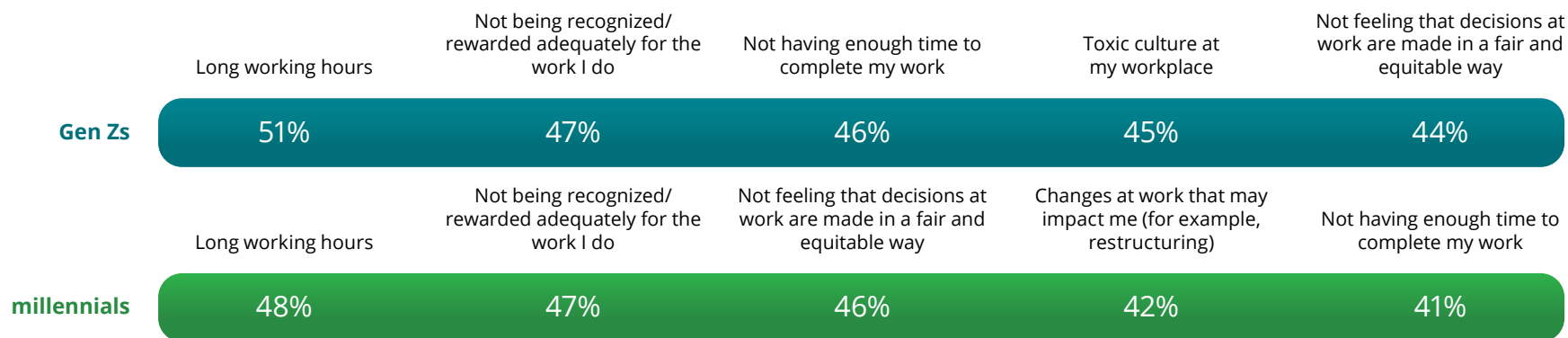
When asked which factors contribute most to their feelings of anxiety and stress, both generations cite concerns about their long-term financial futures, followed by family health and well-being, and then day-to-day finances. Work is another significant source of stress. Among those who say their job contributes to stress, long working hours and lack of recognition rank highest for both generations. The third-highest contributor differs: Gen Zs point to not having enough time to complete their work, while millennials cite concerns about fairness in workplace decision-making.

In a work environment shaped by technology and AI, digital overload adds another layer of pressure. Nearly 60% of Gen Zs and 54% of millennials say they regularly experience digital fatigue, driven by constant alerts, tool switching, and multiple platforms.

“There’s definitely a need for mental health support, and it’s something we want to make sure that we have the right infrastructure to support. This is an area where older generations may have learned to adapt and live with high levels of stress and long working hours, but voices of younger generations are really triggering us to change”

- Tomoko Adachi, Chief Human Resources officer, Terumo Corporation

Top aspects of job contributing to anxiety/stress



Q: To what extent do each of the following aspects of your job contribute to your feelings of anxiety or stress?

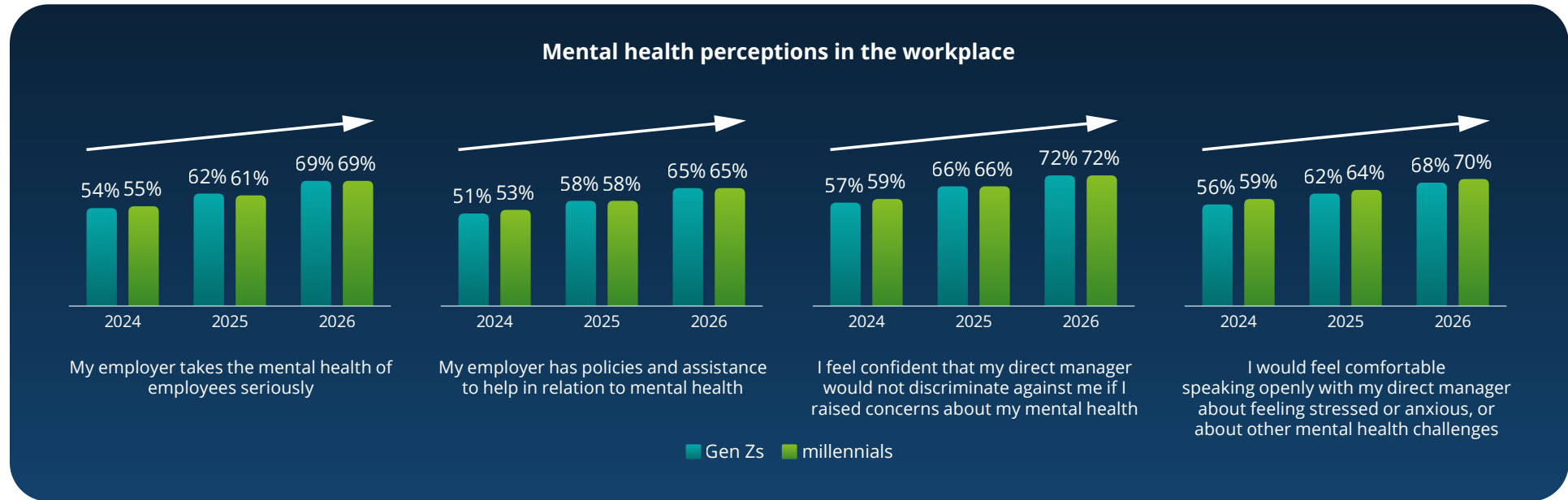
Well-being as Infrastructure

If well-being is infrastructure, then supportive work environments and managers are the foundation. Many Gen Zs and millennials feel their organizations have made real progress over the last few years. At the organizational level, 69% feel their employer takes the mental health of employees seriously, a 14- and 15-point increase from 2024 for both generations. Sixty-five percent of Gen Zs and millennials say their employer has policies and assistance to help in relation to mental health, up 14 points for Gen Zs and 12 points for millennials since 2024. And 66% of Gen Zs and 64% of millennials say their employer takes employee burnout seriously and is actively taking steps to prevent it, also up 15 points for Gen Zs and 13 points for millennials since 2024.

Confidence in manager support is also on the rise. Seventy-two percent feel confident they would not be discriminated against if they raised concerns about their mental health with their managers, up 15 percentage points for Gen Zs and 11 points for millennials since 2024. And 68% of Gen Zs and 70% of millennials say they would feel comfortable speaking openly with their manager about mental health challenges, up 12 points for Gen Zs and 11 points for millennials since 2024.

“Progress on well-being depends on psychological safety. When managers are equipped to respond with empathy and consistency—and people trust they won’t be judged for speaking up—support moves from policy to practice. Real change happens as trust grows and people feel safe using the support available to them”

- Emma Codd, Global Inclusion leader, Deloitte Global



Q: To what extent do you agree or disagree with the following statements related to workplace well-being, mental health, and burnout within your organization?

Well-being as Infrastructure

Managers play a central role in supporting well-being, but gaps remain between expectations and experience. Many respondents believe managers should help set boundaries and support work/life balance, foster a positive and inclusive work culture, and support employee well-being, but only up to a quarter of respondents say they consistently see these behaviors in practice.

Patterns around taking time off offer another perspective on how comfortable respondents feel raising concerns about stress at work. Seventy-one percent of Gen Zs and 63% of millennials say they have needed to take time off due to stress. Yet only 41% of Gen Zs and 35% of millennials actually took time off, and among them 21% of Gen Zs and 17% of millennials gave their employer a different reason for their absence. Sixteen percent of both groups report working through stress rather than addressing it, signaling the limits of how supportive workplace systems feel in practice.

Well-being is not peripheral to work; it is what makes work viable. Without manageable workloads, psychological safety, and supportive leadership, even highly adaptable employees risk burning out. The same adaptability that helps people cope with uncertainty can become a liability if it is continually stretched without the appropriate support.

For organizations, the implication is clear. Treating well-being as infrastructure means recognizing it as a prerequisite for productivity, retention, leadership development, and long-term performance. It is not something to address after growth targets are met or change initiatives are launched; it is what helps determine whether those initiatives succeed.

In an era defined by the need to constantly adapt to change, well-being is the system that helps to keep everything else running.



“Presenteeism is often framed as commitment, but in reality can be a reflection of those who just don’t feel safe enough or able to take time off when needed. When showing up becomes more important than being well, inequities deepen, and the cost shows up in burnout, attrition, and lost potential”

- Emma Codd, Global Inclusion leader, Deloitte Global

When asked to reflect on well-being and mental health support in their organizations, Gen Zs and millennials said...



"In my previous job, I would get emails like constant throughout the day. It didn't matter what time it was. Slack messages whenever"
 – Sarah, Gen Z

"My first job was really difficult. My bosses were not very nice people, and I didn't feel comfortable talking to them at all. And it just led to constant stress. I don't feel that stress at all now. I know that my co-workers see me as a valuable team member, and even if something goes wrong, they're not going to blame me or make me feel bad about it. We're just going to collaborate and see what we can do"
 – Amira, millennial



"We have a wellness incentive where they're just like, you need therapy, you need a gym membership, you can expense it up to a certain amount each month...We have unlimited PTO and they encourage us to use it... my boss encourages me to stay offline on PTO"
 – Leslie, millennial

"I try to make the work part of my identity quite small. It's still meaningful. You know, it's not a complete disconnect. But I think that it's a lot healthier, from a mental health perspective, to make work a smaller part of your identity because there's so much that most people can't control at work. Most people don't have the types of jobs where they have complete control or even a significant portion of control or autonomy. And, in terms of your mental health, having that level of autonomy and that level of choice is really important. So, I try to shift that into things that I am able to control"
 – Julian, millennial

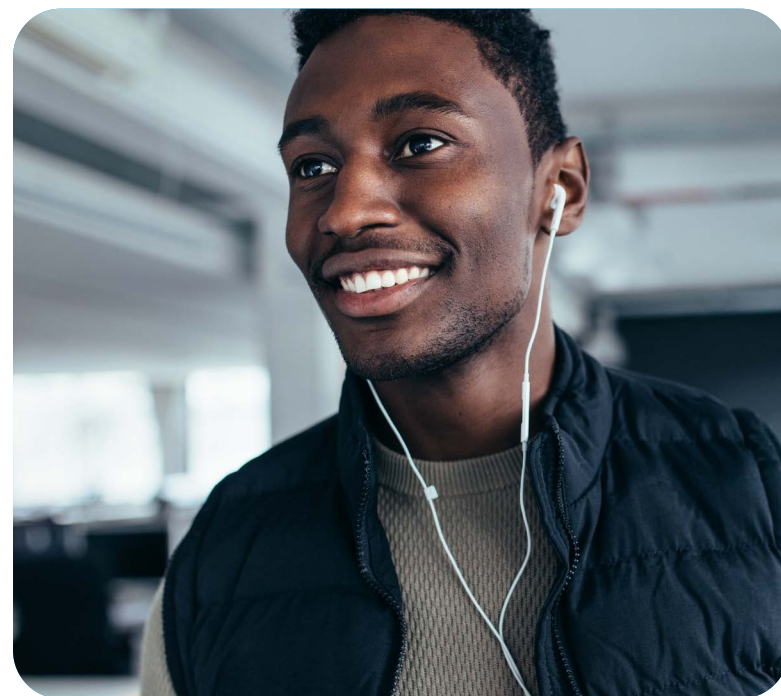
Takeaways for business leaders

To continue momentum on mental health, leaders should focus more deliberately on mitigating the conditions that may create stress in the first place. This means treating well-being as part of how work is designed and managed—setting realistic workloads, reducing unnecessary complexity, clarifying priorities, and addressing recognition gaps before they erode resilience. Mental health resources remain essential, but they are likely more effective when paired with everyday practices that reduce chronic pressure rather than responding only after people are already struggling.

Leaders should also recognize that digital overload has become a systematic risk to well-being. Constant alerts, tool sprawl, and fragmented collaboration increase cognitive strain even when workloads appear manageable. Clear norms around communication, fewer and better integrated tools, protected focus time, and thoughtful use of technology may materially reduce fatigue. When managers are equipped to spot early signs of overload, set boundaries, and normalize open conversations about stress, well-being support shifts from a reactive measure to a preventive capability—one that supports sustained performance, retention, and adaptability over time.

“We have for a long time had a real focus on making sure there is mental health support when someone’s in trouble, but that focus needs to be broader. To be a top performer, your brain has to be a top performer. Organizations should be thinking about how to redesign work with AI to minimize the things that cause stress and impact mental health, and ultimately to optimize cognitive performance”

- Niki Rose, Workforce Experience and Capability executive, Telstra



The Ideal Workplace: Where Purpose and Connection Converge

6

The Ideal Workplace: Where Purpose and Connection Converge

For Gen Z and millennials, the ideal workplace is shaped by alignment and belonging. Purpose, social connection, and day-to-day relationships shape how people feel at work, how long they stay, and how much of themselves they are willing to invest.

While subjective, a sense of purpose is nearly universal in its importance among Gen Zs and millennials. Ninety-six percent of Gen Zs and 97% of millennials say having a sense of purpose at work is important to their job satisfaction and well-being. This represents a 10-point increase for Gen Zs and an 8-point increase for millennials over the past three years, underscoring that purpose has not only remained important but has grown steadily in importance.

Purpose is not an abstract ideal; it directly shapes career choices. In each year from 2023 to 2026, roughly 40% of Gen Zs and millennials reported having rejected an assignment, project, or a potential employer based on their personal ethics or beliefs. Many are actively in roles that allow them to find purpose: 54% of Gen Zs and 58% of millennials say that their current job is mostly or completely aligned with their personal values and beliefs, and 68% of Gen Zs and 72% of millennials say that their current job enables them to make a meaningful contribution to society.



Those who say purpose is important to their job satisfaction and well-being



Q: To what extent do you believe having a sense of purpose in your job is important for your overall job satisfaction and well-being?

“Our purpose at SAP is to help the world run better and improve people’s lives. So, first, that needs to resonate with the individuals that join SAP. But one of the things I often discuss with early talent is their personal purpose. Whatever it may be, it needs to map with the aspirations that we can fulfill at SAP. In our campaigns and communication we say, “You can do both here.” So, we have an environment where they can express themselves and fulfill their personal purpose, ambitions, and their desires to succeed”
 - Soledad Alvarado Ganzhorn, Senior Vice President – Global Head of SAP Next Gen, SAP

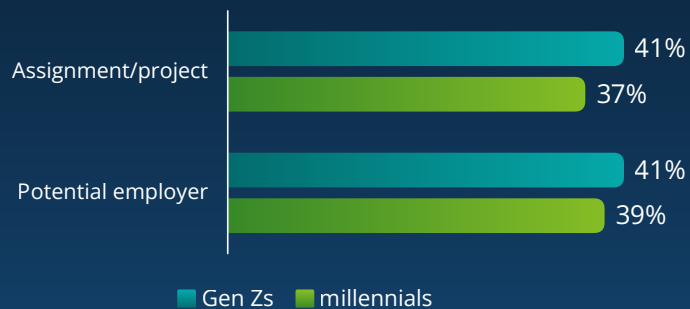
The Ideal Workplace: Where Purpose and Connection Converge

Those who say their current job allows them to make a meaningful contribution to society

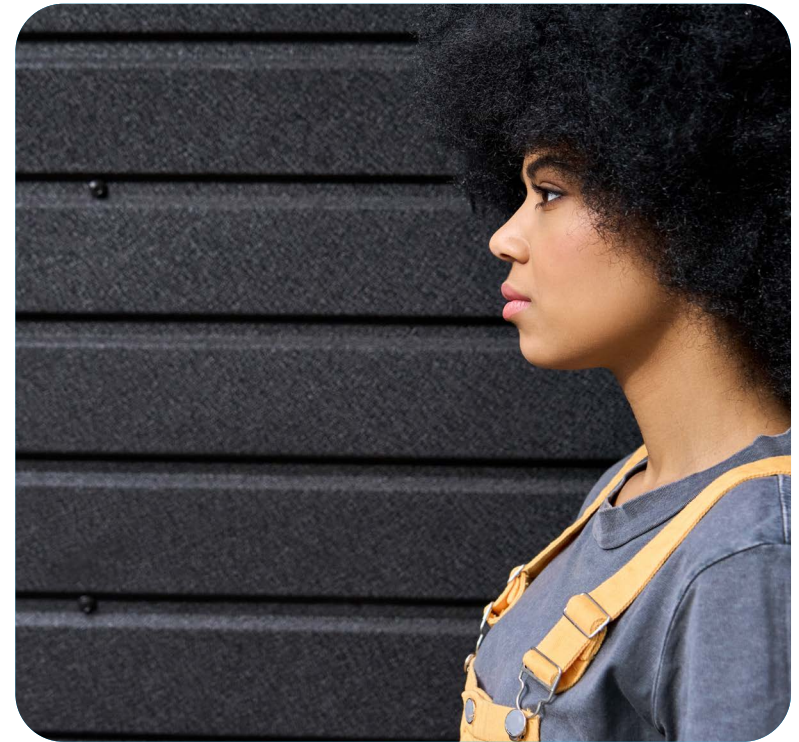


Q: Do you feel your current job enables you to make a meaningful contribution to society?

Those who have rejected work or an employer due to personal ethics or beliefs



Q: Have you ever rejected an assignment/project, or a potential employer based on your personal ethics/beliefs?



“We used to talk about curb appeal, now we talk about purpose appeal. It’s not just hanging a list of your values on the wall. Gen Zs want to see you live your purpose. They want it to be a beacon to them and a self-identifier of, ‘in my work, which is also my life, I stand for something.’ The concept of belonging at work is also crucial. Belonging can come through purpose, a manager, or a group of people that are going through a similar experience”

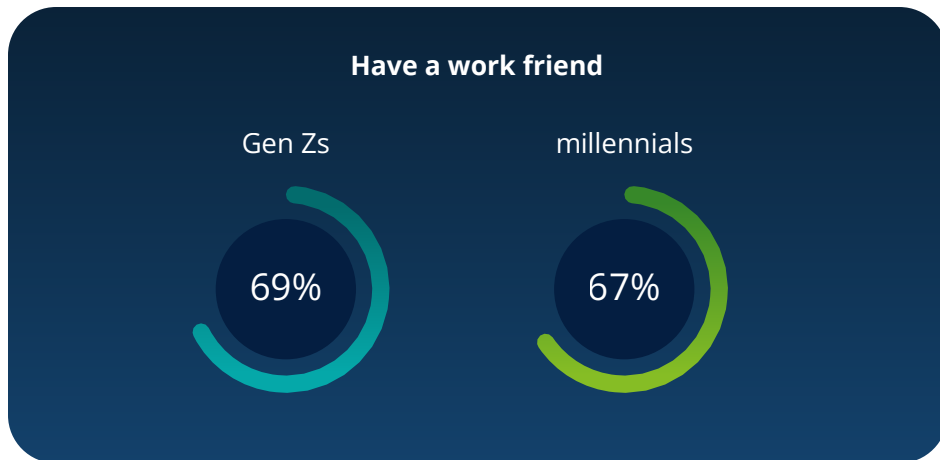
- Becky Frankiewicz, President and Chief Strategy officer, ManpowerGroup

The Ideal Workplace: Where Purpose and Connection Converge

Beyond purpose, social connection plays a critical role in defining the ideal workplace. More than two-thirds of respondents (69% of Gen Zs and 67% of millennials) say they have at least one close personal friend at work. This is fairly consistent whether people are working in-person, hybrid or remotely: While hybrid workers are most likely to report having a close personal friend at work (73% of Gen Zs and 71% of millennials), strong workplace connections persist across all arrangements, including remote roles (65% of Gen Zs and 56% of millennials) and on site work (67% of Gen Zs and 65% of millennials). The generational difference is most evident among remote workers, where Gen Zs report close workplace friendships at notably higher rates than millennials.



“For many Gen Zs, especially those just entering the workplace, they’re looking for connections to each other. So being able to connect with others starting their careers at the same time and really building a community. Organizations who enable this are likely going to have stronger retention”
 - Jessica Kosmowski, Global Ecosystems and Alliances leader, Deloitte Global

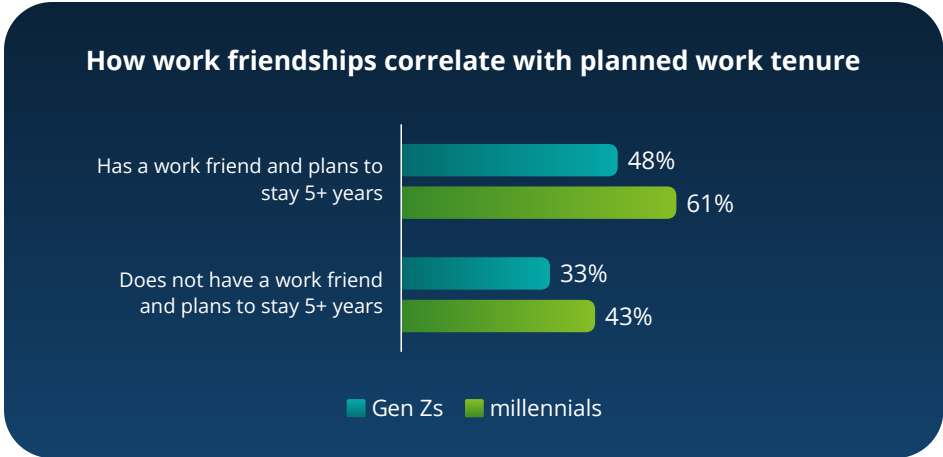


Q: Do you consider any of your work colleagues to be personal friends?

The Ideal Workplace: Where Purpose and Connection Converge

These connections are closely linked to both retention and well-being. Among Gen Zs with close workplace friendships, 48% say they plan to stay with their organization for more than five years compared with 33% of those without such connections. The difference is even more pronounced among millennials: 61% of those with close friends at work say they plan to stay more than five years, compared with 43% of those without. Workplace friendships are also associated with higher overall happiness. Among Gen Z respondents, the share who say they were happy with their lives over the past year increases from 52% to 60% for those with close friends at work. Among millennials, that figure rises from 55% to 63%.

Together, these findings suggest that the ideal workplace is defined by a combination of conditions: purpose alignment, where work feels socially meaningful, and genuine human connection and friendship. When these elements are present, employees are more likely to stay longer and feel happier. When they are absent, even money or career growth opportunities may not be enough to compensate.



Q. Do you consider any of your work colleagues to be personal friends
 Q. How long do you plan to stay with your current employer(s)?

When asked to reflect on purpose and belonging at work, Gen Zs and millennials said...



“Purpose means that I feel like I am contributing a great deal to my company and in turn my company is contributing to the world and society in a meaningful way, so I feel like I make a difference in the world overall. There’s also a selfish purpose which is personal growth and advancement. That’s also important to have”
– Luca, millennial

“I think purpose can be a lot of things, it’s unique to every individual. My purpose is outside of work. I like a job that enables me to have a productive, full personal life. If I can work my 40 hours and have enough money to cover my living needs and have disposable income, I’m happy. I prefer to work for a company that recognizes and values that in employees and treats work like work, not life”
– Robert, millennial



“Obviously the money is important, but it’s not necessarily about the money. Like, I have a lot of friends who would gladly take a job for less pay if it meant that they were happier. And I definitely feel the same way. So, the money is important, right? You have to eat, you have to live. I like running water, those kinds of things. But it’s definitely more of like loving what you do”
– Kristy, Gen Z

“Purpose at work means having an impact. It’s very important that I work for a company that eats its own dog food so to speak, by which I mean that they operate and live the values that they promote, both in the workspace and outside of work. I want to work for a company that champions what is right, that stands by its morals and principles and advocates for the right thing, even in the face of adversity or backlash. My current company is a close approximation to that ideal company - where we are aligned on values, I am well paid and incentivized, I have a clear career path ahead of me, and I am able to support and help others”
– Monica, millennial

Takeaways for business leaders

Leaders should treat purpose and belonging as core elements of the employee experience, shaped less by statements and more by everyday signals. Purpose shows up most clearly in how work is prioritized, whose input is sought, and whether people feel their contributions genuinely matter. When values are reflected consistently in day-to-day decisions, employees are more likely to feel aligned and invested.

Belonging requires the same level of intention. Strong relationships do not form by proximity alone; they are built through how work is structured. Leaders should design work to foster connection—through onboarding, team design, collaboration norms, and time deliberately set aside for relationship-building. Organizations that align purpose with daily work and intentionally support human connection are more likely to earn long-term commitment, engagement, and advocacy from their people.



The Future They're Preparing For

7

The Future They're Preparing For

Looking ahead, Gen Zs and millennials are on the cusp of a major generational transition. By 2030, many baby boomers (those born between 1945 and 1964) will have retired, with the entire cohort reaching age 65 or older. And the oldest of Gen X (those born between 1965 and 1982) are starting to near retirement age as well.

As experienced workers retire or transition out of roles, organizations face growing pressure to ensure knowledge is passed on effectively to better prepare the next generation of business leaders. But readiness is uneven. Fifty-four percent of Gen Zs and 60% of millennials agree that if a key expert retired tomorrow, their team could maintain performance with minimal disruption, suggesting only moderate confidence in knowledge continuity. At the same time, both cohorts identify significant challenges concerning effective knowledge transfer on their teams: 32% cite lack of incentives or recognition for knowledge sharing, 29% cite insufficient time or prioritization, and roughly 25% cite confidentiality concerns. Others highlight the absence of standard templates or tools, as well as high turnover that disrupts continuity.

"Organizations and workers are being asked to adapt to constant change, yet traditional responses often result in heavier workloads and declining well-being. Organizations should shift from static planning models—like succession planning—to the dynamic orchestration of capabilities and capacity. In this "always on, always orchestrating" environment, knowledge management becomes inseparable from real-time learning and information management"
- Nic Scoble-Williams, Global Future of Work Leader, Deloitte



The Future They're Preparing For

This matters not only because of the knowledge and experience leaving the workforce, but also because the next cohort entering the workforce will require different forms of support to build critical experience.

Gen Alphas (born between 2010 – 2025) are expected to start entering the workforce in significant numbers between 2028 to 2030. Yet many business leaders interviewed for this report revealed that organizations are still largely focused on adapting to Gen Zs and millennials, leaving Gen Alphas under-considered despite their proximity to entry-level roles. But, when looking forward to Gen Alphas entering the workforce, leaders predict that Gen Alphas will be efficient, tech-savvy, and resourceful given they've been immersed in an AI-driven world from a young age. Many also believe that Gen Alphas' early reliance on technology could hinder human capabilities such as critical thinking, communication, empathy, influence, and social skills—the very skills which leaders emphasize as increasingly important in a hybrid human and digital workforce.

As a result, leaders are beginning to frame Gen Alphas' entrance into the workforce through a different lens: How can organizations remove unnecessary friction from work, flatten hierarchies, intentionally develop human skills, and design AI-enabled roles that preserve foundational experiences? The challenge ahead is less about managing a new generation, and more about whether organizations can keep up in a world that won't sit still.



“The question is not whether Gen Alpha will be ready for work, but whether organizations are evolving fast enough to meet them where they are. I think we need to start preparing for a change in how they feel that sense of belonging in the organization. It’s worth exploring new organizational structures that provide them more flexibility, not hierarchical rigidity”

- Soledad Alvarado Ganzhorn, Senior Vice President – Global Head of SAP Next Gen, SAP

The key word for Gen Alpha as they enter the workforce is frictionless. Organizations will have to remove friction fast enough to meet a generation that expects speed, automation, and seamless experiences by default. This is how they’ve grown up. That is their expectation in their gaming, their phones, their interactions. And so, as they come into the workforce, many standard processes will seem archaic to them”

- Becky Frankiewicz, President and Chief Strategy officer, ManpowerGroup

When asked to reflect on Gen Alphas' entrance to the workplace and how things will shift, Gen Zs and millennials said...

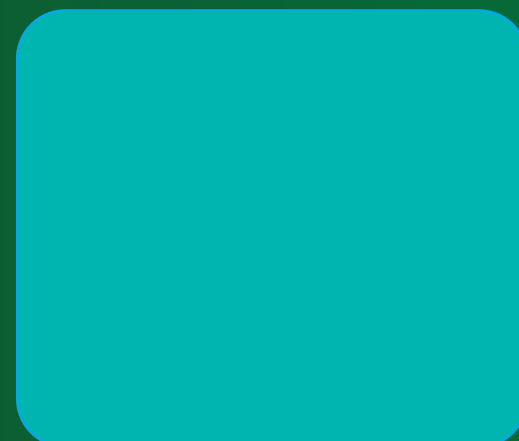


"I think Gen Alpha will be more adaptable and efficient. That efficiency might get mislabeled as laziness"
- Justina, millennial

"I do think that the next generation will have a lot more information at their fingertips... But will they have the knowledge to know what to do with it is my concern"
- Kari, Gen Z



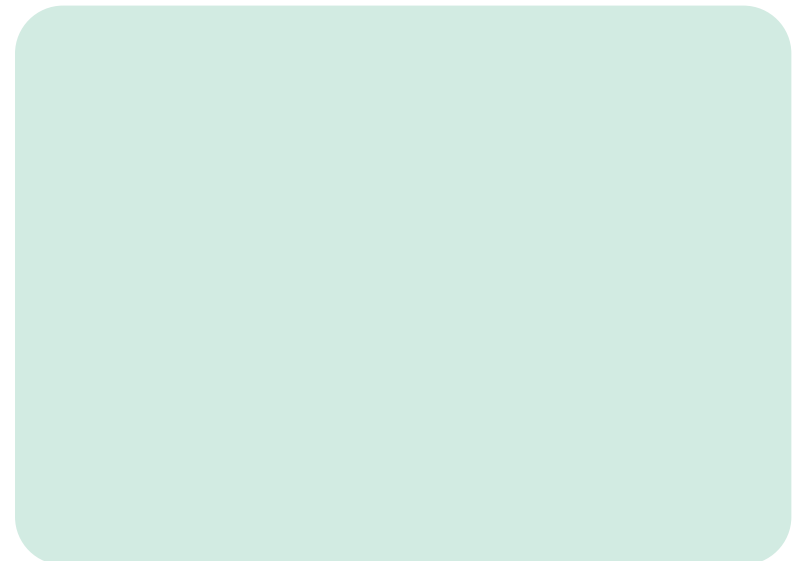
"As they begin to enter the workforce, I think Gen Alpha will be very tech forward. I think they're also very entrepreneurial. In terms of how they'll influence workplace culture, I think they'll drive a reduction in the kind of top-down approach that many organizations have traditionally had. There will be more relaxed dress codes, more informal meetings, and less hierarchy"
- Brian, millennial



Takeaways for business leaders

Leaders should treat the coming generational transition as a catalyst to rethink how knowledge, capability, and experience are built and sustained—not simply handed off. This requires creating clear incentives, dedicated time, practical tools for documentation, and mentoring so knowledge moves with the work rather than disappearing when roles change. Without intentional systems, knowledge loss will compound existing capacity gaps as retirements accelerate.

At the same time, preparing for Gen Alpha calls for a reexamination of how work is structured. As AI reshapes how experience is gained, organizations will need to design roles that deliberately build judgment, communication, and collaboration alongside technical fluency. The challenge ahead is not whether the next generation will adapt, but whether organizations can evolve fast enough to meet a workforce that expects speed, clarity, and flexibility by default.



Research methodology



Deloitte Global's 2026 Gen Z and Millennial Survey reflects the responses of 14,384 Gen Zs and 8,211 millennials (22,595 respondents in total), from 44 countries across North America, Latin America, Western Europe, Eastern Europe, the Middle East, Africa, and Asia-Pacific. The survey was conducted using an online, self-complete-style interview. Fieldwork was completed between 24 November 2025 and 15 January 2026.

The report represents a broad range of respondents, from those with executive positions in large organizations to others who are participating in the gig economy, doing unpaid work or are unemployed. Additionally, respondents include students who have completed or are pursuing degrees, those who have completed or plan to complete vocational studies, and others who are in secondary school and may or may not pursue higher education.

The report includes quotes from survey respondents who answered open-ended questions, as well as from participants in one-on-one, ethnography style, qualitative interviews conducted separately from the online survey. In addition, the report draws on insights from in-depth interviews with business leaders on workforce trends and intergenerational dynamics. The qualitative interviews were conducted between 18 December 2025 and 13 March 2026. Qualitative insights from Gen Z and millennial respondents are attributed by pseudonym and generation to protect participant privacy. Business leader insights are attributed to named individuals and their organizations, with permission.

As defined in the study, Gen Z respondents were born between January 1995 and December 2007*, and millennial respondents were born between January 1983 and December 1994.

*Gen Zs are typically defined as being born between January 1995 and December 2010, but this study does not include respondents younger than 18, so each year the definition of Gen Zs in this survey shifts a year to include all adult Gen Zs.



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