DECODING GEN Z

A guide to recruiting, understanding, and retaining young talent during a company's growth stage for HR managers, department heads, and business leaders



#5
July 2026

CADENA
A HUMANICA COMPANY

HRM Series 5

INTRODUCTION

In under a decade, Gen Z, born roughly between 1997 and 2012, has become a core part of the workforce at many Vietnamese companies. This is the generation that grew up with smartphones, social media, and breakneck technological change, while also witnessing major upheavals such as economic crises and a global pandemic right during the years that shaped their character and career outlook.

For companies in a growth stage, hiring the right people and keeping them has become even more urgent. Rapid growth demands employees who can adapt continuously, learn fast, and take on roles with no precedent — traits Gen Z clearly possesses. But that same growth stage is also where young talent is most likely to leave, since structures are still unsettled, processes are incomplete, and company culture is still taking shape.

This playbook was built to help HR managers and business leaders answer three core questions: what Gen Z actually thinks and needs at work, how to attract the right people in a competitive hiring market, and how to turn a turbulent growth stage into an opportunity for engagement rather than a risk of losing people.

Gen Z doesn't leave a job because of low pay. They leave because they can't see a path forward, don't feel their work is meaningful, or don't feel heard.

CADENA

GEN Z AT WORK, BY THE NUMBERS

Before diving into each strategy, here are some foundational figures that help quantify the scale and urgency of recruiting and retaining Gen Z, drawn from research by Deloitte Global, Gallup, Anphabe, Talentnet-Mercer, and Vietnam's General Statistics Office.

26%

of Vietnam's workforce is currently Gen Z, expected to exceed 35% by 2030
Source: General Statistics Office of Vietnam, 2025

1.5 - 2.2 years

average tenure of Gen Z employees in Vietnam at a single position, compared with 3-5 years for Millennials and 7-10 years for Gen X
Source: Anphabe; RMIT Vietnam, 2025

70%

of the variance in team engagement is explained by the quality of direct management, not pay or benefits.
Source: Gallup, State of the American Manager

20 pts

the gap in the share of Gen Z reporting good mental health between those who feel fully recognized at work (61%) and those who don't (41%)
Source: Deloitte Global Gen Z and Millennial Survey

These figures will be explored in more depth in their respective sections, along with concrete action suggestions to help companies turn data into real HR strategy.



CADENA

PART 1: UNDERSTANDING GEN Z PSYCHOLOGY AT WORK

THE CONTEXT THAT SHAPED A DIFFERENT GENERATION

Gen Z is the first generation that has never known a world without the internet. They access information, build social connections, and even shape their personal identity through digital platforms from a young age. This has produced a distinctive mindset: comfortable with speed, accustomed to information transparency, and used to comparing themselves against countless different role models every day.

At the same time, many young Gen Z workers entered the labor market during or right after the pandemic, witnessing mass layoffs, a shaky job market, and rising cost-of-living pressure. These experiences have shaped a mindset that both craves stability and is skeptical of long-term commitments from employers.

THE QUIET WORRIES, AND WHAT THEY MEAN FOR MANAGERS

Behind a confident exterior, many carry anxiety about being compared on social media and pressure to prove competence quickly. As many as 40% of Gen Z globally feel stressed or anxious most of the time, and only 52% rate their own mental health as good. The 20-point mental-health gap between recognized and unrecognized employees is a lever managers can pull directly, at no budget cost. In addition, 58% report frequent information overload from switching between tools and notifications, worth factoring into workflow design.

They also evaluate their future manager from the first interview, sometimes weighing this more than salary, and fall into three broad motivation groups: growth-oriented (skills and scope), stability-oriented (safety and balance), and purpose-oriented (values and impact). Identifying which group an employee fits helps managers personalize how they assign work and give recognition.

CORE VALUES WHEN CHOOSING WHERE TO WORK

Meaningful work
understanding what their work contributes to, not just completing tasks

Transparency
in evaluation criteria, career paths, and the reasoning behind management decisions.

Speed of development
learning new skills and taking on responsibility faster than seniority-based waiting

Life balance
is paired with frequent, immediate recognition over a once-a-year review

Notably, only 25% of Gen Z globally prioritize a fast-track promotion path (Deloitte, 2026), most prefer gradual development. They're impatient to learn skills, not necessarily to be promoted quickly.

Individual differences within Gen Z can be larger than the differences between generations. Listen directly through anonymous surveys, 1:1s, or focus groups — real understanding beats generic assumptions.



PART 2: THE KEYS TO RECRUITING GEN Z TALENT

Gen Z researches companies more thoroughly than any generation before them, checking LinkedIn, job-platform reviews, and social media before applying. Employer branding needs to reflect reality, not exaggerate it: the gap between recruiting promises and actual experience is a leading cause of early turnover.

Design a recruitment process that fits:

- **Shorten response time:** weeks of silence signal an unprofessional company and lose candidates to competitors.
- **Be transparent about pay:** posting a clear salary range raises application quality and saves screening time.
- **Make interviews two-way:** give candidates real time to ask about culture, career paths, and expectations.
- Keep the digital experience seamless and mobile-friendly end to end.

Flexible policies are now a deciding factor, not a perk: 72% of Gen Z have left or considered leaving a job over inflexible work policies (LinkedIn, via Talentnet-Mercer 2025), and 62% in Vietnam prioritize hybrid or remote work when weighing an offer (Decision Lab & Anphabe, 2025).

Channels and language that actually land:

Beyond LinkedIn and job boards, short-form TikTok content, behind-the-scenes culture glimpses, and referrals from current Gen Z employees reach this generation more effectively. In job postings, skip clichés like "dynamic, youthful environment" - describe the real projects, tools, direct manager, and concrete learning path in the first six months instead. This matters because 78% of Gen Z in Vietnam rank learning opportunities above starting salary (Decision Lab & Anphabe, 2025).

Measure and optimize the funnel:

Track by role, every quarter: average time-to-fill; offer-acceptance rate (a falling rate signals pay, speed, or interview experience losing to the market); conversion by source-of-hire; 6- and 12-month retention by hiring source (a high-volume, high-attrition channel can cost more than a smaller, stickier one); and fully-loaded cost-per-hire.

Build a structured interview process:

Gut-feel interviewing, where each interviewer asks something different and scores on impression, slows decisions and loses good candidates. A structured process fixes both problems: a fixed set of 4–5 competency-based behavioral questions per role, agreed in advance between HR and the direct manager; a simple 1–4 scoring rubric describing what each level looks like; independent scoring within 24 hours before group discussion, to avoid anchoring on a senior colleague's opinion; a cap of 3–4 rounds with a decision inside 5 working days; and at least one current Gen Z employee on the culture-fit panel.



Design a referral program worth running:

Current Gen Z employees are often the most trusted referral source. Split the bonus into two payouts, part at probation, the rest after six months, to reward genuine long-term fits rather than quick-bonus referrals. Update open roles weekly through internal channels, and publicly recognize successful referrers: for many young employees, public recognition matters as much as the cash.

CADENA

PART 3: RETAINING GEN Z TALENT DURING A GROWTH STAGE

When a company grows fast, structures keep changing and workload often outpaces hiring. Gen Z, naturally sensitive to ambiguity, feels this first. Vietnam's overall voluntary turnover sits at 9.6%, but Gen Z turnover exceeds 20% at many large companies - mainly from unclear development paths or poor culture fit - and a 2025–2026 TopCV survey found Gen Z job-switching at 35.7%, markedly higher than Gen Y or Gen X.

THE DIRECT MANAGER IS THE DECISIVE FACTOR

Gallup's long-running research found direct managers account for at least 70% of the variance in engagement between teams in the same organization - a far bigger lever than pay or benefits. During a growth stage, when mid-level managers are consumed by operational load, proactively equip them with coaching, feedback, and listening skills.

CONTINUOUS FEEDBACK AND RECOGNITION

Short weekly or biweekly check-ins beat an annual review for making Gen Z feel supported. Recognition doesn't need to be large - specific, public, well-timed thanks often outperforms formal reward programs. Social connection matters too: Gen Z employees with at least one close work friend are **15** points more likely to plan staying 5+ years (48% vs. 33%, Deloitte).

A DUAL-TRACK COMPETENCY FRAMEWORK

A single promotion track that leads only toward people-management forces strong individual contributors into an uncomfortable choice: manage people or stand still. Build two tracks - individual-contributor and management - each with 4–5 clearly defined levels covering scope of responsibility, required skills, and typical examples of work. More important than the level names is the direct manager's quarterly conversation with each employee: where they sit now, the specific gap to the next level, and the concrete work this quarter that closes it.

STAY INTERVIEWS - PROACTIVE, NOT REACTIVE

Unlike an exit interview, a stay interview happens with an employee who is currently doing well, to understand what keeps them and what might eventually push them out - while there's still time to act. Run these about twice a year, kept fully separate from performance reviews. Useful questions: what part of your work excites you most right now; is there any part that occasionally makes you consider other options; if you could change one thing about your job or team today, what would it be. What makes this work is the manager circling back with visible follow-through - otherwise it becomes a formality that erodes trust.

PERSONALIZE BENEFITS, AND MEASURE RETENTION LIKE A BUSINESS METRIC

Gen Z's benefits needs aren't uniform - some want flexible hours, others mental-health support or certifications; consider a choice-based model over one blanket package. On the data side, track eNPS by quarter for the Gen Z segment specifically, retention at 12- and 24-month milestones by department and manager, and categorized exit-interview reasons - rolled into a quarterly dashboard alongside the recruitment-funnel metrics from Part 2.

Part 4: Applying This by Growth Stage

1.

Early-stage team expansion

Companies typically hire fast to meet operational needs, which easily skips proper onboarding. For Gen Z, the first thirty days have an outsized influence on whether they stay long-term - a clear onboarding program, with a buddy and specific weekly goals, meaningfully cuts early turnover

2.

Rapid growth, when the team doubles quickly

As the team scales, the gap between leadership and frontline employees widens easily. This is the moment to invest in mid-level managers, cap direct-report counts so managers still have time for each person, and keep internal communication about company direction transparent so young employees don't feel lost amid constant change.

3.

Stabilization after growth

4.

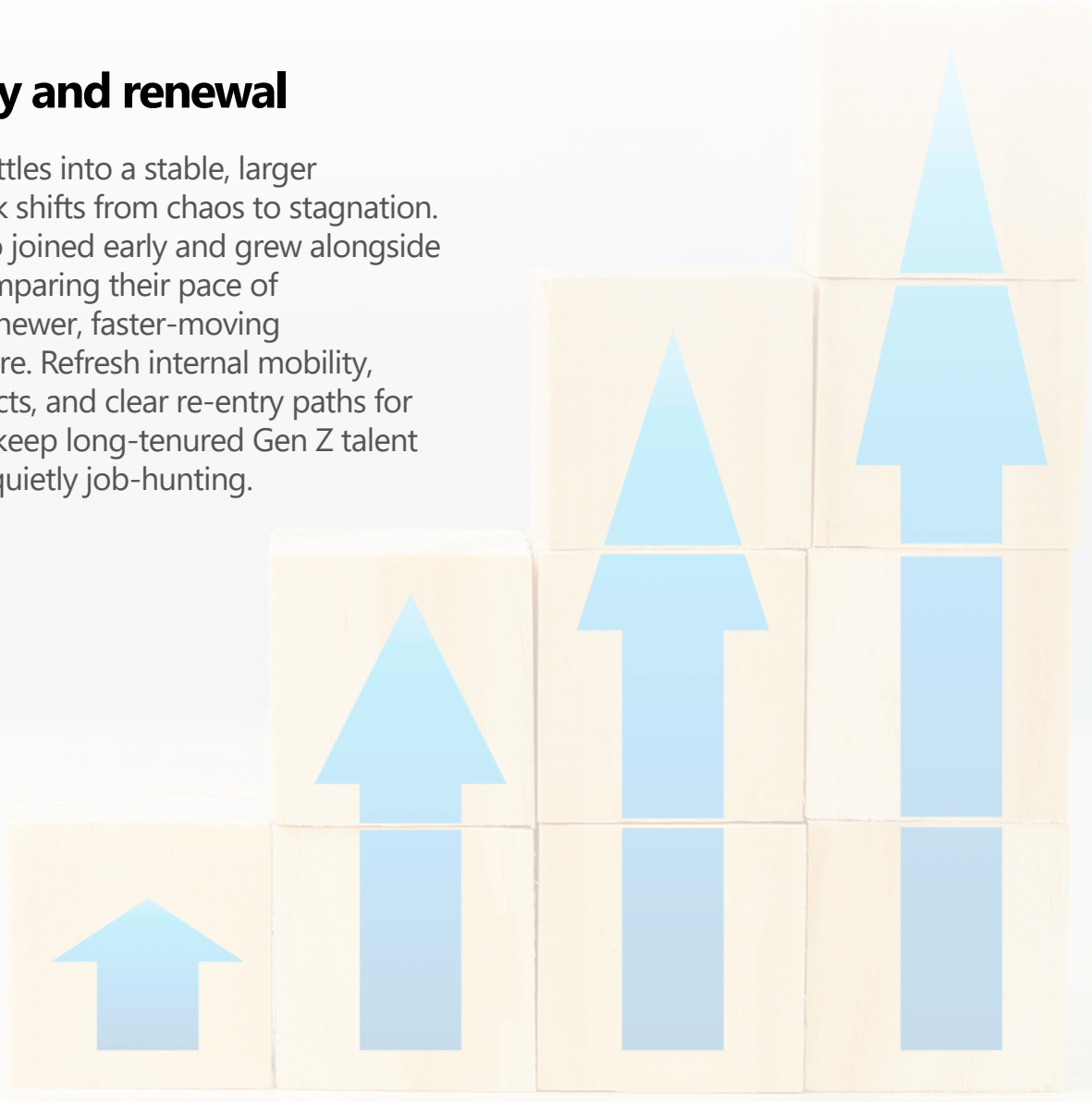
Structuring,formalizing what used to run on goodwill

Once headcount passes the point where founders can no longer know everyone personally, informal processes stop scaling. This is the stage to put in writing the things Gen Z cares about most: a real career-path document, a repeatable onboarding curriculum, and a fixed feedback cadence, rather than relying on individual managers to improvise. Skipping this step erodes the trust built organically in the earlier stages just as fast as it was earned.

5.

Maturity and renewal

Once the company settles into a stable, larger structure, the main risk shifts from chaos to stagnation. Gen Z employees who joined early and grew alongside the company start comparing their pace of development against newer, faster-moving opportunities elsewhere. Refresh internal mobility, cross-functional projects, and clear re-entry paths for former employees to keep long-tenured Gen Z talent engaged rather than quietly job-hunting.



Action Checklist for the HR Team

- [ ] Review job postings: remove clichés, add concrete role and salary details
- [ ] Cut candidate response time to under one week per interview round
- [ ] Run periodic anonymous surveys to hear what Gen Z employees actually need
- [ ] Build a flexible competency framework tied to ability, not seniority
- [ ] Train mid-level managers in coaching and feedback skills
- [ ] Set up weekly or biweekly manager–employee check-ins
- [ ] Build a culture of frequent, specific, and timely recognition
- [ ] Personalize part of the benefits package for different employee groups
- [ ] Build behavioral interview questions with a clear scoring rubric per role
- [ ] Track recruitment-funnel metrics (time-to-fill, offer-acceptance, source-of-hire) quarterly
- [ ] Roll out a two-payout referral program (probation + 6-month mark)
- [ ] Build a dual-track competency framework (individual contributor + management)
- [ ] Run stay interviews twice a year, fully separate from performance reviews
- [ ] Launch a 90-day buddy program plus long-term mentoring
- [ ] Track eNPS and retention by quarter, broken out for the Gen Z group

Gen Z isn't a harder generation to manage - it's a generation that expects more transparency, speed, and clarity of purpose. Companies that adapt from the growth stage onward gain a real advantage in building an engaged, long-tenured young workforce.

CADENA

Sources:

The figures cited throughout this playbook are compiled from the following credible sources; readers can consult each directly for full methodology and context.

- Deloitte Global, 2026 Gen Z and Millennial Survey - 22,500+ respondents across 44 countries.
- Gallup, State of the American Manager, and State of the Global Workplace reports.
- Talentnet-Mercer, Comprehensive Compensation Survey Report 2025.
- RMIT Vietnam, survey on job tenure by generation, 2025.
- Decision Lab and Anphabe, Gen Z job-seeking behavior in Vietnam, 2025.
- TopCV, Vietnam Recruitment Market Report 2025–2026.
- Vietnam General Statistics Office, workforce composition by generation, 2025.
- LinkedIn, flexible work policy research, cited via the Talentnet report.



ABOUT US

Cadena is a leading provider of Human Resource Information Systems (HRIS) across Southeast Asia and a core member of the Humanica Group. Headquartered in Singapore with a strong operational hub in Vietnam, our team of approximately 120 experts in Ho Chi Minh City and Hanoi delivers specialized support and localized technology.

Our flagship platform, **Cadena HRM Series 5**, provides fully web-based, localized human resources, attendance and payroll solutions tailored to the intricate labor laws and business practices of Southeast Asia. We are enabling multinational companies and big local corporations to manage payroll compliance for multiple countries or entities through a single, unified login.

CONTACT US

sales@cadena.com.sg

cadena-hrmseries.com

+84 (0)9 3131 3598

HEADQUARTER

Cadena International Pte. Ltd.
146 Robinson Road, #10-01,
Singapore (068909)

HCMC, Vietnam

Cadena Vietnam Co., Ltd.
Aloha Building, 2nd Floor
68 Hong Ha Street, Tan Son Hoa Ward
Ho Chi Minh City, Vietnam
Tel: +84 (0)9 3131 3598

Hanoi, Vietnam

Hanoi Branch
Thach Ban Building, Level 3
183 Thach Ban street Long Bien Ward
Hanoi, Vietnam

CADENA
A HUMANICA COMPANY

HRM Series 5