

A Microsoft report on Gen Z and millennial workers is a lesson for Big Tech

Article

The news: A report from **Microsoft** found that the spirit of the Great Resignation is still alive among younger demographics.

- A survey of 20,000 employees from 11 countries found that **52%** of Gen Z and millennial workers are considering changing employers this year, [per](#) CNBC.
- One reason is a belief that “learning requires leaving,” with **55%** saying that changing companies is the “best way” to develop their skills.
- **73%** said they would stay at their jobs if it were easier to change roles internally.
- The report also found that **76%** of Gen Z and millennials aspire to be their own boss, compared with **63%** of Gen X and older generations.

Why it's worth watching: The report coincides with a push underway at **Google** and **Meta** to cut costs including by reducing staff. Instead of overtly enacting mass [layoffs](#), the companies are slashing divisions, often giving affected employees narrow windows of opportunity to find internal positions in other departments or get axed.

- Meta will be cutting expenses by at least **10%** over the next few months and giving some employees as little as **30 days** to find new jobs if their previous roles were eliminated.
- Meanwhile, Google just slashed its innovation incubator, [Area 120](#), in half, requiring those working on now defunct projects to find another role within the tech giant by January 2023 or be terminated.
- This summer, Google's parent **Alphabet CEO Sundar Pichai** [urged](#) employees to enact a “simplicity sprint” and be more “entrepreneurial,” which came in the wake of more [stern warnings](#) from Meta CEO [Mark Zuckerberg](#).
- **One Google employee** [told](#) Vox that even if the calls for more productivity don't result in greater efficiency, it's effectively halting workers from asking for more benefits.

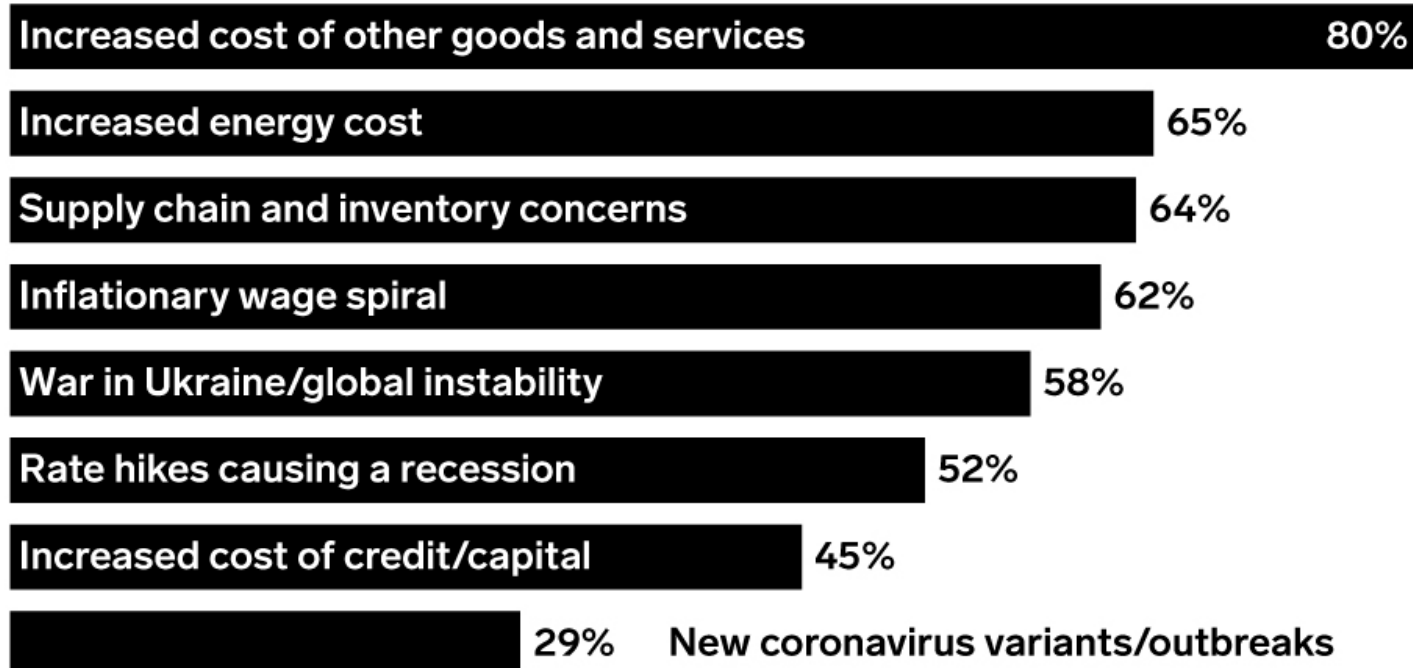
A lesson plan: The present Meta and Google cuts may be more about trying to please Wall Street investors than a sign of genuine dissatisfaction with worker productivity. Yet these companies will have to grapple with consequences from the abrupt shifts in organizational culture long after quarterly reports are dissected.

- Dimming the appeal of employment at Big Tech will likely result in the loss of talented techies and make promising prospective applicants reluctant to come aboard.
- At the same time, these companies will continue to struggle with an underlying [skills deficit](#) that threatens innovation, as workers face an uphill battle to stay current with rapidly changing technologies.

- Microsoft's study shows an avenue to address the issue. Even though workers are presently hesitant to ask for benefits, **offering robust upskilling opportunities would help both retention and productivity.**
- By investing in the growth of existing employees, companies can retain the talent they need to push the needle on innovation and simultaneously foster entrepreneurship.

US CFOs' Reasons for Negative US Economy Outlook, April 2022

% of respondents



Note: in the next 6 months

Source: Grant Thornton LLP, "Q1 2022 CFO Survey," May 24, 2022

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