

WTW: Millennials and Gen Zs will make up 70pc of workforce by 2025

January 8, 2024 @ 12:49pm



A compensation survey by WTW found that by 2025, millennials and Gen Z will form more than 70 per cent of the workforce in the country.

KUALA LUMPUR: A compensation survey by WTW found that by 2025, millennials and Gen Z will form more than 70 per cent of the workforce in the country.

Since 2020, the Gen Z workforce in Malaysia has grown rapidly at a 50 per cent year-on-year (YoY) increase in terms of percentage of the total workforce.

"The traditional employment model is losing its inevitability as employees now have the options in the gig and passion economy. "In the context of the passion economy, where job security is no longer the primary focus, understanding the emerging group of Gen Z employees becomes paramount," WTW head of work & rewards, Southeast Asia and Malaysia, Tan Juan Jim said.

Malaysia's corporate workforce faces three possible challenges in growing its Gen Z's population. These include:

- Young talents seeking opportunities abroad (e.g., to Singapore and the Middle East);

- Setback in education by two years due to the pandemic impacts and the accelerated career options fueled by technology;
- Constant lookout for new positions by the same pool of younger workers to satisfy their needs for flexibility, control over their own destiny and scalability of earning through their own efforts, and finding work that provide a sense of purpose.

In this regard, companies that make the shift to more flexible work arrangements, such as giving employees the option of remote, onsite, or hybrid working, will draw and keep a higher calibre workforce.

This trend of working offers Gen Z more options to have multiple side hustles while maintaining their traditional economy jobs.

Tan concluded that winning the talent race will require employers to leverage on analytics to understand their current workforce and forecast future workforce within their organisation.

A total of over 600 companies participated in the Malaysia total compensation survey conducted in October 2023. Respondents, who participated in the study, employ 323,837 employees in Malaysia.