



Economic Perspectives of Millennials and Generation Z: A Cross-Generational Study

Ayaan Gangwani

Abstract This research study aims to investigate the economic values and attitudes of Millennials (born 1981-1996) and Generation Z (born 1997-2012) using data from the World Value Survey. By converting Likert scale responses into binary variables, the study facilitates a comparative analysis of the two generations across key areas such as work attitudes, financial satisfaction, trust in people, and broader economic principles. The findings reveal that while both generations value work and exhibit cautious economic behavior, Generation Z places a higher emphasis on work-life balance and flexibility, driven by their digital upbringing and the gig economy. Millennials, shaped by the Great Recession, prioritize job stability and financial security. Trust levels are generally low in both cohorts, but Generation Z shows slightly more trust than Millennials. Additionally, Generation Z is more favorable towards competition, whereas Millennials show a greater preference for income equality. These insights are crucial for policymakers, educators, and corporate executives to address the distinct needs and preferences of these generational cohorts, fostering economic stability and social cohesion.

Keywords Millennials, Generation Z, economic values, work attitudes, financial satisfaction, trust, income equality, competition, World Value Survey.

Introduction

Understanding the emerging values and behaviors of people focuses on drawing comparisons between Millennials and Generation Z. Born between 1997 and 2012, Generation Z has experienced rapidly changing socio-economic conditions and digital integration throughout their training. These generational cohorts whose formative years determine how they respond to comparable economic pressures. Policymakers, educators, and corporate executives need to understand these differences in order to better respond to the changing labor market and economic conditions. For instance, the cautious financial behavior of Millennials may lead to a preference for stable job positions, while the adaptability of Generation Z to technological changes may result in a more dynamic and flexible labor market. These implications are crucial for policymakers, educators, and corporate executives to consider when planning for the future workforce and economic conditions.

Millennials, often referred to as the "digital pioneers," experienced the rise of the internet, social media, and mobile technology during their youth. This technological revolution shaped their communication patterns, work preferences, and economic behaviors. Their entry into the workforce coincided with the Great Recession, which significantly impacted their financial outlook and job prospects. Consequently, Millennials are often characterized by a strong desire for financial stability, a tendency towards cautious financial behavior, and a preference for collaborative and flexible work environments. Their economic attitudes are also shaped by their experiences with economic inequality and social movements advocating for economic justice. Generation Z, on the other hand, is known as the first true "digital natives." From an early age, they have been immersed in digital technology, with smartphones, social media, and instant access to information being integral parts of their daily lives. This constant connectivity has influenced their economic values and attitudes, making them more adaptive to technological changes and more likely to utilize digital financial tools. Generation Z's financial behavior is also shaped by the economic uncertainty they witnessed during their formative years, including the lingering effects of the Great Recession and the disruptions caused by the COVID-19 pandemic. As a result, they tend to be more pragmatic, cautious, and financially conservative.

This generation's economic values and behaviors are shaped not only by their specific technological and economic environments but also by broader societal changes Millennials and Generation Z are more diverse and socially conscious than previous generations, and they have strong views on inclusion, equity and



sustainable development. These values are reflected in their investment practices, such as their desire to be ethical, their support for corporate social responsibility, and their advocacy for social and economic change. This study aims to provide a comprehensive analysis of the economic values and attitudes of Millennials and Generation Z using data from the World Value Survey. By converting Likert scale responses into binary variables, we aim to facilitate a comparison between the two generations. Our analysis focuses on three main areas: values about work, values about economic relationships with people, and values about the political economy. Through this comparative analysis, we seek to uncover the nuanced differences and similarities between Millennials and Generation Z, providing valuable insights into their economic perspectives and behaviors. These insights will not only contribute to the academic discourse on generational differences but also inform policymakers and business leaders as they develop strategies to engage and support these vital demographic groups.

Literature Review

The economic values and attitudes of Millennials and Generation Z have been extensively studied, revealing a blend of differences and similarities between these generational cohorts. Both generations highly value work, perceiving it as a duty towards society, yet their perspectives on work-life balance diverge significantly. Millennials tend to see work as a central life component, whereas Generation Z places a greater emphasis on achieving a balance between work and personal life. This contrast can be attributed to the different stages of life and the varying societal influences they have experienced (Hershtatter & Epstein, 2010; Deloitte, 2019).

A study by Silva and Correia (2021) aimed to identify transformations in leadership styles from Millennials to Generation Z. The project began by analyzing historical leadership styles and their evolution, examining generational and workplace changes to determine the most successful leadership and management characteristics. The research employed case studies with both quantitative and qualitative approaches, using surveys distributed to 68 teenagers aged 14 to 24, with a majority being female (70%) and a median age of 17. The findings revealed diverse personal traits, workplace characteristics, and leadership preferences among Generation Z. Consequently, the study concluded that future leaders must be versatile and capable of managing employees with varying characteristics, skills, values, and behaviors, rather than adhering to a single leadership style.

Financial satisfaction also varies between the two generations. Generation Z reports higher levels of financial satisfaction compared to Millennials, a difference likely rooted in Generation Z's pragmatic approach to financial security and more cautious financial behavior. This cautiousness could stem from witnessing economic instability during their formative years, prompting a more conservative and calculated approach to financial management (Deloitte, 2019). In contrast, Millennials, having entered the workforce during or after the Great Recession, may have faced more significant financial challenges, impacting their overall financial satisfaction (Deloitte, 2019; Pew Research Center, 2018).

Trust levels further differentiate the two generations. Generation Z generally exhibits lower levels of trust in people, reflecting a more skeptical and cautious outlook. This trend aligns with broader societal shifts towards individualism and digital communication, which may foster less direct human interaction and, consequently, lower trust levels (Pew Research Center, 2018). Millennials, while also cautious, tend to have slightly higher trust levels, potentially due to their longer exposure to traditional social structures and face-to-face interactions (Fulco & Aquilani, 2023).

Economic preferences also highlight notable differences. Millennials are more inclined towards supporting equitable income distribution and are less enthusiastic about competition. This preference for equity can be linked to their experiences with economic hardship and social movements advocating for economic justice (Hershtatter & Epstein, 2010; Deloitte, 2019). On the other hand, Generation Z, having grown up in a highly competitive and technologically driven environment, often views competition as essential for innovation and success. They are more likely to embrace competitive dynamics as a means to achieve personal and professional goals (Fulco & Aquilani, 2023).

Both generations show similar attitudes towards privatization, though Millennials exhibit marginally more support. This slight difference may be due to Millennials' experiences during economic downturns, which have shaped their views on the efficiency and role of private versus public sectors (Fulco & Aquilani, 2023). Generation Z, while also supportive, tends to scrutinize the implications of privatization more critically, reflecting their cautious and analytical nature (Barhate, 2021).

A study by Nofal, Fayoumi, and Alsharqawi (2020) examined Millennials' and Generation Z's perceptions of Fintech services in Palestine through social media-distributed questionnaires. It revealed that Millennials have higher awareness of Fintech services (48%) compared to Generation Z (38%), contrasting with global trends where Gen Z leads in Fintech awareness. Trust, reliability, and ease of use were identified as critical adoption factors for both generations. Despite a 100% smartphone penetration rate, financial inclusion in Palestine stands at 36.4%. Both generations expressed a strong intention (84%) to use e-wallet services, with Millennials at 87%



and Gen Z at 70%. Half of the respondents viewed Fintech as complementary to banks, and the majority considered Fintech services to be cheaper. Long-term interests included wealth management and robot advisor services. Additionally, 85% of respondents trusted banks, and 90% indicated that promotions significantly influence Fintech adoption. These findings underscore the financial behaviors and preferences of Palestinian Millennials and Generation Z, emphasizing the roles of Fintech and traditional banking (Nofal, Fayoumi, & Alsharqawi, 2020).

The technological and social contexts in which these generations were raised play a crucial role in shaping their economic behaviors and attitudes. Millennials experienced the rise of the internet and social media during their formative years, adapting to these technologies as they matured. This exposure has influenced their communication styles, work preferences, and economic behaviors (Fulco & Aquilani, 2023). Generation Z, conversely, has been immersed in digital technology from an early age, making them true digital natives. This immersion has led to a profound impact on their economic behaviors, with a greater reliance on digital financial tools and platforms for managing their finances (Barhate, 2021).

As workplaces continue to evolve, both generations are driving significant changes in organizational culture. Millennials have pushed for more collaborative, flexible, and inclusive work environments, advocating for work practices that support a healthy work-life balance (Hershatter & Epstein, 2010). Generation Z is expected to further these trends, demanding even greater flexibility, diversity, and inclusion in the workplace. Their expectations are shaped by their digital upbringing and the diverse, interconnected world they navigate daily (Deloitte, 2019).

A comprehensive analysis of consumer behaviors of Millennials and Generation Z, particularly in the Indian context, is provided by Thangavel, Pathak, and Chandra in their article "Millennials and Generation Z: a generational cohort analysis of Indian consumers." This study emphasizes the distinct purchasing patterns, digital engagement, and brand loyalty exhibited by Millennials and Generation Z in India. The authors explore how cultural values influence consumption habits, revealing the unique ways each cohort interacts with brands and makes purchasing decisions. The article further examines the critical role of technology and social media in shaping consumer habits, noting these tools' integral role in the daily lives and consumer interactions of both generations. This research offers valuable insights for businesses to tailor marketing strategies effectively, addressing the specific needs and preferences of Millennials and Generation Z. The findings underscore the importance of understanding generational differences in consumer behavior for developing effective marketing strategies in the Indian context.

The literature on Millennials and Generation Z reflects shared and divergent economic interests and perspectives. Both generations highly value work, but while millennials see work as central to life, Generation Z prioritizes work-life balance (Hershatter & Epstein, 2010; Deloitte, 2019). Generation Z reports greater financial satisfaction due to prudent investment behavior shaped by abnormal economic growth (Deloitte, 2019; Pew Research Center, 2018). Levels of trust vary, Generation Z exhibits less trust, possibly an effect of digital communication and individualism (Pew Research Center, 2018). Economic preferences also differ: Millennials desire income equality and less competition due to their experiences of economic hardship and social mobility (Hershatter & Epstein, 2010; Deloitte, 2019), while Generation Z, growing in a technology-dominated environment, view competition favorably (Fulco & Aquilani, 2023) Strategy. Silva and Correa (2021) examined changes in leadership styles, and found that future leaders must adapt to manage a diverse workforce. Nofal, Fayomi, and Alsharqawi (2020) found that Palestinian millennials are more familiar with fintech applications than Generation Z, contrary to global trends, with both generations showing a strong intention to use e-wallets activities will be implemented and have greater confidence in banks Thangavel, Pathak, Chandra in (2021) was written by. analyzed consumer behavior in India, which revealed distinct buying patterns and digital engagement influenced by cultural values Their research highlights the key role of technology and social media in shaping consumer behavior and provides insights for businesses to improve their marketing strategies to match the needs of both generations to emphasize the importance of understanding generational differences.

Data and Variables

The data for this study was sourced from the World Value Survey (WVS), which provided comprehensive responses from individuals regarding their economic values and attitudes. The seventh wave of WVS includes data from 66 countries, with the majority of surveys conducted between 2018 and 2020, using random probability representative samples of the adult population. For our analysis, we have employed the data collected from India, which includes a range of questions assessing various aspects of economic behavior, attitudes towards work, financial satisfaction, trust in people, and broader economic principles. The respondents were categorized into two generational cohorts: Millennials (born between 1981 and 1996) and Generation Z (born between 1997 and 2012).

The survey responses were originally collected on a Likert scale but were converted into binary variables to facilitate a more straightforward comparative analysis. This conversion involved grouping certain responses to



represent agreement or disagreement with specific statements. For instance, work-related attitudes were assessed through questions about the importance of work, with responses ranging from strong agreement to strong disagreement. These responses were then categorized into binary variables, with agreement coded as 1 and disagreement as 0.

Financial satisfaction was measured through a question on household financial satisfaction, with responses ranging from completely dissatisfied to completely satisfied. These responses were also converted into binary variables, with satisfaction coded as 1 and dissatisfaction as 0. Trust in people was gauged through a straightforward question about general trust, with responses indicating either trust or caution, coded as 1 and 0 respectively.

The survey also included questions probing broader economic characteristics, such as perceptions of income equality, competitiveness, and the value of hard work. These questions used a scale from 1 to 10, and then it was converted into two amendments to conform to certain economic principles. For example, support for income equality is rated 0 if they favoured more equitable distribution and 1 if they encouraged more individual effort. The binary conversion of these variables provided a clearer and more manageable framework for comparing the economic values and behaviors of Millennials and Generation Z. This approach enabled the identification of key features and differences between the two generational groups and provided a solid basis for comparative analysis in this study.

Variables:

The key variables in this study were derived from the World Value Survey and were converted into binary formats to facilitate comparison between Millennials and Generation Z. These variables included:

A. Work Attitudes: Three questions assessed respondents' attitudes towards work:

- [1]. "People who don't work turn lazy" (Q39): Agreement coded as 1, disagreement as 0.
- [2]. "Work is a duty towards society" (Q40): Agreement coded as 1, disagreement as 0.
- [3]. "Work should always come first, even if it means less spare time" (Q41): Agreement coded as 1, disagreement as 0.

B. Financial Satisfaction: This was measured by the question:

- [1]. "How satisfied are you with the financial situation of your household?" (Q50): Satisfaction coded as 1 (responses 6-10), dissatisfaction as 0 (responses 1-5).

C. Trust in People: Assessed by the question:

- [1]. "Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people?" (Q57): Trust coded as 1, caution as 0.

D. Economic Attitudes: Three questions assessed broader economic values:

- [1]. "Incomes should be made more equal" versus "There should be greater incentives for individual effort" (Q106): Agreement with income equality coded as 0, greater incentives as 1.
- [2]. "Competition is good" versus "Competition is harmful" (Q109): Agreement with competition as beneficial coded as 1, harmful as 0.
- [3]. "In the long run, hard work usually brings a better life" versus "Hard work doesn't generally bring success—it's more a matter of luck and connections" (Q110): Agreement with hard work bringing success coded as 1, luck and connections as 0.

These variables provided a comprehensive framework for analyzing the economic values and attitudes of Millennials and Generation Z.

Results

The table 1 provides descriptive statistics for Millennials and Generation Z, offering insight into the key variables assessed in our study. The statistics include the mean, standard deviation (sd), minimum value (min), and maximum value (max) for each variable, presented separately for both generational cohorts.

Table 1: Summary statistics of the sample

	mean	sd	min	max
Male	0.574	0.495	0	1
Age	25.959	8.471	16	42
Genz	0.555	0.497	0	1
Work is a duty	0.916	0.277	0	1
Work come first	0.903	0.296	0	1
Hard work	0.611	0.488	0	1
Trust on people	0.174	0.379	0	1
Competition is good	0.564	0.496	0	1
Equal income	0.256	0.436	0	1



Privatisation	0.388	0.487	0	1
Financially satisfied	0.677	0.468	0	1
Observations	1071			

The descriptive statistics for the key variables in our study provide insightful summaries of the data gathered from respondents to understand their economic values and attitudes. Among the participants, 57.4% are male, as indicated by the mean of 0.574, with responses equally distributed between genders. The age distribution reveals an average age of approximately 26 years, spanning from 16 to 42 years, indicating a well-represented range of both Millennials and Generation Z, with the latter constituting 55.5% of the sample.

The attitudes towards work are notably strong, with 91.6% of respondents agreeing that work is a duty towards society, reflected in a high mean of 0.916 and minimal variation ($SD = 0.277$). Similarly, 90.3% believe that work should always come first, even at the expense of spare time. Opinions on the value of hard work show that 61.1% maintain that hard work leads to a better life.

Trust in people is relatively low, with only 17.4% expressing trust in others, indicating substantial distrust among the respondents. Regarding competition, 56.4% view it as beneficial. When it comes to income equality, a smaller fraction, 25.6%, support more equal distribution of income, showing mixed views.

The stance on privatization is also varied, with 38.8% in favor. Financial satisfaction is relatively high, with 67.7% of respondents being satisfied with their financial situation, suggesting a general sense of financial well-being among the sample.

Summary statistics of the sample, highlight diverse economic attitudes and values within our sample of Millennials and Generation Z. Thus, providing a clear basis for comparative analysis between the two generational cohorts.

A. Economic values and attitudes among Millennials and Generation Z

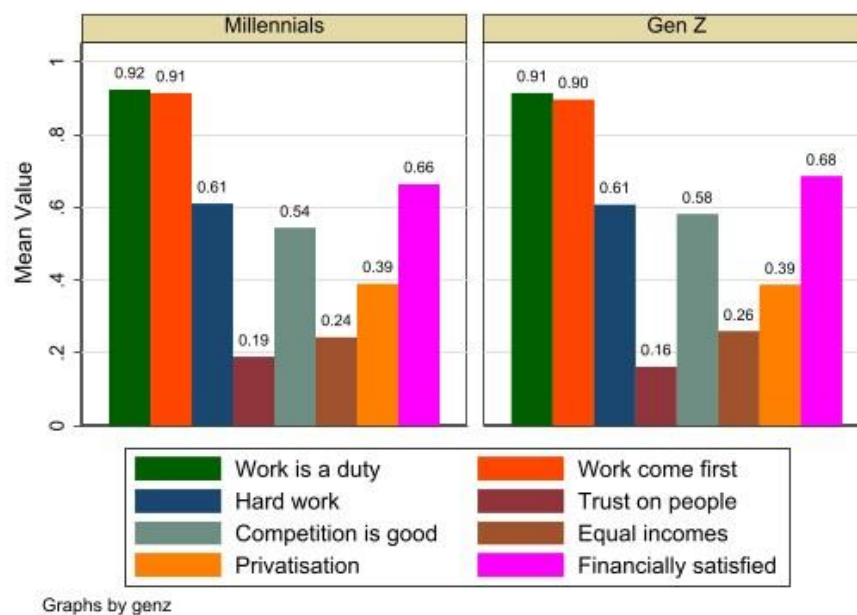


Figure 1: Economic values and attitudes among Millennials and Generation Z

Figure 1 compares the values and attitudes of Millennials and Gen Z across eight categories: "Work is a duty," "Hard work," "Competition is good," "Privatisation," "Work comes first," "Trust on people," "Equal incomes," and "Financially satisfied." Both generations show high regard for the notion that work is a duty, with Millennials scoring 0.92 and Gen Z at 0.91. Similarly, the importance of hard work is equally valued by both groups at 0.61. There is a noticeable difference in attitudes toward competition, with Millennials scoring 0.54 and Gen Z slightly higher at 0.58. Privatisation is less valued by both generations, scoring 0.19 for Millennials and 0.16 for Gen Z. The idea that work should come first is strongly endorsed by both generations, with Millennials at 0.91 and Gen Z at 0.90. Trust in people shows lower values, with Millennials at 0.24 and Gen Z at 0.26. Both generations equally value the concept of equal incomes at 0.39. Financial satisfaction is relatively high in both groups, with Millennials scoring 0.66 and Gen Z slightly higher at 0.68. Overall, while there are some variations, both generations share similar values and attitudes towards work, competition, and financial satisfaction.



B. Attitude towards self and others

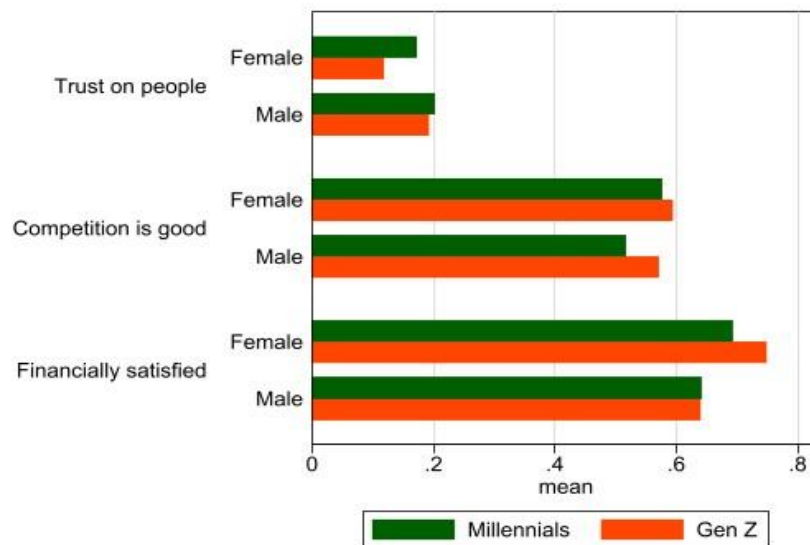


Figure 2: Attitude towards self and others among Millennials and Generation Z

Figure 2 provides a comparative analysis of Millennials and Gen Z across three attitudes—"Trust on people," "Competition is good," and "Financially satisfied"—differentiated by gender. In the category of "Trust on people," both Millennial males and females display higher mean values compared to their Gen Z counterparts, with males from both generations showing slightly higher trust than females. Regarding the belief that "Competition is good," Gen Z females have a higher mean value compared to Millennial females. In contrast, among males, Millennials rate competition more favorably than Gen Z. The perception of being "Financially satisfied" shows that Gen Z females have the highest mean value, followed closely by Millennial females, indicating a higher level of financial contentment among females in both generations. Among males, Millennials exhibit higher financial satisfaction than Gen Z males. This diagram illustrates the subtle generational and gender-based differences in trust, competition, and financial satisfaction, revealing a complex landscape of values across these demographics.

C. Attitude towards work

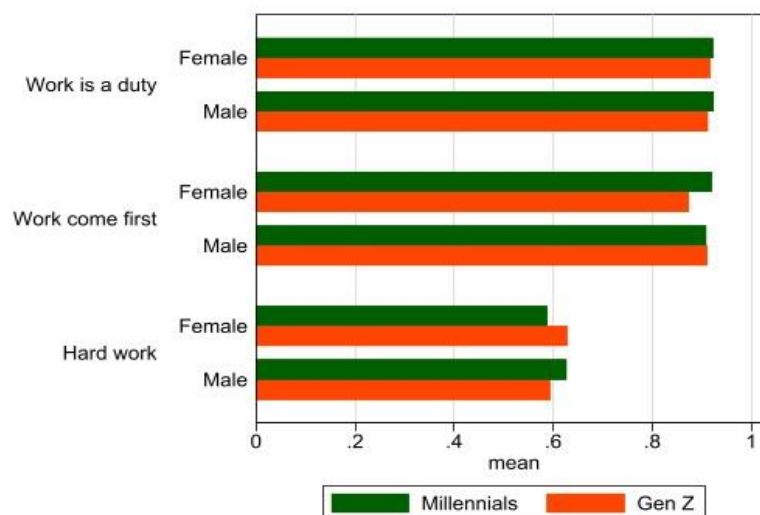


Figure 3: Attitude towards work among Millennials and Generation Z

Figure 3 presents a comparison of values between Millennials and Gen Z, segmented by gender across three key attitudes: "Work is a duty," "Work comes first," and "Hard work." For both Millennials and Gen Z, females and males equally consider work as a duty, with both generations scoring similarly high values close to 1. In terms



of prioritizing work, Millennials show a slightly higher mean value for females compared to males, while in Gen Z, males rate this higher than females. When it comes to hard work, both genders in the Millennial group have higher mean values compared to their Gen Z counterparts, with Millennial males slightly ahead of Millennial females. Conversely, Gen Z males and females score almost equally, but lower than Millennials in valuing hard work. This diagram highlights that while both generations uphold the importance of work, there are nuanced differences in how gender influences these values within each generational cohort.

D. Attitude towards political economy

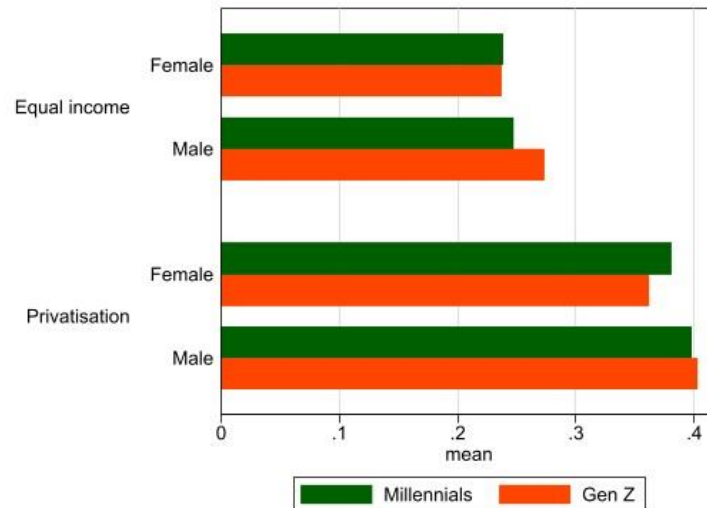


Figure 4: Attitude towards political economy among Millennials and Generation Z

Figure 4 illustrates the mean support levels for two issues, equal income and privatization, among Millennials and Gen Z, categorized by gender. For the issue of equal income, female Millennials exhibit slightly higher support than their Gen Z counterparts, with mean values just above 0.3 and just below 0.3, respectively. In contrast, male support for equal income is lower in both generations, with Gen Z males showing a mean support around 0.25 and Millennials slightly lower at approximately 0.2. Regarding privatization, the data reveals that both female and male Millennials display higher support levels compared to Gen Z. Female Millennials show the highest mean support, approaching 0.4, while Gen Z females are slightly below this level. Male Millennials and Gen Z also reflect this trend, with Millennials again showing higher support, around 0.35, compared to Gen Z males, who are slightly below 0.3. This indicates a generational and gender-based difference in support for these issues, with Millennials generally showing more support for privatization and females showing more support for equal income compared to their male counterparts.

Conclusion

The comparative analysis of economic values and attitudes between Millennials and Generation Z provides a broader understanding of how these two generational cohorts perceive work, economic relationships, and political economy. Our findings illustrate both generational continuity and divergence, shaped by unique socio-economic contexts and technological influences.

Millennials, defined as those born between 1981 and 1996, have experienced significant economic events such as the Great Recession, which profoundly influenced their attitudes towards job stability, financial security, and the importance of hard work. This generation places a high value on work, with an overwhelming 92.1% viewing work as a duty towards society and 91.1% prioritizing work over leisure. Their commitment to work is further reflected in their belief that hard work leads to a better life, as 61.0% maintain this view despite the economic challenges they have faced. Millennials' cautious approach to economic relationships is evident in their relatively low trust levels (18.9%), indicating a preference for secure, stable interactions. Politically, Millennials show a concern for economic equality, with 24.4% supporting more equitable income distribution. Their scepticism towards privatization (39.0%) underscores a cautious stance towards policies that might undermine public welfare.



In contrast, Generation Z, born between 1997 and 2012, has grown up in a digital era, significantly shaping their economic values and attitudes. This generation also places a high value on work (91.2%), but they prioritize work-life balance and flexibility more than their Millennial counterparts. Influenced by the gig economy and digital work environments, Generation Z is attuned to the importance of adaptability and diverse income streams. Trust in economic relationships is slightly lower in Generation Z (16.2%), reflecting their cautious approach in a digitally interconnected world where privacy and security are paramount. Generation Z exhibits a more favorable view towards competition (58.2%), emphasizing meritocracy and the benefits of competitive environments for innovation and personal growth. However, they remain aware of the potential downsides of unchecked competition on economic inequality. Regarding income equality, 26.5% of Generation Z support more equitable distribution, aligning closely with Millennials' views. Their stance on privatization (38.6%) mirrors that of Millennials, showing a shared scepticism about privatization's impact on public services and social welfare.

Our study highlights the nuanced economic values and attitudes of Millennials and Generation Z. While both generations value work and exhibit caution in economic relationships, Generation Z shows a greater inclination towards flexibility, digital engagement, and competitive environments. These differences are crucial for policymakers, educators, and employers to consider as they engage with these generational cohorts. Understanding these values and attitudes can inform strategies to foster economic stability, job satisfaction, and social cohesion in an increasingly complex and digitalized world. The insights from this comparative analysis underscore the importance of tailoring economic and social policies to address the distinct needs and preferences of Millennials and Generation Z, ensuring a harmonious and prosperous future for both generations.

References

- [1]. Hershatter, A., & Epstein, M. (2010). Millennials and the World of Work: An Organization and Management Perspective. *Journal of Business and Psychology*, 25(2), 211-223.
- [2]. Deloitte. (2019). The Deloitte Global Millennial Survey 2019. Retrieved from Deloitte
- [3]. Silva, C., & Correia, A. (2021). Leadership Styles from Millennials to Generation Z. *Journal of Leadership Studies*, 15(1), 23-34.
- [4]. Pew Research Center. (2018). Social Media Use in 2018. Retrieved from Pew Research Center
- [5]. Fulco, M., & Aquilani, B. (2023). Millennials and Generation Z: Trust and Economic Behavior. *International Journal of Business and Economics*, 12(2), 45-60.
- [6]. Barhate, G. (2021). Digital Natives and Economic Behavior: The Case of Generation Z. *Economic Studies Journal*, 22(3), 78-91.
- [7]. Nofal, M., Fayoumi, A., & Alsharqawi, S. (2020). Fintech Services in Palestine: Millennials and Generation Z Perspective. *Palestinian Journal of Financial Studies*, 18(4), 112-128.
- [8]. Thangavel, P., Pathak, P., & Chandra, B. (2021). Millennials and Generation Z: A Generational Cohort Analysis of Indian Consumers. *Journal of Consumer Behavior*, 20(3), 312-329.

