GEN Z RISING

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Interest in working for large companies increases as university graduates gain “real-world” experience.

The 2017 Accenture Strategy study of university graduates in Germany shows one in four of those about to graduate is interested in joining a large company. However, among recent graduates—those with one to two years of work experience—popularity grows, with one in three desiring to work for a large company.

That leaves large employers with a question: How do they show new graduates the benefits of a large company experience before these potential employees make their first job choice?

This question becomes crucial as the latest crop of German university graduates, the first graduates belonging to Gen Z, enter the future workforce. They are willing to commit and ready to roll up their sleeves. In return, new 2017 graduates are looking for an engaging employee experience that takes full advantage of their skills. Many see their predecessors feeling underemployed, as 68 percent of graduate hires who finished university in 2015 or 2016 are in a job they feel doesn’t require their degree. Keen to avoid the same fate, they will carefully weigh career development, staying only if an employer shows an interest in giving them meaningful work and a chance to advance and grow.

Large companies are usually better positioned than their smaller counterparts to provide the opportunities and career path new graduates desire. Providing a carefully tailored employee experience with challenging work and career development opportunities, while preserving work-life balance, is key to large employers winning the competition for this new generation of talent.
A TAILORED EMPLOYEE EXPERIENCE PAYS OFF

While 62 percent of 2017 graduates expect to stay at their first job for three years or longer, 68 percent of graduate hires who finished university in 2015 or 2016 feel underemployed.

These recent graduates are five times more likely to stay for five or more years if they feel their skills are fully utilized with challenging, meaningful work. Learning and development plans as part of a well-designed, engaging employee experience become increasingly important for Gen Z workers, and can be the difference between retaining and losing digital talent.

More than two-thirds of graduates who entered the workforce one or two years ago consider themselves underemployed.
Senior leaders will quickly see some shared values with the first crop of Gen Z graduates, from taking ownership of their careers to requests for the training and work experience necessary to develop their skills.

In this way, Gen Z shows an unmistakable maturity that is reinforced through the German education system. Upon entering the workforce, 93 percent of 2017 graduates already will have completed an internship or apprenticeship, bringing practical skills to the table from Day One as they embark on their careers.

Because of their commitment to come prepared, as well as the desire for a career, graduates expect their skills to be fully utilized. Large employers would do well to address this need on an individual basis from the outset, via career counselors, mentors and job rotations—ensuring new talent is exposed to many areas of the company on a constant learning curve.

For employers, the learning curve can work favorably both ways. This new generation of talent comes with a modern flair, bringing much desired digital skills to employers in addition to the skills relevant to their field of study. While 2017 graduates are true digital natives—growing up with a device in hand from a very young age—they seem to realize keeping up with technology requires ongoing learning. Three out of every four new graduates (76 percent) have already taken digital or computer science related courses when they begin their first job—bringing a highly marketable digital mindset with them.

Despite Gen Z’s digital prowess and effort to come to a new job prepared, the future workforce is keen to learn more and develop additional skills, with 84 percent of new graduates expecting their first employer to provide formal training.
Gen Z graduates exhibit a willingness to work not just for—but with—their new employer on many issues.

For example, 87 percent of new graduates considered job availability before deciding their area of study. More than three in four (77 percent) are willing to relocate to another city or region for a job offer. And almost half (48 percent) of new graduates consider it acceptable to work on weekends or evenings.

In return, Gen Z workers expect equal flexibility on the part of employers to help them maintain work-life balance, which is new graduates’ top concern.

New graduates seem to realize their preparation is just a starting point. They are now looking to their employer as a partner in their growth, offering the challenges and career path necessary to help them advance.
Based on the experiences of graduate hires who finished university in 2015 or 2016, large companies offer more of what new graduates value.

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### Plan to stay 5+ years

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DIGITAL NATIVES CRAVE THE HUMAN ELEMENT

Having grown up in an age where technology is pervasive, new graduates swim well in digital waters, but at the same time they understand the importance and value of the human touch in a world of robotics and artificial intelligence (AI).

Almost one third (30 percent) show a preference for face-to-face interactions with colleagues, with web communication tools running a distant second (20 percent). More than one third of new graduates (38 percent) rated communications skills as something that would make them attractive to potential employers, with problem-solving skills (36 percent) coming in a close second.

New graduates place great emphasis on their relationship with the supervisor, citing potential for a poor relationship as one of their top concerns. Assigning team leads who excel at face-to-face interaction and mentoring could help allay their fears and foster learning the interpersonal communication skills they desire.

While new graduates want to improve their interpersonal skills, they also realize humans and machines must work as a team. A majority of new graduates (60 percent) welcome AI and other advanced technologies, believing they will enhance their work experience. More than three-quarters of new graduates (77 percent) believe their university prepared them for today’s digital workforce. As a result, it is not surprising that these digital natives are less worried about their competency with emerging technologies. They have grown up in a connected world where humans and machines have coexisted for as long as they can remember. For them, working alongside technology is less daunting than mastering the softer skills of communication, problem solving and management.
A CHECKLIST FOR LARGE EMPLOYERS

Large companies have an opportunity to capitalize on the inherent match between what they can offer and what Gen Z talent is looking for.

**CROSS-TRAIN**
Create a boundary-less project assignment and staffing model internally, one that breaks down organizational and functional barriers and allows newer workers the opportunity to learn in multiple areas of the company. The added benefit to doing this is that current employees are exposed to new graduates’ digital mindset and skills.

**CONNECT THE DOTS**
Make each employee’s experience lines up to the value system of the new generation, and show each employee how his or her contributions support the organization’s purpose and objectives. For example, allow employees to make choices that align closely to their values, as they change over time, from the work they do and learning opportunities, to work-life balance and compensation.

**PLAN FOR GROWTH**
Develop an individualized skills and career plan for new hires, showing them your company invests in their advancement by providing multiple, different experiences early in their career. Begin by asking new hires to help co-design their development plans, to ensure you are utilizing their skills to the fullest and providing the necessary growth opportunities.

**DIGITIZE YOUR TALENT**
Create initiatives that allow you to leverage the collective intelligence of Gen Z graduates and their natural affinity for digital technologies. For example, allow them to work with an internal innovation hub or provide access to computational thinking and computer science classes independent of functional expertise.

**COACH FOR SUCCESS**
Formalize the process of assigning coaches to incoming employees to help leverage their strengths, guide career paths and provide a personal touchpoint beyond their supervisor.

While these actions are not comprehensive, they are a healthy start to welcoming the university graduates headed your way. Making the most of the match between their values and the employee experience your large company can offer helps position your organization favorably in the ongoing competition for top talent.
NOTES

1. Accenture 2017 German University Graduate Employment Study.
   All statistics in this paper are from this source, unless otherwise specified.

ABOUT THE RESEARCH

The Accenture Strategy 2017 University Graduate Employment Study surveyed 1,003 students in Germany who are graduating from university in 2017, and 1,001 students who graduated in 2015 or 2016, between the ages of 18 and 24, to compare the perceptions of students preparing to enter the job market with the experiences of recent graduates already in the workforce. Survey conducted in January/February, 2017.


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