GEN Z RISING

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As university graduates gain “real-world” experience, their desire to work for large companies grows.

The 2017 Accenture Strategy multi-country study of university graduates shows less than a quarter of this year’s graduating class is interested in joining a large company. However, among recent graduates—those with one to two years of work experience under their belt—popularity grows, with nearly one in three wanting 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 university graduates, the first belonging to Gen Z, enter the future workforce. They are willing to commit and ready to roll up their sleeves. At the same time, many see their predecessors feeling underemployed. The majority of 2015 and 2016 graduates are in a job they feel doesn’t require their degree, ranging from 54 percent in the United States to 72 percent in France. Keen to avoid the same fate, 2017 graduates 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 security, learning opportunities and career path that 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.
Once in the workforce, more graduates prefer to work for a large company.
Recent graduates are three times more likely to stay if their skills are fully utilized with challenging, meaningful work. This finding is most pronounced in Germany where recent graduates are five times more likely to stay and least pronounced in France, Italy and Spain where the likelihood of staying five or more years still doubles.

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.
Across our surveyed countries, 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 learning opportunities and work experience necessary to add skills.

In this way, Gen Z shows an unmistakable maturity. Upon entering the workforce, 82 percent of 2017 graduates already will have completed an internship or apprenticeship—in Germany, 93 percent—showing an appreciation for the need to bring 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. In addition, the future workforce is keen to learn more and develop additional skills, with 86 percent of new graduates expecting their first employer to provide formal training. Given the uniformly high expectations for formal training across the countries surveyed, 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. Three out of four new graduates say their education prepared them well for today’s digital workforce. While 2017 graduates are true digital natives—growing up with a device in hand from a very young age—they realize keeping up with technology requires ongoing learning. Across all countries surveyed, most new graduates have already taken digital or computer science related courses when they begin their first job—ranging from 66 percent in the United Kingdom to 76 percent in Germany—bringing a highly marketable digital mindset with them.

82%
Many university graduates will already have completed an internship or apprenticeship upon entering the workforce

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<td>Germany</td>
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The ability to earn a decent living is a top concern among all Gen Z graduates (see sidebar on page 7). But it’s not all about the money. Another top concern is work-life balance, so much so that at least half of new graduates in all countries surveyed would choose a fun, positive social atmosphere at work over salary.

While clear on their top desires, new graduates are showing a flexibility employers will appreciate. The vast majority of new graduates are willing to relocate to another city or region for the right job offer, ranging from 75 percent in the United States to 89 percent in Spain. Roughly half of new grads (49 percent) consider it acceptable to work on weekends or evenings. And 84 percent of new graduates would consider taking an internship after graduation, if it would help them land a job.

In return, Gen Z workers expect equal flexibility on the part of employers. They desire a personalized employee experience that strikes the right chord in terms of salary and work-life balance, learning opportunities and coaching, job rotation and career development.

### MONEY MATTERS BUT SO DOES LIFE

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82% The vast majority of new graduates are willing to relocate for a job offer.
What industries do graduates want to work in most?

- **EDUCATION**: 17%
- **COMMUNICATIONS**: 15%
- **RETAIL**: 14%
- **HEALTHCARE PROVIDER**: 14%
- **CONSUMER GOODS**: 12%
- **MEDIA & ENTERTAINMENT**: 12%
- **HIGH TECH**: 12%
- **AUTOMOTIVE**: 11%
- **BIOTECHNOLOGY**: 11%
- **TECHNOLOGY CONSULTING**: 10%

What keeps them up at night?

- **NOT EARNING ENOUGH**: 27%
- **WORK-LIFE BALANCE**: 26%
- **SKILLS BEING UNDERUTILIZED**: 24%
- **INABILITY TO ADVANCE AT WORK**: 23%
- **WORK NOT BEING MEANINGFUL**: 22%

Salary and benefits aside, what do they find most important for an employer to offer?

- **INTERESTING, CHALLENGING WORK**: 27%
- **TRAINING OPPORTUNITIES**: 25%
- **FLEXIBLE WORK HOURS**: 24%
- **SKILLS AND EXPERIENCE**: 23%
- **OPPORTUNITY TO MAKE A DIFFERENCE**: 22%
Gen Z grew up in an age of pervasive technology. It is no surprise that they 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).

In all countries surveyed, new graduates prefer face-to-face interactions with colleagues (39 percent), with web communication tools running a distant second (19 percent). New graduates rated communication as well as problem solving skills (both 38 percent) as what would make them most attractive to potential employers, followed by management skills (30 percent).

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 welcome AI and other advanced technologies, ranging from 56 percent in Spain to 70 percent in Italy, believing they will enhance their work experience. Three in four believe their school prepared them adequately 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.

MAKE IT MEANINGFUL
Deliver an employee experience aligned to the value system of the new generation. 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.

CREATE PAID INTERNSHIPS AS A POSITIVE TRIAL RUN
Given the number of new graduates in all countries surveyed utilizing paid internships before working full-time, make the most of this opportunity. Showcasing your company’s entrepreneurial side and highlighting capability development opportunities allow you to show grads a match between what they want and the complete package you offer.

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 grads’ digital mindset and skills.

DIGITIZE THE EMPLOYEE EXPERIENCE
Create initiatives that leverage the collective digital intelligence of Gen Z graduates and their natural affinity for the digital realm. For example, place them into an internal innovation hub. Remember that while the least senior of your employees, they are likely the most well-versed in digital—and can spread that mindset.

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 now helps position your organization favorably in the ongoing competition for top talent.
NOTES
1. Accenture Strategy 2017 University Graduate Employment Study, conducted in France, Germany, Italy, Spain, the United Kingdom and the United States. All statistics in this paper are from this source, unless otherwise specified.

ABOUT THE RESEARCH
The Accenture Strategy 2017 Graduate Employment Study surveyed 6,016 students in France, Germany, Italy, Spain, the United Kingdom and the United States graduating from university in 2017, and 6,004 students who graduated from university in 2015 and 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.


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