

accenturestrategy



U.K. EDITION

GEN Z RISING

**PAYAL VASUDEVA
DIANA BAREA**

GRADUATES ARE FEELING THE LOVE

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

The 2017 Accenture Strategy study of university graduates in the United Kingdom shows one in five 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 under their belt—popularity grows, with nearly one in three desiring to work for a large company.

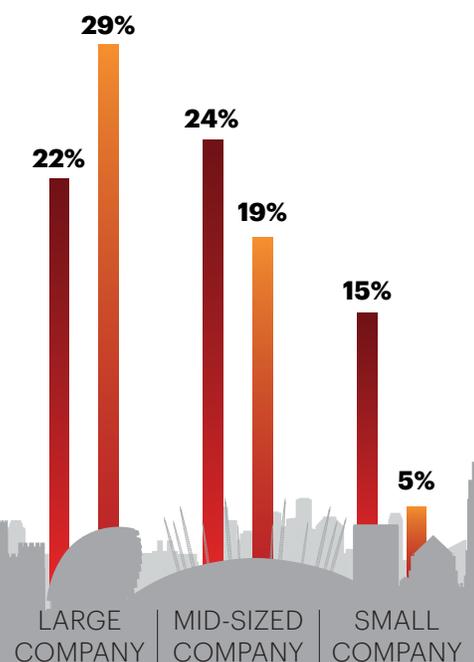
That leaves large employers with a question: How do they show new graduates the benefits of a large company experience before these potential employees make their first job choice?

This question becomes crucial as the latest crop of U.K. graduates, the first 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 71 percent of 2015 and 2016 graduates are in a job they feel doesn't require their degree. 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,
recent graduates
prefer to work for a
large company**

■ NEW 2017
GRADUATES
■ RECENT
2015/2016
GRADUATES



A TAILORED EMPLOYEE EXPERIENCE PAYS OFF

While 56 percent of 2017 graduates expect to stay at their first job for three years or longer, 71 percent of graduate hires who finished university in 2015 or 2016 feel underemployed.

These recent graduates are three times more likely to stay with their first employer 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.

3X

Recent graduates
are three times more
likely to stay if their
skills are fully utilized

60%



2015

69%



2016

71%



2017

YEAR OF SURVEY

A FUTURE-FORWARD TAKE ON TRADITIONAL VALUES

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, 73 percent of 2017 graduates already will have completed an internship or apprenticeship 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 88 percent of new graduates expecting their first employer to provide formal training. 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.

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 realize keeping up with technology requires ongoing learning. Two out of every three new graduates have already taken digital or computer science related courses when they begin their first job—bringing a highly marketable digital mindset with them.



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MONEY MATTERS BUT SO DOES LIFE

The ability to earn a decent living is a top concern among Gen Z graduates. Eighty-five percent expect to earn more than £25,000. But among recent graduates who entered the workforce one or two years ago, only 70 percent do.

The gap may be due in part to the fact that 54 percent of recent graduates had to compromise on salary and/or benefits to land their first job.

But it's not all about the money. Gen Z graduates' other top concern is work-life balance, so much so that nearly two-thirds of new graduates (62 percent) 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. For example, 83 percent of new graduates are willing to relocate to another city or region for the right job offer. Six in 10 new grads (57 percent) consider it acceptable to work on evenings or weekends. And 86 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.



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DIGITAL NATIVES CRAVE THE HUMAN ELEMENT

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).

Almost one-third of new graduates (31 percent) show a preference for face-to-face interactions with colleagues, with web communication tools running a distant second (21 percent). Forty-four percent rated communications skills as something that would make them attractive to potential employers, followed by problem solving (43 percent) and management skills (36 percent).

New graduates place great emphasis on their relationship with their team lead, citing potential for a poor relationship as one of their top concerns. Pairing Gen Z graduates with team leads who excel at face-to-face interaction and mentoring could help allay graduates' 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. More than two-thirds of new graduates (68 percent) welcome AI and other advanced technologies, believing these technologies will enhance their work experience. Seventy-eight percent 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 demonstrating the softer skills of communication, problem solving and management.



31%
**prefer in-person
meetings**



78%
**believe their school
prepared them for
the digital workforce**

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 PERSONAL AND MEANINGFUL

Deliver an employee experience that 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. 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.



CREATE PAID INTERNSHIPS AS A POSITIVE TRIAL RUN

Given the number of new graduates utilizing paid internships before working full-time, make the most of this opportunity. Showcasing your company's entrepreneurial side and highlighting opportunities for capability development 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.



USE DIGITAL NATIVES AS A CATALYST FOR CHANGE

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.

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.

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[linkedin.com/company/accenture-strategy](https://www.linkedin.com/company/accenture-strategy)

CONTACT THE AUTHORS

Payal Vasudeva

payal.vasudeva@accenture.com

Diana Barea

diana.barea@accenture.com

CONTRIBUTORS

Katie Southgate

katie.e.southgate@accenture.com

Finn Toner

finn.toner@accenture.com

NOTES

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

ABOUT THE RESEARCH

The Accenture Strategy 2017 Graduate Employment Study surveyed 1,001 students in the United Kingdom who are graduating from university in 2017, and 1,001 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. Generations in the workforce were defined per the following birth years: Gen X: 1965–1979. Millennials/Gen Y: 1980–1993. Gen Z: 1993–1999.

ABOUT ACCENTURE

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