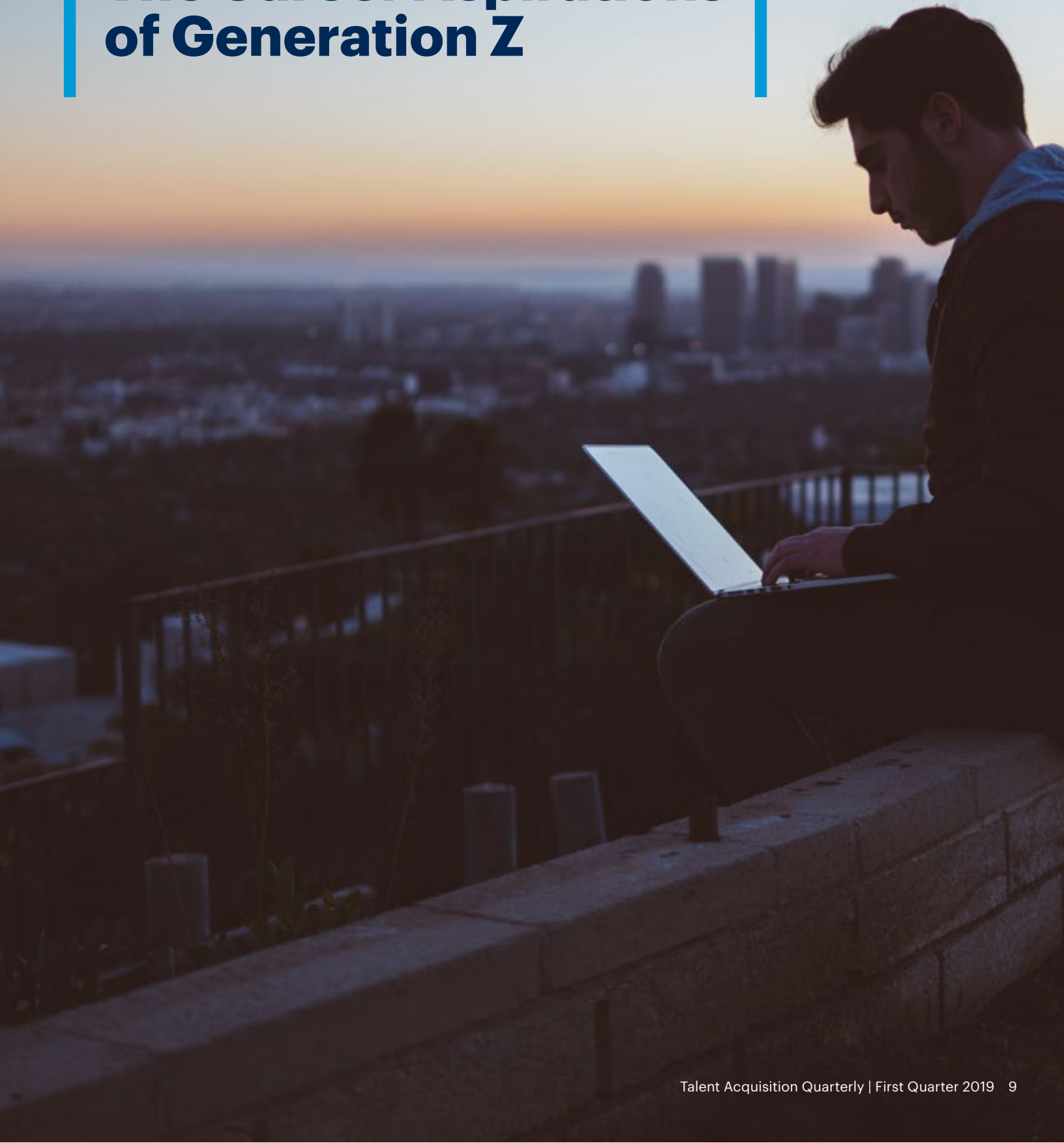


The New Graduate: The Career Aspirations of Generation Z



The Digitally Native Employee

Generation Z candidates (those born from the mid-1990s to the early 2000s), like their millennial predecessors, have grown up in an age when knowledge work, rather than industrial work, is dominant. Their main capital as job seekers is their knowledge and skill set, carefully shaped and grown over the course of their studies.

While factory workers in the industrial age only worked conveyor belts for a limited period so they could benefit from natural daylight (launching the nine-to-five workday), knowledge workers can do their work anytime, anywhere. However, since millennials entered the workforce, the tools used to get this work done have proliferated and become more sophisticated.

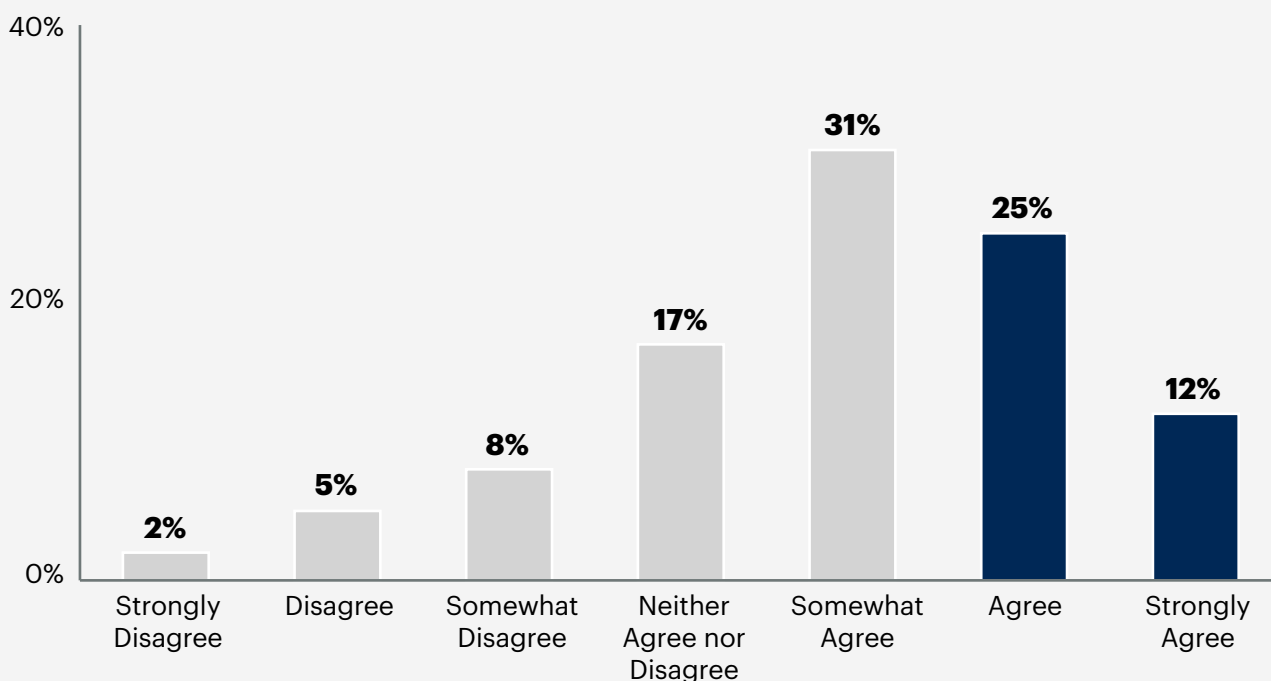
The quality of technology now available means Gen Z candidates do not relate to concepts of rigid work hours or “presenteeism.” These graduates expect employers to guarantee the flexibility they have taken advantage of throughout their studies, which they believe will also shape their professional lives.

This cohort certainly has a good idea of what they want from work; 37% of Gen Z candidates agree or strongly agree they know what they need from an offer to consider accepting it (see Figure 1).

Location is not as important to this generation as it was to its predecessors. Gen Z has carried out its studies in cafes or on beaches, over the Wi-Fi connection of a local Starbucks, or on mobile phones in the gym. To do research, read studies and write papers, all this generation ever needed was a viable 3G signal.

Figure 1: “When I Applied for the Position, I Already Knew What I Needed to See From an Offer to Consider Accepting It”

Percentage of Generation Z Respondents



n = 753

Source: Gartner 2018 Candidate Recruiting Efficiency Survey



In 2014, 28% of millennials aged 21 to 24 listed location as a top attraction driver, versus just 20% of Gen Z candidates aged 21 to 24 in 2017 (see Figure 2). Knowledge work in the digital age is not only defined by its offerings, but also by its flexibility; graduates today do not expect to be rooted in one place because of their work.

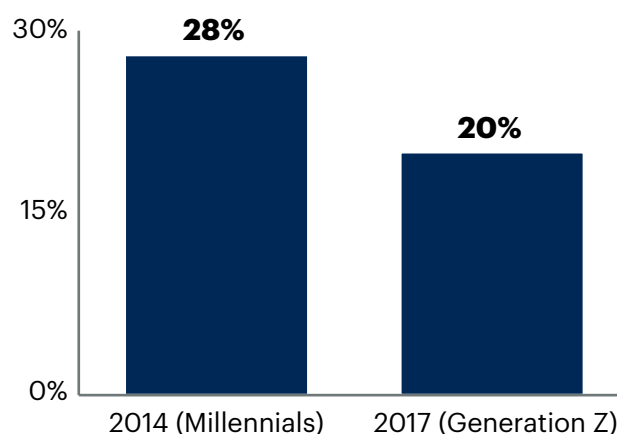
The flexibility knowledge work affords today's workers means Gen Z is being raised in an environment where there is little delineation between work and play. They believe work should accommodate play, and play should be incorporated in work.

Compensation is no longer a guaranteed method of keeping the young workforce in seat: While in 2013, 41% of millennials aged 21 to 24 listed compensation as a driver of attrition, only 36% of Gen Z candidates did so in 2017. The consensus among graduate recruiting leaders is that the next generation cares increasingly about work-life integration, not just work-life balance. A better paycheck does not necessarily allow the pursuit of a secondary career interest — as budding entrepreneurs seek to develop apps on the side while juggling their corporate jobs. As Gen Z candidates search for careers to accommodate their lifestyle, compensation is no longer a definitive reason to leave a job that may allow for work-life integration.

“Today, it’s less about work-life balance and more about work-life integration.”

- Head of Recruiting,
Insurance Company

Figure 2: Location as a Top EVP Attribute
Listed by Respondents Aged 21 to 24



n = 4,206 (2014); 4,508 (2017)

Source: Gartner Global Labor Market Survey

The Decline of the Planned Career

As the first truly digitally native graduate, the Generation Z candidate has grown up surrounded by technology that makes life easier, or at least faster. Deliveroo will get them their food when they want it from the lunch place they like. WhatsApp will tell them when their friends have read their texts. Uber will get them to their destination. This generation is used to an accelerated way of life, where response is instantaneous.

These factors bleed into Gen Z's career expectations; they expect rapid progression and reward for their efforts — to be recognized on merit and potential, rather than tenure. Generation Z's predecessors list formalizing a career path at their current organization as a top "memorable" career experience. However, Generation Z are more likely to remember the time they were passed over for a promotion (see Table 1).

Gen Z's predecessors were strongly driven by future career paths at their organizations (34% of millennials aged 21 to 24 listed this attribute as a top attraction driver). Yet Gen Z do not rate the career path as highly. In 2017, only 27% of Gen Z candidates listed this attribute as a top attraction driver (see Figure 3).

“Students get their first promotion and then their second and third promotions seem far away, so they jump to a new company ... after around two years, they have to go somewhere else to get to the next step.”

- Head of Recruiting,
Insurance Company

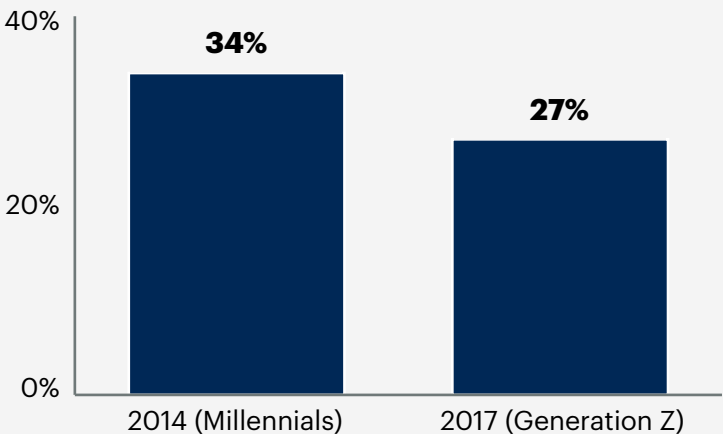
Table 1: Top Five Memorable Career Experiences by Generation

	Millennials	Generation Z
1	Arriving late due to an unexpected change in your normal transportation	Negotiating changes in compensation for a direct report
2	Planning your career path at your current organization	Being embroiled in a conflict at work
3	Leaving work early due to an unexpected change in someone else's schedule	Dismissing a staff member
4	Soft-skill training sponsored by employer	Being passed over for a promotion
5	Being in a formal or informal accelerated development program for high performers	Managing an underperformer

n = 5,873 employees
Source: Gartner 2018 Digital Employee Experience Survey

Figure 3: Career Paths as a Top Attraction Driver

Listed by Respondents Aged 21 to 24



n = 4,206 (2014); 4,508 (2017)
Source: Gartner Global Labor Market Survey

It no longer matters as much whether a company has a dazzling lineup of future jobs available, because the Gen Z candidate is utterly comfortable career hopping to get ahead. Planning a formal career path at one company is not what motivates this generation: They are less driven by the promise of stability than their predecessors, who grew up during the financial crisis (see Figure 4).

This also shows in attrition data. Almost half (46%) of millennials aged 21 to 24 in 2014 agreed a lack of future career paths was a driver of attrition.¹ But in 2017, only 38% of Gen Z saw a future career path as a top reason to leave their company. This is not a generation that easily commits: indeed, only 43% of Generation Z graduates see themselves as having a long career in their organization. And only 30% of Gen Z graduates have a clear plan in place for the next five years of their career (see Figure 5).

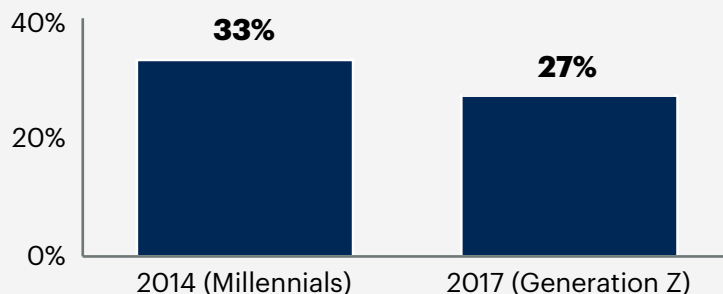
The Age of Development

Through its parents and professors, Gen Z has seen the rapid changes the workplace goes through with each technology innovation. And it's not just the workplace that undergoes these transformations: More importantly for today's graduate, it's the business models, products and services of those workplaces, too. Today's iPhone will be replaced by tomorrow's Android. Alexa will have to compete with the Siris of the future. Standing desks give way to treadmill desks. The Gen Z candidate understands innovation and change are the new orders of the day — and becoming an irrelevant or outdated resource is a key risk to mitigate as they take their first steps in their careers.

As such, the steady rise in the importance of development opportunities — such as enrollment in training programs, continuing education or participation in boot camps and workshops — seems inevitable. In 2017, 23% of Gen Z candidates listed development opportunities as a top attraction driver, while five years earlier only 17% of millennials aged 21 to 24 did so (see Figure 6).

The development opportunities that will allow this generation to constantly grow and evolve its skill sets are crucial to career commitment.

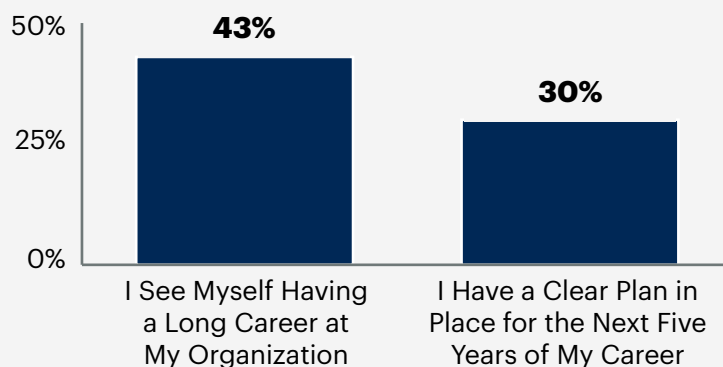
Figure 4: Stability as a Top Attraction Driver
Listed by Respondents Aged 21 to 24



n = 4,206 (2014); 4,508 (2017)

Source: Gartner Global Labor Market Survey

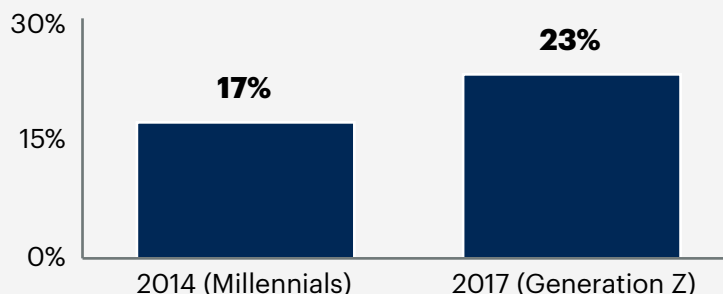
Figure 5: Generation Z Future Career Paths
Respondents Who Agree



n = 753

Source: Gartner 2018 Recruiting Efficiency Survey for Candidates

Figure 6: Development Opportunities as a Top Attraction Driver
Listed by Respondents Aged 21 to 24



n = 4,206 (2014); 4,508 (2017)

Source: Gartner Global Labor Market Survey

These candidates understand they will be hired for their unique skill sets and knowledge as the first digitally native class to be taught these valuable new-to-world assets in university. But they also understand how rapidly those skill sets can become outdated.

More than anyone, it's an employee's manager who influences the type of development an employee gets on the job. The next generation knows this; 33% of the Gen Z workforce ranked manager quality as a top reason to leave their current job in 2017, versus only 22% of millennials aged 21 to 24 in 2013.

Conclusion

Today's graduates are a product of the environment they grew up in — fast-paced, marked by change and driven by convenience. Compensation no longer holds the dominance it once had to attract the future workforce, as the boundaries between work and play become blurred and the ability to accommodate lifestyle interests becomes a priority to the next generation.

Motivated by growth and opportunity, Gen Z will not commit to a formal career plan or be swayed by an organization's future career opportunities if it does not offer the fast progression expected in an age of acceleration and innovation. Managers become ever more important in this narrative, as today's graduates rely on them to connect to development opportunities that ensure up-to-date skill sets.

