

The  
Think **FUTURE**  
**STUDY**



APRIL 2016

In association with



*#30pctthinkfuture*



# CONTENTS

- 3 THE THINK FUTURE STUDY:** Setting the scene
- 4 FOREWORDS:** Brenda Trenowden, Melanie Richards, Janet Beer and Helena Eccles
- 5 EXECUTIVE SUMMARY**
- 6 THE THINK FUTURE MINDSET:** Where students are at now and where they want to be
- 9 THE GENDER AGENDA:** How female and male students view 'the career'
- 12 SOCIAL MOBILITY FACTORS:** Breaking the cycle of socio-economic disadvantage
- 14 THINK FUTURE:** Career mind-set by gender and socio-economic background
- 15 FUTURE THINKING:** Recommendations for universities, employers and students
- 18 APPENDIX:** Where does the data come from?

# THE THINK FUTURE STUDY:

## Setting the scene

Recently, there has been much discussion in business and the media about millennial workers, how they view the working world and operate within it. Today, the upper-end of the millennial generation are 35 years old and many will have established careers. Undergraduates currently studying at university, the workforce of the future, are part of Generation Z.

Generation Z faces pronounced realities: student debt from their degree, the idea of home ownership for many seems an impossibility and the rise of social media means that appearances and relationships are mediated by technology. According to the Organisation for Economic Cooperation and Development, 16.3% of 15 to 24 year olds were unemployed in 2014. Economic, social and environmental challenges, together with the uneasy geo-political climate, has led to a lack of trust in institutions.

The *Think Future Study* was commissioned to better understand how university shapes career perceptions and trajectories and whether these vary depending on gender or socio-economic background. This report gives a current perspective on how universities can support Generation Z as they head towards the next stage of their lives, how businesses can best appeal to a generation with different expectations and aspirations and how to nurture this emerging talent stream.

As a contemporary snapshot of Generation Z in the UK and Ireland, the mind-set of students sampled in *Think Future* leans towards a 'career with purpose'. In this context of immediacy, uncertainty and unpredictability, *Think Future* students are drawn to careers that combine having a personal, meaningful impact with good financial reward.

We encourage a *Future Thinking* mind-set from universities preparing undergraduates for the job market, from employers seeking to appeal to male and female students and, of course, from students themselves in thinking through their career choices.

**Generation Z is one cohort of people born after the Millennials. The generation is generally defined with birth years ranging from the mid or late 1990s through the early 2010s.**



Millennials have long been the focus of attention, but as the first wave from Generation Z enters the workplace, there will be another shake-up on the horizon.

**The Huffington Post, March 2016**





### Brenda Trenowden

Global Chair of 30% Club

As the 30% Club extends its focus from the boardroom to the pipeline, the *Think Future Study* underlines the pressing need to think more innovatively about talent management. This extensive piece of research (20,652 respondents) not only provides fascinating insights into the Generation Z mind-set, reinforcing as it does the Millennial inclination for 'work with purpose', it also serves to highlight the stubborn issue of 'gendered' sectors which continues to restrict talent pools in certain industries.

Perhaps most significantly though, the findings remind us that we need to better support and inform this early slice of pipeline before it hits the workplace, as well as looking to drive a meaningful shift in workplace culture itself. The motivations and focus that drive Generation Z mean it is incumbent on all of us, academic institutions and employers alike, to adapt accordingly.



### Helena Eccles

Founder of The Think Future Study and Undergraduate Student at the University of Cambridge

As an undergraduate myself it has been an honour to be the founder of the *Think Future Study*. I am hugely grateful to the 30% Club and to KPMG for their support, without which this revealing research would not have come to light.

A new cohort of young students are on the cusp of making influential decisions about their careers. The *Think Future Study* reveals that the majority are unsure about their futures and many feel unsupported in choosing a career. This group of students, to which I belong, have different demands from employers; doing meaningful work with social impact is the top priority. In this turbulent time when we are faced with personal financial insecurity and broader economic instability, we need to be supported in navigating the working world.

Whether you are an employer, careers service professional or student, I hope you find the report insightful and I urge you to consider the issues raised by the *Think Future* students - the workforce of the future.



### Professor Janet Beer

Vice Chancellor, Liverpool University

Universities are taking their commitment to provide students with opportunities to enhance their social and economic capital well beyond the academic experience very seriously. The *Think Future Study* will help us to shape that offer more effectively.

Increasingly students are offered work-based learning both as part of accredited learning and as extra-curricular activity and most universities now offer leadership development programmes for students to build on their experience of leadership in sport, volunteering and student societies.

The fastest growing society in many Students Unions and Guilds is the Entrepreneur Society and, working together with University Careers Services and employers, they are building entrepreneurial and social entrepreneurial skills whilst still studying.

As universities we are responsible for educating the intellectual talent of the future and we need to ensure that the current insights and future needs of Generation Z are at the heart of our employability strategies. There is very little certainty in the job market except that flexibility, openness and a commitment to continual professional development will all be vital attributes. The findings of *Think Future* will help us to enrich as well as to support a student experience that results in confident, well-rounded graduates eager to shape their industries to be inclusive and enabling workplaces.



### Melanie Richards

Vice Chairman, KPMG LLP

As a major graduate employer the *Think Future Study* offered us the opportunity to gain better insights into the next generation's perspective of the workplace and understand their aspirations for the future.

Attracting the best people is a commercial imperative for our firm. We need to build diverse teams who can help our clients tackle complex problems, and bring new perspectives and solutions. At KPMG we have widened our outreach programmes to target students at a broader range of universities, and reach those who may not have considered a career with KPMG in the past.

However, the findings of this study prove that there is significant work to do. Women in particular seem reluctant to consider a career in industries where there appear to be gender disparities.

We as business leaders must take proactive steps to address this. Within our own firm we have set stretching targets to help us recruit, promote and bring through a diverse mix of talent.

I hope the *Think Future Study* will be a valuable resource for the business community to help them inform and shape their talent strategy and attract the next generation of leaders.

# FOREWORD

# EXECUTIVE SUMMARY

## Generation Z: uncertain about life after university, seeking further answers in learning

When asked what career path they would like to take, the most popular choices amongst respondents was to pursue academia or education.

## Women are already nervous about the impact their gender will have on their career outcomes

This is despite the fact that more than three quarters of women are confident in their own ability to advance their careers.

## Students from lower socio-economic backgrounds are the most driven to succeed, but the least informed about career paths

The *Think Future Study* finds that students whose parents did not attend university are three times as likely as students with university-educated parents to say that they are unsure about career choices. They are most likely to choose the retail sector as their immediate career destination.

## Generation Z are seeking a career with meaning

For those Generation Z students who have chosen a career path, they clearly value jobs which create meaningful impact more than high-status professions.



93%

93% of students want to have a career that makes a difference



72%

72% want to earn a high salary



40%

40% of students see power and status as important



**'Finding a job that I enjoy'**

was ranked as the most important factor in response to the question "thinking about your life, what is important to you?"

42% of women are confident that their gender will have no bearing on their career progression compared to 72% of men



42%

72%

43% of women express the view that gender will have no future bearing on their pay and reward compared to 73% of men



43%

73%

The findings of the *Think Future Study* give a contemporary view of what Generation Z students in the UK and Ireland aspire to in life and expect from their career. We reflect on these findings and provide insight and recommendations to universities, employers and students.

# THE THINK FUTURE MINDSET:

Where students are at now and where they want to be

The majority of students who responded to the *Think Future Study* have had a positive experience of university and feel supported to succeed academically. This holds true for men and women.

## The good news: the university experience



63% of students agree that university has increased their confidence levels



86% of students believe that where they study men and women are treated equally



77% feel well supported by university staff to succeed in their degree



74% of students feel that they are fairly evaluated for their exams and coursework

## The not-so-good news: life after graduation



57% of students do not have a concrete idea of their career plans for when they graduate – this does not significantly change based on a respondent's gender but disparities may be associated with lower socio-economic background



Only 16% of students said that sound career advice was the reason behind their increased confidence levels

### Future Thinking:

For universities: pg. 16  
For students: pg. 17



“

The future of work is coming, and with it massive technological and social change. But what exactly will this future look like? How will we adapt? And what should we be doing now to prepare for the rise of increasingly intelligent machines?

”

The Guardian, March 2016



## Why are over half of students uncertain about their future career plans?

A lack of knowledge about the broad range of career opportunities may inhibit students' ability to make clear choices. This lack of real career insight – as opposed to advice – may be further compounded as there are fewer assurances of financial or social stability traditionally associated with employment.

Three in four respondents said that career specific talks would help them decide on the best career for them, closely followed by being provided with more information on internships and listening to talks from senior industry professionals.

# THE THINK FUTURE MINDSET:

Where students are at now and where they want to be

## After university, I am going to:

28%

Further my education

27%

Go into academia or teaching

### Immediate horizons:

At university, students are immersed in academia and may consequently align their career aspirations with what they can see and understand in their immediate environment. Academia provides a sense of purpose and inspiration which students may naturally wish to pursue further. Equally, they may be wary to let go of academia in the absence of clarity about their next steps in life.

### Lack of clarity:

The array of existing career paths and an increasingly diversified graduate job market requires a good deal of self-knowledge and appropriate advice to identify and then steer towards the 'right' career choice. Students investing heavily in their education may be increasingly careful about choosing the 'right' first career.

### Necessity of a Masters:

Further study as the top choice may reflect students' anxiety about the availability of employment opportunities and graduate roles so believe a Masters is deemed necessary to gain meaningful employment. This 'postgraduate premium' may reflect a feeling of needing to stand out in a highly competitive graduate job market.

### Influence of role models:

The 45% of respondents who feel that university has shaped their career choice the students said that advice from academic staff was the most influential factor in helping them decide on a future career. Students' career choices may be steered by wanting to emulate these role models with whom they have consistent contact. Closer and more frequent contact with career role models is particularly important for those from lower socio-economic background.

## Why Academia?

### Top 3 Priorities:



Having time to spend with my family



Being intellectually fulfilled



Finding a job I enjoy



93% want to be involved in work that makes a difference



72% want to earn a high salary



40% want a role with power and status

### What Matters:

## THE THINK FUTURE MINDSET:

Where students are at now and where they want to be

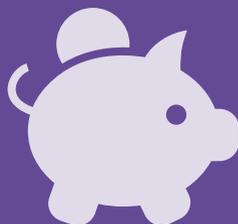
*Think Future* students typically value quality of work and life over high-paid, high power careers. The top two priorities for students are job satisfaction and finding time to spend with their family. Students value a work-life balance which enables them to bring work and family into a bigger picture where the two can coexist.

**Generation Z – seeking a career with purpose:** A priority for respondents was being involved in meaningful work. *Think Future* students want to do worthwhile work and be rewarded well for this contribution. This is a rare early career combination that requires self-knowledge, precise knowledge of the current job market and flexibility and perseverance to attain or create 'ideal' roles.

**Industry example: Financial Services – the not-so-top career choice for Generation Z:**

# 12%

Just 12% of students surveyed were considering going into Financial Services



# 8th

Ranked as the 8th most popular career choice behind industries such as Health, Education and Arts & Entertainment



The Financial Services industry may be perceived as a typically 'elite' profession, where employees are required to work long hours to manage clients' money, which may not align with the *Think Future* student's priority of doing meaningful work.

# THE GENDER AGENDA:

How female and male students view 'the career'



“Women are more demanding and wide-ranging in their definition of success than men.”  
Cracking the Code, 2015

**Future Thinking:**  
For employers: pg. 15

## A fulfilling career?

Men and women in this survey have similar career priorities around work-life balance and finding pleasure in work. Pleasurable and purposeful work contribute to an overall sense of positive well-being in a way that high salary, power and status may not in isolation.

We have already seen that, for 86% of students, university life offers men and women equal treatment on the basis of their gender. In the workplace however, Cracking the Code found that career gaps open up early in women's careers and these gaps are sustained by a workplace culture that often wrongly assume that women's career progression is stunted by a personal lack of confidence, reduced aspirations and childrearing.

When it comes to career expectations, 'achieving my full potential' for *Think Future* women may be informed by an awareness of being affected by gender imparity in the workplace. They are less likely to find themselves on the invisible career escalator that most benefits straight, white, middle class men – which can lead to a negative reframing of expectations and limiting career ambitions.

More positively, Cracking the Code found that women report greater career ambition than men later in their career. Women may define success to incorporate broader aspirations, career goals and purpose and less by traditional definitions. However, employers have a long way to go to ensure that this framing of success is a real choice and not a consequence of systemic imparity.

# THE GENDER AGENDA:

How female and male students view 'the career'

## Systemic imparity: women believe that their gender may hold them back in the workplace despite their confidence in their own abilities

Despite young women's strong self-confidence, their doubts about the 'female friendliness' of traditional career structures may lead them to self-select out of certain industries or career moves, including waiting to apply for promotions until they meet 'all' of the criteria. Talent management processes are not typically gender-intelligent: Cracking the Code found that women express confidence and claim ownership of performance outcomes in a way that talent management and appraisal processes may not be alive to. Talented women may go 'unseen' or be described as 'not ready' much earlier in the career path than is traditionally assumed. This pattern is amplified through the career, contributing to the sharp pyramid effect of under-representation at leadership level.

### The good news: women are confident in their abilities to succeed

74% of women feel confident that they are able to advance their careers as far as they want

74%



### The not-so-good news: women are sceptical about fairness in the career path

Only 42% of women are confident that their gender will have no bearing on their career progression versus 72% of men



43% of women versus 73% of men express the view that gender will have no future bearing on their pay and reward



# THE GENDER AGENDA:

How female and male students view 'the career'



**55%** of women polled said that the reputation a sector has for gender equality would influence their decision about working in it. This was less of an issue for men, with only **27%** considering gender equality as a requirement for working in an industry.



**Industry insight: women and men's industry preferences were largely similar, however Financial Services demonstrated the biggest gender difference:**

The reputation the Financial Services industry has for being male dominated may well be preventing women from entering it. The finding that suggests male students consistently consider financial reward to be more important than women further explains this imbalance.

However, a compound factor in this disparity is the degree students are studying, with only 9% of female respondents stating that they studied Maths or Engineering subjects, compared to 28% of men.

## Pipeline problem:

In 2015, 67,590 male students sat either Maths or Further Maths at A-Level compared to 40,114 of their female counterparts. We are seeing a similar disparity at university level. The lack of women studying Maths at school level reduces the number of women who are able to take Maths and Engineering subjects at university, consequently diminishing the pipeline of female talent for careers such as Financial Services.



## Future Thinking:

For employers: pg. 15

For employers and universities: pg. 16

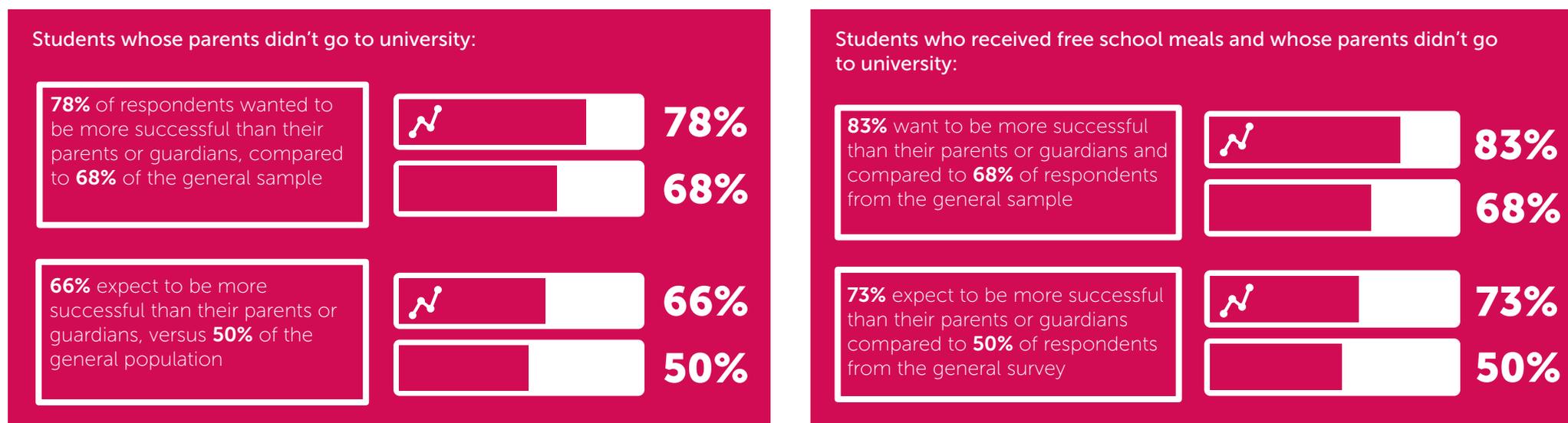


# SOCIAL MOBILITY FACTORS:

## Breaking the cycle of socio-economic disadvantage

For the purposes of the *Think Future Study*, indicators for socio-economic background included whether students' parents had/had not completed a university degree or whether they had/had not received free school meals during their schooling.

### How does social mobility influence students' aspirations for the future?



Students from lower socio-economic backgrounds not only want to be more successful relative to their parents but more readily expect to fulfil this aspiration than students from more affluent backgrounds. They are the group who are most driven to surpass their parents' or guardians' successes. However, less than half (44%) said that university had shaped their career choice.

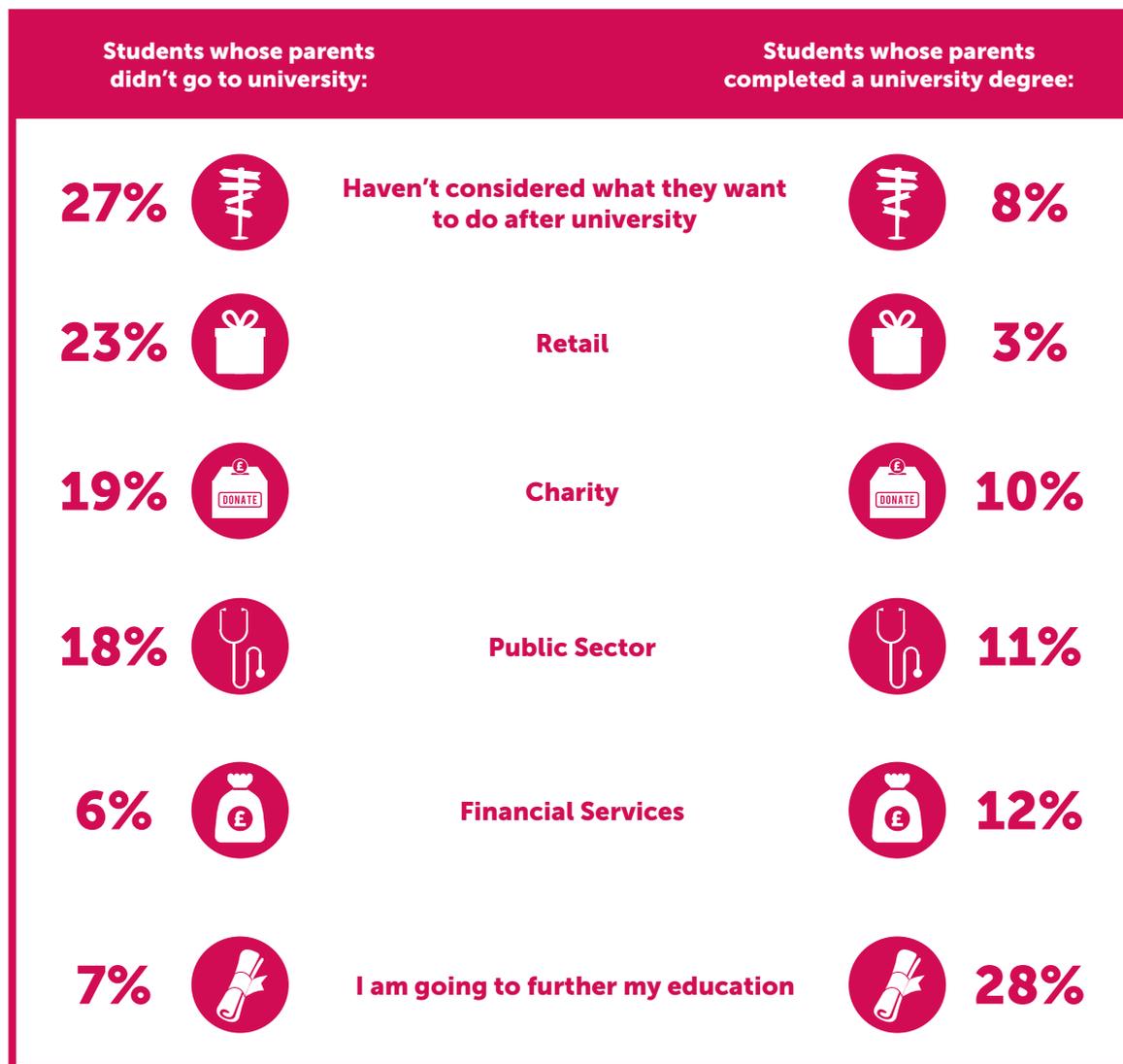
### Family academic history: how does this influence students' career choices?

Students from lower socio-economic backgrounds are less likely to have access to the networks, social capital and financial support that facilitates frequent contact with different career role models and access to high salary sectors.

It is known that highly talented students will self-select out of careers to which they may aspire to because they predict poor culture fit. Where employers seek to open access to their professions and broaden opportunity, it is essential that support structures are put in place to help individuals succeed.

# SOCIAL MOBILITY FACTORS:

Breaking the cycle of socio-economic disadvantage



*Think Future* students whose parents didn't attend university are much less certain about their ambitions for the future, with significantly more students claiming that they haven't considered their next steps. Of the small percentage who have decided on a preferred career path, traditionally elite professions including Financial Services ranked lower when compared to the general sample of students.

Generally, 66% of students expect to surpass their parents' or guardians' successes. However, with those whose parents did not go to university, 27% haven't considered a career after graduation, compared to just 8% of those from more affluent backgrounds.

These students may self-select out of less familiar careers which may feel out-of-reach, carry images of poor personal fit and have the reputation of being culturally exclusive. Alternatively, students within this group may see sectors such as charities and public sector as those which directly carry a sense of purpose and (without attending to evidence) incorrectly assume that because some sectors appear to be more diverse, they are inherently more inclusive.

## Future Thinking:

For universities: pg. 16



# THINK FUTURE:

Career mind-set by gender and socio-economic background

**GENERATION Z:  
THE CAREER IDEALISTS SEEKING A 'CAREER WITH PURPOSE'**

**Top Career Choices:**  
Further Study, Academia

**Career Criteria:**  
Being involved in work that 'makes a difference' and that rewards them well for their contribution.

**STUDENTS: MALE**  
**CORPORATE CAREER CLIMBERS:**

Motivated by traditional notions of success such as earning a high salary and having a role with power and status. Confident that they will have the opportunity to progress their careers as far as they want.

**Top Career Choices:**  
Science & Technology, Financial Services.

**Career Criteria:**  
Attracted to employers who offer scope for financial and career progression. Doing meaningful work is framed around intellectual fulfilment.



**STUDENTS: FEMALE**  
**SELF-CONFIDENT SCEPTICS:**

Confident in their own abilities but doubtful that the traditional career path will enable them to progress their careers as far as they want. Recognise that inequality in career progression and pay and remains a reality.

**Top Career Choices:**  
Health, Education.

**Career Criteria:**  
Attracted to employers who focus on gender equality and provide long-term personal investment to enable them to achieve their full potential.



**STUDENTS: LOWER SOCIO-ECONOMIC BACKGROUNDS**  
**MOBILISE CAREERS, MOBILISE SOCIAL CHANGE:**

The group that is most confident in their expectation to surpass their parents' successes, focussed on mobilising their own careers.

**Top Career Choices:**  
Retail, Charity, Public Sector.

**Career Criteria:**  
Meaningful work and/or familiar work that enables them to build a career. This group of students were the least certain about which career path they wanted to take after graduation.



# FUTURE THINKING:

## Recommendations for employers, universities and students

### **1** Be aware that 'the women's confidence issue' really isn't what you might think it is

Young women are confident in their own abilities to progress their career but they are not convinced workplaces will nurture their talents and enable them to progress. They remain conscious that it is men who typically get a step onto the career escalator early on. Why does this happen in reality?

When women first enter the workplace, pay attention to how they express what they are good at and help them to establish their individual contribution to work in concrete terms. Men have a tendency to claim achievement as their own – whereas women will use language that may be more accurate in specifying their contribution – and this has the relative effect of downplaying their individual contribution in favour of the collective effort.

At an organisational level, monitor gender disparity in relation to promotions and developmental moves such as secondments. Consider how your organisation identifies talent. Ensure female graduates are enabled to express their achievements individually. Make sure your definitions of 'talent', 'competence' and 'capability' are not constructed in ways that penalise young women through a biased view of behavioural confidence right at the start of their career.

### **2** Show how your workplace offers real purpose

Purpose is all about what you do and how you do it – and women at university are showing signs of concern of potential gender disparity. Women at university level are attracted to industries and employers that are ahead of the Gender Agenda. Media attention is rightly drawn to workplace issues such as the gender pay gap and the lack of women on company boards.

This attention does not necessarily extend to the active work that many companies and organisations undertake to resolve this. Universities and businesses should both be open about gender inequality in the workplace and celebrate the specific progress made by individual employers and organisations. Appealing to a *Think Future* mind-set is about showing that your organisation is a business with a broader sense of purpose beyond profit and also offers good reward. Finding a genuine way to show students your credentials on gender equality and tangible efforts to increase social mobility is real evidence that success is not solely determined by money.



## EMPLOYERS

# FUTURE THINKING:

## Recommendations for employers, universities and students

### **1** Create a learning environment with real focus on employability

One aspect of student engagement that *Think Future* identifies is the lack of prominence of careers services have in developing students' confidence whilst at university. Positive steps to help shape career insights earlier on at university may include a step away from the 'careers fair' campus route and instead increasing frequency of access to career role models – including through the curriculum – who can help broaden their future aspirations.

It is possible that there remains a gap between the model of careers service provision and the way in which students want to engage with them. Academic staff should be aware that they have a very positive influence on their students – and may wish to use this influence to support career thinking beyond academia and teaching.

### **2** Focus on shaping the aspirations of students from lower socio-economic backgrounds

Students from lower socio-economic backgrounds were the least certain about life after graduation, with nearly a third saying that they hadn't yet considered a future career. Universities play a pivotal role in exposing students to industry and offering insights that support employability. *Think Future* found that 39% of students whose parents didn't attend university believe that their careers service fully takes in to account who they are: exploring students' questions around their perceptions of 'fit' in certain industries and helping them to articulate their idea of 'purpose' before sharing advice about careers.

As academic staff have been highlighted as particularly influential role models, they should continue to be mindful of the positive impact they might have over broadening career aspirations and employability. For instance, when students are choosing dissertation topics, academic staff could help to frame discussions around career direction and the relevance of dissertations that apply to industry.

### **3** Continue to bridge the gap between university and employment through collaboration

Many universities and employers work effectively in partnership – building strong relationships to support employability and promote exchange of knowledge. We encourage universities to adopt a positive action approach to targeting women, including expert presentations from women in industry or facilitating contact with course alumnae. This may break up the traditional careers fair mould and milk-round approach which, though remaining an effective campus strategy, may place women and those from lower socio-economic backgrounds at a competitive disadvantage.

From a gender perspective, only 34% of women believe that their careers service gives them good insight into equality in their preferred sector. The university experience is one where men and women feel they are treated equally but women show signs of nervousness about their long-term career outcomes. Universities and employers can collaborate specifically around helping women better prepare for their early career, and employers should make sure that the early career outcomes of female graduates are not damaged by gender bias. Where there is real gender parity at graduate entry, graduate employers should offer a diversity of career role models as part of their campus strategies and target their efforts beyond the traditional courses that typically fill their graduate vacancies.



## UNIVERSITIES

# FUTURE THINKING:

Recommendations for employers, universities and students

## **1** Don't be afraid to make a career choice

Don't be afraid to make a career decision – you can always change your mind later. Get started on the career path and find out along the way with exposure and experience what you *really* want to do. The ideal role may not appear straight away. Students should more proactively engage with university careers services. Be aware that your careers service – or your dissertation supervisor – cannot be the single source of information about life beyond university. Ultimately, you will find the right career for you as part of your development.

## **2** Proactively identify purpose

Identify feelings of purpose in the work you are doing right now. Be aware of the situations, experiences and skills you deploy that give you a sense of purposeful satisfaction. If this is only in relation to academia, perhaps you're a born academic – but do check whether your intention to pursue postgraduate study is a real choice about your future or more of a 'placeholder' while you really work things out. Improve your knowledge of careers so that you are able to find a graduate job that matches this. Pay attention to work that gives you an intrinsic sense of pleasure, especially outside of your immediate academic interests. Speak to your careers service about which careers or industries offer that.

## **3** Be patient

Be prepared for the fact that you will need to make choices in finding the optimal point to find a 'career with purpose' that's right for you. Good future employers will invest in your personal development and skills building – but they cannot create meaning or purpose in your work for you. That is up to you.



## STUDENTS



# APPENDIX

Where does the data come from?

## 20,652



University students responded to the survey



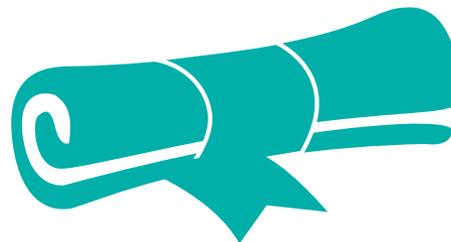
Responses to the *Think Future Study* were gathered between 2nd November 2015 and 12th December 2015



21 Universities from the UK and Ireland



Age range of respondents: 18-25



62% of respondents' parents or guardians completed a university degree

## 82%

The majority of students who responded were full-time undergraduates



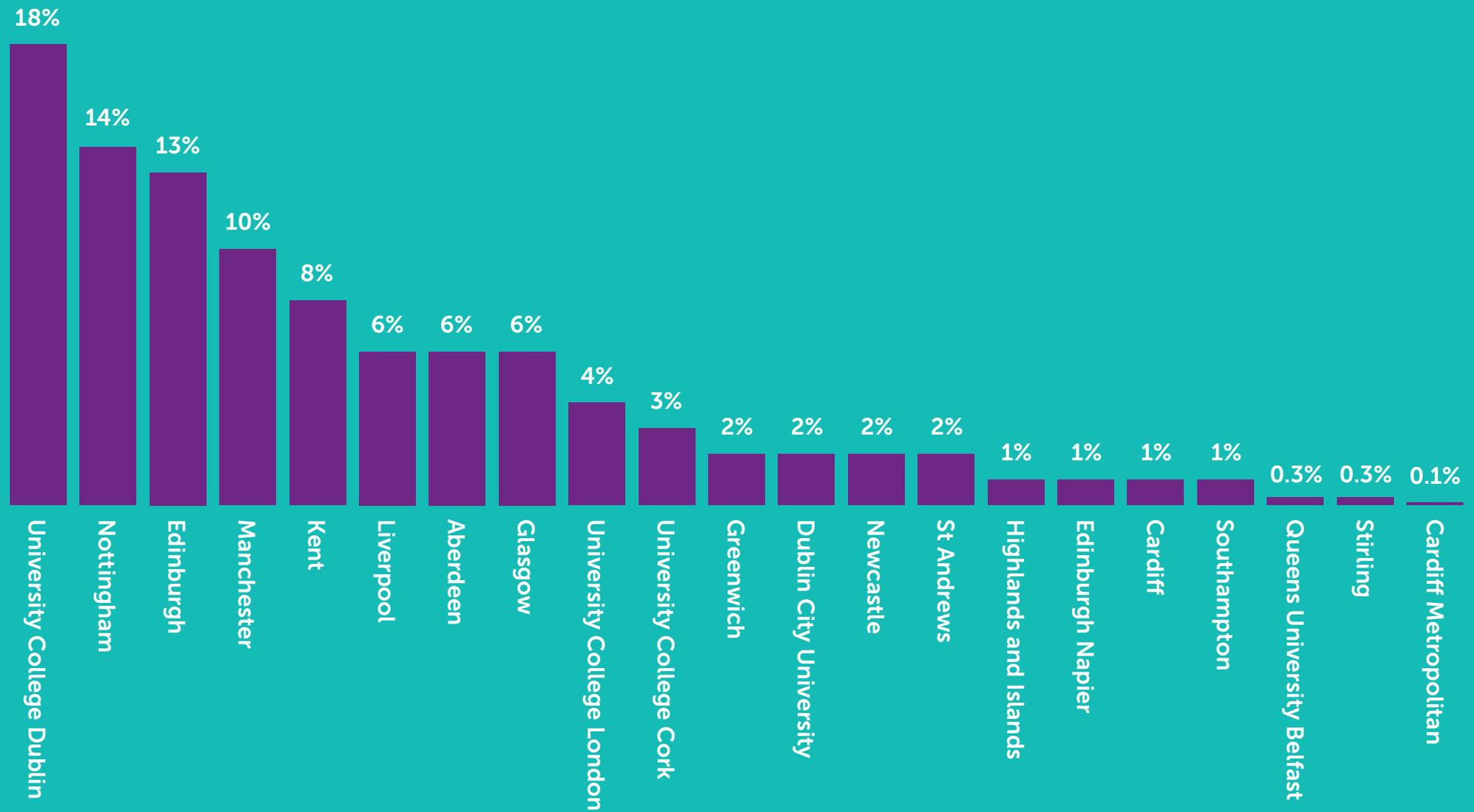
Of the total responses 13,082 were female and 7,570 were male



## APPENDIX

Where does the data come from?

The breakdown of respondents per university:



In association with



## Contact us

### Helena Eccles

Founder of Think Future  
helena.eccles@live.co.uk

### Róisín Murphy

Senior Manager, Corporate Responsibility  
KPMG LLP  
roisin.murphy@kpmg.co.uk

### Ashley Thomas

Advisor, Diversity & Inclusion  
KPMG LLP  
ashley.thomas@kpmg.co.uk

*#30pctthinkfuture*

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