

Rethinking Graduate Development to Better Develop the Future Workforce

March 5, 2020

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Graduate Development Serves Multiple Purposes

Benefits of Graduate Development Programs



More Than Onboarding

Help graduates transition from academia to the business world



Bridge the Skills Gap

Help graduates early in their career gain critical skills they don't learn from academia



Assess Fit

Help organizations and graduates assess and understand new graduates' fit within the organization to lead them to the right career paths.

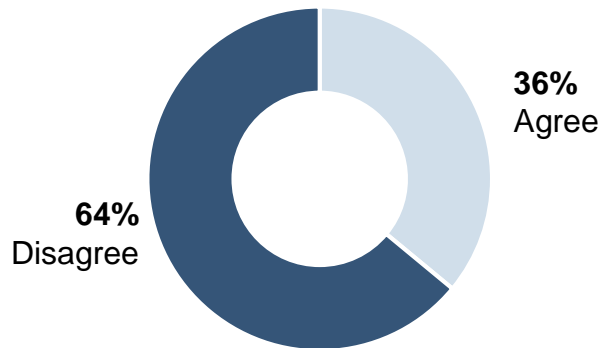
For the purpose of today's session, we are considering graduate development programs as a term to describe any entry-level development program for incoming graduates joining the workforce directly from college, university, etc.

Source: Gartner

Graduate Programs Are Underperforming

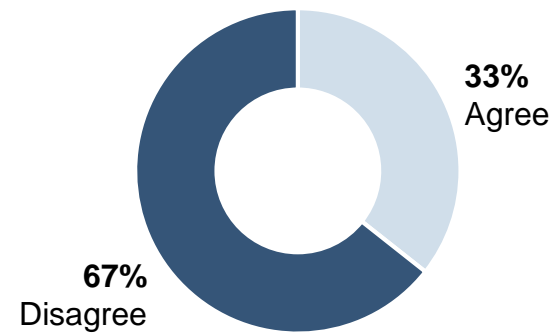
Managers' Feedback on Graduates' Preparedness for Current Roles

Percentage of Managers; Question: "Do You Feel that Graduates at Your Organization Are Prepared for Their Current Role?"



Managers' Feedback on Graduates' Preparedness for Future Roles

Percentage of Managers; Question: "Do You Feel that Graduates at Your Organization Are Prepared for Future Roles?"



Managers feel that the graduates at their organization are not prepared for their current roles.

n = 4081

Source: 2019 Gartner Global Labor Market Survey

Managers feel that graduates at their organization are unprepared for future roles three years from today.

n = 4081

Source: 2019 Gartner Global Labor Market Survey

The Context Is Changing

Sample Environmental Changes Impacting Graduate Development

Contextual Changes

Skills Are Expiring Rapidly: 19% employees predict their skill sets will be irrelevant in three years due to increasing automation and digitalization.

Workforce Is Changing: Generation Z is joining the workforce and has different needs and expectations of HR solutions.

Source: Gartner

Impact on Talent Development Strategy

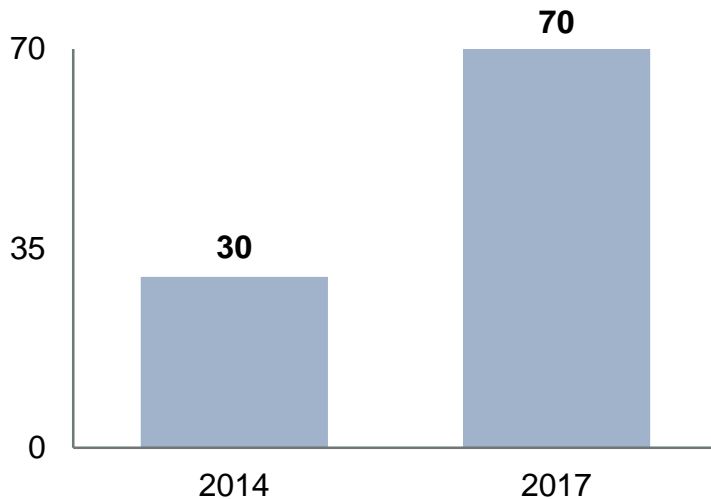
- ✓ Graduate hiring is on the rise as organizations look to grow their future workforce by adding skills that graduates possess and the existing workforce lacks.
- ✓ Organizations are trying to determine how to best engage and develop Gen Z.

Gen Z Graduates = Your New Hires

Evolution in Graduate Demographic Within the Workforce

Recruiter Demand For Graduates

Median Number of Graduate Positions Filled Over 12 Months

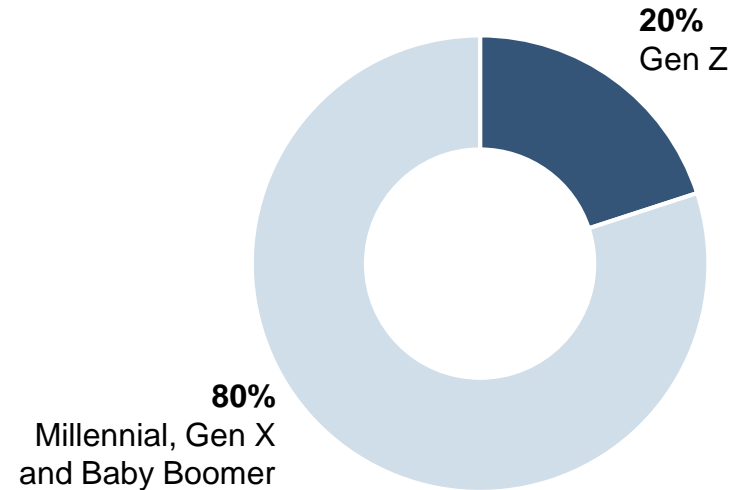


n = 157 (2014), 86 (2017)

Source: Gartner

Workforce Composition by 2020

Projected Percentage



How we're defining workforce generations in 2020:

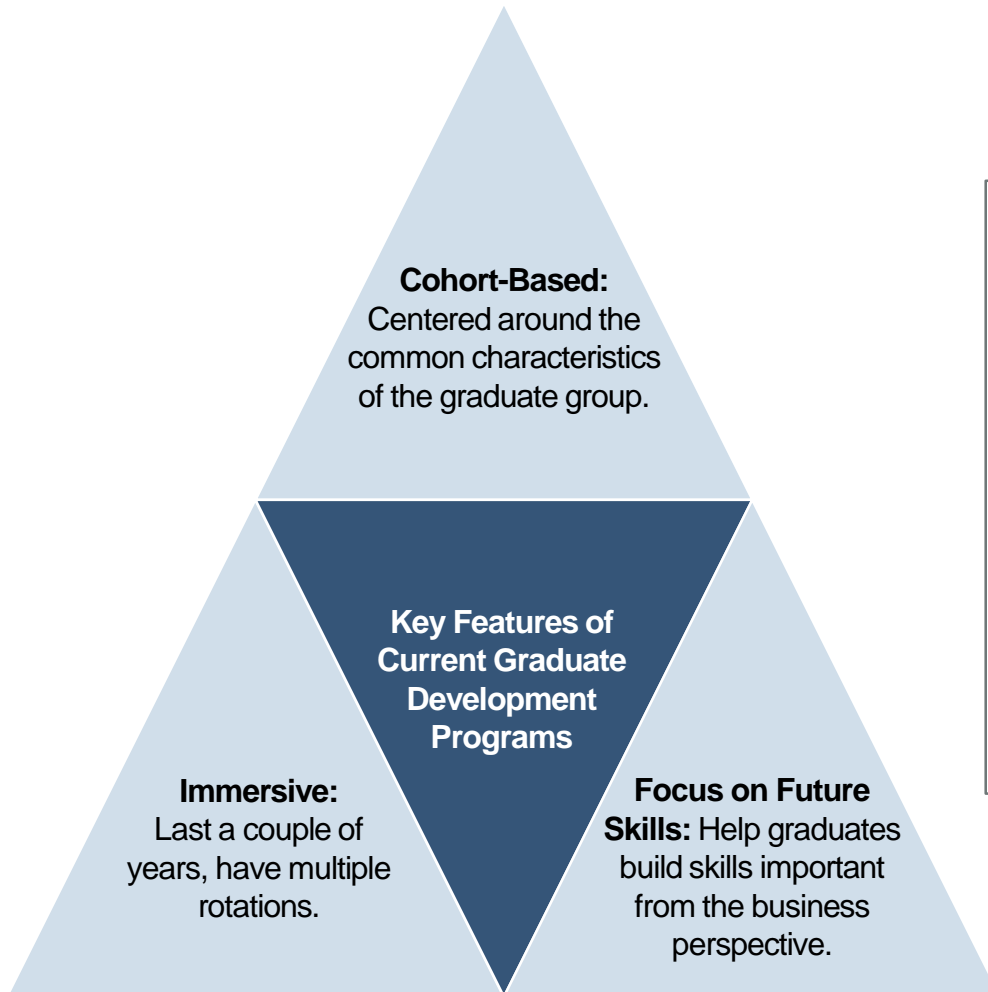
- **Gen Z = 18 to 22 years old**
- Millennial = 23 to 38 years old
- Gen X = 40 to 54 years old
- Baby Boomer = 55+ years old

n = 12,086 Gen Z student surveyed, ages 16 to 23

Source: Dell Technologies Research: The Gen Z Effect

Why the Current Approach Is Not Future-Proof

Traditional Approach to Graduate Development and Its Demerits

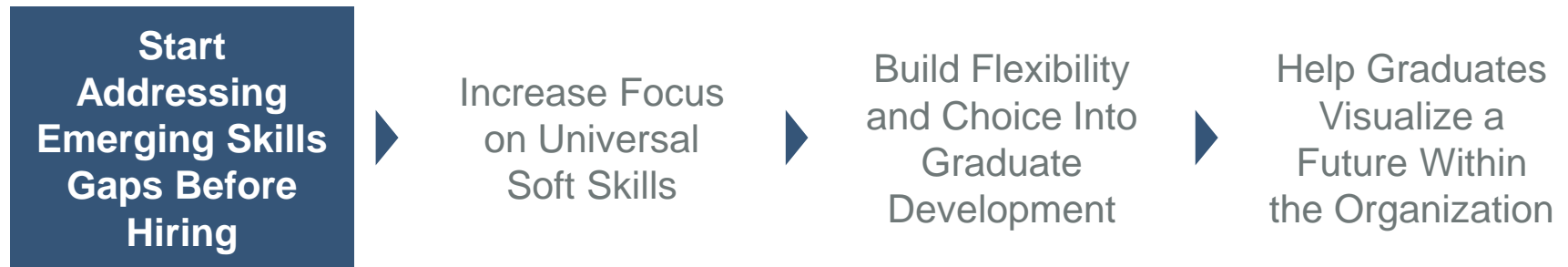


Drawbacks of Traditional Approach

- ✗ One-size-fits-all approach doesn't meet different skill needs and learning preferences
- ✗ Too long or too slow to enable graduates to make quick impact
- ✗ Academic curriculum doesn't easily keep pace with changing skill needs
- ✗ Focus on skills only relevant to the business, not the graduates' future aspirations
- ✗ Offerings don't reflect changes in what the new generation of graduates want

Source: Gartner

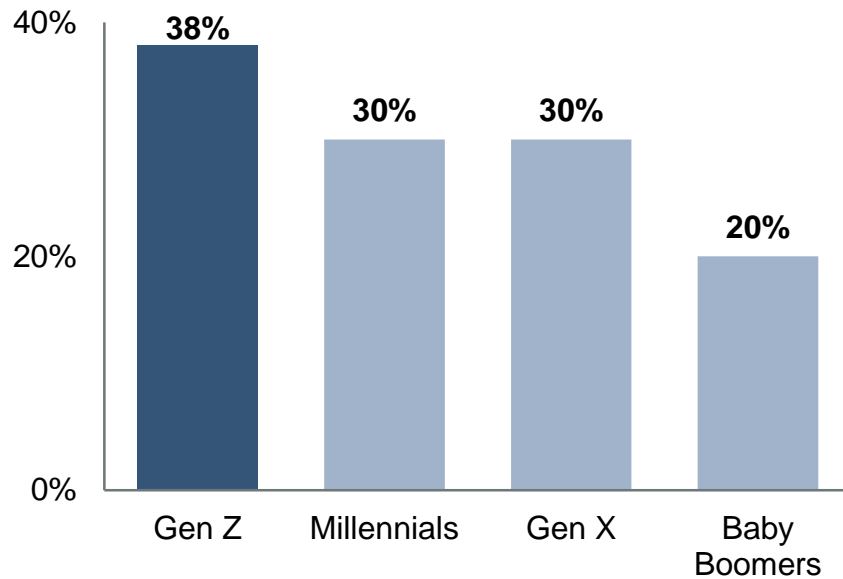
Rethinking Your Approach to Graduate Development



Increased Pressure to Address Skill Gaps

“What Percentage of the Skills You Use in Your Current Job Do You Expect Will Become Irrelevant Three Years From Now?”

Responses Across Generations in Percentage of Skills



n = 3,970 Employees

Source: 2019 Gartner Leader Effectiveness Survey for Employees

Organizational Mandates



Organizations want to keep up with changing business landscape



Organizations need graduates to create impact, faster



Organizations want graduates to develop critical emerging skills

Organizations feel the pressure to get more done.

Source: Gartner

Addressing Emerging Skills Gaps Before Hiring

ExxonMobil's "Be An Engineer" Campaign

**Building the foundation:
Classes to take in high school**

In middle and high school, students can develop a solid foundation for engineering by joining clubs or taking courses in the following subjects:

- Algebra II
- Biology
- Calculus
- Chemistry
- Computer science
- Language arts
- Pre-calculus
- Physics
- Trigonometry

ExxonMobil provides guidance on classes to take in middle and high school.

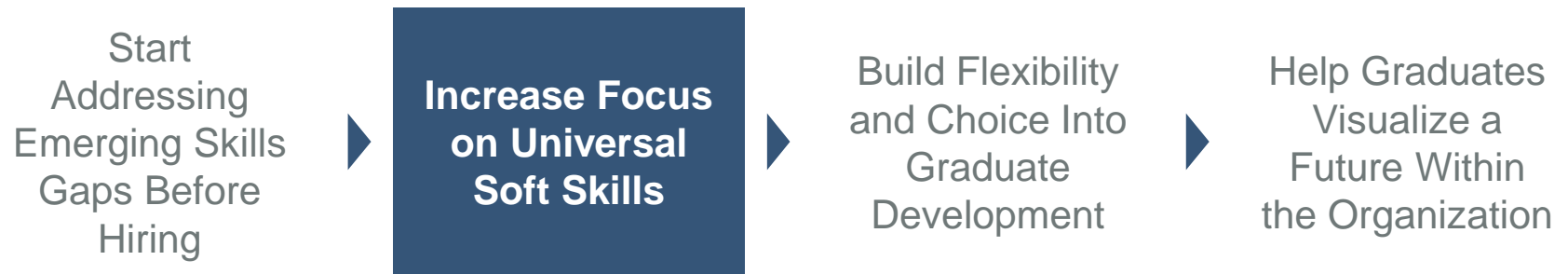
ExxonMobil created a Tumblr to reach its target young students where they spend their time.



Source: Adapted From ExxonMobil



Rethinking Your Approach to Graduate Development



Soft Skills Important But Lacking

Skills Landscape

Today's skill challenge

Integrating emerging tech skills and soft skills with foundational content.

Rising Importance of Soft Skills

Soft skills have become more important to deal with ambiguity.

Underprepared Graduates

Graduates lack many critical soft skills needed to apply the hard skills.



Sample Skills Profile Required for Early Career Employees Today



- Emotional Intelligence
- Ethical Judgement
- Responsible Data Usage



- Data Analysis
- Big Data Management
- AI, Machine Learning

“Graduates have many of the hard skills we need but tend to lack some of the soft skills that would enable them to apply the hard skills effectively”.

L&D Head, Insurance Company

Source: Gartner

EY Foundation's Academic Resource Center

Academic Resource Center (Features)

Formal Curriculum: Free, leading-edge curriculum resources used by more than 3,000 faculty at 850 universities across 39 countries.

Proactive Investment in Soft Skills: More than \$7.5 million invested in the development of faculty resources to ensure graduates arrive at EY better equipped.

Source: Adapted from EY

Example Soft Skill Taught by the Academic Resource Center

Academic Resource Center

Professional Judgement 101

Objective: To help future professionals operate successfully in an environment of increasing risk and complexity.

- Learn Professional Judgement Framework
- Understand Common Biases
- Data Ethics Module
- Case Studies
- Practical Test

Case Studies

- Students apply the “professional judgment framework” to various case studies to make decisions in scenarios that are intentionally ambiguous.
- Some cases contain huge data sets, focusing students on how to best extract, utilize, and prepare the data for analysis, starting by asking the right questions.

Source: Adapted From EY



Rethinking Your Approach to Graduate Development

Start
Addressing
Emerging Skills
Gaps Before
Hiring



Increase Focus
on Universal
Soft Skills



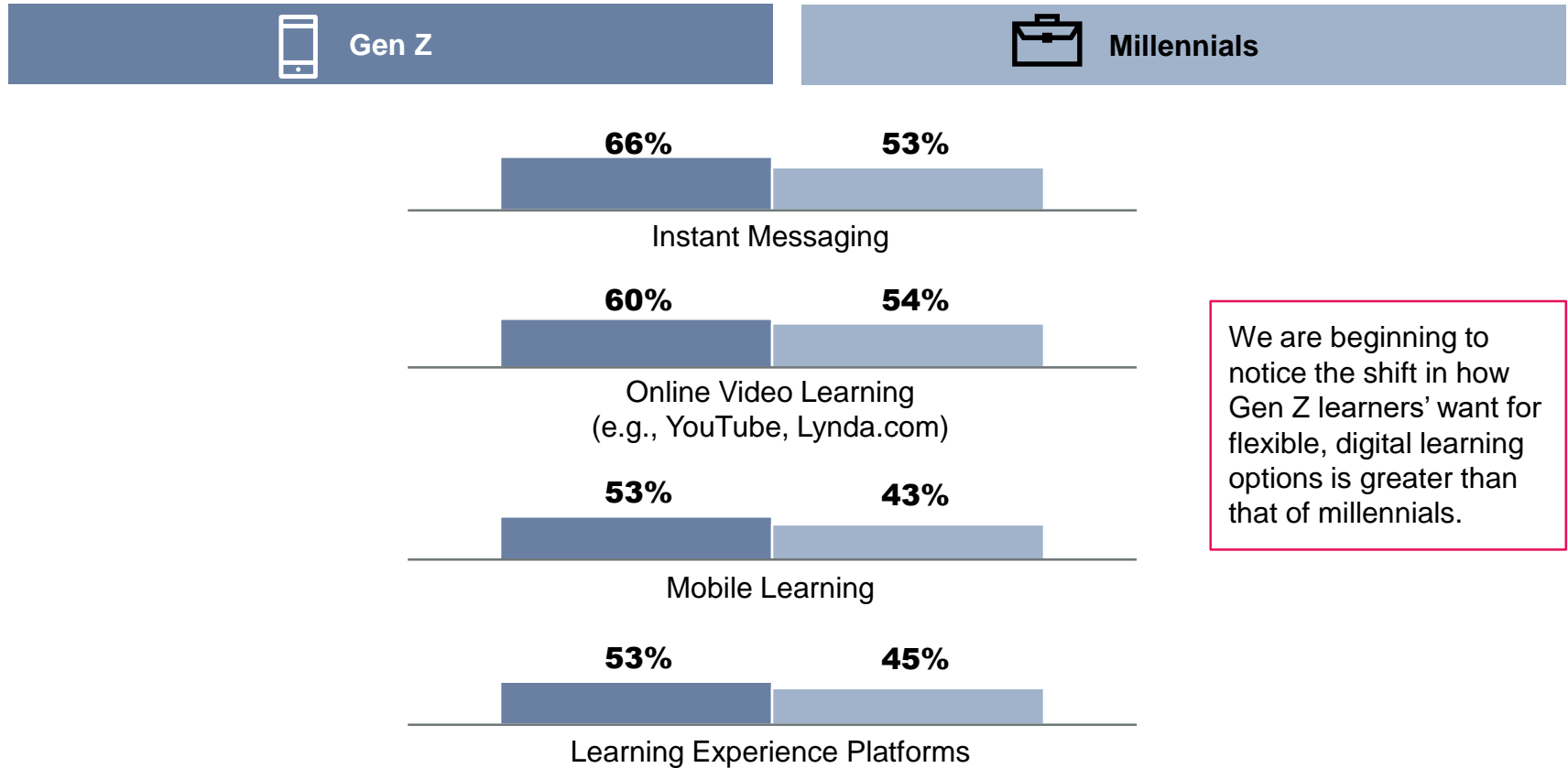
**Build Flexibility
and Choice Into
Graduate
Development**



Help Graduates
Visualize a
Future Within
the Organization

Graduates Need Flexibility and Choice in Learning

Differences in Learning Channel Preferences of Gen Z and Millennials



We are beginning to notice the shift in how Gen Z learners' want for flexible, digital learning options is greater than that of millennials.

n = 3,970 employees

Source: 2019 Gartner Leader Effectiveness Survey for Employees

EY's Badges Accreditation Program

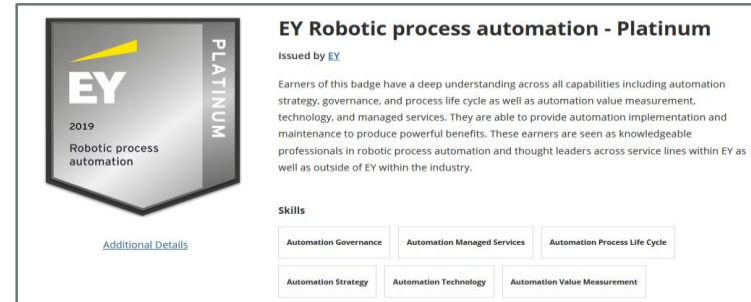
EY Badges: Supplementing Core Development with Flexible Skill-Building Options

Sample 'EY Robotic Process Automation – Platinum Badge'

- 1 Increases Personal Relevance to Graduates:** Graduates can upskill on emerging skills that are personally relevant to their career aspirations as well as critical to the organization's growth.
- 2 Increases Flexibility and Choice:** Graduates control if and how many Badges they take to supplement their formal graduate development program.
- 3 Enables Faster Impact:** Graduates can start building skills critical to them and the organization from the moment they start their jobs, facilitating a faster impact.
- 4 Demonstrates Growth:** Graduates can market the accreditation internally and externally on their social media profiles, bolstering their credentials.

Source: Adapted from EY

^a Badges program is available to the entire workforce, including graduates.



Key Features

- **Multiple Levels of Proficiency:** Bronze, Silver, Gold, Platinum.
- **Varied Learning Methods:** A selection of digital/ online training programs is used followed by on-the-job application.
- **Extensive Qualification Criteria:** Badges are awarded based on learning, experience, and contributions.
- **Focus on Emerging Skills:** Badges program focuses on skills such as Robotic Process Automation, Blockchain, Artificial Intelligence, etc.
- **Refreshed as Needed:** EY regularly refreshes the skills and topics covered by the badges as skill needs evolve.

Source: Adapted from EY



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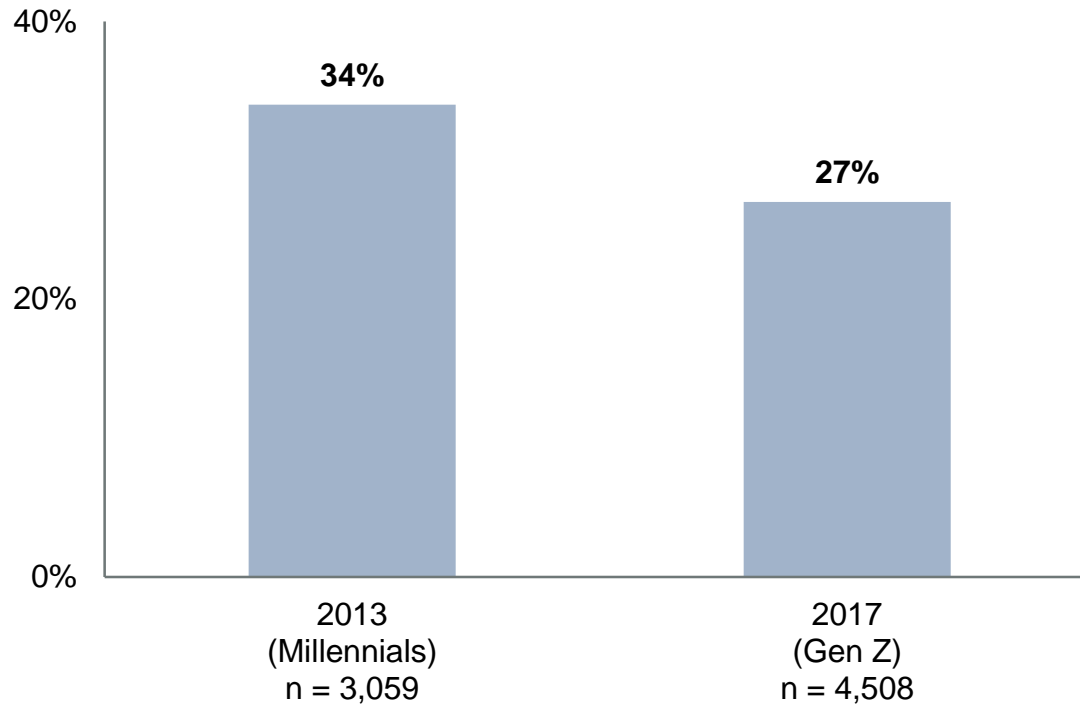
Build Flexibility
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**Help Graduates
Visualize a
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Formal Career Paths Don't Attract New Graduates

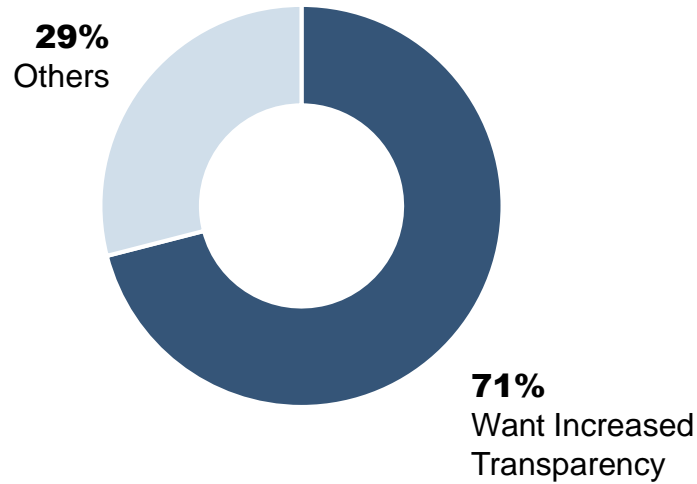
Respondents Indicating Career Path Is a Top Attraction Driver



Source: Gartner Global Labor Market Survey

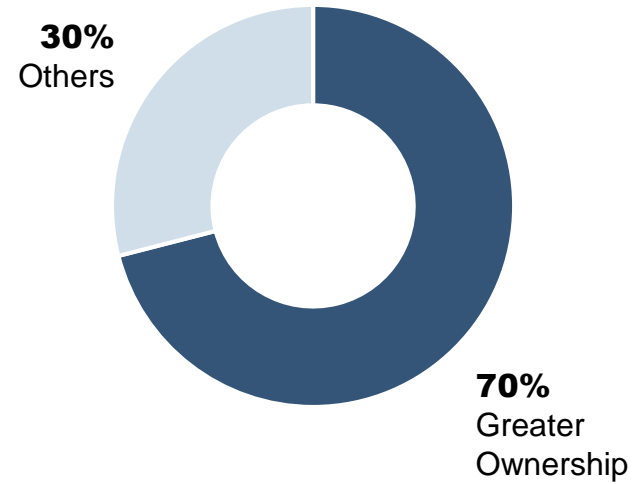
But Graduates Want Transparency and Ownership

Level of Transparency Employees Expect
Percentage of Employees



n = 3978
Source: 2019 Gartner ReimagineHR Employee Survey

Level of Ownership Graduates Want
Percentage of Graduates



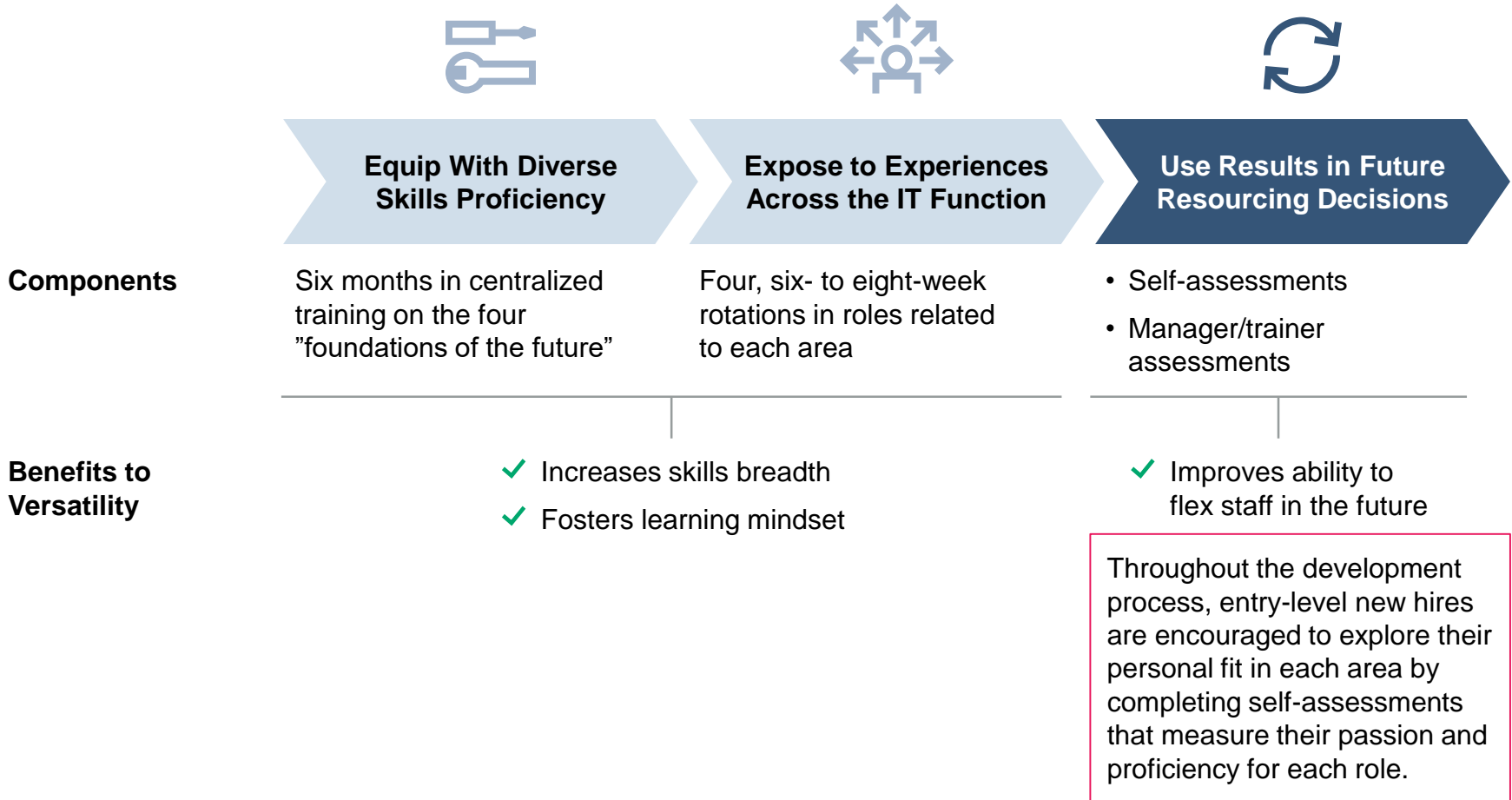
n = 326
Source: 2019 Global Labor Market Survey

Implications for Graduate Development

- ✓ Give graduates better *visibility* into the future of the business
- ✓ Give graduates greater *ownership* throughout the graduate development program

Encourage Graduates to Explore Fit

PNC's Approach to Developing Graduates



Source: Adapted From PNC



Helping Gen Z Explore Best-Fit Opportunities

Exercise: Guide to Helping Employees Reflect on Their Career Aspirations and How to Realize Them Internally

Instructions: Ask entry-level employees to fill out the table below periodically (e.g. in-between rotations, to understand his or her development and career aspirations). Review your employee's responses before having a career-pathing conversations, guided by the checklist on the next page. The goal is to drive employee reflection and empower greater employee ownership of realizing their development and career goals internally.

What are your long-term career aspirations?	
Have these changed since you joined the organization or this rotation? If so, how and why?	
From your experience so far, what kind of roles do you think you would be a good fit for?	
What kinds of skills do you think you would need to improve to better equip yourself for those roles?	
What kind of experiences do you think would be helpful to develop those skills?	
What development goals did we discuss last time and how have you progressed against them?	

Source: Gartner

Helping Gen Z Explore Best-Fit Opportunities (Cont.)

Exercise: Guide to Reflecting on Employee Development Needs

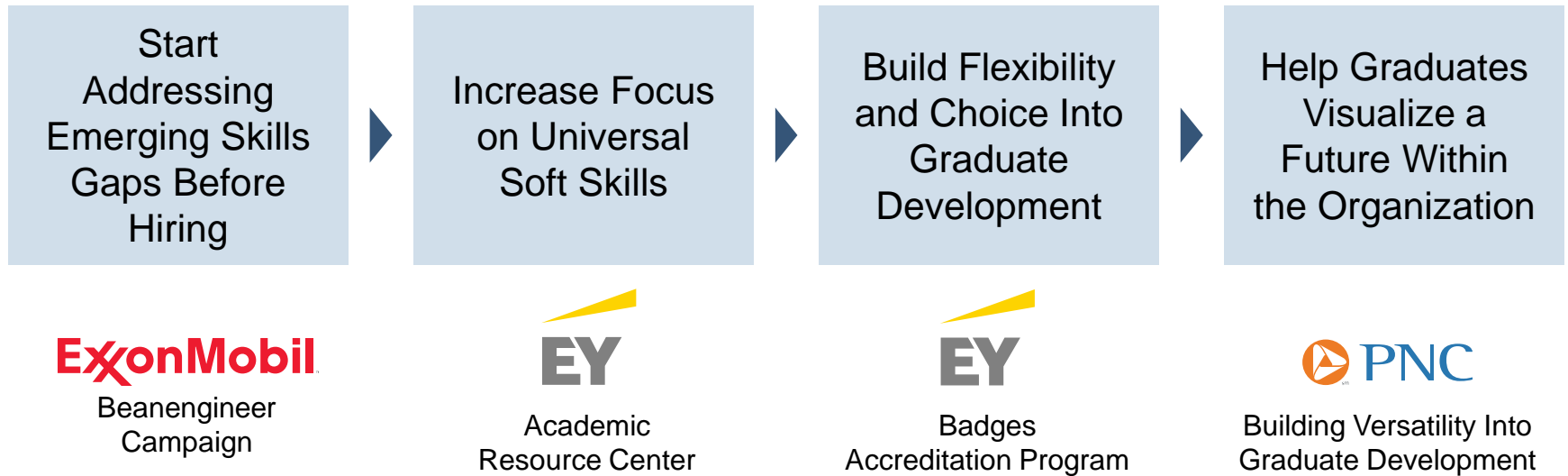
Instructions: Review your employee's responses on the previous page before having a development conversation with him or her, using the checklist on this page as a guide.

For the Manager: Employee Development Conversation Guide

- Determine Current Aspirations:** Reflect on your check in with your employee about his or her current and future career aspirations. Can you help the employee identify development opportunities that can help him or her meet these aspirations?
- Communicate Organizational Flexibility:** Does your employee understand that it is normal to have changing aspirations and that there are career opportunities that match with their aspirations?
- Discuss Alignment:** Help your employee evaluate if his or her future career plans align with his or her previously stated aspirations and goals. Recognize if the plans have shifted either due to personal reasons or business changes.
- Evaluate Alternative Options:** Discuss other potential future career options for the individual that better align with his or her aspirations, if applicable.
- Identify Development Objectives:** Work with your employee to choose a clear development area to focus on until the next time you meet.
- Align Development Opportunities:** Align development with your employee's career plan and development objectives by agreeing on specific development opportunities within the near-term (e.g., trainings, new projects, stretch assignments).

Source: Gartner

Recap



Source: Gartner

**What Action Step
Will You Take to
Better Develop the
Future Workforce?**

Recommended Gartner Research

- Rethinking Graduate Development to Better Develop the Future Workforce
- What will Gen Z Expect from HR
- Making Way for Gen Z
- Recommendations for Supporting Gen Z's Development

Please get in touch with your Account Executive to gain access to this research.

Thank You

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