AN **INTRODUCTION** TO
ONBOARDING GENERATION Z

Contents

What is onboarding?

Onboarding has existed in various forms for as long as people have paid other people to contribute their labour and expertise. In modern usage it is usually used to refer to the process by which new members of staff acquire knowledge, skills and behaviours in the organisation they are joining. This encompasses an incredibly wide range of activities and what is required will vary greatly between different organisations and sectors. Generally, onboarding processes tend to fall into two broad categories:

- An **informal** process. This is where any resources such as information and training are provided ad hoc. This would most often be provided verbally.

- A **formal** programme. This is where there are set guidelines and policies which dictate how the onboarding process will work. This could be conducted verbally as well as utilising written and audio-visual resources.

What onboarding actually teaches new hires often fits into the following four categories, sometimes referred to as the 'four Cs'. These are:

- **Compliance** – company policy and any legal issues;

- **Clarification** – ensuring that all aspects of the new role are understood;

- **Culture** – that they are introduced to the kind of organisation they are joining;

- **Connection** – this relates to establishing strong interpersonal relationships and information networks.

Why is it important?

Onboarding is currently an issue at all levels of organisations. Recent research from Penna found that a third of new senior hires have no onboarding coaching and only a quarter of employers felt new senior recruits should have access to financial information. However, in this research we are going to focus on Generation Z whose oldest members, born in 1996, are now starting to enter the workplace. There are indications that onboarding this generation could pose problems for:

- Employers;

- Members of Generation Z themselves;

- Wider society.

Jamie Oliver, speaking about the young chefs that he hires, described them as the "wet" generation who lack the work ethic of previous generations. But perhaps we cannot blame Generation Z themselves for this.

Other evidence suggests:

- **They are often more focused on education than gaining employment related skills**

There has been a steady rise in the number of 16-17 year olds who are in education and not employed (46% in 2000 and 74% in 2014). This might not exactly illustrate the death of the paper round but it does show that having a part time job has gone from being the norm to the exception (source: AGR).

- **They are not being provided with sufficient careers advice**

A survey conducted by Working Links found that 85% of the unemployed young people that were surveyed left school feeling ill-equipped to succeed in the world of work. The CBI/Pearson 'Education and Skills Survey 2015' also found that the overwhelming majority of employers believe the quality of careers advice for young people is not good enough.

- **They lack the kind of skills that employers need them to have**

The same CBI/Pearson survey found that businesses report worrying weaknesses in graduates' basic skills and general readiness for employment, ranging from 17% reporting shortcoming in graduate applicants' use of English to nearly half (46%) voicing concerns over graduates' levels of business and customer awareness.

Why are these issues occurring?

Understanding why members of the Generation Z cohort who are starting to enter the workforce might be having problems is the first step in knowing what measures could be effective in rectifying the situation. There are a number of plausible explanations.

- **The education system is not preparing Generation Z for the world of work**

There is a worry by employers, students and parents that educational establishments at all levels are not providing students with the qualifications and skills that they need and employers want. While this might not be drastically different to what previous generations experienced it is worth noting that it is taking place in an increasingly competitive recruitment market for young people.

- **Generation Z are not being provided with good quality careers advice**

It is certainly true that careers advice, particularly for school leavers, has changed in recent years. However, the substance of these reforms, with schools themselves taking over responsibility for careers advice from Local Authorities, is in many respects less important than the continuing lack of widespread links between young people themselves and employers while they are in education.

- **Employers themselves could be adversely affecting Generation Z**

There is a strong feeling that many organisations are unprepared for the changes that Generation Z entering the workplace will bring. In a recent Randstad Survey only 47% of respondents in the UK (48% globally) thought that their employer is well prepared to meet the demands of Generation Z.

All of the above factors have and will continue to play a part in the problems experienced by Generation Z in seeking and entering employment after completing their education. However, there is a further issue that we believe is of great importance and which we will examine in further detail in the rest of this report. This is how Generation Z are different in terms of their attitudes and expectations and what the consequences of this is for both their career prospects and employers.

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About Generation Z

A lot has been written about how Generation Z are different and why this is the case (including by us in our White Paper 'Marketing to Generation Z'). We are not going repeat ourselves but rather to highlight the impact these differences have on the world of work and how Generation Z are being prepared for it.

- **Social media has been ever present in their formative years**

They are innate users of technology and particularly social media which has been ever present during their formative years. The use of mobile devices is pervasive and being constantly connected to wider social groups is the norm. In terms of the workplace, this has potential benefits in terms of team working and organisational engagement while it naturally also raises issues about boundaries.

- **They have a strong entrepreneurial spirit**

While it would be wrong to say that every member of Generation Z wants to be an entrepreneur it is true that they are not likely to see themselves as working in one particular role, company or career for a prolonged period of time. A recent survey conducted by Adecco in the UK found that 50% of Generation Z expects to stay in their first job for less than two years (those in London are most likely to want to leave within 18 months). While the effects of this are numerous, one important consequence for the workplace itself is that they are likely to benefit from a less structured environment where they can explore areas outside their core role that pique their interest.

- **They have a more casual relationship with employers**

In recent years there has been a sharp rise in the number of graduates turning down or reneging on job offers (source: High Fliers). This could be indicative of members of Generation Z having a sense of entitlement in their relationship with employers as well as less of a sense of loyalty.

- **They are worried about the future**

Spiralling education costs and an economic outlook filled with more gloom than in recent memory mean that they are a generation which have their fair share of worries. This means that they are often much more career focused than previous generations. A recent survey found that there had been a sharp drop in the number of final year students who had 'no definite plans' for after university (source: High Fliers).

- **Despite being worried, they still want meaningful employment**

According to a report by The Intelligence Group (Cassandra Report: GEN Z) a defining characteristic of Generation Z is that they care about the world around them. This is undoubtedly going to play a role in the kind of roles and employers that are attractive to them.

• They expect their career ambitions to be met quickly

In a survey by Adecco 56% of males and 47% of females aged 16-24 in the UK expected to receive a promotion in their first year of employment. In some regions, such as the North-East, a significant proportion expected to get a promotion in their first six months. In this context employers have a very limited amount of time to keep new recruits happy and to manage their career expectations.

• They prefer feedback to be a continuous process

There is evidence to suggest that, like their older peers, they still prefer for important interactions to be conducted face-to-face. However, perhaps motivated by the proliferation of easily accessible information they also have expectations that feedback is a continuous process and so are more likely to prefer and prosper in an environment that provides this. In this context annual performance reviews are unlikely to be sufficient.

Current trends in onboarding

How organisations provide new employees with the knowledge, skills and behaviours they will need is a constantly evolving process. In what is an intensively competitive market many organisations are increasingly changing their approach to recruiting both graduates and school leavers.

- **Increased use of apprenticeships and school leaver programmes**

We have already seen how a number of employers believe that education is not providing students with the skills they need to successfully transition into the workplace. A logical consequence of this is that employers in some sectors, particularly financial services, are increasingly taking on employees when they are younger so that they themselves can play a more significant role in their development. In an AGR survey, almost three-quarters (73%) of employers planned to offer opportunities to school leavers in 2014-2015 with 47% planning to offer apprenticeships.

- **Employers are starting to build relationships with graduates at an increasingly early stage**

Perhaps it is a result of the increase in the cost of education and/or a more competitive graduate market but it is clear that many graduates are starting to focus on life after university at an increasingly early stage of their studies. A recent survey found that half of 2015's new graduates had begun researching their career options by the end of their first year at university (source: High Fliers). The result of this is that many organisations are attempting to induct students of all ages into their company culture and ways of working whilst they are still studying. These increasingly take place through activities (such as 'competitions' which expose participants directly to different aspects of the organisation undertakings) which eschew traditional campus based activities.

- **The use of internships is set to continue**

It is clear that, for many organisations, internships are a very effective recruitment tool. In 2015 a quarter of all graduate positions were filled with people who had previously worked for the same employer through an internship or placement programme (source: AGR). This trend looks set to continue as increasingly large numbers of both students and employers are using them as a way to get to know each other. In what is a crowded marketplace many organisations are going to great lengths in order to stand out and establish a meaningful relationship with who they view as the 'best' candidates.

The future

Throughout this report we have touched on the issues that require change if members of Generation Z are to be onboarded successfully. This could involve workplaces changing to meet the needs of this new generation. It could also involve employers moulding them to the new environments they find themselves in. While a combination of both of these things seems most likely it seems certain that technology is likely to play an ever increasing role in proceedings.

- **Technology has the potential to redefine when onboarding takes place**

It allows for the establishment of a seamless connection from when someone accepts an offer of employment through to when they start their new job (a process sometimes called "pre-boarding"). Embracing mobile technology specifically means that, once an app is installed, you have a presence on the communication device that is most important to most members of Generations Y and Z; crucially it is also not reliant on them remembering a login and checking a website. Employees will be able to feel connected with the company they are going to work for, gain an idea of its culture and values and interact with their new colleagues.

- **Technology also has implications for how onboarding is conducted**

How members of Generation Z study and revise is profoundly different than previous generations. For example, 52% stated in a survey that they used YouTube or social media in order to complete a research assignment (source: Sparks and Honey). The consequence for this in terms of onboarding is that organisations who are able to successfully adapt their processes to this new way of learning are liable to get the most out of their onboarding process. Some organisations are already utilising MOOC (Massive Open Online Courses) to onboard new employees. These courses could be particularly effective in terms of onboarding Generation Z provided they are well designed, engaging and focused on their learning styles.

- **The proliferation of data in HR**

It is a continuing trend that employers have ever increasing amounts of data on employees as well as those who apply to work for them. Some companies, such as Amazon, have made data a central tenet of how they manage their staff and the performance review process; feedback is continuous with staff performance being judged using a variety of matrices. This has a number of consequences for onboarding including, perhaps most importantly, that it will enable onboarding programmes to be easily linked to productivity with the possibility of creating individualised programmes targeted to the needs of specific employees.

What Havas People can offer

An onboarding app – worrying about starting a new job is something that most people can relate to. With smartphone use never having been higher, having a presence on these devices makes sense; it allows employers to allay any fears employees-to-be may have through a direct connection with them. The app can be personalised to specific needs but it could allow employers to provide information to new joiners on the induction process as well as their new role, colleagues and organisation. Push notifications mean it is also possible to send personalised messages and reminders (e.g. reminding them that they need to bring their passport on their first day).

Extending the applicant tracking process – how your ATS can support onboarding.

Insight into the effectiveness of your current onboarding process.

Employer values – developing values that support effective onboarding.

E-learning modules – developing learning modules that support onboarding pre and post joining.
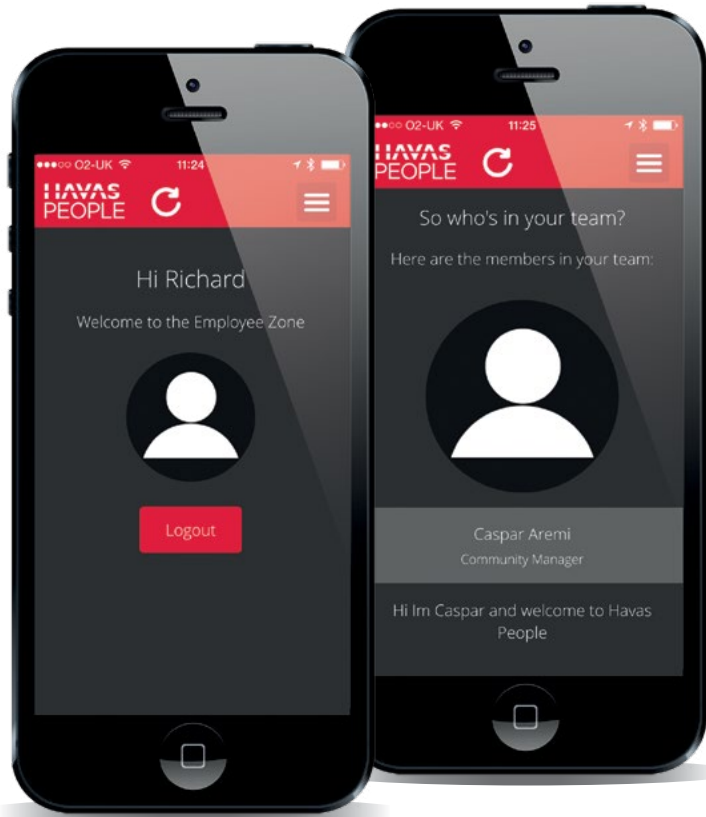
Onboarding case studies

EasyJet

EasyJet are an example of a company who bring in a significant number of new employees (roughly 1,500) annually. They have taken an online based approach to onboarding which focuses on the production of bite sized digital content which aims to be engaging. As well as the chance for exploratory and self-paced learning there is also a focus on creating:

- Empathy through sharing stories from people across the business;

- A sense of belonging through the use of advertorial messages;

- The chance to explore what differentiates EasyJet from their competitors through interactive content focused on the challenges the company faces.

While an online only approach has clear benefits in terms of cost, consistency and scale there are also potential drawbacks. A number of employees, including members of Generation Z, prefer face-to-face interaction in certain circumstances (particularly those they feel to be important). An approach which ignores this always poses the risk of alienating some people and limiting the effectiveness of the onboarding process overall.

KPMG - KPMG360°

KPMG360° is a programme for school and college leavers to become qualified without attending university. It is positioned as a genuine alternative to university (entry requirements are 260 UCAS Tariff points and five A*-C GCSEs).

A main selling point of the programme is the flexibility and choice it offers those who join. After qualifying at Technician Level after three years they can either choose to stop at that level and stay in the company or seek to continue on to Professional Level. This could appeal to members of Generation Z as it gives them a degree of control over their own destiny.

In terms of how they are onboarded into the organisation there is a strong focus on teaching them about both the business and the company culture that they will be working in. The first twelve months are spent in different business areas with a strong focus on developing skills such as commercial awareness, team working and employability.

GOODGAME STUDIOS

Good Game Studios

Based in Germany they are one of the largest game companies in Europe with 1,200 employees and counting. They hire employees from all over the world and have, as a result of this, adopted an innovative approach to onboarding which is intrinsically linked to their recruitment process.

After they first interview a candidate for a new job, once it is clear that the person they are speaking to has potential, their in-house onboarding team contacts them. They have a conversation around their personal and professional situation and where they see themselves in the future. The benefits of starting the process so early and having a clear understanding of what the candidate needs are:

• The company are able to identify and overcome any barriers that may present themselves in the recruitment process as early as possible;

• The company also has an enhanced understanding of what the candidate needs to be productive once they start and can tailor what they provide accordingly.

To find out more

If you would like to find out more about the sources used in this paper or for further recommended reading, please contact **Graeme Wright** on **020 7022 4062** or email **Graeme.Wright@havaspeople.com**

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