

Gen Z's Opportunity is Your Organization's Gain

Prioritizing Early Careers as a key investment for your talent strategy

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Introduction

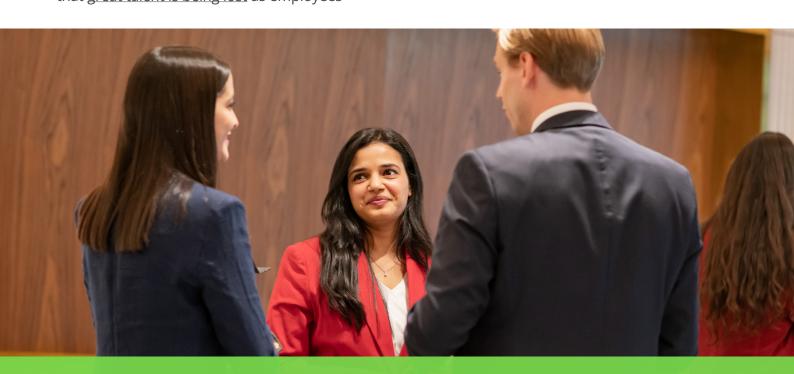
What is the current state of the working world, and what does it mean for organizations' talent needs?

Three years on from a global pandemic and the world of work has far from settled back into 'normality'. In 2022 we saw many trends that make this clear. Employees re-evaluated what was deemed important to them at work and were prepared to move roles en masse to find it—a phenomenon termed "the Great Resignation". In addition, the economic impact of global events such as the pandemic and war in Ukraine dramatically impacted inflation and created concerns around rising costs, particularly in relation to food and energy. At the same time, organizations and employees had to adjust to each other's new expectations around hybrid working.

These trends amplify many of the critical challenges organizations are currently facing. This includes contending with a highly competitive talent marketplace in which it is a struggle to attract and secure the best candidates, who have many options and are willing to be selective in finding the right fit. Retention is also more critical than ever, such that great talent is being lost as employees

search for opportunities that provide better alignment with their values and priorities. For those who choose to stay, increased turbulence and uncertainty contribute to a highly pressurized, fast-paced environment in which the risk of burnout is high. Given this climate, it is perhaps not surprising that an exhausted, disconnected workforce might withdraw and reduce effort to the bare minimum—known as "quiet quitting."

Taken together, these challenges create a <u>costly churn</u> for organizations. This includes not only the direct cost of recruitment but also the indirect costs such as lost productivity through onboarding time, loss of leavers' skills and knowledge, and lack of engagement from those who remain. All of these factors are undesirable roadblocks in an organization's journey towards its strategic objectives.



Why Early Careers roles are a key solution to these challenges

When we look at how to mitigate these challenges, the opportunity to do so through investing in Early Careers roles clearly emerges. Firstly, we need to hire individuals who are the right fit for the organization and role, to enable effective pursuit of organizational objectives and to encourage retention. We also need to hire and develop those who have the potential to succeed in-role and progress within the organization—to ensure employees have the opportunity for internal mobility and therefore have less need to look elsewhere.

These points are also relevant for experienced hires, however there are several reasons why Early Careers are our focal point here. For example, it is no secret that we have an aging workforce. We can therefore safely predict an acceleration of the skills shortage that is already evident in the market, which in turn emphasizes the need to 'grow from within' to build a pipeline of capability through Early Careers talent. Additionally, the evolving work landscape means that the skills, characteristics and capabilities required for success are changing—and many organizations are beginning to recognize that formal qualifications and number of years' experience are largely

outdated indicators of likely performance inrole. While those at the start of their career journey may not have much experience, organizations have a strong opportunity to bring in Early Careers talent based on <u>potential</u> and fit, as well as provide development and progression opportunities for the mutual benefit of both the individual and organization.

On this basis it is clear that Early Careers roles are a key investment for organizations, and therefore it is important to consider how to fill these roles most effectively. Specifically, we need to ensure that we understand:

- How to assess potential and fit objectively and fairly, and leverage this to create a positive, credible candidate experience that helps to secure quality Early Careers talent
- How Early Careers candidates experience the selection process, and what their needs and wants are from an organization
- How we can therefore best (1) attract Early Careers candidates and (2) support them to leverage their potential, and in doing so maximize both individual and organizational outcomes.



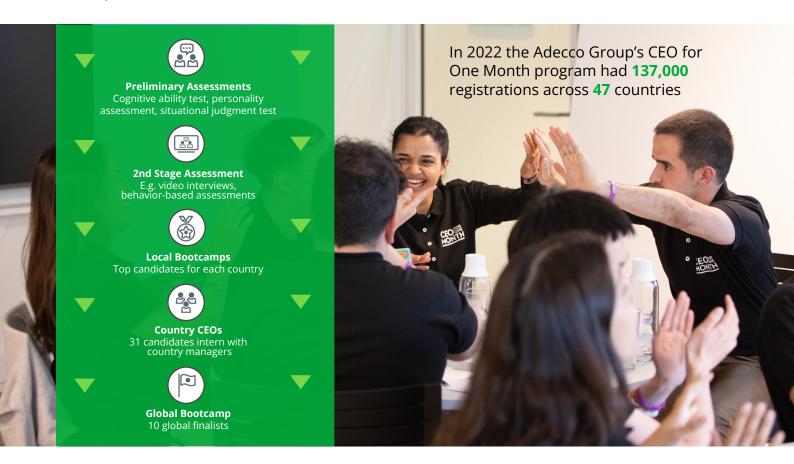
Gaining insight through the Adecco Group's CEO for One Month program

One program that can provide unique insight into these factors is the Adecco Group's CEO for One Month program, which is a global initiative aimed at Early Careers individuals. The reward for the global CEO for One Month program is the unique opportunity to work with and learn from the Adecco Group's CEO for a month, including attending all activities, meetings, and travel—all while earning a CEO salary for the duration of the shadowing period.

The program has no requirements around specific background, instead it utilizes SHL's objective, validated assessments in the preliminary stages to level the playing field such that the focus is on fit and potential. The process also contains countless opportunities for candidates to learn and develop, creating value for candidates regardless of whether or not they win.

This creates strong relationships and brand loyalty between candidates and the organization. As a result the program acts as an indirect source of recruitment, with many candidates going on to work at the Adecco Group.

This paper aims to leverage participants' experiences on this program to provide organizations with insight on what is important to consider when investing in Early Careers roles and why, as well as providing practical recommendations to enable organizations to effectively take this insight forward.



Our Method

Interviews with 17 CEO for One Month participants from cohorts 2018 to 2022

Focusing on:

- Their experience of the selection process
- · What they look for in an employer
- What motivates them at work
- The perceived characteristics necessary for success
- The value of the opportunities given to them through the program

Supplemented by personality and motivation assessment data

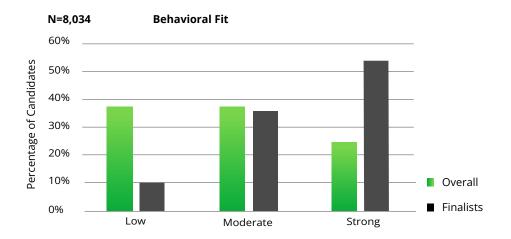


Key Findings

Key Finding 1: Objective assessments in the selection process provide value for both organizations and candidates

When examining the assessment data for the 2022 CEO for One Month cohort, we see a clear pattern where the 31 CEO for One Month finalists showed a higher degree of both "fit" (measured using a SHL <u>Situational Judgment Test</u>) and behavioral "potential" (measured using SHL's <u>Occupational Personality Questionnaire</u>) when compared to the overall cohort. This demonstrates that after

multiple stages of assessment and selection, SHL's objective preliminary assessments are a strong initial indicator of candidates' performance at later stages of the process—which underlines the assessments' utility and effectiveness in efficiently identifying quality candidates as part of the selection process.



Finalists were over 2x more likely to show a strong behavioral fit than the overall 2022 cohort

Graph showing percentage of candidates showing low, moderate and strong behavioral fit

When speaking to past and present CEO for One Month participants, the preliminary SHL assessments were described as being straightforward to complete. Although assessments were sometimes described as challenging (especially ability tests), the opportunity to have meaningful conversations around assessment results through the selection process was deemed to be of great value. This was due to the exploration of insights that enabled participants to reflect—both on strengths and opportunities for their development. Importantly, CEO for One Month participants emphasized that the exploration of these insights added credibility to the selection process through providing objectivity and evidence to support conversations between themselves and the organization.



Key Takeaways

- Using objective assessments helps to efficiently identify candidates with the right potential and fit, supporting organizations to secure fit-for-future talent quickly in a competitive talent marketplace
- Providing meaningful, personalized feedback during interactions with candidates adds credibility to the recruitment process, influencing a positive evaluation of an organization's employer brand.



It's stuff I had never actively thought about—my style of work and what motivated me. It was very reflective. In the interview process with the [assessor], it was insightful – they had the [data], and they took the time to explain what my results showed. Personally, as a candidate, it added confidence—this person is talking to me for an hour, but they also have thought scientifically—I'm pretty sure there is a lot of research that goes into these questions and interpretations. They have quantitative [data] to juxtapose with my qualities. It was reassuring and gave them credibility from my perspective. I was very confident being interviewed by these people because they have access to the numbers, right? Otherwise, you're just a person who talked to me for an hour.

Gaurav Pande, CEO for One Month Turkey & UAE, 2021

Key Finding 2: Gen Z have clear expectations from a prospective employer

CEO for One Month participants described several features that they perceived to be important in a prospective employer. This included a strong desire for meaningful work that was well aligned with their ethics and values. These ethical considerations also reflected the extent to which the organization was fair, such as in relation to promotions, salary and working hours. The culture of an organization was also a key factor, such that participants would look for organizations where they felt that they would connect well with peers, managers and leaders. Further to this, CEO for One Month participants described the importance of being challenged at work, the opportunity to take responsibility for solving problems in their role, and the importance of feeling that their input was valued. More broadly it was a key requirement that an employer would be able to provide adequate opportunity to learn and progress within the organization.

Importantly, judgment around these factors was largely based on the experience of the recruitment process. This further emphasizes the importance of designing this process well to ensure your organization's employee value proposition is well represented.



Key Takeaways

- Candidates' perceptions of the recruitment process have a strong impact on overall perceptions of the organization's employee value proposition (EVP).
- Organizations need to maximize alignment with Early Careers individuals' desired EVP—both to secure the right talent and to encourage retention through providing the right environment and opportunities.



The culture is really important. I recognize that you can have all the skills, but I know that [the Adecco Group] really look for that fit—your personality and your values really do make a difference depending on what organization you're in. For the roles I would like to be in, it's a lot of interacting with people—so I want to make sure that the culture aligns with my own values. Also, that there is challenge there, so there is opportunity to develop—and that you can tell they want to support you, and not just provide you with the bare minimum.

Raneem Basheer, CEO for One Month Canada, 2022

[I would be looking for whether] it was going to be rewarding, not necessarily in terms of monetary reward, but in terms of challenge. I love big challenges in the workplace so if I have this motivation to do better or to do things differently or to think outside the box, I know that is something that I would enjoy. A second one is the quality of the experience overall in the recruitment process. I think that the recruitment process is [also] for the candidate to assess the company so you can tell a lot about their people and their culture in the recruitment process. Do I see myself here? How are these people treating the candidates in the recruitment process? And thirdly, if the company was taking action towards sustainable development goals. What were their social responsibility actions during the last years and how were they engaging to make the world a better place?

Ana Leticia Rodriguez Barroso, CEO for One Month Mexico, 2022





Key Finding 3: Gen Z have a strong desire to create tangible, positive outcomes but need the opportunity to learn how they can do so

When discussing the factors that are motivating in the workplace, there was a strong link between what was desired from an employer (as described above) and the environment that participants described as most energizing to work in. It was clear that participants were highly energized by the opportunity to be stretched and achieve challenging goals, as well as to see that their work has the power to create tangible positive outcomes for their organization. Participants also described being most energized in an organization where they are able to build strong connections, often developing into friendships, such that they are all collaborating in pursuit of a shared, meaningful purpose. These reflections are strongly aligned with the results of SHL's Motivation Questionnaire, as completed by the 31 CEO for One Month finalists in the 2022 cohort.



"For me, it's really motivating to have a goal. I want something that I'm working towards. I need something where I know, okay, we accomplished something—to have the feeling of success. And for me it's also more motivational if I do it as a team than just alone."

Anne Venema, CEO for One Month Germany, 2022

"It motivates me to have a motive. Nowadays it's not money that moves you—at least for me—but the purpose that a company has. I like working with people a lot. Having the opportunity to work for a company that actually gives jobs to people [has been very motivating]. That's the reason why I like going into the office, because I feel like everything we do gives an opportunity to someone else."

Iván Córdova Rujas, CEO for One Month Chile, 2022

"I feel very energized when I am in a team-oriented workspace. It doesn't matter if it's an office with a desk—it doesn't matter where I am as long as I'm with people who share a common goal and who can work together to advance forward. Working [at Adecco South Korea] there were a group of people who from day one, took me in and taught me the ropes. And they actually became my friends while I was here for two months. That was when I felt the most energized because I was able to communicate and collaborate with them."

Juhyun (Lauren) Kim, CEO for One Month South Korea, 2022





Top 6 Drivers of 2022 CEO for One Month Finalists:



Personal Growth—motivated by opportunities for further training and development and the acquisition of new skills



Achievement—motivated by overcoming challenges, hitting targets and being stretched as an individual



Power—motivated by taking responsibility, negotiating and being in a position to have influence over people or outcomes



Affiliation—motivated by interaction with other people in their work



Progression—motivated by having opportunities for promotion



Personal Principles—motivated by being able to uphold ideals and conform to high ethical and quality standards



Despite a desire to create an impact, a strong theme emerged that Early Careers individuals need opportunities to build confidence in how they can achieve this. Participants described their experience as giving them confidence they never would have otherwise had. This included how to navigate ways of working and build a network in a large, global organization, as well as confidence in how their actions could create value for an organization—enabling them to put their desire to create an impact into action. One of the most unique elements of the program, and was consistently mentioned as a highlight and a reason for initially applying, was the opportunity to collaborate closely with senior leadership and understand how people work at the top levels of an organization. Seeing this reality sparked the desire for participants to get to that level and helped participants visualize themselves being able to reach those goals in the future.



Key Takeaways

- Early Careers individuals are entering a turbulent and complex workforce, and organizations should provide support during this transition through learning opportunities—particularly those that demonstrate how their activities add value to the organization's broader objectives and strategy.
- Organizations can use understanding of motivational drivers to support engagement and retention through designing an environment where Early Careers employees thrive, and by providing clear opportunities for internal mobility and growth.



It kind of gave me the attitude of 'I can do hard things'. There are a lot of opportunities out there or job descriptions where I feel like hey, I can do that—I just need you to give me a chance—because that is what [the Adecco Group] experience was for me. It was like 'I don't necessarily know if I can do this or if I'm cut out for this'—but then I got there and [realized] yeah I can do this. And then in some ways the program is trying to tell you that they see something in you—they see high potential in you—so sometimes I have to lean on that. Sometimes it's just helpful for me to remember that all these people so far along in their careers and with all these assessments—they saw something in me. I would say personally my experience [transitioning into the workforce] has been great. [When I got a job initially], it was a stretch role – I thought 'I'm not qualified for this'—but I kind of knew someone and I networked a bit—and just thought 'I can figure this out'. I used that same attitude and just thought 'if you just give me a chance then I will make it work'. I thought I was fairly well prepared for that, given the experience I had at [the Adecco Group]—and having had a little bit of a headstart to see what the business world looked like, how decisions were made, how they managed people and so on.

Olivia Hotchkiss, CEO for One Month USA, 2018





Key Finding 4: Several behaviors are key for Gen Z in navigating their transition into the workforce

The accelerated learning and development that CEO for One Month participants experience provides them with a unique perspective on the characteristics and skills that are important for success—not just on the program but in transitioning to the workforce. Participants described the importance of being able to adapt quickly to changing priorities, as well as being highly curious—demonstrated through proactively sourcing information, asking questions and seeing opportunities to innovate and improve. Further, authenticity was deemed to be of great importance, such that individuals should have the courage to voice their ideas, as well as to communicate this credibly. Additionally, participants emphasized the importance of building strong networks. This element, alongside the understanding of an organization's priorities and ways of working, was particularly important in understanding how to effectively navigate a large, international organization such as the Adecco Group.

Summary of Important Characteristics

- Adaptability
- Proactive curiosity
- Authenticity
- Drive to achieve despite obstacles
- Communicating with influence
- Building strong networks
- Commercial understanding





Key Takeaways

 Perceptions of key requirements in transitioning to the workforce reflect the ambiguous, complex nature of the working world—where success is often less about technical skill or knowledge and more about behavioral potential, and how this is applied in context (e.g. adaptability in a fast-paced, changeable environment). "Being able to be multifaceted—that you can operate under many different aspects with such flexibility and still with a lot of energy and curiosity. I was clearly determined and ambitious. Flexibility is a must. Agility is a must. [The biggest challenges are] when you don't perform at the level you expect and you need to keep going—because you are there, and you are ready – but for whatever reason, life happens, and you do not perform at the level you expect. But you need to go through it, because the next challenge is there – so you have the opportunity to stand up and try again."

Mirko Raimondi, CEO for One Month Italy, 2018

"One aspect that has helped me to reach this far is that I want to keep asking questions and find out more. If I do not know an answer to a question or if I have doubts, I always try to talk to [others] and find out more about it. And if there's nobody that can help me, maybe there's somebody who they can connect me to. In that way the colleagues working at The Adecco Group were very helpful - maybe sometimes they didn't have the answer, but they would definitely help me connect with somebody else. Maybe not in this region, maybe in some other country across the globe. I think that mindset of always wanting to know more, wanting to explore, wanting to learn is what maybe got me to this level."

Mamata Gopinathan, CEO for One Month Turkey & UAE, 2022





What Does This Mean for Organizations?

From the perspective of an organization, the complex state of the working world, skills shortage and aging workforce underline the long-term, strategic importance of investing in Early Careers. From the perspective of the Early Careers individual, the same complexity introduces challenges in navigating the transition into the workforce and developing the behaviors required to do this effectively. CEO for One Month participants' insights clearly reflect this, showing a strong desire to see their work create a tangible positive impact for their organization—but with this being contingent on receiving opportunities that enable them to learn, progress, and build their confidence.

These insights provide the opportunity for organizations to use this understanding, alongside insights around the wants and needs of Early Careers candidates, to align their employee value proposition to attract, secure and retain quality candidates. If executed well, this provides a mutually beneficial return on investment through helping organizations to build a solid foundation for their future workforce, and by giving Early Careers individuals the opportunities and environment they need to achieve to their full potential.



Practical Applications for Early Careers

Quickly secure quality candidates with the right <u>potential and fit</u> to grow and stay within the organization by utilizing objective assessments that predict performance in-role.





Reduce the costly churn of recruitment by understanding the behaviors and skills that are important for success within the specific organization, and targeting these factors the first time around. If support is required in defining these critical requirements, <u>SHL can help</u>.

Stand out in a competitive talent marketplace by building experiences into Early Careers programs that are a differentiator, publicizing these both at the attraction stage and throughout the recruitment process, e.g. opportunities to gain exposure to and build relationships with senior leadership.





Leave candidates with a positive representation of your employer brand by sharing the culture of your organization at all stages—from candidates' first interaction with the selection process through to the interview process and beyond.

Use assessment outputs to have meaningful conversations with candidates in the selection process, and continue these discussions into onboarding and development. This will add credibility to these conversations and demonstrate that learning and development opportunities are a priority.





Engage and motivate the Early Careers contingent of the organization through providing opportunities for challenge, growth and progression, as well as through building an environment where employees can create strong connections and see the impact of their work.

Reinforce the organization's vulnerabilities to skills gaps by treating Early Careers employees as the foundation of your future workforce. Do this through building in clear pathways for internal mobility and skill development—increasing workforce capability and retention through providing opportunities that would otherwise need to be sought from another organization.

