

**IDENTIFYING WHAT MATTERS
MOST TO THE NEXT GENERATION**



**MAKE
WAY
FOR
GEN**





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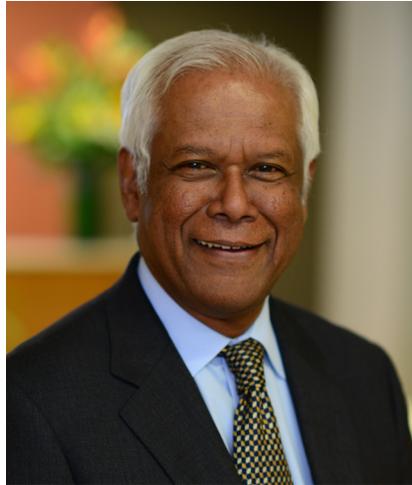
FOREWORD



Generation Z (Gen Z) is beginning to enter their careers and, within a decade, this generation of “digital natives” will represent one third of the global workforce.

This study is the first in-depth look at what matters to Gen Z across the globe when it comes to public policy, careers and work. For employers and global citizens alike, this generation’s rise requires an understanding of their key motivators and aspirations, which will come to drive the global economy.

Gen Z demonstrates an overarching desire for stability and a passion for advocacy in key areas. This generation is concerned about financial security, and favors conservatism in government, economics and their careers. Gen Z’s preferences are a notable departure from the traits that have come to define their



predecessors, the Millennials, including the desire to “live the dream at any cost” and pursue career independence.

Gen Z have already demonstrated a remarkable interest and engagement in public policy. In the words of the Youth 20 engagement group for the G20 Leaders’ Summit, a premier global economic policy forum: “the time for doers has come”.

However, views on how to achieve desired outcomes depend on geography. Gen Z’ers exhibit great variance between countries in their views on a globalist vs. nationalist approach to key public policy issues.

The insights contained in this report are critical for leaders in business and government as they seek to engage the talent and energy of the incoming workforce. Gen Z’s perspectives are



especially important for policy makers in an age where public policy debates increasingly confront inter-generational trade-offs in wealth, standards of living and sustainability.

We urge leaders to start listening, and to involve the next generation in policy development and decision-making, and in shaping our future workforce.

Rachel Grimes
President



Fayezul Choudhury
Chief Executive Officer





EXECUTIVE SUMMARY

This study gives voice to 3,388 individuals between the ages of 18 and 23 in G20 countries, covering two broad topics:

- Part I: Public Policy
- Part II Careers and Work

The results indicate a high degree of economic and career conservatism among Gen Z'ers across the globe, which is evidenced in their top public policy priorities—economic stability, education and jobs—and their top career priorities—a stable career path, and salary and benefits expectations.

Gen Z'ers are deeply divided on whether their governments should prioritize international collaboration or a nationalist approach to key public policy issues, with diverse views between countries.

The accounting profession is well positioned to attract Gen Z talent, delivering on many of their top priorities, including stable career paths and competitive salary and benefits. A large cohort are still deciding on their career plans, and say they would consider a career in accountancy.

Gen Z anticipate digitalization and emerging technology will be a double-edged sword, both bringing new ways of doing things, meaning new and more interesting jobs, but also seeing traditional jobs declining as a result.

KEY FINDINGS



Gen Z'ers across the globe consistently want governments to **prioritize: the stability of their country's economy, quality of education and availability of jobs.**



51% of Gen Z feels it is more important for their government to prioritize a **national approach to policy**, while 32% prefer a globalist approach.

- However, there are stark divisions between countries: Gen Z'ers in France and Germany most strongly support international policy collaboration while nationalist sentiment is strongest in China, India, South Africa and Russia.



Gen Z's top career priorities include: a **stable career path** (89% important or very important), competitive **salary and benefits** (87%), and **work-life balance** (84%). Alternatively, they demonstrate the least interest in opportunities to be a leader (64%), to work abroad (63%), and to drive business strategy (63%).



Gen Z sees professional **accountancy as highly aligned with their top two priorities**: offering a stable career path and competitive salary and benefits, but sustained effort is needed to inspire Gen Z'ers about the variety of experiences and potential to make a meaningful impact through a career in professional accountancy.



73% of global Gen Z'ers are open to a career in professional accountancy, while more than one fifth have already committed to pursuing an accountancy career.



Gen Z'ers see the greatest potential for **technology to drive job growth** in the engineering, accountancy and healthcare fields.



INTRODUCTION

WHO ARE GEN Z?

For this study, Generation Z includes individuals born between the mid-1990s and mid-2000s. Various descriptions include the post-Millennial generation or iGeneration. Gen Z age definitions vary between sources. Gen Z are distinguished as the first true digital natives, having been exposed to the internet and a prevalence of digitalization and social media from birth or a very young age.

ARE THEY THE SAME AS MILLENNIALS?

Gen Z are a distinct cohort from their elder Millennial peers, most often described as individuals born between 1980 and the mid-1990s. This study and other sources indicate a swing toward financial conservatism and ambition among Gen Z'ers, in contrast to a more care-free "live the dream at all costs" outlook commonly attributed to Millennials (see "Gen-Z Matters More than Millennials").

THIS STUDY

This is the first international study of Gen Z career ambitions and perspectives on public policy across G20 countries. The G20 collectively accounts for two-thirds of the world's population, 85% of the Gross World Product, and 75% of world trade. The study is presented in two parts, and focuses on four primary questions:

PART I: PUBLIC POLICY

1. What public policy issues are most important to Gen Z?
2. Do Gen Z favor nationalist or globalist approaches to public policy?

PART II: CAREERS AND WORK

3. What matters to Gen Z in choosing a career?
4. How does professional accountancy measure up to Gen Z's career priorities?

WHY DID IFAC DO THIS STUDY AND WHO SHOULD PAY ATTENTION?

IFAC undertook this research to inform employers, governments, educators, and professions in engaging and attracting the next generation's talent and energy into the workforce.

In addition, it provides context and a forward look at how to best incorporate Gen Z's voice and perspectives into IFAC's public policy activities and advocacy.

Study participants reported a notable eagerness and appreciation to being involved and having their voices heard in public policy debates and on how their governments are dealing with the issues and challenges that will shape their future.

¹ Dimock, M (March 1, 2018), "Defining generations: Where Millennials end and post-Millennials begin", PEW Research Center. (Retrieved March 29, 2018).

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PART I: PUBLIC POLICY





WHAT PUBLIC POLICY ISSUES DO GEN Z WANT GOVERNMENTS TO PRIORITIZE?

Of 14 public policy areas surveyed, Gen Z'ers across the globe want their governments to prioritize:

- 1) The stability of their country's economy
- 2) Quality of education
- 3) Availability of jobs

Gen Z has already demonstrated a passion for public policy and political engagement in many countries. The issues that they want their governments to focus on demonstrate a concern for the economy and their job prospects, as well as a preference for conservatism when it comes to the trade-offs involved in government policy.

Looking beyond these high-level findings illuminates other priorities, including:

- Healthcare: This is a top priority in Canada, France, Germany and the US; and
- Corruption: Combatting corruption is a top priority in Argentina, Brazil, India and Indonesia.

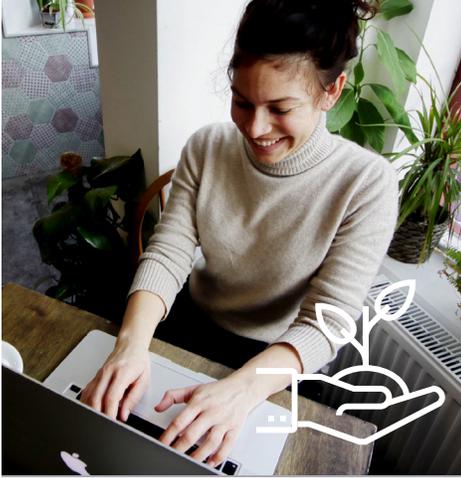
Across geographies there is the most variance in Gen Z's views when it comes to climate change, tackling corruption and income inequality—in some countries these are ranked highly while in many others they are seen as far lower order priorities.



GEN Z'S PUBLIC POLICY PRIORITIES

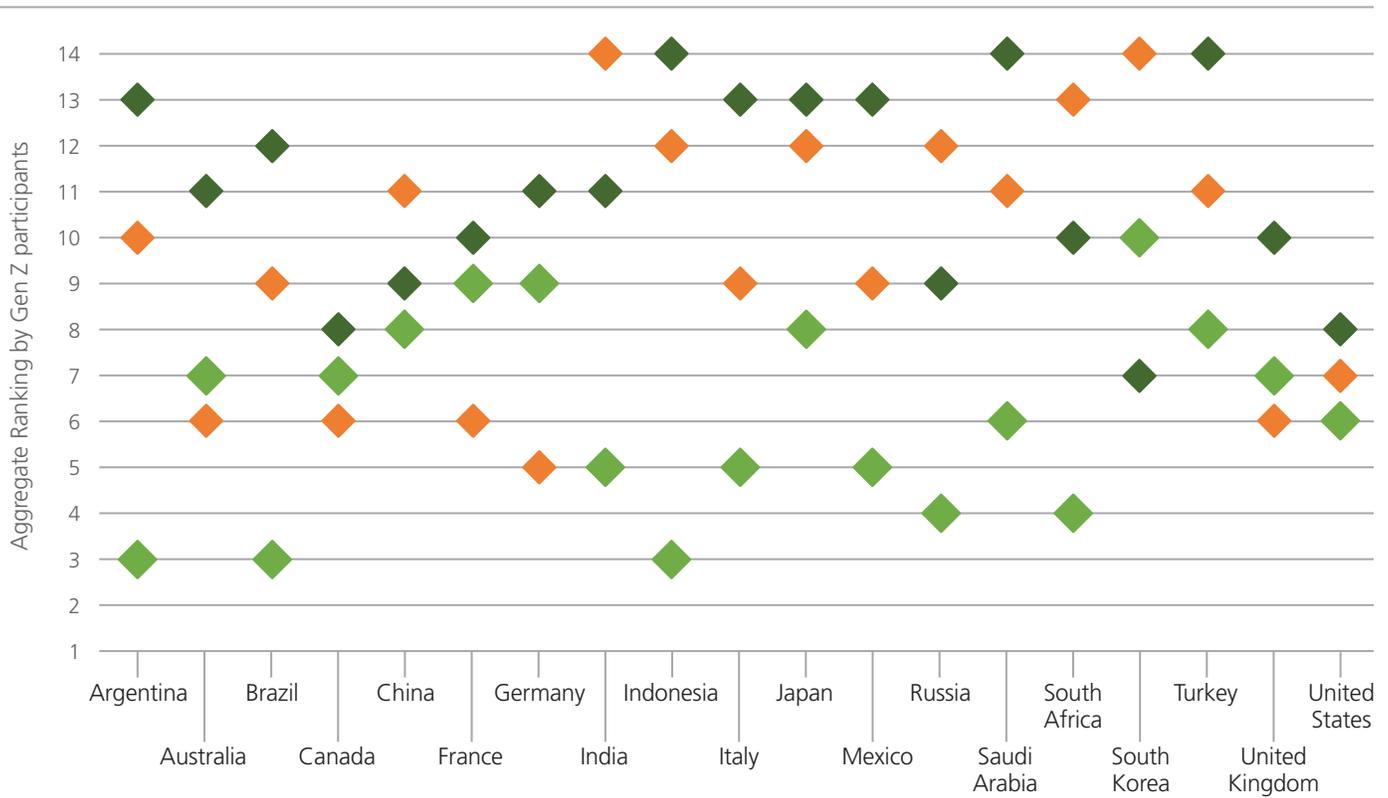
FIGURE 1: RANKING GEN Z'S PUBLIC POLICY PRIORITIES





CLIMATE CHANGE, CORRUPTION, INCOME INEQUALITY

FIGURE 2: IMPORTANCE OF CLIMATE CHANGE, CORRUPTION AND INCOME INEQUALITY BY COUNTRY



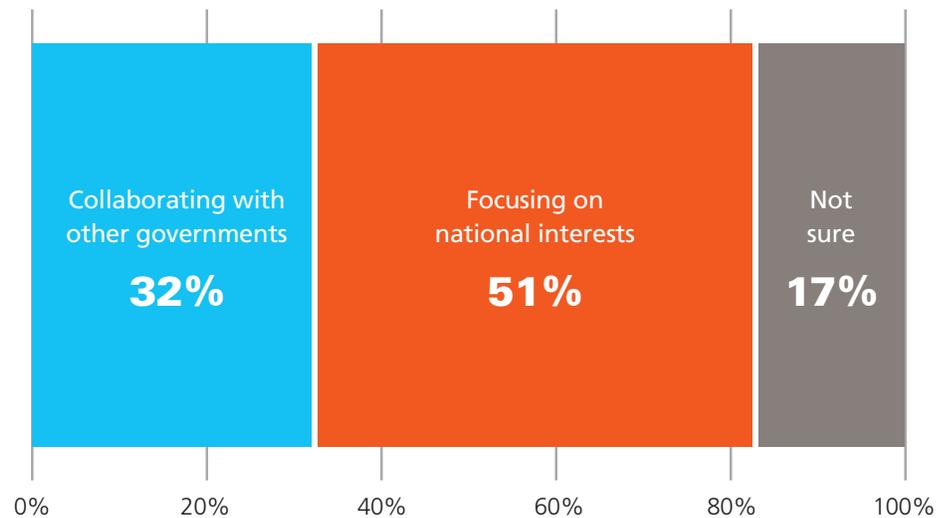
Public policy issues dividing Gen Z across the globe include: addressing climate change, stopping corruption in government and corporations, and addressing income and wealth inequality. Figure 2 shows how these three issues ranked across G20 countries, with a ranking of 1 indicating most important and a ranking of 14 indicating least important.

- ◆ Addressing climate change
- ◆ Stopping corruption in government/corporations
- ◆ Addressing income and wealth inequality



NATIONALIST V. GLOBALIST APPROACH

FIGURE 3: GLOBALLY, GEN Z PREFERS A NATIONALISTIC APPROACH TO PUBLIC POLICY



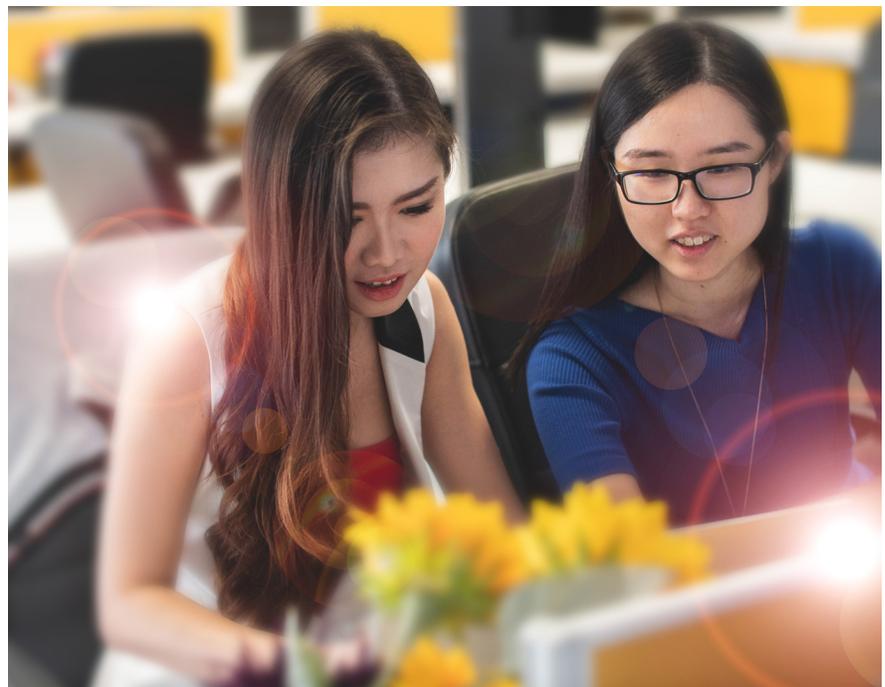
Gen Z views appear to reflect the tug of war between national protectionism and global policy collaboration playing out in the geopolitical and economic debates of our time.

51% of Gen Z'ers globally favor a nationalist approach to public policy, while 32% favor globalism and international collaboration. Globally, Gen Z prefers nationalism to globalism by a margin of 18%.

However, sentiment varies greatly by country. Gen Z'ers in France and Germany are the strongest proponents of globalism. 52% of Gen Z'ers in France and 43% of Gen Z'ers in Germany favor globalism by margins of 20% and 3%, respectively.

Preference for a nationalist approach to public policy is strongest in China, South Africa and India. 65% of respondents in China, 63% in South Africa and 60% in India prefer nationalism by margins of 44%, 37% and 30%, respectively.

Other nationalist proponents include Russia (59% prefer nationalism by a 32% margin), the UK (57% prefer nationalism by a 27% margin), Latin America (55%-57% prefer nationalism by a 23% margin) and the US (52% prefer nationalism by a 24% margin).





GLOBAL COLLABORATION V. NATIONAL INTERESTS

FIGURE 4: SHOULD GOVERNMENTS PRIORITIZE COLLABORATING ON POLICY OR FOCUSING ON NATIONAL INTERESTS?

NATIONAL INTERESTS

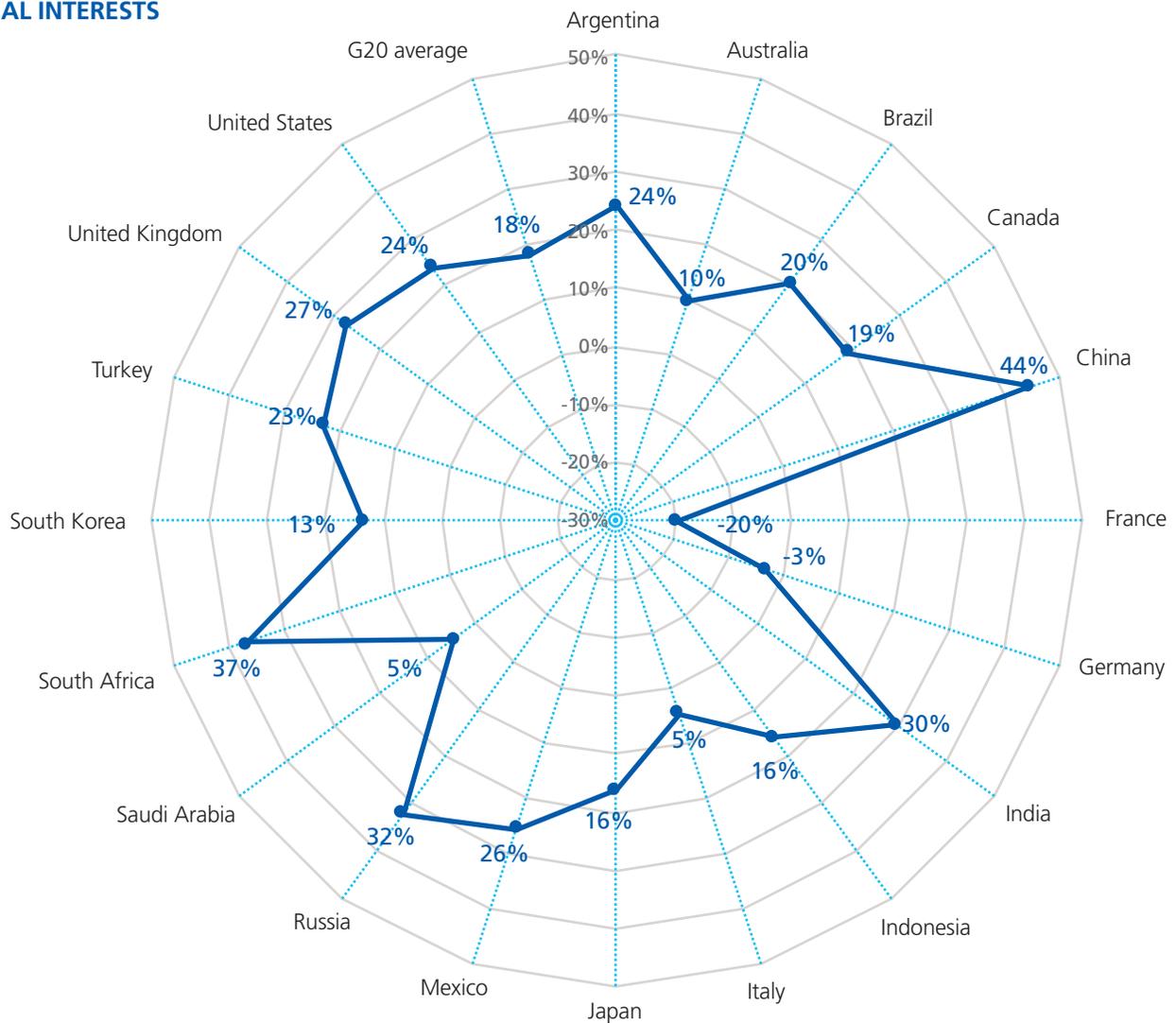


Figure 4 shows the margin between respondents indicating a preference for nationalism and those indicating a preference for globalism in each nation.



PART II: CAREERS AND WORK

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WHAT MATTERS TO GEN Z IN CHOOSING A CAREER?

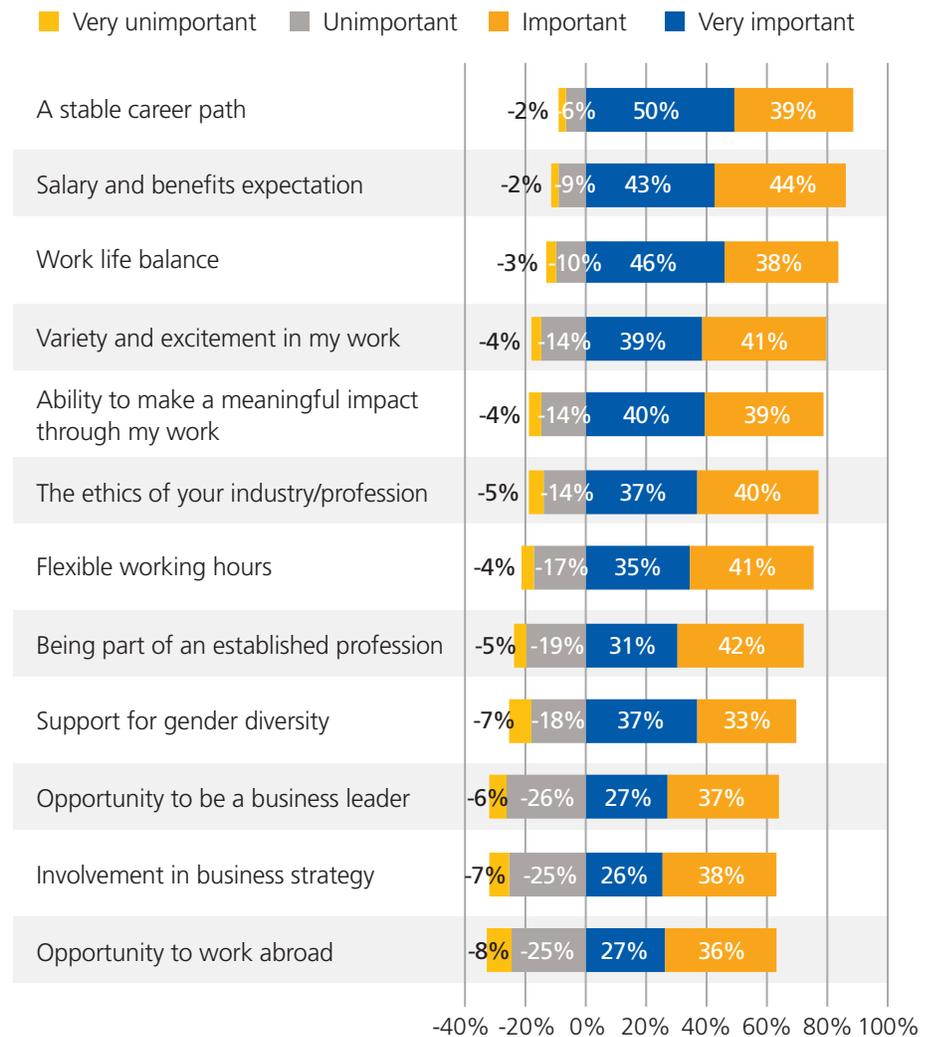
Gen Z's top priorities in choosing a career are a stable career path (89% important or very important), competitive salary and benefits expectations (87%), and work-life balance (84%).

The least important factors for Gen Z career decisions are the opportunity to work abroad (63%), to be a business leader (64%) and to drive business strategy (63%).

The US and India are exceptions, however. Gen Z'ers in these countries put the ability to make a meaningful impact through their work ahead of salary and benefits in choosing a career.

Gen Z'ers in Saudi Arabia and South Africa put the ethics of an industry or profession as a top priority, ahead of work-life balance. In Germany and Italy, Gen Z'ers see the potential for variety and excitement in their work as a top priority in choosing a career, ahead of salary and benefits expectations.

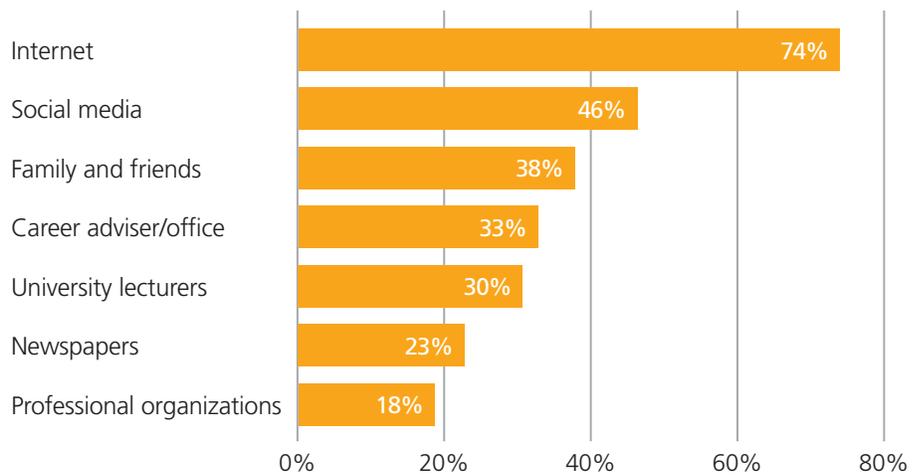
FIGURE 5: GEN Z'S TOP CAREER PRIORITIES





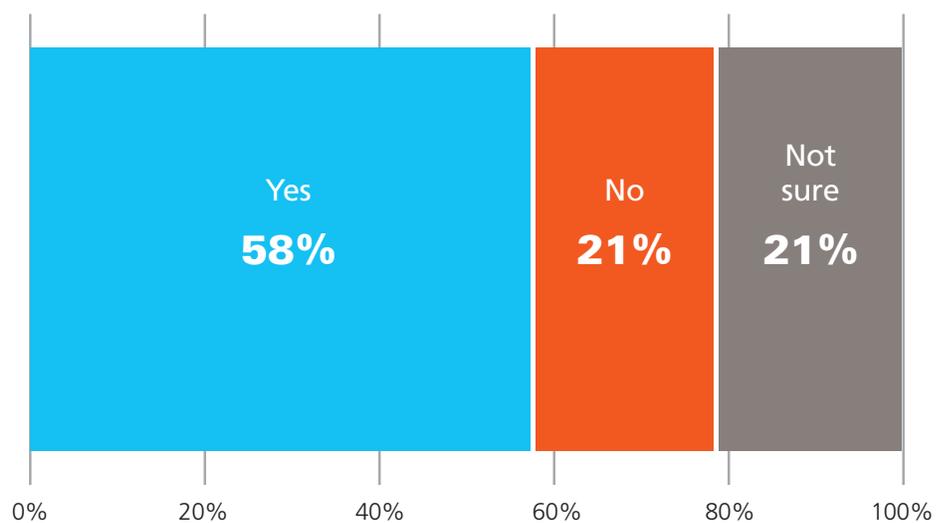
CAREER INFORMATION SOURCES

FIGURE 6: WHERE DO YOU MAINLY GET YOUR INFORMATION ABOUT POTENTIAL CAREER OPTIONS?



Gen Z'ers mainly get their information about career options from the internet (74%), social media (46%) or family and friends (38%).

FIGURE 7: DO YOU HAVE A CLEAR PLAN FOR YOUR CAREER OVER THE COMING 5 YEARS?

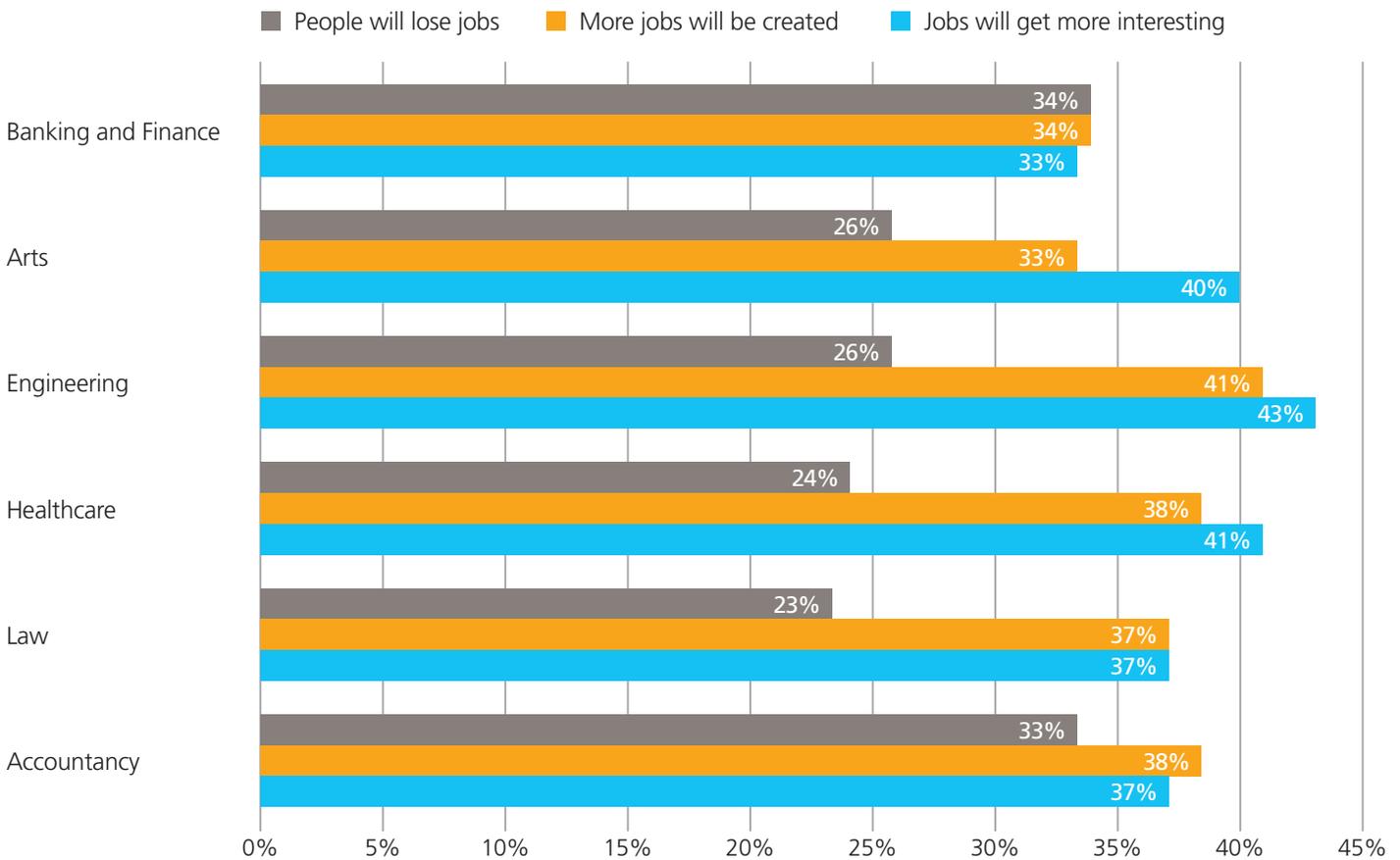


58% of Gen Z believe they have a clear plan for their career over the coming 5 years, while 42% either don't have a clear plan or are not sure.



DIGITAL/TECH IMPACT BY SECTOR

FIGURE 8: HOW WILL DIGITAL AND TECHNOLOGY ADVANCEMENT IMPACT JOB OPPORTUNITIES IN EACH SECTOR?



Gen Z anticipate digitalization and emerging technology will be a double edged sword, both bringing new ways of doing things (meaning new and more interesting jobs) but also seeing traditional jobs declining as a result.



HOW DOES PROFESSIONAL ACCOUNTANCY MEASURE UP TO GEN Z'S CAREER PRIORITIES?

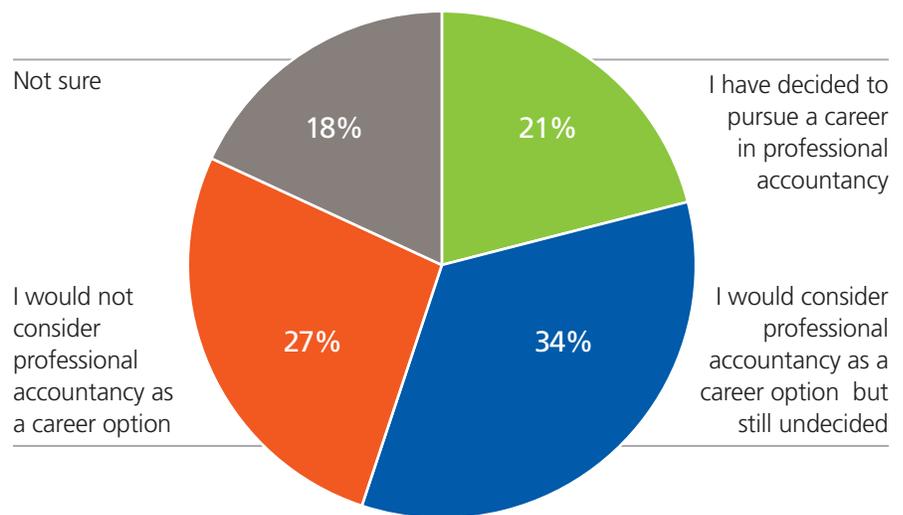
Gen Z's professional accountancy perceptions are highly aligned with their top two priorities in choosing a career: 87% of Gen Z see professional accountancy as attractive or very attractive in terms of offering stable career path, 86% in terms of salary and benefits expectations. Looking at Gen Zers' third and fourth priorities, it is clear sustained effort is needed to inspire them about the variety of experiences (50% attractive/very attractive) and potential to make a meaningful impact (54%) through a career in professional accountancy.

73% of respondents are open to a career in professional accountancy, with over one fifth (21%) of all respondents indicating that they have already decided to pursue a career in the profession.

"Accountancy is important career because it is needed in almost every business/industry and it plays important role in government."

– Catherine, 21, South Africa

FIGURE 9: WOULD YOU CONSIDER PURSUING A CAREER AS A PROFESSIONAL ACCOUNTANT?





CAREER EXPECTATIONS

FIGURE 10: HOW PROFESSIONAL ACCOUNTANCY MEASURES UP AGAINST GEN Z CAREER EXPECTATIONS

- How attractive do you think professional accountancy is as a potential career path in terms of these characteristics?
- How important are these characteristics in making your decision about choosing a career?

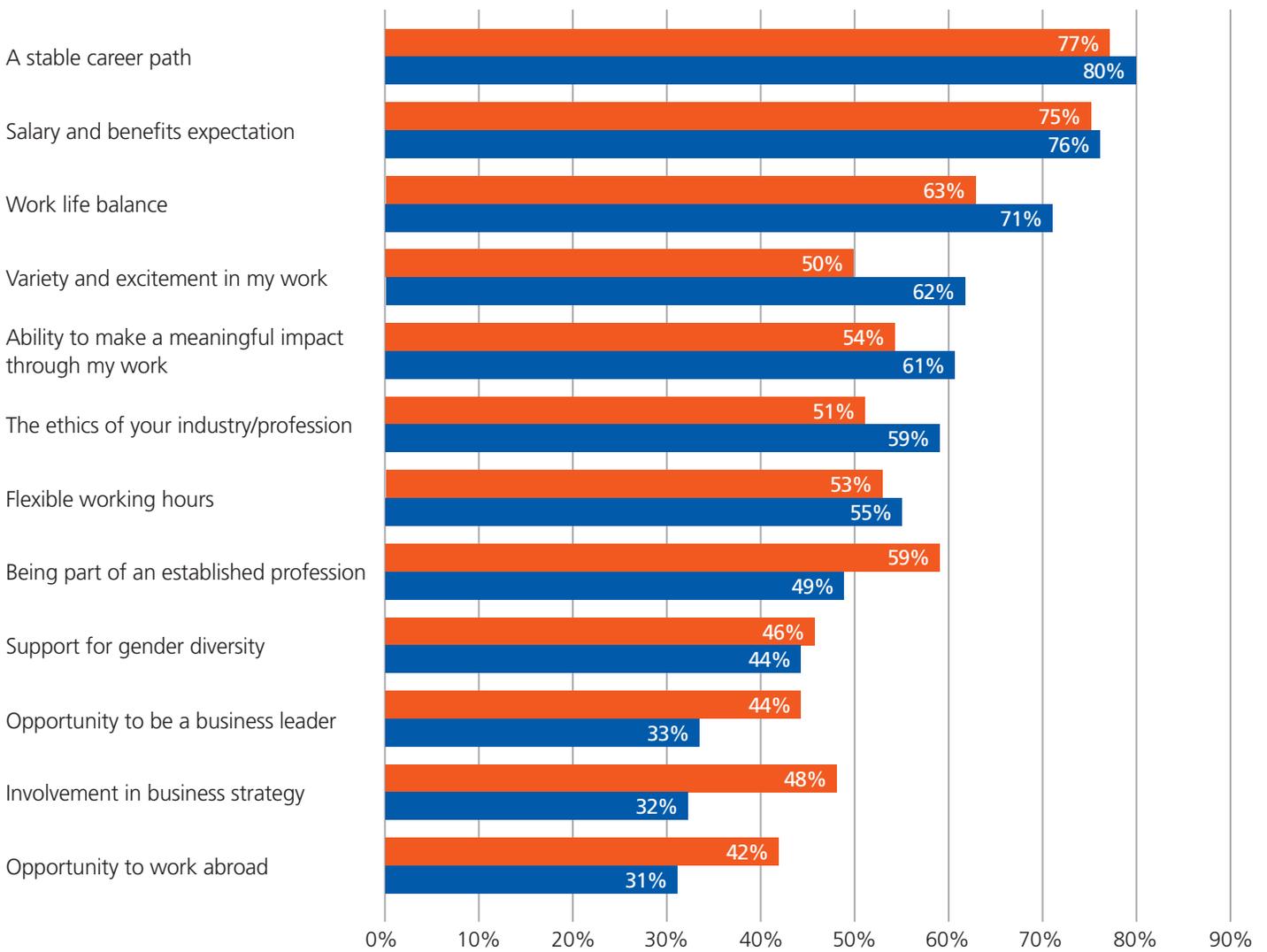


Figure 10 shows net percentage of respondents indicating attractive/important factors.



ABOUT THIS STUDY

3,388 individuals aged 18-23 participated in this study. This represents a sample size of 150-300 participants from: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the UK, and the US.

Study participants represent a demographic cross section and have completed or are completing varying levels of education in a range of disciplines.

FIGURE 11: HOW WOULD YOU DESCRIBE YOUR HOUSEHOLD'S INCOME?

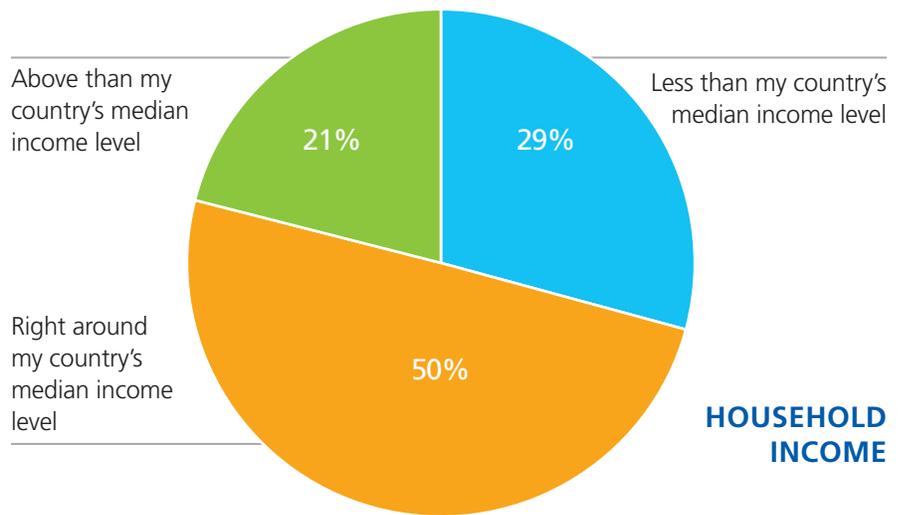


FIGURE 12: WHAT IS THE HIGHEST LEVEL OF EDUCATION YOU HAVE COMPLETED OR ARE CURRENTLY COMPLETING?

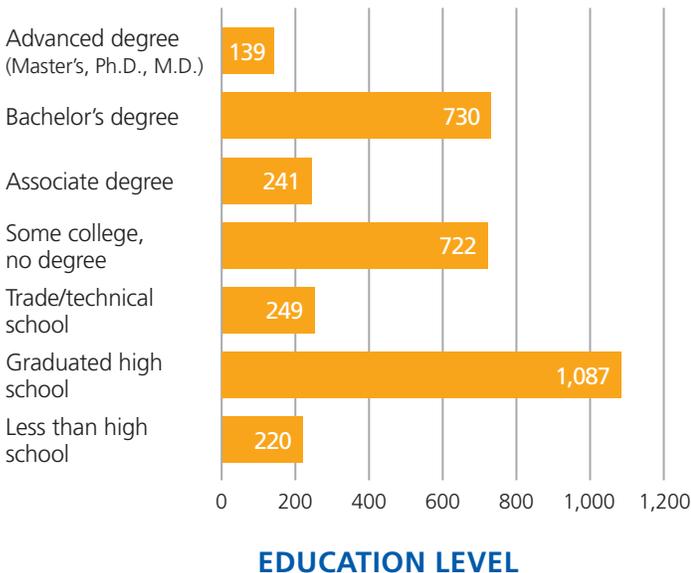
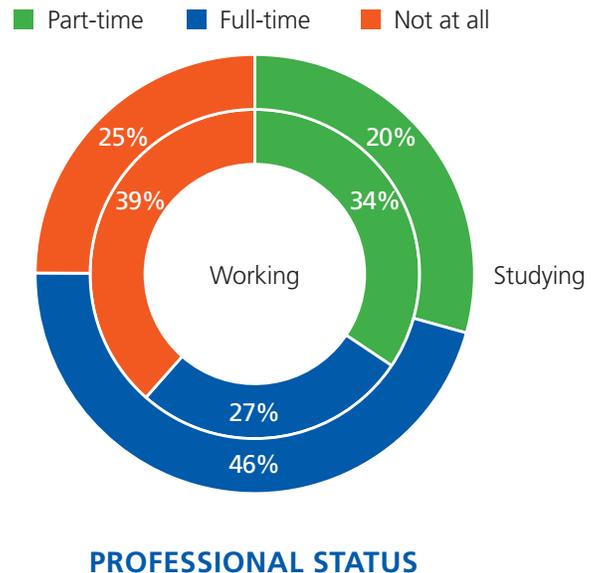


FIGURE 13: ARE YOU CURRENTLY WORKING OR STUDYING?





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