



Think Ahead



**GROUNDBREAKERS:
GEN Z AND THE FUTURE
OF ACCOUNTANCY
IN THE UK**



GROUND-BREAKERS: GEN Z AND THE FUTURE OF ACCOUNTANCY IN THE UK

THIS REPORT EXPLORES THE ASPIRATIONS OF THE YOUNGER GENERATION (GEN Z) IN THE UK AS THEY ENTER THE WORKPLACE, IN THE CONTEXT OF A RAPIDLY TRANSFORMING WORLD OF WORK.

Building on a global ACCA research study with 9,000 respondents across the world, this UK specific report examines the responses received from young people (age 18–25) in the UK. The analysis is further supported by a UK employer roundtable and other third-party research. It examines how the ambitions of younger people will help shape the next generation of work, discusses the strategies organisations should be adopting to help this generation thrive and provides advice for Gen Z themselves in navigating their careers in the next decade of work opportunity.

About ACCA

ACCA is the Association of Chartered Certified Accountants. We're a thriving global community of 227,000 members and 544,000 future members based in 176 countries that upholds the highest professional and ethical values.

We believe that accountancy is a cornerstone profession of society that supports both public and private sectors. That's why we're committed to the development of a strong global accountancy profession and the many benefits that this brings to society and individuals.

Since 1904 being a force for public good has been embedded in our purpose. And because we're a not-for-profit organisation, we build a sustainable global profession by re-investing our surplus to deliver member value and develop the profession for the next generation.

Through our world leading ACCA Qualification, we offer everyone everywhere the opportunity to experience a rewarding career in accountancy, finance and management. And using our respected research, we lead the profession by answering today's questions and preparing us for tomorrow.

Find out more about us at www.accaglobal.com

Foreword by Gillian Keegan MP



Gillian Keegan MP
Parliamentary Under-Secretary of State for Apprenticeships and Skills

As the UK economy slowly starts to carefully chart its way back to recovery in the wake of the COVID-19 pandemic, it is also naturally reflecting on its longer term role in the global economy following its exit from the European Union and as the workplace transforms.

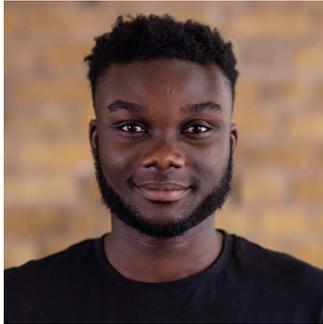
A key component of our future ambitions is to make sure organisations understand the needs and aspirations of the next generation entering the workforce in order to ensure their priorities and ambitions can resonate with the skills needed.

At the centre of the UK's strategy for ensuring our future workforce is equipped with the right skills is access to world class education and training. From reforming apprenticeship schemes to delivering the Prime Ministers' announcement on Lifetime Skills Guarantee, the government is focused on the creation of an "employer-led" system which builds confidence in new routes to acquiring the workforce capabilities needed for the future. The Department for Education's recent whitepaper "*Skills for Jobs: Lifelong Learning for Opportunity and Growth*" puts employers at the heart of creating the future skills needed in the UK. This strategy will help ensure people can acquire new skills and explore new career opportunities at all life stages and in differing circumstances, as well as specifically widening access and identifying new pathways to careers in the professions that meet all learner needs. A key initiative underpinning this strategy has been

the UK apprenticeship programme and the more recent introduction of T Level technical qualifications in the UK, aimed at providing vocational career pathway opportunities for school leavers.

I am delighted that ACCA has been a strong advocate of all of these initiatives, and this report is a welcome addition helping us understand the perspective of young people entering the UK workplace today in the context of the COVID-19 pandemic and the extremely challenging year we have all faced. Whilst it is encouraging to see that 91% of respondents to the survey expect to update their capabilities to remain employable for the future, the research also highlights concerns young people have in the UK today on critical issues such as employability and job security. It is vital as a country that we continue to work together as employers and education providers to give young people the life-long career opportunities they deserve, providing them with appropriate training and jobs that address skill-gaps and which drive our future productivity and prosperity.

Foreword by Timothy Armoo, CEO, Fanbytes



Timothy Armoo
Founder and Chief
Executive of TikTok
specialist agency, Fanbytes

As someone who has employed many young people and has built a company centred around Gen Z, I am very aware of the challenges that they face regarding work.

The COVID-19 pandemic has accelerated a number of issues, with many affecting Gen Z significantly – mental health, pandemic-related stress and increased uncertainty for the future. A landscape that doesn't feel very welcoming to young people.

However, the pandemic has been a shared experience and one that has also led to a new wave of opportunity. Remote working has allowed anyone to work from anywhere, removing the location barriers from many career paths. The acceleration towards digital has also led to more people discovering and developing new skills, whether it's content creation, understanding financial health or launching a small business.

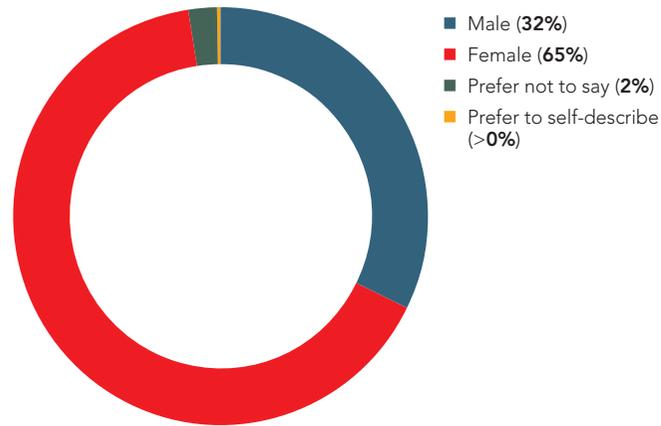
It is with this new outlook on life and investment in digital skills that Gen Z enters the workforce. As a group of people who have grown up with technology, embracing change comes naturally and a desire to master new software and programmes is strong.

Companies who hire this generation are leaders in futureproofing their organisations not only from a skill perspective but perhaps more importantly from a knowledge perspective. Gen Z can no longer be regarded as "the social media support", they are integral to understanding the next wave of digital.

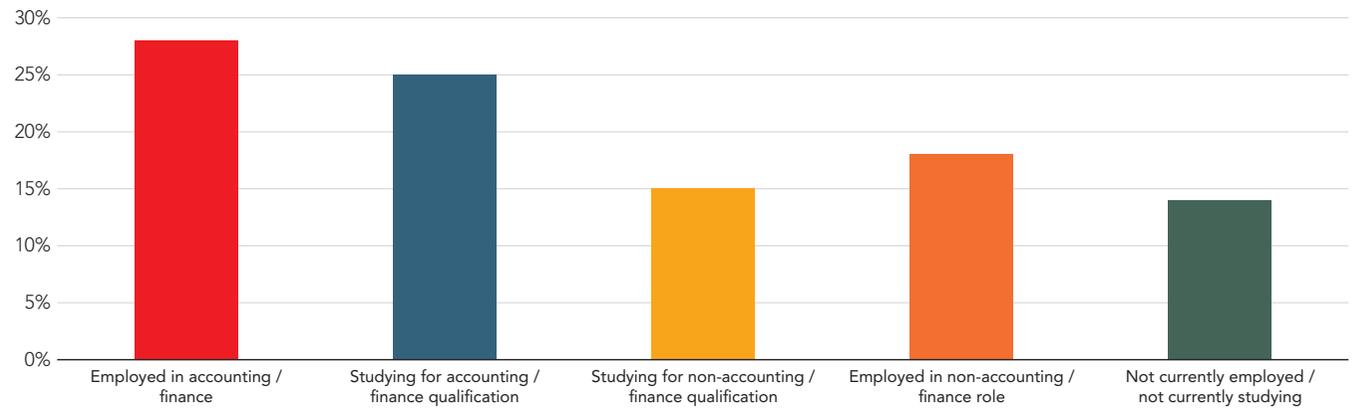
This report is somewhat of a cheat sheet for organisations. It outlines key considerations when working with Gen Z but more importantly, provides recommendations for harnessing the potential of this audience. It also provides a framework for young people and Gen Z, on how to navigate this new world of work and use their skills to maximum effect, for their professional and personal growth. We hope this report provides invaluable advice as we all look to rebuild our lives and capitalise on the new opportunities that will prevail.

Survey demographics

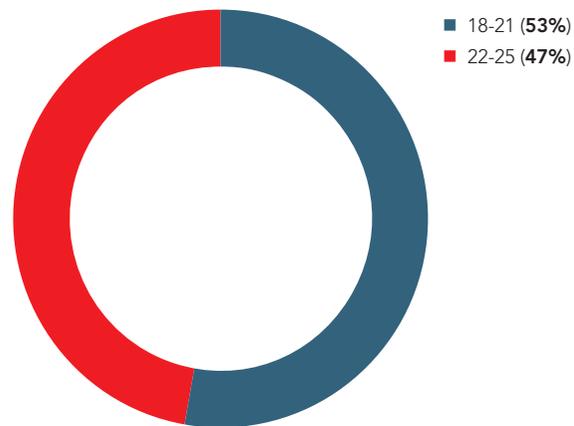
Gender of UK survey respondents



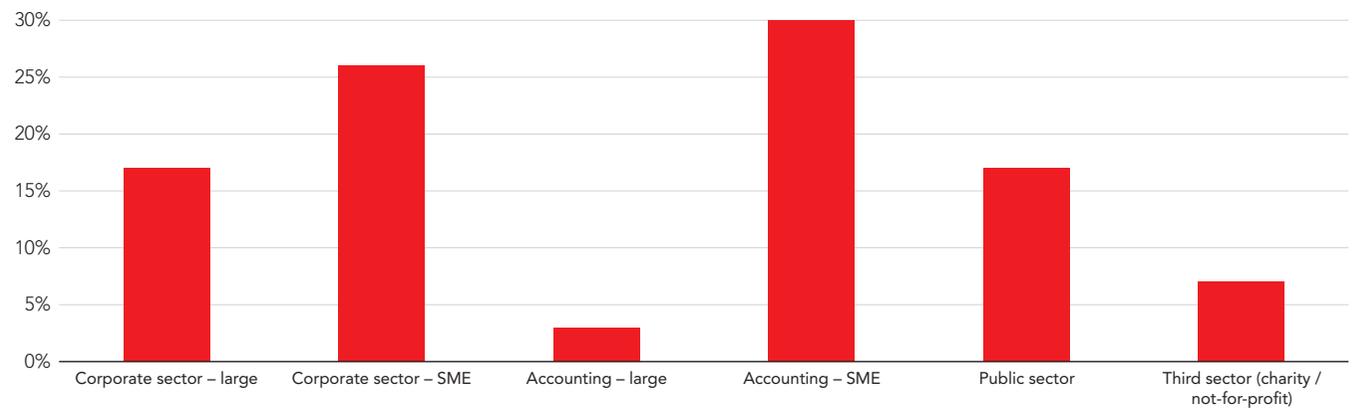
Employment or study status of UK survey respondents



Age of UK survey respondents



Sector of survey respondents (those in employment)



56%

of respondents cite job security as a key concern



48%

cite personal well-being and mental health as a worry



74%

say their peer group value higher pay and a prestigious job title



56%

expect to move role within two years



91%

expect to update their capabilities continually to remain employable in the future



39%

expect to have multiple careers in different disciplines in the future



46%

agree that long term career prospects are the key attraction factor for accountancy



42%

say they are worried about the impact of technology on their own job opportunities in the future



56%

think a great work-life balance is a key attraction factor for employment





Executive summary

In the wake of an extraordinary 2020, our global survey of over 9,000 Gen Z respondents gives us a clear narrative on the issues causing most concern right now, and how these may be influencing what they want from their careers, as well as their thoughts on the accountancy profession and the business world post COVID-19. But how do the findings translate for UK respondents? There's an emerging story from our data that is important for business and the accountancy profession in the UK.

- 1. For Gen Z in the UK it's personal, with worries about job security and well-being high on the list.** Generation Z are entering a disrupted workplace. At the heart of their career aspirations is the economic and social context they have been witness to as they come of age, coupled with a very difficult last 12 months, presenting particular concerns about job opportunities and security, well-being and mental health. The data shows that personal concerns such as these rank significantly higher for our survey respondents than issues impacting wider society such as climate change, and inclusivity and equality. It's possible that these issues have been temporarily moved down the priority list given the severe personal challenges presented by COVID-19.
- 2. Gen Z prize organisations that provide them with job security, a good work-life balance and opportunities to pick up skills.** Job insecurity is their biggest concern, and it shows in the factors that attract Gen Z to organisations. UK respondents cite job security as the highest attraction factor to employers, followed closely by work-life balance. But this doesn't mean they are not ambitious. They also seek organisations that provide them with opportunities to continually acquire new skills. For those already in the workplace, it's the same attraction factors. And it is these same factors that matter to those already employed when it comes to satisfaction scores.
- 3. Gen Z in the UK are an ambitious group, and those already in employment want progression fast.** Across the board, Gen Z in the UK want career progression quickly. They see workplace transformation all around them and want to benefit from this. For Gen Z, the workplace is fluid and transitional, where opportunities must be grabbed. 59% expect promotion in their next move and just over one-third (34%) are eyeing an external move. It seems they are quite happy to take their talents elsewhere if they believe their needs aren't being met. Remarkably almost half (48%) suggest they expect to have multiple careers in different disciplines in the future, suggesting this is a generation more open to the career portfolio.

REMARKABLY ALMOST HALF (48%) SUGGEST THEY EXPECT TO HAVE MULTIPLE CAREERS IN DIFFERENT DISCIPLINES IN THE FUTURE, SUGGESTING THIS IS A GENERATION MORE OPEN TO THE CAREER PORTFOLIO.



- 4. The digital natives see tech opportunities but worry about their own jobs.** The generation raised on digital and social media in the UK are unsurprisingly comfortable with technology and see a future world of work that is connected and transformed through it, mostly on the upside. Most expect technology to impact entry level roles in accountancy but also see the benefits to the accountancy profession for focusing on higher value work. They understand that smart technology will continue to change what type of work is done, where it is done, and how it is delivered. Yet they're a generation that has been hard hit economically over the last 12 months and as they have come of age, they have witnessed technology being adopted at scale and replacing jobs. It's no surprise, then, that they have concerns over the impact of digital tech on their own job opportunities.
- 5. Gen Z expresses some doubts on aspects of business.** Respondents to our survey in the UK trust that businesses are using technology developments to improve the workplace, and whilst the majority agree that organisations are focused on maximising return for investors, only 39% positively agree that businesses have customers' best interests at heart and only 38% agree that businesses prioritise and take good care of their employees. Just over one-third (37%) agree that business leaders have integrity and do what they say, and just over one-quarter (26%) agree businesses contribute to fighting climate change. Some of these issues have garnered greater focus since the onset of COVID-19, in particular respondents in the UK cite

an increased focus on mental health as a key priority and the joint most important long-term impact of the pandemic (alongside more remote working), which is something for organisations to be mindful of. It does suggest, in the minds of younger people, there are improvements that need to be made to the image of businesses.

- 6. A career in accountancy is seen as attractive to many in the UK, but some respondents are less sure.** Today there is a brilliant opportunity for the profession to rethink and to build on its strong heritage as a qualification for business. Our data suggests that many Gen Z in the UK believe the profession remains attractive as a career. It is seen as providing long term career prospects and for those who want work in accountancy but have not yet secured employment, it is seen as an opportunity to develop a broad range of skills, but a minority cite they feel the profession has a more negative image. Perhaps more tellingly, messaging on the broader contribution accountants can make may not be clearly understood. Less than one-third of UK respondents see accountants working in business as playing a leading role in reporting on sustainability issues and just 41% see them leading on creating business value that impacts wider society. Only 27% suggest accountants play a leading role in ensuring the ethical governance of a business. There are more opportunities in the UK to promote the attractiveness of the profession and how accountants can make a real difference to wider societal issues.



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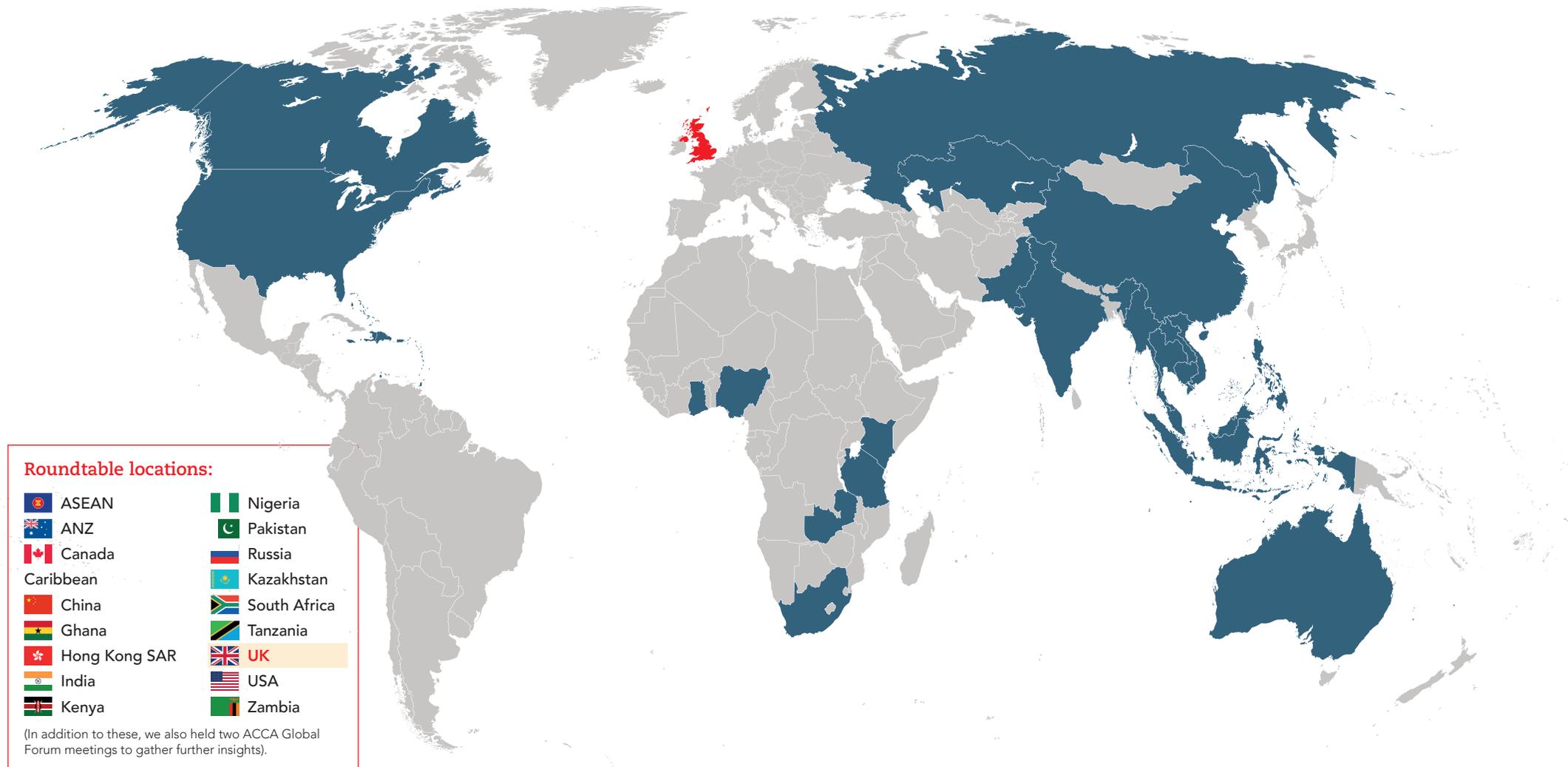


UK RESPONDENTS CITE JOB SECURITY AS THE HIGHEST ATTRACTION FACTOR TO EMPLOYERS, FOLLOWED CLOSELY BY WORK-LIFE BALANCE. BUT THIS DOESN'T MEAN THEY ARE NOT AMBITIOUS. THEY ALSO SEEK ORGANISATIONS THAT PROVIDE THEM WITH OPPORTUNITIES TO CONTINUALLY ACQUIRE NEW SKILLS.

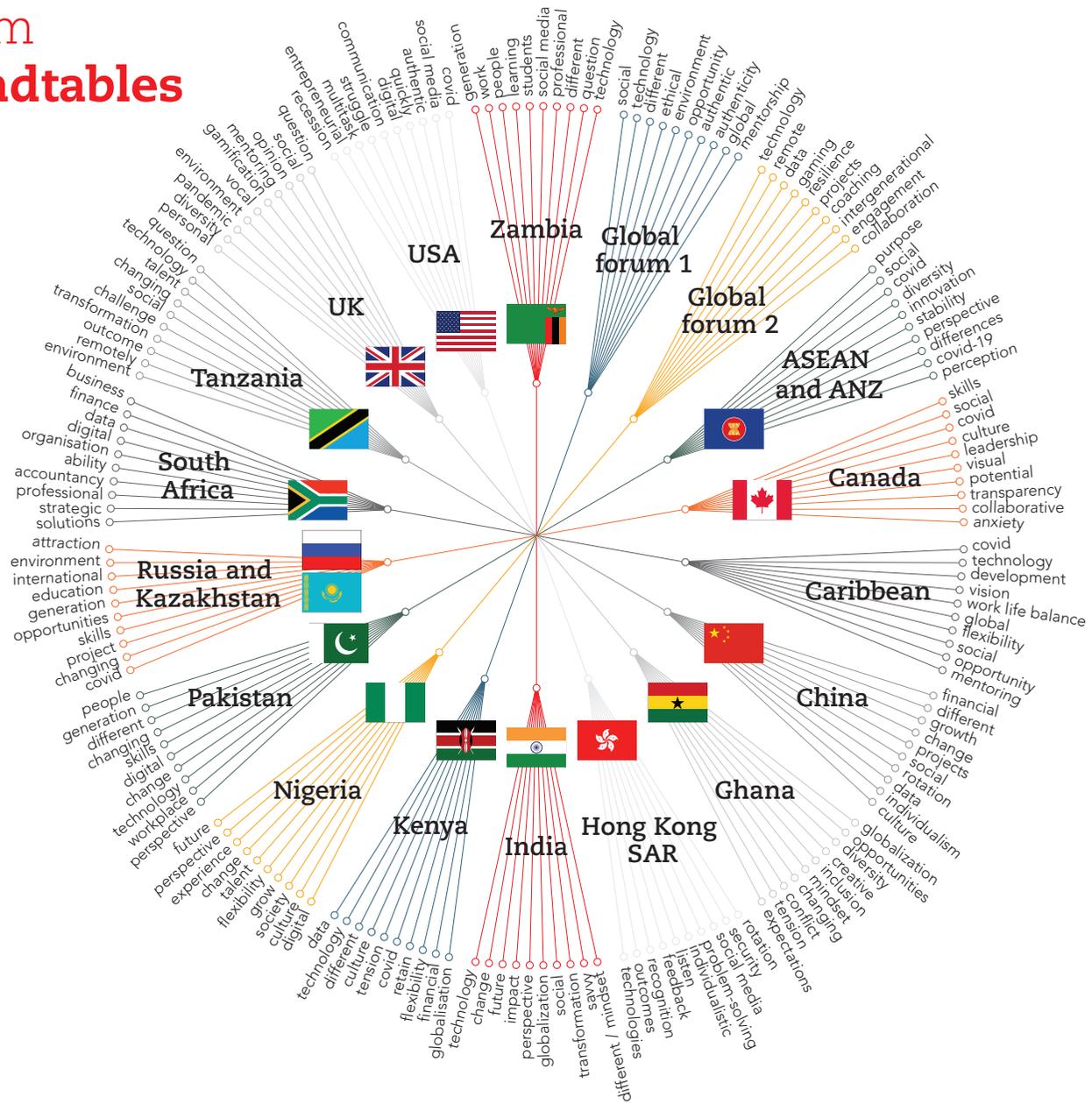
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Employer roundtables

What is the view of organisations in the UK on how best to harness the potential of Gen Z in the workforce? We invited employers as well as Gen Z representatives themselves to come together to discuss the opportunities the youngest generation bring to the workplace today. Below are a number of recommendations to address how employers can harness the talents of Gen Z more effectively.



Key words from employer roundtables



Employer strategies: Harnessing the potential of Gen Z

#1 Tap into their digital mastery

Powerful stories have emerged through our discussions of how Gen Z employees have already made their mark on the organisations in which they work through leveraging their technology know-how to attack business problems differently or rapidly create solutions. Organisations are focused on creating new roles too that are tech-focused as their businesses change, and astute enterprises are seeing Gen Z as fantastic ambassadors and early adopters to encourage the rest of the business to use digital. Our survey results are clear: this is a generation who are digitally literate and see significant benefits to business through technology adoption.

#2 Think “intrapreneurship”

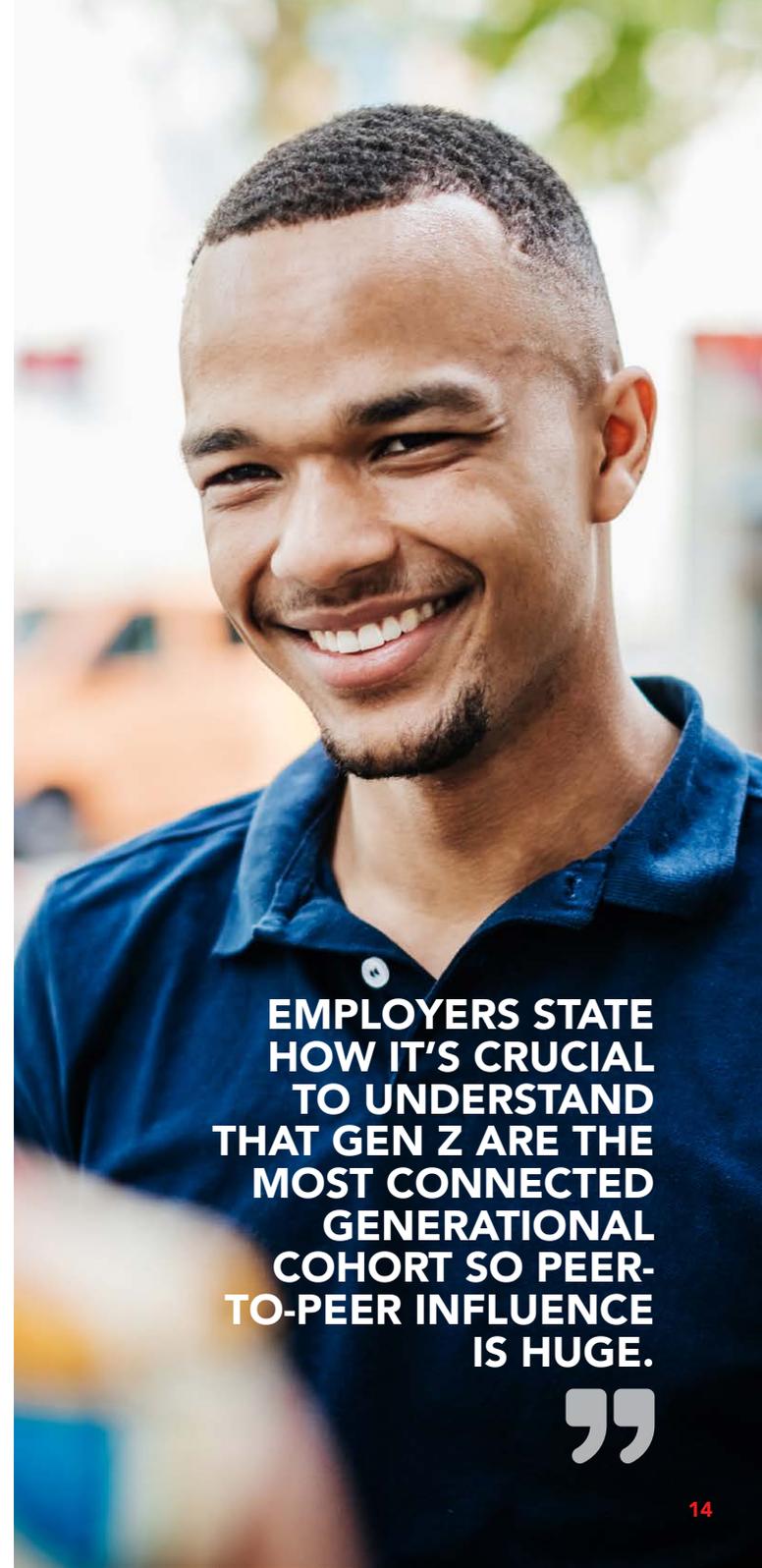
Whilst job security is a clear priority for young people, it's clear from our conversations with employers that Gen Z have a natural entrepreneurial flair. Organisations cite the obvious benefits of creating a culture where young people can bring their entrepreneurial thinking and capabilities to fruition within the relative safety of paid employment. Working within an established business and using interventions such as “innovation hubs” to bring their ideas to fruition and take managed risks gives Gen Z countless opportunities to demonstrate their different thinking and come up with new solutions to existing business problems. But there's an organisation benefit too, with intrapreneurship thinking helping create a culture of more effective change management, as well as driving better engagement. It may also help organisations talent spot their future organisation stars.

#3 Use social to recruit and recognise the power of peers

Organisations increasingly tap into social channels such as TikTok, Snapchat and Instagram to engage Gen Z, particularly as part of recruitment strategies. From promoting internship opportunities to using social in gamification recruitment activities or providing “fly on the wall” snippets that showcase the fun side of the employee experience, these channels to market provide businesses with new ways to showcase their brand and garner Gen Z interest in their organisation. Employers state how it's crucial to understand that Gen Z are the most connected generational cohort so peer-to-peer influence is huge. Beyond social media, activities such as using Gen Z ‘brand ambassadors’ who are authentic and believable on university campuses to encourage peers to be interested in organisations can pay dividends.

#4 Be authentic and listen

The great experiment in home working has given further resonance to the notion of ‘bringing your whole self to work’. There's a real sense from our discussions with employers that Gen Z value authenticity and see it as a key factor in making initial decisions about joining an organisation. But authenticity plays out at different levels, from leadership approachability to a culture that values the opinions of all employees, irrespective of grade. Gen Z want their voice to be heard but also, they want to understand what is in it for them. Developing interventions that actively ensure Gen Z have access to all generations in the workplace,



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particularly organisation leaders, is critical. And the benefits flow both ways. This affords learning benefits to leaders and gives them new opportunities to look at business issues from a different perspective. It's a learning journey for all involved.

#5 Focus on well-being

Our survey results are clear. Gen Z are worried about the future, they cite well-being as a major concern and they're attracted to organisations that support their mental health and offer a good work-life balance. It's an unsurprising finding given the extraordinary impact of COVID-19 over the last year. Remote working may be a particular challenge to younger people in the workforce, often domestic arrangements may not be ideal for remote working, or they may live alone and feel isolated with the lack of social engagement. It's critical for organisations to rethink their employee engagement strategies and ensure they have appropriate resources in place to help address concerns for their younger employees who may face particular challenges.

#6 Marry up organisation purpose with individual development needs

When attracting Gen Z to the organisation, employers stress the importance of articulating what the organisation stands for, its purpose and impact on wider society. Gen Z are keen to understand how the organisation makes a difference, what their contribution could be to the vision of the enterprise, and to find a culture that allows them to bring the "real person" to work in a way which is beneficial to both parties. With Gen Z attracted to organisations that can offer security through long term career prospects, strengthening these relationships with interventions that particularly support career development such as regular career conversations or access to mentors can be powerful and are made ever more relevant in a world of work where future career paths are less obvious. Identifying opportunities for Gen Z to grow in a way that caters to their uniqueness is vital to engagement and retention.

#7 Create collaboration opportunities across the workforce

Gen Z want to acquire new skills and progress their careers fast. They want to be part of the 'bigger picture' and make a difference quickly. Employers cite the way Gen Z consistently question how things can be done quicker, better and more efficiently, but also suggest that doing the crucial 'hard yards' of training remains as essential as ever in building those fundamental workplace capabilities. Creating opportunities for Gen Z to bring their talents to work and collaborate particularly on project work across functions, disciplines and generations brings multiple benefits: it helps generate new and innovative solutions, supports the development of a more energised and committed workforce, and critically fosters inter-generational learning opportunities. Gen Z will naturally connect quickly with their own peers when they join an organisation. But these interventions will also help build relationships across other cohorts of the workforce at speed.



#8 Reward on outcomes not inputs

Employers contributing to this study were clear that to engage Gen Z effectively, it's essential to focus on outcomes and the results achieved, rather than hours spent on a task. This is not a generation who naturally think 'nine to five', and the great experiment in working from home as a consequence of the pandemic has further blurred the lines between our work and personal lives, and specifically when and where work "gets done". Aided by technology, employees switch ever more seamlessly between work responsibilities and personal activities at the swipe of an iPhone screen, and in today's "workplace" the concept of 'presenteeism' is obsolete. Employers cite use of new technological developments to enable more immediate feedback as well as continually tracking outcome-based measures.

#9 Give continual feedback

Creating a culture of continual feedback and acknowledgement is essential in engaging Gen Z. Growing up in a world of instant communication and rating opportunities through digital, it's no surprise that employers in our study state the value of frequent feedback, particularly with remote working and the

absence of in-person feedback. Identifying new ways of recognising exceptional performance and sharing with peers and across the organisation, as well as articulating what their specific contribution can be, is essential to motivation. It's also really powerful for an organisation to visibly demonstrate how they have listened to Gen Z feedback by implementing ideas that help shape future strategies and policies.

#10 Rethink learning: short and visual

When sourcing learning opportunities, Gen Z are the natural self-curators, using the technology in their hands to access information and knowledge at speed. In some circumstances they may be more inclined to a three-minute YouTube video than an in-depth tutorial, and technology is opening up new blended learning opportunities to deliver just-in-time interventions. Employers also cite how 'visual' this generation is. Mobile learning opportunities and new learning platforms continue to evolve, and everything from gamification to simulation, and Augmented and Virtual Reality are becoming staple offerings for employers that understand how Gen Z want to acquire knowledge and learn. Peer-to-peer learning opportunities are also powerful.

'We "like" and leave comments, recognising each other's viewpoints and show appreciation for good work. We expect the organisation to practice the same positive culture in the workplace. Gen Z wants to be heard, we want to stand out and not just fit in. The world has changed. Success is no longer about who has the most experience, but whoever has the best idea wins.' **Gen Z survey respondent**

'[They] expect easy access to senior leaders of their organisations, a mutual level of respect and to be on same level. Rather than reverse mentoring, they respond well to reciprocal mentoring.' **UK roundtable participant**

'As a Gen Z, I am concerned about politics, mental health issues, and social problems. We have been in touch with these issues through social media when we [were] growing up, so we are going to be more concerned about them.' **Gen Z survey respondent**

'[There is a] heightening importance for pre-start – we do listening forums with all new starts with their exec sponsor. A warm embrace from the day they accept the offer is important.' **UK roundtable participant**

Gen Z and the future of work: Navigating your own careers

What would our advice be for Gen Z in the UK as they are about to embark on their careers? Our discussions with employers and Gen Z point to consistent messages about how the youngest generation in the workplace can become more effective, ‘future proof’ their own careers, and realise their career dreams. These recommendations are particularly relevant in the face of an extremely challenging global work environment over the last 12 months, but also with one eye on the future opportunities that will prevail beyond the pandemic as we look forward to the next decade.

#1 Bring your tech know-how

In a fast-changing world of work, digital know-how is key for all organisations in creating competitive advantage and transforming their businesses. Our research suggests organisations are prizing Gen Z candidates who bring their tech know-how to the organisation quickly, innovating and using technology to solve challenges differently, and more efficiently. Like no other generation before, you have amazing opportunities to influence your organisation in technology adoption, to change their businesses for the better and help build knowledge and awareness across the rest of the organisation workforce.

#2 Work your brand internally

There’s a risk with more remote working and a plethora of Teams or Zoom calls that personal relationships suffer. It’s critical for you to think about how you can make work engagements more personal, and how you can build deeper relationships in the workplace. Employers cite that as work environments democratise Gen Z have quicker access to senior people when

joining businesses. This is a real opportunity. Cultivating strong personal relationships internally is key to achieving strong work outcomes and building managerial skills and expanding a network internally. Turning the video on in a call is a great starting point, even if there is a big cast list of attendees!

#3 Care for your health and build resilience

Prioritising your mental health and using techniques available for managing stress is important. We all know the pandemic has had a huge impact on mental health and as a consequence work productivity. Employers cite the importance of their younger employees building their emotional resilience to help cope with work particularly in the current environment with remote working environments presenting risks of increased isolation and detachment. But resilience is also important to thrive longer term in the face of different challenges as career journeys unfold. More businesses are identifying new ways of supporting the health, safety and well-being of their employees, and so lean on these and find support when you need it.



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#4 Remember, it's a team game

With technologies transforming connectivity possibilities and changing how work gets done across the most diverse and inter-generational workforce in history, there are brilliant opportunities for you to find multi-disciplinary work opportunities to Hoover up new experiences and learn from others in the workplace. Employers cite the growing importance of collaboration and project work driven by fast-changing business needs and complex cross-functional challenges. Some see the COVID-19 pandemic and remote working technology as having improved collaborative working; others see the lack of in-personal engagement and opportunities to hide behind a screen at home as an impediment and see at least a partial return to offices as helpful in restoring teamworking and rebuilding the social currency. Ultimately work is a team game.

#5 Disrupt yourself. Think 'sideways' moves

Adaptability is a prized trait in today's fluid work environment. As roles transform and career paths diversify, tried and tested career routes become less obvious. Whilst it's natural to always want a promotion and more pay as you take on new roles, be prepared to disrupt yourself, and to think more laterally about the skills you can acquire by taking different career paths or exploring "sideways" moves. Look at career journeys not just as a series of job roles, but the richer narrative of how different experiences can help build a set of skills and competencies that are of value in the longer term.

#6 Seek mentors, find sponsors

While technology may sometimes provide a 'short circuit' to better or more efficient solutions at work, employers we talked to suggest that sometimes it may come at a price. They cited the challenges of career progression in a world where some of the 'hard yards' of knowledge traditionally acquired in accountancy have vanished. Actively seeking mentors and colleagues from different generations to provide you with essential support to help 'fill in the blanks' and give you vital knowledge and wisdom from years of experience is very valuable. So too is finding workplace sponsors that can support your development. Ask employers about career support mechanisms such as career conversations and feedback processes to ensure your career journey is supported effectively.



#7 Continuously learn

The COVID-19 pandemic has reinforced the point that as work transforms and career changes intensify, there is a pressing need for continuous upskilling across the workforce. This fast-moving environment necessitates a rethink in how we all acquire new capabilities to remain relevant, particularly as professional education transforms and the distance between the workplace and the classroom collapses. This isn't just about learning new skills, it's about acquiring and applying new capabilities in shifting contexts. Building specific knowledge in increasingly important areas such as sustainability will inevitably complement a broad finance understanding. Having an adaptable, proactive and open mindset to acquiring new knowledge, and tapping into different learning activities in the workplace as technology affords new opportunities to acquire skills is essential to future proof your competence.

#8 Recognise the importance of the "early years"

The only person ultimately accountable for your career is yourself, and as a young person entering the workforce, it's critical to recognise the importance of the 'early years' in work. These experiences typically lay the foundation for a career which may span 40 or 50 years. Even as work transforms and career paths diversify, formative experience acquired in our 20s and early 30s remains critical in shaping future opportunities and opening doors. This is the age where it's easier to switch in and out of careers or even take calculated risks that may not always pay off. And if they don't, you have more time to recover from them.

#9 Build life-long networks

In the world of work, ultimately, people buy people. Building a strong external network throughout your career expands learning opportunities and will provide access to new career opportunities not necessarily posted on a job board. Whilst it's a given that your online profile has to be managed carefully, and platforms such as LinkedIn are useful for sourcing new career opportunities and building contacts, it's also vital to build deeper relationships that are much more personal, and which go way beyond just a new on-line "connection". Time invested in important personal relationships over the long term will always pay dividends.

#10 Pursue your dreams

Data suggests the pandemic is making many employees rethink their career aspirations and take career turns. Jobs in accountancy are changing, offering young people fantastic opportunities to contribute and make a difference. It's important to pursue the things that interest you, that provide purpose and career fulfilment. And even if you don't have a single burning cause that you want to pursue in life, finding something that interests you and at which you can become good at will pay dividends longer term. It is possible you will be in the workplace a much longer time than your parents. It's a cliché because it's true:

**'FIND A JOB THAT
YOU LOVE, AND YOU
WILL NEVER WORK A
DAY IN YOUR LIFE!'**

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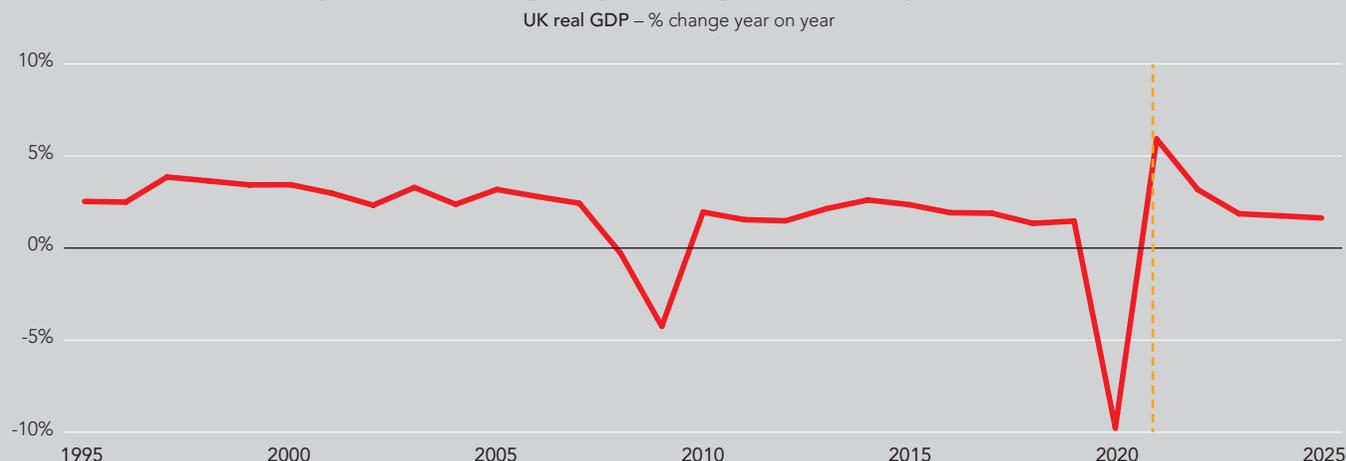


Understanding Gen Z – Coming of Age in the UK economy, 1995 – 2019

Every generation is shaped by the environment in which they come of age. The economic backdrop for Gen Z will have a profound impact on their expectations and desires for the future. Here’s a quick recap of what happened to the UK economy since Gen Z came of age.

- **1995 – 2007** The UK economy expanded strongly through much of this period averaging 3% a year between 1995 and 2007. From 1997 an independent Bank of England with an inflation target greatly enhanced the credibility of monetary policy. Falling inflation and low interest rates fuelled not only strong GDP growth, but also excessive credit growth and a booming housing market. The unemployment rate fell steadily, from a peak of over 10% in 1993 to 5% in 2007.
- **2007 – 2008 The Global Financial Crisis** As an open economy with a large financial sector the UK suffered a severe recession during the Global Financial Crisis (GFC) of 2007-09. From peak to trough GDP fell by 6%, the biggest recession at the time since the Great Depression of the 1930s. The banking sector had to be prevented from systemic collapse by the injection of large quantities of public money. The policy response also involved big cuts in interest rates and the introduction of Quantitative Easing (QE). QE involved the creation of money by the Bank of England and its use to buy government bonds from the financial sector, boosting liquidity and the money supply.
- **2009 – 2019** Both GDP and productivity growth in the post GFC period were disappointing: GDP growth averaged less than 2% a year. The rebuilding of household and corporate balance sheets constrained growth in the years immediately after the GFC. In June 2016 the UK voted in a referendum to leave the European Union. The immediate economic effect of this was limited to a big fall in the sterling exchange rate which caused a spike in inflation and a squeeze on real incomes and consumer spending.

FIGURE 1: Understanding Gen Z – coming of age in the global economy, 1995 – 2020



Source: IMF

- Later, increased uncertainty about the nature of the post-Brexit relationship with the EU caused weakness in business investment. But throughout this period unemployment fell steadily and at the onset of the COVID-19 crisis in early 2020 the unemployment rate was just 4%, its lowest in almost 50 years.
- **COVID-19** The economy contracted by 9.9% in 2020, its worst performance in 300 years. The UK also fared the worst among large developed economies. One of the longest and strictest lockdowns between March and June contributed to a 20% quarterly drop in GDP in that period. A relatively high dependence on services exacerbated the contraction as this sector was most badly affected by lockdowns. A second wave of COVID infections resulted in renewed lockdowns and economic contraction in early 2021. Despite the collapse in output, a generous furlough scheme prevented a sharp rise in unemployment which reached a rate of 5% by the end of the year.
- **Post-COVID** An initially successful vaccination programme has raised expectations of a permanent end to lockdowns later in 2021. There is potential for a strong rebound with significant pent-up demand fuelled by accumulated savings. But generous fiscal support measures have pushed public sector debt above 100% of GDP: at some point fiscal retrenchment will be necessary. Meanwhile, the UK’s post-Brexit trade agreement began operation on 1 January 2021. New trade frictions such as customs checks may reduce trade with the EU, slowing UK GDP growth.



LOOK AT CAREER JOURNEYS NOT JUST AS A SERIES OF JOB ROLES, BUT THE RICHER NARRATIVE OF HOW DIFFERENT EXPERIENCES CAN HELP BUILD A SET OF SKILLS AND COMPETENCIES THAT ARE OF VALUE IN THE LONGER TERM.

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Reimagining our practice

Interview with Nikki Adams, Managing Director Ad Valorem

Formed in 2001 Ad Valorem is a family run award winning UK accountancy firm providing innovative services to clients across a wide range of different sectors. Through investment in new technologies and a collaborative culture, the firm has grown to over 50 team members.



It's essential for a business like ours that we are thinking much longer term about the vision of our organisation in terms of the future services we offer clients and our roadmap to delivering that. As work transforms, the organisation needs to continue to be responsive to bringing in young talent who will drive the future success of our business. And part of the way in which we attract younger people to the organisation is by painting that clear vision of where the practice wants to be, as well as the different career pathways that will be possible for people to follow.

We see Generation Z as super smart and creative, but also they want to make a real contribution and difference to an organisation. This desire to make an impact translates into wanting to understanding where they fit into our future vision. In this sense, younger people are helping

us entirely reimagine our practice for the future, from helping shape the work environment, our culture, how we operate, the tools and technologies we use and the client support we provide, and approximately two-thirds of our employees are under the age of 30. **We want younger people to bring their ideas and help transform our organisation, and clearly the peer influence of working with lots of other young people is attractive for them.**

Yet at the same time this also puts pressure on the organisation to help manage their career aspirations in an appropriate way. We find young people joining Ad Valorem to be super ambitious and wanting to progress quickly which is fantastic, so its important for us as a business that we provide work which is engaging and enjoyable, and which provides an excellent grounding to our business. But we also have to manage

their expectations and ensure that their development is managed carefully at the appropriate pace. And to support this, one of the key things we look to do within the firm is deliver mentoring and coaching interventions, particularly around building broader behavioural, relationship and advisory skills.

For a practice such as Ad Valorem, fundamentally we are a people business, so it's critical that our young employees develop the client facing and advisory skills needed for the future. And this is complemented by the fact that we have an open culture and we are accessible as a leadership team. **There is no "them and us" – we work together as a team to meet our client needs.** This meritocracy and access to leaders, and a willingness to listen to the views of our younger employees I think is absolutely critical to our success.





Gen Z on the track to success

Interview with **Fatima Hassan**, Financial Controller, Finance Strategy & Development, Network Rail, Head of external relations for Cultural Fusion, Network Rail's staff network for BAME employees and allies.

Generation Z joining Network Rail are absolutely critical to our future success.



Our experience of this young generation entering the organisation is that they truly care about what type of company we are, what our brand stands for, our purpose and our approach to issues such as the environment and sustainability issues, our role in corporate social responsibility, or our policies in areas such as diversity and inclusion, and flexible working.

When considering Network Rail as a potential employer, we find that they are very interested to understand a complete picture of the organisation to ensure it is the right decision for them, and of course it's essential that the values of our organisation, and their values are aligned as this is likely to lead to much greater success in the future. We see a hugely talented generation who are very well connected and technologically adept, and once they join the company we want to provide them with brilliant career experiences from Day 1 and ensure we leverage their talents and skills fully. We have a particularly big focus on empowering new entrants to the organisation right from the start, so one way in which we do this is for each graduate intake year to help shape and improve year on year the schemes they join. Giving them ownership and responsibility in this way enables them to contribute immediately to our organisation.

Normally our focus through the scheme is to ensure an extended period of induction to Network Rail, providing access to different teams across the business, supplying mandatory training opportunities, as well as specific development days that share the company culture and other key issues. Of course with the

COVID-19 pandemic this year we had to adjust our normal induction processes, shifting these online, and this has been helpful already in shaping our thinking for next year's induction – one of the things we are very mindful of is the potential for younger people to feel quite isolated, so we are thinking a lot about how we create social engagement opportunities in the current environment and as we look forward. This is a critical part of welcoming younger people into our organisation.

There are a few other areas that we are really focusing on as an organisation with Generation Z. Firstly we truly understand their desire for having an appropriate work life balance, and as an organisation we continue to promote the importance of flexible working. This is an increasing part of our culture and across the industry, and alongside this we have a range of different programmes, for example volunteering and other social opportunity activities that can enrich their career with Network Rail and give young people opportunities to contribute beyond the organisation to wider society.

We are also continuing to evolve our training and learning opportunities for young people joining the organisation, recognising emerging learning styles and particularly the role of technology in transforming how learning in the workplace is delivered. Much of our learning content and offering now is highly visual and bite sized where the content lends itself to that form of delivery, but we also incorporate more traditional interventions where these are still needed, for example, in areas such as track safety learning. Another key area for Network Rail is coaching and mentoring.

We understand this is a generation who do want to progress quickly in their careers, so to support them we assign buddies and mentors as soon as they start to help provide them with a sense of direction as they navigate through the organisation over the first 5 years of joining, and crucially this also helps with retention through the new entrant schemes. They want to stay and are invested in the company. And finally another key area where Gen Z are making a huge difference to our organisation is in the technology space. They come into the business and are quick adopters of all of the technologies we have. As a consequence we ask them to champion technology across the wider organisation, and to share new ways of using digital tools. This is really great in helping us break down barriers to resistance and encouraging other employees to embrace new ways of working through tech.

ONE OF THE THINGS WE ARE VERY MINDFUL OF IS THE POTENTIAL FOR YOUNGER PEOPLE TO FEEL QUITE ISOLATED, SO WE ARE THINKING A LOT ABOUT HOW WE CREATE SOCIAL ENGAGEMENT OPPORTUNITIES IN THE CURRENT ENVIRONMENT AND AS WE LOOK FORWARD.

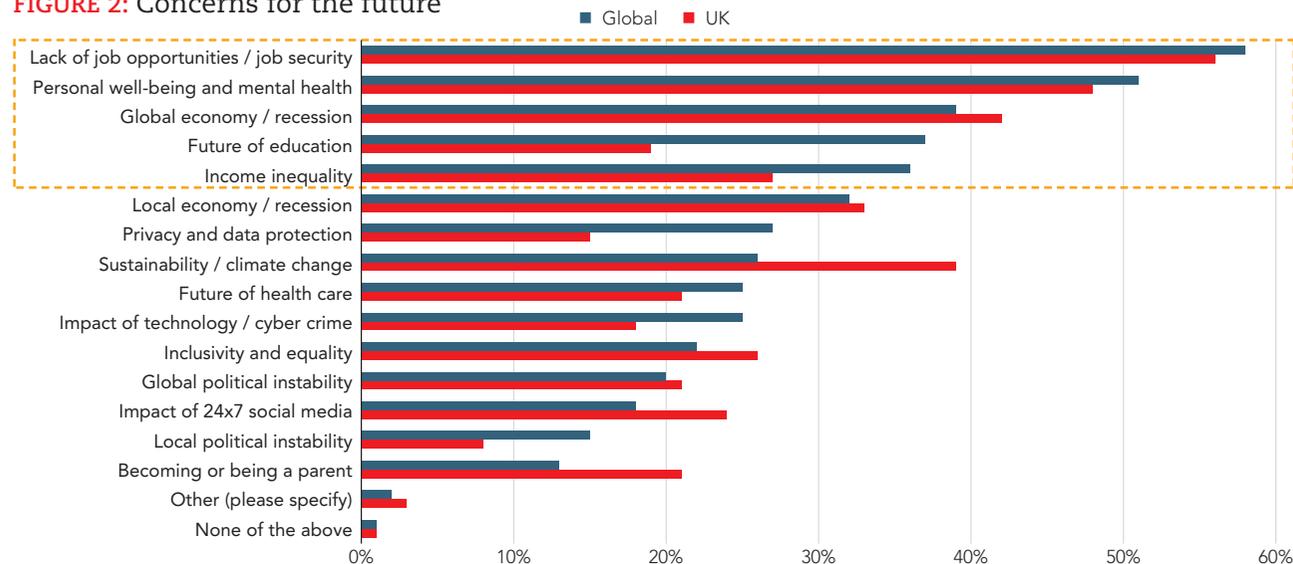


Key data from our survey

1. For Gen Z in the UK, it's personal, with worries about job security and well-being high on the list

Recent global data¹ shows that the pandemic has had an indelible impact on younger people and has had a particularly profound impact on job displacement. Almost three-fifths of UK respondents to our survey cited lack of job opportunities and job insecurity as a key concern (Figure 2). But Gen Z in the UK also express concerns about their personal well-being. COVID-19 has been the greatest global health scare for a generation, and our data suggests it's had a big impact on the younger generation, with mental health and physical well-being significantly challenged and identified as a priority. Over 50% identify this as a key concern.

FIGURE 2: Concerns for the future



1 World Economic Forum Future of Jobs Report (World Economic Forum 2020)



Access to the professions for Gen Z and the challenge of social mobility

The foundation of ACCA in 1904 was to create a professional body for accountancy professionals that was open to all, and the value of inclusion remains at the core of everything we do.

Today it is more important than ever that we remain focused on ensuring that socially disadvantaged young people in the UK have opportunities to pursue enriching careers in accountancy. Even prior to the outbreak of the pandemic, the evidence was clear: those from worse off backgrounds were less likely to leave school with the capital, experiences and networks necessary to gain entry to a professional career pathway; a factor which follows through to employment where they must compete with peers from more privileged backgrounds. The Social Mobility Commissions 'State of the Nation' Report in 2019 found that those from better-off backgrounds were 80% more likely to access a professional career.

At a recent Guardian on-line event supported by ACCA exploring class diversity in the accountancy profession in the UK, the audience heard inspirational stories from ACCA members who have succeeded in breaking

through from relatively disadvantaged backgrounds without the traditional university career pathway into the profession. Bola Lawal, a finance professional and ACCA member, told the panel that while she hadn't attended university, it didn't stop her forging a successful career.

With the support of Leadership Through Sport & Business, a social mobility charity that prepares and supports young people from disadvantaged backgrounds into meaningful roles with major firms, Lawal undertook an apprenticeship that helped to secure her a job at Santander.

The City can be intimidating for anyone, she admitted, but it is potentially even more daunting for people from less privileged backgrounds. "Those buildings alone scare anybody, you walk in there thinking: 'There must be really smart people here'," Lawal told the event. "And there are really smart people there. But when you

start working in those environments you get a lot of support. You start to believe in yourself. There's nothing crazy about it, there's nothing different about it. It's like every other industry. It's just from the outset it looks a bit scary because historically there's always been certain types of people who worked in those sectors."

In the wake of the Covid-19 crisis it's even more important to secure opportunities for socially disadvantaged students to follow a career in accountancy, and the ability to enter the profession and gain qualifications regardless of background remains central to ACCA's core values. Our continued support of the apprenticeship programme in the UK and the introduction of T Level qualifications is part of a broader ACCA strategy where we will continue to advocate strongly for the opening up of new pathways into accountancy and champion the benefits that a more socially diverse profession brings.



2. Gen Z prizes organisations that provide them with job security, a good work-life balance and opportunities to pick up skills

For Gen Z in the UK, the challenging environment is clearly translating into the factors that are most relevant to their choice of organisation.

It's paramount for this generation that organisations provide them with job security (57%) as well as helping look after their personal welfare (56%). Would these features have ranked so highly prior to the COVID-19 crisis? Yet Gen Zs in the UK also have an eye on the longer term. They understand that in the workplace of tomorrow, there are no guarantees. You manage your own career, building and showcasing your capabilities continually.

Among our respondents, 45% overall identify opportunities for continually acquiring new capabilities as the third most important factor attracting them to prospective employers (Figure 3). And for those already in employment, 56% of respondents rank this as the top area of importance jointly with great work-life balance and job security (Figure 4). Work location is identified as the area where most respondents in the UK indicated they were satisfied (Figure 5).

85% SAY THEIR PEER GROUP VALUE FLEXIBILITY AND WORK-LIFE BALANCE.
74% SAY THEIR PEER GROUP VALUE HIGHER PAY AND A PRESTIGIOUS JOB TITLE.



FIGURE 3: Attractions to employment (All Gen Z UK respondents)

(Percentage of individuals ranking each factor as a top five attraction)



FIGURE 4: Attractions to employment (Gen Z UK respondents who are employed only)

(Percentage of individuals ranking each factor as a top five attraction)

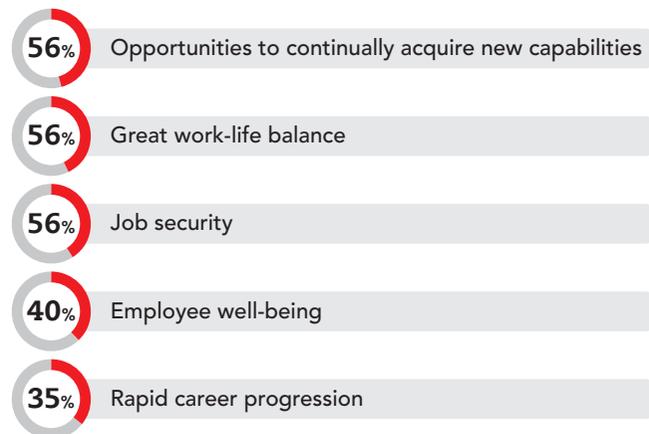


FIGURE 5: Satisfaction with current employer (Gen Z UK respondents who are employed only)

(Top five areas of satisfaction with current organisation)

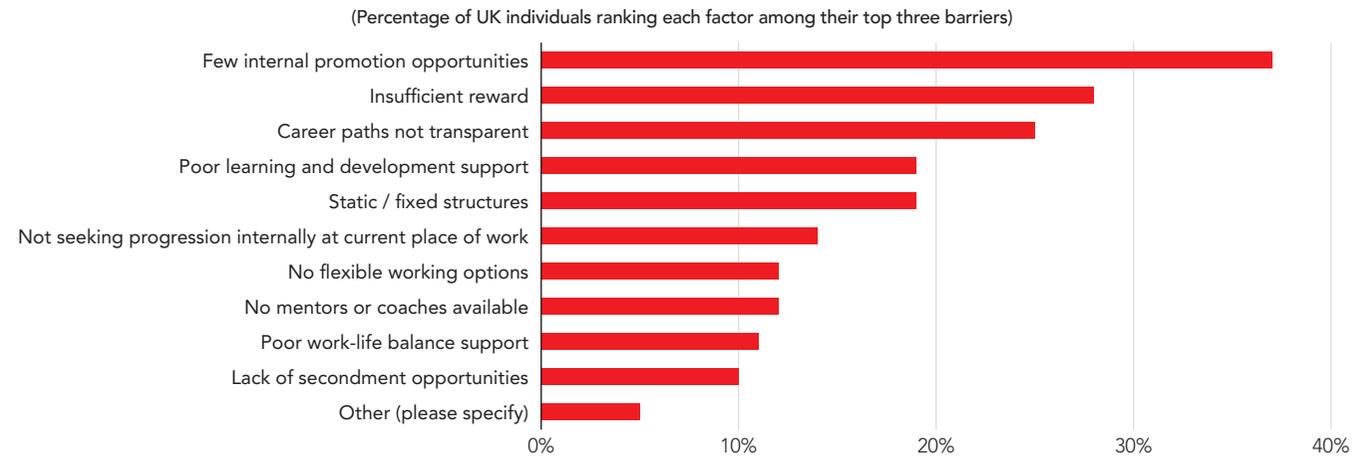


Those Gen Zs currently in employment in the UK also see a number of career barriers (Figure 6) that could serve as potential future retention issues for employers. Few internal promotion opportunities is identified as the biggest career barrier (37%), again suggesting that progression is a key focus for Gen Z and that they do not believe they are currently adequately compensated for their work (the second highest rated factor, 28%).

37% IDENTIFY FEW INTERNAL PROMOTION OPPORTUNITIES AS THE BIGGEST CAREER BARRIER.



FIGURE 6: Career barriers



3. Gen Z in the UK are an ambitious group, and those in employment want progression fast

For those Gen Zs already in employment, over one-quarter expect to move role within one year, and almost three-fifths expect to move within two years (Figure 7).

This evidences the ambition of Gen Z and their desire to progress quickly in the workplace. These findings may not be surprising, but they do represent a challenge to organisations in accommodating such ambitions in a workplace which is transitioning. It could lead to further retention pressures for organisations.

FIGURE 7: Progression ambition – how quickly would you like to move? (UK v Global responses)

(Desired speed of job moves expressed as percentage of respondents choosing each time frame)

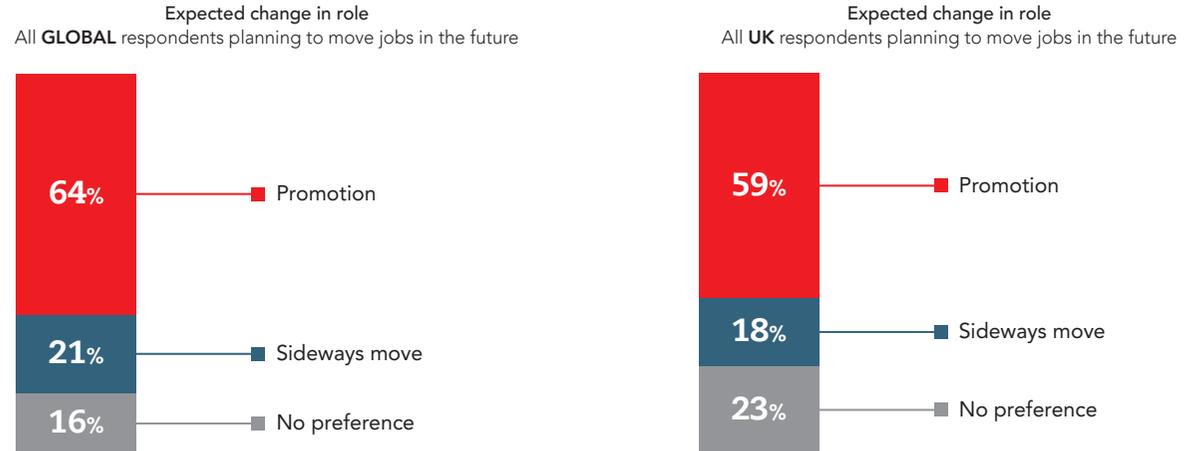
	GLOBAL	UK
Never, not planning to move jobs	3%	7%
Less than a year	26%	34%
1 year but less than 2 years	31%	22%
2 years but less than 3 years	19%	16%
3 years but less than 5 years	10%	10%
More than 5 years	2%	1%
Don't know	9%	10%

87% OF ALL GEN Z RESPONDENTS SAY THEIR PEER GROUP ARE AMBITIOUS TO PROGRESS THEIR CAREERS QUICKLY.



As well-trodden career pathways in accountancy become less available in the future, and as organisational structures become more fluid, it's generally accepted that we will increasingly see the emergence of lattice career paths, where horizontal moves across the organisation sometimes provide better opportunities for Gen Z to acquire prized capabilities and experiences. Nonetheless, it's clear from our data that Gen Z still prize upward mobility in the organisation. For those in employment in the UK, almost three-fifths (59%) expect their next role to be a promotion and just over one-third (34%) expect their next move to be external, though our data suggests UK respondents are more stable compared to the global data.

FIGURE 8: Progression ambition – do you want your next move to be a promotion or sideways move? (Global v UK responses)



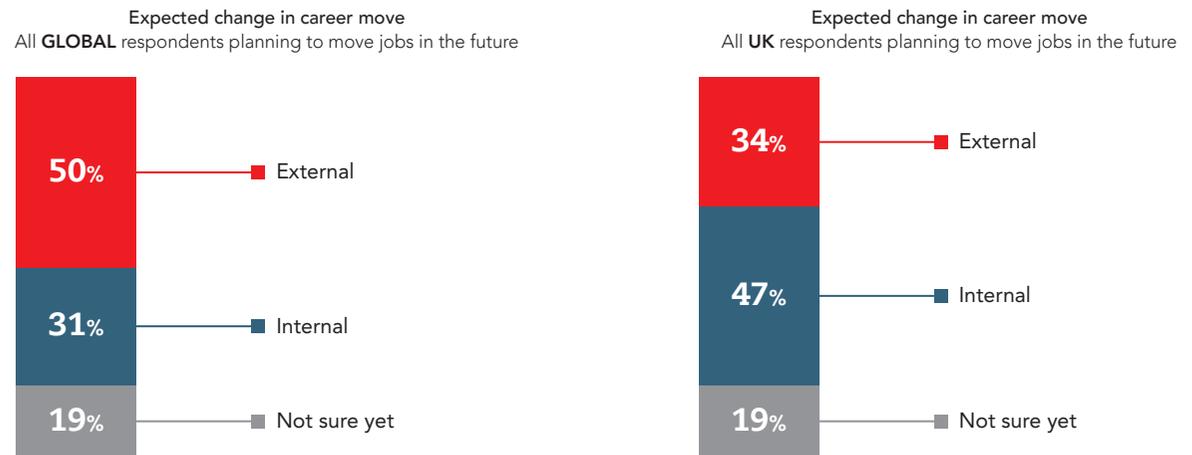
91% EXPECT TO UPDATE THEIR CAPABILITIES CONTINUALLY TO REMAIN EMPLOYABLE IN THE FUTURE.



ALMOST HALF (48%) OF ALL GEN Z UK RESPONDENTS EXPECT TO HAVE MULTIPLE CAREERS IN DIFFERENT DISCIPLINES IN THE FUTURE.



FIGURE 9: Progression ambition – do you expect your next move to be internal or external? (Global v UK response)



Gen Z career opportunities in accountancy

We see five exciting career zones of opportunity in accountancy emerging for Gen Z in the future, all contributing to building businesses for the long run. These zones represent broad areas of career opportunity in which individuals may develop their careers, or indeed navigate across as their careers develop. Gen Z career paths will become more diverse and working lives will be reimagined as technology blurs the work divide between humans and machines.

Zones of opportunity

1. Gen Z as the assurance advocate

From auditing to risk management, from corporate governance to compliance roles, a disruptive and challenging environment is driving growing assurance needs across businesses and will create new career opportunities for Gen Z as assurance advocates. There's more stakeholder scrutiny of organisation performance and how it is achieved, but trust and transparency remain challenged. Risks are growing in complexity and are ever more connected, particularly in light of COVID-19, and there is more demand for auditing to bring more value and be much more forward looking. There is exciting development in data and digital technologies that are transforming the look and experience of roles in the future, across assurance. The future of assurance makes it a compelling career choice for Gen Z.

2. Gen Z as the data navigator

Acquiring good information and using it smartly is a key business imperative and central to creating competitive advantage. Growing data sources present exponential opportunities for organisations to drive better and faster insight for decision making, formulating competitor strategies or facing risk challenges, and businesses continue to create more analytics-led roles. Coupled with emerging analytics technologies in this area, there are opportunities for Gen Z as data navigators in roles across accountancy that are data and insight led. These roles will be central to helping businesses understand their environment and tell their corporate story better. From finance business partnering to decision support and data analytics roles, data and insight jobs across the profession will grow.

3. Gen Z as the business transformer

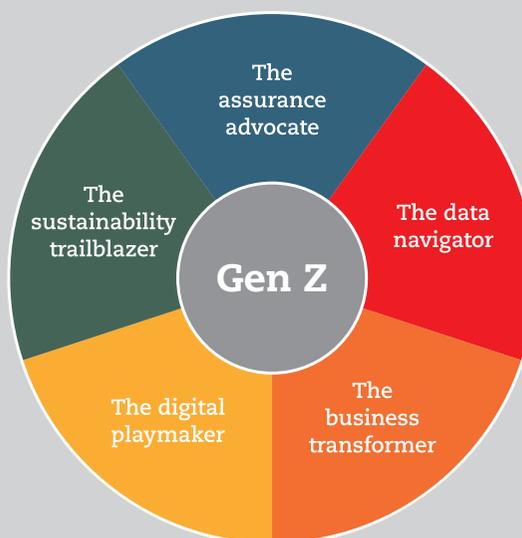
The scale of business change, even before COVID-19 was unprecedented, and the pandemic has further accelerated the level of transformation required for many organisations as a business priority. With growing capabilities in tools and technologies to support business change, we see business transformation as a real opportunity area for Gen Z across the profession. These could be in-house roles within businesses or in global business service operations, or increasingly as external consultants working in consulting and advisory services. Smaller accountancy firms are entirely reimagining their own service offerings to clients and providing great opportunities for young professionals to understand business and work with clients. In larger organisations, big finance teams continue to transform too, helping organisations remodel their businesses and being at the heart of driving business change.

4. Gen Z as the digital playmaker

Technology-centric roles across accountancy are growing rapidly, and those in Gen Z who want to apply their 'digital native' skills to help solve real business issues will have lots of opportunities in accountancy roles. With automation increasing there are emerging opportunities for young accountants to build skills and capabilities in applying technology to drive business efficiency and effectiveness. As organisations continue to disrupt and digitally transform, they will need skilled finance professionals who understand emerging technologies and how these can be applied across the organisation to drive insight capabilities and re-engineer processes. In accountancy firms, as client service offerings transform, Gen Z can bring their technology know-how to solve client challenges differently and at speed.

5. Gen Z as the sustainability trailblazer

At the heart of sustainable organisations in the future are strong performance management frameworks. We see growing opportunities for professional accountants at the heart of performance management in the organisation to help drive long-term business value. This is Gen Z as the sustainability trailblazer, accounting for the whole of the business and not just for the balance sheet, helping drive more effective business planning processes, which sustainable businesses need for the long term. They will bring their technology skills and leverage emerging digital capabilities to capture and report financial and non-financial information internally and externally on a wider range of requirements. Gen Z's role as the sustainability trailblazer is at the heart of driving business performance.



Small and medium sized accountancy practices in the UK: a world of opportunity for Gen Z?

The opportunity for small and medium sized practices (SMPs) to grow in today’s business environment is unprecedented, and they provide fantastic career opportunities for young people entering the workforce.

The adoption of digital accounting tools, changing client expectations and business models are transforming many aspects of today’s smaller accountancy firm. From a technology perspective many SMP firms have been at the forefront of leveraging cloud-based accountancy solutions as well as exploring emerging developments in Artificial Intelligence and Machine Learning. As access to data and information grows, SMPs are in a unique position to be a catalyst of growth for small businesses as trusted advisers. And employers we talked to as part

of this research cited examples of how Gen Z entrants into their organisations had already brought their digital know-how to solve client challenges.

For Gen Z entering the workplace, SMPs’ are incredibly dynamic places in which to work as client relationships evolve and working practices change. Smaller accounting firms are dramatically evolving their organisation cultures and reinforcing a sense of purposefulness in what they do. Sharing these same values with their employees is

becoming increasingly important, whether this is solving particular business challenges for clients, or supporting social causes and local community activities.

Aside from offering young entrants to the workforce the chance to deploy their tech skills immediately, more flexible working practices and a wealth of learning opportunities broaden the appeal. Recent research from ACCA and CAANZ Careers in small and medium sized accountancy practices showcases the multitude of career support activities that many firms provide to young staff such as mentoring programmes and volunteering/give-back opportunities.

For more information and to access the report go to www.accaglobal.com/my/en/professional-insights.html



4. The **digital natives** see **tech opportunities** but **worry** about **their own jobs**

Generation Z are the true digital natives, the first generation raised on the internet and social media. Unsurprisingly they see a future world of work which is transformed through technology, most of it for the upside.

They see businesses using technology as a force for good in the workplace and they fully recognise as a peer group that they are comfortable with digital and pick it up fast. When it comes to accountancy, they know that emerging technology will have an impact on routine, entry level roles, and they also expect technology to enable the profession to add value.

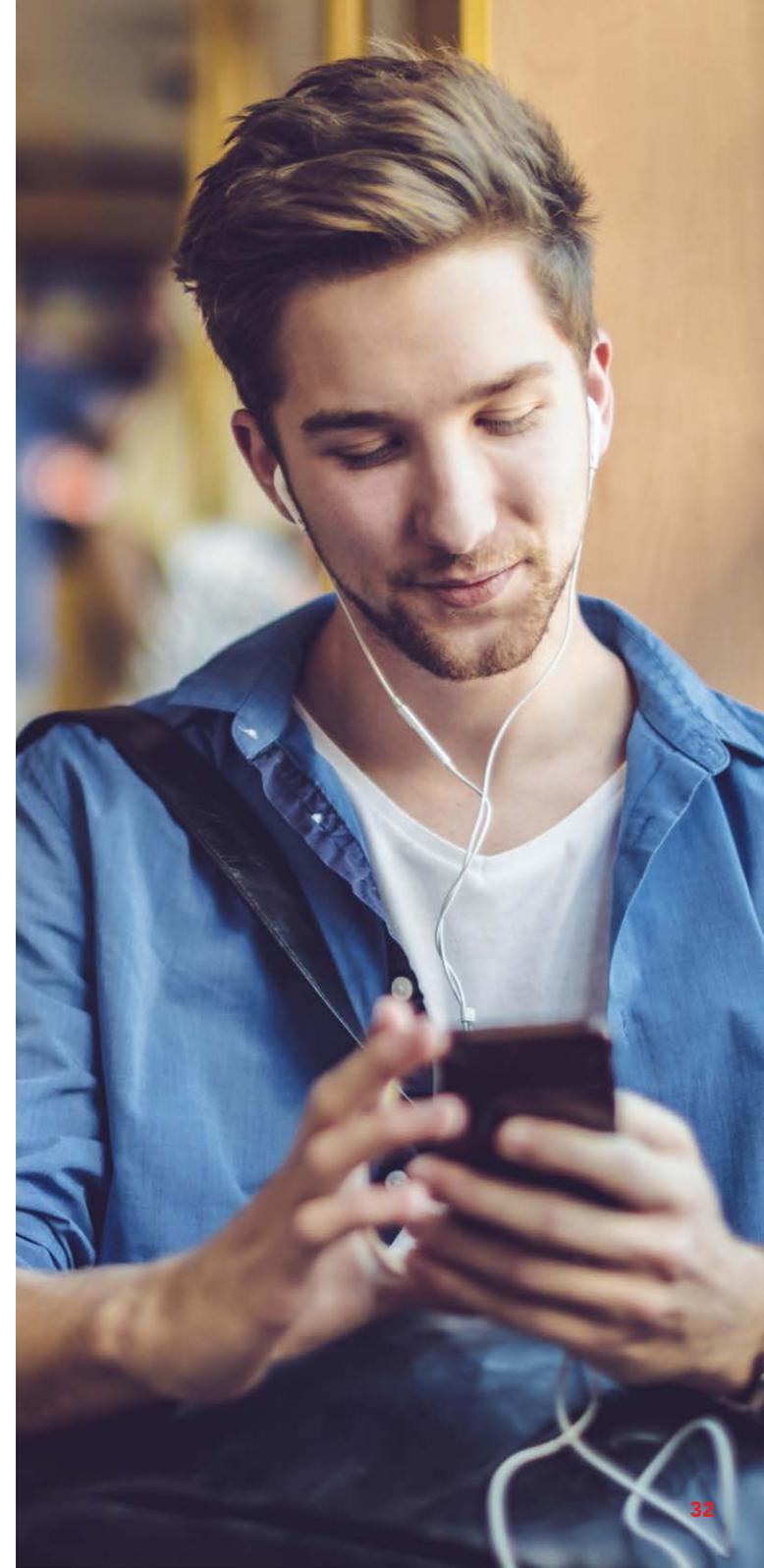
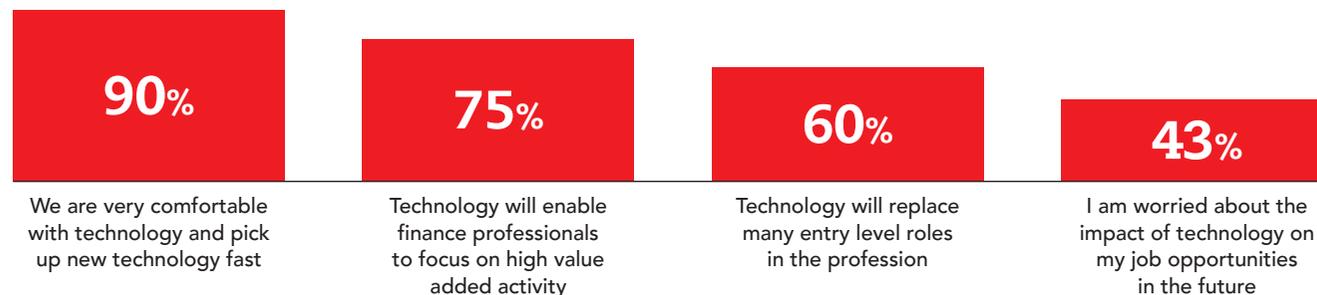
Accustomed to technology as they are, this doesn't mean some Gen Z don't harbour some worries about technology in the future. Among our UK respondents, 43% suggest they are worried about the impact of technology on their own job opportunities for the future.

As automation continues to gain widespread traction across accountancy processes Gen Z see a clear

implication for the types of jobs and roles they may be working in. The majority (three-quarters) see technology replacing many entry roles in the profession. This has profound implications for stepping-stones and career pathways across the profession. It places pressure on organisations to think more creatively about the entry-level routes into finance and accounting jobs within organisations, how tasks are allocated, and the shape of talent pipelines through the organisation, as well as raising fundamental questions about the acquisition of traditional 'finance and auditing experience', and stepping-stones to value-adding roles where accountants are part of the business rather than engaged in back-office functions.

FIGURE 10: Gen Z's views on technology

(Percentage of UK respondents agreeing to the statement)



Digital natives and the accountancy profession

For the cadre of younger people entering the profession now and, in the future, smart tech will continue to change what type of work is done, where it is done, and how its delivered.

Being digitally conversant with the new technologies will be 'table stakes'; the blurred technology-human divide will transform the effectiveness of the work done but also critically augment the complementary capabilities and behaviours accountants will need to assimilate. The adoption of emerging technologies will be uneven, but even now there are obvious examples of digital acceleration – the tech revolution taking place across smaller accountancy firms, which is transforming practice offerings, the opportunity for the audit professionals acquiring new tools to interrogate non-standard data sources and provide more holistic views on risk, for the management accountants deploying emerging analytics capabilities to bring real-time agile insight to decision making, and the reporting specialist leveraging new tools to capture metrics and information to support wider environmental, social and governance (ESG) reporting protocols.

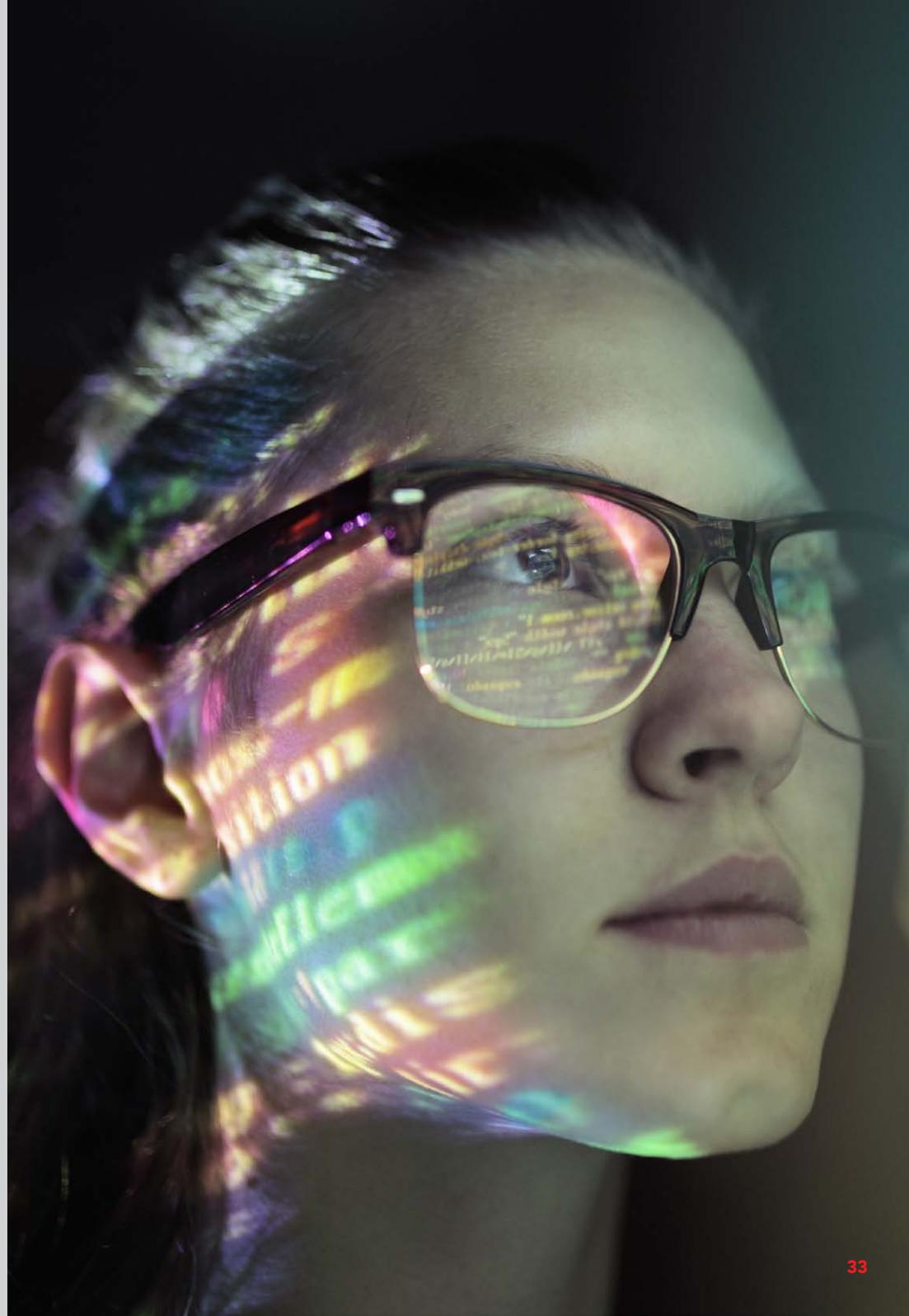
Across the profession, Gen Z will be the next generation evangelists for the use of smart technology. Artificial intelligence (AI) technologies spanning areas such as machine and deep learning as well as natural language processing, technologies leveraging motor skills, such as drones or humanoid robots, distributed ledgers or Blockchain², cryptocurrencies, FinTech and the IoT are all reshaping our evolving view of the art of the possible. The arrival of the digital core, in particular, is for many organisations a point of inflection³ that changes the speed and scale of decision making, providing the tech architecture for collaborative working and better insights. The digital natives will play a huge role in reconfiguring work: same underlying principles, just applied differently.

88% OF GEN Z IN OUR UK SURVEY BELIEVE THAT BUSINESSES ARE USING TECHNOLOGY TO IMPROVE THE WORKPLACE. THERE IS A STRONG IMPETUS FOR BUSINESSES THAT ARE STILL LAGGING IN THEIR DIGITAL JOURNEY TO PICK UP PACE OR BE SHUNNED BY THE FRESH TALENTS STREAMING INTO THE WORKFORCE.

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² *Divided we fall, distributed we stand* (ACCA 2019)

³ *The future of finance journey* (ACCA 2019)



World Economic Forum: *The Future of Jobs report 2020*

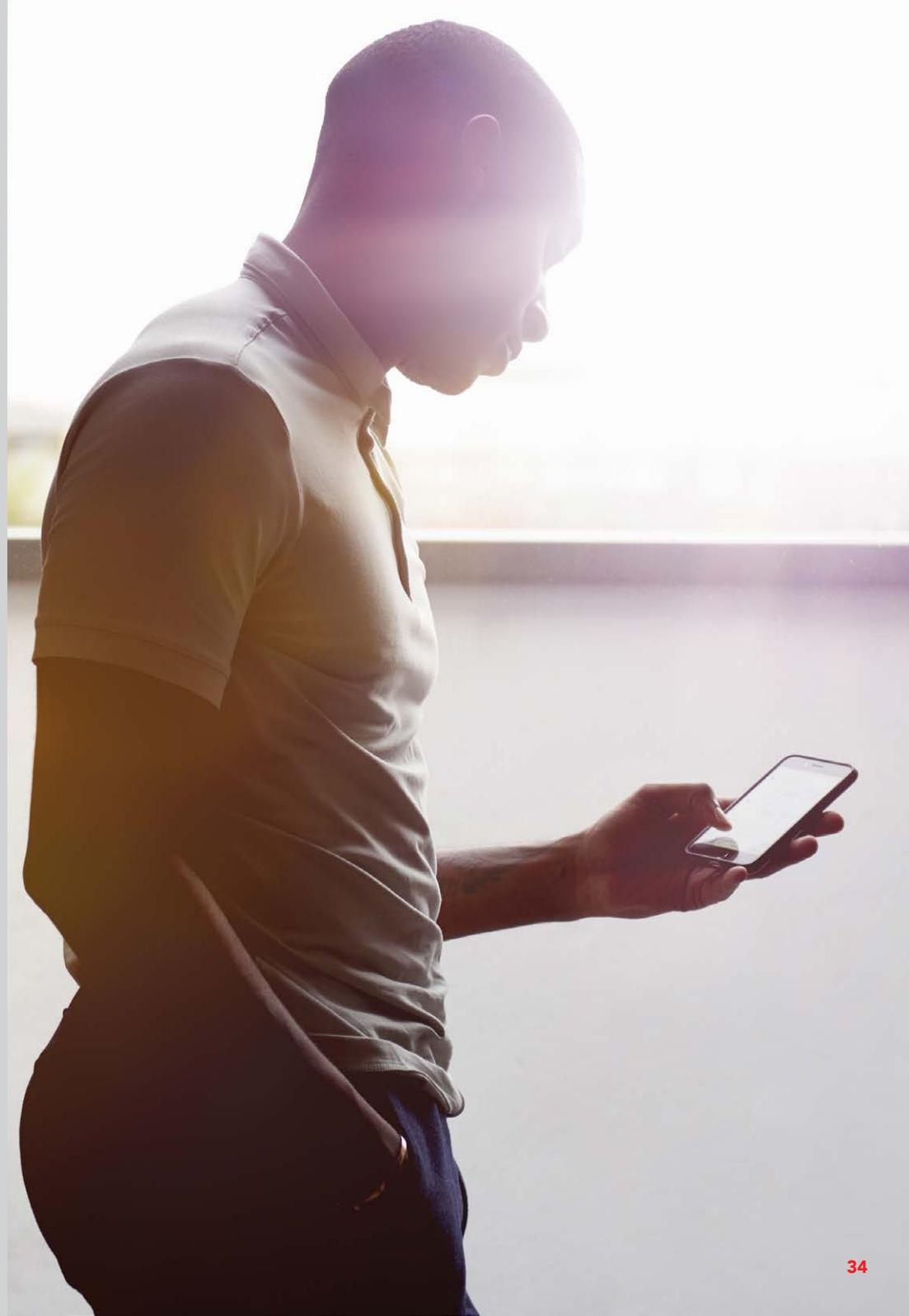
Automation, in tandem with the COVID-19 recession, is creating a ‘double-disruption’ scenario for workers. In addition to the current disruption from the pandemic-induced lockdowns and economic contraction, technological adoption by companies will transform tasks, jobs and skills by 2025.

Of the businesses surveyed, 43% indicate that they are set to reduce their workforce owing to technology integration, 41% plan to expand their use of contractors for task-specialised work, and 34% plan to expand their workforce owing to technology integration. By 2025, the time spent on current tasks at work by humans and machines will be equal. A significant share of companies also expects to make changes to their locations, their value chains, and the size of their workforce owing to factors other than technology over the next five years.

Early evidence from the World Economic Forum’s Future of Jobs Survey suggests that, in addition to the labour market displacement caused by this health shock, employers are set to accelerate their job automation and augmentation agenda, raising the possibility of a jobless recovery. Among the business leaders surveyed, just over 80% report that they are accelerating the automation of their work processes and expanding their use of remote work. A significant 50% also indicate that they are set to accelerate the automation of jobs in their companies. In addition, more than one-quarter of employers expect to reduce their workforce temporarily, and one in five expect to do so permanently.

AMONG THE BUSINESS LEADERS SURVEYED, JUST OVER 80% REPORT THAT THEY ARE ACCELERATING THE AUTOMATION OF THEIR WORK PROCESSES AND EXPANDING THEIR USE OF REMOTE WORK.

”



5. Gen Z expresses some doubts on aspects of business

Examining the views on the role of business from Gen Z respondents reveals interesting perspectives.

Firstly, there are some positives, with an overwhelming number of respondents in the UK suggesting businesses use technology to improve the workplace, that they have a positive impact on wider society and that they maximise return for investors. And yet there are some areas where things could be improved. Just over one-third believe business leaders have integrity and do what they say, and only just over one-quarter believe businesses contribute to fighting climate change (Figure 11). Only 38% suggest businesses prioritise and take good care of their employees. This also must be seen in the context of the COVID-19 pandemic where respondents identify mental health and well-being of employees as a key priority (Figure 12).

FIGURE 11: The role of business according to Gen Z

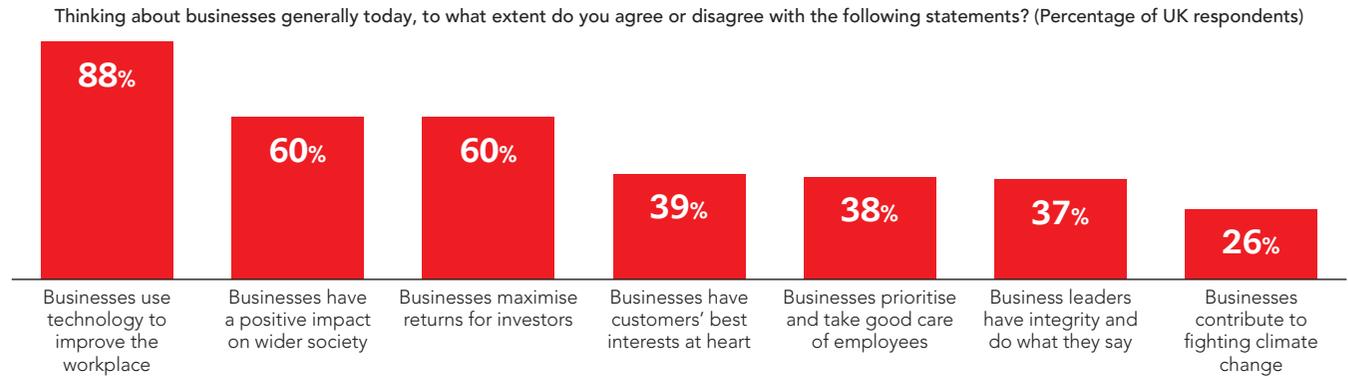
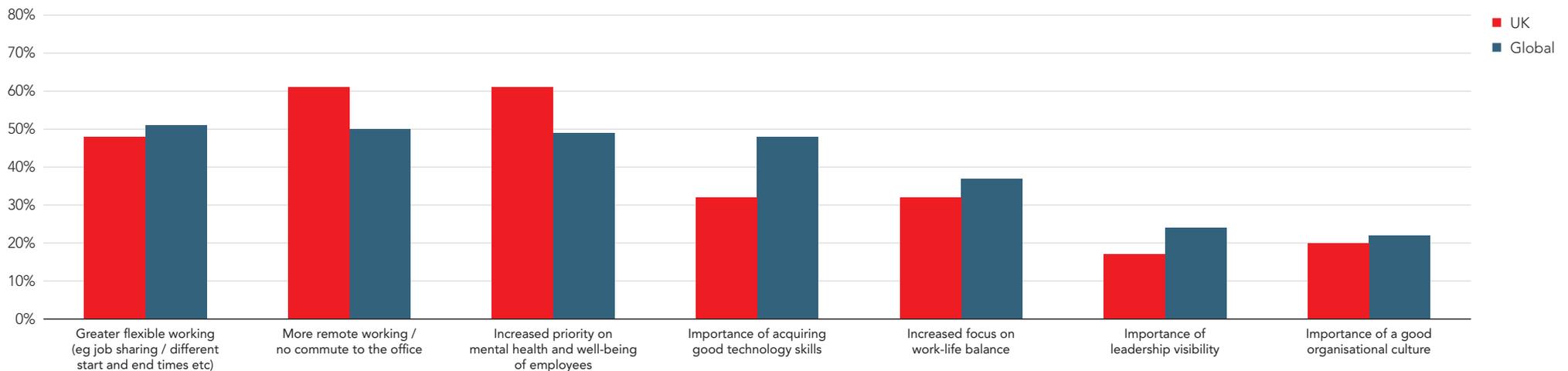


FIGURE 12: The most important long-term people related impacts of COVID-19

(Percentage of UK respondents)



6. A career in accountancy is broadly seen as attractive to many in the UK, but some respondents are less sure

Gen Z are the next cohort of talent into accountancy. In a transforming world of work, there is a significant opportunity for the profession to reimagine itself, to build on its strong heritage and contribution to the business and the global economy and, critically, to remain attractive to Gen Z talent.

Gen Z respondents in our survey who have decided they want to pursue a career in accountancy (Figure 13), or who are already employed in accountancy roles (Figure 14) are attracted first and foremost to the profession for the long-term career opportunities it affords, but then there are different attraction factors at play between these groups. However, there are some respondents (30%) who see the image of accountancy as being negative (Figure 15).

GEN Z RESPONDENTS IN OUR SURVEY ARE ATTRACTED FIRST AND FOREMOST TO THE PROFESSION FOR THE LONG-TERM CAREER OPPORTUNITIES IT AFFORDS. HOWEVER, THERE ARE SOME RESPONDENTS (30%) WHO SEE THE IMAGE OF ACCOUNTANCY AS BEING NEGATIVE.



FIGURE 13: Attractions of a career in accountancy, finance and auditing (all respondents who would like to work in finance / accountancy)

(Percentage of UK respondents)

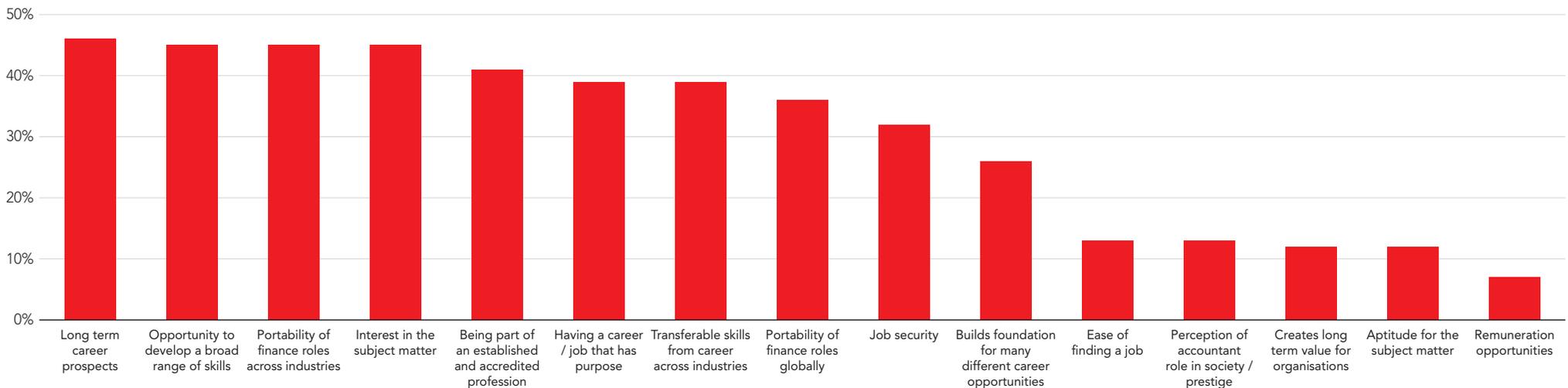


FIGURE 14: Attractions of a career in accountancy, finance and auditing (all respondents who already work in finance / accountancy)

(Percentage of UK respondents)

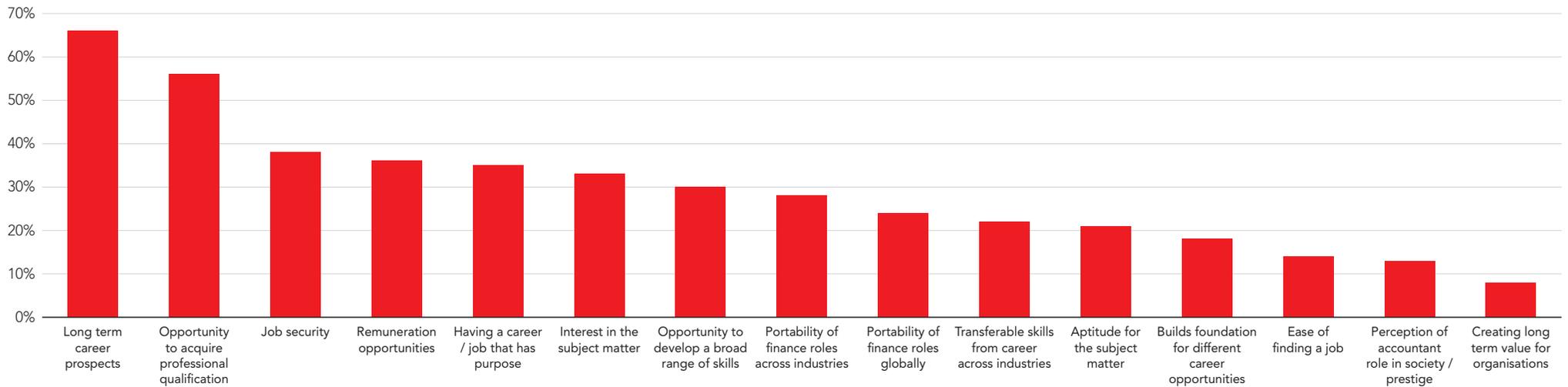
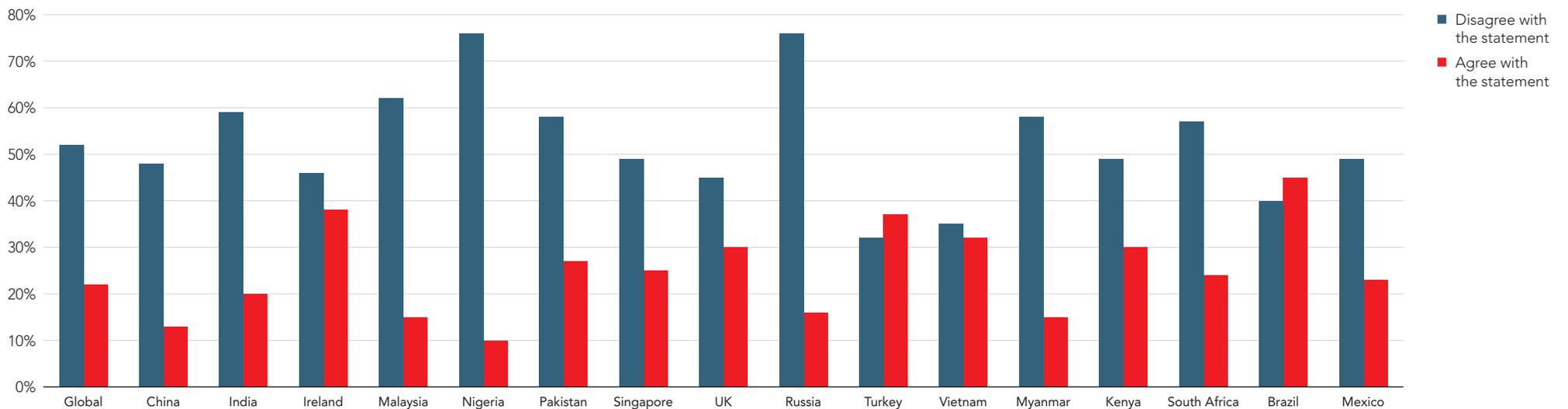


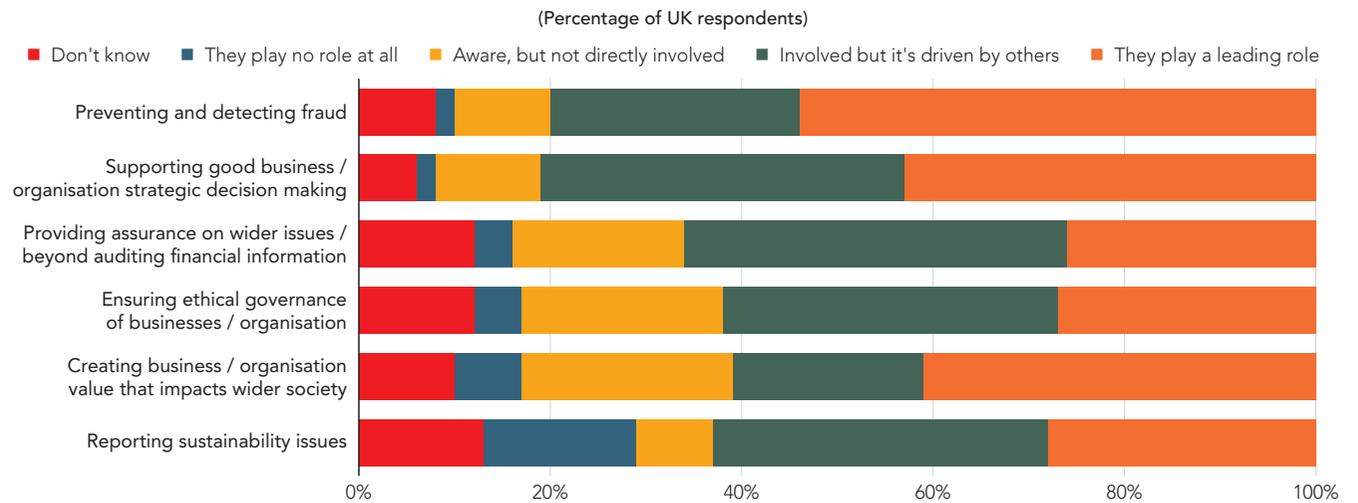
FIGURE 15: Perception of accountancy

(Percentage of respondents by country agreeing or disagreeing with the statement 'The term accountancy has a negative image which may discourage individuals from pursuing a career in accountancy')



One further area is worth exploring. When Gen Z respondents in the UK were asked about the role of accountants in different areas (Figure 16), it is clear there is some misunderstanding about the breadth of the role some accountants can perform and the level of influence they can have. Less than one-third of UK respondents see accountants working in business as playing a leading role in reporting on sustainability issues, only 41% see them as leading on creating business value that impacts wider society, and just over one-quarter (27%) suggest accountants play a "leading role" in ensuring the ethical governance of business. It suggests there are more opportunities for the profession in the UK to promote the attractiveness of the profession and how accountants can make a real difference to wider societal issues.

FIGURE 16: Gen Z perception of the role of accountants working in business



THERE ARE MORE OPPORTUNITIES IN THE UK TO PROMOTE THE ATTRACTIVNESS OF THE PROFESSION AND HOW ACCOUNTANTS CAN MAKE A REAL DIFFERENCE TO WIDER SOCIETAL ISSUES.

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A final thought: Rethinking 'accountancy'?

The decade of opportunity will repurpose work, where young talented people are attracted to careers that are fulfilling and that make a contribution and difference. But where does accountancy sit in all this?

Businesses make difficult decisions and weigh up tricky trade-offs. They decide where to and where not to invest, they balance short-term against long-term goals⁴, and good businesses understand that actions have consequences. Good businesses are the lifeblood of a sustainable economy and a sustainable planet, making a positive impact on societies and the environment around them over the long run. Young people entering the global accountancy profession have a brilliant opportunity to play their part in this story, helping organisations be sustainable and resilient for the long term through doing jobs at the heart of business that truly make a difference.

As work transforms, tech savvy Gen Z will bring their digitally connected lives into the workplace and help change businesses for the better. If our survey results are good indicators, they will demand more accountability from the leaders of the organisations in which they work and they will have high expectations of their work-life balance and how employee welfare is properly catered for; they will help create a workforce which is more diverse, more inclusive, and which will

make businesses more cognisant of their broader role in society. This is a generation who truly are work ground-breakers. In the longer term, it's likely they will have an indelible impact, shaping what 'work' looks like and how it is done in the future like no other generation before them. And not just because they can use an iPhone.

They'll also be a real catalyst for change in the profession. This eager-to-learn cadre of young people with high career drive and ambition won't want to play safe. They can't because the future world of work won't be like that. They will rightly have high expectations of investing in a professional qualification, time served, to open the door to a world of opportunities. Accountancy will again be the 'gateway' profession. But they will also form an important part in the story of accountancy, helping entirely recast what it is to be an accountant in the minds of future generations.

Just as Gen Z will give to business and the profession, business and the profession will give back. The foundational qualities of accountancy will endure

because finance is the universal language of business. As technology reapportions responsibilities, work processes and activities will be re-engineered, blending human endeavour with emerging digital capabilities across an increasingly connected profession.

Yet the fundamental building blocks remain. A grounding in accountancy prepares Gen Z with the skills and knowledge to achieve anything they want in business. In the brave new world of work, career routes and opportunities for continuous learning and acquiring new capabilities across the profession, will continue to open up as pathways diversify further and as the expectations of Gen Z themselves continue to change. Irrespective of role, sector, industry or geography, it's the application of those vital skills and the sheer diversity of future possibilities afforded by a background in accountancy that remain the key attractions in the minds of Gen Z. In a world economically rocked right now, it seems that accountancy remains a pretty good bet.



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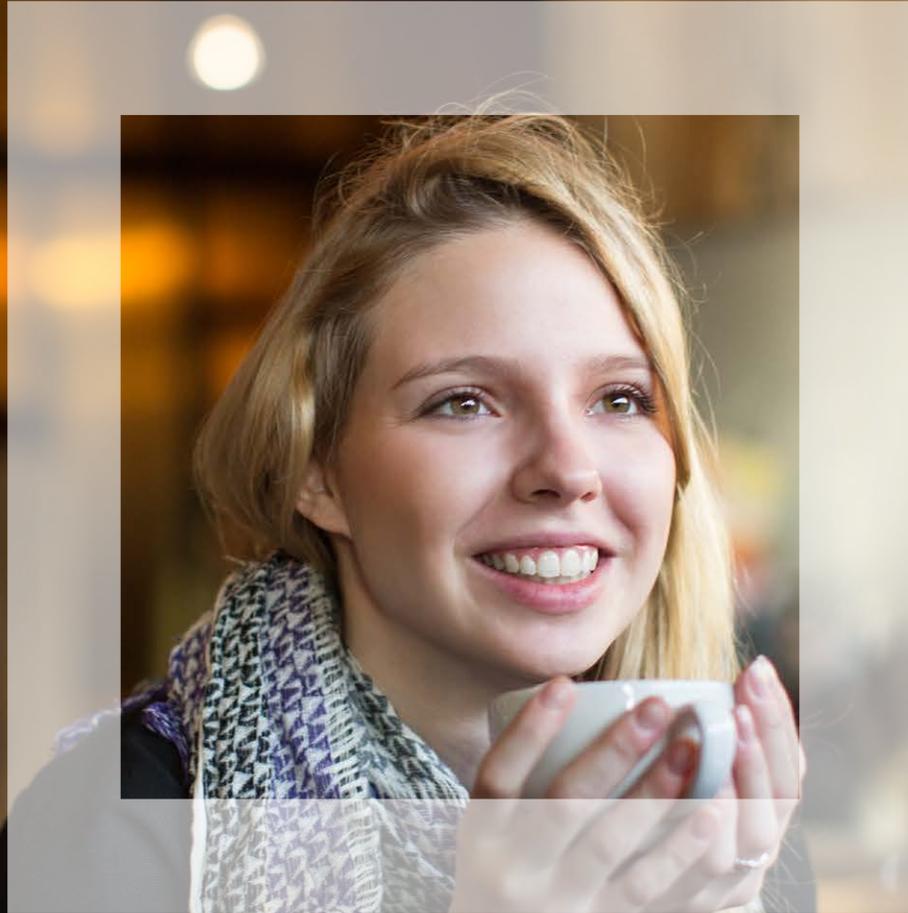
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