

SWIPE RIGHT FOR TECH

How the technology sector can capture the hearts and minds of future talent

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INTRODUCTION

Digital transformation, propelled forward by Covid-19, has caused an unprecedented wave of technology investment around the world, across all sectors and all markets. Spend is up. Transformation and digital disruption are front of mind for boards worldwide. And investments in R&D and innovation are thriving.

But none of the desired outcomes from this technology adoption and disruption can be achieved without that now most elusive of all enablers: technology talent.

Nearly **9 in 10** executives say their organizations either face a skills gap or expect it to develop within the next five years¹.

Gender diversity in technology leaders is just **11%**².

And some predict potential worldwide revenue loss of over **\$8 trillion** by 2030³ because of the global lack of skilled talent.

Many factors are exacerbating this challenge. Aging populations. Lack of investment in training and development. Scarcity of role models for diverse and female talent. And a growing drumbeat on the perceived harms of technology. All are driving a wedge between the real need and potential for careers in technology, as well as the willingness and readiness to acquire the necessary skills to join the industry.

Rather than second guess the drivers and motivators behind the world's potential future technology talent – those that can ultimately solve the skills gap – we went straight to the source to garner perspectives on what younger talent aged 16-26 thinks of the technology sector today.

- | How do young people around the world view its reputation?
- | What barriers are preventing them from pursuing a career in the sector?
- | And what opportunities might exist when it comes to attracting and cultivating new talent?

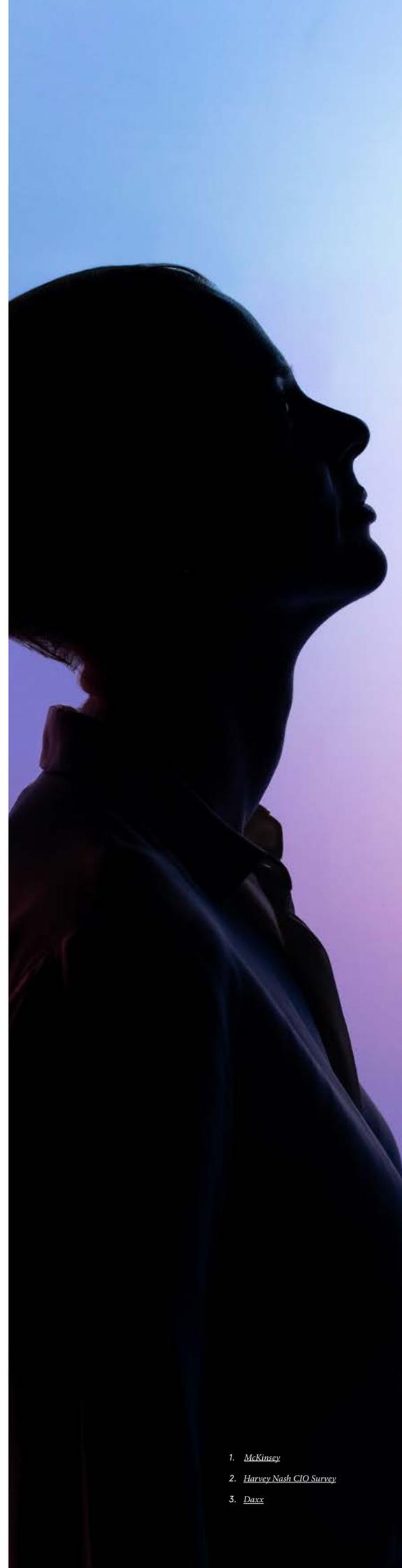
The results from this research deliver intriguing insight. Issues of diversity and accessibility, as well as the work environment, are barriers holding young people back. Astonishingly, many assume it's too late to enter the sector, despite their youth. And for all, the issue of work-life balance is front of mind.

Without understanding the dreams and desires of the audience they're trying to attract, technology companies of every size might well still face that dystopian future we hear about so often – but for lack of humans, rather than for an abundance of machines.



Sophie Scott

Global Technology Lead



EXECUTIVE SUMMARY

Research was conducted by Finsbury Glover Hering Research & Insights in September 2021. A total of 2,400 Gen Z and younger Millennials aged 16 to 26 were surveyed, including:



600

interviews in the U.S.



600

interviews in the U.K.



600

interviews in Germany



600

interviews in China

The research was designed to gain insight into:

- | How young people view the technology sector and its reputation
- | Barriers that are preventing young people from pursuing a career in technology
- | Opportunities when it comes to attracting and cultivating new talent

Three major takeaways:

- | The technology sector's overall brand is strong with global youth, despite headwinds from the so-called techlash
- | But a career in technology already feels out of reach for many young people. The sector faces key reputational gaps that drive the idea that technology is 'not for them'
- | The sector has an opportunity to align much more closely with young peoples' priorities – which are as much pragmatic as they are values-led – to attract new talent

“Talent is the fuel for the technology sector, and we are fast running out of oil.”

Abhinav Kumar, Chief Marketing Officer, Global Markets,
Tata Consultancy Services

WE TRUST YOU, BUT OUR VALUES DON'T ALIGN

Despite widely reported misgivings and concerns around the erosion of confidence in the technology sector over the last decade, our research indicates that younger people are actually inclined to trust the industry.

90% of respondents in China say they trust the technology sector, with 72% in the U.K., 69% in Germany and 65% in the U.S.

This speaks to a broader feeling among younger Millennials and Gen Z, who overwhelmingly see technology as a force for good in society, with 91% of respondents in China viewing it as 'more good than bad', 66% in the U.K., 65% in the U.S. and 59% in Germany.

The research corroborates the idea that technology has been a powerful force for good during Covid-19, with all markets seeing younger people's trust in the sector rising over the course of the pandemic. 83% of young people in China say they trust the tech sector more compared to before the pandemic, followed by 46% of young Germans, 37% of young people in the UK and 35% of young Americans.

All of this underpins a significant amount of interest in working in the sector: Interest is highest in China with 82% of Chinese respondents indicating interest in working in technology, followed by 62% of British and German respondents and 58% of American respondents.

However, there is room for improvement around values, which don't always align. This is more prevalent in the U.S. and the U.K., where just under half of younger Americans (49%) and fewer than 6 in 10 Britons are confident that the technology sector aligns with their values. Confidence is relatively higher in Germany, where two-thirds of young Germans (66%) express confidence that the sector aligns with their personal values. Young people in China are the most confident that the sector aligns with their values at 86%.

Audiences also worry about the amount of power the sector has, as well as its impact on jobs:



Agree that major tech companies have **too much power and influence** in today's society.

58% 61% 56% 68%

And worried that **automation and innovation from tech companies will destroy too many jobs.**

50% 56% 49% 68%



“The leaders and companies that get leadership values and actions right will have access to the best and brightest employees; those who get it wrong are going to be stuck in a spiral of poor culture and understaffing that will be tough to exit.”

Khalil Smith, Vice President, Inclusion, Diversity and Engagement, Akamai

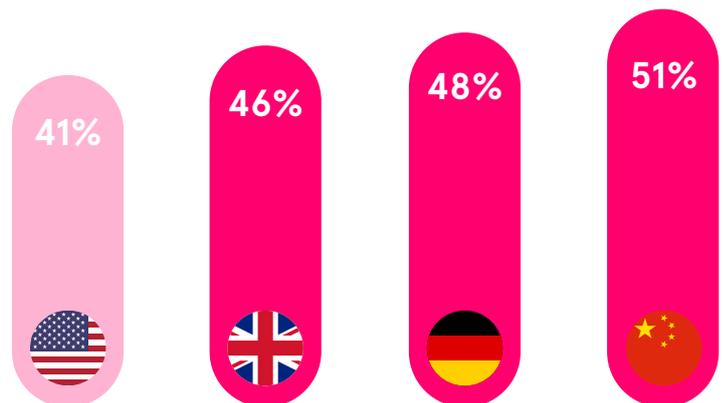


BREAKING DOWN SELF-LIMITING BELIEFS BEFORE THEY BECOME BARRIERS

With interest and trust riding high and a solidified belief that technology can be a force for good, the research indicates that the greatest challenge in attracting young talent lies in accessibility and reshaping existing perceptions. To many young people, the sector feels out of reach.

Surprisingly among such a young audience, many feel that it is 'already too late' to enter the sector: around half of respondents in China (51%), Germany (48%) and the UK (46%) stated that they didn't have the opportunity to study subjects in school that would prepare them for a career in technology and believe it is now too late for them. 4-in-10 Americans (41%) have the same concerns.

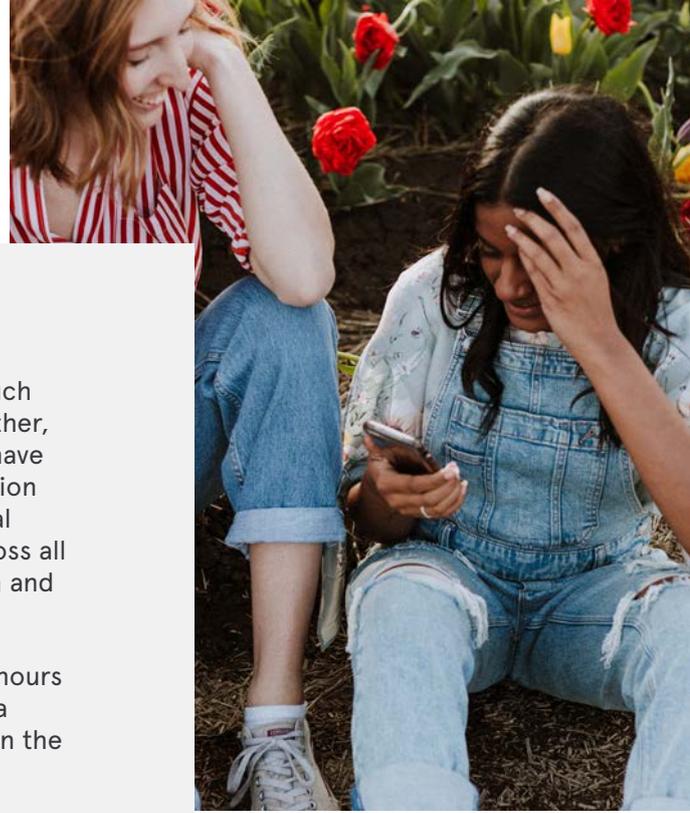
ACCESSIBILITY/SKILLS: I didn't have the opportunity to study subjects in school that would prepare me for a career in the technology sector **and now it's too late.**



"I just haven't had the chance to work hands on as much in the field and at my age I feel like a dinosaur already."

Research respondent, U.S., age 25-26

MONEY TALKS, OVERWORK WALKS



Young peoples' top priorities for a job center on practical needs such as salary, workplace culture and quality of life. This comes above other, more values-driven attributes. This indicates that younger people have confidence in their own value, as well as the values of the organization – a perceived good salary, along with benefits, are the first potential barriers to entry that technology companies need to consider. Across all markets, younger generations expect an organization to value them and pay them well.

The sector's reputation for the 'grind' and 'hustle' of long working hours and a desk-based job is also putting off younger people. Providing a good work-life balance is a top priority for 64% of those surveyed in the U.S., 57% in China, 56% in the U.K. and 50% in Germany.

Important attributes when considering whether to work for a company

Rated 8-10 on a scale of 0-10



| Pays a **good salary** and provides good benefits

68%

58%

55%

61%

| **Values employees** and has a positive work culture

66%

55%

54%

59%

| Provides a **good work-life balance** and doesn't require its employees to work unreasonably long hours

64%

56%

50%

57%

“There is serious overtime work in most technology industries.”

Research respondent, China, age 16-18

LISTEN TO WHAT TALENT *REALLY* WANTS

“Gen Z expect to be treated fairly and supported while they do meaningful work that makes a societal difference. If these conditions are not met, they will call it like they see it, and if nothing changes, will walk. The industry will do well to listen and act accordingly.”

Vanessa Yanez, Head of Brand Activation, HP

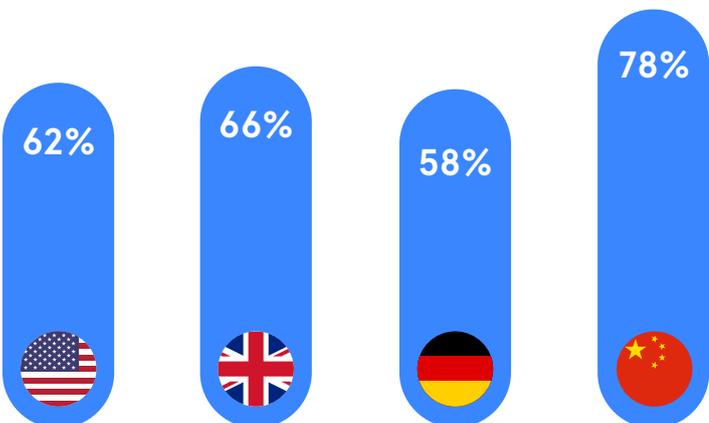
The playing field is relatively level for talent when it comes to size of organization, certainly among Westerners - where start-ups and enterprise firms have equal appeal. That said, younger people in China are more likely to be interested in a larger, more established company.

Working in health technology is particularly compelling for many young people, alongside more traditional technology companies. This supports the idea that younger people view technology as a force for good, particularly when thinking of the positive impact it has had as we navigate through Covid-19.

Interest in different types of companies

Very + somewhat interested

HEALTH TECH: A company that focuses on health technology that seeks to improve the quality of health care



“I imagine that working in technology involves sitting at a desk a lot, which I wouldn’t like.”

Research respondent, U.S., age 22-24

LISTEN TO WHAT TALENT REALLY WANTS

Interest in different types of companies Very + somewhat interested

A START-UP

A small start-up company that is just entering the market

AN ENTERPRISE COMPANY

A large enterprise company that is already established in the market

A GLOBAL COMPANY

A global company that has offices in countries all over the world



56%

55%

53%



58%

60%

62%



56%

55%

55%



66%

78%

73%

“Regardless of age group, we believe that the future of work is built on true flexibility and collaboration. Where you work is not actually what’s important, but it is how we connect to do the best work.”

Amanda Cusdin, Chief People Officer, Sage

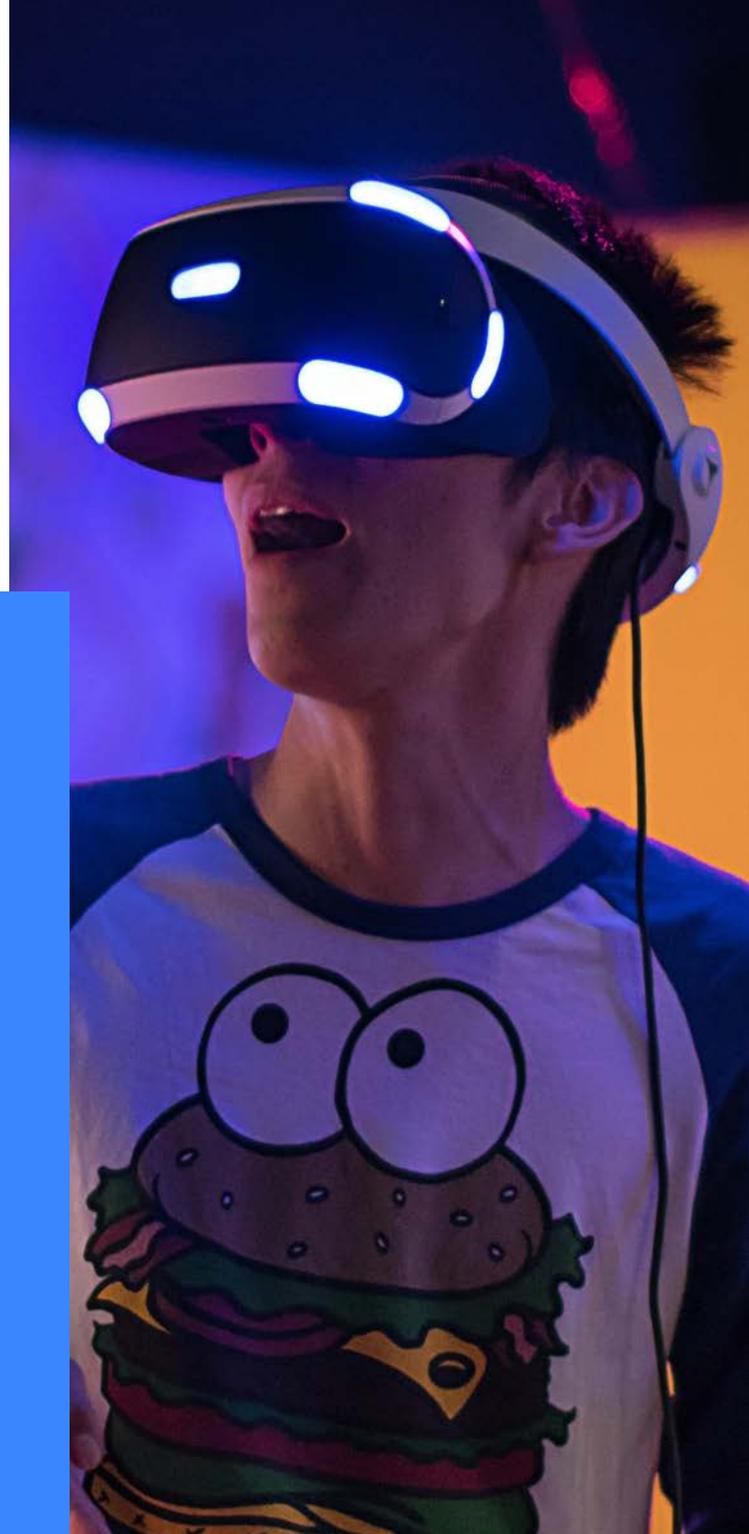
“The technology sector is constantly evolving and often has new things to offer.”

Survey respondent, Germany, age 22-24



LISTEN TO WHAT TALENT *REALLY* WANTS

On a functional level, a technology company's perceived innovation has greater sway and significance in China and the U.S. (59% and 41% respectively) compared to Europe, where only 33% of Germans and 29% of Britons see it as a critical factor when choosing jobs.



“Technological innovation is an important way to give back to society.”

Survey respondent, China, age 25-26

“Being in computer science feels like you are involved in everything. It's a sweet spot for polymaths. In addition, it's undoubtedly exciting as there are yearly paradigm shifts as we grapple with what is really an extremely young field.”

Alexander Shineborne, third year Computer Science student, U.K.

VALUES-DRIVEN: SUSTAINABILITY AND SOCIETY



While the primary factors attracting young talent into the technology sector are practical, values-led priorities are still an important attribute. Focusing both on workforce diversity and environmental sustainability is particularly important. Interestingly, the need for companies to be responsible and weigh in on societal issues is seen as less critical in the West, with only 38% in the U.S., 37% in the U.K. and 33% in Germany seeing this as an important attribute (versus 56% in China).

Important attributes when considering whether to work for a company Rated 8-10 on a scale of 0-10



Attribute	U.S.	U.K.	Germany	China
Focused on hiring a diverse workforce	58%	52%	48%	57%
Focused on environmental sustainability	47%	40%	37%	59%
Has a purpose that aligns with my own values	47%	40%	38%	53%
Offers flexibility to work remotely or work from home	47%	41%	31%	48%
Cares about giving back to society	46%	41%	31%	52%
Is working to solve different problems in society	45%	38%	34%	42%
Offers an employee benefit plan that gives workers ownership interest in the company	41%	35%	31%	54%
Is innovative	41%	29%	33%	59%
Is responsible and weighs in on societal issues	38%	37%	33%	56%
Is well-known	24%	21%	20%	42%

“Younger workforces... want their employers to be a force for good, responsive and empathetic to their different career and learning needs, proactive and bold on foremost challenges like climate change, and inclusive as well as progressive in the composition of their workforces and leadership teams.”

Abhinav Kumar, Chief Marketing Officer, Global Markets, Tata Consultancy Services

“Many of the leadership behaviors that had previously been seen as luxuries, like mitigating bias, prioritizing diversity and representation, creating an inclusive environment, enabling harmony between work and life, are starting to be seen as crucial differentiators.”

Khalil Smith, Vice President, Inclusion, Diversity and Engagement, Akamai



Gender diversity – or the lack of it – is still a primary concern. As well as surveying young people who currently or used to work in the technology sector, we also interviewed respondents who were on the fence or simply hadn’t considered working in the sector. Among those classed as persuadables (respondents who have considered a career in technology but don’t work in the sector yet), there was agreement among many Chinese (54%), British (54%) and American (43%) respondents that the sector is too male-dominated and there is not enough gender diversity, although this was less pronounced in Germany (37%). This sentiment was even more pronounced among rejectors, who are defined as those who have not ever considered a career in the technology sector. More has to be done to win them over as issues around gender and diversity are putting young talent off the sector completely.

GENDER

“The tech sector is too male dominated and there is not enough gender diversity.”

Net score: Total agree minus total disagree

	Persuadables	Rejectors
	+10	+28
	+32	+40
	+6	+23
	+31	+32

VALUES-DRIVEN: SUSTAINABILITY AND SOCIETY

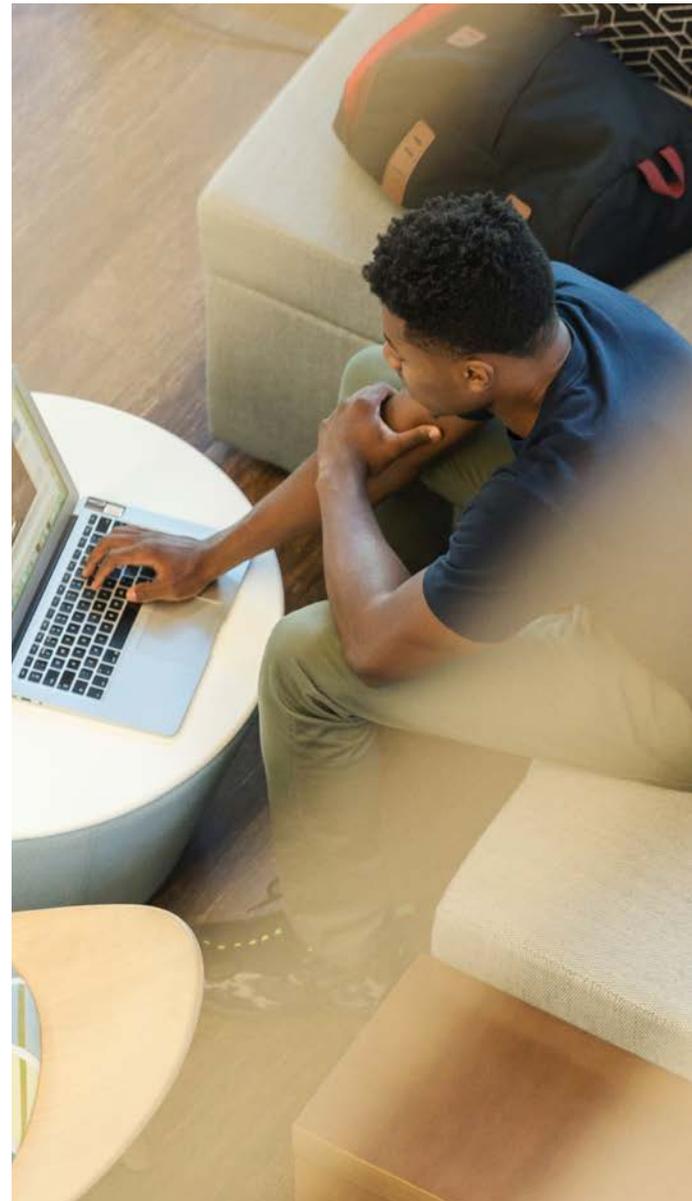
Concerns around socioeconomic status is another barrier to entry. Once again, the rejector category illustrates most profoundly the need for the industry to work harder to position itself as an accessible, non-elitist environment—efforts to address diversity must also consider socioeconomics.

SOCIOECONOMIC

The tech sector is too elitist, and jobs are only available to people from a certain socioeconomic background:

Net score: Total agree minus total disagree

	Persuadables	Rejectors
	-1	+24
	+10	+23
	-4	+11
	+12	+22



“The technology sector is a vital part of our economy, offering myriad opportunities for young people and entrepreneurs. However, digital and economic inequalities stack the odds against future talent.”

Amanda Cusdin, Chief People Officer, Sage

CONCLUSION

By looking at the technology sector's reputation through the eyes of future talent, this research can help organisations understand barriers and opportunities when it comes to attracting talent into their business. What's clear is that talent acquisition and retention must be embedded in wider growth and transformation strategies that address structural challenges, in order to strengthen competitive edge, boost agility and support a culture of innovation.

At the same time, the industry must also contend with the psychological barriers that people put up for themselves and that prevent them from exploring new opportunities and pursuing career changes and life-long learning. More must be done today if the industry collectively seeks to close the widening skills gap and create clear, accessible pathways to attract young talent.



DIFFERENCES BY COUNTRY

US

- | Fewer than half (**49%**) are confident that the tech sector aligns with their values
- | Just over a third (**35%**) trust the sector more than before the Covid-19 pandemic
- | Providing a good work-life balance is a top priority for **64%** of those surveyed

UK

- | Almost three quarters (**72%**) say they trust the sector
- | Over half (**53%**) of young people agree that the sector is too male-dominated
- | Only **29%** see perceived innovation as a critical factor when choosing jobs

GERMANY

- | The need for companies to be responsible and weigh in on societal issues is seen as less critical (**33%**)
- | The playing field is relatively level for talent when it comes to size of organization (**56% start-up, 55% enterprise, 55% global company**)

CHINA

- | Young people are the most confident that the sector aligns with their values (**86%**)
- | **90%** of respondents say they trust the technology sector
- | **91%** view it as more good than bad

ACTIONABLE INSIGHTS FROM THE DATA:

- 1 | Take an industry-wide approach to broadening the sector's reputation with young people
- 2 | Translate the corporate narrative for younger talent
- 3 | Use research to determine the most impactful story for the audience
- 4 | Review and deepen the Employee Value Proposition to align with young talent needs



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| **THANK YOU**



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