

Early Career Development of Management Consultants, opportunities for increasing Graduate retention in the UK market: The Case of a UK Consulting Firm.

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Abstract

Purpose: The global impact of Covid-19 has resulted in significant disturbance to the world of work with 18% of the workforce projected to seek employment away from their current employer (PwC, 2022). The majority of *new* graduates entering the workforce as Consultants are made up from Generation Z, possessing a range of ‘new’ values including their desire for alternative employment in line with their social and economic aspirations.

This paper explores Generation Z within a UK Consulting organisation to understand the factors that motivates individuals to seek alternative employment and determines whether the introduction of a role-specific technical training and resourcing strategy could be utilised to reduce attrition of Associates when completing their respective graduate programme.

Methodology: An anonymised survey incorporating quantitative and qualitative questions was issued to a participant pool of 427 graduate consultants, focused on those individuals engaged on the organisation’s graduate scheme. Data was received from 47 consultants representing a response rate of 11% which impacted on the level of non-response bias on the overall findings of the study.

Findings: 40% of graduate-level Consultants that indicated their intention to leave within the next 12-18 months, citing salary as the main reason, followed by promotion and progression. Although the combination of all intrinsic factors outweighed the sole extrinsic element, the identification of salary clearly supports the need for further research into this group as it currently does not assimilate with historical theory. When analysing whether location was a contributing factor to the decision to leave, the research demonstrated that individuals from areas associated with high deprivation, or those where the salary was higher than the regional cost of living were less likely to seek alternative employment.

Practical Implications: As a result of the increased cost of living across the UK, employees may not choose to leave the organisation completely but relocate to another regional office where the base salary is higher. This reduces the skill profiles of certain regional offices, decreasing profit

margin for projects and increasing the costs associated with the claiming of expenses due to misalignment of skills across local teams.

Introduction

Professional services organisations recognise the need to provide continuous investment to attract the best talent in support of their commitment and services provided to their clients. A reported increase of 6.3% in the number of new graduate joiners at the UK's leading employers in 2023, is indicative of the strategic direction of these organisations to respond decisively in the aftermath of Covid-19, in a highly competitive, post-pandemic market (highfliers.co.uk, 2023).

The global economic and social impact of Covid-19 and its repeated cycles of lockdowns has resulted in a significant upheaval in the labour market with individuals recognising the opportunities to seek employment with organisations offering terms and conditions favourable to their expectations and requirements. Deloitte (2024) highlight the importance of hybrid working in the future of work, as do KPMG (2024), who argue for the importance of hybrid models and emerging technologies.

Research shows that development opportunities presented to internal employees over external recruitment increases the likelihood of an employee valuing longevity with their current employer rather than seeking out new opportunities (PwC, 2022), further impacting on the perception of the "great resignation", which was a term coined during Covid-19. Providing graduates with the opportunity to learn new skills at the beginning of their career demonstrates the level of interest an organisation has in the development of its employees and has been shown to increase the aspirations of these individuals which results in the motivation to progress within the company in line with the organisation's growth strategies and associated targets.

The scope of this research document is limited to the Consulting graduate programme and does not cover the other graduate pathways offered by the organisation to new Associates. The scope of this report will focus on Generation Z (Gen-Z) employees with Mckinsey.com (2023) defining Gen-Z as those individuals born between 1996 and 2010.

PwC (2022) found that 18% of the general UK workforce would quit their organisation by mid-2023, with remuneration and interesting work cited as the two main factors.

The purpose of this paper is to identify the factors supporting the decision-making process when graduate consultants choose to leave the organisation upon completion of their respective graduate programme. A critical review of appropriate literature related to historical and contemporary research into the motivation and satisfaction of employees identified the following key themes which are discussed further in Chapter 2:

1. Balancing intrinsic and extrinsic motivation factors, aligned to Gen-Z employees to increase job satisfaction and retention.
2. Formalising a clearly defined development process to support Associates throughout their graduate pathways
3. Transferring ownership of development from the organisation to the employee to increase self-directed learning and facilitate autonomy.

The research methodology utilised focuses on the completion of an anonymous survey by the Associates, which despite including wide-ranging demographic markers for regional and generational analyses, facilitates the removal of attributable biases to identified individuals. The outputs of the research will be communicated to members of the leadership team to highlight the findings of the initial analysis and provide opportunity for the leadership team to communicate their subsequent responses to the presented findings. The understanding that the project aligns to the neo-positivism approach to philosophy in management research, will factor in any biases that may become apparent when analysing the data as there is an assumption that respondents will not view this from a holistic positivist position and that a certain level of subjectivity will arise out of the “epistemological assumptions” (Saunders, 2019)

Aims and Objectives

The aim of this project was to examine the linkages between the early professional development of graduate consultants, and their motivation to remain with their organisation upon successful completion of their respective graduate programme. The key question to determine the willingness of these individuals to remain with their organisation was to identify whether role-specific technical training and a comprehensive work allocation strategy in the first two years would result in a lower level of attrition.

Case Organisation

The Case Organisation in question is a UK wide consulting firm who has opted to retain anonymity for the purposes of presenting the results and data.

Literature Review

The philosophy of understanding the needs of individuals is not new to the field of human psychology. Theorists have often sought to understand the factors that impact an individual's motivation, and subsequent behaviours (Maslow, 1954; Herzberg et al., 1959). The principles outlined in these theories are applicable to the work environment and can be utilised to align historical analysis (Mowday et al., 1982) with contemporary theories on employee satisfaction and engagement (Stumpf, 1999; Kraiger et al., 2015) through strategic learning and experiential development programmes (Kolb, 2015).

Most new joiners to Consulting graduate pathways represent those individuals recognised as Gen-Z employees, who up until the last few years, had little research carried out in relation to this section of the workforce. As the number of these employees entering the job market has increased, so has the emphasis on understanding their individual needs, wants and expectations from an employment perspective. Recent research has shown that three key themes emerge when discussing Gen-Z in the workplace: intrinsic vs extrinsic motivational factors, the need for structured development programmes and transferring autonomy of the learning from the employer to the employee. Whilst the accessibility to Gen-Z related research has increased to support alignment with historical and contemporary theories, the application of this specifically to UK-based consulting firms, has not been seen to have risen significantly. This results in research derived from other industries and countries, which despite the best endeavours to comprehensively analyse this data, means that assumptions must be made in how it applies to UK consulting organisations.

Contemporary research has facilitated the understanding that three key themes can be recognised when analysing the needs and expectations of Gen-Z employees and how this directly or indirectly relates to job satisfaction and motivation.

Intrinsic vs extrinsic motivational factors

Several academics have debated the impact of different factors on the motivation of employees (Maslow, 1954; Herzberg et al., 1959; Adams, 1963; Vroom, 1964) with each of them developing theories to support their position. Whereas Vroom (1964) supports the concept that employees' motivation derives solely from the balance between the effort required to complete their task and the overall output, the rest recognise the need for a combination of intrinsic and extrinsic factors to motivate employees. Herzberg's Two-Factor Theory (1959) addresses factors that influence job satisfaction (motivators) and those that lead to job dissatisfaction (hygiene factors). It highlights the importance of intrinsic motivators in enhancing employee satisfaction, including advancement opportunities, recognition, and increased responsibilities. When employees experience these motivating factors, Herzberg argues that they are more likely to be engaged in their work and exhibit higher levels of motivation. Whilst this may have been relevant when the theory was proposed, the introduction of intelligent and motivated Gen-Z employees to a professional services organisation means that this cannot be considered wholly accurate in the current environment due to the values and expectations of this generational group. Recent studies undertaken as part of PwC's 'Hopes and Fears' report (2022) highlighted that a significant proportion of employees intending to leave their current job within 12 months, cited salary as the main reason for their

decision to leave. When considering the fact that exposure to challenging and interesting work also featured heavily in the responses of these individuals, it suggests that the delicate balance of both intrinsic and extrinsic factors cannot be understated, as supported by Maslow (1954) who contends that an individual seeking personal and professional development requires all needs to be met in order to do so.

What is the relevance of these theories to the modern workplace? Aside from the work of Kolb (2015) in developing his Experiential Learning Cycle theory where he loosely aligns intrinsic motivation with providing opportunities for autonomy, mastery, and purpose in order to allow organisations to enhance employee motivation, there has been a lack of development of new theories to understand employee motivation based on the expectations of Gen-Z employees. Da Silva (2022) references several sources which support the premise that salary represents a key contributor to the satisfaction and motivation of employees in Ireland, whilst also highlighting the lack of research into this generational group. To address this, Da Silva utilises historical theories previously discussed in this chapter which supports the position that development of new knowledge has not fundamentally changed since the conception of these theories in the mid-20th century. Despite research into the motivation of Gen-Z employees to seek new employment in line with their values and expectations (Siew et al., 2021; Bharate & Dirani, 2021; PwC, 2022), it remains difficult to synthesise theories with the modern workforce unless assumptions are made using the works of Maslow and Herzberg.

Structured development programmes

Development is a key component to providing employees with the opportunity to learn about, and gain experience, in areas which will benefit both the organisation and the employee (Kraiger et al., 2015; Jayatilake et al., 2021; Siew et al., 2021; Achmad et al., 2023). Although not inextricably linked to Maslow (1954), the implementation of structured learning and development processes may have a positive effect on meeting the psychological needs of the individual; however, the capacity for an individual to progress upwards on his model is directly impacted by their motivation to achieve personal growth rather than as a direct result of the provision of training.

Historical and contemporary research supports the hypothesis that formalised processes provide employees with the motivation to remain with an organisation due to opportunities for promotion arising out of learning and development structures in the first 2-3 years of their employment (Stumpf and Rabinowitz, 1981). This was further developed by Stumpf (1999) through the proposed five stage process of development for new joiners to consulting organisations, illustrating that the first 2-3 years are essential to the development of new joiners in order to make them feel valued and create a higher level of employee engagement.

This contrasts with Kolb's theory on experiential learning (2015) which argues that effective learning occurs when an individual engages in a cyclical process incorporating multiple stages, which individuals may revisit at various points of their career. Whilst Kolb's theory does not directly address employee satisfaction or engagement, it provides a framework for promoting engagement through active learning and reflection. By engaging employees in meaningful and challenging experiences, organisations can enhance their motivation, involvement, and commitment. Kolb's theory suggests that individuals have preferred learning styles, with some

being more inclined towards specific stages of the learning cycle. Understanding an individual's learning style can facilitate the design of effective learning experiences tailored to individual preferences, maintaining a degree of flexibility for the employee whilst also adhering to any formal learning structures that have been established.

How do these theories related to increasing engagement and increasing motivation to stay through structured learning, align with the expectations of Gen-Z employees in consulting firms? Training and development strategies have been found to increase intention to stay across Gen Z employees through increased employee engagement (Kraiger et al., 2015; Achmad et al., 2023), and despite the research proving the hypothesis that personal and professional development positively impacts both job satisfaction and employee engagement, consideration should be given to the fact that the latter's research focused on multiple industries in South East Asia creating the assumption that this may also apply to the organisation due to the grouping of Gen-Z individuals into this generational range, regardless of local culture and demographic traits. Similarly, Siew et al., (2021) found that employees in the Malaysian Small/Medium Enterprise service sectors respond positively to learning and development opportunities to increase their value in internal and external markets.

Although the benefits of a structured learning environment may be supported through the analysis of historical data, with elements of contemporary literature, different perspectives can be seen in the works of Barhate and Dirani (2021) and Iorgulescu (2016). Gen-Z employees are willing to undertake training as it will allow them to grow sufficiently to achieve career progression (Bahrate and Dirani, 2021). Mentorship and informal learning represent the preferred approach to development for Gen-Z stakeholders through the acquisition of soft skills which are necessary for consultants.

Employee led development and mentoring

Mentoring, encompassing both traditional and reverse approaches, emerges as a dynamic tool to enrich the learning and growth journey of Gen-Z employees within consulting firms (Stumpf, 1999). Traditional mentoring fosters deep engagement between mentors and employees, while reverse mentoring grants employees the authority to shape developmental strategies (Jordan and Sorell, 2019). The pursuit of organisations that value collaboration and advancement underscore the pivotal role of mentoring in enhancing autonomy and engagement.

Iorgulescu (2016) also sheds light on Gen-Z employees' inclination toward "soft skills" rather than the conventional "hard skills" typically associated with structured training programs.

Limitations

There is a lack of research and literature into the introduction of Gen-Z in the workplace, particularly in relation to employee motivation and satisfaction. The impact of this is a lack of access to the required level of empirical data in order to determine if historical and contemporary theories can be applied to support the current understanding of employee motivation, and how Gen-Z impacts on this. Whilst studies have been conducted across a few industries in other countries, none have focused on the consulting industry in the UK market which means that there is no conclusive proof either way into whether role-specific technical training can positively

impact on the retention of Associates, or if other factors such as salary play an important part in the decision-making process when these individuals choose to seek alternative employment. Whilst there is a lack of research into this area, it does provide opportunities for researchers to identify the limitations of theories developed several decades previously and allows these individuals to develop new theories based on the collection of new data and test for validity in the modern workplace. This development of new knowledge can draw inferences from what is already known to create strategic data collection techniques aligned to the expectations of Gen-Z individuals with the aim of maximising uptake as a result of this approach.

Conclusion

The values and expectations that underpin employee motivation have been known for many years, with long standing theories on this area attributed to several pre-eminent academics. Whilst these theories have significant historical relevance, having been cited and studied for several decades, the introduction of the Gen-Z population to the workforce has impacted on their validity to the modern workplace. The key factors of employee motivation that once held true are now under pressure from a workforce that is confident to seek alternative employment to meet its expectations, particularly arising out of global and national events over the last number of years. Contributing factors such as salary, progression and interesting work are now considered to be the key components for Gen-Z employees, which means that organisations are required to balance intrinsic and extrinsic factors to motivate employees, whilst ensuring that they are involved in the planning and implementation of training programmes be they focused on the soft skills typically expected of a consultant, or the role-specific technical skills required for the modern workplace. What is key is the need for additional research into this group to facilitate understanding of their values to determine if the historical theories remain relevant, or if new theories and models need to be developed to meet the needs of the changing workforce.

Methodology

Research Philosophy

There is currently a lack of research into the motivation of Gen-Z employees to remain with service industry organisations upon completion of their respective graduate programmes. When it comes to subjects with a lack of data or research, the post-positivism research philosophy can offer valuable insights and approaches as it acknowledges that knowledge is fallible and subject to uncertainty (Hirschheim, 2008).

Due to the lack of data into this topic, post-positivism encourages a critical mindset and supports the recognition of potential biases and assumptions when shaping my understanding, and actively seeks to minimise these influences. Similarly, when participants are considering their responses to the research mechanism utilised as described in sections 3.2 and 3.4 of this chapter, their responses may involve a high level of subjectivity despite the objective nature of the research technique and tool. Reflection on this will assist the research undertaken based on the challenges posed by limited data, and the need to remain aware of the potential gaps or limitations in their knowledge (Lincoln & Guba, 2000).

Bryman (2016) alludes to the nature of theory-building as guiding frameworks can be developed as further research is conducted into the entry of the Gen-Z population into the workforce and this can be applied when considering the works of Herzberg and Mowday. This post-positivist approach facilitates iterative and continuous development of existing and new theories as new data becomes available, gradually enhancing the understanding of the subject. As post-positivism encourages researchers to adopt a rigorous and systematic approach to gathering and analysing data, even when data availability is limited, a mixed methods approach incorporating both quantitative and qualitative research will be employed to leverage the strengths of each method to gain a deeper understanding of the subject (Creswell & Creswell, 2018).

Sourcing and Data Collection Technique

Post-positivism, deductive reasoning and a mixed-methods research approach can be combined to provide an efficient, robust and comprehensive analysis of the hypotheses presented in chapter two (Bryman, 2016; Creswell & Creswell, 2018; Creswell & Plano Clark, 2018). By employing a post-positivist perspective, a theoretical framework resulting in the hypotheses in chapter two supported the assumption that a mixed-methods research approach would allow the confirmation or disconfirmation of the hypotheses, thereby reducing biases and enhancing the validity of the findings (Bryman, 2016).

Mixed-methods Selection

Quantitative research is recognised as a key component of objectivity, hence positivism, to which we have established is not sufficiently able to successfully conclude our hypotheses (Saunders, 2019) The inclusion of subjectivity to the matter requires an additional research technique to validate the findings and prove/disprove the hypotheses, and therefore the mixed methods research

approach, with its combination of quantitative and qualitative techniques, will be used to leverage the strengths of both methods (Saunders et al., 2019).

Quantitative Research

Quantitative research is conducted through the communication and completion of a Google Forms-based, self-completed questionnaire in order to describe the “variability of different phenomena” (Saunders et al., 2019, p.505) and validate or refine current theories (Creswell & Creswell, 2018). This purposive sample (Rai & Thapa, 2015) focuses on the Consultants currently engaged on the graduate programmes, and the data variables collected through the questionnaire incorporate both factual or demographic factors, and attitudes or opinions (Dillman et al, 2014, cited in Saunders et al., 2019). Respondents are anonymised through the non-collection of personally identifiable data and although there may exist a gap in using this to sufficiently explore the factor of cause and effect due to the limited number of questions proposed to the participants, this will provide the primary data for analysis which will be supplemented by secondary quantitative data obtained from several internal and external sources.

Findings/Results

Data Derived from the Research

The aim of this report is to identify the factors that impact on the decision of Associates to leave the organisation at the end of their respective graduate programmes and whether this can be mitigated through the development of a role-specific learning and resourcing programme.

To gather the required primary data, an anonymised questionnaire was sent to a participant pool of 427 Associates, with 47 responses returned (11%). When asked to indicate reasons behind why they would consider leaving, 40% identified salary as the main reason, followed by promotion and then development. When combined, the intrinsic factors outweigh salary as the sole extrinsic motivator which would be expected based on the current understanding of Gen-Z values; however, the responses to salary as a single factor indicate that this may be changing.

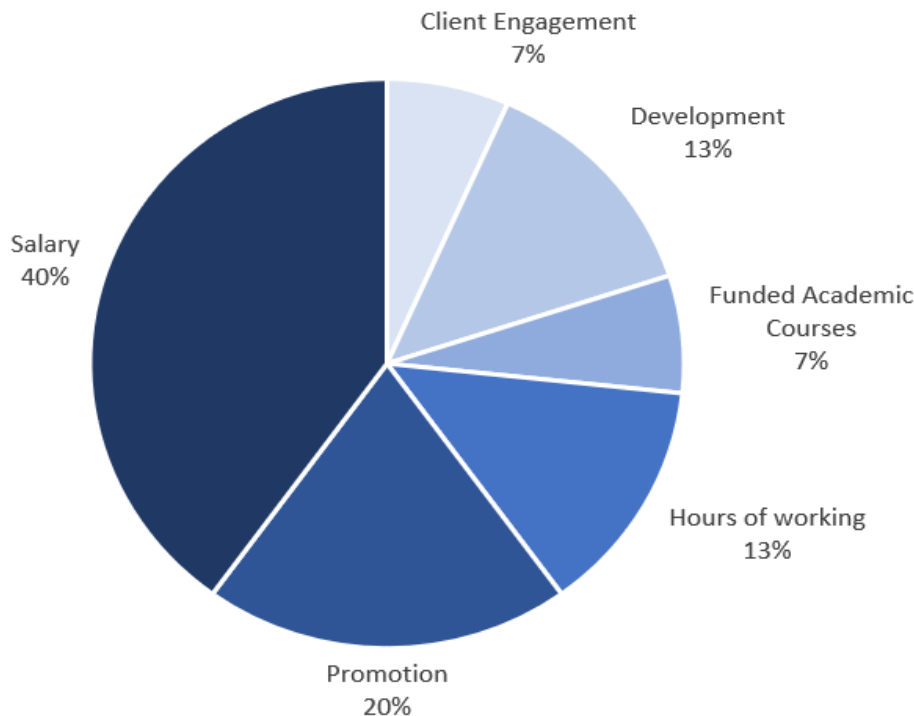


Figure 1 Breakdown of reasons given when intending to leave

When considering the intention to stay upon completion of the graduate programme, 87% responded that they intend to remain with the organisation during the next 12-18 months. Of the 13% intending to leave, 50% were based in London with the remainder located in the Midlands, Northern Ireland, and the South-West. While research has yet to provide definitive evidence on this matter, I personally believe that the level of income experienced by regional employees has a significant impact on individuals taking the decision to move to other parts of the UK when assessed alongside the cost of living for each area. While my belief may not be substantiated by current research, it stems from personal experience and witnessing colleagues moving to London and other regional offices to attain a higher salary, although I recognize that further investigation is needed to fully understand this topic and substantiate this assumption.

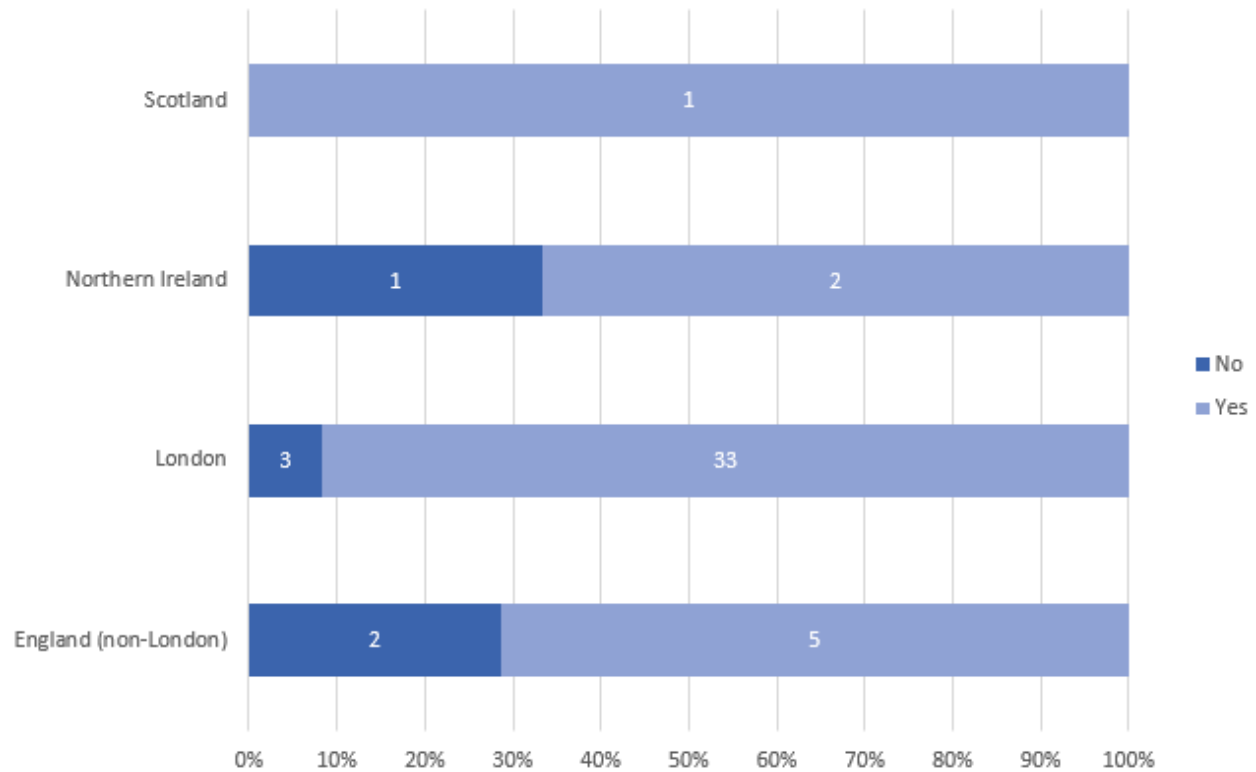


Figure 2 Regional locations of individuals intending to leave

In concluding this study's focal examination of the significance of role-specific training, a notable observation emerges. Specifically, within the surveyed cohort, an intriguing finding comes to the fore: a substantial 75% of respondents ascribed importance (rated as 4) or indeed indispensability (rated as 5) to role-specific training in the context of Consulting projects. That some respondents did not prioritise role-specific training may derive from the potential that they feel they are better served with a broad-based approach to learning and development rather than focusing on a specific area in line with the aspirational goals and values of Gen-Z employees.

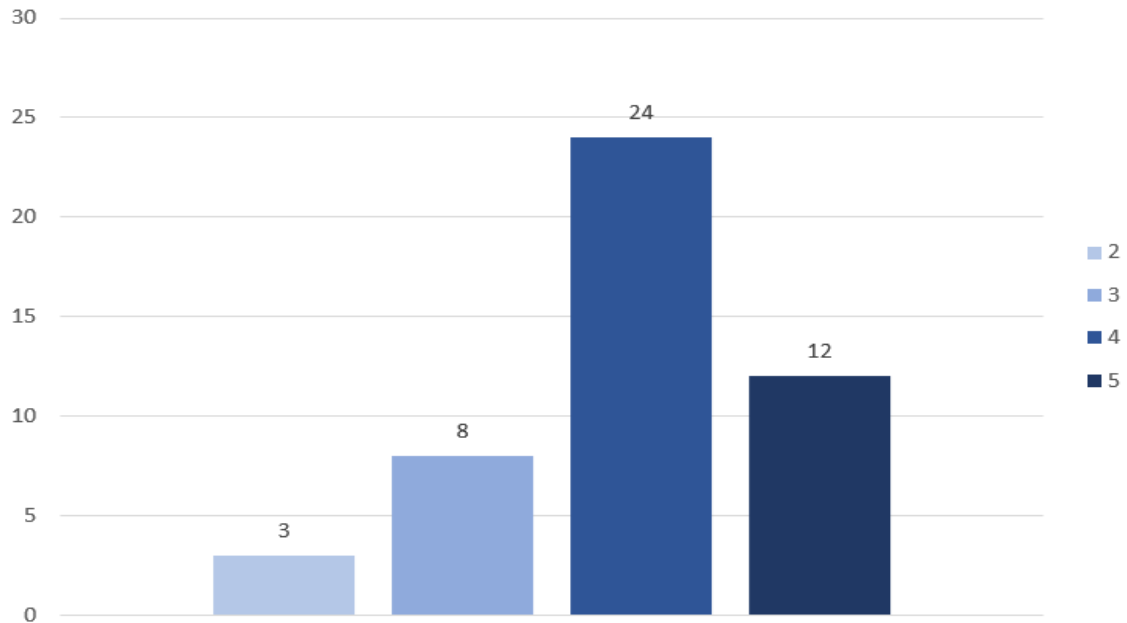


Figure 3 Importance of role-specific technical training to consulting projects

Analysis of Results

The research undertaken reflects the importance of career progression, flexible working, and collaboration with key stakeholders for Gen-Z employees. The fact that salary is the single largest factor in the decision to leave, correlates with the data previously presented where this generation is prepared to seek opportunities with new employers to maximise their earning potential, supported by professional development to increase their value for potential employers.

Based upon the data presented, there are no identifiable factors when analysing the impact of location on the decision of Associates to leave. Regions (non-London offices) including the Midlands, Northern Ireland and the South-West indicate some individuals expressing their intention to leave in the next 12-18 months, whilst others including Scotland, North-East, North-West, and South-East showing 100% yes responses to remaining with the organisation over the same period.

The data supports an assumption that role-specific training is key to the undertaking of consulting projects. It did however indicate several instances where participants intending to stay, and who supported the importance of experiential learning in remaining with the organisation, also did not regard role-specific 'technical' training as important to consulting projects. These results demonstrate that whilst most participants did indicate the importance of role-specific training, it was not conclusively proven to be the case.

The findings of the research, whilst giving some interesting insights, cannot be considered as conclusive when analysing the data due to the low response rate and the lack of insight into geographical factors. As the results reflect the current understanding of Gen-Z values, the fact that the data indicates that a low level of attrition can be expected, when combined with the support given to the importance of role-specific training suggests that implementation of a technical

training programme may increase the likelihood of employees remaining upon completion of their graduate programme, although in some participants this was not corroborated.

Discussion

The research was conducted to determine if the implementation of a technical training and resourcing strategy would reduce the attrition rate of Associates when completing their graduate programmes.

The data presented determined that any form of development such as training and/or shadowing opportunities was supported significantly less than higher financial benefits as factors in increasing retention rates. This was despite most respondents indicating their intention to remain with the organisation within the next 12-18 months. Although the data suggested a low number of individuals considering leaving during this period, the breakdown of location gives insight into possible reasons.

Northern Ireland employees are the lowest paid across the UK, despite similar costs of living to other UK regions including the North-East and North-West. This disparity may indicate why the intention to leave figures for Northern Ireland was significantly higher than the other regions referenced, with London impacted also due to the highest cost of living in the country, regardless of current salary in comparison to the rest of the UK. The data presented therefore does not support the original assumption that the implementation of the training strategy would solely reduce the numbers of Gen-Z employees leaving the organisation, despite current understanding contending that these individuals are focused on other factors than money.

Recent global events and changes in generational values and attitudes, has impacted on the ability of consulting organisations to retain staff at various stages of their career. This is most prevalent when considering the decision of graduate consultants to remain with the company upon completion of their graduate programmes. Historical theories addressing employee engagement, such as Herzberg's Two-Factors theory (1959) and Mowday et al's. Theory on Employee-Organisation Linkage (1982) contends that intrinsic motivation provided through organisational support, development opportunities and lack of alternative options, will increase an individual's motivation to remain with their current employer. What is apparent through numerous studies, is that this is no longer the case when considering the Gen-Z workforce.

Whilst the data in this report supports previous research conducted by PwC (2022), in that intrinsic factors such as opportunity, development and progression are important to Gen-Z employees, the current cost of living combined with perceived lower salaries than other organisations is the primary factor when employees choose to seek employment elsewhere.

Importance of salary to Gen-Z employees is also linked to the location where the individual typically resides. An example of this is the average UK salary by region research conducted by Statista (2023) highlighting the significant disparity between London and other UK regions which can differ up to £11,000 depending on where respondents live. Despite the potential for larger salaries in this location, the equivalent cost of living is also much higher which impacts on the disposable income of individuals. This may result in Gen-Z employees frequently changing jobs to address changes in the economy, with recognisable skills and experience a key factor in the success of this strategy.

Despite Kolb's Experiential Learning Theory not directly relating to salary or development for the workplace, the underlying principles can be applied to ongoing development of an employee through access to relevant technical training, and increased experience through exposure to challenging situations. When combined with equivalent financial motivators such as salary or performance related bonuses, it may increase the likelihood of employees choosing to remain with their current employer, as evidenced by PwC's 'Hopes and Fears' report (2022). Although this data indicates that those who are financially stable are more receptive to training and development, it suggests that increased salary is seen as a motivator for further development which contradicts the initial theory proposed by Herzberg. Whilst PwC's report gives insight to the retention of employees in the current economic climate, it has not been conclusively tested for robustness. The lack of other data related to this area would support the need for further research to be conducted to test potential hypotheses through statistical analysis.

Analysis of the data related to those who indicated their intention to stay with the organisation shows that 75% of respondents feel that role-specific technical training was important or essential to consulting projects. This does highlight that 25% of those surveyed who intend to stay with organisation felt that role-specific training was not important to consulting projects which aligns with current understanding of Gen-Z values where previous research indicates that this generational group demonstrates tendencies to be self-directed. The response to whether interesting roles were influential in retaining Gen-Z employees after the completion of their graduate scheme was conclusive with 100% of respondents regarding this as being important or essential to them remaining with their employer, which also supports previous research into Gen-Z employees.

When assessing the factors of employee engagement, motivation and job satisfaction/dissatisfaction in relation to the surveyed participants, Maslow's theory on hierarchy of needs may address some of the limitations in using either Herzberg or Mowday et al's models. Levels of motivation cannot be placed on a linear scale as individuals are motivated by different factors, some of which are intrinsic whilst others are extrinsic as evidenced in this report. Whilst Maslow's model is simplistic and generic across all demographic groups, it demonstrates that individuals may not sit within a certain level of the hierarchy of needs, rather they are motivated by simultaneously aligning different factors from the various levels to motivate them to remain with an organisation.

Implications

The findings show that whilst most Associates intend to remain, for those indicating that they may leave in the next 12-18 months, salary is the key factor in their decision-making process. Despite a recent significant increase in salaries across all grades, the rate of inflation has reduced the spending power of employees which has the potential to encourage a greater number of individuals to seek alternative employment opportunities elsewhere. The result of this may be the necessity to increase recruitment of external experienced consultants, impacting on the overall cost of addressing a higher turnover rate and requiring a period for new employees to assimilate into their new organisation. The issue of salary also has further implications for those that choose to remain with the organisation insofar that location determines the salary of employees which may result in regional-based individuals transferring to locations with a higher salary such as London. The result

of this is the reduction of talent when considering geographical spread, with an increase in cost rates which reduces profit margin, and expense costs should a client not have a local team with the necessary resource profile to undertake the project.

Support for the importance of training and development was overwhelming with 100% of respondents identifying the need for interesting work through training and project experience as important or essential, and 75% of respondents identifying role-specific technical training as important or essential. Whilst these numbers are high, the research did not highlight whether the role-specific training would be conducted through structured learning with tutors providing the learning, or through the implementation of a self-directed approach which is commonly identified with Gen-Z individuals. The implication of a self-directed learning and development approach would be the potential for employees to not reach the correct level of training, with real-world examples provided by experienced consultants not utilised to solidify learning and increase the experience of the individual.

Theoretical

The lack of research into Gen-Z employees in the UK consulting industry has impacted on the ability of researchers to formulate hypotheses which can be tested to determine their validity in relation to this generational group. The implication of this is that long standing academic theories which were developed by individuals such as Maslow, Herzberg, and Mowday, cannot be validated against contemporary issues including the fallout from Covid-19, and the current cost of living crisis both of which have impacted on the “great resignation” (PwC, 2022). Reflecting on the format of the survey sent out to the participant pool calls into question whether this was sufficiently robust enough to initiate the development of hypotheses in relation to the data collected which may have provided the necessary information with which the historical theories could be assessed.

When reviewing the findings of the research, the fact that all participants recognised training and project experience as important or essential supports Stumpf’s theory on the implementation of an apprenticing model for the learning and development lifecycle during a consultant’s career. As the research focused on the period incorporating the first two phases of Stumpf’s five phase approach, the implication is that Associates may not remain with the organisation long enough to experience the later phases which directly relate to the concept of progression and leadership, which are key drivers to the retention of Gen-Z employees.

Limitations

As the methodology used primarily focused on the gathering of quantitative data, with a single question related to qualitative data, it was difficult to ascertain the context behind the responses. This was compounded by the low response rate which could not be used to conclusively determine the findings across the entire Consulting Associate community and therefore represented a nonresponse rate of 89%. Whilst reasoning for the high level of this bias cannot be fully determined there is an assumption that it was due to the survey design, in that all questions were marked as mandatory, and those individuals that did not wish to participate could not do so without responding to all questions. This reduced the sample size whilst increasing the level of variance

for estimates and it is assumed, resulted in a high nonresponse bias which therefore cannot be considered as representative of the community as whole (Saunders et al, 2019).

As part of a sequential explanatory research design, a secondary data collection phase was planned through the undertaking of a semi structured, convergent interview with senior PwC stakeholders to discuss key themes and communication of the initial analysis of the findings based on the primary data collected (Saunders et al., 2019). Positive relationships with participants prior to the interview was assumed to facilitate a higher degree of support, with key topics arising out of the discussion to be further interrogated in order to develop grounded theories, where they exist (Saunders et al. 2019) with the outputs analysed alongside the questionnaires to determine if hypotheses are confirmed or disconfirmed. A lack of support from the leadership team despite repeated communications, impacted on the capacity of this research project to develop a fully rounded perspective through proactive communication between all stakeholder groups and limited on the outputs that could be developed.

As research into Gen-Z deepens due to the increased exposure of this group in the workplace, the level of empirical evidence on which to base hypotheses has developed significantly. Whilst the core values of this generational group become more apparent, the type of research undertaken did not fulfil the criteria to allow its findings to be considered as empirical evidence and therefore did not build on the previous research. It was representative of a data collection methodology that did not provide repeatable scientific experimentation on which to build or test hypotheses related to the field of research. As a result of this, there is an argument to be made that the data collected cannot be considered valid unless the development of hypotheses arises out of this report with further research and statistical analysis required to validate this follow up research. The requirements for research to be regarded as empirical may currently be difficult to meet due to the age range of Gen-Z employees entering the workforce and therefore it may be a period before this field of research develops to the degree where it facilitates a greater understanding of the topic.

Conclusion

In a report commissioned by PwC (2022), it was claimed that a significant proportion of the UK workforce would look to change their jobs in search of a higher salary or increased exposure to interesting work. Based on this information this report looked to answer whether this would impact on graduate consultants and whether the introduction of a role-specific technical training and resourcing model would mitigate this.

Whilst salary did prove to be the primary factor in the decision for Associates to leave, upon the completion of their graduate schemes, the low number of respondents indicating their intention to leave the organisation, coupled with a response rate of 11%, means that these figures cannot be considered conclusive evidence for the representation of the whole Associate community. Despite the impact on the accuracy of the research as a result of this, it demonstrates the difference between historical theories such as Herzberg's Two Factor Theory (1959) where it was argued that intrinsic motivators increased employee retention to a higher degree than the reduction of dissatisfaction through increased extrinsic factors such as salary.

What exactly did the research show in relation to this? Respondents did indicate a certain level of support for development opportunities, although this was significantly lower than an increase in salary as a key motivator for retention. PwC's report highlighted salary and interesting work as the two key factors in retaining employees and this was heavily supported by the research with 40% of respondents indicating to leave the organisation due to salary, and 100% regarding interesting work as important or essential to retention. The low level of responses to this research did introduce a high degree of non-response bias with assumptions having to be introduced to address any gaps.

The format and questions within the survey potentially impacted on the response rate from the participant pool which requires follow up research cycles to generate sufficient data on which hypotheses and testing of theories can be completed. The overall lack of UK-based research into Gen-Z employees in the workplace provides the opportunity for researchers to test historical theories and assess findings from international studies to determine if new theories and models can be developed regarding this generational group. A greater response rate from this generation of employees may require different strategies to meet the needs and expectations of these individuals in order to participate, and earlier requests to access other sources of internal data derived from employee engagement surveys may increase the willingness of senior stakeholders to participate in the data gathering exercise and develop strategies to increase retention of employees. Inclusion of a scientific approach to the analysis of the data using the appropriate functionality will facilitate the correlation of data to determine whether hypotheses can be accepted or rejected.

The application of the research to historical theories suggests that the previous understanding of employee engagement and motivation/job satisfaction may not be considered pertinent to the Gen-Z workforce. Research conducted in other countries supports this analysis although it is yet to be proven in the UK, with further data collection required to develop an increased understanding of this generational group. Whilst there is a lack of progress on the development of new theories arising out of this report, limited contemporary research undertaken related to the developmental process within consulting organisations demonstrates the need for an increase in research within this area to formulate a hypothesis on which further work may allow the development of modern

theories and models to challenge those created through the analysis of historical generational groups.

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