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Microsoft Future Workforce

January 2011

'Generation Five?'

• In 2010 Microsoft released a report claiming that if organisations don't alter their behaviour in the short term, they will be constrained by their inability to respond to change

• The report is the culmination of a project entitled 'The Hybrid Organisation'

• The report discussed that for the first time, there are now four generations in the workforce: the Traditional Generation (born before 1946), Baby Boomers (1946-1964), Generation X (1965-1980) and the Millennial Generation / Generation Y (1981-1999), and now Generation Five (18 year olds and younger currently in education)

• Following the Hybrid Organisation report, Microsoft commissioned additional research into Generation Five, titled the Future Workforce report

Methodology of Future Workforce

- This research was conducted via online survey by Loudhouse Research

- Respondents were screened to make sure all were between 16-18 years old

- Extra effort was spent to reach teens not in any kind of education; a population sometimes under-represented in online studies

- These respondents represent 11% of the total

- A total of 1,000 responses were collected

- Research was conducted in October 2010

Brief overview of findings...

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Teens are leading their own technology education – learning about technology from the internet and using it as a research and communications tool. Confidence about general IT skills is high.

The recession has hit hard – teens in this study feel competition and the economy are their major hurdles, want to work for experienced managers, and value culture *and* salary. They are not 'teenage idealists.'

Digital natives aren't always digital creators – they use, but often don't create, tools and content. This is a major area where technology in schools might make a real difference.

Teens in this study feel that their active use of technology will be an advantage for their employers – they communicate and connect in new ways, and employers who give them the right tools will see the benefits.

'Real world' learning

'Real world' learning trumps classroom technology teaching

58% feel their generation knows more about tech than classroom technology teachers

For **74%**, education is too driven by testing, and this is not adequately balanced by other measures of success

71% agree they learned most of what they know about technology outside the classroom

79% agree that their generation uses technology, but can't create its own tech tools

Confidence is high in Generation Five

57% feel they understand well what skills employers in their chosen fields want from new employees, and **43%** feel the same about behavioral expectations

56% rate themselves 5 out of 5 in basic IT skills, but lower about workplace-specific technology (only **28%**)

68% rate communications skills as a high employer need, whilst **34%** rate themselves highly competent.
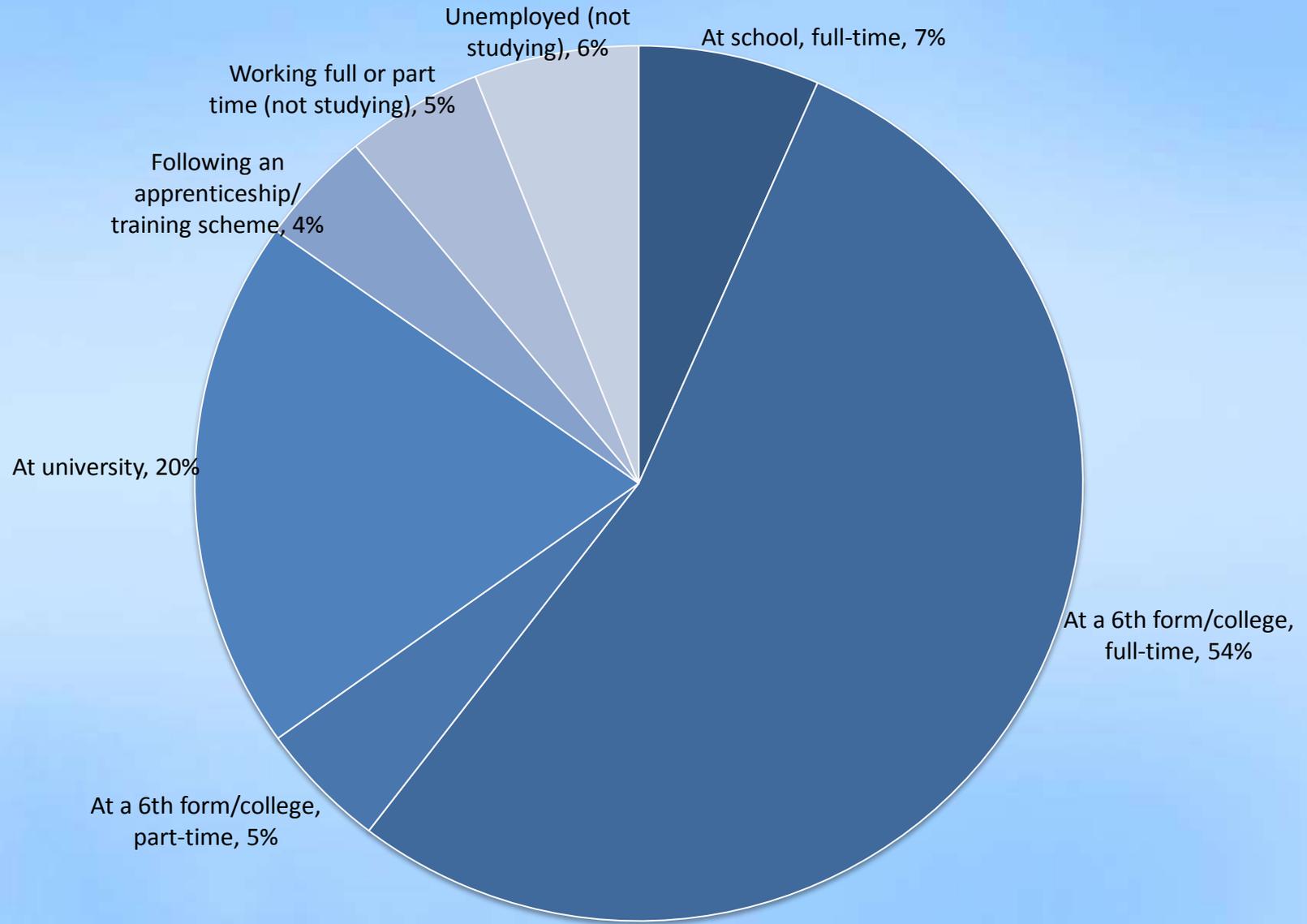
Unique skills in tough times

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The economic downturn is top of mind for this group - **33%** say the biggest challenge their generation faces in the workplace is highly competitive environment, followed by economic conditions **(32%)**
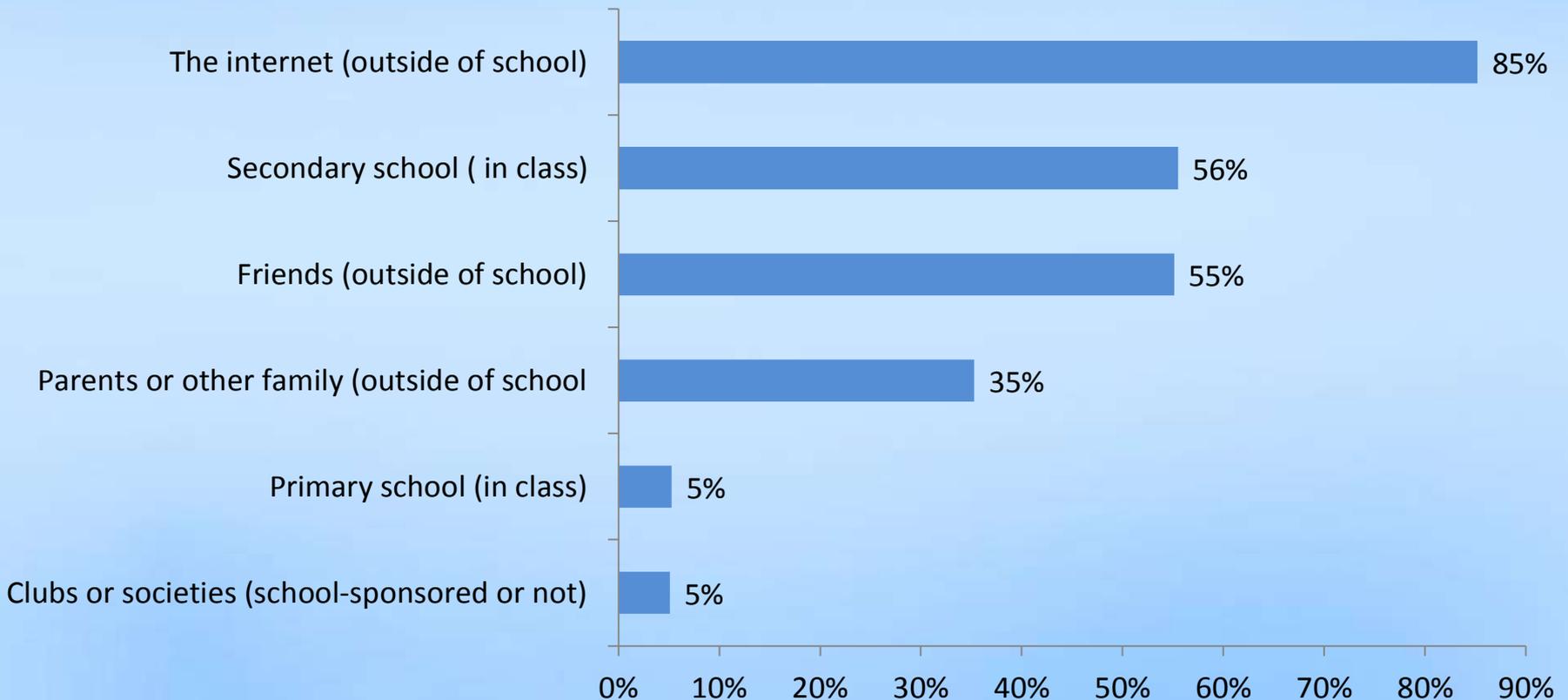
These digital natives know that they bring new skills to the table – they see their biggest advantages as their IT skills **(26%)**, their understanding of digital communications **(25%)**, and their enthusiasm and motivation **(22%)**

74% believe that their generation has valuable skills to bring to the workplace because of the technology they grew up using

Details of students in education

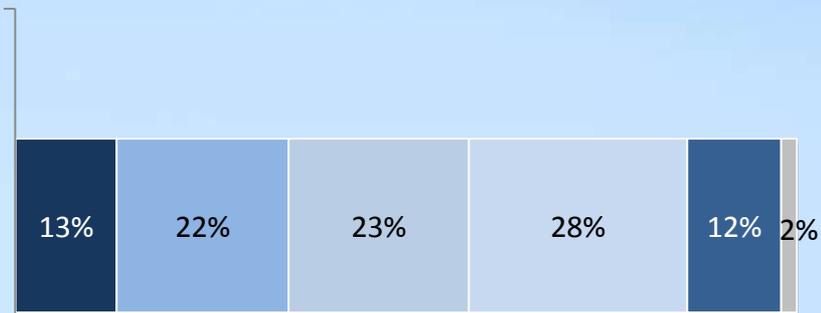- At school, full-time, 7%
- At a 6th form/college, full-time, 54%
- At a 6th form/college, part-time, 5%
- At university, 20%
- Following an apprenticeship/training scheme, 4%
- Working full or part time (not studying), 5%
- Unemployed (not studying), 6%

The internet is the most important source of information about technology…

Source	Percentage
The internet (outside of school)	85%
Secondary school (in class)	56%
Friends (outside of school)	55%
Parents or other family (outside of school	35%
Primary school (in class)	5%
Clubs or societies (school-sponsored or not)	5%

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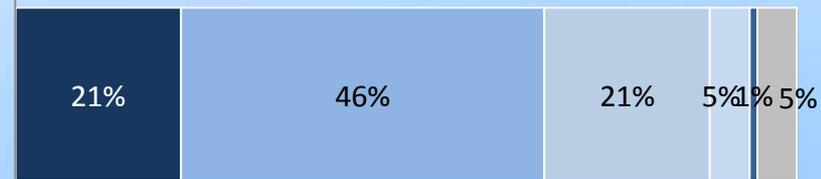
Social networks, Email, and word processing dominate daily tech use – few create content from scratch

Activity	Percentage
Use Facebook	82%
Email (friends / family)	57%
Use mobile internet (phone)	48%
Write documents on a PC / Mac	40%
Email (teachers / work / others)	35%
Use a PC / Mac to solve a problem	34%
Play PC / Console games	30%
Use a wiki to answer questions	23%
Collaborate on assigned schoolwork using a social network (such as…	20%
Use Twitter	15%
Contribute to an online forum	13%
Write an entry on a blog	11%
Create music on a Computer	9%
Use formulas in spreadsheets / Excel	8%
Create art on a Computer	8%
Work with other computer code / programming languages [than…	7%
Write an entry on a school/college/work/student club blog	7%
Build websites 'from scratch' or using professional tools	4%

Digital natives aren't always digital creators
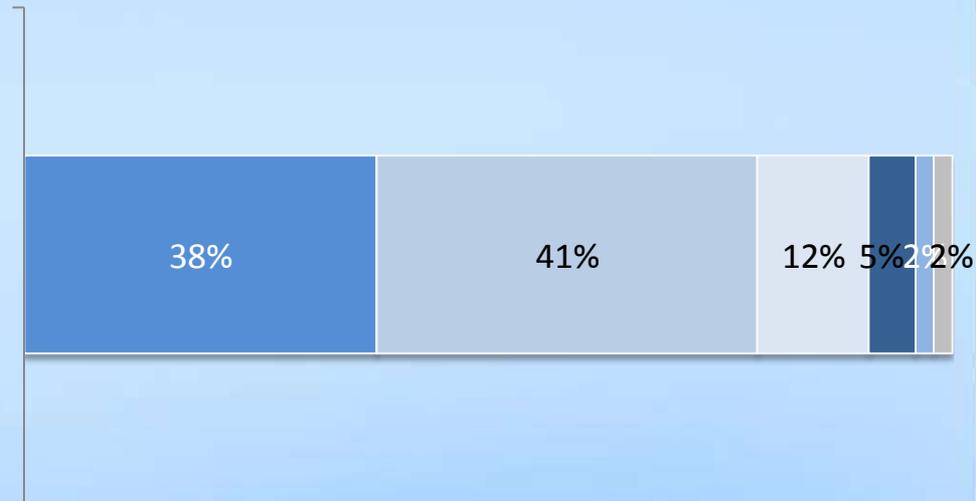
Most students are confident in their basic IT skills, but not as much about technical skills for the workplace

Skill	Percentage
IT skills (basic PC use)	56%
General numeracy (being comfortable with numbers)	52%
Subject-specific knowledge (eg. the subjects studied in GCSE)	49%
Working as part of a team	42%
Problem solving and lateral thinking	38%
Communications skills	38%
Creativity	34%
Technical skills (working with technology specific to a workplace)	28%
Planning and time management	25%
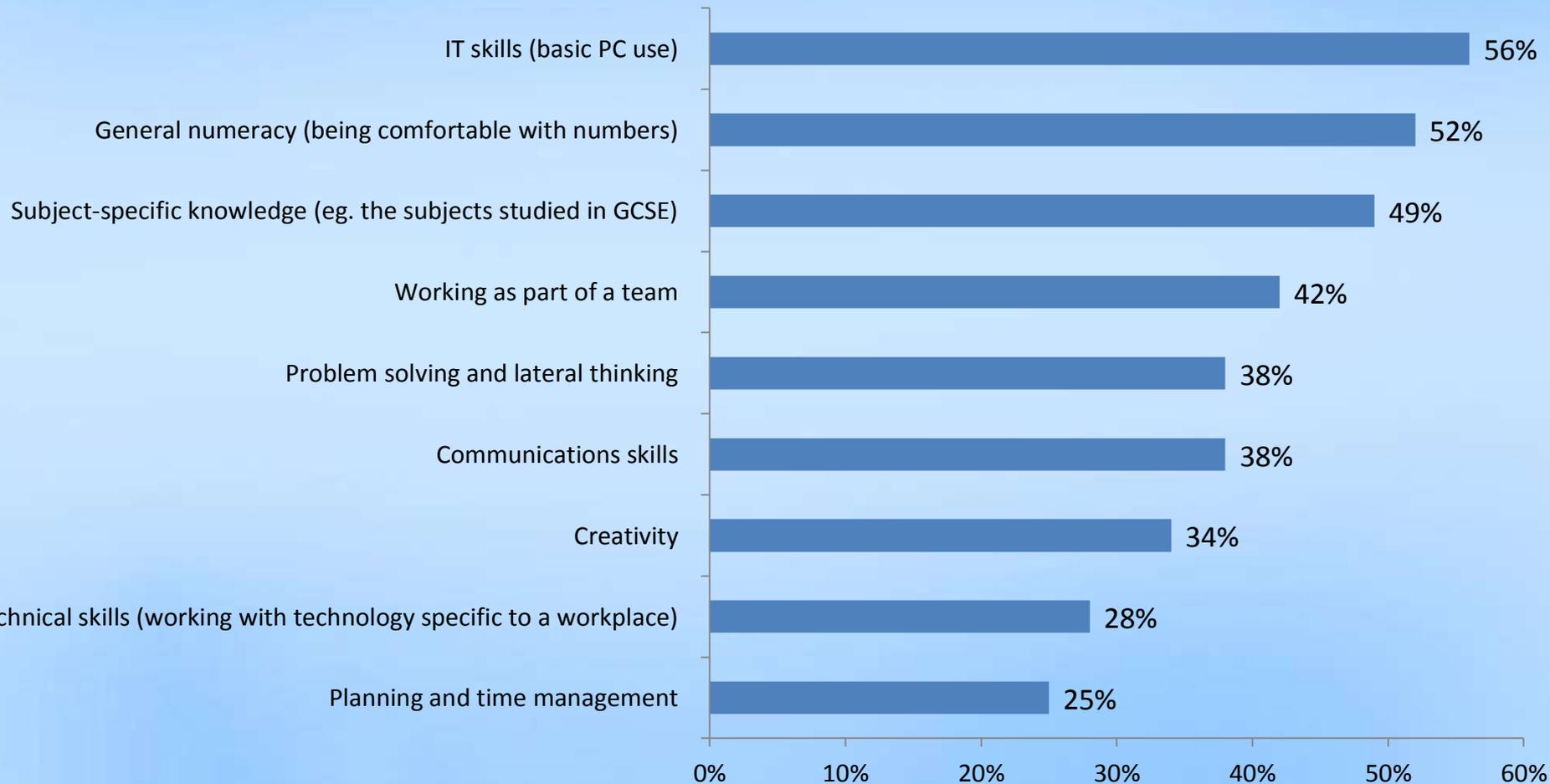
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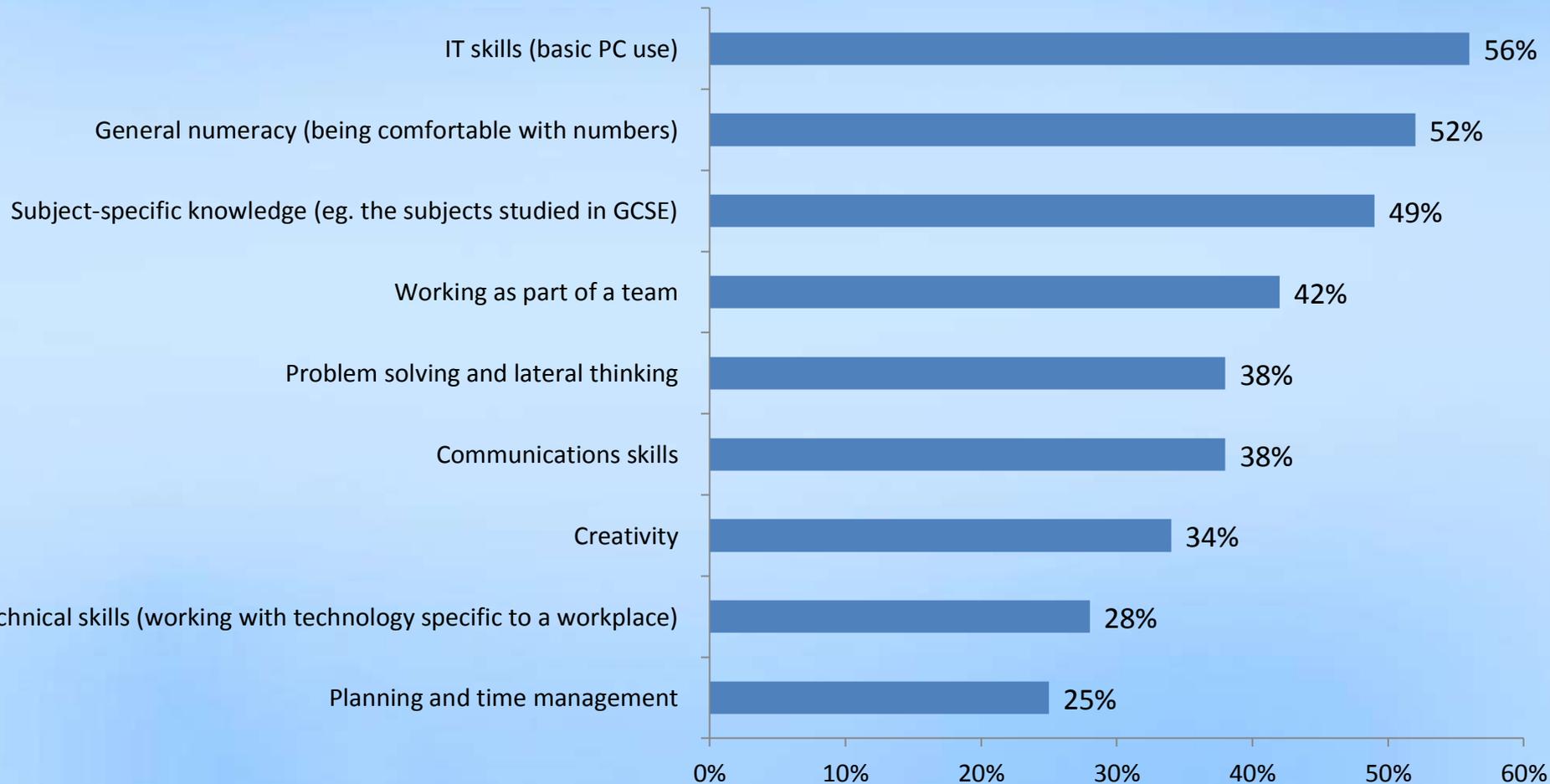
Teens imagine a collaborative, technology-enabled workplace...

					Neutral				Don't Know

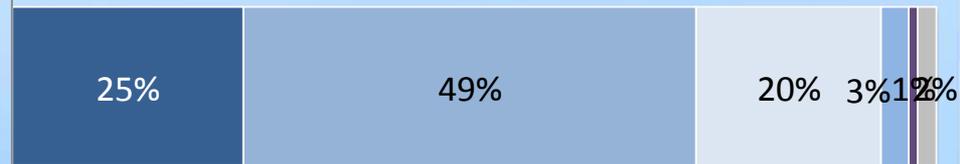| Collaborating online on schoolwork is good preparation for the workplace.	14%	39%	30%	9%	3%	Collaborating online on schoolwork is not good preparation for the workplace.	5%
My ideal company would be headed by a manager with many years in the field	28%	29%	31%	6%	2%	My ideal company would be headed by an entrepreneur, new to the field	5%
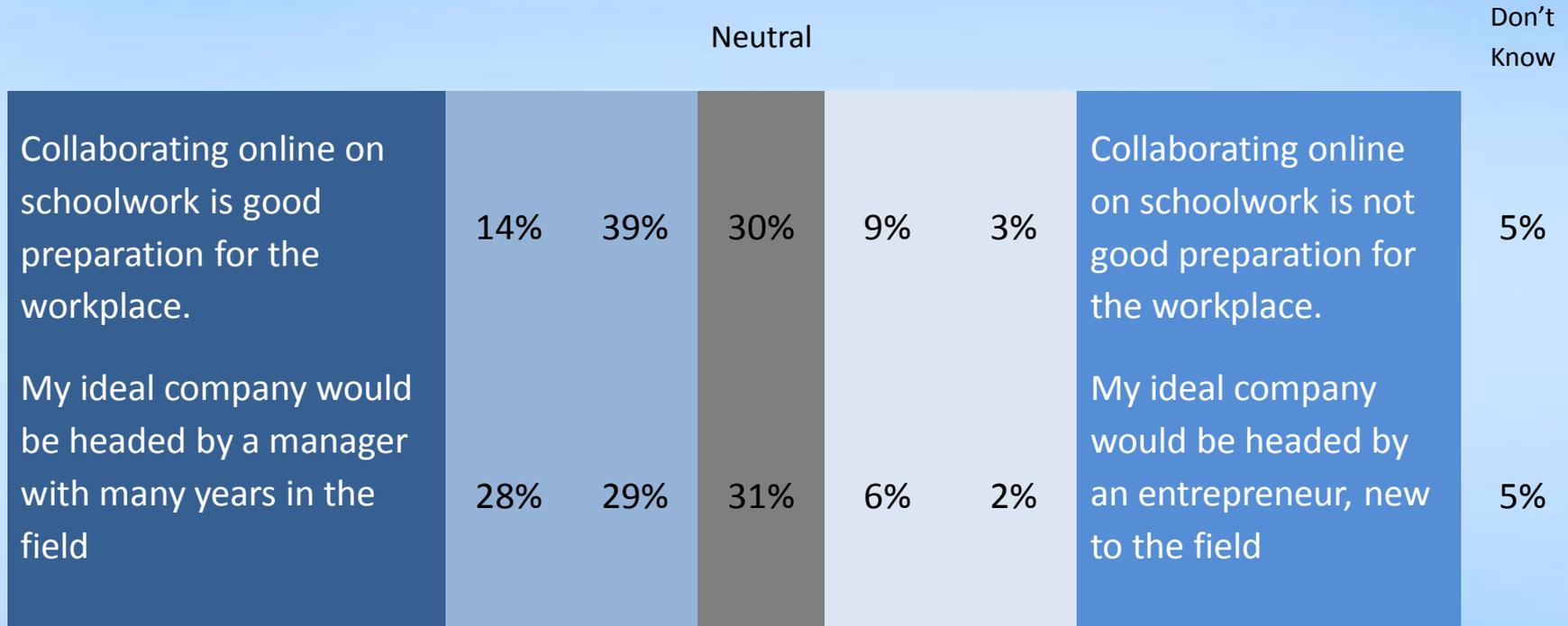
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Workplaces will need to realise the value young people can offer...

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■ Strongly Agree   ■ Agree   ■ Neutral   ■ Disagree   ■ Strongly Disagree   ■ Don't Know
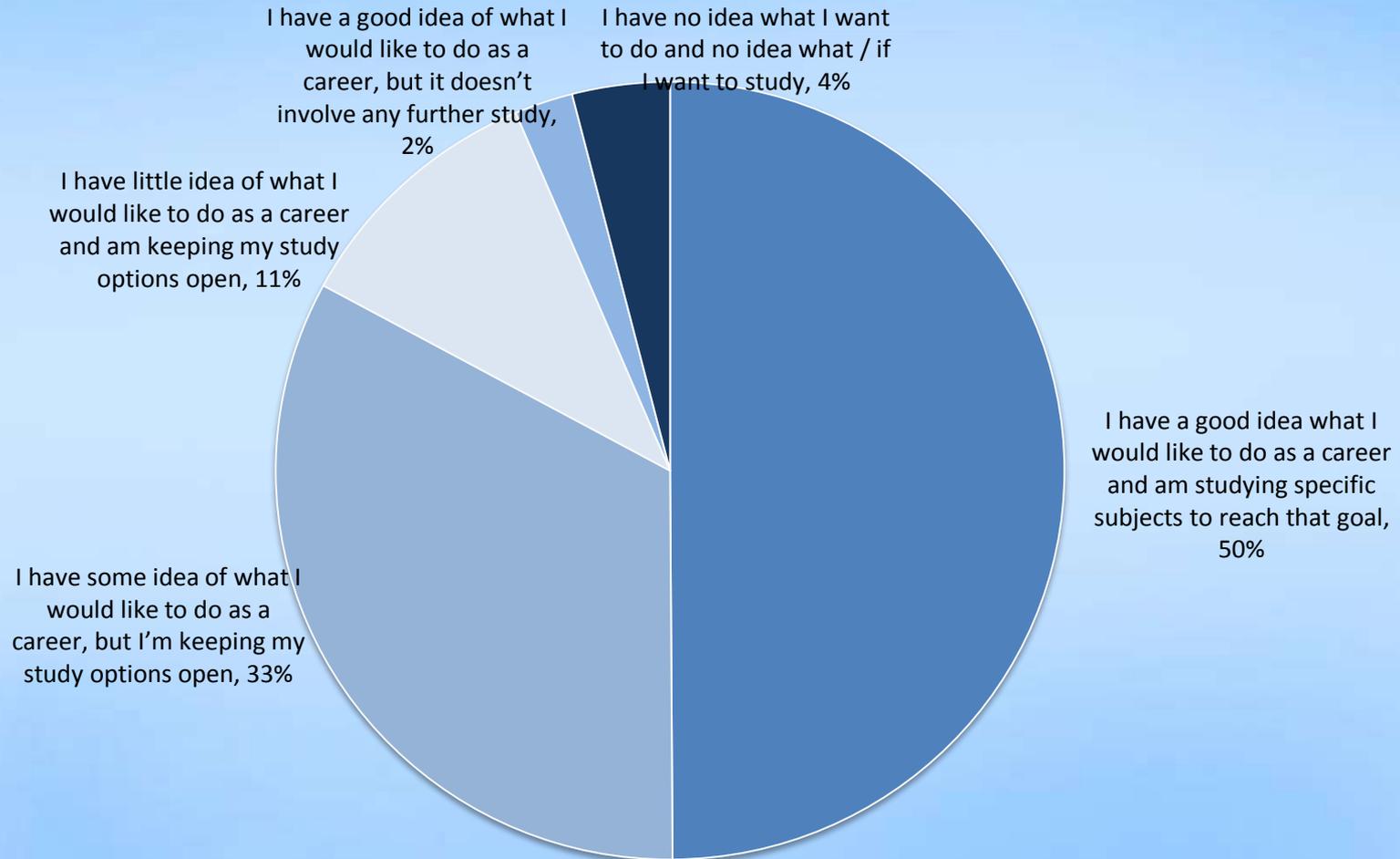
Being able to connect with peers all over the world, via social media, is a valuable workplace skill for my generation.

| 29% | 42% | 19% | 6% | 1% | 2% |
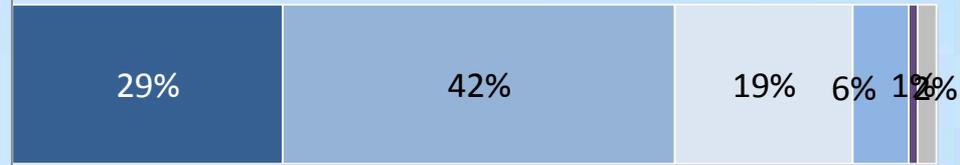
My generation has unique skills to offer in the workplace because of the technology we grew up using.

| 25% | 49% | 20% | 3% | 1% | 2% |

Teens are looking at their future plans when deciding what to study…

I have a good idea of what I would like to do as a career, but it doesn't involve any further study, 2%

I have no idea what I want to do and no idea what / if I want to study, 4%

I have little idea of what I would like to do as a career and am keeping my study options open, 11%

I have some idea of what I would like to do as a career, but I'm keeping my study options open, 33%

I have a good idea what I would like to do as a career and am studying specific subjects to reach that goal, 50%

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Conclusion

• A skilled and competitive workforce is the one natural national resource that grows in value as it grows in size

• Successful economies now and into the future rely on an innovative and well-prepared workforce

• "These (survey) results reveal a major concern for businesses if schools are not equipping students with the appropriate skills and knowledge for future employment," said **Steve Beswick, Senior Director of Education at Microsoft UK**

Conclusion cont.

• "The education sector has not been immune to recent budget cuts, but this is a time to transform education, re-invest in technology and integrate IT into every aspect of the classroom," concluded Steve

• This requires students to be equipped with 21st century skills such as collaboration, communications creative thinking, problem solving and digital literacy

•**Terry Fish, Headteacher of Twynham School** said of the Microsoft research: "There are real challenges for schools and employers at the moment. These are young people who simply look at the world in a slightly different way... Any schools, colleges or employers that fail to adapt will be outshone by those that do in the years to come."

• **Will the current generation of UK students shape the future of business?**