

How digital ready is Generation Z?

Findings from PwC Vietnam's Digital Readiness Survey 2020

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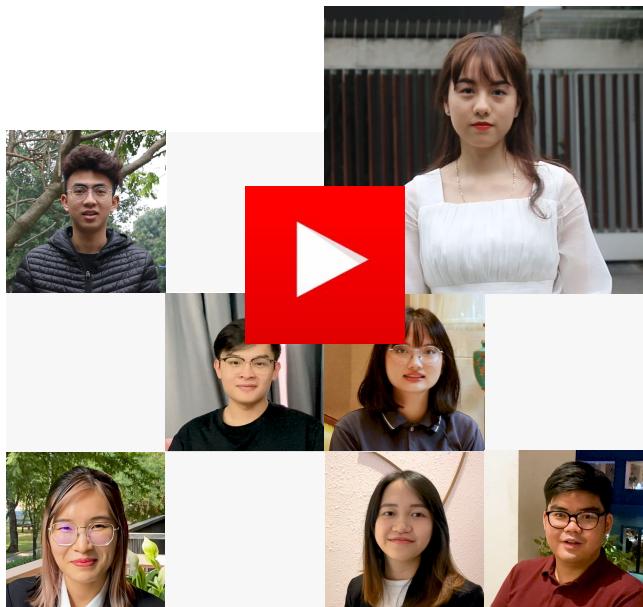
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1. Meet Generation Z



Introducing the newest members of the workforce



Generation Z (Gen Z), sometimes individually referred to as zoomers, is a demographic cohort of people born from the late 1990s to 2010¹. The base of this Gen Z report is individuals in the working age of between 18-24.

Gen Z is a generation of digital natives who have been surrounded by technology, interactive devices, and the internet since birth.

¹ Merriam-Webster definition

Upskilling today to stay relevant tomorrow

Our world today is facing a skills crisis. The rapid pace of the Fourth (4th) Industrial Revolution (4IR or Industry 4.0) has resulted in a shortage of qualified talent for jobs created by the new digital economy.

According to the data from Vietnam's General Statistics Office, the working age population of Vietnamese Gen Z (between 15 and 24) was approximately 13 million in 2019. This accounted for approximately 19% of the Vietnamese working age population. By 2025, Gen Z is expected to take up about a third of the total Vietnamese workforce².

While young Vietnamese people are tech-savvy, many still lack formal technical training and soft skills that are necessary to keep up with 4IR. This fact is worrisome, since Vietnamese youths are more likely than adults to occupy jobs with a high risk of automation³.

In the next few years, Gen Z will have tremendous influence in the local labour market. How Vietnamese Gen Z see and equip themselves in the age of technology will be key.

This Gen Z report is an extract from PwC Vietnam's Digital Readiness Survey which was sent out to the Vietnamese public in late 2020.

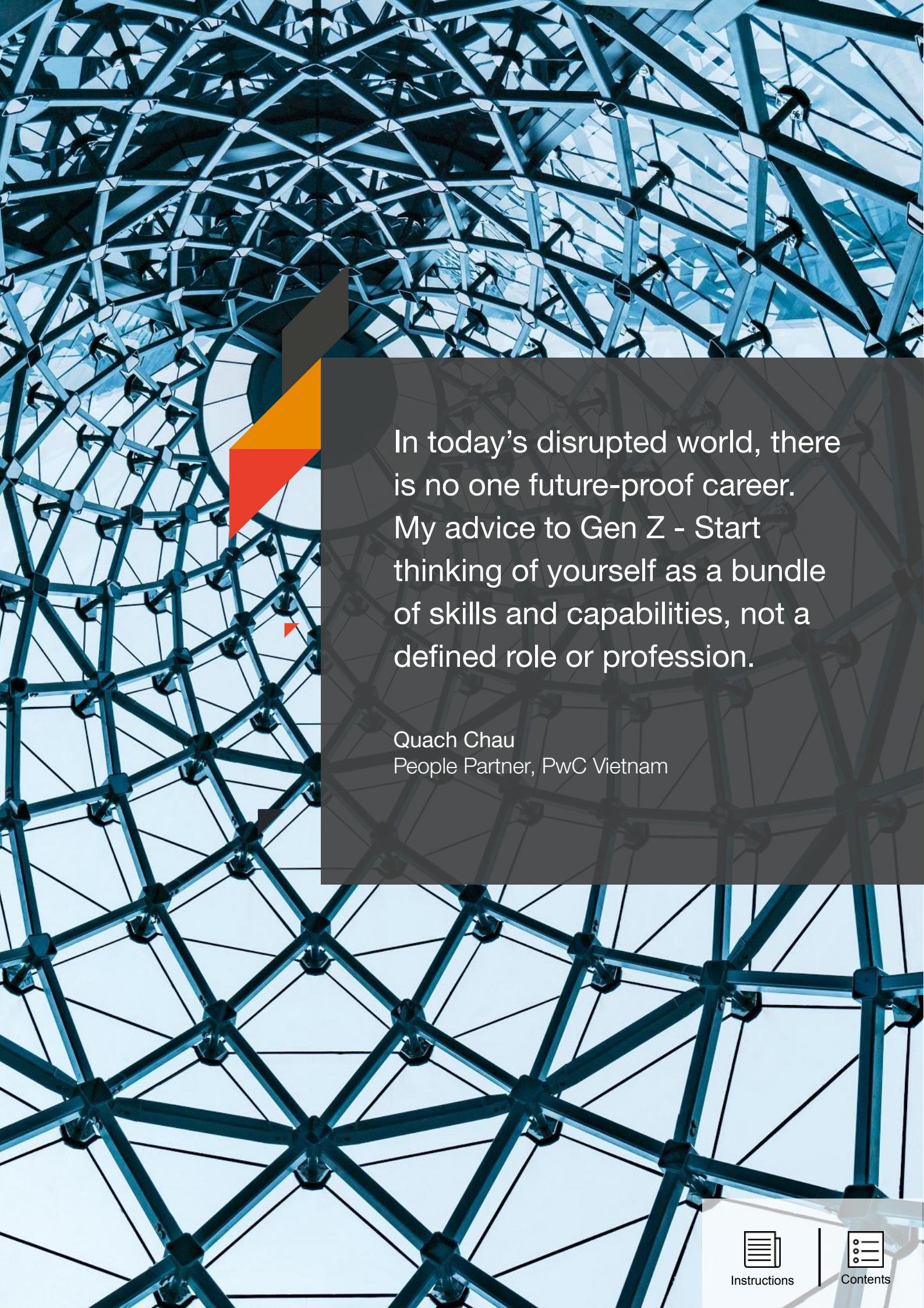
The results of the questions we asked on technology, jobs and skills reflect a future world of work that is preoccupied with:

- A mismatch between skills and the needs of the labour market; and
- Job supply challenges, owing to constantly evolving technologies.

Vietnamese Gen Z face a widening skills gap as a result of entering into the workforce during a period of rapidly changing technologies. It is clear that this generation will need to keep pace with the evolving demands of employment throughout their career journeys.

² Calculation based on data from <https://www.populationpyramid.net/viet-nam/2025/>

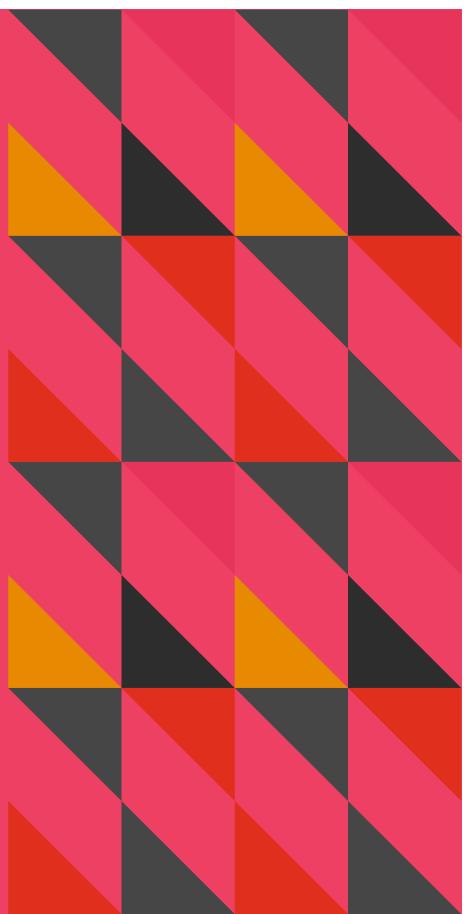
³ "Assessment on Employability Skills Gaps and Good Practices by Businesses to Upskill Marginalized and Vulnerable Young People" report by Mekong Development Research Institute (MDRI), VCCI and Unicef



In today's disrupted world, there is no one future-proof career. My advice to Gen Z - Start thinking of yourself as a bundle of skills and capabilities, not a defined role or profession.

Quach Chau
People Partner, PwC Vietnam

2. Gen Z points of view



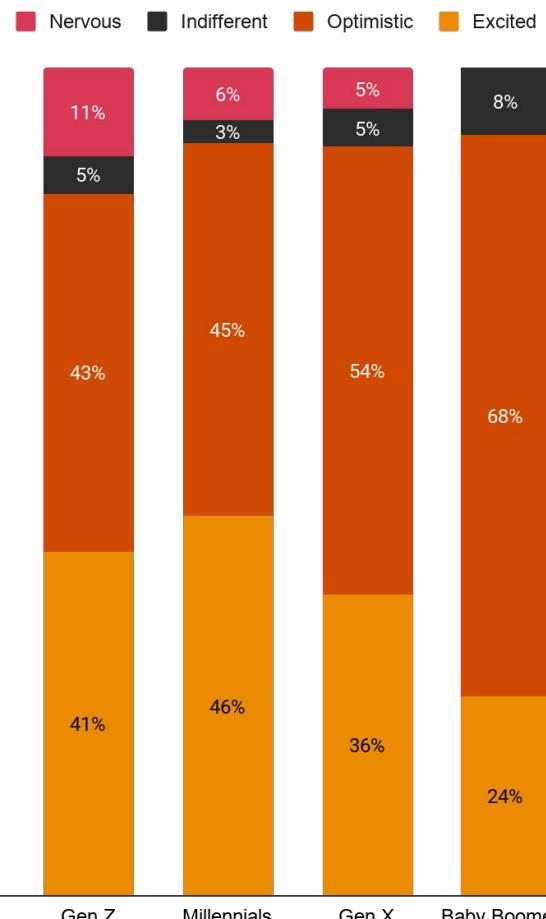
Vietnamese Gen Z is positive about technology, but they are also the most worried

84%

of Gen Z respondents have positive feelings about the impact of technology on their jobs.

Q: When you think about the future impact of technology on your job, which of the following best describes how you feel?

However, compared to other generations of workers, Vietnamese Gen Z is the least optimistic (11%)



Top 3 worries of Gen Z:

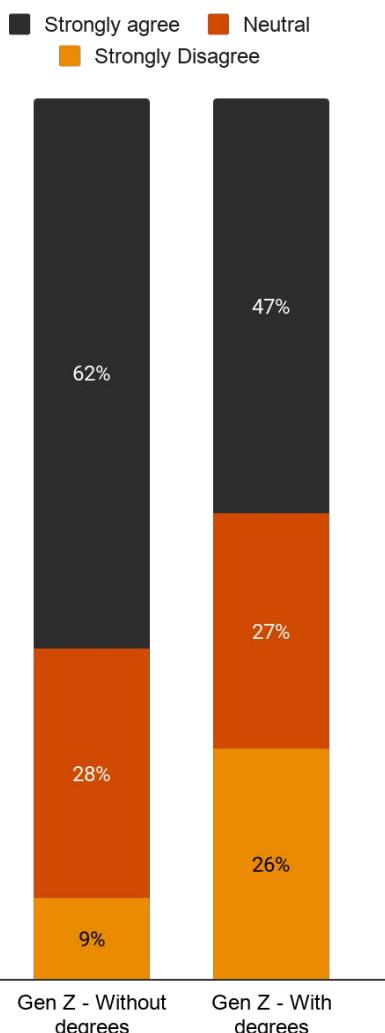
- 51% believe technology will make their role redundant;
- 26% believe they won't have the right skills; and
- 12% believe they won't be able to learn the right skills.

Gen Z without degrees is more concerned about their future job prospects

62
%

of Vietnamese Gen Z without degrees believes that automation presents more risks than opportunities, as compared to Gen Z respondents with degrees and technical qualifications (47%).

Q: How much do you agree or disagree with the following statement: “I am worried that automation is putting jobs at risk”?



This finding confirms what we have long known to be true: digital skills are key. According to an earlier PwC study analysing the potential long-term impact of automation globally⁴, the proportion of existing jobs that might be at high risk of automation will differ based on:

- Industry sectors;
- Occupations within those industries;
- Workers of different ages, gender and education levels.

⁴ PwC - [How will automation impact jobs?](#), 2018

Gen Z wants to develop soft and business skills as well as specific digital skills

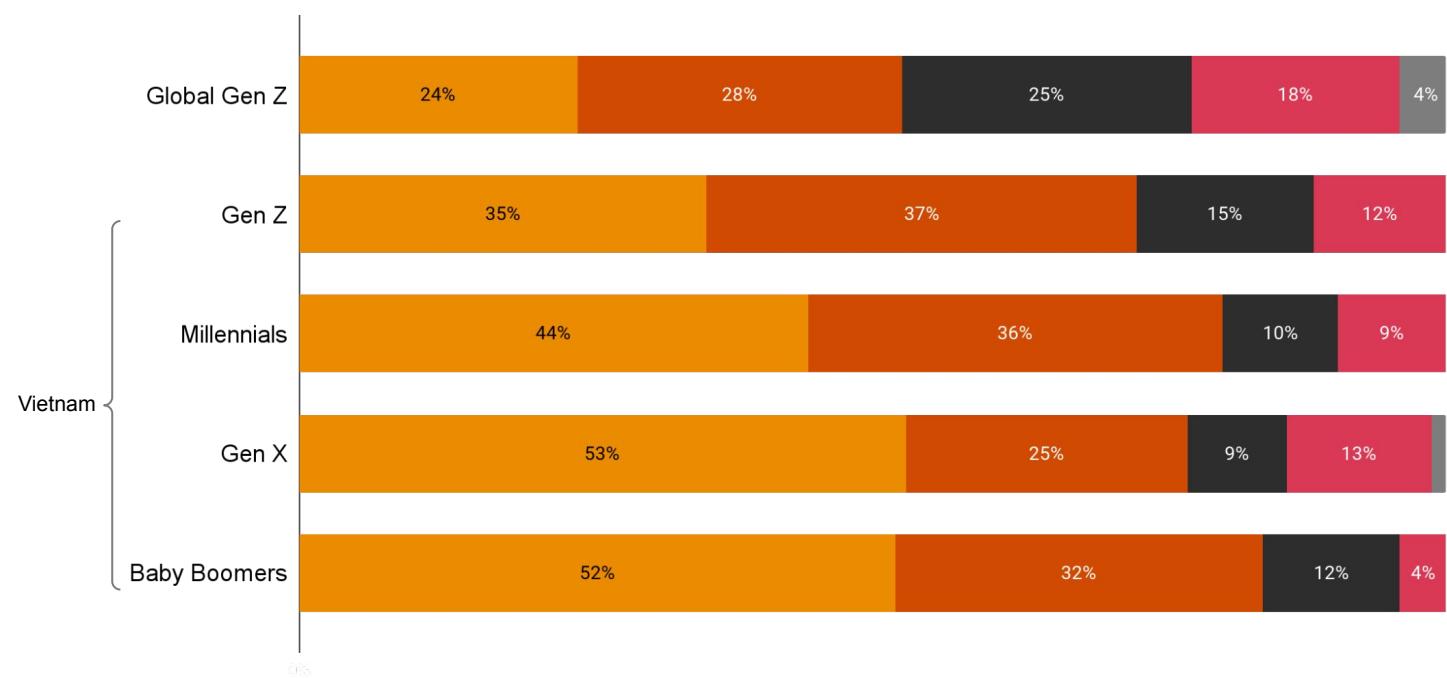
72%

of Vietnamese Gen Z expresses a strong desire to learn digital skills, compared to 52% of their global counterparts. Vietnamese respondents also ranked higher in wanting to be proficient in a specific technology (VN: 37% vs Global: 28%).

It is not surprising that Vietnamese Gen Z entering the workforce is also keen to be equipped with both business and soft skills. Their responses are higher than the those of all other groups. In line with [PwC Talent Trends 2020](#) report⁵, these skills are referred to as transferable, 'no regrets' skills - a combination of creativity, problem solving, and digital skills.

Q: What type of workplace skills would you most like to develop?

- To become more proficient at learning and adapting to new technologies, whatever they may be
- To become proficient in a specific technology
- To improve general business skills
- To improve soft skills
- Others



⁵ PwC - [Upskilling: Building confidence in an uncertain world](#), 2020

Gen Z has the most balanced view on whose responsibility it is to upskill

46%

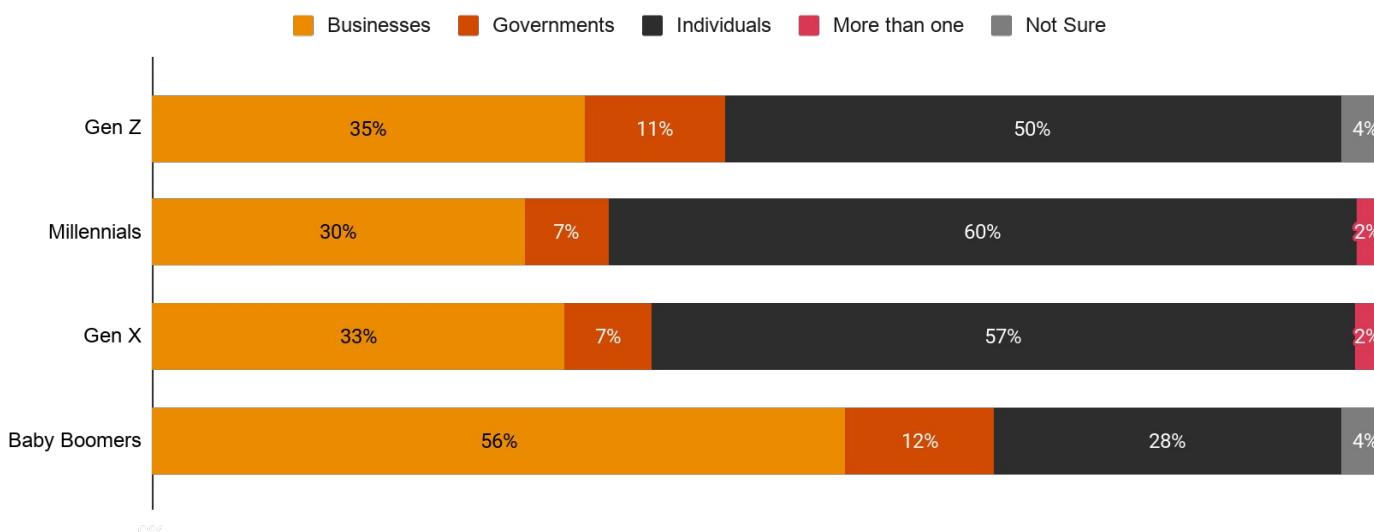
of Vietnamese Gen Z believes that businesses and governments have a greater responsibility to help people upskill, while 50% believe that upskilling is a personal journey.

Our survey highlights that Vietnamese Gen Z are aware of a potential mismatch between skills and the needs of the future labour market, owing to constantly evolving technologies.

It is, therefore, timely to open up a genuine and fully inclusive conversation with employers, government and society around the following questions:

- Are Vietnam's youth receiving the right formal and/or informal training that they will need to keep up with the rapidly changing 4th Industrial Revolution business landscape?
- What systemic changes need to be initiated today to equip Vietnamese youth with the skills of tomorrow?

Q: Of the following organisations, who do you think is most responsible for helping people to upskill?



Gen Z can be the most productive remote workforce

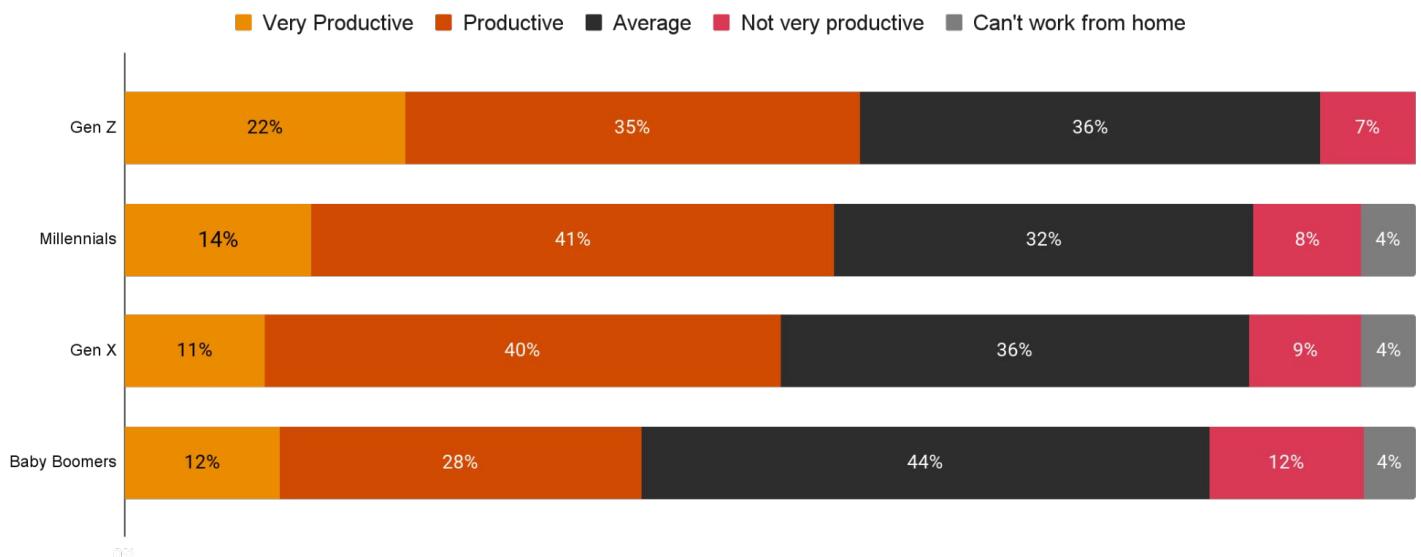
80%

of working Gen Z believes that remote working will become more prevalent post COVID-19.

This finding is similar to that of a recent [PwC Pulse survey](#)⁶ on the future of remote work, where the same percentage of respondents (80%) anticipated adopting remote work as the new norm. 57% of working Gen Z said that they were productive while working from home, the highest of all working generations.

Organisations will do well to adopt a different mindset to attract and retain Vietnamese Gen Z talent who, by 2025, will account for almost a third of the Vietnam workforce ². This sentiment highlights the urgency for organisations to be ready to meet the cultural and infrastructural demands of remote working, while taking careful steps to mitigate cyber risks.

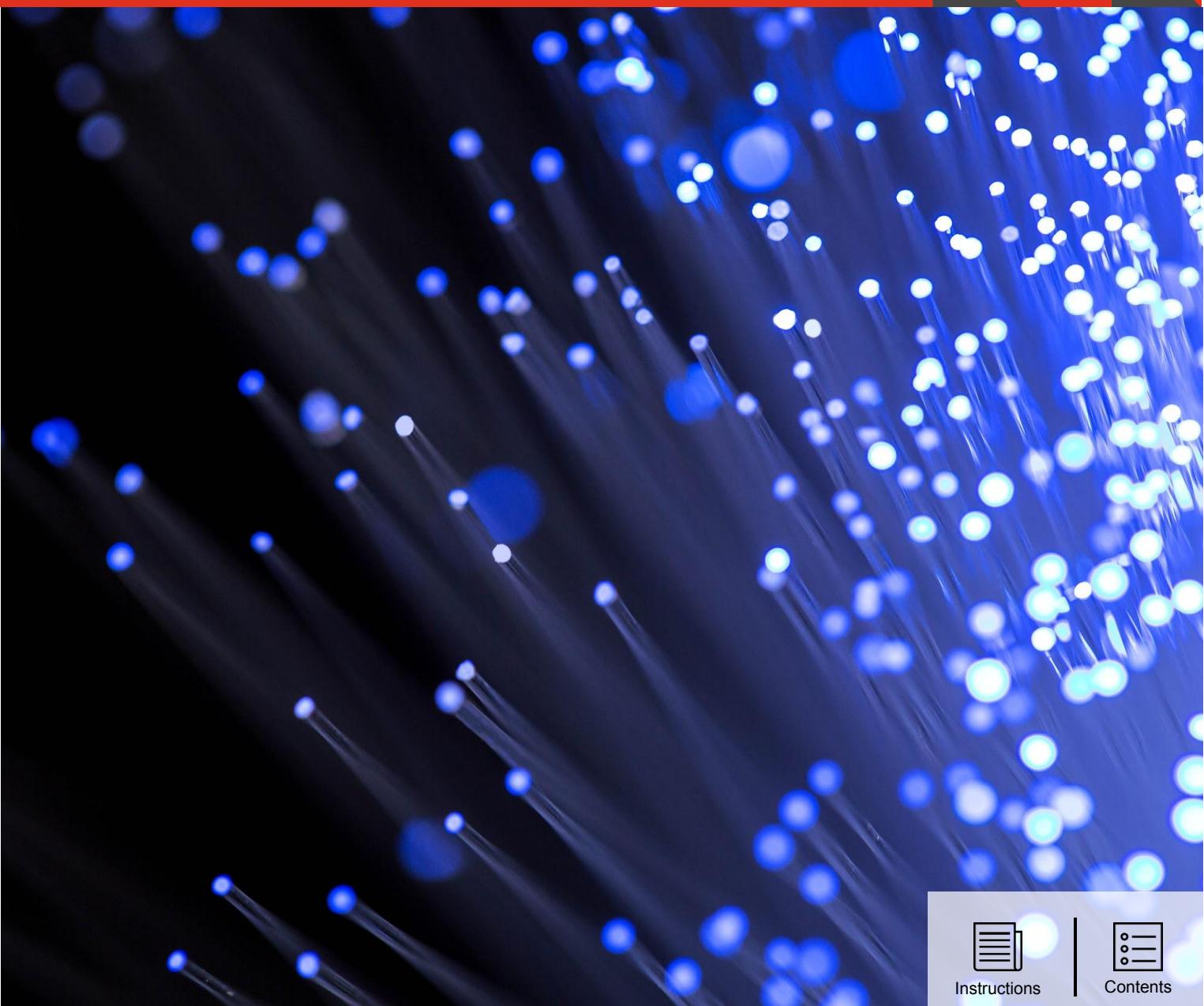
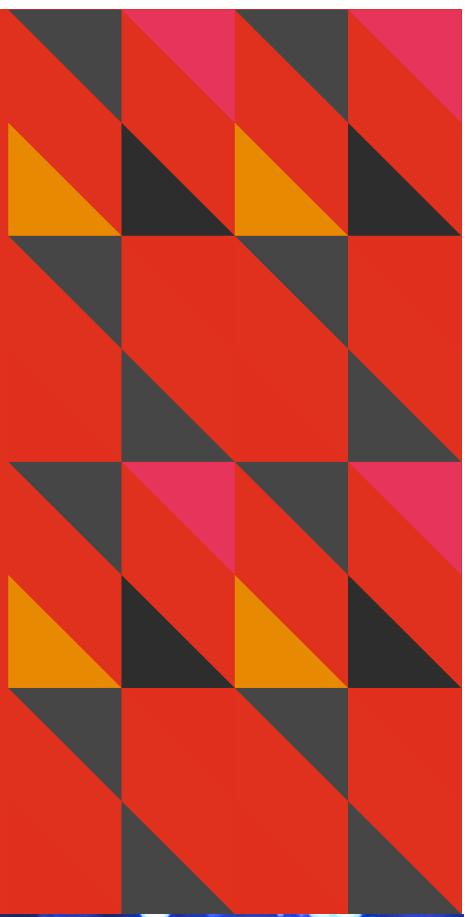
Q: How productive are you when having to work from home?



² Calculation based on data from <https://www.populationpyramid.net/viet-nam/2025/>

⁶ PwC - [The future of remote work: Global PwC survey outputs](#), 2020

3. Getting Gen Z future-ready





Whether you are working for a business or starting your own, a growth mindset and curiosity for learning will allow Gen Z to fully participate in the future digital economy.

Nguyen Hien Giang
Senior Manager, People & Organisation
PwC Vietnam

It all starts with a government-led strategic vision across the Gen Z education ecosystem

Families/Parents

Parents need to be actively engaged through workshops or communication campaigns to support what the government and the schools are trying to achieve.

Education providers

This strategic vision can be brought to life as early as preschool level and throughout the education journey.

There is a shift in the education system's emphasis⁷ from purely pursuing academic grades to building a student's resilience in the face of change, developing a willingness to take risks and innovate as well as fostering the habit of self-directed lifelong learning.

Business organisations

Governments can collaborate with businesses and industry players to better understand what future jobs entail, and enable targeted interventions geared towards the country's growth ambitions.

These real-world inputs will benefit schools and academic institutions when designing key curricula to address the mismatch of skills and needs of the workforce.

Government

A well-defined vision should:

- Articulate what the future will look like;
- Highlight strategic sectors;
- Identify the corresponding manpower capability; and
- Address the capacity gaps as needed.

Enabling agencies

These investment agencies help promote the vision by establishing support infrastructure, strengthening priority areas through policy, and funding projects before economies of scale can be realised. These agencies help make the country become known for its performance in upskilling the nation.

⁷ PwC - [Asia Pacific's Time](#), 2020

Higher education providers can support by focusing on industry-relevant learning outcomes

The role of education providers is more critical than ever. Where the education system has previously focused on academic excellence, there is now the opportunity for education providers to shift their emphasis to collaborating with the business community and industries to redefine career readiness and empower students with the right skills for a new spectrum of roles.

There are a number of ways in which businesses/industry players and education providers can work together. Here are some:

- **Offer micro/short courses** that will enhance the acquisition of relevant future skills.
- Prioritise vocational and higher education **curricula that are “just in time”** rather than “just in case”.
- Make existing qualifications system more nimble by ensuring **transferability and recognition of certifications**.
- Develop **flexible learning models** to match the flexible working model.
- Add greater rigour to each business's **learning and development programmes**.

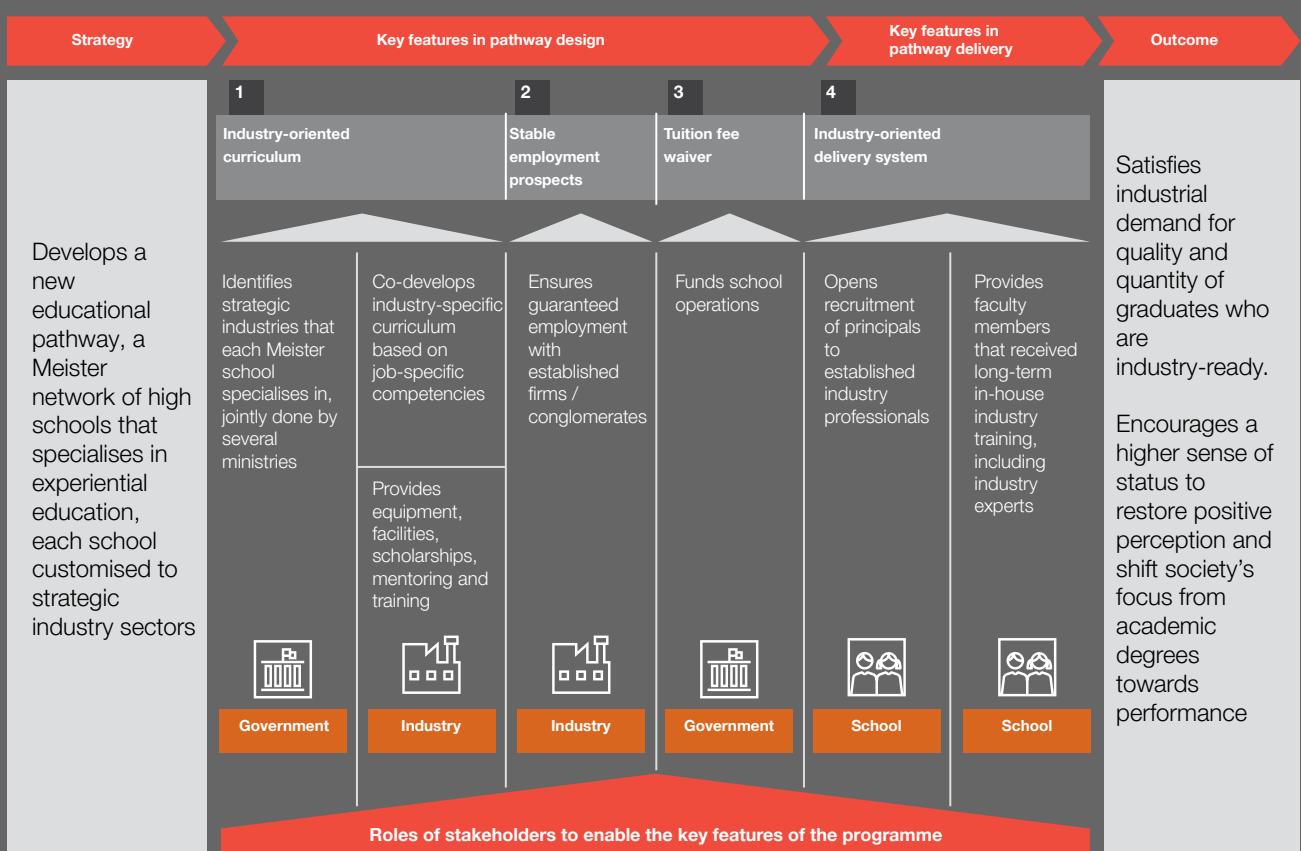
The education sector also needs to embrace the future of work as a source of reinvention to normalise lifelong learning for all:

- Scale up the provision of self-directed learning and **nanodegrees for lifelong learning**.
- Build bridges between national qualifications systems and lifelong learning so that **skills are recognised** everywhere.
- Connect schools and places of learning on an **international scale**⁸.

⁸ World Economic Forum, PwC - [Upskilling for Shared Prosperity](#), 2021

How can academia and industry collaborate to address future job needs?

Case study: An innovative approach to addressing skill gaps in the South Korea labour market⁷



Source: National Centre on Education and the Economy, Asian Development Bank, World Economic Forum, Organisation for Economic Co-operation and Development, PwC analysis

South Korea developed the Meister network of schools where the curriculum and certification are co-developed by major companies and delivered by faculties that include industry experts. This is a best practice reference of how to nurture industry-ready graduates.

⁷ PwC - [Asia Pacific's Time](#), 2020

How organisations in Vietnam can address the Gen Z skills gap

Vietnamese Gen Z faces widening skills gaps on two fronts - specific digital expertise and soft and business skills - owing to rapidly evolving technologies entering into the workforce. In order to develop targeted skills, organisations need to build a cohesive yet dynamic roadmap that:

- i) aligns with the evolution of the role,
- ii) highlights milestones and resources required to achieve these defined goals,
- iii) adopts an approach of personalisation to motivate and support employees as they engage in upskilling.

Below are five key considerations for an effective organisation upskilling strategy⁷

 Strategic alignment	 Effective enablement	 Empowerment for change	 Targeted learning	 Agility for growth
<p>Assess future business needs and identify skill gaps:</p> <ul style="list-style-type: none">● Define corporate growth strategy in line with the industry's trajectory and translate it to the workforce capability and capacity gap, according to market, and functional priorities that have the greatest impact on delivering business value.● Develop skill architecture, map skill and competency needs.● Promote a case for upskilling the organisation.	<p>Build a well-supported learning strategy:</p> <ul style="list-style-type: none">● Develop a cohesive yet dynamic roadmap that aligns with the evolution of the roles to prioritise● Ensure the learning strategy is sufficiently enabled by effective organisation and deployment of resources such as how the Learning and Development (L&D) team is structured and which technologies can be leveraged to deliver on upskilling goals	<p>Implement a cultural shift to support change:</p> <ul style="list-style-type: none">● Develop managerial skills to manage ambiguity and adopt a hyper-personalisation approach to motivate employees● Venture beyond developing technical skills to address employees' social and emotional skills to strengthen resilience● Align financial reward and incentives, talent and performance management to upskilling goals● Set up a change strategy. For example, publish success stories, use gamification to increase participation	<p>Tailor training to specific firm and employee needs:</p> <ul style="list-style-type: none">● Employ a role-specific approach. Define granular job-level skills to assess employee skill profile and customise learning needs● Develop an engaging and accessible learning experience with innovative approaches, tools and technologies to enhance effectiveness. For example, encourage collaborative social learning through support groups, online platforms or informal meetings	<p>Enable continuous review to ensure relevance:</p> <ul style="list-style-type: none">● Integrate organisational capability needs and upskilling progress into the yearly planning cycle● Measure Return on Learning Investment and Employee Engagement● Link indicators to business performance data to create visibility for business impact● Set up processes to continuously assess effectiveness and iterate the approach

⁷ PwC - Asia Pacific's Time, 2020

How member of Gen Z, as individuals, can adapt to thrive

Get your skills in order

The skills needed for the future are not just about science and technology. Human skills like problem-solving, adaptability, collaboration, leadership, creativity and innovation will also be in high demand.

Identify the skills you need and start to focus on how to build them – and how to use them alongside technology.

Expect the unexpected

The future of work will look different tomorrow. Illustrated below is an extract of the competing forces from PwC's Four Worlds of Work in 2030⁹.

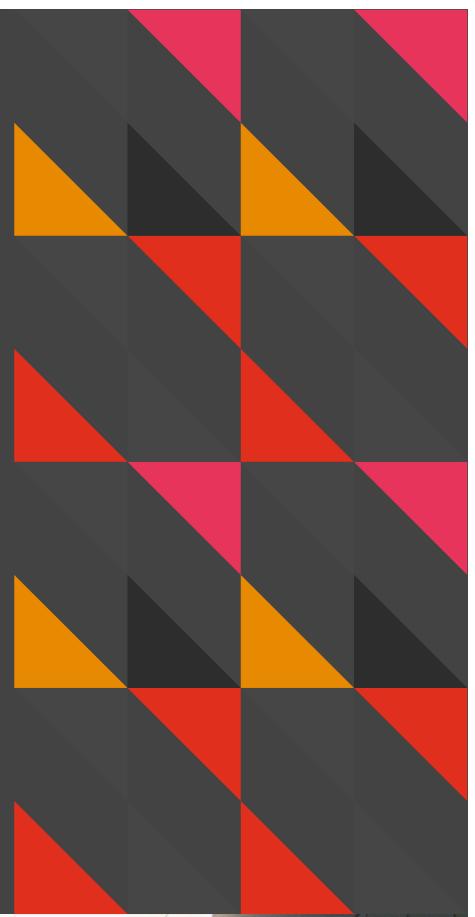
Look and plan for multiple scenarios and outcomes.



⁹ PwC - [Workforce of the future: The competing forces shaping 2030](#), 2018

	RED WORLD Innovation rules	BLUE WORLD Corporate is King	GREEN WORLD Companies care	YELLOW WORLD Humans come first
Learning and development	Use a new generation of open-source learning tools to improve their own skills.	Concentrated development on a small core group of high-potentials.	Personal and professional development fuse in areas such as volunteering.	Individuals take responsibility for lifelong learning, turning to communities for support.
Role of technology in managing the workforce	Technology powers the Red World but performance is judged primarily on short-term results.	Sensors and data analytics measure and optimise performance continuously.	Technology helps people to build work into their lives and minimise their environmental impact.	Technology creates and supports the open, honest, collaborative community of the Yellow World.

Appendices



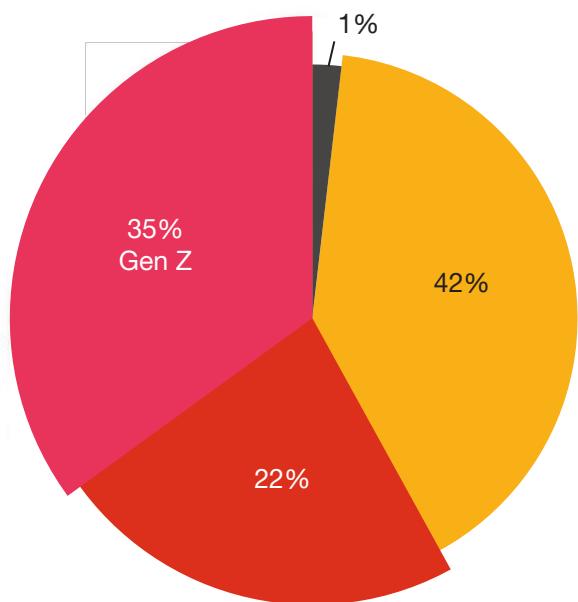
About the survey

The survey was sent out to the Vietnamese public from 12 November 2020 to 27 December 2020. Participants were asked to answer a list of questions relating to technology, jobs and skills*.

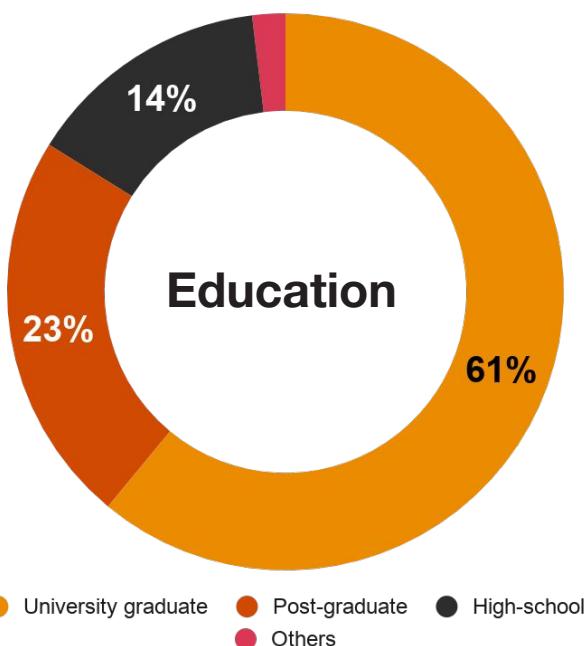
1146 responses were collected.

The base for this Gen Z report is **461** (individuals from 18-24 years old).

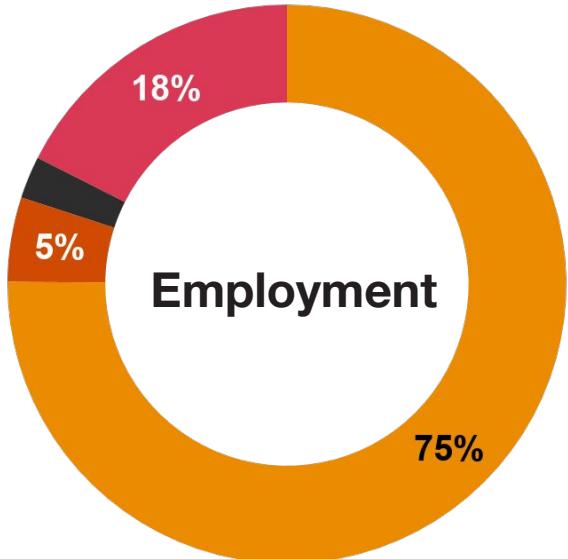
Note: Not all figures add up to 100% as a result of rounding percentages.



■ Gen Z
■ Gen X
■ Millennials
■ Baby Boomers



● University graduate ● Post-graduate ● High-school
● Others



● Working Full-time ● Working part-time ● Unemployed
● Student

*This report was prepared independently by PwC Vietnam, and is our local version of PwC's Global "Upskilling hopes and fears" report released in 2019 which surveyed over 22,000 adults across 11 countries: Australia, China, France, Germany, India, Netherlands, Poland, Singapore, South Africa, the UK and the US.

PwC's 'New world. New skills.' programme

'New world. New skills.' is a global initiative by the PwC global network that aims to help millions of people around the world improve their understanding, skills and knowledge for the digital world. We believe that businesses, governments, educators and citizens play important roles in narrowing the digital divide.

At PwC Vietnam, we have invested in training to ensure our people are prepared for the future of work. We are also committed to doing our part in reaching underserved communities which may not have access to upskilling opportunities, in order to ensure no one gets left behind. There's an urgent need for organisations, governments, educators and citizens to come together to address this growing problem.

To help Vietnamese people upskill, we have made our Digital Fitness app free, and you can download it today from the Apple App Store and Google Play. Just use the invite code: LRNALL.

Find out more about our resources at
<https://www.pwc.com/vn/en/upskilling.html>

Scan QR code to get the app



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