

Human Resource Management Strategies to Adapt to The Needs Of Generation Z In The Workplace

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Abstract

Generation Z has become a significant part of the workforce, and with their unique characteristics and expectations, they are driving changes in human resource management strategies. Consequently, this phenomenon requires companies to adapt their HR policies and practices to meet the needs of this generation, such as technology-based work environments, career development opportunities, and work flexibility. Data were collected through in-depth interviews with 15 human resource management practitioners and Generation Z employees from various industries. The aim of this study is to identify HR management approaches that can address the needs of Generation Z in the workplace. Data analysis was conducted using thematic methods to uncover key patterns and themes. The findings reveal that organizations should develop strategies such as integrating technology into daily work tasks, creating flexible and inclusive work environments, and offering training and skill development programs tailored to individuals. The study also highlights that clear communication and continuous feedback are essential for fostering engagement among Generation Z. However, the limited sample size and the study's focus on specific fields mean that the findings cannot be fully generalized.

Keyword : *human resource management, generation z, organizational strategy, management strategy*

1. INTRODUCTION

In human resource management (HR), demographic changes in the workplace, especially with the entry of Generation Z, have become a major concern. Generation Z, who was born between 1997 and 2012, has a number of traits that set them apart from previous generations, including sustainability-oriented values, the ability to adapt to technology, and flexible work preferences. This advantage encourages companies to change their human resource management strategies to become a welcoming and productive work environment. The research focuses on the differences between the needs and expectations of Generation Z and traditional HR management approaches. Generation Z prefers fast communication, virtual collaboration, and technology-based training

g. However, many companies are constantly using HR management methods that are not in line with the current era, which negatively impacts employee productivity and retention. This research is important because Generation Z will be the majority in the impromptu workforce. In addition, the study aims to help companies understand how to use innovative HR management strategies to meet the needs of Generation Z. The study will also provide insights into how to create a workplace that supports Generation Z's career development while improving overall organizational performance.

Previous studies have shown that Generation Z has a particular preference for work culture and career development. Compared to previous generations, Generation Z values work flexibility and personal and professional life balance more, according to Twenge (2017). Additionally, research by Seemiller and Grace (2016) found that Generation Z is highly motivated by significant goals in their workplace; as a result, the company must provide a vision and values that are in line with the expectations of this generation Z. A study conducted by Dewi (2021) found that Generation Z in Indonesia is more likely to look for a workplace that provides continuous training and allows them to develop personally and professionally. However, organizations often do not understand this need, resulting in high employee turnover rates. Therefore, this study aims to determine the most efficient human resource management approach to overcome these differences.

This research uses a multidisciplinary approach and combines theories about organizational psychology, human resource management, and generational studies. It is hoped that, by combining these perspectives, this research will provide practical advice for organizations that create HR strategies that are suitable for Generation Z. Therefore, this research not only provides an academic contribution, but also offers practical solutions for organizations to address the challenges of the ever-changing workforce demographics. This research is expected to be a guide for human resource workers and company leaders in managing the potential of Generation Z.

LITERATURE REVIEW

Human Resource Management

According to research conducted by Iqbal Arraniri et al. (2021), human resource management refers to the management of individuals or groups in an organization. To understand this concept, it is important to look at the role played by the manager. A manager has the primary responsibility for achieving organizational goals through the management and direction of the efforts of employees in the organization. The human resource management (HRM) sector includes a wide range of activities intended to ensure that an organization's human resources have optimal competence, motivation, and contribution. HRM focuses on managing people within an organization to achieve specific goals effectively and efficiently. Human resources are not just a workforce, it also includes the knowledge, skills, potential, and creativity of individuals who are managed to support the success of the company.

Sigit Purwanto et al. (2024) also explained that Human resource management is a term that refers to human resource development. Human resource management includes human resource planning, implementation, recruitment, training, and career development of employees or employees and taking initiatives to support the growth of an organization or company.

Diksi Metris et al. (2024) argue that human resource management, which is often referred to as human resource development, includes activities such as workforce planning, implementation of HR strategies, and recruitment and selection processes. In addition, this management also includes training, employee career development, and strategic measures to drive the organization's progress. The training provided by MSDM aims to improve the skills of employees, both in the short and long term, with a special emphasis on improving each individual's ability to help the company progress. As a way to reward employees for their work, MSDM regulates a fair compensation system.

Afrizal et al. (2022) also explained that human resource management is the process of organizing, arranging personnel, directing, developing human resources, and compensating existing human resources in an organization to achieve organizational goals. A fair compensation system can increase employee motivation and retention. MSDM handles conflicts, builds harmonious industrial relations, and provides welfare programs such as health insurance and a supportive work environment.

All human resources in the organization must be able to properly understand the existing organizational culture (Edy Sutrisno, 2019). Due to the dynamics of the ever-changing world of work, human resources are becoming increasingly important in the modern era. The way companies manage their workforce is influenced by globalization, technological advancements, and demographic changes. Younger generations, such as Generation Z, bring new preferences and expectations that require a more flexible and innovative approach to MSDM. A good human resources (HR) strategy can help companies face business competition by attracting and retaining top talent, improving company performance, and creating a welcoming and flexible work environment.

Generation Z

The group known as Generation Z is made up of people born between 1997 and 2012, although this year span can vary slightly according to sources. Generation Z is referred to as the "generation that grew up in the digital age", where technologies such as the internet, smartphones, and social media have become an essential part of their lives from an early age. As a result, Generation Z is often referred to as "digital natives" or a generation that is very proficient in using modern technology. Yuli Kristyowati (2021) stated that Generation Z is very concerned about lifestyle (lifestyle), which is characterized by their enthusiasm to continue to follow the trends of mobile phones, clothing, skincare, and makeup. Having a sophisticated phone, the latest clothing styles, skincare, and makeup is a matter of pride.

Generation Z brings a big change to the work environment. They expect an innovative, flexible, and technology-based work environment. Additionally, they prefer businesses that offer ongoing learning opportunities and support professional advancement in the long run. Generation Z highly values work flexibility, which allows them to balance their work and personal lives. In addition, it is easier for them to work with digital communication tools such as cloud-based work platforms and video conferencing applications. In addition, this generation highly values honesty in organizational communication. When there is an opportunity to convey ideas or opinions, open communication, and constructive feedback, they tend to be more engaged.

According to research conducted by Lasti Yossi Hastini et al. (2020), Generation Z from birth is involved with technological advancements. Those born between 1995 and 2012 do not have the opportunity to experience life without the internet and technology. Generation Z sees technology and the internet as something that must exist, not an innovation like the views of other generations. They consider technology and the internet to be an important part of their lives and daily lives. The life of Generation Z has been influenced by technological advances and the rapid flow of information through the internet. They are used to communicating by using the electronic devices they own, playing games, and even shopping through smartphones, tools that they hold. Strong adaptation to technology, a sense of diversity, and a awareness of global issues such as social justice, climate change, and equality are the hallmarks of Generation Z.

They tend to want a flexible work environment, value the balance between personal and work life, and strongly expect companies to have high social and environmental responsibility. In the world of work, Generation Z is described as a pragmatic generation that focuses on results and finds meaning in their work. They also look for places that support innovation and provide space for personal and professional growth. In addition, this generation is more likely to work collaboratively and is more comfortable talking virtually.

Organizational Strategy

An organizational strategy is a long-term plan to help an organization achieve its goals and vision. The strategy includes a structured and integrated set of actions to optimize the resources at their disposal, including human, financial, and technological resources, so that organizations can compete competitively in today's market. Organizational strategy includes important decisions about the direction of the organization, such as determining which goods or services to offer, the markets to be served, and how best to deal with challenges and opportunities inside and outside the organization. Every organization has monetary or non-monetary goals, public or private, secular or religious, but each organization must operate with the same four things: human resource (HR) management, strategic planning, organizational theory, and organizational ecology (Iqbal Hanariri et al., 2021). This

strategy also serves as a guide for all of the organization's operations, ensuring that each department or organizational unit works together to achieve the desired outcomes.

Zamzami et al. (2021) explain that In an effective organization, upward communication is just as important as downward communication, in this case, the communicator is at a lower level than the recipient of the message. Some of the most common forms of upward communication include giving advice, group meetings, and protesting against work procedures. If upward communication doesn't show up, people often look for ways to find other ways to communicate with them. Environmental analysis, such as SWOT (Strengths, Weaknesses, Opportunities, and Threats), is often used to create a company's strategy. This analysis helps companies understand their position in the market and determine the strategic steps they will take. Product innovation, operational efficiency, human resource management, and marketing strategy are some examples of components of an organization's strategy. The main goal of an organization's strategy is to provide a clear direction, create a competitive advantage, and ensure sustainability in dynamic competition. An effective strategy allows organizations to adapt to change, capitalize on opportunities, and overcome obstacles that stand in the way of success.

Bulan Nurrohmah et al. (2020) argue that organizational strategies change individual behavior and values in it. Organizational strategy controls behavior, and changes to organizational strategy are necessarily intended to change behavior. Organizational strategies lead to certain behaviors. The definition of an organization as a contract can equate the perception of an organization.

Management Strategy

Management is the process of planning, organizing, directing, and controlling resources to achieve specific goals efficiently and effectively. In the context of an organization, management includes the coordination of various activities to ensure that all parts of the organization work together and are aligned with the organization's vision and mission. George R. Terry said management is the art of achieving goals through the efforts of others. While Henry Fayol said management is a series of tasks such as planning, organizing, directing, and controlling. In other words, management is a tool to create productivity and order in an organization. Human Resource Planning is the main task of HRM. This means determining workforce needs based on organizational strategy. According to Wheelen and Hunger, a management strategy serves as a guideline that directs how organizations utilize available resources to compete in a dynamic market. In other words, they say that management strategy is the art and science of making cross-functional decisions to achieve organizational goals.

Recruitment and Selection: Attract and select candidates who meet the company's requirements. Training and Development: Improving employees' skills and abilities to improve their performance. Performance Appraisal: Evalua

ting employee performance to determine improvements or awards. Compensation and Rewards: Motivate employees with salaries, bonuses, and other incentives. Employee Relations: Creating a good work environment through good communication and conflict resolution.

A management strategy is a set of plans, policies, and actions that are systematically designed to effectively manage an organization's resources to achieve organizational goals. This strategy assists managers in decision-making and carrying out various organizational activities, ensuring that all parts of the organization work together to achieve the desired results. According to Syifa Faujiah et al. (2023) To achieve organizational goals, leaders design and implement a decision-making process and determine how to implement it, known as strategic management. According to Muhammad Arifin (2017) Management is also the process of resource utilization through management function activities, such as planning, organizing, mobilizing, and controlling all the potentials that human resources have to achieve goals efficiently and successfully.

Mimin Yatminiwati (2019) argues that to achieve organizational goals, strategic management is defined as a basic and comprehensive decision-making process or series of activities, including determining how to carry it out. This process is created by the leadership and implemented by all levels of the organization to achieve these goals. Planning, organizing, directing, and controlling resources, including labor, finance, technology, and information, are part of a management strategy. This strategic approach helps organizations adapt to changes in the internal as well as external environment, such as changes in technology, market dynamics, or changes in legislation.

2. METHODS

Data is collected through direct observation, in-depth interviews, and analysis of organizational documents. This case study method uses a qualitative approach and literature study. The subjects of the study are human resource managers and Gen Z employees from various companies in Indonesia who have implemented strategies to attract and retain Gen Z employees. In addition, Generation Z uses generation theory by Strauss and Howe (1991) to understand its different characteristics. With a clear and open methodology, this study aims to produce findings that can be reused in similar situations. This research is expected to help organizations create HR strategies that are more suitable for Gen Z.

3. RESULTS AND DISCUSSION

The results of the study show that Generation Z wants a work environment that supports sustainability, flexibility, and technological innovation. In-depth interviews show that Gen Z is more interested in working in a company that allows them to grow professionally and personally. Work flexibility, communication transparency, and technology integration are some of the key issues that arise from data analysis. One of the key findings is that work flexibility for Generation Z is very important. Participants revealed th

at having flexibility in terms of time and work location helped them be more productive and find a balance between their personal and work lives. Companies that offer flexibility such as remote work options and flexible work schedules reportedly have higher employee retention rates. Many things have happened after the presence of social media and new gadgets in cyberspace, including various unpredictable changes in communication behavior of millennials and Gen Z in expressing their feelings on the internet (Sirajul fuadzis et al., 2021), which emphasizes the importance of open communication to increase the engagement of Generation Z employees.

Generation Z is expected to use technology in the workplace as they grow up with digital technology. They hope to be able to access technology tools and platforms that support efficiency and cooperation. The study found that Generation Z employees are more satisfied with businesses investing in the latest technology such as project management software and virtual collaboration tools. As we know, learning methods for Gen Z must be adapted to their habits so that the goal is to make learning fun for Gen Z. In the end, it is hoped that Gen Z can receive lessons well (AKP Nasution, 2020). The study found the difference between traditional HR policies and the needs of Gen Z. While Generation Z has many advantages, they also bring problems to organizations. When companies can't meet their expectations for social responsibility, flexibility, and innovation, they may struggle to attract and retain talent from this generation. Additionally, even though Generation Z is highly technologically proficient, they sometimes lack good interpersonal skills because they prefer to interact virtually rather than in person. Therefore, organizations must create training programs that help people better communicate and work together.

Many companies still use management methods that are unresponsive to Gen Z preferences. For example, participants expressed dissatisfaction with the rigid training process and lack of support for technology-based career development. This shows that there is a need for a paradigm shift in HR management strategies to better match the expectations of Gen Z. Participants also emphasized how important it is for organizations to support a balance between personal life and work. They praised businesses that provide additional time off, mental health services, and the ability to participate in personal activities. According to research conducted by Singh (2020), work-life balance is an important factor in retaining Generation Z employees.

In addition, the participants emphasized the importance of more inventive and technology-based training. Research by Dewi (2021) shows that technology-based training not only improves skills but also increases employee motivation, and Generation Z opts for online training, gamification, and micro-learning approaches. This research contributes to the literature on HR management by providing insight into the unique needs of Generation Z in the workplace. In addition, these findings provide practical guidance for compa

nies in developing relevant policies to attract, retain, and develop Generation Z employees.

Organizations can create a more inclusive and productive work environment by using a more flexible, transparent, and technology-based approach. This not only increases employee satisfaction and retention rates but also gives companies a competitive edge in an increasingly competitive labor market.

4. CONCLUSION

Generation Z is a very different generation from the previous generation. They have high adaptability, technological skills, and strong social awareness, which makes them potentially an important asset for companies. However, companies must understand the needs and preferences of Generation Z to maximize their potential and create a suitable work environment. With the right approach, Generation Z can make significant innovations and contributions in various aspects of life, including the world of work and society as a whole. This study emphasizes how important it is to change human resource (HR) management strategies to meet the needs of Generation Z in the workplace. Gen Z has features such as the ability to adapt to technology, a preference for work flexibility, and a constant desire to thrive in their careers. The study conducted in-depth interviews with 15 human resources experts and Gen Z employees.

The results show that businesses can use several important approaches to make their work environment more inclusive and productive. Key results show that work flexibility, both in terms of time and location, is critical for Generation Z. Companies that provide schedule flexibility or remote work have higher employee retention rates. Additionally, there is evidence that employee engagement increases through clear, open communication, and supplemented with helpful feedback. Gen Z also highly values the use of technology in the workplace that supports innovation and efficiency, such as project management software and virtual collaboration tools.

In addition, the study emphasizes that more creative training approaches, such as gamification and micro-learning, that align with the digital preferences of Generation Z, are needed. In addition, it was identified that maintaining a balance between personal and work life is key to retaining employees. Policies such as flexibility to carry out personal activities, additional leave, and mental health support can help achieve this. However, the results of the study cannot be fully generalized due to its limitations, such as the limited number of samples and its focus on specific areas. However, especially for companies in Indonesia, this research provides significant academic and practical benefits to build HR policies that are more in line with the generation that is dominating the workforce.

LIMITATIONS AND ADVANCED STUDIES

In this study, several limitations need to be considered. First, Only 15 people were involved in the study, which consisted of HR management pract

itioners and Gen Z employees from various industries. The results of the study cannot be generalized to a wider population because the sample is limited. Second, the study focuses on specific industries and fields, so the results may not fully reflect the needs of Generation Z in different organizations and industries with different structures and dynamics. Third, Qualitative methods provide deeper insights, but they do not provide quantitative data that can be used for statistical analysis or broader comparisons.

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