

The Concept of Transforming the HR Function in Organizations in the Context of Generation Z Preferences in the Labour Market

Abstract

Contemporary organizations operate within the era of the new economy, understood as a space in which global organizations emerge, driven by innovation and digital technologies. This results in an increased demand for knowledge and highly developed employee competencies and implies the necessity for organizations to undertake activities aimed at attracting, developing, and retaining employees, which in turn requires adapting the way the HR function is performed to their expectations. The coexistence of representatives of different generations in the labour market means that these expectations are not homogeneous. In particular, representatives of the youngest cohort, Generation Z, differ from their predecessors in terms of values, communication styles, and expectations towards work. The dissertation seeks to determine whether the current implementation of the HR function responds to the needs of Generation Z while taking into account the specificity of other generations.

The main objective of the dissertation is to develop a concept of the HR function that incorporates the expectations of the generations present in the labour market, with particular emphasis on Generation Z preferences. The subject of the research is the relationship between Generation Z's expectations towards the HR function and its actual implementation in companies operating in the district heating sector.

The research problem is formulated as the following question: to what extent and in what scope does the way the HR function is performed in enterprises in the district heating sector correspond to the expectations of Generation Z? The aim of the study is to identify areas of alignment and to detect gaps between Generation Z's expectations towards the HR function and its actual implementation. The objective is further specified through the following research questions: What are the key preferences of Generation Z representatives towards the HR function compared to earlier generations? What are the key areas and tasks performed by the HR function in contemporary organizations? Which areas and tasks carried out by the HR function are consistent with Generation Z preferences, and which are divergent? Which areas and tasks of the HR function should be modified to meet the expectations of Generation Z? What areas and tasks should the HR function encompass in the context of the coexistence of multiple generations in the labour market, with particular emphasis on Generation Z

preferences? An important aspect of the study is the parallel collection of opinions from HR managers and representatives of Generation Z, either employed in or applying to the same organizations.

Based on the analysis of the research results, it was indicated that in each of the examined areas of the HR function, changes are necessary to align its implementation with the expectations of the generations present in the labour market, particularly Generation Z. In some areas, these are incremental adjustments; in others, broader systemic changes; and in several cases, a complete paradigm shift (remuneration, benefits, and selected elements of the recruitment process). It was also demonstrated that the required changes concern all examined areas of the HR function, and in most of them more than one or two actions are necessary, which confirms the comprehensive nature of these transformations.

The defined concept, constituting the main outcome of the dissertation, consists of proposed areas and tasks of the HR function adapted to Generation Z preferences, accompanied by described approaches to their adjustment to the multigenerational labour market, as well as four defined and elaborated strategic features: flexibility, authenticity, transparency, and individualization. These elements form a coherent organizational framework that structures the proposed actions and enables their consistent application under conditions of generational diversity. The original contribution of the dissertation includes the development of proprietary methodological and conceptual solutions. An original gap measure was proposed, and the research process employed complementary methodological approaches, including a pilot study, expert validation (using the competent judges method), triangulation of data sources, and the construction of mirror questions (mirror design). The practical dimension of the study is of particular importance. The obtained results may serve as a framework for designing sector-specific solutions, while the adopted research methodology, the applied tool, and the developed model are transferable, meaning they can be adapted and applied in other sectors of the economy. The research findings contribute to partially filling the identified gap in the literature and may serve as a starting point for further scientific exploration in the analysed area.

Keywords: *HR function, Generation Z, generational preferences, alignment, transformation*