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WORKFORCE PLANNING FOR THE NEW GENERATION

Abstract. The pandemic accelerated many workplace dynamics, including heightened connectivity, shifting workforce demographics, and growing demand for equity. The future of work is flexible, inclusive, and connected, and employees are demanding work environments that foster the ability to work together across locations and time zones. All as above, combined with uncertain macroeconomic conditions devised to new workforce planning which suits to future challenges.

Workforce planning is a core HR process through which HR is involved in building the strategic plan for the future of the business. HR practitioners appear to recognize the importance of workforce planning in principle, but for many there is a ‘knowing-doing’ gap. This gap is wider in now days due to significant global changes, facing the 4th Industrial Revolution “Digital Age”. So, new strategy, different mindset, work dynamic, contemporary culture and future proof HR skills are asked to be developed.

Generation Z is the generation born from mid-1990s to early 2010s, where the exact dates vary depending on the chosen author, but most commonly is the 1995–2010. Gen Z is known to be the first true “digital native” generation (Lanier 2017)¹, as they have been born and have been grown in a digital and technological environment, learning how to use technology, and interacting in social networks since the very young age, and even tend to be seen as addicted to technology. The members of

¹ Lanier, 2017.

this generation have also been called “Gen Zers,” “post-Millennials,” or “iGen” (Magano et al., 2020)¹.

The paper act as advisor for people engaged in organizational strategy, talent management and learning and development professionals, Human Resources Business Partners to develop workforce planning processes.

Keywords: workforce planning, strategy, skills, HR.

1. Introduction

A significant number of Generation Z cohort will be part of multi-generation workforce in 2020, therefore, to shape the future in all point we need to invest efforts especially in strategic planning.

Following to that, one of the challenges facing is planning workforce for “silver tsunami, also known as the “gray wave,” has been attributed to Maples (2002)², and it speaks to the rapidly growing senior population and the exit of the Baby Boomer generation from the workforce due to retirement.

The actual younger workforce is Millennials waiting for the future Generation Gen Z. Generally, the birth range of Generation Z cohort members (Gen Zers) falls between 1995–2010 (Seemiller & Grace, 2016). The current Gen Z workforce composition is between 5–10% (Desjardins, 2019). Research shows that an increasing number of Gen Z members who have just completed their education will be entering the labor force in a year or two (Desjardins, 2019; Dool, 2019)³.

Therefore, workforce planning can be seen to enable sustainable performance by providing the basis for better decision-making about the future needs of the business in terms of its human capital. Planning to ensure you have the people resources in place, in the right place, with the right skills, on the right time to deliver the short- and long-term objectives of the organization is frequent challenges of Human Resources community.

¹ Magano et al., 2020; María Dolores Benítez-Márquez, Eva María Sánchez-Teba, Guillermo Bermúdez-González, Emma Sofía Núñez-Rydman, Feb 2022. “Generation Z Within the Workforce and in the Workplace: A Bibliometric Analysis”.

² Maples (2002); Nana Amma Acheampong. DBA, 2019: “Recruiting and Retaining Generation Z Into Public Sector Organizations: A Systematic Review”.

³ Desjardins, 2019; Nana Amma Acheampong. DBA, 2019: “Recruiting and Retaining Generation Z Into Public Sector Organizations: A Systematic Review”.

2. Methodology

The purpose of this study is to collect and analyze various theoretical and empirical studies related to the future Generation that effect workforce planning in view of Human Resources Strategy.

The analysis revealed of the study on Gen Z is in a time frame of 11 years (2009 to 2017). Starting from 2018 this topic started to attract higher attention. Goh has written four articles and received 168 citations among all his works. In addition, the journals with most impact are the International Journal of Hospitality Management, the Journal of Competitiveness etc.

There is a slow but sustained growth of research on the topic. This suggests a weakly increasing interest of researchers in the field, and a broad margin for future development.

Limitations of the study are in time and access to information. This is a relatively new and future topic. Many studies are being conducted to find the most efficient way possible. Companies that have embraced this spirit are still in their beginnings. Detailed analysis requires a lot of empirical studies, time, and access to detailed information.

Belonging to a generational cohort does not mean all members of the cohort share similar life experiences. Demographic factors such as race, education, and socioeconomic status of generational cohort members can impact their work values and reward preferences

(Crumpacker & Crumpacker, 2007)¹.

3. Analysis

3.1. New concept for workforce planning

For many years, the HR literature has argued that workforce planning is a key concept of people management and development. It links business strategy with people management. It also has been argued that it might be seen as a starting point for people management as it looks to define the labor force required now and, in the future, to deliver the products and services due to customer's demand.

Now days the concept of workforce planning has progressed using "resource planning" or "manpower planning". The importance of "man" or "human capital" is essential. Who is the future workforce "man" that guides the strategic planning?

¹ Crumpacker & Crumpacker, 2007.

According to Deloitte (2017)¹, generation Z will make up over 20% of the workforce in the next four years, representing a considerable portion of the labor market. The entry of this generation to the workforce is accompanied by the retirement of Baby Boomers, possibly resulting in a huge shift in work culture and environment (Solnet et al., 2016)².

The generation individuals belong to shape their attitudes and behaviors and drive them workplace motivations (Ellin, 2014)³. Accordingly, empirical literature makes the case that the motivational value of rewards as part of talent management efforts may not be the same for all generations because each generation possesses unique work values and workplace preferences (Eversole, Venneberg, & Crowder, 2012; Reeves, 2010)⁴.

The empirical literature lacks consensus about Gen Z's characteristics and work values. This is a generation that is raised with exploring in internet, technology friendly. Deloitte (2017)⁵ also found that generation Z is ready to work hard but expect to move up quickly in their career. 8 They desire independence, globalized working, assurance for their future and seek happiness at the workplace.

3.2. Factors that drive the workforce planning for Gen Z

Most organizational leaders lack understanding about how to recruit and retain this emerging workforce owing to the confusion about their characteristics, work values, and preferences (Maioli, 2017; Stuckey, 2016)⁶.

This generation cohort has been surrounded by a global financial crisis, times of terrorism, political uncertainty, and an almost irreversible cli-

¹ Deloitte Insight, 2017. "Generation Z enters the workforce Generational and technological challenges in entry-level jobs".

² Edmund Goha, Cindy Leeb. International Journal of Hospitality Management, 2018. "A workforce to be reckoned with: The emerging pivotal Generation Z hospitality workforce".

³ International Journal of Business and Social Science, February 2014. Fahimeh Babaei Nivlouei: "Electronic Human Resource Management System: The Main Element in Capacitating Globalization Paradigm".

⁴ June 2010 Reference: 5219 Chartered Institute of Personnel and Development 2010. "Workforce planning Right people, right time, right skills"; Eversole, Venneberg, & Crowder, 2012; Reeves, 2010.

⁵ Deloitte Insight, 2017. "Generation Z enters the workforce Generational and technological challenges in entry-level jobs".

⁶ Maioli, 2017; Stuckey, 2016.

mate crisis. At the same time, Gen Z has lived in an increasingly globalized world, with the ease of a same currency around the EU and free mobility through its member states in the case of Europe. All these factors have influenced how Gen Z has forged their personality, their vision, and has made them highly adaptable to the global world (Magano et al., 2020)¹.

Research shows that employees' work values shape workplace preferences and even positively impact organizational commitment (Twenge, Campbell, Hoffman, & Lance, 2010)². The expectation is that life experiences, social and cultural experiences, and values may shape the work values and work preferences of Generation Z cohort members (Strauss, & Howe, 1991)³.

As its main characteristics, Gen Zers are defined as highly ambitious and self-confident (Pataki-Bittó and Kapusy, 2021). At the same time, they are said to be realistic and accept whatever is given (Scholz, 2019). Gen Z is entrepreneurial (Magano et al., 2020)⁴, even more than Generation Y (Lanier, 2017)⁵. This generation seems to be motivated by finding their dream job and opportunities to expand their skills (Magano et al., 2020)⁶, leading to believe they will switch jobs more frequently than other generations before them, and if they do not like something, they are ready to change immediately (Csiszárík-Kocsír and Garia-Fodor, 2018). Other motivation drivers for this cohort are roots on advancement opportunities, increased salary, a meaningful work, and a good team (PR Newswire, 2014; Csiszárík-Kocsír and Garia-Fodor, 2018)⁷.

¹ Magano et al., 2020; María Dolores Benítez-Márquez, Eva María Sánchez-Teba, Guillermo Bermúdez-González, Emma Sofía Núñez-Rydman, Feb 2022. "Generation Z Within the Workforce and in the Workplace: A Bibliometric Analysis".

² Nana Amma Acheampong. DBA, 2019: "Recruiting and Retaining Generation Z Into Public Sector Organizations: A Systematic Review".

³ Ibid.

⁴ Magano et al., 2020; María Dolores Benítez-Márquez, Eva María Sánchez-Teba, Guillermo Bermúdez-González, Emma Sofía Núñez-Rydman, Feb 2022. "Generation Z Within the Workforce and in the Workplace: A Bibliometric Analysis".

⁵ Lanier, 2017.

⁶ Magano et al., 2020; María Dolores Benítez-Márquez, Eva María Sánchez-Teba, Guillermo Bermúdez-González, Emma Sofía Núñez-Rydman, Feb 2022. "Generation Z Within the Workforce and in the Workplace: A Bibliometric Analysis".

⁷ María Dolores Benítez-Márquez, Eva María Sánchez-Teba, Guillermo Bermúdez-González, Emma Sofía Núñez-Rydman, Feb 2022. "Generation Z Within the Workforce and in the Workplace: A Bibliometric Analysis".

Generation Z changes from other generations in many aspects such as expectations, education, work ethics, culture, behaviors, work-life balance, raised intellectual curiosity, creating the risk of skill gaps when they enter in the workforce.

There are internal and external factor which influence in developing new skills to meet requirements in the future.

Internal qualitative and quantitative information's like location, skill requirements, number of retentions, training hours, recruitment spend, succession planning, talent planning, demographics, turnover etc. are mainly based on organizational strategy and operational requirements.

External qualitative and quantitative information's like demographics, skills provision, existence of training provision, immigration/emigration, social trends, developments in technology, social attitudes are mainly based on customers & stakeholders and market forces strategy.

Due to factors as above, we are facing globalization paradigm.

Globalization paradigm is used to define a combination of factors — a single marketplace with growing free trade among nations; the increasing flow and sharing of information, connections and opportunities for organizations and people to interact around the world without being constrained by national boundaries (Connell, 2007)¹.

The question is which are the future skills that we expect from Generation Z which will affect our work planning strategy?

1. Technical HR Skills:

Those in Generation Z are pragmatic and have the status of digital natives (Grow & Yang, 2018; Lanier, 2017)².

The impact of Generation Z on the workplace is a positive one, knowing that new employees are characterized by “new levels of digital competence, dedication, and drive to achieve a goal” (WGU, 2019)³.

- Effectively streamline work, project management ability;
- Lead and support organizational changes;
- Boost organizational effectiveness though organizational design.
- Being more analytic, make fact-based decisions.
- Strategic deals management to minimize workforce risks.

¹ Crumpacker & Crumpacker, 2007; International Journal of Business and Social Science, February 2014. Fahimeh Babaei Nivlouei: “Electronic Human Resource Management System: The Main Element in Capacitating Globalization Paradigm”.

² Lanier. 2017.

³ Ibid.

2. Problem Solving Skills

Those in Generation Z rarely work overtime compared to other generations on the labor market, either due to the types of work performed or due to higher education concomitant with the professional occupation (Sandu, Stoica & Umbreş, 2014)¹.

- Good in analyzing facts, arguments & ideas, strong critical thinking;
- System thinking understand how the organization interact between departments.

3. Soft Skills

Taking into account the aspects that they consider important for the development of their professional life, Gen Z members value soft skills more in comparison to hard skills (Iorgulescu, 2016)².

- Achieve results accepted by all parties, good negotiation skills;
- Effectively balance different interests;
- Collaborate effectively with other departments;
- Build inclusive workplaces with cultural differences integration.

4. Future-looking skills

The presence of several generations in contemporary companies is one of the many aspects of diversity in organizations, a diversity that refers to visible and less visible personal traits such as age, gender, ethnicity, religion, sexual orientation, education, work experience, physical appearance, socioeconomic past, personal abilities and any other characteristics that could represent a difference between individuals (Jones & George, 2011)³.

- Adapt & thrive in complex and unpredictable world;
- Risk management to prepare the organization for the future;
- Committed to self-care to ensure the best physical and mental state;
- Act with ethics as a true people advocate.

3.3. The Role of HR in workforce planning

The workforce plan is playing a critical role to people management and are increasingly being used to determine HR policy and practice. The youngest generation entering the multigenerational workforce may not share the same work values or work motivations as the generations

¹ Lanier. 2017.

² Iorgulescu. 2016.

³ Jones & George. 2011.

preceding it, especially the exiting Baby Boomer workforce (Eversole et al., 2012)¹.

The management of Gen Z in the workplace and in the workforce is a real challenge. Therefore, the role of human resources management is crucial. The main responsibilities of Human Resource strategy are developing professional training and career programs due to work environment which will help to create new advanced skills for future roles effecting in both the professional and the social context in which the employees develop their careers. The strategic goals of a firm have their own individual formal and cultural structures that need to be with decision-making.

Some guidelines for HR to lead new generation of workers while working towards organizational goals:

- It is important to create a collaborative learning environment that encourages, creates opportunities, allow to understand, and respect one another. Dual training can be a good practice. Apprentices can spend time between the classroom and on-job-work;
- Embrace mobile platforms for HR systems as if Gen Z is truly the first mobile-only generation;
- Manufacturing information systems — time and attendance, project man-hours accounting — are currently used to gain a profile of current and future needs;
- Gen Zs are the first generation to know hybrid working as the norm so let's go for flexible work culture to have a better balance work-life;
- Gen Zs are passionate about effecting change, no empty promises if you want to retain them. No negotiation on diversity, equity, and inclusion in the workplace;
- Emerge technology, it is time of Artificial intelligence;
- Higher entry level workers in recruitment, offering more abilities and qualifications.

3.4. Generation transition challenges

Technology has impacted the development of cognitive skills, including intellectual curiosity, among the next generation, creating the risk of skill gaps when they enter the workforce en masse. A shortfall in highly cognitive social skills such as problem solving, critical thinking, and communication, could be particularly evident².

¹ Eversole Venneberg & Crowder. 2012; Reeves. 2010.

² Deloitte Insight. 2017. "Generation Z enters the workforce Generational and

The communication skills gap of new generation could potentially hinder the passing on of tacit knowledge, impacting the organization. This is why it is imperative for organizations to consider this impact when designing entry-level roles in the future of work. Even though the gap between existing worker skill sets and expected Gen Z skill sets will likely be wider.

We are used to hear from hours and hours spent, work positions and money spent for in place inventory. With the involvement of technology, automation, this generation would not need to perform such a monotone, routine job.

New generation will need to have set up succession planning which is very important to them as they need trust more than any generation before.

The transition in itself is a gap between generations which can be passed successfully only by strong strategic managerial decisions between departments to engage the new generation while not losing the main focus reaching company goals.

4. Conclusions

Workforce Planning is a central element of Human Resources, mentioned by different literature. To develop business plan and strategic insight taking into putting into focus positive people management, increases the interest for planning the workforce. As the time passes, generation changes, new set of skills are asked, that makes the work planning process being in an ongoing dynamic process. We see workforce planning as a tool to identify, understand and cope with future demands put upon the business.

Gen Z enters the workforce, uniquely shaped by the time in which they live and the experiences that they've had, organizations have the opportunity manage them to create added value and advantage for the organization.

5. Recommendations

Employers must be prepared for the presence of Generation Z on the labor market (Schroth, 2019). This involves adapting organizational processes and policies to this new global reality (Lanier, 2017)¹.

Before we take decision for future actions it is important to use the benefits of high technology inclusion using quantitative information

technological challenges in entry-level jobs”.

¹ Lanier. 2017.

(number of new generation employees) and qualitative information (skill sets proof of new generation).

It is very difficult to keep the Gen Z engaged with the company, a big effort must be supplied to have happy workers. Their happiness connects directly to their expectations. Diverse strategies can be applied as: understand the factors that have influenced Gen Z behavior, provide performance goals and orientation program to facilitate internal communication, give greater ownership in projects, feedback is valued in company culture, provide flexible working hours, manager acting as a coach to guide and provide emotional support to the employee etc.

All as above in function of Sustainability on national and international market. Managerial level of business in Gen Z world must go out of traditional business culture and adjust themselves to the technological.

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