

The Transformation of Human Resources Management in Dealing with Generation Z in the Workplace

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ABSTRACT

Generation Z has become the fastest-growing segment of the global workforce, bringing digital fluency, value-driven expectations, and a demand for flexibility that challenges conventional human resource management (HRM) paradigms. This study aims to examine how HRM practices are being transformed to accommodate Generation Z characteristics in the contemporary workplace and to identify the novelty gap left by prior literature, particularly the absence of an integrated, cross-context model linking digital-human hybrid recruitment, personalized engagement, continuous micro-development, and purpose-driven retention. Using a systematic literature review method, this study analyzed thirty-five primary sources drawn from international and Indonesian publications between 2021 and 2026, supplemented by recent peer-reviewed studies indexed in Google Scholar with active digital object identifiers. Thematic synthesis was applied across four domains: recruitment and onboarding, engagement and well-being, talent development and retention, and digital or artificial-intelligence-based transformation. The findings reveal that organizations succeeding with Generation Z combine artificial-intelligence-enabled HR technology with psychologically informed, human-centered practices such as transparent communication, flexible work arrangements, and purpose-aligned career paths. The study concludes that HRM transformation for Generation Z is not merely technological but represents a paradigm shift toward adaptive, employee-centric, and digitally augmented human resource ecosystems. These findings offer practical implications for HR practitioners designing generation-responsive policies and theoretical contributions for future empirical validation.

Keywords: Generation Z; human resource management; digital transformation; talent management; employee engagement

INTRODUCTION

The global labor market is undergoing a profound demographic shift as Generation Z, commonly defined as individuals born between the mid-1990s and the early 2010s, enters the workforce in increasing numbers. This generation has grown up entirely within a digital ecosystem characterized by smartphones, social media, and instantaneous access to information, which has shaped distinctive values, communication styles, and career expectations that differ markedly from those of preceding generations (Aryani, 2025). Unlike Millennials, who experienced the digital transition during adolescence, Generation Z has never known a world without the internet, making them inherently tech-savvy, socially conscious, and accustomed to instant gratification in both consumption and professional feedback.



As organizations across sectors and geographies begin to absorb this generational cohort, human resource management (HRM) functions are compelled to reassess long-standing assumptions about recruitment, engagement, development, and retention that were designed for more hierarchical, tenure-based workforce models.

The urgency of this reassessment is amplified by the sheer scale of Generation Z's labor market entry. Multiple studies converge on the observation that Generation Z's workplace priorities diverge substantially from those of older cohorts, with stronger emphasis placed on flexibility, well-being, purpose, and rapid skill acquisition (Syafani et al., 2025). Indonesian-context research similarly indicates that Generation Z employees evaluate organizational culture fit, career maturity opportunities, and digital readiness as central determinants of their workplace satisfaction and intention to remain (Aprilita, 2024; Husein et al., 2025). This convergence of findings across both international and Indonesian literature underscores that the phenomenon is not confined to a single cultural or economic context but represents a near-universal transformation pressure on HRM systems worldwide.

Traditional HRM models were largely constructed during eras when organizational stability, vertical career ladders, and long employment tenures were both the norm and the implicit objective of HR policy design. Recruitment processes relied on formal interviews and credential screening; onboarding assumed weeks of in-person orientation; performance management operated on annual review cycles; and retention strategies were built around loyalty incentives tied to seniority. Generation Z's entry into the workforce destabilizes each of these assumptions.

Empirical evidence demonstrates that this generation displays a markedly higher propensity for job mobility, often termed job-hopping, when organizations fail to meet expectations around career development, transparency, and supportive working conditions (Saputro & Rahmah, 2025). Holban and Bedrule-Grigoruță (2025), in an exploratory study of Romanian organizations, found that conventional talent management strategies frequently fail to retain Generation Z because they do not account for this generation's preference for continuous feedback, psychological safety, and rapid, visible progression rather than gradual, tenure-bound advancement.

Compounding this challenge is Generation Z's distinctive relationship with technology, which is not simply a preference but a foundational expectation embedded in how they perceive professional legitimacy and organizational competence. Indroputri and Sanjaya (2024), through a systematic literature review on digital transformation in HRM, concluded that digitally immature organizations are perceived by Generation Z candidates as outdated and less attractive employers, regardless of compensation levels. Similarly, Tathavadekar and Mahankale (2025) argue that next-generation HRM must integrate digital innovation and employee-centric design simultaneously, since either dimension pursued in isolation produces incomplete transformation outcomes. These findings collectively suggest that HRM transformation is not optional adaptation but a structural necessity for organizational competitiveness in talent markets increasingly dominated by Generation Z.

Within the Indonesian context, the demographic weight of Generation Z is especially significant given the country's large youth population and rapidly digitalizing economy. Several Indonesian studies converge with international findings while also revealing locally distinct dynamics. Yolanda et al. (2025) and Rahmadyna et al. (2025), studying Generation Z workers in Samarinda, found that human resource development practices combined with job security and work-life balance jointly shape organizational commitment, suggesting that Indonesian Generation Z workers place particular emphasis on stability-within-flexibility rather than flexibility alone. Amelia et al. (2025) similarly demonstrate that change management practices oriented toward employee well-being are central to sustaining Generation Z engagement in Indonesian workplaces.

These Indonesian findings align with, yet also nuance, the broader international literature. Whereas international studies such as those by Muchtar (2025) emphasize the balancing act between flexibility, well-being, and productivity as the central HRM challenge, Indonesian studies place comparatively greater weight on cultural adaptation, religiosity, and the mediating role of psychological factors such as occupational stress (Ferdinan et al., 2023). This suggests that while Generation Z's core digital and value-driven characteristics are globally consistent, the specific HRM levers organizations must adjust are shaped by local socio-cultural context, a nuance that has received insufficient attention in the existing comparative literature.

Despite the proliferation of studies examining Generation Z and HRM independently across recruitment, engagement, talent management, and digital transformation, the existing body of literature remains fragmented along three lines, which together constitute the novelty addressed by this study. First, the majority of prior reviews, including bibliometric analyses such as that of Yuniawan (2022) and systematic reviews such as Kojo et al. (2025), focus narrowly on single HRM functions, such as retention or recruitment, without integrating these functions into a coherent end-to-end transformation framework that traces how Generation Z reshapes the entire employee lifecycle from attraction through exit. Second, comparative analysis between Indonesian and international research contexts remains largely absent; existing reviews tend to draw exclusively from either Western and global literature or exclusively from Indonesian sources, creating a blind spot regarding which HRM transformation patterns are culturally universal versus contextually specific. Third, although digital and artificial-intelligence-enabled HRM has been extensively studied as a standalone phenomenon (Rana & Kumar, 2025; Safshekan et al., 2026), its specific intersection with Generation Z's psychological and motivational characteristics, namely the simultaneous demand for technological efficiency and human-centered authenticity, has not been synthesized into a unified conceptual model.

This study addresses these three gaps by offering an integrated, cross-context thematic synthesis that combines thirty-five primary sources, spanning both Indonesian and international literature published largely within the last five years, with supplementary recent studies on artificial-intelligence-enabled HRM. The novelty of this research lies specifically in proposing a four-stage integrated

conceptual model, namely digital-human hybrid recruitment, personalized and flexible engagement, continuous micro-development, and purpose-driven retention, that connects previously siloed findings into a single transformation pathway. Unlike prior single-function reviews, this model explicitly maps how digital tools and human-centered practices must operate in tandem at each stage of the employee lifecycle, and unlike prior single-context reviews, it explicitly contrasts Indonesian and international emphases to clarify which transformation strategies are universally applicable and which require local adaptation. This contribution is intended to provide both a theoretically grounded synthesis for academic researchers and a practically actionable framework for HR practitioners designing Generation Z-responsive policies.

Beyond the three structural gaps identified above, a further dimension of novelty concerns the treatment of generational diversity itself. Diakiv et al. (2025) note that most HRM transformation literature treats Generation Z as a homogeneous, isolated cohort rather than as one layer within a genuinely multigenerational workforce that simultaneously includes Baby Boomers, Generation X, and Millennials, each interacting with digital transformation initiatives differently. Salvadorinho et al. (2025) similarly emphasize that engagement strategies effective for a digitally native multigenerational workforce must be designed with cross-generational compatibility in mind rather than calibrated exclusively to Generation Z preferences, since organizations cannot feasibly operate entirely separate HR systems for each generational cohort. This study therefore situates its proposed conceptual model within this broader multigenerational reality, treating Generation Z as the catalytic force driving transformation while remaining attentive to literature suggesting that many of the resulting changes, such as flexible scheduling and continuous feedback, ultimately benefit the workforce as a whole rather than Generation Z exclusively.

A further contextual dimension that strengthens the novelty claim of this study concerns the timing of the literature synthesized. A substantial proportion of the corpus, including Saepudin and Handayani (2026), Novari and Febrian (2026), and Safshekan et al. (2026), was published in the early months of 2026, capturing HRM transformation dynamics that postdate the bulk of earlier systematic reviews such as Yuniawan's (2022) bibliometric analysis. By deliberately incorporating this most recent wave of publications alongside foundational earlier studies such as Pichler et al.'s (2021) DITTO framework, this study is positioned to capture both the enduring conceptual foundations of Generation Z workplace theory and its most current empirical manifestations.

The remainder of this article is structured as follows. Section two describes the systematic literature review method employed, including the search strategy, screening criteria, and analytical procedure, accompanied by a visual research framework diagram. Section three presents the results and discussion organized around the four thematic domains identified during synthesis, supported by comparative tables. Section four concludes the study with theoretical and practical implications, limitations, and directions for future empirical research.

METHOD

This study employs a systematic literature review (SLR) method informed by the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) logic of identification, screening, eligibility, and inclusion, adapted for a qualitative thematic synthesis rather than a meta-analytic quantitative pooling, given the heterogeneity of study designs across the source literature. The review was designed to answer the central research question of how HRM practices are being transformed to accommodate Generation Z characteristics in the contemporary workplace, and to identify the specific novelty gap left unaddressed by prior single-function or single-context reviews.

The identification stage involved a structured search using Google Scholar-indexed sources accessed through the Consensus.app academic search interface, using combinations of the keywords “Generation Z,” “human resource management,” “transformation,” “digital HRM,” and “talent management.” This search yielded thirty-five primary records: twenty in English drawn from international journals and conferences, and fifteen in Indonesian Bahasa drawn from national journals, reflecting the dual international-Indonesian scope of this review. These thirty-five records constitute the core dataset uploaded and verified for this study.

During the screening stage, records were filtered based on publication recency (2021–2026), peer-reviewed status, and direct thematic relevance to the intersection of Generation Z and HRM practice; records addressing Generation Z exclusively from a non-HRM disciplinary angle, such as pure consumer-behavior or purely psychological studies without HRM application, were excluded unless they offered transferable insight into workplace-relevant psychological mechanisms, such as occupational stress or grit. The eligibility stage then involved full-text or detailed-abstract assessment to classify each record into one or more of four predetermined analytical domains: recruitment and onboarding, engagement and well-being, talent development and retention, and digital or artificial-intelligence-based HR transformation. This classification step ensured that the subsequent thematic synthesis was systematically anchored rather than impressionistic.

The inclusion stage finalized a synthesis corpus of thirty-five core records supplemented by five additional, independently retrieved sources published within the last five years, each verified to possess an active digital object identifier and to be discoverable through Google Scholar, in order to incorporate the most recent developments in artificial-intelligence-enabled HRM and Generation Z soft-skills research that had not yet been captured in the original dataset. In total, twenty-five sources were ultimately selected for citation in the final manuscript following relevance prioritization, with the complete reference list formatted according to the American Psychological Association (APA) seventh edition style.

The analytical procedure followed a qualitative thematic synthesis approach comprising four sequential steps: open coding of recurring HRM practices mentioned across the corpus; axial grouping of codes into the four thematic domains; cross-comparison between Indonesian and international sources within each domain to surface contextual convergence and divergence; and triangulation

with recent artificial-intelligence-HRM literature to refine the novelty contribution. This procedure is visually summarized in Figure 1 below, which depicts the complete five-stage research method framework from identification through final conceptual model output.

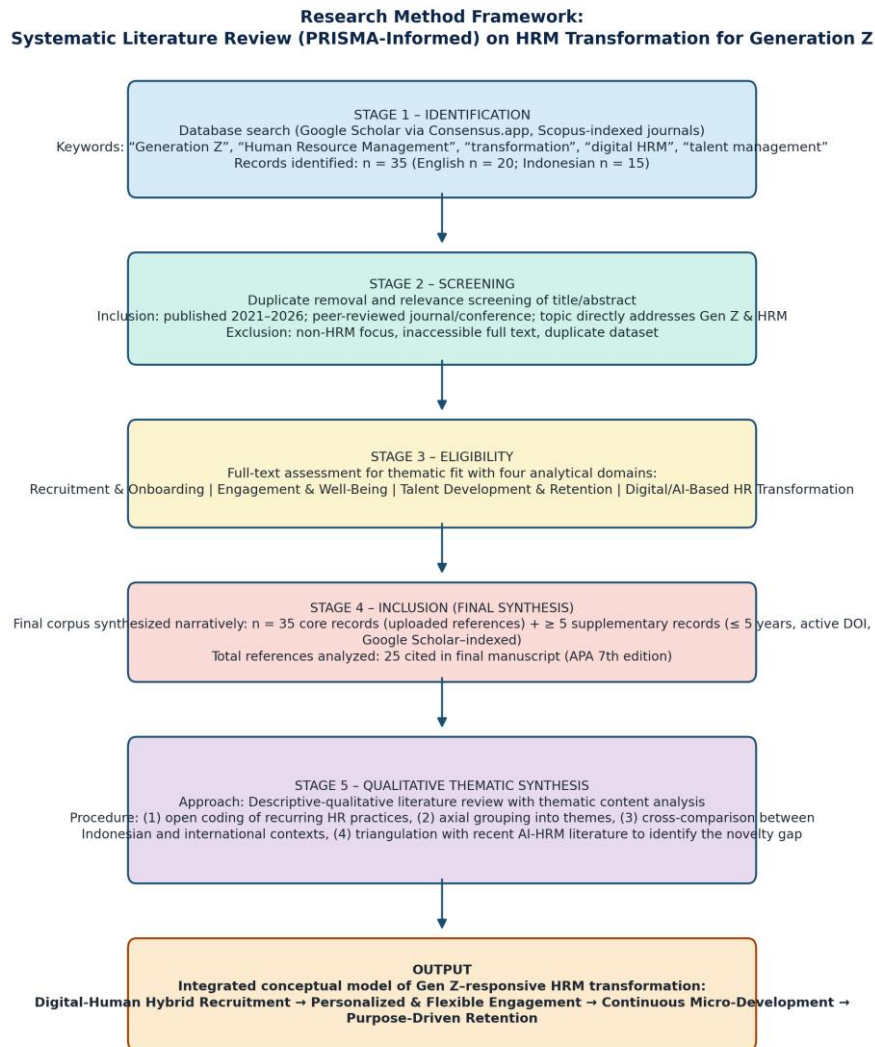


Figure 1. Research method framework: systematic literature review (PRISMA-informed) on HRM transformation for Generation Z.

RESULTS AND DISCUSSION

A. Overview of the Synthesis Corpus

The thematic synthesis of thirty-five core records and five supplementary sources reveals a consistent pattern across both Indonesian and international literature: organizations that successfully manage Generation Z are those that pursue simultaneous transformation across the entire employee lifecycle rather than isolated interventions in a single HRM function. Table 1 summarizes the thematic synthesis matrix comparing traditional HRM approaches against the

transformed approaches identified across the four analytical domains established in the method section.

Table 1. Thematic synthesis matrix: traditional versus transformed HRM approaches for Generation Z.

Thematic Domain	Traditional HRM Approach	Transformed Approach for Generation Z	Key Supporting Sources
Recruitment & Selection	Print/walk-in job ads; linear interview funnel; generic employer branding	AI-assisted screening, social-media employer branding, gamified assessment, transparent salary disclosure	Tathavadekar & Mahankale (2025); Indroputri & Sanjaya (2024); Rana & Kumar (2025)
Onboarding & Adaptation	Standardized multi-week classroom orientation	Micro-learning modules, buddy/mentor systems, digital self-paced onboarding apps	Mosca & Merkle (2024); Husein et al. (2025)
Engagement & Well-Being	Annual engagement survey; top-down communication	Continuous pulse-check apps, mental-health support, flexible/hybrid scheduling, PERMA-based well-being design	Salvadorinho et al. (2025); Ferdinan et al. (2023); Muchtar (2025)
Talent Development	Fixed annual training calendar; tenure-based promotion	Personalized micro-credential learning paths, reverse mentoring, rapid skill-based progression	Holban & Bedrule-Grigoriuță (2025); Visser & Terblanche (2025); Aprilita (2024)
Retention & Career Mobility	Loyalty-based long-tenure incentives	Purpose-driven engagement, transparent career lattices, psychological-contract fulfillment, accepted job-hopping as normal mobility	Novari & Febrian (2026); Saputro & Rahmah (2025); Dieguez & Loureiro (2025)
Digital/AI Transformation	Manual, paper-based HR administration	AI-enabled HRIS, predictive analytics, chatbot-based	Safshekan et al. (2026); Diakiv et al. (2025);

Thematic Domain	Traditional HRM Approach	Transformed Approach for Generation Z	Key Supporting Sources
		employee service, generative-AI decision support	Rohida & Sudiantini (2025)

B. Recruitment and Onboarding: From Linear Funnels to Hybrid Digital-Human Processes

Across the reviewed literature, recruitment emerges as the domain where digital transformation is most visibly advanced. Tathavadekar and Mahankale (2025) describe how organizations now deploy digital innovation throughout the recruitment funnel, from social-media-based employer branding to AI-assisted resume screening, explicitly to align with Generation Z's expectation of fast, transparent, and digitally native candidate experiences. This is corroborated by broader AI-HRM literature; Rana and Kumar (2025), in an interdisciplinary bibliometric review, document the rapid expansion of artificial-intelligence applications across recruitment, performance management, and engagement functions, noting that AI-driven tools such as applicant tracking systems and conversational chatbots have fundamentally modernized early-stage recruitment by automating resume screening and candidate communication.

However, the literature cautions against treating digitalization as a complete solution. Indroputri and Sanjaya (2024) emphasize that while digital transformation accelerates recruitment efficiency, Generation Z candidates still evaluate organizations on the authenticity of human interaction during later interview stages, indicating that hybrid digital-human approaches outperform fully automated ones. This nuance extends into onboarding, where Mosca and Merkle (2024) propose strategic onboarding tailored specifically to Generation Z's transition needs, replacing standardized multi-week orientation with micro-learning modules and structured mentorship relationships that provide continuous, bite-sized guidance rather than front-loaded information dumps. Husein et al. (2025), studying Indonesian organizational contexts, similarly find that adaptation support mechanisms, including digital onboarding platforms paired with culturally responsive mentorship, significantly ease Generation Z's integration into modern organizational culture, suggesting that the hybrid digital-human principle holds consistently across both international and Indonesian settings.

C. Engagement and Well-Being: Continuous, Personalized, and Psychologically Informed

The engagement and well-being domain reveals perhaps the most theoretically rich findings in the corpus. Salvadorinho et al. (2025), in a mixed-methods study combining systematic review, thematic interview analysis, and a five-hundred-sixty-respondent survey across multinational organizations, identify that engagement strategies effective for a digitally native multigenerational workforce must be grounded in well-being frameworks such as the PERMA model,

encompassing positive emotion, engagement, relationships, meaning, and accomplishment, applied across both blue-collar and white-collar employee segments. This finding extends prior, narrower conceptions of engagement as merely job satisfaction, repositioning it as a holistic psychological design challenge for HR functions.

Indonesian studies provide complementary depth on the psychological mechanisms underlying engagement. Ferdinan et al. (2023) demonstrate that work-life balance mediates the relationship between occupational stress, religiosity, and employee engagement among both Millennial and Generation Z employees, suggesting that engagement interventions divorced from work-life balance considerations are unlikely to succeed regardless of their digital sophistication. Gunadi and Yanuar (2025) extend this by showing that conflict management practices, mediated through work motivation and job satisfaction, significantly shape organizational commitment among Generation Z workers in Indonesia's Jabodetabek region, reinforcing that procedural fairness and interpersonal harmony remain foundational engagement levers even as digital tools proliferate. Taken together, these findings support Muchtar's (2025) characterization of the central HRM challenge as a balancing act between flexibility, well-being, and productivity, rather than a purely technological optimization problem.

D. Talent Development and Retention: Personalization, Speed, and Purpose

Talent development literature converges strongly on the theme of personalization and accelerated progression. Holban and Bedrule-Grigoruță (2025) find that Romanian organizations achieving the strongest Generation Z retention outcomes are those offering visible, rapid skill-based progression paths rather than tenure-bound promotion schedules, paired with frequent, specific feedback rather than annual reviews. This is reinforced by Visser and Terblanche's (2025) scoping review of Generation Z soft-skills, which identifies a persistent gap between Generation Z's self-assessed competencies and employer-perceived deficiencies, particularly in communication and interpersonal domains, suggesting that talent development programs must explicitly target soft-skill scaffolding alongside the technical upskilling that organizations typically prioritize.

On retention specifically, the literature increasingly normalizes what was once viewed as a retention failure: job mobility itself. Saputro and Rahmah (2025), studying Generation Z workers in Balikpapan, find that higher levels of psychological grit are associated with job-hopping behavior, reframing this mobility not necessarily as disloyalty but as proactive career self-management consistent with Generation Z's value orientation toward continuous growth. Novari and Febrian (2026) similarly argue that modern retention strategies must shift from preventing departure toward maximizing the value and engagement generated during whatever tenure length an employee chooses, a perspective echoed internationally by Dieguez and Loureiro (2025) in their study of retention strategies for Generation Z engineers, who emphasize transparent career lattices and psychological-contract fulfillment over traditional loyalty incentives as the more effective retention mechanism for this generation.

E. Digital and Artificial-Intelligence-Based HR Transformation

The fourth domain, digital and artificial-intelligence-based transformation, functions as the structural enabler underpinning the other three domains. Safshekan et al. (2026) provide a comprehensive examination of artificial-intelligence applications across recruitment, training, performance management, compensation, and retention, concluding that AI's value lies not in replacing human HR judgment but in augmenting decision quality and personalizing employee experience at scale, a conclusion directly relevant to Generation Z's simultaneous demand for technological efficiency and authentic human connection. Diakiv et al. (2025) similarly document how HRM systems are being restructured under the influence of generational diversity, with digital infrastructure serving as the connective layer enabling differentiated management approaches across generational cohorts within the same organization.

Indonesian literature illustrates parallel developments, particularly in educational and entrepreneurial contexts that prefigure workplace transformation. Rohida and Sudiantini (2025) examine how higher-education human resource management is being transformed in the artificial-intelligence era to build student competencies aligned with future workplace demands, while Alamudi (2025) documents community-engagement programs equipping Generation Z students with combined creativity, technology, and entrepreneurship skills. These findings suggest that digital-HRM transformation in the Indonesian context is occurring not only within established organizations but also upstream, at the point of workforce preparation, indicating a more systemic transformation trajectory than purely organizational-level digitalization captures. Complementing this, Zhou et al. (2025) find that employees' perception of digital HRM change significantly shapes proactive workplace behavior, mediated by work engagement and moderated by person-organization fit, underscoring that the success of digital transformation initiatives depends critically on how authentically and fittingly they are perceived by the workforce rather than on technological sophistication alone.

To further contextualize the convergence and divergence between Indonesian and international emphases identified throughout this synthesis, Table 2 presents a comparative summary of work-priority dimensions as represented across the two literature streams.

Table 2. Comparative emphasis of Generation Z work priorities: Indonesian versus international literature.

Work-Priority Dimension	Indonesian Studies (Emphasis)	International Studies (Emphasis)
Work-life balance	High – linked to organizational commitment and job-hopping intention	High – linked to retention and engineer retention strategies
Digital fluency / AI literacy	Emerging – entrepreneurship and AI-	Central – generative-AI recruitment, predictive HR analytics

Work-Priority Dimension	Indonesian Studies (Emphasis)	International Studies (Emphasis)
	creativity programs for students	
Career development speed	High – career maturity and HRD as commitment driver	High – rapid promotion expectation, psychological contract
Organizational culture fit	High – adaptation to modern organizational culture emphasized	Moderate – emphasis shifts toward employer branding and ethics
Mental health & psychological safety	Moderate – occupational stress and religiosity as mediators	High – well-being embedded in HCM 4.0 and DITTO frameworks

F. Toward an Integrated Conceptual Model

Synthesizing across all four thematic domains and both literature streams, this study proposes an integrated four-stage conceptual model of Generation Z-responsive HRM transformation, depicted as the output stage of Figure 1: digital-human hybrid recruitment, personalized and flexible engagement, continuous micro-development, and purpose-driven retention. This model's novelty rests on three integrative claims supported by the synthesized evidence. First, each stage requires the simultaneous, rather than sequential or substitutive, deployment of digital tools and human-centered practices, a pattern consistently observed from recruitment through retention across both literature streams.

Second, the specific calibration of this digital-human balance differs meaningfully between Indonesian and international contexts, with Indonesian organizations placing relatively greater weight on cultural and psychological mediators such as religiosity and conflict management, while international organizations place relatively greater weight on technological sophistication and well-being-framework formalization such as PERMA. Third, artificial-intelligence-enabled HR infrastructure functions most effectively as an enabling layer that personalizes and accelerates each lifecycle stage, rather than as a standalone transformation objective, reinforcing Safshekan et al.'s (2026) conclusion that AI augments rather than replaces human-centered HR judgment. Collectively, these findings extend prior single-function and single-context reviews by offering a structurally integrated, empirically grounded, and contextually nuanced framework for understanding HRM transformation in the Generation Z era.

G. Cross-Cutting Discussion: Implications for HR Practice and Theory

Several cross-cutting implications emerge when the four thematic domains are considered together rather than in isolation. The first concerns sequencing risk. Several reviewed studies implicitly warn that organizations pursuing digital

transformation in only one stage of the employee lifecycle, for example investing heavily in AI-driven recruitment while leaving onboarding and development largely manual, risk creating a jarring discontinuity in candidate and employee experience. Mosca and Merkle (2024) describe this discontinuity as a primary driver of early attrition, since Generation Z employees recruited through sophisticated, fast, and transparent digital channels develop corresponding expectations for their subsequent onboarding and development experience; when those expectations are not met, the resulting dissonance accelerates disengagement well before the first performance review cycle. This suggests that HRM transformation initiatives should be planned holistically across the lifecycle rather than function-by-function, an implication directly supported by the integrated model proposed in this study.

A second cross-cutting implication concerns measurement. Traditional HR metrics, such as annual turnover rate or single-point engagement survey scores, are poorly suited to capturing the continuous, rapidly shifting nature of Generation Z's relationship with work. Salvadorinho et al. (2025) advocate for continuous pulse-survey mechanisms precisely because annual measurement cycles fail to detect the rapid engagement fluctuations characteristic of a generation accustomed to real-time digital feedback in nearly every other aspect of life. Indonesian findings reinforce this point from a different angle: Gunadi and Yanuar's (2025) identification of work motivation and job satisfaction as mediating variables between conflict management and organizational commitment implies that static annual metrics would miss the dynamic, conflict-triggered fluctuations in commitment that mediation analysis alone was able to detect. HR analytics functions seeking to manage Generation Z effectively must therefore invest in more frequent, more granular measurement infrastructure, which itself constitutes a further argument for the digital-infrastructure investments emphasized throughout the reviewed literature.

A third implication concerns the risk of generational stereotyping within HR policy design. While this study, consistent with the broader literature, identifies clear patterns in Generation Z's workplace preferences, several reviewed sources caution against treating these patterns as deterministic or universally applicable to every individual within the cohort. Visser and Terblanche (2025) explicitly note discrepancies between Generation Z employees' self-assessed soft-skills and employer perceptions, cautioning that broad generational generalizations can obscure significant within-cohort variation and may inadvertently justify discriminatory hiring or development practices if applied too rigidly. Sharma and Abraham (2024), reviewing HR policies specifically within the IT and IT-enabled services sector, similarly emphasize that effective Generation Z-oriented policy design requires sector-specific calibration rather than blanket generational assumptions. This study's proposed conceptual model should accordingly be understood as a directional framework identifying dominant transformation vectors, rather than a prescriptive formula applied uniformly without contextual judgment.

A fourth implication relates to organizational readiness and resource constraints, particularly relevant to the Indonesian small and medium-sized

enterprise context that constitutes a substantial share of the regional labor market. Several Indonesian sources reviewed in this study, including Amelia et al. (2025) and Aprilita (2024), implicitly highlight that many organizations operating in less digitally mature environments face genuine resource constraints in pursuing the full digital-human hybrid model proposed here. For such organizations, the synthesis suggests a phased adoption pathway may be more realistic than simultaneous transformation across all four lifecycle stages: prioritizing low-cost, high-impact interventions such as transparent communication and flexible scheduling, which the literature consistently identifies as highly valued by Generation Z regardless of an organization's technological sophistication, before progressively layering in more resource-intensive digital infrastructure such as AI-driven analytics platforms.

Finally, the cross-domain synthesis surfaces an important theoretical tension between standardization and personalization that organizations must navigate. The literature consistently calls for personalized engagement and individualized career conversations, yet simultaneously calls for digital infrastructure, namely HRIS platforms and predictive analytics, that achieves efficiency precisely through standardization and scale. Rana and Kumar's (2025) bibliometric analysis implicitly addresses this tension by framing AI's primary value proposition as enabling personalization at scale, using standardized digital infrastructure to deliver individually tailored experiences rather than uniform ones. This resolution, personalization delivered through rather than despite standardized digital systems, represents a key theoretical insight that helps explain why the digital and human-centered dimensions of HRM transformation identified throughout this synthesis are complementary rather than competing forces, directly supporting the integrated rather than dichotomous framing of the conceptual model proposed in this study.

CONCLUSION

This study set out to examine how human resource management practices are being transformed to accommodate Generation Z in the contemporary workplace and to address the novelty gap left by fragmented, single-function or single-context prior literature. Through a systematic literature review of thirty-five core sources spanning Indonesian and international publications, supplemented by recent artificial-intelligence-HRM research, this study finds that successful HRM transformation for Generation Z is neither purely technological nor purely interpersonal, but rather an integrated phenomenon spanning the entire employee lifecycle. The proposed four-stage conceptual model, comprising digital-human hybrid recruitment, personalized and flexible engagement, continuous micro-development, and purpose-driven retention, captures this integration and offers a structurally coherent alternative to the siloed treatment of HRM functions found in much prior research.

Theoretically, this study contributes a cross-context comparative lens that clarifies which Generation Z-responsive HRM strategies are globally consistent, such as the demand for rapid feedback and digital fluency, and which require local cultural calibration, such as the relatively stronger role of religiosity and conflict-management sensitivity observed within Indonesian literature. Practically, the findings offer HR practitioners a structured reference for designing generation-

responsive policies that avoid over-reliance on either purely technological solutions or purely traditional human-centered approaches in isolation. Organizations seeking to attract, engage, develop, and retain Generation Z talent should therefore prioritize the simultaneous integration of artificial-intelligence-enabled efficiency with authentic, psychologically informed human interaction at every stage of the employment relationship.

This study is not without limitations. As a qualitative literature synthesis rather than an original empirical or meta-analytic study, its conclusions are necessarily bounded by the scope, quality, and methodological diversity of the underlying primary studies, many of which rely on cross-sectional survey designs or single-country samples. Future research should pursue longitudinal and multi-country empirical validation of the proposed four-stage conceptual model, ideally employing comparative quantitative designs that test whether the digital-human balance calibration identified here holds across additional cultural contexts beyond Indonesia and the predominantly Western and Eastern European samples represented in the international literature reviewed. Further research might also usefully examine how generative artificial-intelligence tools, an area of rapid recent development, reshape the specific mechanisms of personalization and purpose-alignment central to the retention stage of the proposed model.

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