Published by Management Departement FEB Universitas Kuningan

Indonesian Journal of Strategic Management

Journal homepage – https://ijsm.uniku.ac.id/pub/index

Gen Z Talent Mangement; Expectations, Motivation and Challenges in Human Resource Management

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ARTICLE INFO

Keywords:
Work Expectations; Generation Z,Talent Management, Work Motivation, Digital Era Human Resource

JEL Classifiaction : J24, O15

ABSTRACT

This study aims to identify work expectations, analyze motivation factors, and reveal organizational challenges in managing gen z talent in Kuningan Regency. The research method use a mixed method approach through a survey of 147 Gen z respondents and in-depth interviews with 8 HR managers. The results show that Gen Z's work expectation include work flexibility (87,8%), a collaborative environment (82,3%), career development (79,6%), and competitive compensation (76,2%). The dominant motivational factors are recognition of achievement (mean 4,21), work life balance (mean 4,18), and learning opportunities (mean 4,12). The main challenges include the technology gap, resistance to traditional work culture, and limited development programs. This study produced an adaptive Gen Z Talent Management Model with four strategic pillars that can be applied in the context of local organization.

Introduction

Digital transformation has brought fundamental changes to human resource (HRM) management practices across various industrial sectors. These changes are further complicated by the entry of Generation Z into the labor market. Generation Z, defined as individuals born between 1997 and 2012, is the first generation to grow up entirely in the digital era and is known as digital natives (Benítez-Márquez et al., 2022). The unique characteristics of this generation present unique challenges for organizations in designing effective talent management strategies.

According to data from the Central Statistics Agency (2024), Gen Z now comprises approximately 28% of Indonesia's total population, or approximately 75 million people, and is the largest generational group in Indonesia. In 2024, approximately 9.9 million people aged 15-24 years were unemployed, unschooled, and untrained (NEET), the majority of whom were Gen Zers of productive age. The open unemployment rate for Gen Zers reached 9.37%, or approximately 4.84 million people out of the total working-age Gen Z population (LPEM FEB UI, 2024). This figure is higher than the national unemployment rate of approximately 5% in 2023.

Gen Z has different work preferences than previous generations. Pózner and Kozák (2025) found, through a systematic literature review, that for Gen Z, money is not the primary factor in choosing a job; career and professional development are prioritized, while employers are expected to provide autonomy, flexibility, and a healthy work-life balance. Intrinsic motivators such as inspiring work and a positive work environment are also highly effective. Gochangco and Ocenar (2024) emphasized that the work environment, policies,

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leadership, employee relations, salary, benefits, and development opportunities are variables that encourage Gen Z employees to work effectively.

The mismatch between traditional managerial approaches and Gen Z values and work styles can create various problems. Research shows that 65% of Gen Z workers leave their jobs within the first year (Chauradia, 2025). This can lead to low work engagement, reduced loyalty, and high turnover rates. In Kuningan Regency, many organizations lack a talent management strategy that adapts to the dynamics of this new generation.

Research on Gen Z and talent management in Indonesia is still limited to urban contexts and large-scale companies. Putra and Dewi (2025) identified four main categories that characterize the employment dynamics of Gen Z in Indonesia: declining employment in the formal sector, generation gaps and differences in work preferences, a tendency towards voluntary unemployment, and the dynamics of the gig economy. Regional contexts such as Kuningan Regency have distinct characteristics such as limited digital infrastructure, a persistently strong conventional work culture, and weak adaptation of local organizations to generational dynamics. This gap drives the urgency of research that examines Gen Z talent management contextually at the regional level.

Based on this background, this study aims to: (1) identify the characteristics of Gen Z expectations in Kuningan Regency in the context of the digital workplace; (2) analyze the factors that influence Gen Z work motivation; (3) reveal the main challenges faced by organizations in managing Gen Z talent; and (4) formulate appropriate talent management strategies to increase Gen Z engagement and retention at the regional level.

Literature Review

Generation Z and Its Characteristics

Generation Z is a demographic cohort born between 1997 and 2012 (Benítez-Márquez et al., 2022). Unlike previous generations, Gen Z grew up in an era where the internet, smartphones, and social media have become integral parts of everyday life. Gen Z is the most educated, intelligent, and networked generation in the workplace (Nieżurawska, 2023). They value predictability, have a strong work ethic, and appreciate structure and order.

In the employment context, Jayanthi and Mathews (2023) found that Gen Z possesses different knowledge, skills, and abilities compared to previous generations. Building trust, providing mentoring, seeking feedback from colleagues, and exchanging information are effective strategies for engaging Gen Z. Rice and Potts (2024) explain that Gen Z wants to feel connected to a group that will help them achieve self-actualization and enable them to live up to their ideals.

Talent Management in the Digital Age

Talent management is defined as a strategic approach to identifying, recruiting, developing, and retaining talented individuals to create an organization's competitive advantage. Caligiuri et al. (2024) in the Annual Review of Organizational Psychology and Organizational Behavior define global talent management as management activities focused on attracting, motivating, deploying, and retaining high-performing and/or high-potential employees in strategic roles.

Sinisterra et al. (2024) emphasized that talent management is not a linear process but rather a cyclical process consisting of six stages: talent planning, talent identification, talent attraction, talent acquisition, talent development, talent deployment, and talent retention. Montero Guerra et al. (2023) in Technological Forecasting and Social Change found that digital transformation has a positive impact on talent management, attraction, and engagement. Digital work platforms emerging from Big Data improve HR departments' performance in talent management by up to 9% and reduce costs by up to 7%.

Work Motivation Theory and Employee Engagement

This research draws on Herzberg's two-factor theory, which distinguishes between hygiene (extrinsic) and motivator (intrinsic) factors. Salvadorinho et al. (2024) explain that intrinsic factors such as personal growth and meaningful work are hypothesized to increase employee satisfaction, consistent with Herzberg's motivators. Boccoli et al. (2023) in the International Journal of Management Reviews emphasize the importance of employee engagement as a social and contextual construct to dynamically balance individual performance and well-being.

Park et al. (2023) found that job autonomy and psychological well-being contribute to improved work performance by promoting employee engagement, enabling employees to proactively perform their work and actively collaborate with others. Gürbüz et al. (2023) confirmed that work engagement positively influences employee job satisfaction, performance, and citizenship behaviors, as well as reducing the likelihood of turnover.

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Methodology

This research used a mixed methods approach with an explanatory sequential design. In the first phase, quantitative research was conducted through a survey to measure Gen Z's work expectations and motivations. In the second phase, qualitative research was conducted through in-depth interviews to explore organizational challenges and deepen understanding of the quantitative findings.

The study population consisted of two groups: (1) Gen Z individuals (born 1997-2012) who have worked in Kuningan Regency in both formal and informal sectors; and (2) HR managers from organizations that employ Gen Z. For the quantitative approach, the sampling technique used purposive sampling with inclusion criteria: aged 18-28 years, actively working in Kuningan Regency, and willing to fill out the questionnaire. The total number of respondents who participated was 147 people

For the qualitative approach, a snowball sampling technique was used to obtain key informants consisting of organizational leaders, HRD managers, BKPSDM officials, and MSME leaders. A total of 8 informants were interviewed until data saturation reached.

Quantitative data were collected through a structured questionnaire with a 5-point Likert scale covering demographic characteristics, job expectations, motivational factors, and perceptions of the digital work environment.

Quantitative data were analyzed using descriptive statistics (frequency, percentage, mean, and standard deviation) with SPSS software version 26. Qualitative data were analyzed using thematic analysis with the following stages: data familiarization, initial coding, theme search, theme review, theme definition, and report writing. Triangulation of sources and methods was conducted to ensure the credibility of the findings.

Result and Discussion

Respondent Characteristics

This study involved 147 Gen Z respondents working in various sectors in Kuningan Regency. The demographic characteristics of the respondents are presented in Table 1.

Table 1. Demographic Characteristics of Respondents

Characteristics of Respondents	Frekuensi (n)	Persentase (%)
Gender		
Male	68	46,3
Female	79	53,7
Age		
18-21 years old	42	28,6
22-25 years old	71	48,3
26-28 years old	34	23,1
Employment Sector		
Government/ASN	31	21,1
Private	62	42,2
MSMEs	54	36,7

Source: Primary data processed, 2025.

Based on Table 1, the majority of respondents were female (53.7%), with a dominant age range of 22-25 years (48.3%). In terms of employment sectors, respondents were spread across the private sector (42.2%), MSMEs (36.7%), and government (21.1%).

Gen Z Job Expectations

The survey results identified Gen Z job expectations in Kuningan Regency as presented in Table 2.

Table 2. Gen Z Job Expectations in Kuningan Regency

Work Expectations	n	%
Flexibility of time and place of work	129	87,8
Collaborative and supportive work environment	121	82,3
Clear career development opportunities	117	79,6

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Competitive compensation and benefits	112	76,2
Use of modern technology in work	108	73,5
Meaningful and impactful work	103	70,1

Source: Primary data processed, 2025.

These findings indicate that work flexibility is the highest expectation among Gen Z in Kuningan Regency (87.8%). This aligns with research by the World Economic Forum, which found that 73% of Gen Z employees desire permanent flexible work options (Johns Hopkins University, 2023). Taibah and Ho (2023) also confirmed that flexible work options moderate the relationship between structural empowerment and Gen Z's contextual performance.

Gen Z's Work Motivation Factors

An analysis of Gen Z's work motivation factors is presented in Table 3.

Table 3. Gen Z's Work Motivation Factors

Motivation Factors	Mean	Std. Dev
Recognition of achievements and contributions	4,21	0,72
Work-life balance	4,18	0,68
Opportunities for learning and self-development	4,12	0,75
Fair wages and compensation	4,08	0,81
Good relationship with superiors	3,98	0,79

Source: Primary data processed, 2025.

The analysis results show that recognition for achievement is the highest motivating factor (mean 4.21). This finding is consistent with Jung et al. (2021), who found that internal factors such as enthusiasm and a sense of accomplishment are strong motivators. Work-life balance (mean 4.18) came in second. Kim et al. (2023) revealed that maintaining harmony between work and home life is associated with increased employee motivation, loyalty, and productivity.

Organizational Challenges in Managing Gen Z Talent

Based on in-depth interviews with 12 informants, several key challenges were identified. First, the technology gap is a major challenge (10 of 12 informants). Organizations in Kuningan Regency still use manual work systems or outdated technology, contradicting Gen Z expectations. Second, resistance to traditional work cultures (9 informants) indicates friction between senior employees and Gen Z. Third, limited talent development programs (8 informants) are caused by budget constraints and a lack of understanding of Gen Z's needs.

Fourth, unrealistic career expectations (7 informants), with Gen Z seeking rapid promotion. Chillakuri (2020) found that this can lead to high turnover. Fifth, high turnover rates (6 informants), with an average of 40% of Gen Z employees resigning within a year. Safira and Ratnasari (2025) found that an inflexible work environment reinforces the tendency for turnover because Gen Z highly values flexibility in managing work and personal life (Botezat et al., 2023).

Adaptive Gen Z Talent Management Model: Research Findings

Based on the integration of quantitative and qualitative findings and supported by a review of the latest literature, this study produces an Adaptive Gen Z Talent Management Model specifically designed for the organizational context in Kuningan Regency. This model adopts a systemic approach that connects four strategic pillars with desired outcomes, taking into account local contextual factors.

The first pillar is HR Process Digitalization. Montero Guerra et al. (2023) found that digital transformation positively impacts talent management, with digital work platforms improving performance by up to 9% and reducing costs by up to 7%. In the context of Kuningan Regency, HR digitalization implementation can begin with the adoption of a digital platform-based e-recruitment system that simplifies the selection process for Gen Z candidates who are already familiar with technology. Digital onboarding can be done through interactive orientation videos and self-learning modules accessible via smartphone. Zheng et al. (2024) emphasized that organizations need to be dynamic in adopting employee-centric talent management strategies to face rapid digital transformation.

The second pillar is Structured Work Flexibility. Jooss et al. (2024) emphasize the importance of a more agile talent strategy and an emphasis on dynamic work allocation to facilitate more timely resource reconfiguration and enhance strategic agility. The implementation of a hybrid work model can be tailored to

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the characteristics of regional work, where some workdays can be done remotely while others remain in the office to maintain team collaboration. Flexible hours with a core hours system (e.g., 10:00-15:00 mandatory attendance) provide Gen Z with the flexibility to organize their work schedules according to their personal productivity.

The third pillar is Sustainable Career Development. Pillai et al. (2024) found that 92% of younger employees stated that when they have positive work experiences, they become more productive. Cross-generational mentoring programs can bridge knowledge transfer while easing the intergenerational tensions identified in this study. Career path clarity is crucial for Gen Z; organizations need to provide a clear career map with measurable milestones and transparent promotion criteria. Lin et al. (2021) emphasize that meaningful work combined with corporate training and development programs contributes to employee growth and satisfaction.

The fourth pillar is the Recognition and Appreciation System. Abdullahi et al. (2022) found that talent management practices influence employee performance through employee engagement. Implementing real-time recognition through digital platforms allows for immediate appreciation, in line with the characteristics of Gen Z, who expect instant feedback. Continuous performance feedback replaces the traditional annual appraisal system with weekly or monthly check-ins, which better align with Gen Z preferences. Gürbüz et al. (2023) confirmed that high work engagement not only increases satisfaction and performance but also significantly reduces the likelihood of turnover.

As shown in Figure 1, this model positions Gen Z talent at the center of the HR management strategy, surrounded by four interconnected pillars of intervention.

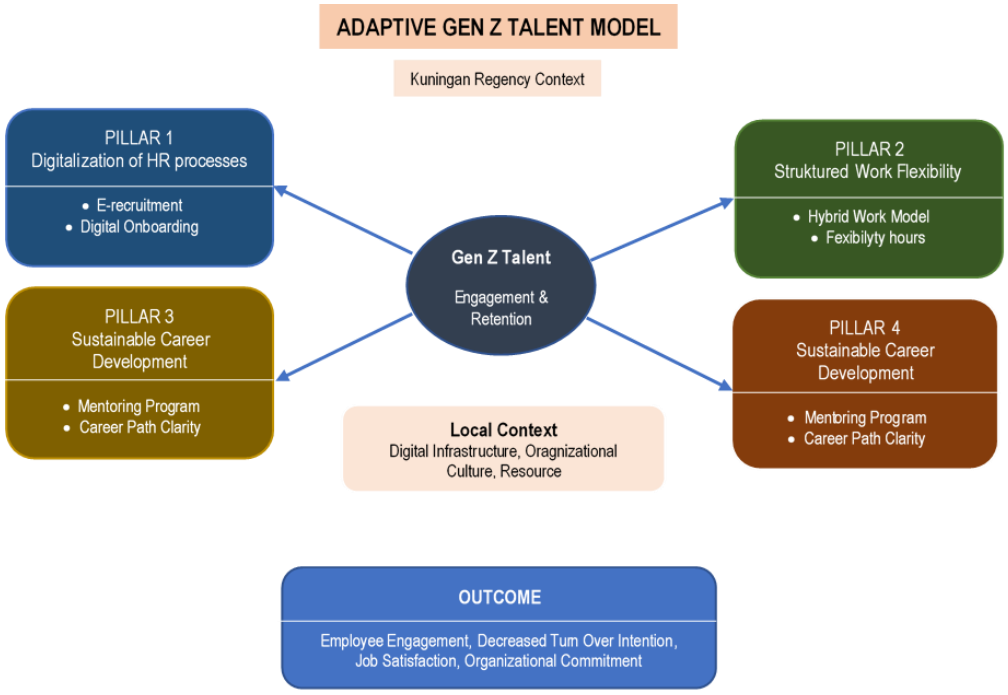


Figure 1. Adaptive Gen Z Talent Management Model (Kuningan Regency Context)

This model is designed by considering local contextual factors encompassing three dimensions: limited digital infrastructure in some areas of Kuningan Regency, an organizational culture still dominated by traditional values, and limited resources, especially in the MSME sector. Therefore, the implementation of this model is gradual and adaptive. Organizations with limited resources can start with one or two pillars most relevant to their primary challenges, then gradually develop other pillars as organizational capacity increases.

The expected outcomes of implementing this model include four main indicators: increased employee engagement, decreased turnover intention, increased job satisfaction, and strengthened organizational commitment. Sinisterra et al. (2024) in their systematic review confirmed that effective talent management strategies that foster positive attitudes will increase employees' desire to remain with the organization and reduce their intention to leave. Thus, this model not only addresses the challenges of managing Gen Z in Kuningan Regency but also provides a framework that can be adapted by organizations in other regions with similar characteristics.

Conclusion

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This study yields several conclusions. First, Gen Z job expectations in Kuningan Regency are dominated by work flexibility (87.8%), a collaborative environment (82.3%), career development (79.6%), and competitive compensation (76.2%). Second, the dominant motivational factors are achievement recognition (mean 4.21), work-life balance (mean 4.18), and learning opportunities (mean 4.12), indicating a predominance of intrinsic motivation. Third, key challenges include the technology gap, resistance to traditional culture, limited talent development, unrealistic career expectations, and high turnover.

Fourth, the Adaptive Gen Z Talent Management Model generated by this study consists of four strategic pillars: digitalization of HR processes, structured work flexibility, continuous career development, and a recognition and appreciation system. This model is designed with local contextual factors in mind and can be implemented gradually according to organizational capacity.

The practical implications of this research for organizations in Kuningan Regency include the need for gradual technology adoption, the development of flexible work policies, the development of measurable career development programs, and the establishment of transparent recognition systems. Local governments are advised to develop policies to support Gen Z human resource development and facilitate intergenerational dialogue. Future research is recommended to conduct longitudinal studies to test the effectiveness of the proposed model and expand the scope of the research.

Acknowledgments
The authors would like to thank the Institute for Research and Community Service (LPPM) of Universitas Kuningan for funding support through the 2025 Regular Competitive Research scheme. Thanks are also extended to all respondents and informants who participated in this research.

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