ABSTRACT

The article presents the results of the research on the work motivational factors and cross-expectations of participants in the youth labor market in the context of digitalization. Currently, the labor market is undergoing major changes, both in the field of adaptation of the stages of selecting young specialists to the digital reality, and in the field of changing requests for job search from potential staff. In this regard, the transformed system of the motivational factors of labor activity of Generation Z, which will constitute the main labor potential in the market in the near future, is of particular interest for study. Moreover, this generation has pronounced behavioral characteristics and a unique structure of social ideas about their future professional activities. The purpose of the study is to identify the most important motivational factors of employment for Generation Z and to develop practical recommendations for an employer which are necessary for determining the socio-economic and managerial tools for labor importation in the digital economy. The article describes the trends of the modern labor market, the current situation of automation and digitalization of personnel business processes in Russian companies, the requirements of employers for potential staff in the digital economy, the level of psychological readiness of employers to the requirements of the modern labor market, effective ways of managing organizational processes in the case of remote job, etc., as well as the structure of work motivation. A comparative analysis of the motivational factors of the labor activity of Generations Y and Z is carried out; the changed elements in their motivational structure are revealed. Recommendations on the development of the system for motivating Generation Z as part of the work process within an organization are given to the company executives.

Keywords: youth labor market, motivational factors, digitalization, Generations XYZ, automation of personnel processes, employment

1. INTRODUCTION

To date, society enters the digital era and aims at transferring business processes to an online format. This direction of the Russian economy development is one of the challenges of strategic development for the period up to 2024. In particular, it is planned to form a training system aimed at teaching the basis of increasing labor productivity, including the use of digital technologies and platform solutions in the field of increasing labor productivity and supporting employment [1]. At the same time, the global COVID19 pandemic has accelerated the transformation processes of all areas of human life [2]. And the transition of business processes to an online format also has affected the labor market, revealing the need to adapt mental and social skills to new realities [3]. Today, the demand for recruiters is determined by accuracy, speed, personalization in relation to filling vacancies, which forms new trends in the HR market [4]:
- the use of artificial intelligence to process large amounts of data and the selection of candidates;
- the use of social networks for the publication of vacancies;
- software to eliminate systematic errors in personnel business processes and task automation.

HR specialists and company executives have begun to focus increasingly on collecting and analyzing data about their employees. Using Big Data and Data mining in the field of personnel management and transformation HR data into successful business solutions make it possible to work with factual information, predictive analytics and increasing ROI HR. According to the results of the online survey among 90 HR specialists across the Russian Federation conducted by the recruiting company HeadHunter in December 2019 [5], 30% of companies use a system for automating staff recruitment. Moreover, their own automated system was installed in 9% of cases, the other system is used in 21%. 17% of respondents rely on the establishment of an automated system in 2020.
Another question is what kind of specialists will be in demand in the era of the digital economy. Demand for specialists in the field of Data Science is steadily growing (200 vacancies for July 2019), but the excitement for specialists in Big Data, Machine Learning and Blockchain has stabilized and remains unchanged (66, 55, 24 vacancies for the month, respectively). At the same time, an employer is ready to pay from this category of specialists from 100 to 150 thousand rubles. [6]. It is worth noting that the integration of digital technologies in the labor market, and the entry of a new young generation with specific thinking, will form the direction of its further transformation.

2. BACKGROUND AND METHODOLOGY

First of all, it is necessary to characterize the main actors in the labor market in accordance with the Strauss–Howe generational theory. The authors of the theory of generations divide people into different groups such as people born in a certain period of time and educated under the influence of the same economic, political and socio-cultural factors, have similar values and behavioral orientations. Generations are called X, Y and Z. [7]. Today, most actors in the labor market relate to Generations X and Y. The main motivating factors of labor activity of them are presented below [8]:

- **Generation X** considers salary, the acquisition of new experience and the opportunity of self-realization to be the most important; stability and relative location of workplace and home are of least importance. This generation appreciates freedom of action, balance “work - personal life”. They bring the entrepreneurial spirit, openess to change, multitasking, informality, flexibility to the company. Their manager needs to teach them management skills and remote employee management.

- **Generation Y** provides a large amount of poor-quality information about vacancies and employers, often has a lack of experience, difficulty in getting a good job and decent pay. The most significant factors for millennials are career opportunities, salary levels and flexible working hours. The least important ones are the relative location of workplace and home, relationships between team members. They value informality, flexibility, and quick success in their work. For their part, they bring teamwork, multitasking, technology, and the ability to find information to the company. Their manager should teach them communication, client-oriented approach, and compliance with the rules.

- **Generation Z** was born in the 2000s; this generation will soon become the main force in the labor market. The main features and values of Generation Z include high involvement in information flows and processes, a lack of real communication, developed multitasking, and, as a result, problems with maintaining attention. They have their own position, diverse interests and a higher level of enterprise compared to previous generations. It is difficult for them to make decisions due to the peculiarities of education and interaction with the older generation. Generation Z is enough pragmatic about planning for the future, and they also suffer from a fear of missing out on something important. Therefore, they are always at the forefront of new trends and remain highly competitive [9]. Managers do not have a clear idea of how to create the motivation system and to train employees in the context of digitalization. It is necessary to understand the factors that have the greatest impact on employee behavior. There are external (objective) factors of labor motivation such as the regularity of material payments, recognition, organization stability. And there are internal (subjective, personal) ones: clear goal setting, interpersonal communication between team members, prospects for personal growth, employee autonomy. [10] Russian companies have been demonstrating a common vision of priorities in the field of work with personnel for more than a year. In 2019, training (86%), development of employee experience (78%) and leadership (82%) were among the top three trends in the whole world and Russia, in particular. More than 60% of companies predict massive retraining of personnel in the coming years. Nevertheless, according to the experts, the budgets for training in most Russian companies stagnated in 2019 [11].

What can motivate Generation Z to work? How can an employer adapt HR business processes taking into account transforming needs and the motivational factors of the digital generation? This article presents the results of the study of the motivational factors and ideas about the appropriateness of digital technology in the process of job search and employment.

2.1. Methodology

The empirical study was conducted in order to identify the motivational factors for labor activity among representatives of Generation Z. The theoretical basis for this empirical study was the works of A. Maslow, Z. Kirchmayer, K. Sanders, S. Ilyukhina, C. Fowler, A. Kibanov [12-17]. The research problem is the lack of relevant information on the transformation of the motivational factors of employment for Generation Z in the digital economy. The purpose of the study is to identify the most important motivational factors of employment for Generation Z and to develop practical recommendations for an employer which are necessary for determining the socio-economic and managerial tools for labor importation in the digital economy.

The methodological basis of this scientific research was the system-activity oriented and comparative-process principles of studying staff motivation as an integral, multi-aspect phenomenon that has a fundamental impact on the efficiency of company employees in the context of digitalization. The theoretical methods of this study were such methods as system analysis and synthesis, critical
analysis, generalization and explanation, as well as methods of situational, logical and statistical analysis aimed at achieving the goal. The informational basis of the study was the results of applied research in the field of digitalization of the economy in general and the labor market, in particular, as well as the results of comparative studies of Generations X and Z and their expectations of labor activity, data of the Federal State Statistics Service of the Russian Federation, information presented on official websites organizations, as well as the results of the empirical study conducted by the authors of the article. The following methods of collecting empirical information were used in the study: analysis of secondary data from open sources and a primary comparative study of the motivational factors for the labor activity of Generations Y and Z through an online survey (Sociotrix.com - a service of online surveys, sociology and marketing on the Internet with extensive research tools) of two categories of respondents: representatives of Generation Z and employers, representatives of Generations X and Y (Questionnaire of representatives of Generation Z, https://sociotrix.com/form?id=692, Youth labor market: the digital transformation https://sociotrix.com/form?id=693). For the analysis of primary empirical information, generalization, comparison, and logical and statistical analysis of empirical data were used. Statistical processing of the data obtained as a result of the study was performed using the SPSS 23.0 for Windows program.

The scientific novelty of this work is that a comparative analysis of the motivational factors for the labor activity of Generations Y and Z was carried out for the first time; the changed elements in their motivational structure in the digital economy were identified. The motivational factors of labor activity among representatives of Generation Z in the digital economy were identified, which include convenient location, the ability to work online and at a convenient time, the level of remuneration tied to the career opportunity.

The practical significance of the work may be found in the development of recommendations to company executives on improving the motivation system and on the incentive features of representatives of Generation Z for the purpose of their employment.

3. DISCUSSION AND RESULTS

Two categories of respondents were asked cross-questions in the study to identify expectations in the process of interaction between a potential young candidate and an employer and determine the motivational factors of employment of Generation Z. 100 young respondents aged 15 to 30 years, with the majority (84%) being the age core from 18 to 24 years old, who had to deal with the employment process and accordingly responded to the research problem took part in the first part of the study. At the same time, 45% of respondents combine work with education, 16% are in search of work, and 8% work full time. According to the question “Are there enough job opportunities for a young specialist?”, the answers were equally divided between the opinions that everything depends on a specific professional field (40%) and that difficulties exist, but there are enough opportunities (35%). 11% of respondents are pessimistic about the situation, 13% are optimistic. Thus, representatives of Generation Z do not observe serious barriers related to employment and professional realization.

The second category of respondents included representatives of Generations X and Y, who have experience in hiring young specialists. The number of participants was 40 people, 77% of them are representatives of Y and 23% are representatives of X. This is due to the fact that the mainstream of labor market processes is determined by Generation Y today. The professional areas of the survey participants focused in the following directions: marketing and advertising (42%), personnel management (12%), information and communication sphere (13%), top management (8%), production (8%), legal sphere (5%), sports industry (5%), logistics (5%) and so on (2%). Participants in this category of the research are engaged in the selection of young candidates as necessary 1-2 times a year (35%), 1-2 times in six months (22%). 18% of respondents regularly need young specialists, the rest of the survey participants either do not need inexperienced specialists (15%) or are forced to take acquaintances on the recommendations (7%).

According to the question “Which of the following processes are automated in the company?”, 45% of representatives of Generations X and Y determined the calculation of salaries and bonuses, HR management (38%) and internal communications (33%). Less commonly, automated staff training (25%), staff adaptation (18%), search and selection of candidates (10%), 15% of respondents noted the lack of automated systems in companies. This reflects the low level of digitalization of Russian companies due to the high cost of these processes. It is worth noting the important role of the HR departments of companies in relation to filling vacancies. Most of the respondents (42%) contact either to their functional units or to friends (27%). However, an inaccurate request for a candidate or incompetence of HR personnel are a risk factor for 18% and 10% of respondents, respectively. The respondents did not resort to the intermediary function of recruiting agencies, while 2% of respondents expressed distrust. 29% of respondents engaged in the search for young candidates independently. Although both stakeholders of labor market actors need intermediaries (35% of youth and 22% of employers), a third of all study participants highlight the need to optimize the algorithm of interaction with intermediaries (30% from either side), 17% of representatives of Generation Z and 22% of representatives of Generations X and Y trust personal relations in the employment process. The question of the difficulties encountered in finding a job or selecting candidates was unanimously connected to time-consuming, both from the youth (63%) and from the employers (67%). The second significant factor determining the difficulties was the large amount of
processed information about candidates (23%) and vacancies from employers (42%). Separately, it is worth highlighting the low reliability of the information in a resume, 50% of the surveyed employers are worried about this factor. 40% of young applicants are worried about the free work done for the company under the pretext of a competitive assignment. This factor is perceived as injustice and it significantly reduces the credibility of a company. An interesting fact is that 30% of employers and 17% of potential candidates are ready to shift the mediation function of the employment process to information technologies. This reflects the need to reduce the risk of the human factor in the labor market and the emerging confidence in the accuracy of solving problems by the automated systems. Thus, to date, the structure of the process of filling vacancies in organizations reflects the downward trend in the use of intermediary services of recruitment agencies. Digital technologies allow to optimize the scheme of interaction between an employer and a potential employee, therefore the functionality of recruiting agencies is being transformed towards building up digital opportunities to retain client-companies.

The answers of the study participants regarding mutual expectations from each other in the process of working interaction are interesting. Thus, the faithful implementation of duties by young specialists (62%), a fresh look at the processes in the company (59%), initiative in solving the problems of the company (42%) are considered by representatives of Generation Z as important for an employer. Employers, in turn, think that it is important for young people to be mentored by experienced professionals (72%), interesting tasks and projects in labor activity (57%), material incentives (50%). Such personal characteristics as motivation, the ability to make decisions independently, observing business processes and self-learning, loyalty are still essential in the selection of young specialists. Nevertheless, the answers of the study participants to the question: “What are the competencies of the young specialist will be key in the near future?” determine the inevitability of the integration of information technology in the system of interaction “candidate-employer”. Representatives of Generation Z (75%) understand the need for digital skills, regardless of their field of activity or position. Knowledge of foreign languages (56%), mobility and adaptation (51%), as well as soft skills (43%), according to Generation Z, will remain in demand in the labor market in the near future. Representatives of Generations XY do not see a significant demand for digital skills, only 37% of respondents highlighted this competency. According to the opinion of Generations XY, present-day need for personal and professional competencies (45% and 42%, respectively), as well as working in a team and making decisions independently (40% of respondents’ answers) will be required in the near digital future. According to the question “What are your main expectations (motivational factors) from work?”, Generation Z primarily expects an adequate post, average market salary (63%), a convenient work schedule (59%) and interesting development work (54%). The next most significant factors highlighted by young people were the opportunity to work online (30%), a clear career prospect (28%) and a convenient location (28%), which confirms the validity of the established hypothesis. The idea of an ideal workspace among young respondents is not much different from the established ideas: 22% choose a separate table with equipment in a small department for 3-5 employees, as well as an open space office (22%), 20% of representatives of Generation Z prefer a separate office. We can conclude that the workspace is not a priority factor and is determined by the specifics of the company. Expectations regarding the duration of work at one position in the company showed a significant difference. Employers see a young specialist in one position for no more than 2 years (60%), while young candidates are ready to work longer - up to 2 years (36%), up to 3-4 years (36%). This reflects a more relaxed attitude towards the career of Generation Z than of senior representatives (especially Generation Y). At the same time, according to the question "What factors better stimulate a young specialist to continue working in the company?", employers among representatives of Generations X and Y agree with the opinion of young candidates on an adequate position, the average market salary (50%) and interesting development work (55%). It should be noted that the employer often has no knowledge of requests from young candidates. Such the motivational factors noted by representatives of Generation Z a convenient location, the ability to work online, a convenient work schedule and a clear career prospect are not of great importance for representatives of Generations XY (37%). The lack of attention to these factors can serve as a risk to the motivational system, leading to additional costs and instability of the company as a whole. Separately, it is worth mentioning about information processes and technologies in expectations of representatives of Generation Z and employers of Generations XY. Since these processes are only in their infancy in the Russian labor market, expectations from both parties are low. The usual lifestyle and current understanding of the employment process leaves respondents in an established paradigm. Thus, the innovativeness and manufacturability of the company, as a significant factor in the expectation of work, are identified by only 7% of young respondents. The lack of a convenient mobile application for processing a search request for a candidate, as a difficulty in filling a vacancy, is indicated by 17% of respondent employers. For young people, this indicator is even less significant (13%). At the same time, 23% of representatives of Generation Z are concerned about bureaucracy and paperwork in the process of employment. 11% of young respondents will prefer an ideal workspace in the form of the home environment, 16% will choose any point with access to the Internet, and 8% will choose a co-working format. Only 7% of representatives of Generations XY expect digital literacy from young candidates, while representatives of Generation Z are more optimistic in their forecasts - 23% believe that the employer expects these competencies from them. The vast majority of representatives of Generation Z believe that routine processes will switch to digital
platforms in the near future, only a management function will be provided by a person (56%). A small part is confident that all processes will be digital in the near future (6%). 11% of young respondents express their concern of the hierarchy of subordination in the "person - machine" system. And about a third of respondents (27%) believe in the dominant role of a person in the digital world. Representatives of Generations XY demonstrate a more restrained view regarding the reduction of the role of a person in the process of employment and the improvement of digital functionality. Thus, 47% of employers support the decisive role of a person, 40% understand the inevitability of automation of routine personnel processes, 13% express fears regarding digitalization, and none of the respondents believes in global digital reality.

The view of representatives of young Generation Z regarding the introduction of digital technologies in the employment process may be of interest in transformation of the motivation systems and digitalization of personnel business processes. For example, 63% of respondents suggest implementing digital online training during the adaptation period, 44% - test professional competencies and personal characteristics of candidates, 28% - video resume for a better presentation of a candidate, and HR-bots and robots at the stage of selection and initial selection - 25%. They consider it appropriate to develop a mobile application with personal filters that have access to BigData, as well as AR/VR technologies that demonstrate their future place of work (24% of young respondents respectively offer). Representatives of employers of Generations XY likewise share a vision regarding the introduction of digital technology. 28% of the respondents expressed their opinion that it is worth adding the need for software to process and store data with subsequent analysis, as well as the use of machine processing of information from personal pages from the candidate’s social networks (23%). For companies-employers, taking into account the opinions of future labor market participants can serve as a starting point for adapting HR strategies in the digital environment.

4. RECOMMENDATIONS AND CONCLUSIONS

HR specialists, executives and businesses need to prepare for new challenges: digital Generation Z will show professional needs in the near future. The main recommendations from the authors of this work may be the following:

1. Employers should adapt communication models taking into account the expressed characteristics of Generation Z, to monitor social manifestations, take into account the motivational factors, cognitive and behavioral characteristics. In particular, if possible, to create mechanisms for remote interaction in the process of searching and selecting personnel. This should be part of the digital corporate culture.

2. The adaptation of internal corporate values is required to manage the "multi-generation" in the digital era. This is due to the transformation of the expectations of potential candidates and the adoption of the main motivational factors, such as a convenient location, the ability to work online and at a convenient time [18], the level of remuneration, and career prospects.

3. The factor of time-saving resources is the key in the process of selecting potential candidates for filling vacancies. It is necessary to diagnose personnel systems and determine which of them should be automated, robotic, digitized in order to accelerate the transition of personnel processes into the digital reality. Of course, the purchase of technologies will require additional costs, but they will pay off due to the effectiveness of digital recruitment.

4. The accuracy of processing primary information about a candidate from multi-sources, test material during the selection of candidates and training during the adaptation period of young specialists require the use of machine algorithms. The introduction of automated services and information mechanisms in the digital recruitment system is the immediate prospect of personnel development. In particular, it is useful to take into account the opinion of representatives of Generation Z about the need to use training platforms during the adaptation period of work in the company.

5. Monitoring the transformation of the higher education system, which is transferred to a digital environment, will allow company leaders to have a clear understanding of the professional competencies of future young specialists that emerge during the training period, as well as a temporary advantage for adapting a personnel strategy to new labor market demands [19].

To sum up, it should be noted that the personnel service market has become more diverse and dynamic under the influence of digitalization. The Russian market has started to approach Western practices in the use of information technologies, such as the development of software for processing and storing data, the emergence of video formats - resumes, HR-bots and robots. Of course, only large Russian or international companies have the opportunity to use these tools in connection with high financial costs. The predicted trend regarding the selection of personnel in the human resources market (the principle of "here and now") reflects the immediate demand for a specialist. New tools and technologies require study and further use in the work; they are characterized by the next 5-10 years according to the forecasts of specialists with the following phenomena [20]:

- digital skills will become necessary for a specialist in any field and position;
- artificial intelligence will be used to analyze and train employees;
- AR/VR technologies in staff training: the introduction of virtual and augmented reality technologies will become available for recruitment agencies and companies;
- companies of “command networks”: the formation of project teams for a specified period of time with the further dissolution / regrouping for new challenges.
The integration of representatives of Generation Z significantly transforms its structure, needs and the balance of forces with regard to changes in the composition of the labor force in the labor market. Representatives of Generation Z feel comfortable among the abundance of information and information noise, quite mobile; they welcome technological innovations, do not have a rigid framework of behavior and well-established patterns. They represent the most diverse structure of personalities and individuals who are attracted to creativity, new sensations, new experiences. Since Generation Z has always existed in the world of collaborative consumption economy, Generation Z is not just wage-earners; they strive to realize the potential of a collectivist approach in their socially useful activities. 93% of representatives of Generation Z claim that the company’s attitude to society affects their decision to work in it [21]. This Generation defends its independence, which leads to confrontation with other generations oriented to cooperation. 71% of representatives of Generation Z agree with the thesis "if you want to do something well, do it yourself!" Regarding the motivational factors, Generation Z has the attitude that participation in activity is not a reward; there are winners and losers everywhere [22]. Generation Z is much more competitive. 72% of representatives of Generation Z report that they are quite competitive compared to other workers employed in their field of activity. Career expectations of little-known Generation Z will form the direction of development of the socio-economic spheres of public life in the digital era, therefore, today, an employer needs to adapt the staff selection process taking into account the above motivational factors.

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