



INCREASING THE LEVEL OF HUMAN CAPITAL THROUGH SUITABLE RECRUITMENT COMMUNICATION WITH GENERATION Z

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Abstract

Human capital is currently a highly debated topic both among scholars and company managements. Companies are now directly confronted with the impacts of changing structure of the job market brought about by globalization, changes in demography and Generation Z entering the job market. Generation Z is the first highly interconnected generation: most of Generation Z have used communication and media tools and the Internet throughout their lives. Another phenomenon often considered a result of globalization is the rapid technology development. The present article deals with human capital from the perspective of recruitment procedures that target new employees, who determine the human capital value of a company. The article presents results of research done by the authors, whose aim was to analyze the currently preferred trends in recruitment communication strategies used by companies to attract Generation Z. Respondents of the survey were students of technical and logistics high school programs. Presented results make it possible to define areas that will require elevated attention to increase the value of human capital through suitable communication with potential employees.

Keywords: Human capital, Generation Z, recruitment, communication, technical high schools

1. INTRODUCTION

Human capital is currently a very debated topic both in the private sphere and among scholars. Companies in all sectors of economy have recently come to realize the importance of human capital. This is caused mainly by the fact that nowadays there are virtually no areas of corporate activity that would not be affected by the human factor. For that reason, human capital is seen as an area that significantly influences the value of a company (Chang et al. 2016; Joh and Jung 2016; McGuirk et al. 2015).

There are two main approaches to human capital: in the first place, it is the microeconomic approach which explores human capital from the perspective of interaction of all social constructs that develop human capital within a company. Secondly, the macroeconomic approach investigates human capital from the perspective of interactions that develop human capital outside of the company in the whole society. However, some authors even define a third approach which combines the two previously mentioned. Gil and Carrillo (2016) use the microeconomic approach and build on the general paradigm that creating, sharing and passing on knowledge is the basic prerequisite for increasing a company's value. Building on the paradigm they put forward a model for knowledge creating that is based on corporate learning. Another example is Marriaga et al. (2016), who researched development of activities that relate to skills training of administrative workers of Groceries DeCandido C.A. in Venezuela. Among works using the macroeconomic approach is Claver-Cortés et al. (2015), who evaluate the effect human capital has on the influx of direct foreign investments into Sub-Saharan Africa from the perspective of increased qualification of the region's population. They analyze data from years 1980 to 2012. Rindermann et al. (2015) understand human capital as an area that significantly influences economic growth of countries. This present article is based on the macroeconomic approach to human capital.

In today's globalized world, companies and societies (inhabitants of individual countries) are confronted with several societal development phenomena. One of the main ones is the changing demographic structure which



is often discussed in its relation to the entry of Generation Z into the job market (Grencikova et al. 2016; Sidorcuka and Chesnovicka 2017; Kubatova 2016). Feri-Reed (2016), as well as Buckley et al. (2016) state that Generation Z differs significantly from previous generations which are already active on the job market. The main difference lies in Generation Z's expectations from their potential employers. Generation Z consider corporate social responsibility a major issue. They expect maximum flexibility, which is facilitated by the use of modern communication tools, enabling them to work from home. These demands seem only logical since Generation Z is the first generation to have been using online communication tools throughout their lives. Buckley et al. (2016) state that Generation Z show lower levels of loyalty, which is why it is going to be much harder for employers to attract employees from Generation Z and keep them motivated to remain in a job.

The aim of the article is to point to current preferred trends in recruitment communication from the perspective of Generation Z. The article presents results of a questionnaire survey carried out in 2018 whose respondents were students of technical and logistics high schools in the Czech Republic. Results of the survey help identify areas that require employers' elevated attention in their recruitment communication with Generation Z.

2. METHODOLOGY

The aim of the research is to answer the following questions:

- 1) How would Generation Z, if they were looking for a job, assess the forms of communication used by employers to attract potential employees?
- 2) How do Generation Z assess the importance of particular qualitative factors in company's promotion on a website?
- 3) What devices do Generation Z most often use to access webpages, social media or videos?
- 4) Based on personal preferences, what are the most attractive forms of company promotion to students - potential employees (providing information about the company, activities organized by the company, etc.)?

Table 1 presents the timeline of the research.

Table 1 Research timeline

Date	Activity
6/2018	Discussing questionnaire's content with representatives of selected transport and logistics companies
8-9/2018	Questionnaire finalization, Creating e-questionnaire
9/2018	Pilot testing of e-questionnaire, Sending out questionnaire
9/17-10/12 2018	Data collection
10/2018	Data processing, Verification of numbers of respondents with representatives of involved high schools, Data interpretation

Source: Authors

The questionnaire was administered to students of more than 30 technical and logistics high schools. Altogether, 578 responses were obtained from students of all four years of high school study.

Data obtained in the survey were analyzed and served to create the graphs presented in the following chapter. To answer questions 1, 2 and 4, respondents were provided with a scale ranging from 1 to 6 (with 1 being the least and 6 being the most, respectively). The even number of points made it impossible to select a central, i.e. neutral value. To answer question 3, respondents were invited to select one of four possible options representing the four devices used to access the Internet (PC or notebook, Tablet, Smart TV, Mobile phone).

Results for questions 1, 2 and 4 are average preference scores calculated from all individual responses. Analysis of responses for question 1 (**Figure 1**) shows the order of preference in terms of communication



means; **Figure 2** demonstrates the order of importance of particular qualitative factors in company promotion on a website; and **Figure 4** shows results for attractiveness of communication means. **Figure 3** shows the order of preference in terms of devices used to access the Internet. Responses to this question are represented as a proportion (expressed in percentage) of preferences in using such devices by respondents.

3. RESULTS

Figure 1 shows students' responses to the question 1

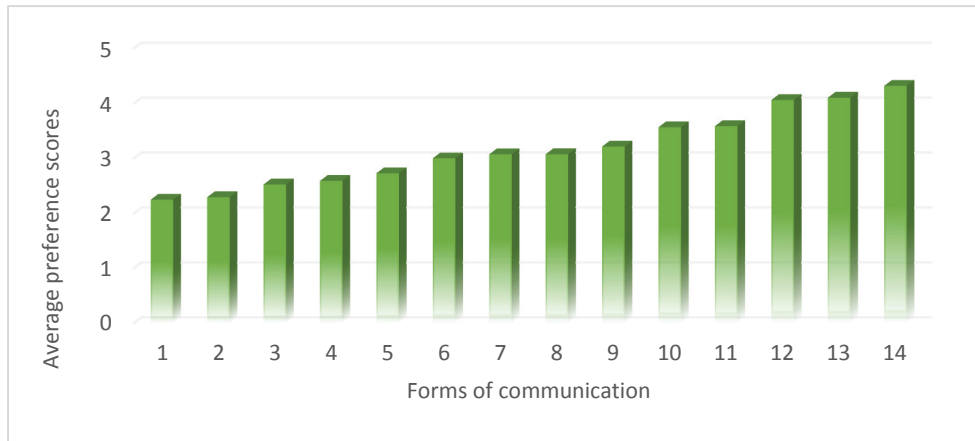


Figure 1 Average preference scores of forms of communication (Authors)

Explanatory notes: 1 LinkedIn; 2 Twitter; 3 Radio advertisements; 4 Print materials (leaflets, brochures) obtained at information events; 5 Through the National Employment Authority; 6 Through a recruitment agency; 7 Print advertisements; 8 Instagram; 9 Youtube; 10 Internet (advertisements based on key words search, pop-up windows, banners); 11 Facebook; 12 Through job search webpages (jobs.cz, prace.cz, glassdoor.com); 13 Communication with company's employees; 14 Company's webpage

Figure 1 shows that a company's webpage is the most preferred way of communication for Generation Z.

Figure 2 shows responses to question 2

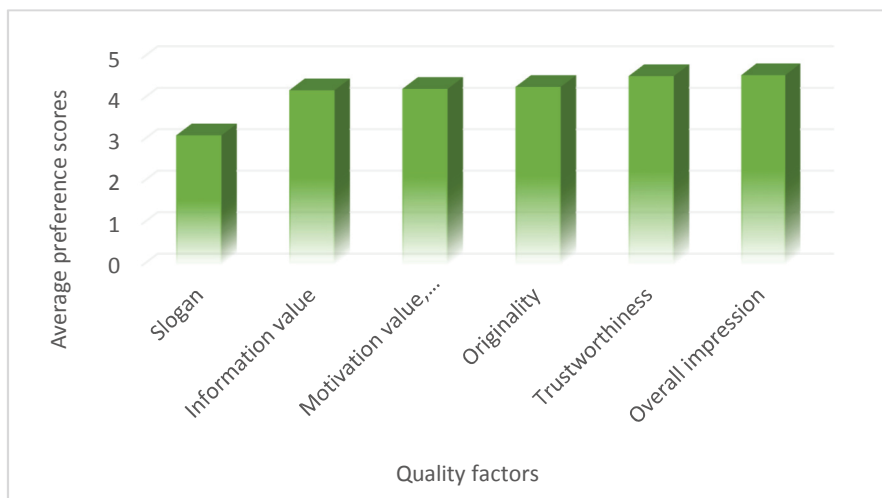


Figure 2 Average preference scores of quality factors (Authors)

Figure 2 shows that students require the webpages to be trustworthy, meaning that they should provide truthful and reliable information. Importance of a slogan was scoring only 3.13 points out of 6.



Figure 3 presents responses to question 3.

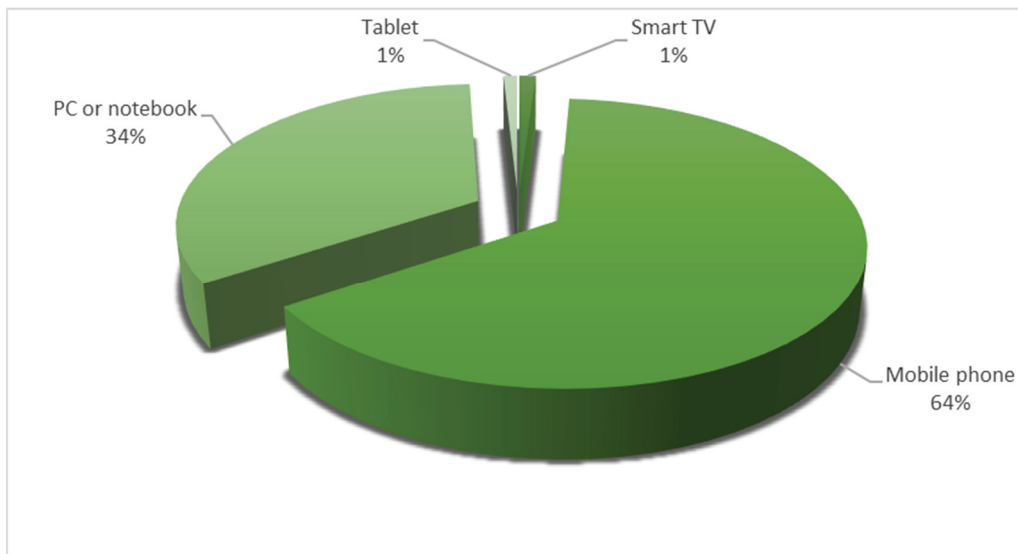


Figure 3 Preferred devices for browsing the Internet, social media and videos (Authors)

Data in **Figure 3** show that 67 % of respondents use their mobile phones. It is therefore necessary for companies to focus on optimization of their webpages to be accessible not only from PCs but mainly from mobile phones.

Figure 4 shows responses to question 4.

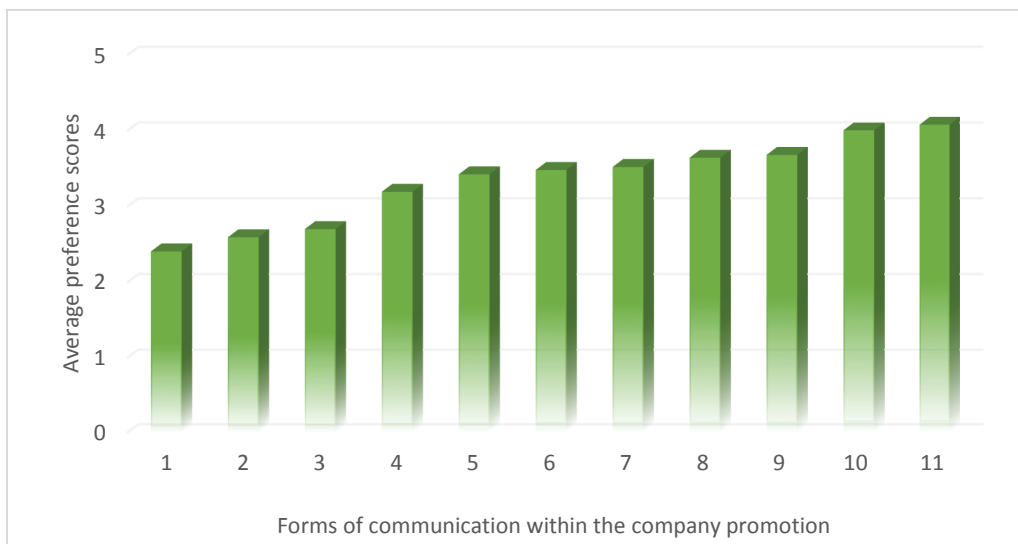


Figure 4 Average preference scores of forms of communication within the company promotion (Authors)

Explanatory notes: 1 Twitter; 2 Company presentation in radio spots; 3 Company presentation in newspaper ads; 4 Instagram; 5 Through a mobile-app; 6 Youtube; 7 Facebook; 8 Student competitions and games organized by a company; 9 Through company's online educational courses; 10 Public exhibitions or fairs organized out of school; 11 Information events organized at school

As **Figure 4** shows, information events organized by a company are the most attractive forms of communication.

4. DISCUSSION AND CONCLUSION

This article deals with analysis of trends that are currently preferred in recruitment communication from the perspective of Generation Z. The above presented figures show that students of technical and logistics high schools, i.e. representatives of Generation Z, challenge the assumption that Generation Z use mainly social networks in recruitment communication (Grail Research 2010). **Figure 1** shows that a company's webpage is the most comfortable way of communication for Generation Z.

Data in **Figure 2** provide an interesting insight into evaluation of factors that contribute to successful advertising to Generation Z. The factor with the highest score was "overall impression", followed by "trustworthiness". Generation Z therefore do realize the importance of quality and verified information that can be found online. For companies, this means they should update information posted on their websites regularly. The "slogan" factor yielded surprisingly low scores. This may be caused by the overload of advertisements from a number of media that Generation Z are confronted with on a daily basis. On the other hand, the "originality" factor ranked the third most important - it can therefore be concluded that Generation Z generally appreciate a company's ability to stand out in terms of overall company presentation, not only with a slogan.

Data presented in **Figure 3** confirm one of the typical characteristics of Generation Z: mobile phones are the most commonly used devices to browse the Internet. Drawing on data presented in **Figure 1**, it becomes evident that companies should focus on guaranteeing maximum user-friendliness of their webpage for mobile phones. Lindgaard et al. (2006) claim that webpages only have 50 milliseconds to make a good first impression on their viewers. Within this time, viewers assess the visual appeal of the webpage and decide to stay there or leave. For that reason, it is essential for companies to focus on creating visually appealing webpages for mobile phones.

To conclude, Generation Z have specific attitudes and preferences in terms of recruitment communication, which differ from those of their predecessors. Due to the fact that Generation Z are now entering the job market, it is vital for companies to be aware of the right communication strategies that will help them attract potential employees.

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