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Abstract

Shabatura T., Zamlynska O., Osyk S., Seleznova H. Digital aspects of strategic management as a tool for increasing the economic efficiency of the company's activities.

The article is devoted to the influence of digital technologies on the strategic management of the enterprise in the conditions of informational economic development of society, which require management to acquire modern competencies to develop high-quality work and implement effective strategic measures. It is noted that digital tools and resources are becoming increasingly important for effective and transparent governance. Strategic development management is relevant and expedient, considering the complex macroeconomic conditions and the need to adapt business entities to the state of war. The components of enterprise development management strategies are determined. It is noted that an effective development strategy lays down prospects for economic growth and determines its positioning in the market. Several measures that can be used as advantages in martial law conditions are systematized, strategic management methods in warlike law conditions, and possible company strategies are studied. The characteristics of strategic management models are summarized. Digital technologies have innovative potential to strengthen the transformation strategy and improve management efficiency. Attention is focused on such aspects as e-government, open data, artificial intelligence and data analytics, information and communication technologies, electronic identification, IoT, and blockchain. In the conditions of a growing array of continuous digitization of business processes, collection, storage, and processing of personal data of partners, customers, competitors, and government bodies, effective mechanisms are needed to ensure this data's speed, quality privacy, and security.

Keywords: digital technologies, economy, strategic management, access to information, control, strategic management tools, process optimization, efficiency, transparency, data protection.

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FORMATION OF LEADERSHIP STYLE OF GENERATION Z

Zehetner-Hirtenlehner D. Formation of leadership style of Generation Z.

The struggle to find and keep good employees in European companies is in full swing, and it poses a big problem on the desks of HR departments and leaders at all levels. Aside from a general shortage due to demographic developments, a new generation of future employees (Generation Z or 'Gen Z') is growing and will join the labor markets soon. A new generation, Gen Z, is entering the workforce, and companies must provide their future employees with a fitting employer value proposition. This study attempts to shed light on the features of leadership style for Gen Z. European companies have already started engaging in research to understand generational differences regarding company expectations better. The motivation of this study is to identify and categorize criteria that help to distinguish a 'perfect from an average leader' in the eyes of a Gen Z candidate. The central question of this empirical study was: 'What does Generation Z expect from its future leaders, and which leadership style fits best to these requirements to unfold the full potential of this generation?' The results show that Gen Z representatives are motivated and willing to perform. However, social and convenience factors play an essential role. The study comprises 550 pupils and students from Austrian education institutions entering the labor market in a few years. The study's findings show a shift from 'doing to being' and from 'managing to understanding'. Gen Z emphasizes social aspects like team spirit, working environment, work-life balance, and job security. Density, variety, and flexibility in the job are essential to Gen Z. Gen Z is accustomed to fast changes, which also determines their media-dominated private lives. Cross-functional jobs include job rotation, interdisciplinary tasks, tasks in groups with changing team members, etc., are exciting for Gen Z.

Keywords: Generation Z, leadership style, transformational leadership, coaching leadership, servant leadership, employer marketing.

Introduction and statement of the problem. Effective employees lead to effective productivity. Thus, the most excellent resource available

to companies is their human capital [1]. Individuals undergo a generational change. Every generation has its unique story, be it Generation X,

Generation Y, or Generation Z. 'No generation is a monolith, but there are growing trends of expectations and preferences that change as culture and worker demands change' [2, p. 288]. Generally, the term 'generation' can be defined as a group of people born simultaneously and consequently presumed to have similar aging experiences and life trajectories, with belonging group members showing identifiable characteristics [3]. Generations are a dynamic social foundation as their transition from one generation to the next is a continuous process with constant interaction with previous generations. There is no consensus about clear thresholds for when one generation ends, and another starts. Based on recent sources [4-6], in this contribution, Gen Z consists of members of the society born in 1996 and onwards. This means that Gen Z is currently making its way into the workforce. While most research continues to shed light on Generation Y, nevertheless, HR managers and leaders already have the first Gen Z'ers in their teams.

Analysis and research of publications.

Generation Z, sometimes called the "iGeneration," presents unique challenges and opportunities that irretrievably change the way of working [2]. Gen Z differs in characteristics, mindsets, and expectations from previous generations. Already in the early stages of their development, Gen Z is encouraged to participate in discussions and debates, which provides them with opportunities to present their opinions. They continue to do so when entering the corporate world, thereby questioning other perspectives, and arguing for their way of accomplishing tasks. Further, this generation is very ambitious in achieving their set goals and believes that education is the key to reaching them. Gen Z is a cohort that can multitask and prefers to work on more than a single task. Hence, their supervisor must identify their strengths, follow them closely, and keep them motivated and energized at work [7]. They are adapted to team spirit and greatly value the social environment of an organization, which forms the company culture for the community.

Additionally, they expect job security, high independence, and an aversion to authority [2]. Gen Z prefers to be loyal to their profession rather than an organization. They are quick, efficient, and can quickly adapt to various assignments. Growing up with continuous technological advancements, they expect work-life to be fast and instant [7].

As Gen Z enters the workforce, companies need to be ready to address new issues and expectations that could arise. Managers need to redesign their strategies and policies to sustain and be competitive in the upcoming war for

talent [7]. It is becoming increasingly important for companies to acknowledge the impact of generational demographics on the way an organization is managed. A successful company must establish an employee value proposition that offers a concrete answer to why talented people want to work for their company. Therefore, the prospects and their drivers of what makes a great company, jobs, compensation, and lifestyle must be fully understood [8]. Older generations have created existing HR policies and practices that may need to reflect contemporary requirements. The result can be a need for more skilled workers. Therefore, employers must find the right combination of HR tools and strategies to simultaneously attract young talents and retain the older workforce [9]. Growing up with smartphones in Gen Z's hands, technology has merged seamlessly into their lives.

Consequently, companies face increasing complexity of engaging with the target audience through numerous media channels. Meret et al. [10] summarize seven traits that characterize Gen Z members: "Regardless of any consideration on the fundamental impact of digitization on this generation, [...] identify seven personality traits, [...]: (a) they feel special, firmly believing in their ability to address the future trends and becoming builders of their destinies; (b) they are protected, not only by their families but also by their superiors; (c) they are confident and optimistic about the future; (d) they are quite conventional; (e) they are team-oriented, because of their increased possibility of connection with others, primarily related to the level of technological sophistication they bring. This might imply a greater propensity to cooperation; (f) they aim to feel blessed and achieve greater personal fulfillment in the future, relying on a higher level of education; and (g) they feel under pressure and believe that success in the future is based on choices made today" [10, p. 246-247].

The purpose of the article. The purpose of the study is to determine the features and characteristic features of the leadership style of generation Z.

Presenting main material. This empirical study tests a set of characteristics concerning the leadership expectations of Gen Z. Methodologically, a 'mixed-methods approach has been selected. As Johnson et al. state [11], 'Mixed methods research [...] is becoming increasingly articulated, attached to research practice, and recognized as the third major research approach or research paradigm, along with qualitative research and quantitative research' [11, p. 112]. According to Denscombe [12], a rigorous mixed-method approach requires quantitative and

qualitative methods within the same project. This design specifies the sequence and priority of qualitative and quantitative methods, information about how the methods relate to each other, and pragmatism as the philosophical foundation of the research.

The selected approach comprised a (qualitative) pre-study and a quantitative main study. Within the pre-study, a thorough literature review, the application of existing frameworks, qualitative findings from student interviews, and the contents of the national job platform were analyzed to identify Gen Z members' expectations of their future employment, including leadership-related matters. In the main study, these criteria were subjected to many respondents to rank them according to their importance for different groups of Gen Z members. Finally, the findings were contrasted to existing leadership styles.

An exploratory study was conducted among university graduates who have recently entered the labor market. Thirteen participants were contacted through social media and asked about the most critical factors they expected from their company and its leadership. The aim was to include experiences and insights of recently hired people into the criteria development. In total, 75 criteria were collected, analyzed, and discussed. The most frequently mentioned factors were used in the final list of criteria.

Pupils from commercial schools and students from Austrian Universities focusing on sales and/or marketing formed the population of this study. In total, 555 pupils and students participated in the survey, 62% female and 38% male. 23% were younger than 18 years, 62% were

aged between 18 and 22 years, and 15% were between 23 and 27 years old. 72% of the sample were attending commercial secondary schools, and 28% were university students.

To ensure a high response rate, researchers visited classrooms, preceded by a participation request email explaining the purpose of the study. A process description was prepared to brief the teaching staff. The questionnaires were printed and contained 36 characteristics labeled 'How important are the following criteria for your future job decision'. Criteria were ranked on a ten-point Likert scale ranging from 'not important' to 'very important'. Demographic questions (gender, age, educational institution) completed the questionnaire. Pupils and students completed the questionnaire in class (paper and pencil). The average time needed to answer the survey was between 10 and 15 minutes. The study was conducted from October to December 2019.

A significant challenge for European companies will be to provide their future employees with a fitting employer value proposition: 'Generation Z looks for meaningful and exciting work but also seeks meaning and excitement in private lives. They demand a clear separation of their private lives from their job. All this stands in contrast to the ambitions of the industrial sector in Germany promoting a more Generation Y-type environment with flexibility, agility, and work-life blending.' [13, p. 169].

In the table, the author attempts to deduct consequences from the findings for leadership and appropriate leadership styles, which are discussed in detail below.

Table 1

Study findings' consequences for leadership

Criterion	Implications for Leadership
Leader-member exchange	Good team spirit, a pleasant working atmosphere, and flat hierarchy working conditions are expected.
Motivation	Secured work-life balance, job security, and good team spirit, but extrinsic motivation (salary) are the drivers. Extrinsic (salary, career) is more important for males. Job security and team spirit are more important for younger Gen Z'ers. They also are less interested in higher degrees of responsibility and contribution to the company's future.
Interaction and communication	Expected direct and fast communication and flat hierarchies call for leader-member interaction on an even leveled communication through advanced technologies.
Reward systems	Males more frequently expect salary and career. An excellent working atmosphere, teamwork, flexibility, and job security complement them. Career opportunities are of medium importance.
Work-life relationship	Social life is also happening at work. A pleasant atmosphere or "family-like" teams are appreciated.
Gender roles	Aspects of traditional role models were found, but social aspects like team spirit, pleasant working atmosphere, and stability are essential for both genders.

The data gives arguments for the relationship between Gen Z'ers and their leaders. Good team spirit or a pleasant working atmosphere indicates that Gen Z'ers feel well in flat hierarchy working conditions. These can be best provided by transformational, servant, or coaching

leadership styles, where caring, coaching, supporting, motivating, and nurturing are the main elements. Other elements of servant leadership, such as a 'parent style' emotional support and care, might be seen positively by Gen Z. This aligns with Anderson's [14] discussion of

generational changes in the leader-member exchange.

Gen Z members' motivation systems are extrinsic and more social and security-related. This holds more for females than for male individuals. Work and life are separated, and room for 'living' at work provides motivation. Concerning leadership styles, supportive and coaching leadership are appropriate. Gen Z members are motivated if individual and practical support is provided, but at the same time, individual space for acting is guaranteed. Also, presenting the leader as a role model, as is seen in transformational leadership styles, could help Gen Z members to unfold intrinsic motivation. Gen Z grew up using direct communication tools, responding fast, including social (not only task-related) messages. For leaders, communicating on even levels and using advanced technology allows easy interaction with Gen Z individuals. However, the results show that Gen Z highly appreciates security and stability.

Consequently, elements of transactional leadership, such as clear and fast communication, clarified expectations, and transparent rules, help Gen Z to feel safe. Female Gen Z members respond less to extrinsic motivation like salary and career. Providing security, stability, a good team, and a pleasant atmosphere is more important. Salary and career, however, are hygiene factors that play even more roles for male Gen Z'ers. A transformational leadership style fits very well with the expectations of Gen Z with intrinsic rewards such as showing appreciation, potential for growth, job safety, etc. However, elements of transactional leadership, such as payment for performance, might play a role, depending on situational variables.

Gen Z sees social life also happening at work, and the atmosphere is essential. Characteristics of servant leadership, such as caring for good working conditions and encouraging personal growth, would help Gen Z'ers to balance work and life accordingly and show more engagement, vigor, and dedication [15].

Also, a coaching leadership style could be appropriate because of the flexibility and individuality granted to employees. Especially for

female Gen Z'ers, job-family compatibility ranks high in importance, and leading by coaching can take care of those individual needs.

Conclusions. In the study, aspects of social life are at least equally important to task and career-related aspects. The 'How is it there?' questions are more important than the 'What do they offer here?' With Gen Z, a paradigm shift might occur: In most current job descriptions, 'what' statements prevail: 'What will be your tasks?' 'what are your career paths?', or more generally, 'what is expected from you?' [16].

Gen Z'ers are more interested in 'How does it feel to work here? 'How does my team look like?', 'how will my working day in this company look?' or 'How varied and exciting is my job?'. This paradigm shift has consequences for leadership styles as well. As Seemiller and Grace [17] state, the motivation of Gen Z lies in keeping up with others and sharing personal information and expertise or opinion. Gen Z representatives want to dive deep into the environment they will be part of after their job decision. They are used to sharing and forwarding "stories" rather than facts and may expect the same from the communication with their employers. Also, convenience is important in Gen Z's decision-making.

According to [17], 88% of Gen Z feel they have tight bonds with their parents and see them as sources of emotional support. A 'family-like leadership' and familiarity with the employment surroundings also play a role in maintaining the comfort zone of job applications. Of the leadership styles discussed, the servant and the coaching most likely meet the needs of Gen Z'ers in this dimension. Also, according to the data, diversity, variety, and flexibility in the job are essential to Gen Z. Gen Z is accustomed to fast changes because that also determines their media-dominated private lives. Cross-functional jobs, including job rotation, interdisciplinary tasks, tasks in groups with changing team members, etc. are exciting for Gen Z. Flexibility in leadership procedures will be positively acknowledged by Gen Z'ers, rather than a style that is very much oriented on structures and processes.

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Abstract.

Цихетнер-Хіртенлінер Д. Формування стилю лідерства покоління Z.

Боротьба за пошук і утримання хороших співробітників в європейських компаніях у розпалі і це створює велику проблему для HR-відділів і керівників усіх рівнів. Крім загального дефіциту кадрів через демографічні зміни, нове покоління майбутніх працівників (покоління Z) зростає і незабаром приєднається до ринку праці. Нове покоління, покоління Z, приходять на ринок робочої сили і компанії мають запропонувати своїм майбутнім працівникам відповідну пропозицію. Проведене дослідження намагається пролити світло на особливості стилю лідерства покоління Z. Європейські компанії вже почали брати участь у дослідженнях, щоб краще зрозуміти відмінності між поколіннями щодо очікувань компанії. Мета дослідження полягає у визначенні та класифікації критеріїв, які допомагають відрізнити «ідеального лідера від середнього» в очах кандидата покоління Z. Центральним питанням наукового пошуку було: «Чого покоління Z очікує від своїх майбутніх лідерів і який стиль лідерства найкраще відповідає цим вимогам, щоб повністю розкрити потенціал цього покоління?» Результати показують, що представники покоління Z мотивовані та готові працювати. Однак соціальні фактори та фактори зручності відіграють суттєву роль. Дослідження охопило 550 учнів і студентів австрійських навчальних закладів, які виходять на ринок праці за кілька років. Результати дослідження показують перехід від «виконання» до «буття» та від «керування» до «розуміння». Покоління Z наголошує на таких соціальних аспектах, як командний дух, робоче середовище, баланс роботи й особистого життя та безпека роботи. Щільність, різноманітність і гнучкість у роботі є важливими для покоління Z. Покоління Z звикло до швидких змін, які також визначають їхнє приватне життя, у якому домінують ЗМІ. Багатофункціональні роботи включають ротацію посад, міждисциплінарні завдання, завдання в групах зі зміною членів команди тощо, що захоплює покоління Z.

Ключові слова: покоління Z, стиль лідерства, трансформаційне лідерство, коучингове лідерство, службове лідерство, маркетинг роботодавця.

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