Chapter 8

Embracing Generation Z's Unique Needs in the IT Sector through Innovative HRM and Sustainable Leadership as Pillars of Human Focus Management

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8.1. Introduction

The primary subject of interest in this chapter is Generation Z, due to their distinct needs and expectations related to working conditions, and the HRM and leadership solutions that should be developed in response to these needs and expectations from the perspective of the human--centric management paradigm. This discussion serves as a continuation of themes previously explored regarding HRM responses to labor shortages and organizational employee retention discussed in Chapter 1, and workplace-related factors influencing employee loyalty and job performance addressed in Chapter 2. Similar to Chapter 7, in this Chapter Generation Z remains the focal point of interest, emphasizing the unique challenges and opportunities this demographic brings to the workplace.

The rapid evolution of the IT sector, coupled with the unique generational characteristics of Generation Z, poses both challenges and opportunities for human resources management (HRM) and leadership. As organizations grapple with technological advancements and changing market dynamics, the integration of Generation Z into the workforce necessitates a reevaluation of traditional HRM practices (Stor, 2023a, p. 4) and leadership approaches (Haromszeki, 2024).

The importance of understanding the motivational drivers of Generation Z – such as their preference for flexible work arrangements, substantial professional development opportunities, and a compelling organizational culture (Shatto and Erwin, 2016) – cannot be overstated.

Additionally, this chapter seeks to bridge the theoretical insights from previous discussions with practical applications within the IT sector, specifically focusing on Poland, a burgeoning hub for IT development with its own unique market conditions and challenges. The demographic nuances of Generation Z, including their digital nativity, their expectations for a balanced work-life integration, and their views on corporate ethics and social responsibility (Rogozińska--Pawełczyk et al., 2019), require a nuanced approach to HRM and leadership.

In aligning with the human-centric management paradigm, this chapter will explore how these generational characteristics influence HRM activities and strategies aimed at not only attracting but also retaining young talent in a competitive and fast-paced industry. The emphasis on a human-centric approach highlights the shift from traditional management practices towards more personalized (Cooke et al., 2022) and flexible strategies that cater to the holistic well-being of employees (Contreras-Cruz et al., 2023) perceived as human capital (*c.f.* Juchnowicz, 2014).

Hence, **the main goal of the chapter** is to identify the needs and expectations regarding work conditions of Generation Z as potential IT sector employees, as well as the HRM and leadership challenges they generate in organizations from the perspective of the human--centric management paradigm. This approach ensures that the recommendations developed are not only effective in meeting current demands but are also sustainable in fostering an engaged and loyal workforce.

8.2. The Theoretical Framework for the Variables Under Study

Within the human-centric management paradigm, several key issues arise in managing the dynamic IT sector. This perspective prioritizes the well-being and development of employees as central to organizational success (Cooke et al., 2022). Critical issues include addressing the chronic shortage of skilled IT professionals and adapting to the rapid technological advancements that characterize this sector. Additionally, understanding the implications of high turnover rates and the competitive salary expectations of IT workers are vital for formulating strategies that focus on human factors. These challenges underscore the need for HRM practices that not only achieve operational efficiency but also enhance employee satisfaction and engagement (Stor, 2024b). Emphasizing these elements is crucial for developing a work environment that supports both the personal and professional growth of individuals, aligning with the core principles of human-centric management.

The IT sector is one of the fastest-growing industries in Poland and globally, and its functioning determines the operation of other industries and society (Bakertilly, 2023; PARP, 2023). The competitiveness of Polish industries largely relies on the availability and quality of solutions provided by the IT sector (PARP, 2017). The activities of companies in the IT sector focus on three

main areas: services, software, and hardware (PAIH, 2010). According to the report "Pulse of the IT Market in Poland: Companies, People, Transactions" (2023) prepared by experts from Baker Tilly TPA and TPA Poland, the IT sector is one of the most innovative and fastest-growing branches of the economy in Poland, with around 37,000 companies operating within it, and their number is still growing (Managerplus, 2023). Over half of these are entities specializing in software, operating mainly in the Mazowieckie, Małopolskie, and Dolnośląskie voivodeships.

The Polish Economic Institute (PIE) in the report "How Many IT Specialists Does Poland Lack?" (2022) indicates that there was a shortage of 147,000 IT specialists in the country. This shortage in the market leads to 64% of surveyed companies having a total number of employees below their planned levels. Often, in 42% of cases, job positions remain unfilled because companies declare high difficulty due to, among other factors, the necessity of completing relevant degree programs. The gap in the IT sector remains unfilled, and one of the sector's biggest challenges is turnover (BulldogJob, 2023, 2024; No Fluff Jobs, 2022; Rynekpracy.pl, 2017). As a result, about 20% of new projects are not undertaken by companies in the Polish IT sector. Survey results conducted by PIE (2022) suggest that Polish companies struggle to find individuals for IT specialist positions. This situation is attributed to overly high salary expectations from candidates and a low number of people willing to enter the profession. IT sector employees belong to the group currently receiving the highest salaries. The median lower range of their salaries in 2021 was PLN 13,000 net, and the upper range was PLN 18,400 net (PIE, 2022). In summary, an exceptional challenge for companies in the IT sector is optimizing human resources management (HRM), benefiting both employees and organizations by reducing their desire to turnover and ensuring stability.

As said above, Polish companies are facing difficulties in finding individuals for IT specialist positions (PIE, 2022). According to the Wage Report 2023 conducted by Valueships on behalf of the Employers' Organization of IT Services – SoDA (2023), the average salary of specialists in the IT sector has increased. Salary raises varied depending on the form of employment – for permanent contracts, they amounted to 12%, while for B2B contracts, they were 6%. Due to dynamic changes in the IT sector, industry experts predict further salary increases ranging from 5% to 10%. Similarly, the IT Market Snapshot report conducted by Inhire.io (2023) presents the highest-paying IT positions and their salaries after raises, which for seniors range from gross 18,600 PLN to 22,000 PLN for permanent contracts and 21,000 PLN to 27,400 PLN for B2B contracts (net). The report also indicates that salary raises did not exclude junior positions. Salaries in the IT sector remain above average, considering that according to data from the Central Statistical Office - GUS, the average monthly salary in the enterprise sector in January 2024 was 7,768.35 PLN (GUS, 2024), while the average minimum wage in Poland in 2024 is 4,271 PLN (Gov.pl, 2023). Given such attractive financial conditions, it is pertinent to identify the key expectations of IT sector employees in Poland, as reports continue to highlight their shortage (PIE, 2022), and companies that already offer high salaries will need to compete for them using non-monetary methods.

In the context of the above characteristics of the IT sector, the question arises about what all of this means in the era of human-centric management. The significant challenges of

shortages, high turnover rates, and increasing salary expectations highlight the need for a paradigm shift towards more employee-centric practices. Emphasizing human-centric management is crucial, as it enables companies to better align their operations with the needs and aspirations of their employees. This approach fosters a supportive work environment that addresses not only the technical skills gap but also enhances job satisfaction and organizational loyalty. Prioritizing the human element in management strategies is essential for sustaining growth and innovation in a sector that is both highly competitive and integral to the national economy.

The "Study of the IT Community 2024 Report," which surveyed 5,411 IT professionals, provides detailed insights into the expectations and preferences of those currently active in the field. Key findings reveal a strong desire among IT professionals to move away from traditional office routines, with a preference for flexible remote and hybrid work options. Additionally, there is a significant interest in enhancing work efficiency through the use of AI assistance and better project team management. Benefits that rank high on their list include a 4-day work week, flexible working hours, additional vacation days, private healthcare, and opportunities for professional training and development. Furthermore, salary remains a crucial factor, followed by personal and professional development opportunities, the option for remote work, and a peaceful work environment (Bulldogjob, 2024).

In terms of HRM activities and strategies, the study highlights various solutions to address these preferences and expectations. IT professionals emphasize the importance of job flexibility, both in terms of work hours and the nature of the work environment, which remains a key motivator for both retaining and changing jobs. Other significant motivators include company culture, competitive salaries, job security, and opportunities for learning and self--improvement. As the interest in team management roles increases, HRM activities are also adapting to focus more on career development paths within companies. This shift in priority suggests a growing need for HRM approaches that not only offer attractive benefits and compensation but also foster a supportive and flexible work environment to retain top talent in a competitive market (Bulldogjob, 2024).

Given the challenges outlined above in the IT sector, it's crucial to understand how generational differences impact workforce dynamics. As companies strive to meet the high expectations of IT professionals, they must also consider the distinctive characteristics and preferences of Generations X, Y, and Z. These generational insights are key to developing effective HRM strategies that address the unique needs of each group and reduce turnover rates.

In the contemporary labor market, three main generations of employees can be identified (Kroenke, 2015). Generation X, the oldest, consists of individuals born between 1980 and 1989. These are mature workers characterized by an emphasis on earnings, personal development, loyalty to employers, stability, and specialization (Mhatre and Conger, 2011). Generation Y, or "Millennials," is currently the largest and best-educated workforce (Delgado et al., 2020). This generation comprises individuals born between 1980 and 1995. They are characterized by a pursuit of engaging, satisfying careers, openness to challenges, and a desire for work-life balance (Ng and Johnson, 2015). Unlike previous generations, Millennials expect

satisfactory pay and employer investment in their development (Forastero et al., 2018). The third, youngest generation of workers is Generation Z. They are individuals born after 1995 (Ławińska and Korombel, 2023). They are the most adept at using new technologies and are seen as open and creative. However, they may struggle with concentration and tend to perceive problems superficially (Schroth, 2019). In the workplace, they are characterized by low organizational commitment. Consequently, they pose a challenge for employers, as hiring them exposes them to recruitment and selection costs (*c.f.* Stor, 2024a), with a low guarantee of retaining the employee for an extended period. It is essential, therefore, for employers to understand what they can do to attract and satisfy Generation Z representatives while minimizing turnover risk.

As we consider the evolving HRM activities essential for retaining top talent in the IT sector, it's important to highlight the role of sustainable leadership in creating value for employees. Effective leadership is not only about managing resources but also about fostering an environment where diverse generations can thrive. This approach is especially relevant given the generational characteristics described earlier. Sustainable leadership focuses on long-term profit generation and employee well-being, aligning with the needs of Generations X, Y, and Z, who seek engagement, satisfaction, and work-life balance in their careers.

Leadership is generally defined as the exercise of power within social communities, the ability of one or more individuals to influence a group and implement their own policies (Mrówka, 2021). Leadership can also be defined considering its procedural character, as it constitutes a social process, part of which involves exerting influence on other people to achieve a chosen goal (Cybal-Michalska, 2015; Grzesik, 2011). Sustainable leadership constitutes an element of balanced development, thus referring to its key characteristics, such as a focus on long-term profit generation for the organization, moving away from solely focusing on the financial aspect towards considering the well-being of employees and the organization's environment (Liao, 2022). Its practice can lead to the creation of conditions conducive to the generation and maintenance, and even the stimulation, of motivation and satisfaction among employees (Galpin and Lee Whittington, 2012). The literature on the subject addresses the characteristics of three dimensions of sustainable leadership as described in Table 17.

Table 17. Three dimensions of sustainable leadership

Dimension	Characteristic
Economic	Focuse of leaders' actions on achieving maximum efficiency in their own work and that of their subordinates.
Environmental	Building employees' awareness of environmental protection, engaging leaders in ecological initiatives, conducting training, and incorporating environmental considerations into organizational processes.
Social	Creation of an optimal work environment by leaders, allowing personnel to carry out their assigned tasks without obstacles. Subjective approach to subordinates and concern for their well-being.

Source: own elaboration based on (Avery and Bergsteiner, 2011; Kugiel, 2015).

Leaders who employ sustainable methods serve as inspiration for their subordinates, as they deliberately focus on their needs, enable participation in decision-making, and adhere to ethical conduct. Furthermore, sustainable leaders promote knowledge sharing and responsibility in terms of avoiding environmental degradation, as well as fostering a positive workplace atmosphere (Iqbal and Piwowar-Sulej, 2022).

Avery and Bergsteiner (2011) developed what they called the The Sustainable Leadership Pyramid consisting of four levels:

- Foundation practices, including but not limited to, human resource development, building good relationships with stakeholders, long-term employee retention, strong sharing of organizational vision, social responsibility, and ethical conduct.
- Higher-level practices involving decentralization of decision-making, self-management, teamwork, promotion and development of organizational culture, knowledge sharing, and its maintenance within the organization, as well as building a culture of trust.
- Key performance drivers, thus requiring systemic innovation, quality, voluntary and self--initiated stakeholder engagement in the organization's life.
- Performance outcomes, culminating in practices at the previous levels and ensuring long-term development of the organization and its stakeholders, as well as mutual relationships between them.

These levels of practices ensure the establishment of conditions in which the organization contributes to improving its relations with both its internal and external environment (Avery and Bergsteiner, 2011; Gerard et al., 2017). Such a leadership model increases, among other things, work effectiveness, the degree of organizational mission fulfillment, correction of conflict situations, and directs actions toward improving the economic and social situation of stakeholders (Hargreaves and Fink, 2012)

Understanding these leadership practices is crucial as they directly impact the effectiveness of HRM strategies in addressing the unique needs of each generation within the workforce (Haromszeki, 2024). This strategic alignment is essential for enhancing employee satisfaction and retention in a sector as dynamic as IT. By implementing sustainable leadership practices, companies can better cater to the nuanced expectations of Generations X, Y, and Z, thereby minimizing turnover and enhancing organizational stability.

The challenges facing Poland's IT sector, such as the shortage of skilled professionals, high turnover rates, and rising salary demands, underscore the critical need for HRM strategies and leadership practices that prioritize employee well-being and engagement. Addressing these issues through a human-centric management approach is essential for maintaining competitiveness and fostering innovation. Creating a supportive work environment and effectively managing the diverse needs of the workforce are crucial steps towards enhancing job satisfaction and organizational loyalty (Haromszeki, 2023). Implementing appropriate HRM and leadership activities offers a significant opportunity to properly shape human-focused organizational practices (Stor, 2023c). These strategies are not just beneficial but imperative for the long-term sustainability and success of the IT industry in Poland.

8.3. The Methodics of the Conducted Empirical Research

The empirical research was conducted using a survey questionnaire method. The questionnaire was developed in paper form, incorporating elements reflecting selected fields from the IT Community Report 2024 (BulldogJob, 2024). The aim of the study was to identify the declarations regarding the current needs of potential IT sector employees. The questionnaire contained closed-ended questions, including multiple-choice questions and a single question with a scale from 1 to 5, where 1 represented the lowest rating and 5 the highest. This format was chosen to minimize any ambiguity in the respondents' interpretation.

The survey was conducted in March 2024 among full-time and part-time students of the University of Economics in Krakow. The students majored in:

- Global Business Services,
- Business Innovations,
- Applied Informatics,
- Management,
- Human Resource Management.

It means that the research sample consisted of members of Generation Z, who, according to the assumptions made, may constitute potential employees of the IT sector. Completed surveys were collected from 121 students. The structure of the research sample by sex is shown in Table 18. Data analysis was performed using FormPro, Microsoft Excel, and SPSS29 software.

Table 18. The structure of a research sample by sex

Sex category	In percentage
Females	62.8
Males	36.4
Non-binary	0.8
Total	**100**

Source: own empirical research.

8.4. The Empirical Research Findings

The first question concerned declaring which benefits from the list the respondents considered most attractive (see Figure 6). The research indicates that flexible working hours received the greatest popularity (91%), followed by private healthcare (71%), and a 4-day work week (60%). These most popular results largely coincide with the BulldogJob Report (2024). The significant difference lies only in the distribution of selections, as in the mentioned study, the shortened work week and flexibility had almost the same popularity and occupied the first two places, while the third belonged to additional vacation days. Based on the data obtained, it can be inferred that the respondents value the ability to manage their own time the most.
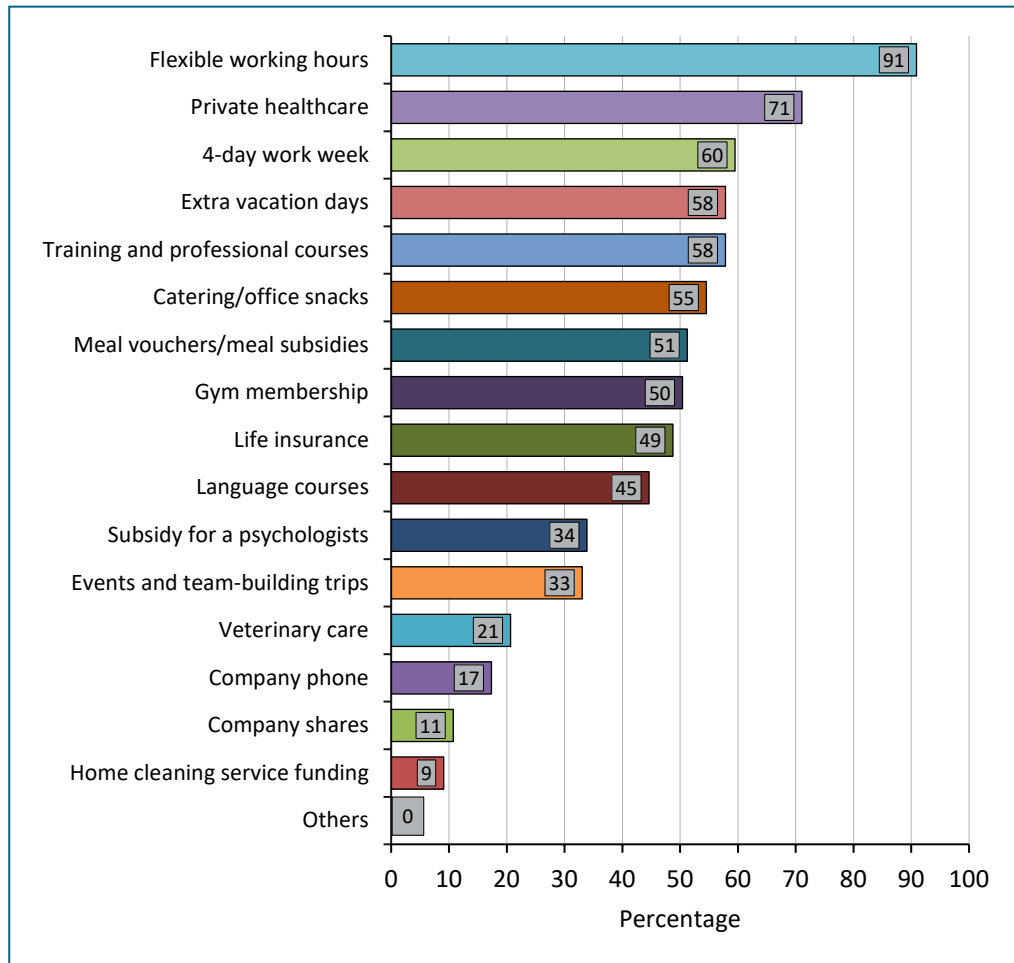
Figure 6. The ranking of benefits considered most attractive by percentage of respondents' selections

Source: own empirical research.

The significance of private healthcare among young individuals may be surprising; however, firstly, they have already declared their desire to work reduced hours, and secondly, Generation Z is characterized by a high degree of concern about their future. The subsequent largely correspond to those from the BulldogJob Report (2024), with the only notable difference being that company stocks are not significant to the respondents, unlike elements facilitating work and life. This confirms that Generation Z may not necessarily strongly identify with a company but rather seek to gain as much as possible from it for their development and convenience.

In the next question, respondents were asked to identify which of the listed elements is most important to them in their work (see Figure 7). Unsurprisingly, money (83%) and personal development (62%) remained the most important, which also aligns with the findings of BulldogJob (2024). This result is logical, as young people want to become independent and successful as quickly as possible, for which they need money and market-valued skills.

The remaining responses form a separate group, but no strongly divergent elements can be distinguished within it. Therefore, apart from money and development, respondents value their work environment – people, stability, and peace – to a similar extent. There is still significant interest in the flexibility of work mode and combining professional life with other responsibilities. Referring to the IT Community Study 2024 Report, a generational difference is noticeable, as older individuals did not consider stability or the people they work with to be important. Thus, the role of the work environment and atmosphere for Generation Z has been emphasized.
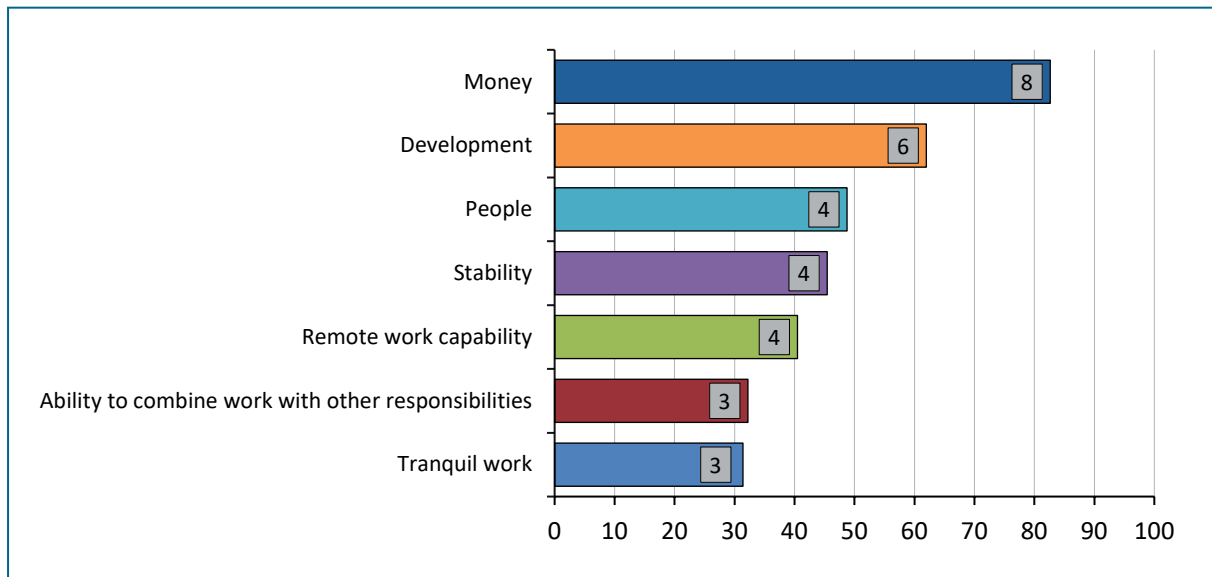

Figure 7. The ranking of the most important things to respondents in work by percentage of their selections

Source: own empirical research.

Next, respondents were asked about what could motivate them to stay in their current job (see Figure 8). The results reveal a certain trend. The factors determining the significance of the profession they practice overlap with those that limit turnover. Once again, earnings ranked first (93%). Development opportunities – promotion (69%), learning, and self-education (40%) remained significant for respondents. The importance of the workplace itself – its atmosphere and people – also increased (80%). Similarly, the significance of work flexibility and location has strengthened. Interestingly, the employer does not seem to have the power to influence the decision to stay in the job through the tools and technologies used in the company or its prestige. Respondents declared that they are mainly interested in what they gain in return for their work and how they are treated in it, rather than seeing it as a reflection of social status. There is quite uniform interest in the subsequent factors until a decline occurs from the values and culture of the company. In the BulldogJob Report (2024), this decline occurred after the first five dominant factors. Thus, it can be inferred that Generation Z requires a more extensive range of elements to build their organizational commitment.
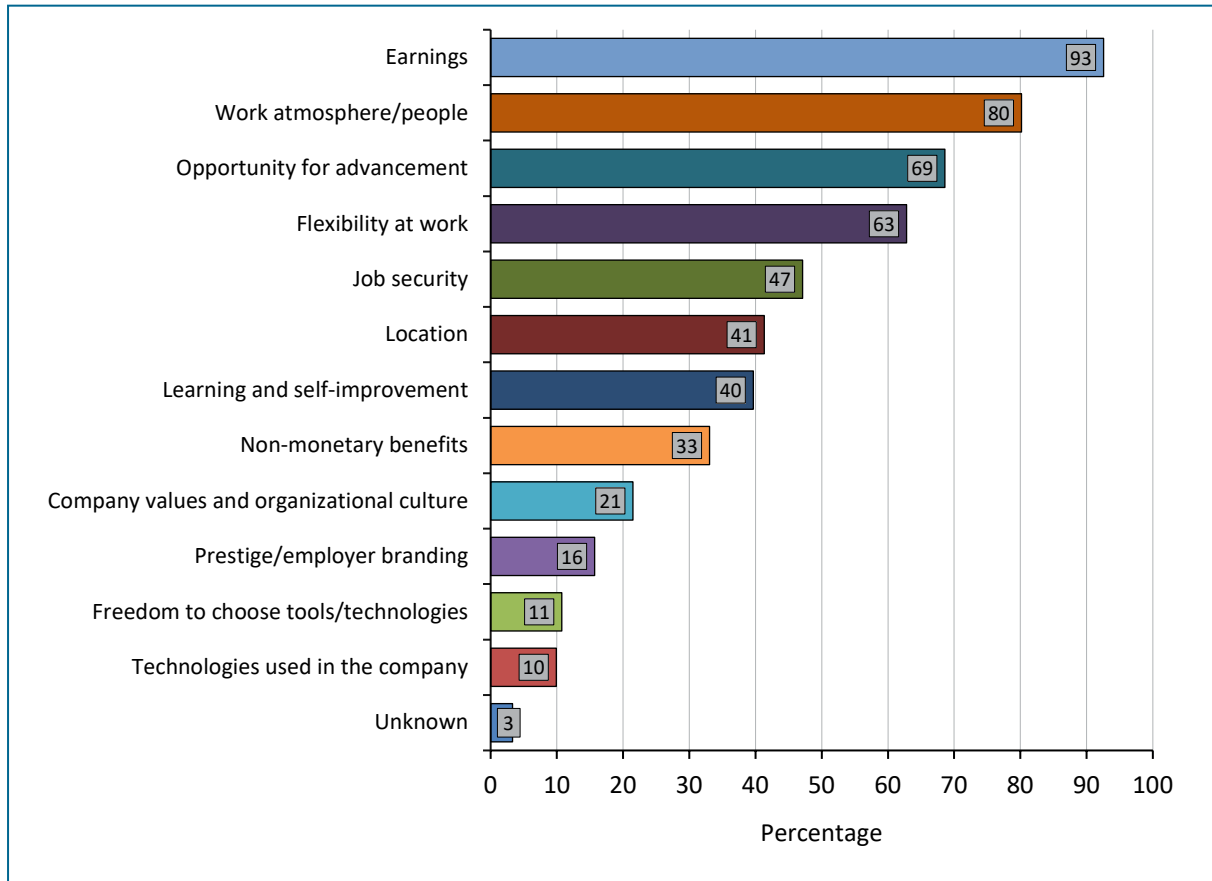
Figure 8. The ranking of what could motivate respondents to stay in their workplace by percentage of their selections

Source: own empirical research.

In connection with the previous question, respondents were asked to indicate which factors could motivate them to change jobs (see Figure 9). It is confirmed that earnings, work atmosphere, people, and the possibility of advancement are very important, as they are for older generations. However, the increasing significance of location is noteworthy, as it ranked fourth by 55% of respondents, whereas in the BulldogJob Report (2024), it was third from the bottom. It can be concluded that unmet expectations regarding the quality of the work environment increase the likelihood of employees leaving the current place of employment. Such behavior may reflect Generation Z's tendency to avoid stress and gradually decrease the importance of remote work.

Respondents were also asked what information they need to make a decision to apply for a job (see Figure 10). They pointed out three main elements: salary range (87%), type of contract (81%), and description of required experience (77%).
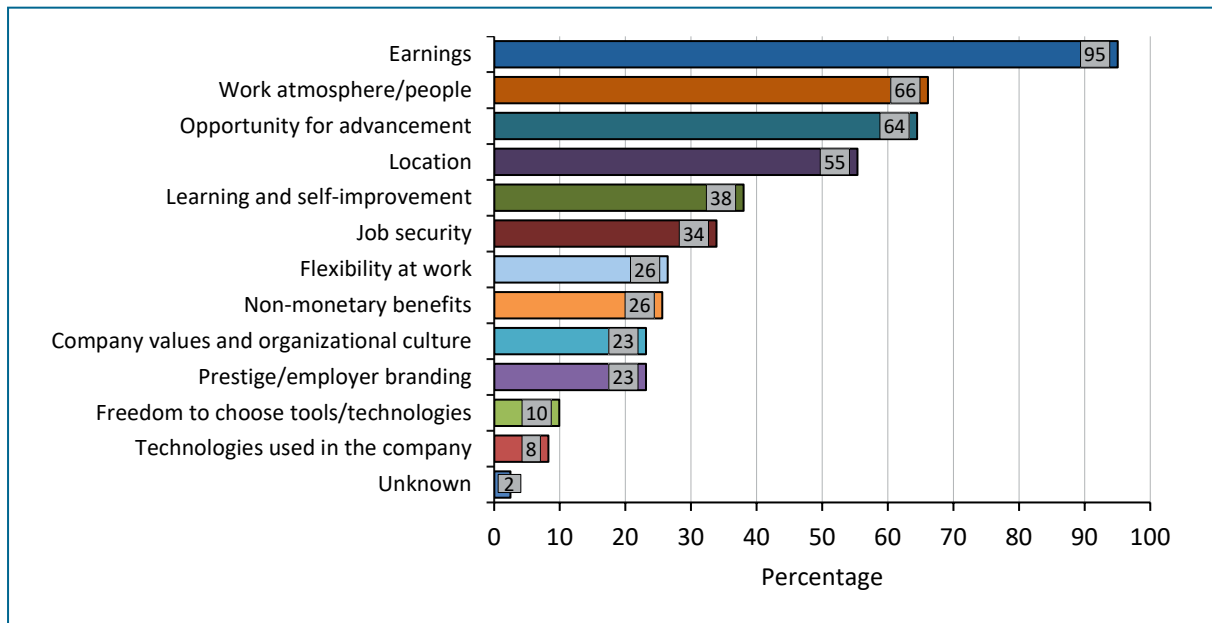
Figure 9. The ranking of what could motivate respondents to change their jobs by percentage of their selections
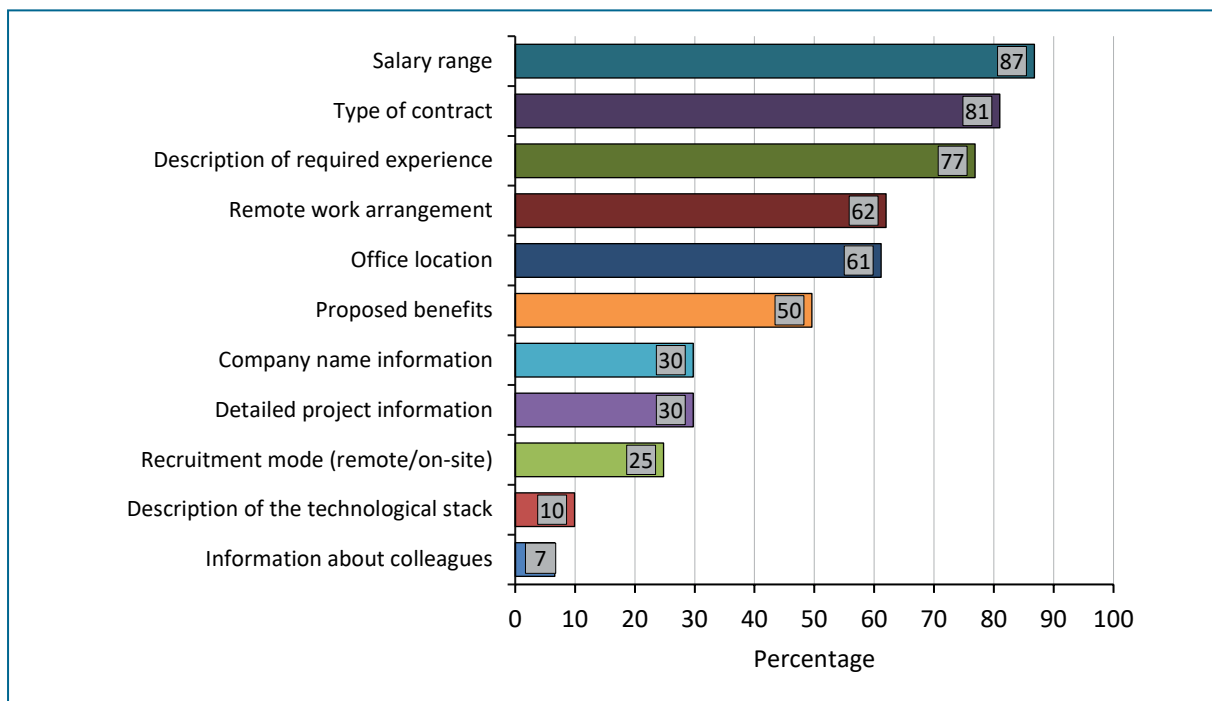
Source: own empirical research.

Figure 10. The ranking of type of information that respondents need to make decision to apply for a job by their percentage of their selections

Source: own empirical research.

There is no surprise here, as these are classic components of a job advertisement. Interestingly, the issue of remote work appeared in fourth place, whereas in the BulldogJob Report (2024), it was the second most important factor, right after earnings. Again, this may indicate a slight decrease in its importance. It also opens up a second group of information with results between 50-61%, along with office location and benefits. Thus, the image emerges of individuals who are very demanding of their employers, confident in their skills, expecting good compensation, and wanting to know the exact terms of work, duties, and privileges resulting from the contract. Detailed issues, such as precise project information or recruitment procedures, are of little importance to them.

The participants were asked whether they aspire to manage a team in the future. Only 62 individuals (51.2%) expressed such a desire. The remaining responses were divided between those who are indifferent to such actions (24.8%) and those who have no opinion (16.5%). Definitively uninterested in management were only 9 respondents (7.4%). Such uncertainty leaves room for discussion regarding the issue of self-belief in their own skills and the willingness to take on challenges among the younger generation, as in the BulldogJob Report (2024), the vast majority confirmed their willingness to take on the role of team leader. The difference may also be due to the amount of professional experience possessed by the two discussed groups.

Finally, participants were asked to rate, using a scale from 1 (lowest) to 5 (highest), how they assess the given factors in terms of hindering effective work. None of the elements listed in Table 19 showed alarming standard deviations. Considering the average ratings obtained on the scale, the greatest obstacle turned out to be communication issues and a negative workplace atmosphere. These are closely related organizational life elements, so they may seem synonymous to the respondents. These obstacles differ in significance compared to the Social IT Community survey (2024), where employees declared the dominance of procedures and communication, while the atmosphere was almost insignificant. The next significant issue was faulty procedures within the company – only in third place, whereas for experienced individuals, they constituted the most significant obstacle. The remaining differences proved to be minor, except for the lack of self-organizational skills, which was the fourth-largest obstacle.

Table 19. Major obstacles in effective work

Type of Problem	Average	Standard Deviation
Communication issues in the company	4.40	0.715
Poor work climate	4.28	0.839
Faulty procedures in the company	3.93	0.793
I'm not able to organize my work.	3.47	1.148
Time pressure.	3.43	1.161
Technical/technological deficiencies.	3.29	0.831
Workplace location.	2.53	0.984

Source: own empirical research.

8.5. Summary and Final Conclusions

The main goal of this chapter was to identify the needs and expectations regarding work conditions of Generation Z as potential IT sector employees, as well as the HRM and leadership challenges they generate in organizations from the perspective of the human-centric management paradigm. In terms of these needs and expectations of Generation Z, this goal has been met, and the interpretation of the organizational challenges from the perspective of human-centric management will be conducted here.

The empirical findings reveal that flexible working hours are highly valued by Generation Z, receiving the highest approval rating among the surveyed benefits. This indicates a strong preference for autonomy in managing work schedules, reflecting a shift towards work-life balance (*c.f.* Dabija at al., 2022) that accommodates personal and professional growth within a human-centric organization. Given this, HRM challenges involve implementing flexible work policies that support such autonomy while ensuring productivity and alignment with organizational goals. The most suitable leadership approach to meet these challenges is sustainable leadership (Liao, 2022; Salmah et al., 2024), as discussed in the theoretical part of the chapter, which promotes adaptability and responsiveness to employee needs in a human--centric perspective.

Private healthcare and a four-day work week also ranked highly in attractiveness for Generation Z. These benefits reflect an increased concern for well-being and efficiency at work, suggesting that this generation values both health security and intensive, yet concise, work periods. HRM activities and strategies should, therefore, consider enhancing health benefits and experimenting with condensed workweeks as part of an attractive benefits package in a human-centric focused organization. Sustainable leadership is essential in managing the expectations and logistics of a four-day workweek, ensuring that such a shift aligns with client demands and project timelines while maintaining a focus on the well-being of employees (*c.f.* Dabija at al., 2022).

The surveyed individuals represented Generation Z and its characteristics, as listed in the scientific literature, including high self-confidence, a drive for quick success, a focus on gaining benefits from employment, and personal development (*c.f.* Barhate and Dirani, 2022). The study found that they place a stronger emphasis on the organizational atmosphere and colleagues compared to their predecessors. Employers aiming to mitigate turnover among Generation Z will need to implement diverse benefit packages to address these needs effectively, HRM should focus on creating highly adaptable benefit structures that respond to the evolving demands of Generation Z. These could include customizable benefit options that allow employees to choose what best fits their personal and professional circumstances. Sustainable leadership should also emphasize fostering a supportive organizational atmosphere (*c.f.* Haromszeki, 2023) where collaboration and interpersonal relationships are prioritized (*c.f.* Liao, 2022), reinforcing the human-focused nature of the organization.

Despite their belief in their chances of success, the respondents from Generation Z exhibited uncertainty regarding practical skills, thus not seeing themselves in leadership roles.

This illustrates both their logical behavior and self-awareness, but also casts doubt on their declared self-confidence when faced with the verification of practical skills. Such a situation may indirectly contribute to an increased demand for personal development tools (*c.f.* Haromszeki, 2024). Implementing sustainable leadership practices in organizations may be a proposed solution for employers, as they appear attractive to contemporary employees, especially Generation Z, which prioritizes personal development, organizational climate, and a sense of the significance of their work (*c.f.* Pietroń-Pyszczek and Borowska, 2022). In this light, HRM activities and strategies should include comprehensive mentoring and coaching programs tailored to enhance practical skills and confidence among young employees (McDougall and Saarinen, 2024). Sustainable leadership should champion these initiatives by creating an environment that values continuous learning and feedback, based on employee performance appraisal (Stor, 2023b), thereby not only filling the skills gap but also empowering Generation Z employees to take on leadership roles within a human-focused organization.

The survey data indicated a significant preference for stability and a tranquil work environment, highlighting that, beyond flexible and health-related benefits, Generation Z employees seek secure and supportive workplace atmospheres. This expectation poses HRM challenges in creating environments that are not only flexible but also stable and peaceful. Sustainable leadership is crucial in developing and maintaining a workplace culture that promotes tranquility and security (*c.f.* Liao, 2022), which are essential for retaining young talent in a human-centric organization.

Finally, the empirical results suggest that while financial compensation is crucial, it is accompanied by a strong desire for personal and professional development opportunities. Generation Z's focus on development and progression suggests that HRM must integrate continuous learning and clear career pathways into their strategic planning (*c.f.* Barhate and Dirani, 2022). Innovative HRM practices are essential in this integration, employing cutting-edge approaches to talent management and development that resonate with the dynamic needs of Generation Z. Sustainable leadership plays a pivotal role in creating and sustaining a culture that values growth and development, ensuring that young employees see a long--term future within the company, aligning with the principles of a human-centric organization.

In summary, the IT sector in Poland faces the dual challenge of adapting to the unique needs of Generation Z by implementing flexible, health-conscious, and stable working conditions, while also fostering an environment that supports continuous personal and professional development through sustainable leadership practices. Innovative HRM practices are key to this adaptation, offering advanced strategies such as AI-driven HR analytics and agile performance management systems that are tailored to meet the evolving demands of a young workforce. The added emphasis on customizable benefit packages and comprehensive mentoring programs as recommended for HRM reflects a deep understanding of Generation Z's preferences for a flexible, supportive, and development-focused workplace. Sustainable leadership must now pivot towards fostering a culture that not only accommodates but also embraces the dynamism and values of a human-focused organization, enhancing both employee satisfaction and organizational competitiveness. By integrating these innovative HRM practices, IT companies

can enhance their attractiveness to emerging talents, thereby supporting their growth and sustainability in a competitive market. This holistic approach ensures that the activities and strategies align with the aspirations of young employees and the overarching goals of the organization, fostering a robust, innovative, and supportive workplace environment.

Funding

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