# Chapter 8 Navigating HRM Challenges in Post-Pandemic China: Multigenerational Workforce, Skill Gaps, and Emerging Strategies

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### ABSTRACT

Human resource management (HRM) in an aging society presents unique issues, and this chapter examines some of the most significant ones, such as labor shortages, skill gaps, and managing a workforce that spans generations. The global trend toward remote work, the increased emphasis on diversity, equity, and inclusion (DEI), and the need to keep employees engaged despite change all add layers of complexity to these problems. It goes on to explore unique HRM techniques to address these issues, with a particular emphasis on reimagining the work-life balance and building resilient organizational cultures. The chapter also emphasizes the novel chances that arose, giving readers crucial insights into the developing HRM scene in China.

### 1. INTRODUCTION

The global pandemic has altered the dynamics of the workplace in important ways, which has had an effect on human resource management (HRM) (Kalogiannidis, 2021). These shifts have presented new difficulties for China, which was already dealing with complicated workforce concerns as a result of its economic transition and demographic changes before the pandemic hit. These human resource management problems are more complicated now than they were before the pandemic, therefore they need immediate attention and new approaches.

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In particular, the pandemic has exacerbated worker shortages in areas that depend on a high level of expertise (Ardebili et al., 2021). Aging population and post-pandemic economic recovery have left many Chinese businesses with the challenge of a contracting labor pool. China's push toward a high-tech economy has, however, also exacerbated the country's chronic shortage of skilled workers. Businesses are suffering from a severe shortage of workers with relevant digital skills (Belitski et al., 2022). This gap between in-demand and accessible talents is a significant human resource management difficulty (Aysan, Kayani, & Kayani, 2020).

Prior to the pandemic, China's HRM landscape was already grappling with its own set of unique challenges. China's rapid economic development, urbanization, and demographic shifts, particularly the effects of the one-child policy, resulted in talent shortages in specific sectors and an aging workforce (Cui, Meng, & Lu, 2018). Alongside, there were cultural nuances like the strong influence of 'guanxi' (personal relationships) in hiring and promotions, and the traditional preference for stability over mobility in job choices. Moreover, with the influx of multinational companies in China, there was a juxtaposition of western management practices with indigenous Chinese business culture, sometimes leading to cultural misalignments. These pre-existing challenges set the stage, making the post-pandemic disruptions even more pronounced in the Chinese HRM context.

In the aftermath of the pandemic, the challenge of managing a workforce that spans multiple generations has also emerged. Companies nowadays must manage employees from a wide range of age groups, each with their own set of priorities, work habits, and expectations due to the gradual rise in the retirement age and the increased number of young people joining the workforce (Snell & Morris, 2022). In order to meet the needs of all employees, regardless of their age, and to encourage collaboration across generations, organizations must rethink their talent management, training, and benefits strategies.

The pandemic has accelerated the adoption of global trends like remote work in China's labor sector. As a result, businesses now have to face new difficulties, such as how to keep remote workers motivated and productive, how to facilitate open lines of communication, and how to redefine work-life balance. In addition, HRM in China is reevaluating its policies and practices to create a more welcoming environment for all employees in light of the recent emphasis on diversity, equity, and inclusion (DEI).

The HRM landscape in post-pandemic China is complex and difficult due to a number of interrelated issues that necessitate cautious maneuvering, novel solutions, and constant change. China's HRM challenges stand apart due to its distinct socio-cultural dynamics, rapid technological evolution, and the sheer scale of its workforce. Coupled with policies unique to its governance, like the one-child policy's aftermath and swift urbanization, China's HR landscape contends with issues not mirrored elsewhere. Clarifying these unique facets can elucidate the distinctive HRM challenges China faces compared to other nations.

Managing a workforce that spans several generations, labor shortages, and skill gaps are all factors that have had significant impacts on China's HRM landscape since the pandemic. To begin, there are advantages and disadvantages to a workforce that spans multiple generations. Workplaces in China currently include members of the Baby Boomer generation, Generation X, Millennials, and Generation Z as a result of the easing of the one-child policy and the raising of the retirement age (Zhang, Zhao, & Lin, 2021).

China announced a plan to gradually increase its statutory retirement age, which was part of its 14th Five-Year Plan (2021-2025). The specific plan was to be unveiled in stages, with details and timelines announced progressively. Historically, China's retirement age had been set at 60 for men and 55 for female white-collar workers, while female blue-collar workers could retire at 50 (Lei & Liu, 2018). Given the

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