Leading Millennial Differently: Are Recent Leadership Theories Still Relevant for Them?

Hery Kustanto[1], Anis Eliyana[2], and Siti Nurjanah[1]

[1]Universitas Negeri Jakarta, Indonesia
[2]Universitas Airlangga, Indonesia

Abstract. Millennial Generation inevitably will be the biggest amount among the employees in the near future in the workplace. Practicioners and researchers have admitted that they have differences from the previous generation. The differences may vary in many aspects: from how they assume the work until how they bring personalities and attitude in the work life. This condition logically will affect leadership in organization. Consequently, leadership theories need to adapt with this situation in order to maximize resources utilization effectively. In this paper, we will explore five most welknown leadership theories in relationship with millennial generation to understand the changes that may lead to reconsider different approaches in leading them.

Keywords: Millennial · Generation Gap · Leadership Theories

1 Introduction

Millennials are those who were born between 1982 and 1999 (Twenge and Campbell, 2008) and they also commonly named as GenY, NGen and GenMe (Twenge, 2010). Millennials are the largest number in the workforce as of nearly 2015 (Brownstone, 2014). Therefore organization must anticipate the changes in order to be able to utilize them efficiently and effectively since millennials are different from their attitude and values (Lyons and Kuron, 2014) organization. Therefore differences among generations may call for adaptations to our our current leadership theories (Anderson et al., 2016).

Leadership style can have important impact on variables to employees such as employee job satisfaction, motivation and team performance (e.g., judge and Picolo, 2004). Furthermore, studies found that employee-supervisor relationship linked to organizational commitment and decreased intention turn over (e.g., Han and Jekel, 2011).

Moreover for millennial, they are more likely to value working for supervisors they like than previous generations (Twenge, 2010). By considering the changes of millennial in many aspects especially the way how they face the leader - follower relationship in the workplace, therefore it is needed to observe and analise present leadership theories by reevaluating our ideas about leadership in the context of these generational differences (Lyons and Kuron, 2014).

2 Discussion

2.1 Generation Gap

It is common that each generation has its own value and character in the workplace. It is also common for people to hold unfavorable perceptions of employees from younger generation (Deal, Atman and Rogelberg, 2010). The differences may be in the form of opinion and values. Millennials are treated as more individualistic people (Twenge, 2010). Millennials are less altruistic at work than earlier generations (Lyons, Duxburry and Higgins, 2005). The way they behave in the workplace is also different. Work centrality is becoming less and less important. Among three generations, millennials are being the least (Twenge and Kaser, 2013).

2.2 Leadership Gap

It is already widely known that a successful leadership surely comes from leader who could lead effectively and efficiently. And in order to lead successfully, managers must utilize leadership styles and behaviors that match the situation and the needs and abilities of employees they are trying to influence (e.g. Fiedler and Gracia, 1987; Hersey and Blancard, 1977; House and Mitchell, 1974; Shamir and Howell, 1999; Vroom and Yetton, 1973).

The paper explores five (5) major leadership theories, namely : Transformational Leadership, Ethical Leadership, Authentic Leadership, Leader-Member Exchange, Information Processing. Each of the theories has its own approach in its application in an organization. Yet with the differences in personalities, values of millennials in the workplace may affect leadership styles to approach to them.

In table 1 (Anderson et al., 2016) we herewith highlight the summary of 5 leadership theories in relationship with generational change.

Table 1. Summary of influences of generational changes by leadership theory.

Generational change		Theoretical perspective				
Category	Change	Transformational leadership	Information processing	Leader-member exchange	Authentic leadership	Ethical leadership
Individual differences	Increased individualism	Difficult to encourage collective needs over self-interests (P1)	Differing dispositions lead to different attributions (P4)	Difficult to engage in high-quality LMX (P7)	Difficult to achieve value congruence due to desire for individualism (P10)	Difficult to reach consensus on ethicality due to individualism (P13)
Work values & attitudes	Decreased work centrality, increased focus on work-life balance	Less interested in the vision provided (P2)	Less likely to have leadership cognitions that are tied closely to organizational settings (P5)	More interested in work-life balance than in engaging in LMX (P8)	May be less interested in leaders with work values and more interested in leaders with leisure values (P11)	See morality differently and work situations as less morally intense (P14)
	More extrinsically motivated	Less motivated by idealized influence and inspirational motivation (P3)	More likely to attribute leadership as a function of providing rewards (P6)	Too focused on extrinsic rewards to invest the time to cultivate high quality LMX (P9)	Less motivated by the intrinsic outcomes that drive followership development (P12)	More likely to choose rewards over ethicality (P15)
	Increased entitlement	Less interested in being led by others (P16)	Less interested in being led by others (P16)	Less interested in being led by others (P16)	Less interested in being led by others (P16)	Less interested in being led by others (P16)

2.3 Transformational Leadership

Preposition: Transformational leadership becomes less effective specifically in achieving organizational goal since millenials tend to like more on achieving individual goal.

Main character of Tranformaional Leadership is on inspirational leader who motivate employees through the achievement of group or organiztional goals (Burns, 1978). There are 4 factors how Tranformationa Leadership work ; *Idealized Influence, Inspirational Motivation, Intelectual Stimulation, Individual Consideration* (Bass and Avolio, 1994).

If we take a look at the characteristics of tranformational leadership, It seems that this theory may be ideal for leading millennial. Researchers also found that millennial crave personal attention and feedback, and thus are likely to enjoy the personalized attention that transformational leadership offer (Graen and Schiemman, 2013). Unfortunately millennials are also more individualistic and less interested in working together to achieve common goals (Twinge,et al, 2010). They want to stand out as individuals and achieve their own goals (Twenge, 2010). In this context there is a contrarary for a leader; in one side millenials like to have feedback that the leaders will do so as a part of his motivation to achieve the common goals. On the other side millenials like to show more individual style and pursue more on their own goals (table 1). Although transformatinal leadership may fulfill employees' desires for personal development through individual consideration, the model does not expalin how managers can translate individual employee performance to oragnizational performance when employees are more concerned with their own interests (Anderson et al., 2016).

2.4 Ethical Leadership

Proposition: Since today's employees are more individualistic, they likely to see perceptions of morally intensity in different way, making them to have less care for guidance to ethical leaders in decision making.

Ethical leadership, comes from an understanding of both ethics and leadership. It could be a tool to explain how leaders behave ethically and promote moral behavior amongst their followers (Brown and Treviño, 2006). Ethical leadership was driven largely by corporate scandals. They highlighted the need to understand not just how leaders should behave, but also how their behaviors influence ethical decision making in organizations (Brown, Treviño, and Harrison, 2005). The establishment of an ethical organizational culture, which facilitates discussion of ethical topics, highlights the importance of ethical decisions, and rewards appropriate behavior, can be developed and perpetuated (Brown et al., 2005; Brown and Treviño, 2006). Yet the challenges of promoting ethical behavior is that employees are not always aware that they are facing an ethical dilemma (Trevino and Brown, 2004). When employees become morally aware, they are more likely to look to their leaders for guidance (Brown and Treviño, 2006). But increased individualism amongst employees especially millennial generation may lead to less social consensus on ethical norms, causing employees may have dissimilar perceptions of moral intensity in the same situations. For example, an

older employee may believe that it is unethical of an organization to pay for birth control but a younger employee may believe that organizations whose insurances do not cover abortions or birth control are violating basic human rights (Anderson et al., 2016).

2.5 Authentic Leadership

Proposition: Because millennials are more individualistic, it is hard to achieve the value congruence needed by authentic leadership.

Authentic leadership emerged from the positive organizational behavior movement (e.g., Cameron, Dutton, and Quinn, 2003; Nelson and Cooper, 2007) to provide deeper investigation into the beneficial aspects of organizational life. In the execution, authentic leadership is similar to Kernis' concept of authentic functioning (Kernis & Goldman, 2006) as is based on being true to one's self and is centered on self awareness and attitude-behavior congruence. Researchers consider that the development of authentic leadership to emerge from this idea of self-awareness and internalized moral compass (Shamir and Eilam, 2005).

According to Avolio and Gardner's model (2005), authentic leaders inspire followers to examine their own beliefs and values. When followers hold beliefs that are congruent with those of their leaders, they will identify with their leaders and will seek to be like them. This is really an interesting paradox for millennial leaders because this generation places a high value on individualism (Twenge and Campbell, 2012), they may not conform to the values of another, even a trusted leader. Consequently employees who hold high opinions of their own leadership abilities may be less likely to see the importance of coming together with authentic leader (Judge et al, 2006).

2.6 Leader Member Exchange

Proposition: since work pattern of millennial generation based on individualistic style, leaders will be difficult to get employee's engagement in high quality leader member exchange.

Leader Member Exchange (LMX) is based on social exchange (Blau, 1964), which suggests that when leaders provide discretionary resources to their followers, the later will reciprocate in kind. LMX requires mutual effort from both parties (Maslyn and Uhl-Bien, 2001). These exchange relationships are frequently categorized as either high quality, such that the employee is placed in the leader's in-group, or low quality, such that the employee is placed in the leader's out-group (Dansereau et el., 1975). Followers in the in-group receive additional resources, access to information and are treated in a more collegial manner (Dansereau et el., 1975; Schresheim, Castro, Zhou, and Yammarino, 2001). Conversely, some employees may be content with a low-quality relationship or prefer not to extend beyond the required tasks (Maslyn and Uhl-Bien, 2001). On the contrary millennials are focused on more on individual accomplishments than employees of previous generation (Twenge and Foster, 2010). Leaders who have operated with an LMX style are unlikely to reciprocate with more self-interested employees because these employees are not willing to give anything

back. This will ultimately lead to low-quality LMX relationship which result in less favorable outcomes to the employee and organization with one excetion – networking (Granovetter, 2005). One of LMX theory assumptions is that leaders will be able to engage employees in not only the work at ahand, but also in going beyond the formal job description to help the leader (Graen and Schiemann, 1978). But today's employees are likely to resist this higher level of engagement because it will require them to invest more time and effort in work. In fact, millennial employees acknowledge that their perceptions of work life balance differ from their supervisors (Gilley, Waddell, Hall, Jackson, and Gilley, 2015). Managers who are accustomed to achieving outstanding performance through high-quality LMX relationship may be disappointed to find that millennials value maintaining work life balance more than supervisor favor (Anderson et al., 2016).

2.7 Information Processing

Proposition: Because of millennials' individualism, they hold different cognition about leadership from the prior generation.

The basic tenants of an information processing perspective posit that leadership exists in a social context (Pfeffer, 1977). The information processing perspective has grown from recognition that the attributions which followers make about their leaders are an integral part of the phenomenological experience of leadership. Thus, leadership is conferred only through the perceptions of others, And leadership is not understood through leader behaviors but rather than through followers' perceptions of leadership (House and Aditya, 1997). Information processing models of leadership also indicate that situational factors influence attributions of leadership (e.g., Lord and Smith, 1983; Lord, Brown, Harvey, and Hall, 2001). Lord et al, (1984) found that leadership prototypes vary across environment contexts. This suggest that differences in the ways individuals perceive their surroundings are also likely to shape the attributions they make about leaders, Because work is less central to the lives of millennials, organizational settings are likely to be imbued with less meaning for these employees. Since today's employees view places of employment differently, they may also see leadership attributions differently (Anderson, Griffith, Buckley, 2016). Stated also by (Hansen and Leuty, 2012; Twenge, 2010) that the work motivations of the millennial generation are generally more extrinsically focused on material outcomes, such as compensation, than previous generation. Millennials are likely to be sensitive to the receipt of these rewards. As a result their attributions of leadership may be highly dependent upon their perceptions of their leaders' ability to award raises, promotions, etc.

3 Recommendation

There are still more potential adaptations of how to apply established leadership theory in new ways, researchers suggest several ways to adjust practices in order to avoid leadership pitfalls and leverage the millennial generation potential. Millennial

generations entering the workforce are often still figuring out which job characteristics are the most appealing to them (Kuron, Lyons, Schweitzer, and Ng, 2015). It is also important to offer millennials earlier and objective information about compensation and career paths in the organization as this generation appears to have unrealistic expectations about how quickly they will move up the corporate leader and earn pay increases (Ng et al., 2010).

One of the strategies to lead millennials successfully is to make an awareness of the attributions because they have different backgrounds and values. For example, managers of previous generations may be tempted to interpret millennials' desire for more information and feedback as a sign of disrespect (Myers and Sadaghiani, 2010). Similarly, when millennials show their preference to work to live and not live to work, managers may mistakenly attribute this attitude to laziness or lack of initiative.

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