New Rules of Leadership: Gen Y Managers

Pritam Bhadade, Kavita Patil, Kanchan Tolani

Abstract: Generation Y also known as Millennials is a unique generation whose behavior varies a lot from the previous generations. Being the largest demographic group in India, Generation Y is influencing and dominating the workplaces to a large extent. These young employees have already started to acquire leadership positions in the corporate world. Generation Y has altogether different expectations from work than Generation X. As this generation will be determining the future of leadership, understanding their behavior as managers is very essential. This article studies the new rules of management put by millennial managers. It focuses on understanding the traits that make millennial managers different. It will prepare the companies to meet the challenges, which the future leadership may pose at work. Major findings reveal that millennial managers prefer participative leadership; they treat their employees with care and concern and prefer flexibility at work. They like to change policies and methods that no more add value at work.

Keywords: Generation, Millennials, Managers, Leadership.

I. INTRODUCTION

Generation Y also known as Millennials (Howe & Strauss, 2003) is a unique generation whose behavior is very different from that of previous generation (Quail, et al., 2012). Born from 1978 to 1994, (Sheahan, 2005) Generation Y individuals are smart, positive, confident and highly energetic (Armour, 2005).

The way Generation Y looks at work is very different from that of previous generations. As more Generation X employees are retiring, more of Millennials are entering the workforce (Reizenwitz & Iyer, 2009). Due to this rapid changes occurring are in the workplaces, organizations now need to be proactive to cope with these modifications.

Also out of the total population of India, Generation Y constitutes more than 400 million which makes them the largest demographic group of the country. Thus it becomes necessary for the policy makers to study this generation for better decision making (Tolani, Bhadade, & Sao, 2018). These young employees have already started to acquire leadership positions in the corporate world of India. As this generation has very different expectations from work and is going to determine the future of leadership, understanding their behavior as managers is very essential. In this study an attempt have been made to study the new rules of management put by millennial managers.

Generation Y individuals are curious and always keep questioning and enquiring things around them. They like to search for logic behind every policy and decision (Rajput, Marwah, Balli, & Gupta, 2013). Thus as managers, they are ready to change and challenge any policy or decision that doesn’t not add any value and are always willing to change and adapt to new things. Also this generation has very high expectations from their work place as compared to the previous generations (De Hauw & De Vos, 2010)(Sao & Tolani, 2018)

Generation Y has grown up in the age of social media. Social media and mass communication has a great effect on the behavior of Generation Y (Phelps, 1999). Thus they give due importance to the social faces of place of work. This generation is very trend conscious and also wants to be updated (Noble, Haytko, & Phillips, 2009). Thus this generation is very success driven and constantly upgrades their working styles and skills. As leaders, they are very image conscious and do not wish to be called as typical managers but would want to introduce unique polices and working styles and methods.

Many studies reveal that Generation Y individuals prefer working in teams and also find working in groups more interesting (Gursoy, Maier, & Chi, 2008). As compared to the previous generations, Generation Y individuals have high social needs and they like performing as a team (Jones & Czerniewicz, 2010). They put a lot of emphasis on the social features of job and like to have friends at work (Ng, Schweitzer, & Lyons, 2010). Also they give due importance to interpersonal relationships at work. Thus as leaders they prefer to have consultative decision making. Millennials prefer flat organization structures. They thus follow participative leadership (Tolani, 2019).

Generation Y individuals believe that care and concern for employees is very essential to achieve effective performance at work (Hershatter & Epstein, 2010). They like to maintain a good balance between their work and personal life. They put high value on self-fulfillment. Unlike the previous generation, Generation Y doesn’t say that having a successful career is being successful. Their definition of success is very different. They like travelling, enjoying their life and having a good personal life along with a good career. Thus as managers they give a lot of importance to flexibility at workplace and ensure that their employees are able to achieve work life balance and make sure that their employees are happy, productive and engaged (Tolani K., 2019). Millennials use a wide variety of media on a regular basis. They are the most technologically updated generation as they have been using Computers, Internet, Mobile phones since childhood (Lissitsa & Kol, 2016). They believe in using technologies and tools which makes their work easy and enable them to get things done fast.
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Though this generation prefers convenience they are not laid back individuals, they in fact are very success driven and will never settle for less. This generation has seen brutal recession, huge economic downturns, dot com bubble burst and has worked really hard to secure a managerial position and are definitely not willing to underperform and are not ready to settle for less and they except the same amount of perfection from their subordinates. It would be wrong to judge their flexible approach as an easy going approach. Thus it can be said that Generation Y managers are going to exhibit altogether different behaviors at work when compared to the previous generations. Thus understanding them and their attitudes as leaders is very essential to determine the future of leadership as this generation is setting new rules of management across all the sectors of India.

II. RESEARCH METHODOLOGY

This study is undertaken to understand the characteristics and qualities that make Generation Y managers different from the previous generation managers. The study is both qualitative and quantitative in nature. The publications and past literature on Millennials was reviewed, analyzed and organized to understand the characteristics of Generation Y managers. The primary data for the study was collected using structured questionnaire. Five point Likert scale was used to capture responses through 28 statements. The questionnaire used for data collection was based on four parameters, which were identified with the help of literature review. The four parameters are as follows:
1) Leadership style,
2) Decision making style,
3) Communication and
4) Work values.

The questionnaire was distributed to 250 respondents but 203 valid respondents were considered for the study. The data collected was analyzed using percentage, Z score and ANOVA.

III. RESEARCH IMPLICATIONS

This study focuses on finding out as to what qualities and characteristics of Generation Y managers’ makes them different from that of generation X managers and other previous generations. Generation Y is manifestly different in several behaviors from that the previous generations. It is necessary that policy makers meet the different needs of this generation (Morton, 2002). Also as these young employees have started to acquire managerial roles everywhere in India, they will be the ones who will determine the future of leadership. This generation will be setting the new rules of management. This study will help the policy makers in better understanding the behaviors of this generation managers and, will allow them to make suitable strategies.

IV. FUTURE SCOPE OF RESEARCH

The study focuses on understanding the characteristics of Generation Y managers. But the study is restricted only to the managers of central India thus it cannot be generalized. Future studies can be carried out on the Generation Y managers of other parts of India. Intercountry comparison studies can also be conducted. Also further studies can be made to compare the working style of Generation X, Y and Z. Qualitative study (Focus group study or interviews) on Generation Y can be done to determine a theoretical framework on the characteristics of Generation Y managers. Intra-generational studies on Generation Y can also be conducted.

V. DATA ANALYSIS

The data collected from 203 respondents i.e. Generation Y managers is analyzed using percentage, Z score and ANOVA. The collected data was analyzed parameter wise.

1) Decision Making:

Three questions were asked under decision making parameter. The questions are termed as DM1, DM2 and DM3 and there corresponding z score is calculated as shown in table given below. The DM1 and DM3 are significant.

<table>
<thead>
<tr>
<th>Decision Making (DM)</th>
<th>Mean</th>
<th>LCV</th>
<th>UCV</th>
</tr>
</thead>
<tbody>
<tr>
<td>DM1</td>
<td>2.82</td>
<td>9</td>
<td>3.1476</td>
</tr>
<tr>
<td>DM2</td>
<td>2.89285</td>
<td>7</td>
<td>3.1346</td>
</tr>
<tr>
<td>DM3</td>
<td>3.85185</td>
<td>2</td>
<td>3.1041</td>
</tr>
</tbody>
</table>

![Fig. 1 DM1](image)
As seen from above pie charts the Generation Y prefer to use new and creative ways of idea for decision making. Also they follow consultative decision making.

2) Communication:
Three questions were asked under communication parameter. The questions are termed as C1, C2 and C3 and there corresponding z score is calculated as shown in table given below. The C1, C2 and C3 are significant.

<table>
<thead>
<tr>
<th>Communication (C)</th>
<th>Mean</th>
<th>LCV</th>
<th>UCV</th>
</tr>
</thead>
<tbody>
<tr>
<td>I do not like it when my employee comes and shares his/her ideas or views with me directly, I would rather discuss it in a formal meeting (C1)</td>
<td>2.076923</td>
<td>2.862464</td>
<td>3.137536</td>
</tr>
<tr>
<td>I encourage debate, like to bring disagreements into the open, addresses and resolves conflict early (C2)</td>
<td>3.857143</td>
<td>2.879347</td>
<td>3.120653</td>
</tr>
<tr>
<td>Convenience while making work related communication is important irrespective of</td>
<td>3.892857</td>
<td>2.870521</td>
<td>3.129479</td>
</tr>
</tbody>
</table>
As seen from above pie charts, Generation Y are fine about discussing ideas with employees informally, encourages debate, like to bring disagreements into the open, addresses and resolves conflict early. For this generation convenience in communicating is important irrespective of the mode of communication.

The preferred mode of communication of Generation Y is face to face dialogue for decision making as shown in figure 7.

3) Work Values:
A set of questions were asked under work values parameter. The questions are termed as wv1, wv2, wv3, wv4, wv5, wv6, wv7 and wv8 and there corresponding z score is calculated as shown in table given below. The wv1, wv2, wv3, wv4, wv5, wv6, wv7 and wv8 are significant.

Table- III: Work Values (WV)

<table>
<thead>
<tr>
<th>Work Values (WV)</th>
<th>Mean</th>
<th>LCV</th>
<th>UCV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting deadlines is more important than health and wellness of employees. (WV1)</td>
<td>2.17857</td>
<td>2.84778</td>
<td>3.15221</td>
</tr>
<tr>
<td>I set high standards for work (colleagues and self), and believe in effective performance. (WV2)</td>
<td>3.75</td>
<td>2.86903</td>
<td>3.13097</td>
</tr>
<tr>
<td>I prefer to set short term goals for my department than doing long term planning. (WV3)</td>
<td>3.39285</td>
<td>2.88735</td>
<td>3.11264</td>
</tr>
<tr>
<td>I am not bothered as to when my employees come to work and when they leave. I am only bothered about the completion of work on time. (WV4)</td>
<td>3.57142</td>
<td>2.85998</td>
<td>3.14001</td>
</tr>
<tr>
<td>Once I allocate any job to my employees, I give them complete flexibility to decide how they wish to complete that job. (WV5)</td>
<td>3.65384</td>
<td>2.89919</td>
<td>3.10080</td>
</tr>
<tr>
<td>I only follow those rules that add value to my work. (WV6)</td>
<td>3.76923</td>
<td>2.89657</td>
<td>3.10342</td>
</tr>
</tbody>
</table>
From the above analysis, it was identified that Generation Y managers give due importance to the health and wellness of their employees. They like to set high standards for work (colleagues and self). While formulating work goals, they prefer short term planning. It was seen that Generation Y managers are not bothered as to when their employees come to work and when they leave. They are only bothered about the completion of work on time. Also they give their employees complete flexibility to decide how they wish to complete their work. Being a curious generation, they only follow those rules that add value to their work and are ready to change policies which are irrelevant. They do not believe in separating work and life and prefer work life integration over work life balance.

4) Leadership Style:
The Generation Y was analyzed for three leadership style i.e. Authoritarian, Democratic and Laissez-faire leadership style by calculating the responses score for each leadership styles it was observed that Generation Y follows democratic leadership style.

Analysis of variance (ANOVA)
The ANOVA is used to compare responses of various parameters for different age groups. The parameters under the study were Decision making, Communication and work values. The age group is categorized into three groups i.e. 25-30, 31-35 and 36-40. These three age groups are compared with respect to different factors using ANOVA. The significance value of different factors is presented in given below table.

Table- IV: Comparison of different age group

<table>
<thead>
<tr>
<th>Factors</th>
<th>Significance value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decision Making</td>
<td>0.047</td>
</tr>
<tr>
<td></td>
<td>Prefer to use tried and tested methods than using new and creative ways.</td>
</tr>
<tr>
<td></td>
<td>Decisions solely based on intuition.</td>
</tr>
<tr>
<td>Communication</td>
<td>0.015</td>
</tr>
<tr>
<td></td>
<td>Discuss ideas or views informally rather than in formal meeting.</td>
</tr>
</tbody>
</table>
As indicated by the table, there is significant difference in decision making, communication and work values of the three age groups within Generation Y for the above mentioned statements.

VI. FINDINGS AND CONCLUSION

It was seen that Generation Y individuals are curious beings and like to have logic behind everything thus are ready to change and challenge old ways of doing work and will get rid of policies that no more make any sense. This generation put a lot of emphasis on the social features of job (Ng, Schwitze, & Lyons, 2010) and believes in marinating good interpersonal relationship at work, also they prefer joint decisions made together with other people. Thus as managers they carry out consultative decision making.

Convenience while making work related communication is important irrespective of whether it is done formally or informally. This generation believes in maintaining low power distance and thus employees are encouraged to readily interact and discuss anything with the manager. Generation Y managers like to bring disagreements into the open, confronts and solves conflict early. This generation is a tech savvy generation and is well versed with technology but in spite of this they prefer their preferred mode of work related communication with colleagues and subordinates is face to face dialogue. Millennials prefer work life integration over work life balance, they don’t like separating work and life instead they believe that one should concentrate on balancing each so well that work gets done anywhere, anytime. This is why they also give their subordinates complete flexibility to complete their work. They are more output driven and are less bothered about how a task is completed. They are only concerned about the effective completion of work.

It was also found in the study that majority of Generation Y managers follow a democratic leadership style. Generation Y individuals believe that happy employees are productive employees thus as managers they ensure that their employee are happy, engaged and satisfied. They consider health and wellness of their employees as utmost important for the success of their enterprise.

This generation has seen various economic downturns and recessions and has worked very hard to get to this position thus they ensure that work standards are met with perfection and expect the same with their employees as they never settle for less. It was also found in the study that there is significant difference in decision making, communication and work values of the three age groups within Generation Y.

REFERENCES


Addressing and resolves conflict early 0.000
Convenience while making work related communication is important 0.014
Meeting deadlines is more important than health and wellness of employees. 0.000
Set high standards for work 0.000
Prefer to set short term goals for my department 0.024
Bothered about the completion of work on time. 0.000
Give complete flexibility to employees 0.000
AUTHORS PROFILE

Prof. Pritam Bhadade is currently working as an Assistant Professor at Department of Management Technology, Shri Ramdeobaba College of Engineering and Management. He has completed his degree in Engineering, MBA in Finance from Rashtrasant Tukdoji Maharaj Nagpur University. His areas of interest are Corporate Finance, Behaviour Finance and Capital Market. He has more than eight plus years of teaching and research experience.

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Prof. Kanchan Tolani is currently working as an assistant professor in Shri Ramdeobaba College of Engineering and Management, I have completed MBA in Human Resource and MA in Psychology. I am pursuing PhD in Human Resource from RTMNU. I was a recipient of Gold Medal for securing 1st position in MBA, (CGPA 9.9). I have also completed French language proficiency course with grade A. I have a total teaching experience of 4 years. I was awarded as Competent Communicator & Competent Leader in the Toastmasters International Communication program 2012. I was awarded as “The best student of the college” in year 2013. (BBA, GHRCCST). I initiated a Public Speaking Club named as Luminary for management students in Shri Ramdeobaba College of Engineering and Management, Nagpur to improve their public speaking skills and confidence. My areas of expertise are human resource, organization behavior, and cognitive psychology, interpersonal communication. My previous researches have majorly focused on topics such as Generation, Women in workplace and Women.