



Department of Business and Management  
Organizational Design

International Master of Science in Management  
Double Degree Program

Could a leadership philosophy enhance the wellbeing of millennials at work thus making the organization more resilient?

Supervisor

Luca Giustiniano

Samantha Sim

Candidate

Kristóf Papp

711701

Co-Supervisor

Tommaso Federici

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## **Acknowledgement**

I would like to thank my thesis supervisors prof. Luca Giustiniano at Luiss Guido Carli, prof. Samantha Sim at Nova SBE and prof. Tommaso Federici at Luiss Guido Carli for supporting me to successfully finish my thesis in the limited timeframe. I am especially grateful for prof. Giustiniano for being open when I was looking for the right topic and for prof. Sim provide an enormous help in the quantitative analysis. Without their contribution and input I would not have been able to find and explore the topic that is so close to my heart by now.

I would like to express my gratitude to my loved ones for providing me unfailing support and continuous encouragement through the process of researching and writing this thesis. Their unquestionable patience and assistance helped me take the challenges even in the times of high uncertainty. This accomplishment would not have been possible without them. Thank you.

Kristóf Papp

## Introduction

It is not unfamiliar for the humankind to call out on the younger generations. Throughout the history several authors and publicist complained about how youth is too confident, or too egoistic. Aristotle once wrote in Rhetoric the following: “[Young people] are high-minded because they have not yet been humbled by life, nor have they experienced the force of circumstances.” and “They think they know everything, and are always quite sure about it.”(Ruggeri, 2017) It is not difficult to find articles nowadays that name millennials the reason for the upcoming doomsday. In most of the cases the perceived reason for that is the lack of work ethics and stamina. As a millennial it is rather challenging to face these biased criticisms, so I decided to explore this question a bit more thoroughly.

In the last couple of decades, we have seen a shift in leadership styles. Organizations are trying to adapt the most effective and efficient methods to stay alive. In the 21<sup>st</sup> century it is essential to see that production is not the only aspect of the survival. Companies need to provide the proper environment for their employees so they can feel valued and they can create attachment towards the company. According to some researchers, for employees' loyalty is not that important anymore as it was before. To attract and to keep employees, leadership plays a key role, leadership can guarantee the development of the employees the proper environment and as a result improve their wellbeing at the workplace

My research question that I try to answer in every possible aspect is the following: “*Could a leadership philosophy enhance the wellbeing of millennials at work thus making the organization more resilient?*” To be able to answer this question we have to explore the meaning of organizational resilience, we have to go through the different forms of leadership, we have to define wellbeing and finally we need to identify the generations and explain what we mean by millennials.

First of all, we see how organizational resilience works, what are the main angles of it, what defines it, how we can improve it, or what can affect it badly. Secondly, we see what leadership means, or is it possible to define it at all. We take a look at how leadership philosophes have changed throughout the history and what are the challenges of leadership studies nowadays. The next topic that we discover is wellbeing. We try to focus on those aspects there are mainly related to workplace, or those issues that might occur your while working. The next part of the pieces is going to present my quantitative analysis. In this thesis I am trying to explore two main hypotheses. First of all, *Millennials prefer leadership styles that promote leaders working closely with their followers through honest and trusted relationships such as servant leadership to traditional leadership philosophies.* Secondly *Millennials have a higher wellbeing at work when they are experiencing servant leadership compared to traditional leadership styles.* After analyzing the results and presenting the findings, I raise some questions that might worth to explore in the future.

With this thesis I aim to give an overview about the relation between leadership, wellbeing and organizational resilience. This is done by analyzing already existing studies, professional literature and conducting the before mentioned quantitative research. As a result, the thesis can contribute to the improvement of the wellbeing of millennials at the workplace thus making the organization more resilient. This can be achieved by creating a safe space, an environment that is able to foster problem solving and crisis

management when shocks and stresses are happening. If the leadership is not enhancing the development of employees and it is not providing possibilities for improvement the company might face situations like the frog in the boiling water, or the mussels syndrome. Our world is rapidly changing. 2020 is challenging all of us and point out the importance of resilience and the crucial role of well-defined leadership. Without these capabilities our ship might sink with no captain on board. This can happen on micro and macro level as well. The world quarantined businesses will need to evolve and adapt to the new normal. This can be successful only if no one is left behind and everyone's need are taken into account. It is not possible to divide the society into groups like younger or older. People need to work together but maybe people who are younger are different followers and need a different leadership. This paper will try to put this question under a microscope and will try to answer whether younger generation require a different leadership style as the traditional one and if yes how does that impact their wellbeing.

# Chapter 1

## 1.1 Resilience

First of all, we have to define resilience. Like many of the definitions we are dealing with, resilience has different meaning for everyone from a different background. Resilience was originally studied in ecology. The aim was to discover systems that are defecting due to different circumstances (Carden et al., 2018). We can also experience on our own skin that the environment around us is constantly changing, just think about climate change, or other challenges nowadays. As we are living in bigger and bigger cities, we are facing new barriers and opportunities. The cities have to provide a space to live, to work and to develop ourselves. In a way a city is an ecosystem, thus it should have a kind of resilience. Urban resilience is defined the following way by the 100RC project: “the capacity of individuals, communities, institutions, businesses, and systems within a city to survive, adapt, and grow no matter what kinds of chronic stresses and acute shocks they experience” (Spaans & Waterhout, 2017). When it comes to the dictionaries, Cambridge English Dictionary states that resilience is “the ability to be happy, successful, etc. again after something difficult, or bad has happened”. Glenn E. Richardson (2002) in his study, called *The Metatheory of Resilience and Resiliency* (2002), defined resiliency as “the process of coping with stressors, adversity, change, or opportunity in a manner that results in the identification, fortification, and enrichment of protective factors” (Richardson, 2002). We can see that there are common aspects, that could help us to work on a universal definition. Resilience is the ability to respond to adversity, in a manner that it actually helps the entity to evolve. This ability is crucial for everyone and everything. However, sometimes it is easy to mix it up with other concepts. Although concepts like adaptability, flexibility and agility are somewhat similar to resilience and sometimes they are actually part of being resilient, none of these overlaps the whole concept of resilience (Lengnick-Hall et al., 2011). Let's take adaptability. Adaptability is one of the crucial parts of resilience, when the system is able to be re-establish a fit state within the new environment. Flexibility is crucial when it comes to real time adjustments and actions. I can also mention agility, which is the capacity, the speed to change in this non-constant environment (Lengnick-Hall et al., 2011).

Resiliency	Agility
	Flexibility
	Improvisation
	Adaptability
	Coping
	Recovery
	Healing
	Grit
	Thriving

*Table 1 Resiliency and related constructs based on Giustiniano, et al. (2018)*

Resilience can be adaptive and proactive as well, depending on the actions, and the constructs involved during the process (Giustiniano et al., 2018). These concepts are based on the reaction of an organization, or an individual to the adversity. The methods, the timing and the stakeholders involved are all defining parts. When a system is able to absorb and transform in order to change, we are talking about adaptive resilience. Proactive resilience means that one is ready to use the existing knowledge and tackle unexpected events. This way the actions taken are going to contribute to the overall learning and implementations of organizational, team and individual growth (Giustiniano et al., 2018).

We are living in a turbulent life. We see that different challenges, shocks and stresses are influencing everything that surrounds us. Resiliency is inevitable to be able to create a system, that supports the growth. As we need this in our personal life, we need it in the life of different companies as well. But a company is made out of several interconnected entities. Resilience can be present on an individual level, on a team level and on a company level too. Moreover, even if it is working on individual, or on team level, it does not necessarily mean it is working on organizational level as well (Giustiniano et al., 2018).

### **1.1.1 Individual resilience**

The core of the organizational resilience is the eagerness to tackle the uncertainty and complexity that companies are facing. Following this logic, when we are trying to improve our own resilience, we are trying to make us prepared for the shocks and stresses we might face during our life. On a personal scale resilience is connected to health, wellbeing, coping mechanisms, stress management and higher achievements. Based on several studies we can see that resilience is a skill that can be improved through several methods, or techniques (Giustiniano et al., 2018). If we want to improve our own resilience, we have to be able to observe our environment and we need to be ready for unexpected situations. According to Davis-Laack (2014) there are seven things resilient employees are doing better, or differently. First of all, they develop high quality connections at the workplace, that helps to create a better network and to gain more support. Secondly, they manage stress and avoid burnout, which means they might stay energized and enthusiastic towards their job. Employees also reveal their real selves meaning that they are able to express their authentic version, their strengths and their values. As a result, they are also able to grow their grit. This refers to their capacity of reaching long-term goals by enhancing passion. Davis-Laack (2014) names three more aspects that is improved thanks to the resilience of employees. They stay inspired, they have mental toughness and flexibility, and finally they manage changes and setbacks better (Davis-Laack, 2014). The ARS-30 scale divides the individual resilience into three main groups. First of all, perseverance, secondly for example through reflective and adaptive help seeking and last but not least negative affect and emotional response. In these categories capacities are included such as hard work, reflecting on strengths and weaknesses and anxiety (Cassidy, 2016). Individual resilience is the foundation for creating team resilience and organizational resilience. On each level resilience can be learnt and built. Besides mental health being it has been proved that individual resilience contributes to a better work performance increases in employability and hence networking skills (Koerber et al., 2018). There are several ways to improve our resilience one of them for example coaching. In this case for



example at the workplace it is crucial for a leader to provide positive circumstances to help. It always has to be based on compassion, respect and positive interactions (Giustiniano et al., 2018).

### **1.1.2 Team resilience**

In the life of an organization teams are essential. These are crucial elements of the overall structures. Resilient teams and resilient organizations are going hand in hand, although they are not exclusive. This scheme is very much similar to the individual level, the recipe is the following: there is an ongoing system which experiences a sudden shock, or the presence of a negative stress, and the entity creates an answer to these events. These can create an environment where individuals are able to react better, to give a more potent reply (Vogus & Sutcliffe, 2007). A resilient team is expected to perform better in the face of adversity, support its members and improve the overall performance. Teams are stronger because each of the individuals are contributing to the learning and development processes. Even though a leader's contribution is essential to the resilience of the team, in some cases it is greatly based on the relations within the team (Giustiniano et al., 2018). Team resilience can be supported by positive interactions, shared memories and respectful engagement. If the interaction in the team is done properly, it enables the culture of learnability, enhances the trust and cultivates decentralized decision-making. Besides these, it is crucial to ensure the psychological safety for the team, and the leader has an unquestionable role in that. This safety should be based on strong social relations, supported coping mechanisms, tolerance and positive habits. In this environment, team members are asking why instead of who, and they are able to speak up for themselves, or for the team as a whole. The before mentioned characteristics and the leaders stewardship to the key of team the resilience (Giustiniano et al., 2018).

### **1.1.3 Organizational resilience**

Many of the characteristics mentioned before are true for organizational resilience as well. We can consider organizational resilience as the synthesis of adaptive and proactive resilience, projected to an organization. According to Cunha "Organizational resilience expresses a socially constructed process embedding minimal conditions of constraints and deviation, or a construction allowing individuals and organizations to be adaptive and flexible as action unfolds" (Giustiniano et al., 2018). For a resilient organization it is crucial to support each component, yet it does not mean that resilience is adding up from the lower levels till the top. There are several theories on how to maintain this resilience on organizational level. According to Carden (2018) an organization should prepare for an adverse event by defining social concerns and then the output would be the organizational resilience (Carden et al., 2018). This is based on the theory that organizations need to tackle adversity, that might also come from outside of the organization. For example, for McDonald's the decrease of meat consumption might be a challenge in the future and they need to make the organization ready for a series of challenges. Resilient organizations are generally better at recognizing and identifying disruptive events (Vogus & Sutcliffe, 2007).

Another way to prepare our organization for resiliency could be a series of HR strategies. Human resources can develop the core competency is of the employees manage the human resources in a way the

organization is able to effectively absorb uncertainty. When designing the appropriate age our system there are six specific employee contributions that are significant. The employee contribution are enhancing the organizations capacities enables it to absorb to transform adversity (Lengnick-Hall et al., 2011).

Expertise
Opportunism
Creativity
Decisiveness despite uncertainty
Questioning fundamental assumptions
Novel and appropriate conceptualization of solutions

*Table 2 Employee contribution based on Lengnick-Hall et al. (2011)*

Mallak (1998) names 7 principles that helps improving resilience, which are shown in the table below. As a summary we can say that it is essential to emphasize positive connections in this case as well as it is emphasized in team resilience. Constructive adaptive responses are helping to tackle negative coping mechanisms. This should be supported by extra resources since in some cases it requires investment outside of the organization. As it was mentioned on the team level decision-making should not take a long road, meaning flat structures work adequate delegation of power can improve resilience. It is also essential to be able to act promptly and routinely in case of an unexpected event. As such the organization should also develop a tolerance for uncertainty and create a system of virtual roles that makes it possible to substitute the work of any individuals (Mallak, 1998).

Perceive experiences constructively
Perform positive adaptive behaviors
Ensure adequate external resources
Expand decision making boundaries
Practice bricolage
Develop tolerance for uncertainty
Build virtual role systems

*Table 3 Resilience principles based on Mallak (1998)*

As it can be seen several practices and methods are existing to create a resilient organization, or to improve organizational resilience. These are not exclusive; they can be present at the same time and space. However based on Giustiniano (Giustiniano et al., 2018) the actions should be in the framework of adaptive and proactive resilience. As Table 4 shows below, the resilience is an ongoing permanent process involving several other constructs. As a result, our organization can be adapting new measures fast, tackle tension and allocate resources. In an resilient organization competences are mobilized while being expanded, and a problem solving orientation is introduced (Giustiniano et al., 2018). In summary, we can see that

organizational resilience is based on employee engagement on individual and team level as well, since teams and team members are going to be able to react adaptively and proactively to adversity.



*Table 4 Resilience as a process based on Giustiniano et al. (2018)*

#### **1.1.4 High reliability and resilient organizations**

In some way resilient organizations are acting like high reliability organizations (HROs). HROs are organizations that have no chance, but to be extremely reliable. Such organizations are nuclear power plants, or air traffic control systems. Based on the book of Weick and Sutcliffe (2007) there are five principles of high reliability organizations that defines them. First of all, they are already preoccupied with failure. It is crucial for these organizations to plan ahead what is going to happen in case of a system failure, and how to avoid it at all costs. Secondly the reluctance to simplify. HROs are based on complex systems, in order to be able to face the unknown, and to ensure any possible glitch is recognized. Third principle is the sensitivity to operations. For HROs the most important concerns are in the details, and the overall strategy is not as essential. Furthermore, HROs are committed to resilience. Last but not least, the deference to expertise is an important characteristic of these organizations (Weick & Sutcliffe, 2007). The last two principles are rather familiar for us, organizations are trying to build a structure which is able to learn from the failures and to react accordingly, as well trying to avoid rigid hierarchies in order to simplify the decision-making processes.

It is inevitable for high reliability organizations to be resilient. They need to be able to prepare for failures adversity and they need to be able to absorb any kind of damage, transform it into opportunities. However resilient organizations are not operating in such environment as HROs (Vogus & Sutcliffe, 2007). Yet according to Weick, HROs has commitment to resilience. Resilience in this case involves three abilities to absorb strain and preserve functioning, to recover and bounce back, and to learn and grow. We can see it is rather similar to all the previous definitions I have used. No surprise for these organizations it is essential to be as resilient as possible (Weick & Sutcliffe, 2007).

## Chapter 2

### 2.1 Leadership

It is a rather complex task to answer what leadership is. Going through all the literature, experts, material of professors at academia, religious leaders and sportsman, all are giving different definitions. Leadership theories are trying to come up with a universal definition of the leader since the middle of the 20<sup>th</sup> century, or even earlier. Long before, philosophers were trying to give a thorough picture about how to lead successfully. Sun Tzu created a framework for how to manage conflicts or create winning strategies in *The Art of War*. Machiavelli described the ideal leader in his book called *The Prince* (Machiavelli, 2008). During the 20<sup>th</sup> century the most significant part of this question was tackled by American business management experts, like Henri Fayol, Harold Kootz, Cyril J. O'Donnell and Peter Druckel. We can trace the diversity of leadership by examining some of the definitions. When observing the definition of leadership Northouse draws a chronological line and identifies different meaning through time from the beginning of the 20<sup>th</sup> century. As one of the first accurate definitions from the 20<sup>th</sup> century he considers leadership to be the ability to influence others. Later on several other concepts were added to influence, such as “drivership”, effectiveness, traits and behaviors (Northouse, 2018). Yukl agrees with Bennis that it is rather impossible to give one specific definition for leadership, however he also focuses on the role of influence. As a result the definition of Northouse will be used here, according to which “leadership is a process whereby an individual influences a group of individuals to achieve a common goal” (Yukl, 2013).

#### 2.2.1 Leaders and their styles

When discussing who the leader is, we face almost the same challenges as defining resilience, or leadership. Based on the previous definition I provided, the leader is the person who influences others in order to reach their targets. However, we can see that this definition is rather vague and gives an unlimited amount of tools into the hands of the leader. How do they manage to do that, one might ask. This would be the perfect question, but it also brings up what the management is compared to leadership and who a manager is. Experts are trying to answer this question as well, with very diverse results. Most of them agree that the core roles of the managers are planning, organizing and controlling, while leaders are responsible for the bigger picture, creating strategy, initiate movement and execute changes. Some of scholars consider leaders and managers mutually exclusive. Some states all the good leaders need to be managers as well, but managers are not necessary leaders. As Yukl (2013), some just say they are the same, to be a manager one must need be a leader and vice versa. During my paper I will follow his logic and I will put an equalization between leaders and managers. I agree with Yukl (2013) that a lot depends on the followers and their role, attitude and relations towards the leaders (Yukl, 2013). It is not difficult to imagine a person in a manager position who is responsible for motivating a team and carry out a change, as we know leaders who are the crucial parts of the planning and organization activities.

During the last couple of decades one of the most significant theory was the traits approach. When thinking about the ideal leaders one might think about characteristics such as self-confidence, persistence,

intelligence, dominance, or extraversion. For decades traits approach was the mainstream in leadership, based on which the best functioning leaders were meant to be analyzed and found. Several researches were conducted in order to draw appropriate consequences. According to Northouse (2018) some of the most significant researchers were R. M. Stogdill (1948) and R. D. Mann (1959). Stogdill was trying to find the reason why some people became leaders, what kind of traits enabled it (Stogdill, 1948). Mann was trying to focus on the traits of leaders compared to the traits of those that are not, or has not been in leadership positions (Mann, 1959). Yukl (2013) names other types researches, that tried to explore traits. One type based the studies and experiments on leadership effectiveness, meanwhile others were trying to figure out why leaders get into high level manager positions (Yukl, 2013). Besides the trait of the actual leaders researches were conducting studies with derailed leaders. According to Yukl (2013) the aim was to find the reason why seemingly successful leaders get sidetracked and how those that influence their initial traits. The before mentioned researches were conducted by a great variety of methods such as testing, ratings and coded critical incidents. As a result they found some traits might be useful for some leaders (Yukl, 2013). There is a difference between which traits they found essential. Some of the most quoted ones were related to the high energy level and stress tolerance, self-awareness, personal integrity, power motivation, high achievement orientation, high self-confidence and low need for affiliation (Northouse, 2018). Stogdill's research resulted traits like alertness, insight, responsibility, initiative, persistence, self-confidence and sociability (Stogdill, 1948), meanwhile Mann's research mentioned intelligence, masculinity, adjustment, dominance, extraversion, and conservatism (Mann, 1959). They say these are the most essential traits a person needs to have to be a successful leader. According to Yukl several attempts have been made in order to define a framework that can encompass all relevant traits (Yukl, 2013). One of the most promising one is the Big Five Personality Traits model, which is based on 5 broadly defined personality traits, which are detailed in Table 5 below. There are several researchers who started to analyze a possible connection between leadership and the Big Five model. According to Judge (2002) most of these traits are related to leadership capacities. Successful leader are measured higher in terms of extraversion, openness and conscientiousness, while lower in neuroticism (Judge et al., 2002). In general, even though traits approach was widely researched buy now several limitations has been discovered. Northouse mentions a couple of them, such as the inability to list a finite number traits that are empowering successful leaders, or the subjectivity in the situations and the definition and interpretation of the traits (Northouse, 2018).

Openness	Tendency to be open to new ideas, experience
Conscientiousness	Tendency to be organized
Extraversion	Tendency to be sociable, dominant, outgoing
Agreeableness	Tendency to be cooperative instead of assertive
Neuroticism	Tendency to be down, depressed, angry

*Table 5 Big Five Personality Traits based on Northouse (2018)*

Another approach that has dominated the leadership studies is the behavioral approach. This approach focuses on the actions of the leaders and categorizes them based on what and how they are doing. These can be task-, relationship- or change-oriented behaviors, however, Yukl emphasizes how difficult and diverse it can be to describe and to categorize the certain leadership behaviors. He raises the attention to the fact that most of the researches are focusing on task- and relationship-oriented behaviors (Yukl, 2013). One of the most significant studies was conducted by the Ohio State University. This is based on the Leader Behavior Description Questionnaire and trying to explore how leaders are acting when they are in leadership position. This questionnaire was used and modified several times during the last couple of decades (Yukl, 2013). As a result, experts found two sets of behaviors. Initiating structure is concerning task related structures. This involves structuring and organizing work and managing responsibilities. Consideration behaviors are marking relationship related behaviors such as trust, respect and bonds between leaders and followers. These two kinds of behaviors are not independent and exclusive. They can be the attribute of the same leader in the same space and time. Northouse points out that it has been studies which set of behaviors result more effective leadership, yet no proof has been found for the superiority of any of these (Northouse, 2018). As Table 6 shows several similar structures have been studied that have been based on the task- and relations-oriented behaviors.

<b>Task-oriented</b>	<b>Relations-oriented</b>	<b>Source</b>
Initiating Structure	Consideration	Fleishman (1953); Halpin & Winer (1957)
Instrumental Leadership	Supportive Leadership	House (1971)
Goal Emphasis; Work Facilitation	Supportive Leadership; Interaction Facilitation	Bowers & Seashore (1966); Taylor & Bowers (1972)
Performance Behavior	Maintenance Behavior	Misumi & Peterson (1985)

*Table 6 Task-relations-oriented constructs based on Yukl (2003)*

Another theory that is based on the task-relations-oriented behaviors was proposed by Blake and Mouton (1964, 1978, 1985). According to the managerial grid, tasks and relations-oriented activities are not behaviors, but more values (Northouse, 2018; Yukl, 2013). High level of concern for people and production are the basic requirement for effective leaders. The grid gives five leadership styles, based on the focus on either, or both the concern for people and the concern for production (Northouse, 2018). This is represented in Figure 1 below. Behavioral leadership theories have tried to find significant proof for successful application of task-oriented and relation-oriented behavior in different situation. Besides the before mentioned categories that have been described several others have come to light in the last couple of decades. These are serving as a foundation for other theories, for instance transformational leadership theories are based on relations- and change-oriented behaviors.

high	Country-Club Management						Team Management		
Concern for people				Middle-of-the-Road Management					
low	Impoverished management						Authority-Compliance Management		
	low	Concern for production				high			

Figure 1 Managerial grid based on Northouse (2018)

New leadership styles from the 1970s started to explore the ethical and moral side of leadership. These leadership styles tried to put more focus on the leader follower relation as well. While other leadership styles tried to emphasize the role of the leader and subsidized the followers by performance rewards and punishment in case of diversion from the expected activities and achievement, transformational leadership points out the influence and role of the followers in a greater environment, or in the whole society (Yukl, 2013). Transformational leaders ensure higher responsibility in decision-making and motivates by inspiration and example. The core difference is in the way the influence and the behavior of the leader is perceived. The basics of the transformational leadership was defined by James MacGregor Burns in 1978 (Northouse, 2018). He was a political sociologist and as such observed leadership from a political point of view. In his work titled Leadership he compared transformational leadership to transactional leadership. As a result, he pointed out 3 important characteristics of a successful leader. A leader transforms and motivates followers by emphasizing the outcomes of their tasks, appealing to the self-interest in line with the interest of the organization, or the team and respecting the rules (Burns, 1978). Several theories built on these ideas. Table 7 below shows the list of factors that are significant for successful transformational leadership. In several researches transformational leadership is compared to transactional and laissez-faire leadership. In these cases the focus of the observation is the relation towards the followers (Northouse, 2018). Because of these characteristics transformational leadership is extraordinary in terms of empowering followers, building respect and strong bonds between leaders and followers, transmit the values of the company and strengthen the involvement in civic society issues. On the other hand, since it is so broadly defined it might lack clarity in some cases. The transformational leadership is usually measured by the Multifactor Leadership Questionnaire (MLQ). Some experts has questioned the validity of this measurement (Yukl, 2013). In spite of the before mentioned weaknesses transformational leadership proved to be a valuable approach.

Factors of transformational leadership			
Idealized influence	Inspirational motivation	Intellectual stimulation	Individualized consideration

*Table 7 Factors of transformational leadership based on Northouse (2018)*

**2.2.2 The new wave of leadership**

Traditional leadership styles are based on traditional values, masculine, autocratic style. There are several researches that prove that managers that follow traditional ways can be successful, however, in several cases these managers miss out serious opportunities and may cause more destruction. Traditional managers might bounce back changes initiated by lower level of employees, may create authority that is not motivating and may limit the efficiency of the followers (Yukl, 2013). The lack of decision-making power on lower level management can result insufficient work in teams. One of the typical traditional leadership methods that experts use as a comparison to modern ones is the transactional leadership. The transactional leadership emphasizes the leaders integral role in passive and active management by exception (Northouse, 2018). These leaders are trying to influence followers by appealing to their needs and self-interest. This can be done on many ways, but specially by providing extra benefits. In case of political actors, it could mean offering governmental contracts, or directed legislation. A business leader might consider providing promotion, salary raise, or other benefits that is considered enticing. Transactional leadership and generally traditional leadership is related to bureaucratic processes that ensure the rules and processes (Van Dierendonck & Nuijten, 2011). Three kinds of transactional behavior are defined, contingent reward, passive management by exception and active management by exception. The first one means the tools used to persuade and shape followers, while the latter two are referring to the usage of discipline. Management by exception is the part of the leadership that refers to criticism and feedback (Northouse, 2018). Traditional leadership styles promote corrective criticism, negative feedback and negative reinforcement. Depending on the intervention of the leaders the activities can be categorized into two groups. Either passive, or active. Active management by exception is when the leader is seeking the errors and as soon as they occur, they intervene. Passive management by exception is when leader is basically not intervening, but giving a performance evaluation without any clarification (Stare et al., 2013). We can see that over the history the masculinity of leadership styles has somewhat faded away, we are still experiencing a male dominated “profession”. Some of the new leadership styles are building on the masculine constructs.

Factors of transactional leadership		
Contingent reward	Passive management by exception	Active management by exception

*Table 8 Factors of transactional leadership based on Northouse (2018)*

Another example of the shift in leadership studies is the presence of followership. Experts started to study the behavior, traits and activities of followers to be able to create a framework where leaders and followers are enabling and empowering each other. Both the modern and traditional leadership styles are



focusing on effectivity and efficiency and trying to offer a solution for leaders to achieve the goals the company set up. However, modern leadership theories introduced a switch of focus and put followership in the spotlight. Followers are essential, since they make a person a leader. Followers are not just a given environment, but a significant variable in the formula of what makes someone to be a real good leader. Almost every expert, researcher who has been working on the recent leadership theories started to deal with the role of the followers, I could mention here transformational, ethical, charismatic, authentic, or servant leadership. In all the cases the followers are seeking empowerment and the leaders are striving to motivate the followers and provide all the essential tools that is needed for their developments (Davis, 2017). At this point some might raise the question, is it more important to be a good follower, or to be a good leader. Even though it is not more important, it is inevitable to take a closer look at the followers when someone is planning to implement a leadership strategy. Companies with a clear picture about the followers are more open, diverse and better performing. Survey conducted by Agho (2009) has proved that even leaders consider followers essential to reach higher performance and better workplace environment (Agho, 2009). However, as Davis points it out, followership has been examined from the leader’s perspective mainly. Instead follower-leader relations should be considered as a mutually existing ongoing processes that are undoubtedly linked together (Davis, 2017). Thus, it is certainly essential to try to observe them in the same framework. It is challenging to improve leadership without taking followership into consideration. Previously it was thought followers are constantly in need of being controlled, by now it has become clear they can be more motivated by decision-making powers and responsibility. Some of the early experts as Taylor (1911, 1934) considered followers as “sheeplike”. By now this attitude seems to be changing and followers are getting more and more attention. Several studies were trying to explore what exactly makes the followers effective. Kelly considered enthusiasm, intelligence, and self-reliance as the key attributes (Duggleby et al., 2009). Based on Chaleff, Dixon and Westbrook it can be said that followers are co-leaders as well and as such they should mirror all the expectations we have towards the leaders as well (Chaleff, 2009; Dixon & Westbrook, 2003). Followers needs to be empowered and managed otherwise their engagement level and efficiency will be devastating. Uhl-Bien (2014) points out that followership is not only the followers’ behaviour and roles, but a complex process including the outcomes of leadership (Uhl-Bien et al., 2014). As such followership is not simply the leadership from follower’s perspective, but the framework from which we can observe the empowerment and efficiency of the followers, their behaviour, roles and the results they can produce. Uhl-Bien (2014) summed up the followership theory with 3 main components, followership characteristics, behaviour and outcome. Characteristics mean the common definition of followership, while behaviour is the role of the followers (Uhl-Bien et al., 2014). The outcome is determined by the before mentioned 2 components and can occur on individual and team level as well. It is presented in the Table 9 below.

Followership characteristics	Followership outcome
Followership behaviour	

*Table 9 Components of followership theory based on Uhl-Bien (2014)*

### 2.2.3 Servant leadership

As the role of the followers, the role of the leaders has significantly changed in the last decades. The new wave of leadership theories removed the leader from the front of the followers and either put them on the same level, or even in the back. To illustrate it, imagine the leaders being on the front showing the way and having the followers behind pursue the same path. That was the core of the earlier theories. The modern theories put the leaders in the back with intention to push all the followers towards the same goal. Servant leadership is also based on this concept, particularly the leader being the servant of the cause, enabling the followers to reach their fullest potential aligned with the organization. This theory was first described by Robert Greenleaf in 1977 in his booklet *The servant as leader* (van Dierendonck & Patterson, 2018). His theory was based on the novel of Herman Hesse, which is called *Journey to the East*. The story is circulating around a guide, who is the servant of a travelling group (Greenleaf, 1973). Later on, it becomes obvious that he is not only the servant of the group, but the leader as well. Greenleaf himself acknowledges it that servant leaders are not newly born but has been around throughout the history. A classic example is religious leaders, like Jesus, or Buddha. Taking a close look at their life we can identify those basic characteristics that make a leader a servant leader. They embodied a leadership that was based on the relations between leaders and followers filled with trust, respect, devotion, dynamism and balance (Whittington, 2017). The followers and the leaders have an essential role in the service toward others. The following quotation from Greenleaf sums up the essence of the servant leadership: “The best test, and difficult to administer, is: Do those served grow as persons? Do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants?” (Breslin, 2017). Based on this we can see how a leader should perceive, approach the followers. the foundation of this is to tradeoff between the leader and follower when describing the traits approach, I mentioned the studies made by Stogdill. he did not find a significant difference between the set of traits of the followers and the leaders thus it is easy to acknowledge the organic fusion between followership and leadership. Malakyan is building his theory of leader-follower trade on this organic method of exchange. He argues for an ongoing value, idea and behavioral exchange between leaders and followers which results in respect, efficiency and trust (Malakyan, 2014). Servant leaders are nurturing this internal balance while keeping an eye on the interest of the community, the future and the society. Yet we should not think that servant leaders are not behaving as a leader at all, even though they put the needs of the group before themselves they are doing every step of what a leader should do. Recalling the definition of the leadership, it is “a process whereby an individual influences a group of individuals to achieve a common goal” (Yukl, 2013). Servant leaders are aiming for achieving this goal, but their tools are radically different. Their focus is to provide all the necessary means for the individuals and the groups to grow and develop. This is achieved by leaving the traditional hierarchies behind and create an environment of collaboration and involvement. Decision-making processes are supported on lower levels, the personal growth of the individuals is prioritized, and the followers and leaders are sharing their personal experience and ideas. There are several characteristics, that are found to be common for the servant leaders. According to Dierendonck these are empowerment, accountability, standing back, humility, authenticity, courage, interpersonal acceptance and stewardship (Van

Dierendonck & Nuijten, 2011). Spears is considering listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship as the most crucial characteristics (Greenleaf, 1998). We can see that there are common elements of these lists. Stewardship, empowerment (commitment to the growth of others) and interpersonal commitments (building communities) are essentials according to both of the before mentioned experts. Stewardship is referring to the whole ideology of the servant leadership, particularly to create vision, guide towards the goals, to take responsibility and being accountable. Empowerment and commitment to the growth of other marks the intention to help every individual to reach their fullest potential and be able to grow in and with the team. It also involves leaders motivating followers, facilitate their sense of self-efficacy to effectively execute tasks. Interpersonal commitments and building communities refer to the ability to develop an environment that is based on appreciation and trust. This competency is one of the most challenging ones, since leaders often needs to work together with individuals that have completely different personalities from each other and from the leader as well. Leaders need to be ready to support all of these people regardless their backgrounds and needs to be able to integrate them in the team. The table below presents some of the characteristics the experts found important.

<b>Dierendonck</b>	<b>Spears</b>	<b>Brutus and Vanhove (Brutus &amp; Vanhove, 2017)</b>
Empowerment	Listening	Service
Accountability	Empathy	Empowerment
Standing back	Healing	Creating vision and direction
Humility	Awareness	Stewardship
Authenticity	Persuasion	Integrity
Courage	Conceptualization	Interpersonal appreciation
Interpersonal acceptance	Foresight	
Stewardship	Stewardship	
	Commitment to the growth of others	
	Building communities	

*Table 10 Characteristics of servant leaders based on Dierendonck (2011), Spears (1998), Brutus and Vanhove (2017)*

As it can be seen servant leadership is based on the empowerment of followers, creating a common vision and making it meaningful, sticking to the ethical expectations and providing stewardship that is rested on the service of the servant. On the other hand, traditional leader is characterized by the dedication to motivate by example, that is built upon hard-work and intellect, enhanced by masculine power. Based on the before mentioned competencies, servant leaders are expected to master the ability of mentorship and coaching. Mentorship and coaching embodies the essence of servant leadership, it is enough to think about how the mentor is placing the development of others above their own interests, how the mentor and the mentee are co-

exist in a supportive environment and through this journey how they both evolve (Conzelmann, 2017). Servant leadership is based on two principles. First of all, the person needs to provide vision and guidance, that is the leadership aspect. Besides, they take part in the implementation process, they serve. Miller identified 5 ways a leader can serve (Sendjaya, 2016). First of all, they see and shape the future, which is the basics to be able to create and follow a vision. Secondly, they need to engage and develop others. With no engagement trust and respect cannot flourish, as a result leader will not be able to develop the followers. Leaders need to be able to reinvent continuously, which is essential to move forward and to be able to challenge themselves and their followers. If a leader is not valuing result and relationships, they would lose the special relation between themselves and the followers which is again the fundamental part of the effective and steady work. Finally, leaders need to embody the values. As mentioned before servant leader is still a leader, they are responsible for guiding followers and show them what they are striving for, their credibility depends on what they manifest and stand for (Sendjaya, 2016).

#### **2.2.4 The future of leadership**

As mentioned previously leadership studies are rather diverse, even the definition of the leader and leadership is highly discussed up until now. Yet one can be confident that leaders are among us. Several theories that were presented have been used and will be used, developed, or transformed in the future and several new theories will be born. Such theory can be the positive leadership. Positive leadership refers to the leader who is supporting “positively deviant performance” and creates an environment where positive atmosphere and wellbeing can be fostered. According to Cameron positive leadership is based on the principles of positive psychology, positive organizational scholarship and positive change (Cameron, 2012). Seligman’s positive psychology raises the question of positive affirmation, strengthening the positive memories and habits instead of dealing with the negative emotions purely. As such, this radical positive mindset is the core of all the three concepts and the positive leadership as well. Positive leadership makes it possible for leader to enhance positive identities. As a result, both leaders and followers might be able to not only create a positive image of themselves, but to achieve positive impact. Cameron point out that positive leadership might refer to three different concepts (Cameron, 2012). Firstly we can define it in the framework of “positive deviant performance”, which would mean an extremely unconventional outcome (Cameron, 2012). Secondly it can refer to the “affirmative bias”, that implies the ability to support and flourish through optimism and finding the strength in the weaknesses (Cameron, 2012). Thirdly “focusing on fostering virtuousness”, positive leadership aims to find the goodness in all possible walk of life (Cameron, 2012, 2012). Several virtues and characteristics can strengthen assisting positive leadership. Rego et al. (2012) defines 3 main core constructs that are essential to be able to build an effective organization, these are associated with several factors that serve as enablers (Arménio Rego et al., 2012). On one hand leaders need the capacity to lead, this can be achieved through, inter alia, the capacity to reason and make good decisions. On the other hand leaders need to have commitment to lead, i.e. commitment to people and relations (Arménio Rego et al., 2012). However, leaders also need the character to lead, which includes humility, gratitude and forgiveness, among others.

Virtues in leadership might answer the challenges leaders are facing nowadays. Several researchers state that it is time to prioritize ethical leadership. Rego et al. (2012) points out that several virtues characteristics are expected and implemented in the global firms (Arménio Rego et al., 2012). Leaders and especially global leaders are not only need to know about these, but they need to be able to acquire them. Corporations and society as well expect the leaders to be more resilient, open to positive leadership and contribute to the personal and global improvement. These concepts as virtues leader, servant leader, authentic leader, ethical leader is all related and trying to enforce a future where leadership is more than just achieving goals. Virtues like wisdom and knowledge, courage, justice, humanity, temperance and transcendence are enabling leaders to be successful global leaders. These competencies are referring to different fields of life. Wisdom and knowledge help the leader to understand the surrounding world, courage is needed to take the necessary steps in order to solve a problem. Justice is guiding the leader to build trust. Humanity is essential to create meaningful relationships and care about the others. Temperance is the ability to stand back and observe instead of taking all the fame. Transcendence is helping the leader to appreciate and diversity that surrounds them. It all might sound familiar, yet it is not enough to emphasize these core virtues to highlight what is expecting from leadership in the future. Working with leaders with grit is essential for every actor. As previously mentioned, gritty leaders are essential for organizational resilience and the followers are expecting strength of character. Rego et al points out that gritty leaders supporting followers on a way that they can thrive at work (Arménio Rego et al., 2012). In the following chapters I would like to present other evidence on how employees can grow at the workplace and in what sense a leader can contribute to that. Not to spoiler, leadership is considered to play a significant role in the wellbeing of employees at workplace and choosing the proper leadership can help employees to strive at work.

## Chapter 3

### 3.1 Wellbeing

In the 21<sup>st</sup> century wellbeing is getting more and more popular, yet it is not a new concept. A question might rise, why do we need to deal with wellbeing? What is wellbeing at all? In this thesis happiness and wellbeing will be synonyms. It is crucial to define what happiness is and what can make us happy? Seligman (2002) identifies 3 types of happiness throughout our lives (Schueller & Seligman, 2010). First of all hedonic happiness refers to the pleasant life (Schueller & Seligman, 2010). This basically means to enjoy our daily routines and activities. Secondly he described eudaimonia that is the meaningful life, which is the happiness coming from contributing to a greater good (Schueller & Seligman, 2010). Last but not least the good life, that happens when someone is able to use their skills to create a better life (Schueller & Seligman, 2010). These 3 aspects together contribute to the higher level of happiness. Lyubomirsky et al. (2005) reveal three different roots of happiness (Lyubomirsky et al., 2005). According to them 50% happiness is based on genetics, which means that our body adopted different thresholds of happiness levels (Lyubomirsky et al., 2005). On the other hand, 40% based on our actions, thoughts and behaviors and 10% based on given circumstances. For the first sight it might a bit shocking that we control only 40% of our happiness (Lyubomirsky et al., 2005). It is also disputed whether we are aware of our thoughts and actions at all. Yet in the following pages we will introduce the most significant aspects that might influence our happiness and might have a positive impact on it.

What can be the circumstances that affect our happiness? First of all, income is a rather significant factor in everyone's life. Does money make you happy? The answer is more complex than one would think. On one hand based on statistics of World Happiness Report (2019) and the World Bank (2018) there seems to

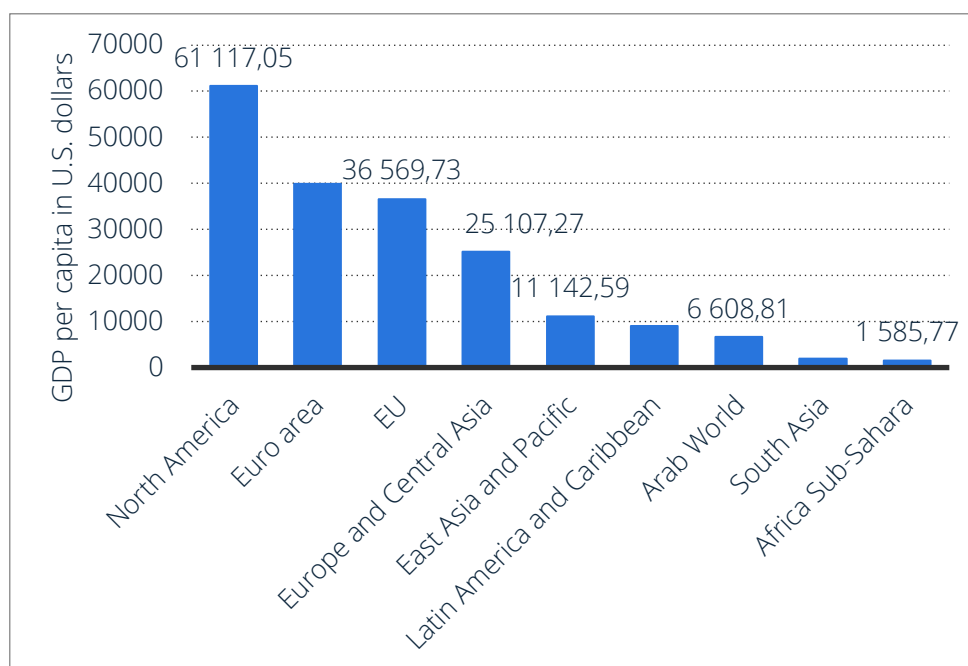


Figure 2 GDP per capita in global regions in 2018 (World Bank)

be an overlap between high self-report life satisfaction and high GDP countries. This is also presented on the figures below. We can clearly see that those countries that reported higher life satisfaction can be found in the regions with higher GDP. As such we could easily draw the consequences that wealth makes people happy. On the other hand according to Kahneman and Deaton even though wealth can mean a higher level of life evaluation, but it does not improve emotional wellbeing after a certain point (Kahneman & Deaton, 2010).

## Self-reported Life Satisfaction, 2018

Life satisfaction is self-reported as the answer to the following question: "Please imagine a ladder, with steps numbered from 0 at the bottom to 10 at the top. The top of the ladder represents the best possible life for you and the bottom of the ladder represents the worst possible life for you. On which step of the ladder would you say you personally feel you stand at this time?"

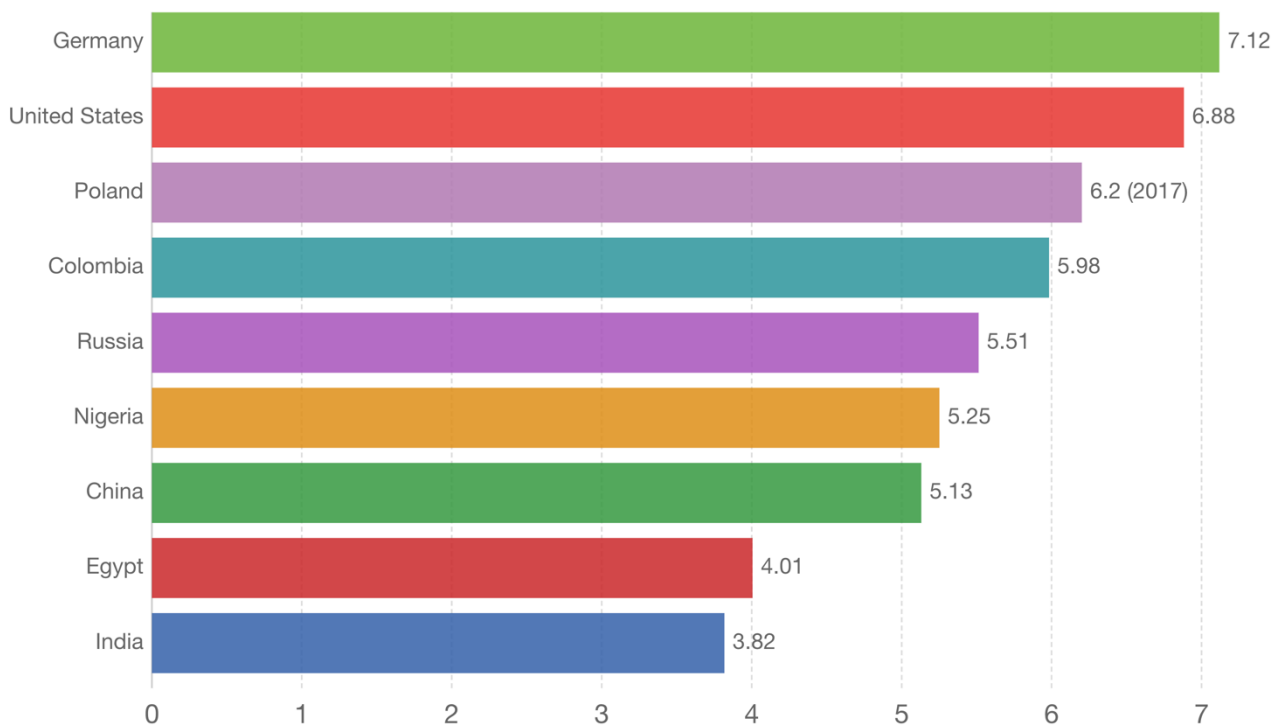


Figure 3 Self-reported Life satisfaction based on the World Happiness Report (2019)

Their findings showed that if the annual income reaches 75,000 USD, emotional wellbeing is not increasing anymore. As a result, we can see that money can contribute to happiness in certain circumstances, however it is only conditional. Another interesting aspect to observe is the age. If we think about our perception of different age groups and wellbeing. According to the research of Stone et al. (2010) the wellbeing of a person is changing throughout their lives (Stone et al., 2010). It is following a U-curve, as the graph shows below (Stone et al., 2010). Wellbeing is actually decreasing from the age 21 up until the beginning of the 50s. From that point wellbeing is expected to grow (Stone et al., 2010). This can be the result of the rather high level of stress at the beginning of adulthood, the constant high level of sadness, anger and worry, which, based on the statistics, seems to be decreasing around the 50s (Stone et al., 2010). One reason the authors offered was the separation of the children from the parents. At the age of 18 the wellbeing has a quick growth due to the possible reduction of family conflicts and the increasing level of freedom (Stone et al., 2010). This can be

observed at the age of 50s as well when parents reach the age of lower level of responsibility towards the family and higher level of self-fulfillment (Stone et al., 2010).

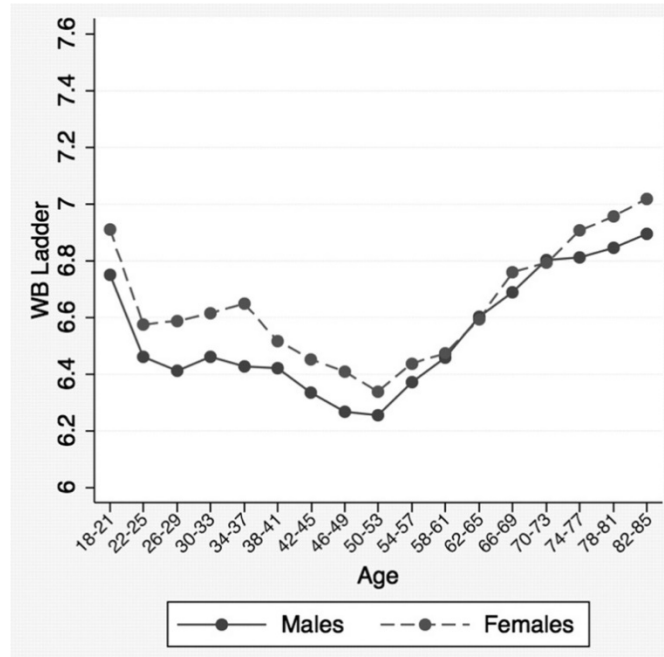


Figure 4 Life satisfaction in different age groups based on Stone et al. (2010)

Another challenging part of the wellbeing definition is the measurement. Several different methods are existing, depending in on which type of happiness they ought to measure, or whether researchers try to explore emotional, or judgmental components. Regarding the methods happiness can be measured by self-reported measures (respondents report about themselves), informant reporting (acquaintance reporting about the respondent), or biological measures (biological proof of health). Satisfaction With Life Scale (SWLS) is a 7 points scale survey with 5 items (Diener et al., 1985). It aims to give an overall picture of the respondents hedonic happiness level (Diener et al., 1985).

### 3.1.1 Wellbeing at work

One third of our waking life is spent at work (Wrzesniewski et al., 1997). As we have seen our own thoughts, actions and circumstances in 50% are responsible for our happiness (Schueller & Seligman, 2010). Then a question naturally can be raised. Should not we be happy at work? According to Goffee and Jones (2013) employees who feel good at their workplace have higher level of commitment and individual performance (Goffee & Jones, 2013). Following Seligman's (2002) categories of happiness, which were the hedonic happiness, eudaimonia and good life, we can find their meaning at work as well (Schueller & Seligman, 2010). Fisher (2010) points out that hedonic happiness can be identified at work as well, for example when we are enjoying our daily duties and tasks (Fisher, 2010). The eudaimonia means in this sense the moral backbone of our job, that we are working for a greater good (Fisher, 2010). Previously we got to know Diener's SWLS, consequently we can question whether life satisfaction and work satisfaction are linked. Several researches have been conducting to find evidence for this link. Judge and Watanabe (1993) have concluded a thorough analysis about this link between the before mentioned two concepts (Judge & Watanabe, 1993). Their discovered a rather significant relation between job and life satisfaction. After taking a look at the



possible reasons they found that there might be a spillover effect, life satisfaction and job satisfaction “spill over onto one another”. This means a higher level of life (or job) satisfaction can increase the level of job (life) satisfaction (Judge & Watanabe, 1993). Judge and Watanabe also found a relatively high correlations between job satisfaction and intrinsic factors (Judge & Watanabe, 1993). When measuring intrinsic factor the focus was on the set of skills employees can develop, learning possibilities and autonomy at work (Judge & Watanabe, 1993).

As previously presented worry, anger and stress have a huge impact on the wellbeing of individuals. Since work takes up a significant part of our life it is essential to reduce the impact of these factors. An ideal workplace should not be stressful, or should not enhance anxiety, but it should foster the mental and maybe physical wellbeing of everyone at work. Rego and Cunha (2007) observed several constructs that are influencing the happiness at work. First of all it is important to emphasize the importance of personal relations (Armenio Rego & e Cunha, 2008). They argue that this “spirit of camaraderie” is contributing to the job engagement and better performance level as well (Armenio Rego & e Cunha, 2008). This has been confirmed by Sutton (2007). He also points out that workplaces needs a special attention to recruit people who can work together and avoid hiring “jerks” (Sutton, 2007). He presents several concepts on the damage that can be done by mismanaged and corrupt individuals, among others the costs can be high and affect the whole organization. First of all it can demotivate and distract coworkers, resulting absenteeism and high level of stress (Sutton, 2007). Secondly it requires extra time from the management to investigate, in some cases to recruit and hire new employees and to train them (Sutton, 2007). Last but not least, as long as the problem is not solved, the organization is paralyzed to work efficiently and resilient (Sutton, 2007). Besides the tension at work several other stressors might increase the stress level of employees, such as the insecurity, or overload. Theobald and Cooper (2012) points out that the stressors can be linked as well. According to them employees who are working overtime are stressed for loosing their jobs, and as such they are exhausted from the long hours of work, while being paralyzed by fear of getting fired (Theobald & Cooper, 2011). Of course, several methods are existing that are reducing stress at work. Rego and Cunha found trust in leaders as an effective way to decrease stress (Armenio Rego & e Cunha, 2008). Both Rego et al. and Rantanen et al. have found evidence for the positive effect of the work-family life balance (Rantanen et al., 2011; Armenio Rego & e Cunha, 2008). Employers by providing means for the quality of life can support the wellbeing of their employees (Wrzesniewski et al., 1997).

However, decreasing stress is not the only way to increase the happiness of an individual at work. Efficient strategies are covering other fields such as thriving at work and meaningful work (Rosso et al., 2010). Employees who are feeling successful at work, those who feel they can accomplish anything they are asked are more like to be productive and engage with the company (Spreitzer et al., 2005). Sense of meaningfulness is inevitable for employees to be able to feel attached to the company thus increase their engagement. Such meaningfulness is provided by the visible and understandable impact of their works (Rosso et al., 2010). Harvard Business Review published an article that tries to give the ultimate recipe for companies how to create the perfect workplace to enhance the effectivity of the employees. The five commands of Goffe and Jones are

presented in the table below (Goffee & Jones, 2013). Filbeck and Preece (2003) have conducted a study to see whether workplaces that treating their employees better are valued better by shareholders. According to their findings those companies that proved to be the best 100 companies in the US trades better at the stocks as well (Filbeck & Preece, 2003). As a result even though these companies spend more on the benefit of their employees this effort provides better return for the companies and their shareholders as well, while outperforming the market (Filbeck & Preece, 2003; FULMER et al., 2002).

<b>How to create the best workplace by Goffee and Jones (2013)</b>	
Let People Be Themselves	Workplaces should promote solidarity and creativity, so employees are able to come up with radical ideas and feel comfortable to be themselves thus being productive.
Unleash the Flow of Information	Being the last one to receive information is highly demotivating and can break the trust. Culture of honesty on the other hand can induce efficiency.
Magnify People’s Strengths	Supporting each and every employee to grow through extensive trainings, coaching and mentoring can result higher functioning and performance.
Stand for More Than Shareholder Value	Organizations need to work hard on creating a shared set of values and connections between all the employees and not only the vision and mission that the organization transmits, this way they can enhance meaningfulness.
Show How the Daily Work Makes Sense	For employees to see the result and impact of their job is essential and can foster their personal and professional goals as well.

*Table 11 5 states to create the best workplace by Goffee and Jones (2013)*

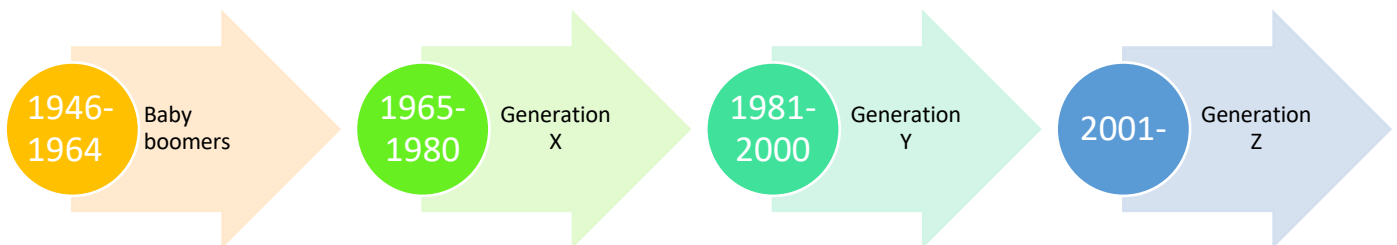
It is rather visible that those concepts I have presented earlier are interlinked. The ideas behind authentic leadership, the organizational resilience and the authentic workplace are all based on the eagerness to contribute to a morally good cause, empowered by the leaders and the followers equally. To be successful the individual and organizational wellbeing are essential and complementary. As I have presented previously, even though organizational resilience is influenced by several factors, individuals and team resilience also has an impact on it (Giustiniano et al., 2018). It can be seen as an eternal circle. Resilient organizations rely on resilient individuals, thus these organizations strive to be the best workplaces (Carvalho & Areal, 2016). These workplaces usually tend to find solutions in crisis that are serving both the organization and employees too (Carvalho & Areal, 2016). However, the inducing participation of the leaders as a coach, mediator, or mentor is essential as well (Giustiniano et al., 2018). The role of the leaders are inevitable, since, as Whittington et al. (2011) pointed it out, good leaders can help followers to grow not only in their professional, but their personal life as well (Whittington et al., 2011). Happy and committed followers are more likely to overachieve and set

new goals constantly (Whittington et al., 2011). We have also managed to see that several leadership theories exists, but it seems authentic leadership styles (e.g. servant leadership) are promoting the same values as required for a resilient organizations and for wellbeing at work, such as the societal impact, the importance of team cooperation and satisfaction (Giustiniano et al., 2018; Judge & Watanabe, 1993; Van Dierendonck & Nuijten, 2011).

## Chapter 4

### 4.1 Generations

By 2020 the most populous generation is the millennials. In practical term it means that there are more people employed who were born before 2000 and after 1980, than any other generations. In the last couple of decades more and more experts, e.g. sociologists and psychologists, started to explore the meaning of generations and tried to build a cohesive framework for the identification. Currently on the job market there are 4 generations present, which is a very rare phenomenon. These 4 generations are the Baby Boomers, Generation X, the Millennials (Generation Y) and Generation Z. The last one is not so significant yet. The figure below presents the different generations. It is still a widely disputed topic whether one can put a whole generation into certain categories based on the traits they are identified with. Generations are usually defined as a group of people with common history, experience, life events (Costanza et al., 2012; Huyler et al., 2015). These events can be the World War II, 911, or the financial crisis of 2007-08 (Costanza et al., 2012). Several researches are dealing with the generational differences and the gap that might occur between each generation. These are trying to find those traits and characteristics that are typical for the group of people born in a certain period of the history. These descriptions should be treated with caution, since sometimes they overstep the thin line between generational characteristics and generational stereotypes. Latter one can be extremely harmful and might result serious breaking points in the society (Arnett et al., 2013). With the effort not to provide any stereotypes I will try to introduce the 3 main generations that are present at the workplaces with a special focus on the millennials.



*Figure 5 The timeline of the different generations based on Smith and Nichols (2015)*

#### 4.1.1 Generations' alphabet

Baby boomers are the ones who were born between 1946 and 1964 (Smith & Nichols, 2015). They are called Baby boomers because as soldiers came back from the war there was an extreme rise in the pregnancies (Smith & Nichols, 2015). They are the generation who was born during the prosperity after the World War II and as such throughout their lives the general tendencies of the world were an ever-growing economy. As such according to Huyler (2015) baby boomers are more focused on job security and traditional values, which makes them more concerned for promotion and company loyalty (Huyler et al., 2015). However, based on Arnett et al. (2013) we can see that the top life goal for both baby boomers and millennials is to have a good marriage and start a family (Arnett et al., 2013). DeVayne (2015) listed the following traits that he considered true for the baby boomers; idealistic, competitive, loyal, materialistic and “seeks personal fulfillment”

(DeVaney, 2015). Clark (2019) lists the results of several studies and researches from the last decade that were comparing the preferences at work of the three before mentioned generations. Based on that we can see that baby boomers seem to value more influence at work, achievement, dedication and fairness behaviors (Clark, 2019). Baby boomers are digital immigrants, which means they were born before the peak of digitalization and they had to learn how to use it and live with it, which is rather different from the millennials who were born and raised with technology around (DeVaney, 2015).

Those who were born between 1965 and 1980 are considered to be part of the generation X (Smith & Nichols, 2015). Interestingly this generation is significantly smaller in terms of population and bears with traits that resemble both to the baby boomers and to the millennials as well. Generation Xers are partially digital immigrant, since many of them grew up offline and later joined the online world (DeVaney, 2015). They are the first generation which experienced the challenges of world after the war (Smith & Nichols, 2015). Significant event during their upbringing was the oil crisis, the stagnation of the 70s and the economic depression of the early 80s. Society wise there were new changes as well, generation Xers had both of their parents working, and later get divorced (Smith & Nichols, 2015). DeVaney (2015) draw our attention to the following traits in case of the generation X; adaptable, self-reliant, resourceful, cynical and “distrust authority” (DeVaney, 2015). At work they are found to be more autonomous, dislike teamwork and skeptic (Myers & Sadaghiani, 2010). Generation X is challenged by the fact that baby boomers get retired later thus leaving restricted opportunities for promotion (Smith & Nichols, 2015). They prefer stability and reward, but require some flexibility as well (Myers & Sadaghiani, 2010).

Millennials, or generation Y, is the cohort of individuals who were born after 1980, but before 2001 (Smith & Nichols, 2015). Millennials is the most populous generation from those that are on the job market currently (DeVaney, 2015). In the US around 40% of the workers are millennials (DeVaney, 2015). The role of the millennials is especially important since baby boomers are about to get retired and the number of generation Xers are half of the baby boomers, or millennials. DeVaney (2015) considered them optimistic, civic minded, impatient, entitled and “value work-life balance” (DeVaney, 2015). Millennials grew up in a time of uncertainty and technological booming. The most significant life events for them are 911 and the 2007-08 financial crisis among others (Ng et al., 2010). If we observe closely the life events of the millennials, we can identify some significant common attributes. On one hand they have been influenced by terrorism, which put them in a constant events of unexpected, while violence became an everyday experience through religious terrorism, or school shootings in the US (Erickson, 2012). On the other hand millennials grew up online, which enabled them to get as connected with each other as no generation before (Erickson, 2012). Millennials are much more aware of global, environmental issues than any generations before (Erickson, 2012). As a result Erickson (2012) named 3 main attributes that is significant when describing Millennials; tolerance and understanding, sense of immediacy and technological know-how (Erickson, 2012). Millennials are eager to learn and clash different perspective, usually accepting that there are several correct answers, people are more diverse than we imagine (Erickson, 2012). In the US Millennials are the most diverse generation, almost 40% of them are coming from different ethnic background, while 11% of the US born millennials have at least 1

immigrant parent (Bannon et al., 2011). Since for millennials it is crucial to have an impact as soon as possible they favor activities that have a meaning and if it is possible enjoyable (Erickson, 2012). Finally millennials are managed to transform technology into their everyday life resulting the disappearance of the border between personal and professional life, and instead of planning ahead doing things as they occur (Erickson, 2012).

#### 4.2 Millennials at work

As we can see millennials are playing and will be playing a significant role at the job market. Several researches are trying to explore the best way to work with different generations, specially millennials. However, it is not possible to emphasize enough that these findings cannot and should not ignite generational differences and shaming. Twenge (2013) claimed millennials are selfish, do not have empathy for others and are narcissistic (Twenge, 2013). Her portrayal has been found one-sided and harmful by several researchers (Arnett et al., 2013). Arnett et al. (2013) warns that these arguments are not academic, but political, and the consequences can be extremely harmful (Arnett et al., 2013). Thus, I will focus on those aspects that are rather different from previous generations and can be useful for an organization. In the following part I will present all the traits and attributes of the millennials generation that enables them to be a successful gear at work. Brack and Kelly (2012) distinguished 2 types of employees at the current workplace, the cowboys and the collaborators (Brack & Kelly, 2012). According to them, generation Xers and baby boomers behave like, figuratively speaking, cowboys (Brack & Kelly, 2012). They prefer individualistic work, traditional leadership and management (Brack & Kelly, 2012). On the other hand millennials are more team players, believe in diverse work and lifelong learning (Myers & Sadaghiani, 2010). Millennials grew up in a world of constantly consumable information. They do not require experts as leaders, they prefer coaches and mentors who are happy to help them (Brack & Kelly, 2012). As a result, there is an ongoing clash expected between the collaborators and the cowboys. The task of the management is to measures that are continuously providing motivation for both of these groups.

Cowboys	Millennials
Command and control management style	Active, involved leadership
Individually focused work	Collaborative, teamwork
Managed flow of information	Unstructured flow of information
Job security	Employability
Work = income	Work = income and personal enrichment
Structure	No structure; flexibility is highly valued
Inward looking	Outward looking
Influence through organization, position	Influence through networks, communities
	Source: Gartner Research in Lynch, 2008

*Figure 6 Generational difference between the employees' expectation based on Brack and Kelly (2012)*

### **4.2.1 Diversity**

As previously mentioned, generation Y is the most diverse generation in the US, and it is expected to show the same tendencies worldwide. There has never been such a generation with so high the number of individuals coming from a single-parent, blended and same-sex parents families (Brack & Kelly, 2012). Based on a research by PwC we see that millennials are not only open to other ethnicities at home, but 80% of them wish to work abroad (Bannon et al., 2011). As a result majority of them prefer workplaces that are striving for diversity in regards with cultural, national, religious background, or sexual orientation (Bannon et al., 2011). The challenges the millennials faced at the end of the 2000s (i.e. high youth unemployment and internships instead of fulltime jobs) made them more aware of their surroundings and more open for lower socioeconomic classes (Myers & Sadaghiani, 2010). This can be seen as an opportunity for employers since they can be more involved with jobs they consider meaningful (Myers & Sadaghiani, 2010). Most of the millennials find diversity crucial and consider it the key for the success of a country, or a workplace, along with productivity (Bannon et al., 2011). Majority agrees that a diverse group of people can have improved solutions (Bannon et al., 2011).

### **4.2.2 Social sensitivity**

Bannon et al. (2011) draw our attention to the fact that for millennials it is more important to help other people (Bannon et al., 2011). As a consequence we see that 88% of the millennials consider the corporate social responsibility as a basic criteria when finding a job (Bannon et al., 2011). This means that those employers that do not have a strong social responsibility strategy are secondary options for millennials. These aspects are giving the foundation for the meaningful job millennials are eager to take. Since it is essential for them to help others and they expect the employers to do so, millennials would choose those employers that pay less, but provides challenging and meaningful job over those that pay less, which in this sense clearly distinguishes them from the previous generations (Smith & Nichols, 2015). Millennials also consider flat hierarchy, increased participation and low-threshold for different socioeconomic groups preferable at work (Myers & Sadaghiani, 2010). The social sensitivity is projected not only to the outside, but to the inside as well. Millennials seem to require more peer to peer support, friendly team members and participative leadership (Chou, 2012).

### **4.2.3 Technology**

It is almost a cliché that millennials grew up online, thus they are also called as tech-savvy. Bannon et al. (2011) mentions some sobering numbers, such as 75% of the generation Y is a member of a social network, or 83% of the millennials keep their phones with themselves 24/7 (Bannon et al., 2011). Based on these number we can see that the days of the millennials is happening online in significant part of their life. As such they also expect the workplaces to be advanced in digitalization, while making it available, and useful (Bannon et al., 2011). Bannon et al. (2011) also pointed out the frustration of employers regarding the excessive use of technological devices at work (e.g. phones), while raising the attention to the of benefiting from this habit by encouraging the efficient problem solving processes (Bannon et al., 2011). Millennials are expected to boost

the speed of digitalization of organizations, while opting to work from home, or in flexible working arrangements (Myers & Sadaghiani, 2010). For millennials the technology is also a way to reduce the burdens of disadvantage people, or to build bridges between people with different backgrounds (Myers & Sadaghiani, 2010). The impact of the technological knowledge of the millennials can be conspicuous when thinking about big tech companies founded by millennials, such as Facebook, YouTube, or Twitter (DeVaney, 2015). Huyler et al. (2015) even goes further, and they suggest that millennials have modified neural circuitry that allows them to do multitasking, obtain and process information much faster than previous generations (Huyler et al., 2015).

#### **4.2.4 Leadership**

For millennials it is essential to trust the leaders, based on their positive ethical decisions, and open and honest communication (Bannon et al., 2011). We can see that while previous generations preferred ambitious and traditional leaders, millennials prefer leaders who strengthen the interpersonal relations, care about others and inspiring (Smith & Nichols, 2015). As such they prefer if their leaders are flexible with rules and more conscious about guiding their followers (Smith & Nichols, 2015). It is important for this generation to have the chance to freely express their ideas and opinions in a supporting environment (Chou, 2012). The organizations need to be ready for a growing need of supporting systems that enabled millennials and other employees to develop during their jobs (Chou, 2012). The key for the integration of the millennials is in an inclusive and diverse model, that provides values, empowerment and inspiration while giving chance for the millennials to grow and take part in the decision making (Huyler et al., 2015). Millennials expect their leaders to be their coaches, their mentors, the motivation and their collaborator as well (Brack & Kelly, 2012). Millennials can be great at following if they have the chance to cooperate (Chou, 2012).



## **Chapter 5**

### **5.1 Research**

Previously several seemingly independent topics were introduced. As a broader picture, I defined resilience and organizational resilience. As a summary we could see, organizational resilience depends on several aspects, however leadership is a rather significant factor. The next step was to take a look at what leadership is. By the end of the chapter it was clear leadership is not only about reaching a goal, but by now it is much more. It is about how followers are empowered and supported. It reflects the expectation that a resilient organization set towards leaders. They should be mentors and coaches as well. Another important factor that is contributing to the resilience is the wellbeing of the individuals. Thus, I have introduced different aspects of wellbeing and how employers can enhance it. As a result, we were able to see that both leadership and wellbeing can contribute to the organizational resilience in some extent. As a focus of this thesis I wanted to examine the millennials. As it is known by now, Generation Y plays and will play a significant role at the workplaces. It is inevitable to explore what kind of leadership style empowers them the most and what makes them feel better at their job.

Even though several leadership styles were introduced, in the research I tried to observe two very different ones. On one hand I identified the traditional leadership style, based on the description of Northouse (2018) and Yukl (2013). Traditional leaders are rule-abiding, prefer the professional encounters to sharing private life with followers, and values knowledge over skills (Northouse, 2018). On the other hand servant leaders consider the skills of the follower crucial, prefers to bond with them and works for the empowerment of their team (Northouse, 2018). The idea behind this, is that followers can be more productive and efficient while feeling important and involved at their workplaces. It is easily observable that the two leadership styles are rather contradictory, however both are relevant and present at the workplaces. To understand the needs and motivation of the followers we explored all the significant aspects of wellbeing at work. I discovered that the role of the leaders is essential in creating a suitable environment. Followers are not only affected by the tasks they are doing, but by the coworkers and by the manner they are treated as well. I also noticed there is a difference between the traits of different generations. The question aroused whether the different generations have different ideas about a convenient workplace. As a result, I found several studies and literature which was trying to explore the needs and preferences of various generations. I discovered that Millennials are more eager to be in teams, favor meaningful work and diverse environment. This ignited the curiosity towards the leadership preferences of the millennials, whether they appreciate servant leadership, and if yes what kind of impact does it have on their wellbeing.

#### **5.1.1 Aim**

With this research I aim to analyze the before mentioned concepts, to be more precise, whether millennials have any preferential leadership styles and whether it improves their wellbeing. Thus, I established two hypotheses. The first one is the following:

**Hypothesis 1:** *Millennials prefer leadership styles that promote leaders working closely with their followers through honest and trusted relationships such as servant leadership to traditional leadership styles.*

This hypothesis is focusing on the difference between the traditional and the servant leadership. It is important to see whether millennials prefer significantly one or the other. If so, which one. During the research I am going to observe through several factors which leadership is more preferable for millennials. It can help employers and leaders to create a more welcoming and productive environment. If employees do not feel welcomed, or treated well, the level of their productivity, efficiency can significantly decrease. As the several studies mentioned before show, leaders can have a great impact on how followers behave. To have great followers we need great leaders, but greatness is different for everyone. With this research I would like to see whether millennials can work better can feel better while led by a certain leadership style. Of course, I do not want to claim that only these two ways exist, however I would like to see, whether there is a need for change, refreshment in terms of perspectives. If millennials indeed prefer leadership styles that promote leaders working closely with the followers through honest and trusted relationships, that means that employers need to strive for openness, diversity and meaningfulness. These workplaces need to promote flat decision-making mechanisms, more authority on lower levels and the social impact of the work. However, this does not mean that traditional leadership style does not have positive elements. Leaders need to be able to distinguish the useful factors from the harmful ones in case of each philosophy. Also, it is not possible from one day to another to switch and change the whole corporate philosophy. If employers vouch for a shift in leadership, they need to be able to manage this change to welcome the innovation, and to ensure a smooth transition. The second hypothesis is the following

**Hypothesis 2:** *Millennials have a higher wellbeing at work when they are experiencing servant leadership compared to traditional leadership styles.*

This hypothesis is observing whether any of the leadership styles are improving the wellbeing of the millennials, and if they do, which one has a better impact. It is already great to see if millennials prefer a certain leadership style, however the way it affects them is crucial as well. As previously said, people are spending a significant part of their days and lives at work, thus they cannot afford to feel down, insecure or used at their jobs. Their wellbeing needs to be maintained and increased as much as possible. With this research I aim to prove that leadership can influence the happiness of the followers and as such a suitable leadership style can help to increase the productivity and efficiency of the employees. I will measure this by observing the job engagement of the millennials in case of each leadership style. This can help leaders not only to empower their followers, but also to increase their own wellbeing. As previously described, coworkers' negative attitude and low wellbeing can drag down other coworkers and result in a continuous conflict. This can reduce the resilience, the effectiveness and the sustainability of the whole company.

## 5.1.2 Method

### Participants and design

All in all, I had 321 responses, out of which 161 answers were complete and 160 answers were only partial. After setting the age limit I had 153 answers that could be considered in the analysis. Out of these 153 participants 60 were male, 91 females, 1 preferred not to answer, and 1 participant identified with other than female or male. Geographical distribution was covering mainly Europe, with the exception of participants from North- and South America. Below the graph shows the 10 most common countries where the participants currently reside. Regarding the age distribution I had a majority of people being 20-30 years old, 119 people, while 34 people being above 30.

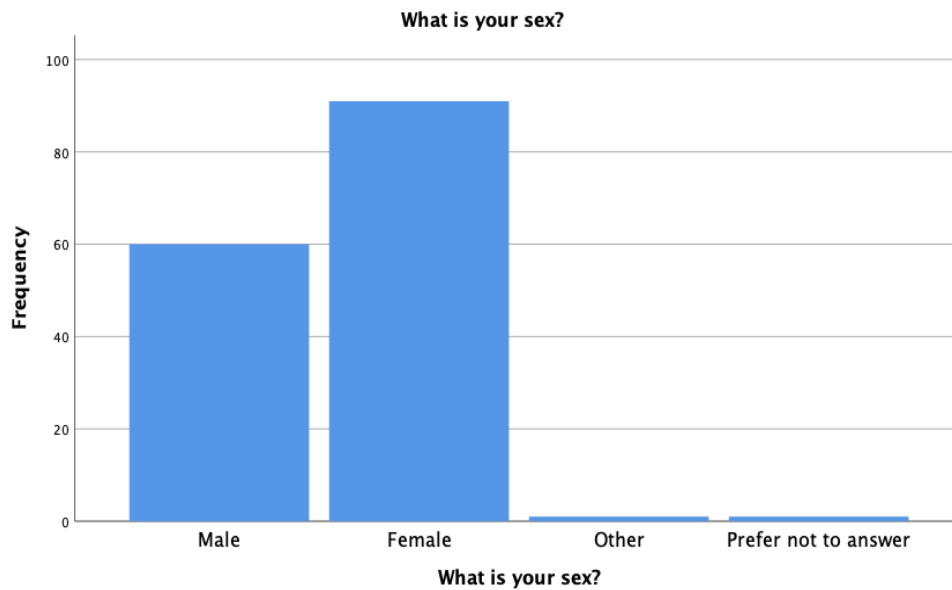


Figure 7 Gender of the participants of the research

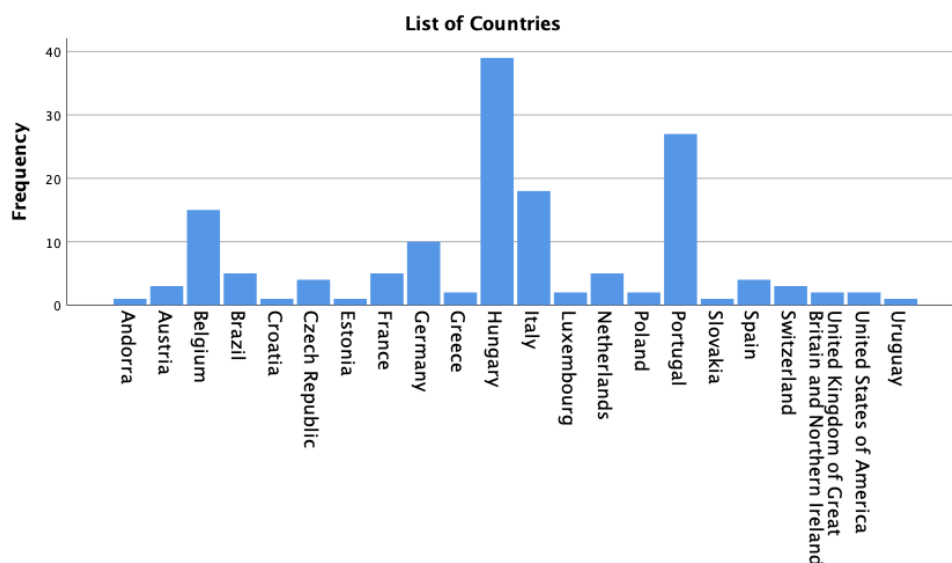
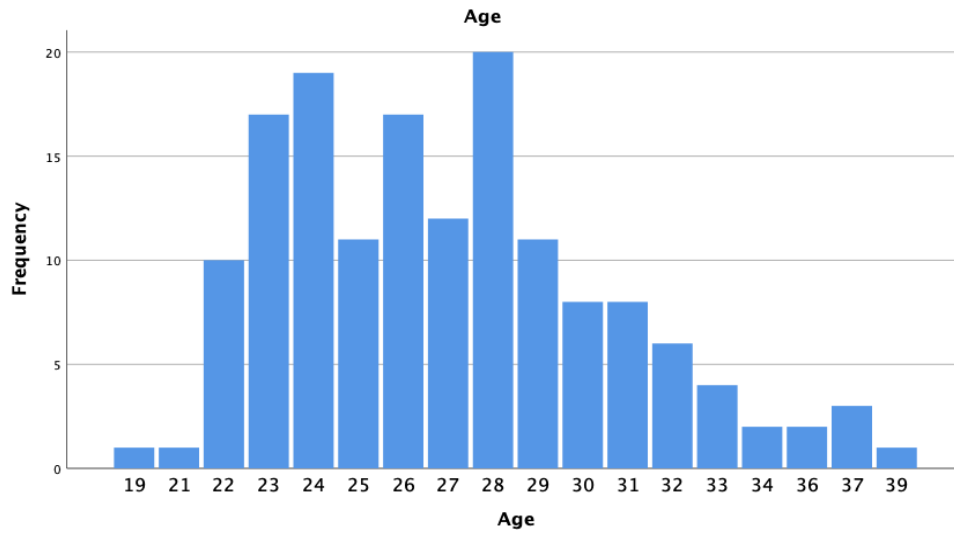


Figure 8 Current residents of the participants of the research



*Figure 9 Age of the participants of the research*

## **Procedure**

Participants were asked to participate through channels of the schools (Nova SBE, Luiss Guido Carli) and personal networks (e.g. friends and colleagues). Their participation was completely voluntary. Before distributing the main research survey, a pilot test was conducted. After the pilot test the survey about leadership and well-being was distributed. The pilot test consisted of 2 parts. The first part described definitions, the second part asked to identify situation based on the definitions provided earlier. The survey about leadership consisted of 3 parts, firstly focusing on the leadership preferences, secondly the wellbeing impact and last but not least it recorded demographic data.

## **Pilot test of hypothetical scenario**

The survey was provided to 10 different individuals. The 10 individuals received the definition of servant leadership and traditional leadership based on Yukl (2013). These were the followings:

Traditional leadership "attributes managerial success to extraordinary abilities such as tireless energy, penetrating intuition, uncanny foresight, and irresistible persuasive powers."(Yukl, 2013)

"Servant leadership in the workplace is about helping others to accomplish shared objectives by facilitating individual development, empowerment, and collective work that is consistent with the health and long-term welfare of followers." (Yukl, 2013)

After learning about the definitions, the 10 individuals were asked to match the definitions to the situations. The majority of them, 7 out of 10, were able to identify which situation belongs to which definition. This was essential in order to validate the situations. After the validation, I was able to put the situations in the research and asked the participants to indicate the desirability of working with a manager described. They had to evaluate the managers by giving 1-5 stars, 1 being the least desired, 5 being the most desired. The situations were the followings:

### Traditional leadership

You are the subordinate of a manager with the following style. At the beginning of your employment they explain their vision and assume you understand your role in it. Each week they distribute the tasks you have to finish and if they are done properly by the deadline you receive reward, otherwise you might be punished. You know that your manager has a solid academic background and worked hard for their job. As such they expect the same from you which sometimes means overtime and as a result decrease of social and private life. On the other hand, you can always know what your manager's expectations and rules are, along with the completely separation of your personal and professional life. Your manager always share those information and knowledge with you that they consider crucial for your work. However what crucial is depends on their subjective interpretation.

### Servant leadership

You are the subordinate of a manager with the following style. At the beginning of your employment they explain their true passion and feelings regarding the job and assume you share it. Each week they distribute general tasks you have to finish, and you are expected to explore all the possibilities and make decisions regarding the execution and the priority. They encourage you to share your idea and vision about the work you are doing and trying to align them with the overall one. Your manager tries to provide you mentorship along your employment while treating you equally. Your manager emphasizes the team spirit and extra conscious about helping to reach your fullest potential along with the others.

Since the definition taken from experts were clearly in line with the situation, it was confirmed that the situations can be used in the survey about leadership and well-being. This was validated by the 10 participants who were able to identify the situations.

### **Survey about leadership and well-being**

Firstly, I measured the preferences of the leadership styles, secondly the effect of the leadership styles on the wellbeing, thirdly I recorded demographic data. During the research several scales were implemented. First, I introduced a scale with several factors to measure the preference of the traditional leadership. This part of the survey was adapted from Northouse's (2018) descriptions about traditional leadership and the Reward and Punishment Questionnaire by Podsakoff (Northouse, 2018; Podsakoff et al., 1984). Non-contingent punishment and other traditional leadership traits such as intelligence, masculinity, dominance, extraversion, conservatism were used as a counter example of the elements of servant leadership (Northouse, 2018). 15 items were presented, of which 10 items were of interest in our analysis. These items were embedded in order to keep the participants naïve about the nature of the survey. See appendix 1 for full items.

The second scale that participants completed is adapted from The Servant Leadership Survey by Dirk van Dierendonck & Inge Nuijten (2010). From this 32 items survey 15 items adapted and following the logic

of the previous survey. 15 items were presented but only 11 were used in the analysis. The embedding of 11 items helped to keep participants naïve to the nature of the study. This set of questions implemented 15 items due to the length of the whole research. I tried to have equal number of items in case of the servant and traditional leadership as well, while keeping it compact and not too long for participants to drop out. This survey as well was focusing on several factors, such as empowerment standing back authenticity humility and stewardship. As previously presented servant leadership has several components that are essential. The survey was following these components in order to project a valid picture about the preferences of the participants. See appendix 2 for full items.

The first hypothesis was tested based on these two set of questions. The questions were randomized in the surveys and the participants received the block of questions randomized as well, to avoid biased answers. The participants in both cases had to give their preferences on a rating from 1-5, where 1=Extremely undesirable, 2=Somewhat undesirable, 3=Neither desirable nor undesirable, 4=Somewhat desirable and 5=Extremely desirable. As you can see in the survey in the appendix, there was no reversed value. The higher the answers scored, the higher the preference of a participant was. In this case the dependent variable is the servant leadership score, i.e. the mean of the preferences of the participants, the independent variables are the leadership categories, i.e. servant or traditional leadership.

Participants were also randomly assigned to read a hypothetical situation about either the traditional leadership style or the servant leadership style. These descriptions were pretested as described in the section “Pilot test of leadership scenario”. The participants were asked to state their desirability of working with a manager described by giving them 1-5 starts, where 1=Extremely undesirable, 2=Somewhat undesirable, 3=Neither desirable nor undesirable, 4=Somewhat desirable and 5=Extremely desirable. During the analysis I observed the mean of each cases and conducted an independent samples t-test. This was done because each participant received only one of the situations, so the samples were independent from each other. I also conducted another regression analysis where I were considering the dependent variable against the two factors independent variable, i.e. Univariate Analysis of Variance.

Work Engagement. To assess work engagement under different hypothetical leaders, the Utrecht Work Engagement Scale by Schaufeli and Bakker (2004) was used. Work engagement scale covers 3 fields of positive and fulfilling state of mind; vigor, dedication, absorption. In this research I used 12 items of the questionnaire. The participants were asked to decide how much they identify themselves with each statement when working with one of the before mentioned managers. High score in vigor, dedication and absorption means that the participant is energized, inspired by their work and kept busy by their workplace (Schaufeli & Bakker, 2004). See appendix 3 for full items.

Finally, I collected information about demographics such as the age of the participants, where they were born, where they are living, their gender and their employment status. The age was crucial to be able to identify the valid answers since only those very considered who were born before 2001 and after 1980.

### 5.1.3 Results

First, I explore the findings regarding the leadership preferences of the millennials. In case of the first survey the Cronbach's Alpha is 0.67, however the reliability is rather difficult to measure here, due to the high number of factors and the low number of items in each of them. Seeing the first set of questions one might perceive that some of the questions were hostile, however I believe in both cases traits, that were referred to, can be disliked based on the preferences of the individuals. In case of the second set of questions the Cronbach's Alpha is 0.72 which can be considered as a reliable scale. In this case statements can be found negative as well, for example opening up about a leader's weakness and limitations, however I believe this is also part of the definition of servant leadership. After the reliability test, I conducted a T-test to compare the means of the servant leadership score and the traditional leadership score. Since I had only two groups, it seemed more reasonable to conduct a T-test instead of an ANOVA. In both cases it was done with a 95% confidence interval. After conducting the previous mentioned analysis, I have found a significant difference between the score of the traditional and servant leadership. The mean preference scores for traditional leadership were significantly lower than the mean preference scores for servant leadership ( $N=153$ ,  $M_{\text{trad}} = 2.53$ ,  $SD = 0.51$  vs  $M_{\text{serv}} = 4.46$ ,  $SD = 0.35$ ;  $t_{(152)} = 35.71$ ,  $p < 0.001$ ).

Thus, H1 is supported: at least in our sample of millennials, individuals indeed *prefer servant leadership to traditional leadership style*. The findings suggest that individuals like working closely with their leaders towards honest and trusted relationships.

After I saw the evidence for the preference of millennials regarding servant leadership, I conducted the analysis of the desired manager. In this case as previously mentioned I ran an independent samples T-test and a Univariate Analysis of Variance. In case of the T-test I saw a significant difference between the means of each situation. Since the participants received only one of the descriptions 83 participants judged the traditional leader scenario and 70 participants judged the servant leader scenario. The mean desirability scores for

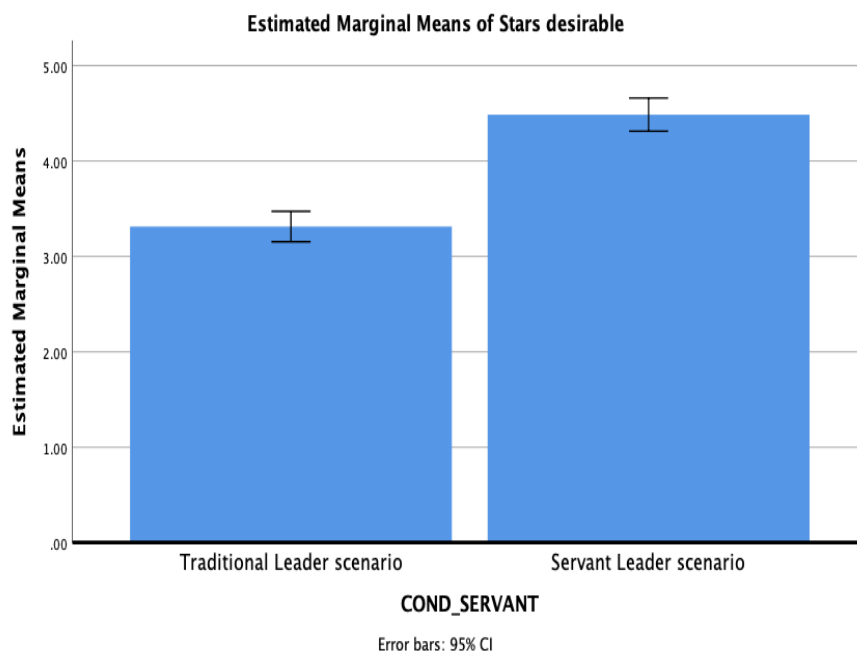


Figure 10 Means of preference of different leadership scenarios

traditional leadership were significantly lower than the mean desirability scores for servant leadership ( $M_{\text{trad}} = 3.31$ ,  $N_{\text{trad}} = 83$ ,  $SD = 0.84$  vs  $M_{\text{serv}} = 4.49$ ,  $N_{\text{serv}} = 70$ ,  $SD = 0.58$ ;  $t = 10.14$ ,  $p < 0.001$ ).

In case of the Univariate Analysis of Variance the sample size was exactly the same and the result was similar. The mean desirability scores for traditional leadership were significantly lower than the mean desirability scores for servant leadership ( $M_{\text{trad}} = 3.31$ ,  $N_{\text{trad}} = 83$ ,  $SD = 0.84$  vs  $M_{\text{serv}} = 4.49$ ,  $N_{\text{serv}} = 70$ ,  $SD = 0.58$ ;  $F = 96.906$ ,  $p < 0.001$ ). Thus, I can reject the null hypothesis.

The second hypothesis I were dealing with was exploring the effect of each leadership scenario on the millennials' work engagement. This part of the research was focusing on the wellbeing. In case of this sort of question the Cronbach's Alpha was 0.90, which indicates a high reliability. The dependent variable is the score from the before mentioned set of questions, while the independent variables are still the leadership categories. Similar to the previous cases I conducted a full regression analysis, with a significance level of 0.05. I was working with the same sample mentioned before, thus the sample size are the same. As a result, I could see a significant difference in the job engagement of millennials resulted by the different leadership scenarios ( $M_{\text{trad}} = 3.27$ ,  $N_{\text{trad}} = 83$ ,  $SD = 0.71$  vs  $M_{\text{serv}} = 3.89$ ,  $N_{\text{serv}} = 70$ ,  $SD = 0.48$ ;  $F = 38.868$ ,  $p < 0.001$ ). Thus, H2 is supported. The results suggest that at least with our sample of *millennials*, *individuals have a higher work engagement at work when they imagine a scenario of a servant leader compared to traditional leaders*.

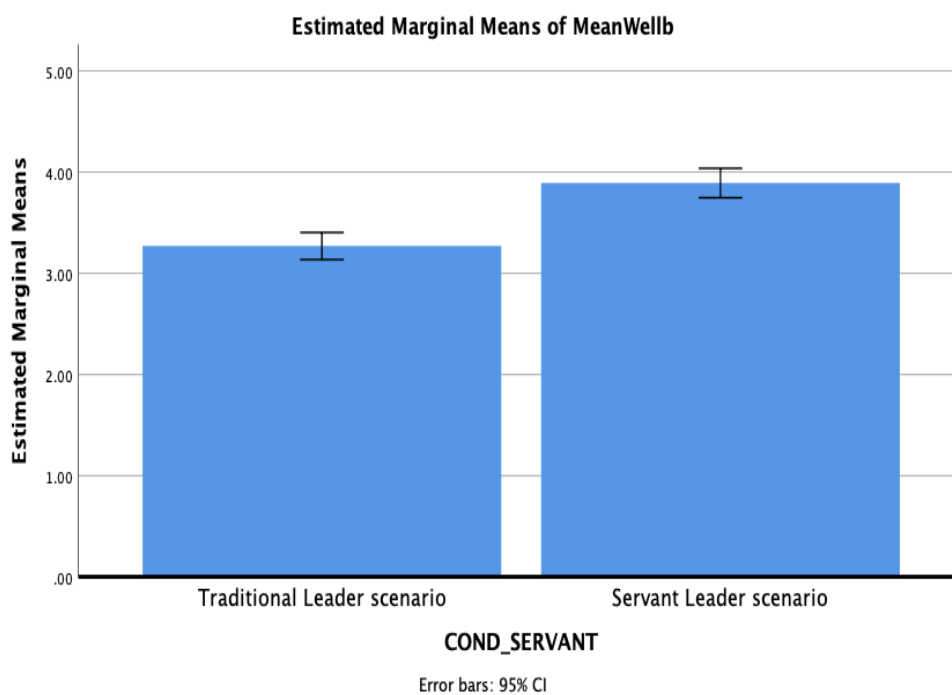


Figure 11 Means of well-being in case of different leadership scenarios

### Additional analyses

Some exploratory analyses were conducted to examine whether there is a difference between the preferences of the different age groups in the category of millennials. Some literature in generational differences suggests that even within the millennial generation, there are subgroup differences. Several studies suggested that 2 different subgroups exist within the millennials, like those born between 1980 and 1990 differ from those born from 1990 and 2000 because of different level of education and experience (Migacz & Petrick, 2018; Olson, 2009).



I also conducted several ANOVA tests to examine whether the age groups affected the dependent variables. Overall, the millennial subgroups did not predict the outcomes of interest. As a result, I could not see a significant difference in the leadership desirability of the different age groups of millennials resulted by the different leadership scenarios, see Figure 12 below. Regarding the leadership preferences I could not see a significant difference in the servant leadership preference in the different age groups of millennials scenarios ( $M_1 = 4.47$ ,  $N_1 = 127$ ,  $SD = 0.35$  vs  $M_2 = 4.46$ ,  $N_{serv} = 26$ ,  $SD = 0.34$ ;  $F=0.002$ ,  $p > 0.96$ ). However, I could see a slightly significant difference in the traditional leadership preference in the different age groups ( $M_1 = 2.50$ ,  $N_1 = 127$ ,  $SD = 0.52$  vs  $M_2 = 2.69$ ,  $N_{serv} = 26$ ,  $SD = 0.46$ ;  $F=2.84$ ,  $p < 0.095$ ). Although this can be the result of the difference in the number of participants of each age group, it can also serve as a basis for further researches to explore the different leadership preferences of different generations.

**Descriptive Statistics**

Dependent Variable: Stars desirable

COND_SERVANT	AgeGroup	Mean	Std. Deviation	N
Traditional Leader scenario	1	3.3151	.84782	73
	2	3.3000	.82327	10
	Total	3.3133	.83997	83
Servant Leader scenario	1	4.4630	.60541	54
	2	4.5625	.51235	16
	Total	4.4857	.58341	70
Total	1	3.8031	.94314	127
	2	4.0769	.89098	26
	Total	3.8497	.93732	153

*Figure 12 Means of leadership desirability in different age groups*

To sum up I can say millennials show a significant preference for servant leadership, which also increases their wellbeing at work. Based on our results I can be confident that leaders who are eager to empower their followers, keeping the social impact of their work in front of their eyes, while being the organic part of the team, can have a higher impact on the millennials, helping them to reach their fullest potential. Such manager can improve the job engagement of the generation Y, thus increasing productivity and efficiency. As it was discussed in Chapter I. organizational resilience highly depends on the interpersonal relations, the wellbeing of the employees and the overall efficiency and productivity of the company. This is why I believe the result of the research proves that a wisely selected leadership philosophy can enhance the organizational resilience while keeping the employees happy.

## 5.2 Further questions

In this research I did not have the capacity to explore in what level leadership can influence organizational resilience. Further researches can explore the role of leadership in the organization, in what extent it impacts the different stakeholders. The research could not explore the contrast between the particular cultures. It can be also interesting to see how it is changing depending on the cultural background. I am aware of limitations regarding the definition of traditional leadership and servant leadership, how much each of these philosophes are in use, whether these leadership styles can be combined. Further researches could explore as well other aspects of wellbeing and how leadership in general influences the different components of

happiness. Up until now, wellbeing is a less discussed topic in organizational design, yet it is getting more and more important. New leadership styles may be able to address issues emerging from the new ways of working, for example the growing role of Home Office. Leaders need to be able to address the issues of followers, while maintaining their motivation and productivity. Further researches could also explore the role of individual and team resilience in regards with leadership, i.e. in what degree can individual and team resilience be influenced by leadership.

I believe this study is valuable in several perspectives. On one hand I were trying to combine different areas which are usually kept completely separate, i.e. leadership, organizational resilience and wellbeing. On the other hand, it was tackling fields that are less discussed or scientifically not part of the mainstream, such as generational studies. This paper can help leaders to start thinking about how to engage different generations, who are working together, while it is also pointing out the need for different attitude towards them. The research can help understand that leadership is much more, than just managing people, it is also empowerment of followers, factor of happiness and a defining aspect of a generation.

## **Conclusion**

The aim of this study was to provide support for leaders and followers, in order to create a flourishing relationship. According to our research and the previously presented studies millennials actually expect leaders to strive for a relation that is based on trust, respect and constant communication. We see that millennials are eager to work with leaders, that want to empower them. Leaders need to be able to see when a follower is stuck with work, demotivated or inefficient, and they need to be able to address these issues. Millennials seem to want these problems to be addressed by deeper and meaningful cooperation, where the leader is not only the manager, the employer or the boss, but also a coach or a mentor. As mentioned before, millennials will be inevitable at the workplaces, thus employers need to be able to attract and keep them. Their contribution is essential and means the survival of a company. This paper intended to give an overview of the possible overlap between organizational resilience, leadership and wellbeing. It is almost cliché, that leaders need to be polymath, certainly they need to be able to create and understand a broader picture. Leaders cannot afford the luxury of mastering one certain aspect of leadership; they need to be able to innovate and constantly renew.

In the 21<sup>st</sup> century only those leaders will be able to succeed that can be followers at the same time. As a leader one must learn how to show example, be in the frontline while being a contractive team member as well. For millennials a leader is approachable, a leader is a mentor, a coach and a trustworthy companion. Millennials are happy only if they can feel safe and empowered at their workplaces and leaders need to ensure that otherwise there will be no one left to be led. If leaders turn a blind eye over these millennials might indeed be the lost generation. As the research showed generation Y wants to know what the social impact of their work and they is wants to contribute to a meaningful job. If leaders are able to utilize this enormous potential, millennials can be the greatest generation of followers.

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## Appendix

### Appendix 1 – items of the traditional leadership survey

My manager...

- provides rewards when a goal is achieved. – *not displayed*
- is predictable. – *not displayed*
- always acts according to his/her best knowledge. – *not displayed*
- prefers professional encounters. - *conservativism*
- sticks to the rules. – *not displayed*
- adheres to specific roles. - *conservativism*
- prepares the possible solutions for a problem ahead. - *dominance*
- provides the kind of information he/she consider the most relevant. - *dominance*
- finds it difficult to forget things that went wrong in the past. - *masculinity*
- remembers the mistakes of everyone. - *masculinity*
- does not take breaks and expects the same from others whom he manages. - *extraversion*
- considers the office to be the only place to work. - *extraversion*
- would reprimand me if my work was below standard. – *not displayed*
- frequently holds me accountable even for things I have no control over. - *non-contingent punishment behaviour*
- is often critical of my work even when I perform well. - *non-contingent punishment behaviour*

### Appendix 2 – items of the servant leadership survey

My manager...

- gives me the authority to take decisions which make work easier for me. - *empowerment*
- enables me to solve problems myself instead of just telling me what to do. - *empowerment*
- offers me abundant opportunities to learn new skills. - *empowerment*
- keeps themselves in the background and gives credits to others whom he manages. - *standing back*
- is not chasing recognition or rewards for the things he/she does for others whom he manages. - *standing back*
- appears to enjoy his/her colleagues' success more than his/her own. – *not displayed*
- holds me and my colleagues responsible for the way we handle a job. – *not displayed*
- takes risks and does what needs to be done in his/her view. – *not displayed*
- is open about his/her limitations and weaknesses. - *authenticity*
- shows his/her true feelings to his/her staff. – *not displayed*
- learns from criticism. - *humility*
- learns from the different views and opinions of others whom he manages. - *humility*

- has a long-term vision. - *stewardship*
- emphasizes the societal responsibility of our work. - *stewardship*
- emphasizes the importance of focusing on the good of the whole. - *stewardship*

### **Appendix 3 – items of the wellbeing survey**

The following set of questions were displayed:

I would feel...

Vigor

- bursting with energy
- feel strong and vigorous
- I can continue working for very long periods at a time
- at my job, I am very resilient, mentally

Dedication

- I find the work that I do full of meaning and purpose
- I am enthusiastic about my job
- my job inspires me
- I am proud on the work that I do

Absorption

- time flies when I'm working
- when I am working, I forget everything else around me
- I feel happy when I am working intensely
- I am immersed in my work

## Summary

With this thesis I aim to give an overview about the relation between leadership, wellbeing and organizational resilience. This is done by analyzing already existing studies, professional literature and conducting the before mentioned quantitative research. As a result, the thesis can contribute to the improvement of the wellbeing of millennials at the workplace thus making the organization more resilient. This can be achieved by creating a safe space, an environment that is able to foster problem solving and crisis management when shocks and stresses are happening. If the leadership is not enhancing the development of employees and it is not providing possibilities for improvement the company might face situations like the frog in the boiling water, or the mussels syndrome.

Resilience was originally studied in ecology. The aim was to discover systems that are defecting due to different circumstances (Carden et al., 2018). We can also experience on our own skin that the environment around us is constantly changing, just think about climate change, or other challenges nowadays. Resilience is the ability to respond to adversity, in a manner that it actually helps the entity to evolve. This ability is crucial for everyone and everything. However, sometimes it is easy to mix it up with other concepts. Although concepts like adaptability, flexibility and agility are somewhat similar to resilience and sometimes they are actually part of being resilient, none of these overlaps the whole concept of resilience (Lengnick-Hall et al., 2011). Let's take adaptability. Adaptability is one of the crucial parts of resilience, when the system is able to be re-establish a fit state within the new environment. Flexibility is crucial when it comes to real time adjustments and actions. I can also mention agility, which is the capacity, the speed to change in this non-constant environment (Lengnick-Hall et al., 2011). On a personal scale resilience is connected to health, wellbeing, coping mechanisms, stress management and higher achievements. Based on several studies we can see that resilience is a skill that can be improved through several methods, or techniques (Giustiniano et al., 2018). On each level – personal, team, organizational – resilience can be learnt and built. Besides mental health being it has been proved that individual resilience contributes to a better work performance increases in employability and hence networking skills (Koerber et al., 2018). There are several ways to improve our resilience one of them for example coaching. In this case for example at the workplace it is crucial for a leader to provide positive circumstances to help. It always has to be based on compassion, respect and positive interactions (Giustiniano et al., 2018). In the life of an organization teams are essential. These are crucial elements of the overall structures. Resilient teams and resilient organizations are going hand in hand, although they are not exclusive. This scheme is very much similar to the individual level, the recipe is the following: there is an ongoing system which experiences a sudden shock, or the presence of a negative stress, and the entity creates an answer to these events. We can consider organizational resilience as the synthesis of adaptive and proactive resilience, projected to an organization. According to Cunha “Organizational resilience expresses a socially constructed process embedding minimal conditions of constraints and deviation, or a construction allowing individuals and organizations to be adaptive and flexible as action unfolds” (Giustiniano et al., 2018). There are several theories on how to maintain this resilience on organizational level. According

to Carden (2018) an organization should prepare for an adverse event by defining social concerns and then the output would be the organizational resilience (Carden et al., 2018). This is based on the theory that organizations need to tackle adversity, that might also come from outside of the organization. For example, for McDonald's the decrease of meat consumption might be a challenge in the future and they need to make the organization ready for a series of challenges. Resilient organizations are generally better at recognizing and identifying disruptive events (Vogus & Sutcliffe, 2007). In some way resilient organizations are acting like high reliability organizations (HROs). HROs are organizations that have no chance, but to be extremely reliable. Such organizations are nuclear power plants, or air traffic control systems. It is inevitable for high reliability organizations to be resilient. They need to be able to prepare for failures adversity and they need to be able to absorb any kind of damage, transform it into opportunities. However resilient organizations are not operating in such environment as HROs (Vogus & Sutcliffe, 2007). Yet according to Weick, HROs has commitment to resilience. Resilience in this case involves three abilities to absorb strain and preserve functioning, to recover and bounce back, and to learn and grow.

The second concept we used in this paper is leadership. "Leadership is a process whereby an individual influences a group of individuals to achieve a common goal" (Yukl, 2013). Based on the previous definition I provided, the leader is the person who influences others in order to reach their targets. However, we can see that this definition is rather vague and gives an unlimited number of tools into the hands of the leader. I agree with Yukl (2013) that a lot depends on the followers and their role, attitude and relations towards the leaders (Yukl, 2013). It is not difficult to imagine a person in a manager position who is responsible for motivating a team and carry out a change, as we know leaders who are the crucial parts of the planning and organization activities. During the last couple of decades one of the most significant theory was the traits approach. When thinking about the ideal leaders one might think about characteristics such as self-confidence, persistence, intelligence, dominance, or extraversion. For decades traits approach was the mainstream in leadership, based on which the best functioning leaders were meant to be analyzed and found. One type based the studies and experiments on leadership effectiveness, meanwhile others were trying to figure out why leaders get into high level manager positions (Yukl, 2013). Besides the trait of the actual leaders, researchers were conducting studies with derailed leaders. According to Yukl (2013) the aim was to find the reason why seemingly successful leaders get sidetracked and how those that influence their initial traits. The before mentioned researches were conducted by a great variety of methods such as testing, ratings and coded critical incidents. As a result they found some traits might be useful for some leaders (Yukl, 2013). There is a difference between which traits they found essential. Some of the most quoted ones were related to the high energy level and stress tolerance, self-awareness, personal integrity, power motivation, high achievement orientation, high self-confidence and low need for affiliation (Northouse, 2018). Stogdill's research resulted traits like alertness, insight, responsibility, initiative, persistence, self-confidence and sociability (Stogdill, 1948), meanwhile Mann's research mentioned intelligence, masculinity, adjustment, dominance, extraversion, and conservatism (Mann, 1959). Another approach that has been dominated the leadership studies is the behavioral approach. This approach focuses on the actions of the leaders and categorizes them based on what and how they are

doing. These can be task-, relationship- or change-oriented behaviors, however, Yukl emphasize how difficult and diverse it can be to describe and to categorize the certain leadership behaviors. Another theory that is based on the task-relations-oriented behaviors was proposed by Blake and Mouton (1964, 1978, 1985). According to the managerial grid, tasks and relations-oriented activities are not behaviors, but more values (Northouse, 2018; Yukl, 2013). New leadership styles from the 1970s started to explore the ethical and moral side of leadership. These leadership styles tried to put more focus on the leader follower relation as well. While other leadership styles tried to emphasize the role of the leader and subsidized the followers by performance rewards and punishment in case of diversion from the expected activities and achievement, transformational leadership points out the influence and role of the followers in a greater environment, or in the whole society (Yukl, 2013). As the role of the followers, the role of the leaders has significantly changed in the last decades. The new wave of leadership theories removed the leader from the front of the followers and either put them on the same level, or even in the back. To illustrate it, imagine the leaders being on the front showing the way and having the followers behind pursue the same path. That was the core of the earlier theories. The modern theories put the leaders in the back with intention to push all the followers towards the same goal. Servant leadership is also based on this concept, particularly the leader being the servant of the cause, enabling the followers to reach their fullest potential aligned with the organization. This theory was first described by Robert Greenleaf in 1977 in his booklet *The servant as leader* (van Dierendonck & Patterson, 2018). His theory was based on the novel of Herman Hesse, which is called *Journey to the East*. The story is circulating around a guide, who is the servant of a travelling group (Greenleaf, 1973). Later on, it becomes obvious that he is not only the servant of the group, but the leader as well. Greenleaf himself acknowledges it that servant leaders are not newly born but has been around throughout the history. A classic example is religious leaders, like Jesus, or Buddha. Taking a close look at their life we can identify those basic characteristics that make a leader a servant leader. They embodied a leadership that was based on the relations between leaders and followers filled with trust, respect, devotion, dynamism and balance (Whittington, 2017). The followers and the leaders have an essential role in the service toward others. Miller identified 5 ways a leader can serve (Sendjaya, 2016). First of all, they see and shape the future, which is the basics to be able to create and follow a vision. Secondly, they need to engage and develop others. With no engagement trust and respect cannot flourish, as a result leader will not be able to develop the followers. Leaders need to be able to reinvent continuously, which is essential to move forward and to be able to challenge themselves and their followers. If a leader is not valuing result and relationships, they would lose the special relation between themselves and the followers which is again the fundamental part of the effective and steady work. Finally, leaders need to embody the values. As mentioned before, a servant leader is still a leader, they are responsible for guiding followers and show them what they are striving for, their credibility depends on what they manifest and stand for (Sendjaya, 2016). As previously mentioned, gritty leaders are essential for organizational resilience and the followers are expecting strength of character. Rego et al points out that gritty leaders supporting followers on a way that they can thrive at work (Arménio Rego et al., 2012).

Furthermore, as the course of this thesis it was essential to present the concept of wellbeing. In the 21<sup>st</sup> century wellbeing is getting more and more popular, yet it is not a new concept. A question might rise, why do we need to deal with wellbeing? What is wellbeing at all? In this thesis happiness and wellbeing will be synonyms. It is crucial to define what happiness is and what can make us happy. Seligman (2002) identifies 3 types of happiness throughout our lives (Schueller & Seligman, 2010). First of all hedonic happiness refers to the pleasant life (Schueller & Seligman, 2010). This basically means to enjoy our daily routines and activities. Secondly he described eudaimonia that is the meaningful life, which is the happiness coming from contributing to a greater good (Schueller & Seligman, 2010). Last but not least the good life, that happens when someone is able to use their skills to create a better life (Schueller & Seligman, 2010). These 3 aspects together contribute to the higher level of happiness. What can be the circumstances that affect our happiness? First of all, income is a rather significant factor in everyone's life. We can see that money can contribute to happiness in certain circumstances, however it is only conditional. Another interesting aspect to observe is the age. If we think about our perception of different age groups and wellbeing. Wellbeing is actually decreasing from the age 21 up until the beginning of the 50s. From that point wellbeing is expected to grow (Stone et al., 2010). This can be the result of the rather high level of stress at the beginning of adulthood, the constant high level of sadness, anger and worry, which, based on the statistics, seems to be decreasing around the 50s (Stone et al., 2010). One third of our waking life is spent at work (Wrzesniewski et al., 1997). As we have seen our own thoughts, actions and circumstances in 50% are responsible for our happiness (Schueller & Seligman, 2010). Then a question naturally can be raised. Should not we be happy at work? According to Goffee and Jones (2013) employees who feel good at their workplace have higher level of commitment and individual performance (Goffee & Jones, 2013). Following Seligman's (2002) categories of happiness, which were the hedonic happiness, eudaimonia and good life, we can find their meaning at work as well (Schueller & Seligman, 2010). Fisher (2010) points out that hedonic happiness can be identified at work as well, for example when we are enjoying our daily duties and tasks (Fisher, 2010). The eudaimonia means in this sense the moral backbone of our job, that we are working for a greater good (Fisher, 2010). As previously presented worry, anger and stress have a huge impact on the wellbeing of individuals. Since work takes up a significant part of our life it is essential to reduce the impact of these factors. An ideal workplace should not be stressful, or should not enhance anxiety, but it should foster the mental and maybe physical wellbeing of everyone at work. However, decreasing stress is not the only way to increase the happiness of an individual at work. Efficient strategies are covering other fields such as thriving at work and meaningful work (Rosso et al., 2010). Employees who are feeling successful at work, those who feel they can accomplish anything they are asked are more like to be productive and engage with the company (Spreitzer et al., 2005).

By 2020 the most populous generation is the millennials. In practical term it means that there are more people employed who were born before 2000 and after 1980, than any other generations. Thus, it is inevitable to talk about this group of people, which is why I chose to focus on them as well. In the last couple of decades more and more experts, e.g. sociologists and psychologists, started to explore the meaning of generations and tried to build a cohesive framework for the identification. Currently on the job market there are 4 generations



present, which is a very rare phenomenon. These 4 generations are the Baby Boomers, Generation X, the Millennials (Generation Y) and Generation Z. The last one is not so significant yet. It is still a widely disputed topic whether one can put a whole generation into certain categories based on the traits they are identified with. Generations are usually defined as a group of people with common history, experience, life events (Costanza et al., 2012; Huyler et al., 2015). These events can be the World War II, 911, or the financial crisis of 2007-08 (Costanza et al., 2012). Several researches are dealing with the generational differences and the gap that might occur between each generation. These are trying to find those traits and characteristics that are typical for the group of people born in a certain period of the history. These descriptions should be treated with caution, since sometimes they overstep the thin line between generational characteristics and generational stereotypes. Millennials, or generation Y, is the cohort of individuals who were born after 1980, but before 2001 (Smith & Nichols, 2015). Millennials is the most populous generation from those that are on the job market currently (DeVaney, 2015). In the US around 40% of the workers are millennials (DeVaney, 2015). The role of the millennials is especially important since baby boomers are about to get retired and the number of generation Xers are half of the baby boomers, or millennials. DeVaney (2015) considered them optimistic, civic minded, impatient, entitled and “value work-life balance” (DeVaney, 2015). Millennials grew up in a time of uncertainty and technological booming. The most significant life events for them are 911 and the 2007-08 financial crisis among others (Ng et al., 2010). If we observe closely the life events of the millennials, we can identify some significant common attributes. On one hand they have been influenced by terrorism, which put them in a constant events of unexpected, while violence became an everyday experience through religious terrorism, or school shootings in the US (Erickson, 2012). On the other hand millennials grew up online, which enabled them to get as connected with each other as no generation before (Erickson, 2012). Millennials are much more aware of global, environmental issues than any generations before (Erickson, 2012). As a result Erickson (2012) named 3 main attributes that is significant when describing Millennials; tolerance and understanding, sense of immediacy and technological know-how (Erickson, 2012). Millennials are eager to learn and clash different perspective, usually accepting that there are several correct answers, people are more diverse than we imagine (Erickson, 2012). In the US Millennials are the most diverse generation, almost 40% of them are coming from different ethnic background, while 11% of the US born millennials have at least 1 immigrant parent (Bannon et al., 2011). Since for millennials it is crucial to have an impact as soon as possible they favor activities that have a meaning and if it is possible enjoyable (Erickson, 2012). Finally millennials are managed to transform technology into their everyday life resulting the disappearance of the border between personal and professional life, and instead of planning ahead doing things as they occur (Erickson, 2012). As we can see millennials are playing and will be playing a significant role at the job market. Several researches are trying to explore the best way to work with different generations, specially millennials. Brack and Kelly (2012) distinguished 2 types of employees at the current workplace, the cowboys and the collaborators (Brack & Kelly, 2012). According to them, generation Xers and baby boomers behave like, figuratively speaking, cowboys (Brack & Kelly, 2012). They prefer individualistic work, traditional leadership and management (Brack & Kelly, 2012). On the other hand millennials are more team players, believe in diverse work and

lifelong learning (Myers & Sadaghiani, 2010). Millennials grew up in a world of constantly consumable information. They do not require experts as leaders, they prefer coaches and mentors who are happy to help them (Brack & Kelly, 2012). majority of them prefer workplaces that are striving for diversity in regards with cultural, national, religious background, or sexual orientation (Bannon et al., 2011). (Myers & Sadaghiani, 2010). Most of the millennials find diversity crucial and consider it the key for the success of a country, or a workplace, along with productivity (Bannon et al., 2011). Majority agrees that a diverse group of people can have improved solutions (Bannon et al., 2011). Bannon et al. (2011) draw our attention to the fact that for millennials it is more important to help other people (Bannon et al., 2011). As a consequence we see that 88% of the millennials consider the corporate social responsibility as a basic criteria when finding a job (Bannon et al., 2011). This means that those employers that do not have a strong social responsibility strategy are secondary options for millennials. Bannon et al. (2011) mentions some sobering numbers, such as 75% of the generation Y is a member of a social network, or 83% of the millennials keep their phones with themselves 24/7 (Bannon et al., 2011). Millennials are expected to boost the speed of digitalization of organizations, while opting to work from home, or in flexible working arrangements (Myers & Sadaghiani, 2010). For millennials the technology is also a way to reduce the burdens of disadvantage people, or to build bridges between people with different backgrounds (Myers & Sadaghiani, 2010). For millennials it is essential to trust the leaders, based on their positive ethical decisions, and open and honest communication (Bannon et al., 2011). The key for the integration of the millennials is in an inclusive and diverse model, that provides values, empowerment and inspiration while giving chance for the millennials to grow and take part in the decision making (Huyler et al., 2015). Millennials expect their leaders to be their coaches, their mentors, the motivation and their collaborator as well (Brack & Kelly, 2012). Millennials can be great at following if they have the chance to cooperate (Chou, 2012).

With the research I aim to analyze the before mentioned concepts, to be more precise, whether millennials have any preferential leadership styles and whether it improves their wellbeing. Thus, I established two hypotheses. The first one is the following:

**Hypothesis 1:** *Millennials prefer leadership styles that promote leaders working closely with their followers through honest and trusted relationships such as servant leadership to traditional leadership styles.*

This hypothesis is focusing on the difference between the traditional and the servant leadership. It is important to see whether millennials prefer significantly one or the other. If so, which one. During the research I am going to observe through several factors which leadership is more preferable for millennials. It can help employers and leaders to create a more welcoming and productive environment. If employees do not feel welcomed, or treated well, the level of their productivity, efficiency can significantly decrease. As the several studies mentioned before show, leaders can have a great impact on how followers behave. To have great followers we need great leaders, but greatness is different for everyone. With this research I would like to see whether millennials can work better can feel better while led by a certain leadership style. Of course, I do not want to claim that only these two ways exist, however I would like to see, whether there is a need for change, refreshment in terms of perspectives. If millennials indeed prefer leadership styles that promote leaders

working closely with the followers through honest and trusted relationships, that means that employers need to strive for openness, diversity and meaningfulness. These workplaces need to promote flat decision-making mechanisms, more authority on lower levels and the social impact of the work. However, this does not mean that traditional leadership style does not have positive elements. Leaders need to be able to distinguish the useful factors from the harmful ones in case of each philosophy. Also, it is not possible from one day to another to switch and change the whole corporate philosophy. If employers vouch for a shift in leadership, they need to be able to manage this change to welcome the innovation, and to ensure a smooth transition. The second hypothesis is the following

**Hypothesis 2:** *Millennials have a higher wellbeing at work when they are experiencing servant leadership compared to traditional leadership styles.*

This hypothesis is observing whether any of the leadership styles are improving the wellbeing of the millennials, and if they do, which one has a better impact. It is already great to see if millennials prefer a certain leadership style, however the way it affects them is crucial as well. As previously said, people are spending a significant part of their days and lives at work, thus they cannot afford to feel down, insecure or used at their jobs. Their wellbeing needs to be maintained and increased as much as possible. With this research I aim to prove that leadership can influence the happiness of the followers and as such a suitable leadership style can help to increase the productivity and efficiency of the employees. I will measure this by observing the job engagement of the millennials in case of each leadership style. This can help leaders not only to empower their followers, but also to increase their own wellbeing. As previously described, coworkers' negative attitude and low wellbeing can drag down other coworkers and result in a continuous conflict. This can reduce the resilience, the effectiveness and the sustainability of the whole company.

H1 is supported: at least in our sample of millennials, individuals indeed *prefer servant leadership to traditional leadership style*. The findings suggest that individuals like working closely with their leaders towards honest and trusted relationships. After I saw the evidence for the preference of millennials regarding servant leadership, I conducted the analysis of the desired manager. The second hypothesis I were dealing with was exploring the effect of each leadership scenario on the millennials' work engagement. This part of the research was focusing on the wellbeing. H2 is supported. The results suggest that at least with our sample of *millennials, individuals have a higher work engagement at work when they imagine a scenario of a servant leader compared to traditional leaders*.

To sum up I can say millennials show a significant preference for servant leadership, which also increases their wellbeing at work. Based on our results I can be confident that leaders who are eager to empower their followers, keeping the social impact of their work in front of their eyes, while being the organic part of the team, can have a higher impact on the millennials, helping them to reach their fullest potential. Such manager can improve the job engagement of the generation Y, thus increasing productivity and efficiency. As it was discussed in Chapter I. organizational resilience highly depends on the interpersonal relations, the wellbeing of the employees and the overall efficiency and productivity of the company. This is

why I believe the result of the research proves that a wisely selected leadership philosophy can enhance the organizational resilience while keeping the employees happy.

In this research I did not have the capacity to explore in what level leadership can influence organizational resilience. Further researches can explore the role of leadership in the organization, in what extent it impacts the different stakeholders. The research could not explore the contrast between the particular cultures. It can be also interesting to see how it is changing depending on the cultural background. I am aware of limitations regarding the definition of traditional leadership and servant leadership, how much each of these philosophes are in use, whether these leadership styles can be combined. Further researches could explore as well other aspects of wellbeing and how leadership in general influences the different components of happiness. Up until now, wellbeing is a less discussed topic in organizational design, yet it is getting more and more important. New leadership styles may be able to address issues emerging from the new ways of working, for example the growing role of Home Office. Leaders need to be able to address the issues of followers, while maintaining their motivation and productivity. Further researches could also explore the role of individual and team resilience in regards with leadership, i.e. in what degree can individual and team resilience be influenced by leadership.

I believe this study is valuable in several perspectives. On one hand I were trying to combine different areas which are usually kept completely separate, i.e. leadership, organizational resilience and wellbeing. On the other hand, it was tackling fields that are less discussed or scientifically not part of the mainstream, such as generational studies. This paper can help leaders to start thinking about how to engage different generations, who are working together, while it is also pointing out the need for different attitude towards them. The research can help understand that leadership is much more, than just managing people, it is also empowerment of followers, factor of happiness and a defining aspect of a generation.

The aim of this study was to provide support for leaders and followers, in order to create a flourishing relationship. According to our research and the previously presented studies millennials actually expect leaders to strive for a relation that is based on trust, respect and constant communication. We see that millennials are eager to work with leaders, that want to empower them. Leaders need to be able to see when a follower is stuck with work, demotivated or inefficient, and they need to be able to address these issues. Millennials seem to want these problems to be addressed by deeper and meaningful cooperation, where the leader is not only the manager, the employer or the boss, but also a coach or a mentor. As mentioned before, millennials will be inevitable at the workplaces, thus employers need to be able to attract and keep them. Their contribution is essential and means the survival of a company. This paper intended to give an overview of the possible overlap between organizational resilience, leadership and wellbeing. It is almost cliché, that leaders need to be polymath, certainly they need to be able to create and understand a broader picture. Leaders cannot afford the luxury of mastering one certain aspect of leadership; they need to be able to innovate and constantly renew.

In the 21<sup>st</sup> century only those leaders will be able to succeed that can be followers at the same time. As a leader one must learn how to show example, be in the frontline while being a contractive team member as well. For millennials a leader is approachable, a leader is a mentor, a coach and a trustworthy companion.

Millennials are happy only if they can feel safe and empowered at their workplaces and leaders need to ensure that otherwise there will be no one left to be led. If leaders turn a blind eye over these millennials might indeed be the lost generation. As the research showed generation Y wants to know what the social impact of their work and they is wants to contribute to a meaningful job. If leaders are able to utilize this enormous potential, millennials can be the greatest generation of followers.