

HOW TO LEAD THE MILLENNIALS: A REVIEW OF 5 MAJOR LEADERSHIP THEORY GROUPS

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ABSTRACT

Millennials are currently taking over the global workforce. While practitioners and scholars have recognized their different work values from previous generations, research on this topic is still scarce. Furthermore, the current leadership theories have tended to focus mainly on the characteristics of leaders without adequately examining the leadership styles that work best for the millennials. Using a literature review from the top tier leadership journals, this paper aims to provide a more comprehensive framework to provide new directions for the development of leadership theory by understanding the millennials' perspective on leadership. This study thus contributes to the current literatures by using five thematic leadership groups to develop the most optimum leadership style for leading the Millennials. The advantages and disadvantages of using neo-charismatics, leadership and information processing, social exchange/relational leadership, ethical/moral leadership, and e-leadership theories in leading millennials are assessed. Results show that no single leadership theory is adequate for leading the millennials optimally. Hence, mixing the dimensions of different leadership theory groups is suggested. As for the leadership theory aspects, it is recommended to scholars to consider developing more flexible leadership theory models that can accommodate different generational groups.

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1. Introduction

Millennials are projected to constitute nearly one-third of the American population by 2020 and 75% of the workforce by 2025 (Winograd & Hais, 2014), replacing Generation X and Baby Boomers. According to most literature sources, the term Millennials refers to people born between 1980 and 2000 (Rudolph et al., 2018). This generational shift in the workforce brings opportunities and challenges to companies since Millennials hold different values, expectations, and attitudes from the previous generations. As a consequence, companies have to implement various strategies to manage Millennials employees more effectively and efficiently so that they can achieve the highest standard of performance (Stewart et al., 2017). This may be done, for instance, by changing the current leadership strategies.

Notwithstanding nearly all of the studies in the academic literature agree that adapting leadership strategies is essential for modern organizations, this is easier said than done. As a number of authors point out, the current leadership theories are not adequate for engaging and motivating Millennials employees (Faller & Gogek, 2019; Anderson et al., 2017). According to Anderson et al. (2017), the changing values, personalities, work attitudes, and motivations of the current majority of the workforce decreases the effectiveness of major leadership theories in 21st century organizations. Furthermore, leadership is a research area that always need to be continuously developed since employees' characteristics determine the type of leadership that can be successfully implemented. Therefore, reconsidering the current leadership theories is necessary.

In this context, our paper aims to provide a critical analysis of the current leadership theories regarding Millennials generation as the majority of the workforce. Rather than presenting a new theory which can prepare the Millennials to become leaders like some other studies, the aim of this article is to guide the development of leadership theory to be effective in leading the Millennials. Also, although many researchers have examined Millennials' perception of leadership (Faller & Gogek, 2019; Omilion-Hodges & Sugg, 2019; Graybill, 2014), not many articles have explained its relation to the effectiveness of the current leadership theories.

As stated previously, literature review is used as a basis to develop such analysis. More precisely, this paper will evaluate the Millennials leadership phenomenon by integrating perspective from different leadership theories following the approach suggested by Dinh et al. (2014). This paper will also advance Anderson et al. (2017) findings by analyzing leadership theories based on their thematic categories. Firstly, empirical findings of Millennials characteristics and perspective on leadership from top tier journals are collected and reviewed. Secondly, the current most used leadership theory groups are analyzed and compared to Millennials' attitudes and behaviors. Finally, a direction for theoretical framework to develop leadership strategies that can be applied to Millennials are proposed. This paper will answer the following questions: (1) how Millennials' characteristics affect the effectiveness of current leadership theories (2) how to lead Millennials optimally (3) how current leadership theories should be advanced in

order to be effective for modern organizations.

2. Literature Review

The Millennials

There's a current generational shift in today's workforce where Millennials (Generation Y), replacing the Generation X and Baby Boomers, become the majority of the workforce. According to Winograd and Hais (2014), Millennials will constitute 75% of the workforce by 2025. Although there is no agreement to define the exact date range of millennials, most literature refers to Millennials as individuals who were born between 1980 and 2000 (Rudolpha et al., 2018). However, following Stewart et al. (2017), this paper defines Millennials as individuals who were born within the year 1981-1995.

Due to the unique technological timeframe into which Millennials were born, Millennials have acquired specific and unique work skills and preferences. Growing up in a rapidly evolving technology landscape and as an intensive users of high technologies (Chen & Choi, 2008), Millennials are more tech-savvy and good at multi-tasking than previous generations (Gursoy et al., 2008). They tend to believe in collective action and teamwork. Also, they have the tendency to question rules and challenge workplace norms (Gursoy et al., 2008).

According to Chen and Choi (2008), Millennials are idealist, highly optimistic, and confident. They have high expectation and are very proud of themselves. In addition, they believe that they give huge contributions to their work and managers are expected to acknowledge their good work (Gursoy et al., 2008). They also expect rapid promotion and development (Chen & Choi,

2008). Therefore, recognition and respect are important to them. However, although Millennials have high level of self-confidence, they are more likely to seek for directions and role models (Chen & Choi, 2008; Gursoy et al., 2008).

Millennials are similar to Generation X in that they are not very loyal to their employer. According to Gursoy et al. (2008), they like to keep their career options open. If there is any better career opportunity, they are willing to leave their job position and current employer. Unlike other generations, Millennials' job satisfaction and workplace culture are not associated with their organizational commitment (Stewart et al., 2017). What keeps them committed to their organization is mostly their own performance and the organization retention program.

In term of work centrality, Millennials are less willing to dedicate most of their time for working. They prioritize their social life and work-life balance plays a key role for them (Chen & Choi, 2008). Way of life is ranked by Millennials as the most important work value. It follows that flexible working schedule is considered as a stepping stone to success (Gursoy et al., 2008). Having flexible working schedule means that the work is not measured by the time they spend on it. What matters the most is whether the work is completed and the required goals are achieved.

Millennials are also found to be more motivated by extrinsic rewards (Twenge et al., 2010). Millennials consider economic returns as a much more important working value compared to other generations (Chen & Choi, 2008). When deciding between jobs, retirement benefits will be one of the most important factors to be considered. This

might be related to the fact that Millennials are financially smart (Chen & Choi, 2008). Therefore, it is suggested by Chen and Choi (2008) to design strategy which transform monetary rewards into performance.

However, Weeks and Schaffert (2019) found that financial rewards are less important than meaningful work. Work is perceived to be meaningful by Millennials if it serves others, improves lives, and brings personal happiness. Meanwhile, Millennials view ideal job as a position which includes interaction with others and is relaxing (Weeks & Schaffert, 2019). All these factors mentioned above can be used by organizations to develop leadership strategies which maximize Millennials' performance.

Millennials Perspective on Leadership

Millennials tend to be more optimistic toward leadership and have stronger interest in leadership role (Faller & Gogek, 2019). There are more Millennials who consider themselves as leaders (70.8%) compared to those who do not (Graybill, 2014). Furthermore, the majority of them also want to assume leadership positions and perceive that no barrier to such position in professional organizations exists.

Consistent with general literature (Gursoy et al., 2008) which label Millennials as team-oriented, group/teamwork is the most commonly held definition of leadership for Millennials. According to Graybill (2014), when Millennials are asked to define leadership, the most mentioned leadership attributes are respectively group/teamwork (41.6%), vision (25.0%), influence (14.5%), respect (12.5%), and communication (8.3%). Some examples of their leadership definitions are "collaborative act of guidance, direction, and action", "ability to inspire to

achieve goal", "leadership is the art of bringing others in new directions", and "leadership is the ability to achieve goals with the assistance of others." Meanwhile, the most important leadership statements according to Millennials are "a leader considers the impact of his/her decision on employees," "a leader works well with others," "a leader communicates clear expectations," "a leader treats everyone with respect," and "a leader recognizes that there is more than one way to do a job."

The seven leadership traits that are most frequently identified by Millennials are communication (97.9%), respect (85.4%), vision (79.1%), influence (75%), trust (68.7%), integrity (64.5%), and group/teamwork (62.5%) (Graybill, 2014). According to Omilion-Hodges and Sugg (2019), the most motivating managerial traits for Millennials are lead by example, hardworking, friendly, motivating, encouraging, and understanding. In contrast, Millennials are most likely discouraged by managers who are bad communicators, rude, lazy, micromanager, and mean. In addition, Millennials prefer leaders who care about them and can be trusted (Faller & Gogek, 2019). Dulin (2008) found that the core themes depicting Millennials leadership preferences are interpersonal relations, competency, self-management, management of others, and communication.

In term of managerial communication, Millennials prefer face-to-face, open, direct, mentor-like, friendly, professional, and personal communication (Omilion-Hodges & Sugg, 2019). Based on communication behavior style, Omilion-Hodges and Sugg (2019) developed a conceptual framework of five leader archetypes, namely mentor, teacher,

manager, friend, and gatekeeper. According to Millennials preference for managerial traits, mentor is the most desired leader quality. A mentor is an emphatic advocate, professional, and personal guide who builds interpersonal relationships, listens carefully, and gives personalized attention and frequent communication (Omilion-Hodges & Sugg, 2019).

Leadership Theories

Different generations require different type of leadership to maximize their performance. Anderson et al. (2017) argue that applying differentiated leadership strategies for generational groups are necessary since generational differences affect work motivations, attitudes, and behaviors. Furthermore, they propose that the five major leadership theories which are transformational leadership, information processing, leader-member exchange, authentic leadership, and ethical leadership are less effective to be used in modern organizations where Millennials comprise the majority of the members. In this sense, Anderson et al. (2017) compare the main characteristics of the leadership theories to generational changes related to organizations. The generational changes examined are individualism, work centrality, intrinsic and extrinsic motivation, and entitlement.

Rather than pointing out the limitations of the current leadership theories, this paper aims to propose the best possible leadership theory which can be applied to Millennial employees according to Dinh et al. (2014) categorization. Dinh et al. (2014) has identified 66 leadership theory domains and mapped the established and emerging leadership theories published in the 10 top tier journals between 2000 and 2012. The

established theories are categorized into nine thematic groups which are neo charismatic theories, leadership and information processing, social exchange/relational leadership theories, dispositional/traits theories, leadership and diversity and cross-cultural leadership, follower-centric leadership theories, behavioral theories, contingency theories, and power and influence of leadership. Meanwhile, new emerging leadership theories are categorized into eight thematic groups which are strategic leadership; team leadership; contextual, complexity, and system perspective of leadership; leader emergence and development; ethical/moral leadership theories; other nascent approaches.

Neo-charismatic Theories

According to Dinh et al. (2014), neo-charismatic theories mostly discuss the concept of charismatic and transactional leadership. Transformational leadership suggest that leaders inspire followers through achieving the goals of group or organization (Burns, 1978). According to Judge and Piccolo (2004), the most recent version of this theory is represented by the four dimensions of the transformational leadership. Those dimensions are charisma or idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. In other words, transformational leaders are characterized by behaving in admirable ways such that followers identify themselves with the leader, articulating inspiring vision to followers, encouraging and stimulating followers' creativity, and fulfilling individualized followers' needs through mentoring or coaching activities.

Leadership and Information Processing

Leadership and information processing use cognitive approach for the decision making

process in leadership and include attribution theory, leader and follower cognitions, connectionist approach, and implicit leadership theory (Dinh et al., 2014). Implicit leadership theories (ILTs) are defined as cognitive structures or prototypes which specify the personal traits and abilities of the leaders (Lord et al., 1984). Likewise, implicit followership theories (IFTs) are defined as individuals' personal assumptions about the followers' trait and behavior characteristics (Sy, 2010). The connectionist perspective which proposes a two-way exchange between leaders and followers has been used to examine IFTs (Offermann & Coats, 2018). According to Offermann and Coats (2018), the confirmed factors of ILTs are sensitivity, dedication, tyranny, charisma, strength, masculinity, intelligence, and creativity. Meanwhile, the confirmed prototypes of IFTs are hardworking, productive, goes above and beyond, excited, outgoing, happy, loyal, reliable, and team player.

Social Exchange/Relational Leadership Theories

Social exchange/relational leadership theories focus on relation and include Leader-Member Exchange Theory (LMX) and individualized leadership (Dinh et al., 2014). According to LMX, effective leadership processes occur when leaders and followers build social exchange in the form of mature leadership relationships and gain benefits from these relationships (Graen & Uhl-Bien, 1995). Graen and Uhl-Bien (1995) describe the leadership making process as a life cycle of leadership relationship maturity. The processes consist of three phase-stranger, namely characterized contractual relationship; acquaintance in which social exchange increases; maturity in which exchange between members are highly developed.

Ethical/Moral Leadership Theories

Ethical/moral leadership theories focus on altruistic behavior and include authentic, servant, and spiritual leadership theories (Dinh et al., 2014). Authentic leaders are characterized as having self-awareness, showing openness and clarity in relationships with others, maintaining objective decision making, and consistently showing and acting using their own moral perspective (Walumbwa et al., 2008). Meanwhile, the theory of spiritual leadership is built on intrinsic motivation model which incorporates vision, hope/faith, altruistic love, workplace spirituality, and spiritual survival (Fry, 2003). This theory aims at creating vision and value congruence across team and individual levels which will lead to higher performance.

E-Leadership Theories

E-leadership theories study leadership in technology-enabled working environment which impacts potential interaction, physical space distance, and electronic communication networking (Dinh et al., 2014). Avolio et al. (2014) define e-leadership as an embedded social influence process in proximal and distal contexts which is mediated by advanced information technology (AIT) to produce a change in attitudes, feelings, thinking, behavior, and performance. The practice of the development of e-leadership theory in organizations can take the form of big data on followers' history of interactions and work patterns by using crowd sourcing technologies to collect opinion data on ideas (Avolio et al., 2014). Another example is the use of massive multi-player games such as gamified web portals which allow the player to earn points and virtual rewards.

3. Research Method and Data

This is a literature review study reviewing the five major leadership theory groups and summarising observations from several scientific papers. Using qualitative research methodology, this paper aims to build critical argument and provide a more comprehensive framework for understanding the leadership issue. Document analysis method is considered to be appropriate due to the nature of the research questions. According to Bowen (2009), document analysis is a systematic procedure for reviewing printed or electronic documents in which data is examined and interpreted. The review consists of three stages.

Firstly, empirical findings of Millennials values, attitudes, and behaviors are collected and analyzed from top tier journals. The journal collection is assisted by top journal databases such as ScienceDirect, Emerald Insight, EBSCOhost, ProQuest, SAGE Journals, Scopus, SpringerLink, and Wiley Online Library. Keywords used to collect the journal include "Millennials", "Generation Y", "generational differences", "leadership", "work attitude and behavior", and "motivation". Secondly, the current leadership theories are compared to Millennials' values, attitudes, and behaviors. Only the most used leadership theory categories are analyzed in this paper. Keywords used to access the journals include "leadership theory", "current leadership theory", "emerging leadership theory", "transformational leadership", "implicit leadership theory", "leader-member exchange", "ethical leadership", and "e-leadership".

In total, 26 Millennials and leadership literatures are used in this article.

Table 1 reports the sources for the content analysis. As journal specializing in leadership studies, The Leadership Quarterly is used the most for the analysis. Finally, this study propose argument based on the comparison between the leadership theories and Millennials' values, attitudes, and behaviors.

Table 1. Data Sources

Source	Number of Articles
The Leadership Quarterly	8
Journal of Management	2
International Journal of Contemporary Hospitality Management	1
Journal of Leadership Studies	1
Nurse Leader	1
The Journal of Academic Librarianship	1
International Journal of Hospitality Management	1
Journal of Applied Psychology	1
Corporate Social Responsibility and Environmental Management	1
International Journal of Business Communication	1
Organizational Behavior and Human Performance	1
Business and Professional Communication Quarterly	1
Business Horizons	1
Organizational Behavior and Human Decision Processes	1
Journal of Business Ethics	1
Books	3

4. Result and Discussion

The Millennials possess different values, personalities, work attitudes, and motivations from their previous generations which can affect the effectiveness of the major leadership theories.

Neo-charismatic Theories

Transformational leaders as the main concept of neo-charismatic theories have the possibility to be preferred by Millennials

employees in a way that they challenge followers with high standards, communicate optimism about future goal attainment, and solicit followers' ideas (Judge & Piccolo, 2004). This approach matches with the Millennials characteristics, namely high optimism and confidence (Chen & Choi, 2008). By providing individualized considerations to followers (Judge & Piccolo, 2004), transformational leaders are more likely to be respected by Millennials since they prefer mentor-like leadership approach which give individualized communication and personalized attention (Omilion-Hodges & Sugg, 2019). Millennials also more interested in having role models (Chen & Choi, 2008). Transformational leaders, whose admirable behavior creates followers-leaders identification (Judge & Piccolo, 2004), can use this characteristic to engage Millennials employee.

In contrast, Anderson et al. (2017) argue that transformational leadership is ineffective for Millennials employees. Due to Millennials individualism, encouraging collective behavior over individual action proves to be not an easy task. Furthermore, decreased work centrality significantly lowers interest in the vision provided by the leader and, as a consequence, reduces the power of inspirational motivation.

Leadership and Information Processing

The theories in leadership and information processing group might be useful to guide managers in leading Millennials employees. This group of theories defines the characteristics of leader and makes the comparison between the theories and the organizational context practice easier. In addition, the research on implicit leadership theories (ILTs) reflects the current leadership phenomenon. There are new ILTs factors that

have been recently confirmed such as creativity and image-consciousness (Offermann & Coats, 2018). It can be stated that a high number of factors generated during the recent years can summarize leaders' traits and behaviors which are needed and admired by Millennials. As an example, the factor of "sensitivity" which is comprised of variables such as caring, friendly, and compassionate (Offermann & Coats, 2018) is particularly in line with Millennials leadership preference of interpersonal (Dulin, 2008) and caring (Faller & Gogek, 2019) relations. Another example is the factors of "creativity" and "intelligence" (Offermann & Coats, 2018) which can support fulfilling Millennials demand of competence leaders (Dulin, 2008).

However, some factors in ILTs seem to be in contrast with the Millennials definition and preference of leadership. Millennials are highly team-oriented and view leadership as the ability to achieve goals together (Graybill, 2014). They are also confident of their good work and demand respect (Gursoy et al., 2008). Meanwhile, the factor of "tyranny" consist of variables such as domineering, pushy, controlling, and coercive (Offermann & Coats, 2018) which is in contradiction with the Millennials' characters.

Social Exchange/Relational Leadership Theories

Since Millennials employees value interpersonal relationships with their leaders, Leader-Member Exchange Theory (LMX) can be helpful if it is applied to this generational group of employees. Indeed, Millennials perceive that supervisory relationship is the second most important work value (Chen & Choi, 2008). According to Omilion-Hodges and Sugg (2019), Millennials prefer leaders who choose

interpersonal relationships, listen carefully, and give personalized attention and frequent communication. Dulin (2008) also found that Millennials leadership preferences are mostly depicted by interpersonal relations. In line with the arguments above, Faller and Gogek (2019) found that Millennials seek leaders who care about them and leaders who can be trusted. By examining Millennials preference of leaders, LMX seem to fulfill Millennials demand.

Despite the benefits of the LMX theory, some scholars argue that it cannot be effectively applied. Lloyd et al. (2015) argue that the LMX theory is defined in too broad terms and does not specify the leader traits which are required to develop a strong leader-member relationships. Thus, it might not be a clear guide to managers. In addition, the particular implication of the LMX theory for leading Millennials according to Anderson et al. (2017) is limited. The LMX theory may not be effective in practice. As Millennials are more individualist, engaging in high-quality LMX is difficult. Millennials' focus on work-life balance and extrinsic rewards are also proposed to make Millennials less likely to be involved in developing LMX (Anderson et al., 2017).

Ethical/Moral Leadership Theories

Since the leadership approach of ethical/moral leadership theories focuses on ethical and altruistic behavior, it has higher chances to be accepted by Millennials. Ethic is important to Millennials. According to Klimkiewicz and Oltra (2017), Millennials job seekers are highly sensitive to companies' ethical behaviors which are reflected by their corporate social responsibility (CSR). Chen and Choi (2008) also found that Millennials view altruism as one of the most important work values. Holding on to values and

identities as the central focus of this leadership approach which may also be considered as a strength. Millennials care about self-identity more than Baby Boomers (PR Newswire Association LLC, 2012). Authentic leaders who show and act according to their own values are also likely to be preferred by Millennials employees because they fulfill Millennials' need of role model (Gursoy et al., 2008).

In contrast, Anderson et al. (2017) argue that consensus on the ethical leader image is difficult to be reached due to Millennials' individualism. Morality in the workplace is perceived as less important due to the minor role that the work plays in their life. Thus, Millennials are less likely to find advice from ethical leaders. Since the ethical/moral leadership theories are mostly developed within intrinsic motivation model, these theories will be less effective for Millennials who are more motivated by extrinsic rewards. This is in line with the proposition of Anderson et al. (2017) that authentic and ethical leadership theories are ineffective for Millennials who are less motivated by intrinsic driver of followership development and more likely to choose rewards over ethicality.

E-Leadership Theories

The e-leadership theories approach can be particularly effective when applied to Millennials employees since they are mostly tech savvy (Gursoy et al., 2008). The technical operation of this approach will not be a problem since Millennials are familiar with virtual communication. The application of e-leadership can advance the leadership process in the organization in a way that the process is done virtually. For example, regular meetings and trainings are done through the internet. It allows employees to

have more flexible work schedule and arrangement since they do not have to come to the office at the same hours every day and they can do the work from home. This can lead to a better work-life balance– a work value that is important for Millennials (Chen & Choi, 2008).

However, the e-leadership theory might not be effective if it is fully applied i.e. by using only virtual communication tools. Since Millennials prefer face-to-face communication (Omilion-Hodges & Sugg, 2019), they may not be willing to be approached only through the internet. Furthermore, it might be challenging to interpret emotions and build strong leaders-followers relationships through AIT. This limitation of e-leadership need to be considered since Millennials value strong interpersonal relationships between leaders and followers (Dulin, 2008).

The 5 Major Theory Groups

To answer the first problem statement, how Millennials' characteristics affect the effectiveness of current leadership theories, firstly, the results from documents analysis are presented in Table 2. Based on the comparison between the leadership theories and Millennials' values, attitudes, and behaviors, the five major leadership theory groups are both beneficial and limited to guide the leadership strategy making process in organizations. Table 3 shows that each leadership theory group's characteristics match and unmatched the Millennials' characteristics. Thus, it can be stated that none of the five major leadership theory groups is fully effective to be used in leading the Millennials

Since all of the five major leadership theory groups are only partially effective for leading

the Millennials, one of the best possible way is to use the leadership theory partially. The aspects of leadership theories that match Millennials' characteristics are extracted to create the leadership strategy for Millennials followers. Thus, one Millennials' characteristic can be approached through more than one leadership theory groups. On the other hand, one leadership theory group can also approach more than one Millennials' characteristic.

For example, Millennials' preference for interpersonal relationship between leaders and followers can be approached through three different leadership theory groups which are neo-charismatic theories, social exchange/relational leadership theories, and leadership and information processing theories. Millennials' role model seeking can be approached through neo-charismatic and ethical/moral leadership theories. On the other side, e-leadership theories can approach two of Millennials' characteristics which are tech savvy and have preference for flexible working schedule. A complete suggestion for leading Millennials employees is shown in Table 4.

Table 2. Summary of Leadership Theories Compatibility for the Millennials

No	Leadership Theory Group	Key Theory Characteristic	Millennials Match	Millennials Un-match
1	Neo-charismatic theories	Inspirational leaders who are charismatic, motivate intrinsically, stimulate followers' intellectual, and consider individual followers' need	Millennials are optimistic and self-confident; Millennials preferred individualized communication and attention; Millennials seek role model	Millennials' individualism leads to less collective priority; decreased work centrality lessen interest in the vision provided; more extrinsic motivation weaken the power of inspirational motivation
2	Leadership and information processing theories	Prototypes which specify the characterized traits and abilities of leaders	Factors in ILTs are up-to-date and fit Millennials preferences of leaders	Not all of the factors are fit to Millennials' characters
3	Social exchange/relational leadership theories	Leaders and followers build mature relationship and get benefits from it	Millennials prefer leaders who build interpersonal relationship	Millennials' individualism, less work centrality, and focus on extrinsic reward leads to lower possibility of high-quality relationship (LMX)
4	Ethical/moral leadership theories	Altruistic and ethical behavior of leaders which focus on values and identities of leaders and followers	Millennials are more ethical; self-identity is important for Millennials; Millennials seek more role model	Millennials' individualism leads to difficult moral consensus; less work centrality leads to ignorance of workplace morality; Millennials are more motivated by extrinsic reward
5	E-leadership theories	Technology based leadership approach	Millennials are tech savvy; Millennials prefer flexible work schedule	Millennials prefer face-to-face communication and interpersonal relations with leaders

Table 3. Effectiveness of the Leadership Theories for leading the Millennials

No	Leadership Theory Group	Millennials Match	Millennials Un-match	Effectiveness
1	Neo-charismatic theories	√	√	Partially effective
2	Leadership and information processing theories	√	√	Partially effective
3	Social exchange/relational leadership theories	√	√	Partially effective
4	Ethical/moral leadership theories	√	√	Partially effective
5	E-leadership theories	√	√	Partially effective

Table 4. Strategy for Leading the Millennials

No	Millennials' Characteristics	Leadership Traits/Behavior/Attitude	Leadership Theory Source
1	Optimistic and self-confident	Challenge followers with high standards, communicate optimism about future goal attainment, and solicits followers' ideas	Neo-charismatic theories
2	Interpersonal relationship (individualized communication and attention)	Provide individualized considerations for followers	Neo-charismatic theories
		Build mature relationships	Social exchange/relational leadership theories
		Be sensitive, caring, friendly, and compassionate	Leadership and information processing theories
3	Seek role model	Behave admirably to create followers identification with leader	Neo-charismatic theories
		Show and act leaders' own identity and value	<i>Ethical/moral leadership theories</i>
4	View values and identities important		
5	Ethical	Focus on ethical and altruistic behaviors	Ethical/moral leadership theories
6	Tech savvy	Use technology as leadership medium	E-leadership theories
7	Prefer flexible work schedule		
8	Demand competence leaders	Be creative and intelligent	Leadership and information processing theories

Since one theory is not enough for leading the Millennials, a more complex leadership theory is needed. We propose that the effectiveness of leadership traits, behaviors, and attitudes are related to generational characteristics. The process of creating an effective leadership theory starts from acknowledging different generational characteristics, transforming those characteristics into leadership traits/behaviors/attitudes, and combining the leadership traits/behaviors/attitudes into one leadership theory. In other words, to make a more effective leadership theory, leadership traits/behaviors/attitudes should be based on generational characteristics. The process of leadership theory development could follow the Graphic 1.

Thus, it can be concluded that the future leadership theories should be designed to accommodate Millennials' characteristics to be more optimum for leading the Millennials. In the same sense, other future leadership theories should also accommodate other generations' characteristics when designing leadership traits/behaviors/attitudes. Therefore, in the future, the leadership theories could be more specific. For example, one theory is designed for Millennial employees and other is designed for Gen Z employees. Therefore, there will be different leadership theories for different generation of employees.

Graphic 1. The Development of New Leadership Theory



5. Conclusion and Suggestion

Since generational difference affect the effectiveness of the current leadership theories, critical review the major leadership theories is needed. Through content analysis method, this study contribute to the literatures by suggesting the optimum strategy for leading Millennial employees and proposing the development of flexible leadership theory. Detailed contribution of this study is explain in theoretical and practical implication section.

Theoretical Implication

Each leadership theory has intrinsic limits and cannot be fully effective for leading Millennials employee. The limits are mainly caused by unmatched leadership trait/attitude/behavior and Millennials characteristics which are in line with Anderson et al. (2017) argument of generational and leadership theory gaps. Furthermore, as the workforce is continuously changing, the leadership theories need to adapt in order to be sufficiently helpful to guide managers in real organization case.

The leadership theory still has large space for development. According to Dinh et al. (2014), there are currently eight emerging groups of leadership theories. Researchers can develop new leadership theories which are flexible enough to accommodate generational changes. The theory can take the form of matrix consisting of generational characteristics and leadership dimensions. Table 4 and Graphic 1 can be the basis to explore and develop new flexible leadership theories. Further development of leadership theories can also include organizational and cultural contexts.

Practical Implication

Millennials characteristics which are unique and different from prior generations pose challenges and opportunities for modern organizations. Organizations which can overcome challenges and leverage opportunities will have better chances to be successful and outperform their competitors. In order to do so, organizations need to create a leadership strategy which will be optimum for Millennial employees. While each leadership approach has limitation and no single approach can accommodate Millennials characteristics, it is necessary for managers to use not only one approach of leadership. More effective leadership models can be performed if managers use only particular dimensions of leadership theories which best suit Millennials employees. Then, managers can combine the chosen dimensions in order to develop the best leadership strategy for their organization.

Some practical suggestions for managers in leading Millennials employees are proposed here. Firstly, managers need to be creative and intelligent. Secondly, managers need to focus in behaving admirably and ethically, as well as living their own identity and value. Thirdly, regarding work performance, managers need to set high standards, challenge employees' creativity, and communicate positively about achieving high goals together. Fourthly, managers need to build mature interpersonal relationships with their employees by being sensitive, caring, friendly, and compassionate. Finally, managers can use technology in their leadership process. For instance, manager can conduct virtual meeting.

Limitations and Future Research

There are some limitations of this paper that can be used as guidance for future research.

First of all, only major groups of leadership theories are analyzed in this paper due to time frame and practicality. Future research can advance this research by examining leadership for Millennials employees through several perspectives of leadership models. Another suggestion for future research is to focus on the emerging theories of leadership which are categorized into 8 thematic groups (Dinh et al., 2014).

Second, this paper does not take organizational context into consideration. The analysis in this paper is general. Examining the effective forms of leadership in different organizational contexts might lead to different results since the effectiveness of leadership styles vary across organization structures. Similarly, this study does not consider cultural differences. Future research can take cultural context into account to confirm the generality of the proposed arguments.

Third, the method used in this paper is literature review which only use literatures as the analysis source. Meanwhile, the practice in real organizations can be different from the theories. Therefore, findings in this paper should be supported by empirical study.

Fourth, Generation Z- the generation born after the Millennials- is starting to enter the workplace. As previous researches (Anderson et al., 2017) have already indicated, generational differences may play an important role in leadership research. Likewise the Millennials, Generation Z might have unique characteristics that cannot be efficiently accommodated by the current leadership theories. Future research can advance the current leadership literature by studying the Generation Z.

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