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PH.D. THESIS

OPTIMIZING ORGANIZATIONAL LEADERSHIP FROM AN (INTER)GENERATIONAL PERSPECTIVE. THE CASE OF THE TOURISM INDUSTRY

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SUMMARY

Over time, factors such as demographic change, education, globalisation or digitalisation have significantly impacted on the (dynamics of) the labour market - as a whole and at the level of the main actors that define it: organisations (employers) and individuals (labour carriers). The ability of (organisational) management to anticipate and/or adapt to change has been constantly tested, and the successful solutions have been those capable of ensuring (organisational) performance under optimal management of new challenges.

Today, digitalisation and demographic change (seen from a generational perspective) are two major trends in the labour market (and workforce) - with a relevant impact on management in general and HR management in particular. A new, digitally-native generation is joining the generations active in the labour market, bringing with it disruptions to the generational structure of organisations and a new employee profile, defined by specific characteristics and behaviours; all of which pose new challenges for today's manager-leader, concerned with achieving organisational goals through planning, organising, and controlling, as well as providing direction, inspiration, motivation and support to employees (and teams) to achieve a shared vision together.

In terms of the influence of demographics, generational membership of the workforce (employees) is a defining dimension, albeit less researched and/or scientifically coagulated in relation to organisational leadership performance. Essentially, a **generation** is the average time interval between the birth of parents and the birth of their offspring, and is made up of all people born within a certain time interval - and who are therefore (relatively) close in age. Four generations currently coexist in the labour market: Baby Boomers: 1946 - 1964, Generation X: 1965 - 1979, Generation Y: 1980 - 1994, Generation Z: 1995 - 2015. Not so long ago, the generations researchers focused on were the Silent Generation, Baby Boomers, Generation X and Generation Y. The major change is the Silent Generation's exit from the labour market, and its gradual replacement by Generation Z, whose members have either relatively recently entered the labour market or are about to enter it in the near future (Berkup, 2014).

Thus, **generational diversity and the entrance of Generation Z** in the labour market contribute to the shaping of a new (multi-generational) reality of organisations, raising the issue of organisational integration and understanding of employees from different generations as a prerequisite for leadership performance. The main goal of the PhD thesis entitled **"Optimizing organizational leadership from an (inter)generational perspective. The case of the tourism industry"** is to find ways in which leadership can be improved from an (inter)generational perspective - by determining the factors (leader behaviours) that can contribute to leadership performance.

Although the problem investigated is of a general nature, affecting many organisations in almost all industries, this PhD thesis focuses on the **tourism industry** (in Romania). The arguments that were the basis for the choice of this sector are primarily given by the importance of the tourism industry within the economic and social system (documented worldwide, and constantly targeted, based on its undeniable potential, as far as Romania is concerned); the fact that the tourism industry was one of the most affected by the Covid-19 pandemic was both a threat (which required adaptations of the empirical investigation to the new conditions of activities in the industry under analysis) and an opportunity (which resulted in additional elements of topicality, novelty and personal contribution integrating the lessons of the pandemic).

The complexity of the issue under investigation required treating the subject from **multiple disciplinary perspectives** (within the general sphere of management: human resource management, organisational behaviour, leadership) - both in terms of critical analysis of the current state of knowledge and empirical research carried out - and using a **variety of methodological tools** (able to ensure the achievement of the proposed objectives).

The doctoral thesis proposes three main directions, as follows:

I. **Generational diversity and the entry of Generation Z into the labour market: challenges for human resources management**

The first part of the thesis aimed at: (a) outlining the general framework of current concerns about generational diversity and the entrance of Generation Z in the labour market; and (b) identifying the main challenges posed by the new reality to human resource management. The main contributions concern: summarising approaches to generational change (in the labour market); comparing generations in terms of their defining individual (personal and professional) characteristics; profiling the Generation Z employee; proposing a comprehensive redesign of the whole HRM process - to meet the new challenges.

II. **Inclusion of Generation Z: New approaches to leadership and organisational behaviour in the tourism industry**

The second part of the thesis aimed to focus the research on: (a) organisational behaviour - as an essential (but deeper, insufficiently explored and valued) dimension of human resource management in the context of generational diversity; (b) leadership - as a critical factor of organisational success in a multigenerational context; and (c) the tourism industry in Romania - caught between the opportunities of integrating Generation Z and the threats of the pandemic. The main contributions aim at: highlighting individual (and generational) differences determining organizational behaviour; summarizing tools for measuring employee motivation, satisfaction and personality; identifying desirable managerial behaviours for valorizing generational differences and managing (inter)generational conflicts within work teams; integrating the generational dimension in the approach to organizational leadership; outlining current trends in the Romanian tourism industry - in (inter)generational and (post)pandemic context.

III. **Contributions to optimising leadership in the tourism industry - An (inter)generational perspective against a (post)pandemic background**

The third part of the thesis aimed to: (a) design qualitative and quantitative research; (b) create a model to measure leadership performance, analyse data and interpret results; and (c) formulate recommendations for leaders in the Romanian tourism industry. The main contributions are: operational definition of high performance leadership; creation of a model for measuring organisational leadership performance - based on three pillars/factors: leader's ability to implement HR and organisational management processes and practices, (inter)generational environment, climate and team; elaboration, based on the results of the research, of a Guide of good management practices in multigenerational context, Recommendations for leaders on managing generation Z and a Guide of good practices in crisis situations.

The thesis is structured in seven chapters, with the last part devoted to final conclusions, personal contributions, limitations and future research directions. As for the **content of the thesis**, it is based on 564 bibliographical references, while 26 tables and 41 figures were produced during the research.

For the first time in history, there are **four different generations** working in the workplace at the same time: Baby Boomers: 1946 - 1964, Generation X: 1965 - 1979, Generation Y:

1980 - 1994, Generation Z: 1995 - 2015, raising the issue of **generational diversity**. Generations have always intersected, but it is only since the 20th century that this topic has begun to take shape and be increasingly researched (Wilson, 2009). Historically, a **generation** is defined as the average time interval between the birth of parents and the birth of their offspring, and is made up of people born around the same time. As demographic changes have led to major changes in the labour market, **generational diversity** has emerged as a defining feature of today's business environment, raising many challenges for human resource management and managers.

In the **new - multi-generational - reality** of organisations managers are now faced with issues such as: (a) knowing and integrating different generations in the workplace; (b) creating complex environments that attract, satisfy and motivate employees from each generation; (c) the need to understand the new generation that has entered the labour market - **Generation Z**. Also known as the Digital Generation, IGen or Instant Online (Berkup, 2014) Generation Z is described as the biggest generational shift in the labour market to date, which will pose profound challenges for managers (McCrindle & Fell, 2019).

With **multiple generations in organisations**, it is necessary for managers at all levels of the hierarchy to adapt and develop new skills in order to manage employees from different generations (both individually and in teams). Understanding generational differences (and ideally valuing them) becomes a critical factor for organisational and managerial success as people from different generations are active in the labour market and therefore in work teams.

As a result, the **new multigenerational reality within organisations** and the complexity of generational issues require current managers to take a broad perspective on their role, integrating specific aspects of **organisational behaviour and leadership** - to optimally manage issues such as: **(1)** individual differences - determinants of organisational behaviour (attitudes, motivation and personality); **(2)** team - and organisational behaviour management in multigenerational teams; **(3)** addressing (inter)generational conflicts; **(4)** leadership style adopted.

The understanding and operationalization of the concept of "**manager-leader**" - which refers to a person who harmoniously integrates the roles of manager and leader within an organization (Simic et al., 2022) - thus become essential prerequisites for **addressing the challenges** posed by the greatest organizational change (Figure 1) and leveraging the (generational) strengths of an organization's employees.

Doctoral thesis entitled "**Optimizing organizational leadership from an (inter)generational perspective. The case of the tourism industry**" aims mainly at finding ways in which leadership can be improved from an (inter)generational perspective - by determining factors (leader behaviours) that can contribute to leadership performance.

The main dimension to be studied is **employee satisfaction with the leader's management style** - a dimension addressed in relation to the leader's ability to implement human resource management processes (such as motivation, training, development and feedback processes) and organisational processes (such as communication, decision-making and goal-setting processes).

Figure 1: Challenges identified through the PhD thesis

Challenges to human resource management

- Generational diversity;
- Generation Z entering the labour market;
- Integrating different generations in the workplace;
- Adapting human resource management processes to the needs and expectations of each generation in the labour market;
- Managing generational (professional) differences and conflicts in the organisation.

Generation Z: Challenges for managers-leaders

- Adapting to technology and new digital communication styles;
- Exploring and identifying innovative methods of motivation;
- Providing opportunities for continuous learning and development;
- Providing prospects for professional advancement;
- Creating environments that support workplace flexibility and work-life balance;
- Providing constant feedback;
- Transparency in the workplace;
- Fostering diversity and inclusion.

Source: Own research

As a result, the research favoured the **behavioural perspective**, which is able to observe the profound influences of the leader's leadership style on employee satisfaction. The **necessity and usefulness** of such an approach, through the lens of a comprehensive analysis of **employee satisfaction with the leader's management style**, is supported by the positive impact that a high level of employee satisfaction can have at the organisational level - given that increasing employee satisfaction can generate **positive consequences** such as increased organisational commitment, reduced absenteeism and lower staff turnover. Thus, measuring employee satisfaction with the leader's leadership style does not just reflect one situation at a time, but can be seen as a precursor to desirable future outcomes such as reducing the costs associated with recruitment and training processes for new employees or reducing uncertainty about workforce stability.

My **motivation for choosing** this research topic is the need identified at the level of managerial practice in organisations in the tourism sector - a sector in which there is a need for manager-leaders with skills and competences in human resource management

in a (multi)generational context. The lack of scientific literature once again justifies the focus on the chosen topic.

The tourism industry is one of the industries in Romania that faces the problem of managing a generationally diverse workforce. Tourism is one of the important sectors with a strong impact on the economic development of a country, contributing to: **(1)** job creation, **(2)** Gross Domestic Product (GDP) growth, **(3)** creation and consolidation of an area identity. The changes in the tourism industry labour market are forcing a rethinking of human resource management processes and the adaptation of the leader's leadership style to both the specific problems of the industry and the characteristics and needs of each generation. Due to the importance of the tourism industry, I consider it appropriate to conduct research in this industry, especially as the **effects of the pandemic** have spread into the industry, causing changes in the jobs and employees of companies in this sector.

The **main objective** of the research is to contribute to the knowledge in the field of organizational (exercised) leadership in a multigenerational context - by identifying leader behaviours that lead to employee satisfaction with the leadership style of the employee. In support of this, a number of **specific objectives** have been formulated, which are highlighted below:

- critical analysis of the literature and establishment of the current state of knowledge on the subject under review;
- identifying the characteristics of the representatives of each generation on the labour market: Baby Boomers, Generation X, Generation Y, Generation Z;
- mirroring the reality found in Romanian organizations in the tourism industry regarding the characteristics of the representatives of Generations Z and Y;
- development of a model for measuring organizational leadership performance and a best practice guide, in the context of the existence of different generations on the labour market, the entrance of Generation Z, as well as in the context of extreme situations (such as the pandemic) focusing on the leader's behaviours and how the leader, through these behaviours, can achieve employee satisfaction.

For the objectives outlined above, a number of **main hypotheses** were also formulated:

- **H1**: Generational diversity in the workplace and Generation Z entering the labour market are concerns for leaders in tourism organisations;
- **H2:** There are differences between younger generations (Millenials and Generation Z) and previous generations (Baby Boomers, Generation X);
- **H3:** There are no significant differences between the characteristics of Generations Y and Z;
- **H4**: One of the main causes of organisational conflict is belonging to a particular generation.

The doctoral thesis has a multidisciplinary character, being organised in three parts (Figure 2), and seven chapters as follows: (a) **the first part** outlines the general framework of the studied issue - represented by generational diversity and the challenges posed to human resources management by the entrance of Generation Z in the labour market; (b) **the second part** is dedicated to the inclusion of Generation Z and new approaches to leadership and organisational behaviour in the tourism industry; (c) **part III** gathers contributions to the optimisation of organisational leadership from an (inter)generational perspective (based on the quantitative and qualitative research undertaken).

Following the analysis of the current state of knowledge I have identified on the one hand the gaps, the controversial / insufficiently explored areas and the new trends on

the subject researched and on the other hand the methods and techniques used by the researchers in their research and the results obtained by them. In order to obtain as clear a picture as possible of the subject under investigation, numerous statistical publications and reports produced by specialised institutions such as the National Statistical Institute, the European Commission and the World Bank were analysed in addition to the critical analysis of the scientific literature. The analysis of the literature studies and statistical reports was carried out in an objective, rational and critical manner, aiming throughout the research at synthesizing information, analysis and critical evaluation, which contributed greatly to the design of the research methodology.

Figure 2: Logic diagram of the thesis

I. Generational diversity and Generation Z entering the labour market: challenges for human resources management

- One labour market and four generations
- Redesigning the human resources management process

II. Generation Z inclusion: new approaches to leadership and organisational behaviour in the tourism industry

- Management of defining processes of organisational behaviour - individual and multigenerational team
- Leadership - a critical factor for organisational success in a multigenerational context
- Tourism industry in Romania - between the opportunities of Generation Z integration and the threats of the pandemic. The role of the manager-leader

III. Contributions to optimising leadership in the tourism industry - an (inter)generational perspective against a (post) pandemic background

- Quantitative and qualitative research design
- Creating the measurement model, analysing the data and interpreting the results
- Recommendations for leaders in the Romanian tourism industry to optimize organizational leadership from an (inter)generational perspective

Source: Own research

As for the **research methodology**, it is based on a mixed-model approach, using both **quantitative methods** (survey and opinion poll) and **qualitative methods** (in-depth interview). In designing the methodology of this research I took into account the multidisciplinary and complex nature of the topic, given that the topic integrates perspectives from the research spheres of human resource management, organisational behaviour, leadership, diversity, and tourism.

As for the **data collection process**, data were collected through a **questionnaire** (research instrument). Data were collected in two different time periods as follows: **(1)** from November 2021 to March 2022 - data collection was stopped due to the outbreak of

the COVID-19 pandemic and the establishment of a state of alert in Romania (which implied restrictions imposed by the authorities in order to prevent the risk of SARS-Cov-2 virus spread), **(2)** from July to September 2022 - when the state of alert was lifted and the restrictions were lifted - in the peak season for the tourism sector. The research also included an **in-depth interview** with one of the tourism industry's leading specialists, Mr Mohammad Murad - an interview which took place at one of the resorts he owns in Romania, Phoenicia Blue View Resort.

The COVID-19 pandemic has impacted all industries worldwide (Cioca & Bratu, 2021), with the tourism industry being one of the most affected. In Romania COVID-19 started at the end of February 2020, the new coronavirus manifesting as a very severe respiratory infection. COVID-19 has had an accelerated progression in Romania (Prund, 2020), and among the restrictions imposed and measures taken, according to legislative regulations, which have also affected the tourism industry, are: **(1)** suspension of the activity of organizations, **(2)** operation of the activity at limited capacity, **(3)** complete closure of hotels, restaurants, hostels. Unfortunately, due to the pandemic and the restrictions and measures adopted by the authorities to limit the spread of the virus - imposed by Emergency Ordinances and Orders issued by the Ministry of Health - the data collection process **has been interrupted**. In order to be able to make use of the data obtained at that time, it was decided that the study conducted between **November 2021 and March 2022** would be approached as a pilot study. The data collection process was resumed in July - September 2022 in the peak season after the lifting of restrictions imposed by the authorities.

In terms of **data analysis**, both the data collected in the **pilot study** and the **final research** were subjected to analysis. The pilot study analysed data from 78 questionnaires. As for the final research, the data analysis was carried out in two stages: **(1)** in the first stage data from Generation Z representatives (n=107) were analysed and **(2)** in the second stage data from both Generation Z and Generation Y were analysed comparatively, totalling 165 respondents.

For data analysis, both **descriptive statistics** were used, calculating the internal consistency of the items through Cronbach Alpha Coefficient, the average, standard deviation and coefficient of variation for the analyzed variables, and **inferential statistics** such as Spearman Correlation Coefficient and Analysis of Variance (ANOVA), together with Levene Test (homogeneity of variance), using SPSS V23 statistical analysis software.

The **results** obtained through **quantitative research** were presented in the form of graphs, figures and tables - illustrating trends, correlations (between variables), comparisons (between Generations Z and Y), while the results obtained through **qualitative research** are summarised in the excerpts and keywords transcribed from the interview. The **interpretation** of the results was carried out both in relation to the objectives set by the present research and the results of previous research.

The **interpretation of the obtained results** allowed: **(1)** to identify the characteristics of the members of Generations Z and Y - employees in the tourism industry in Romania, **(2)** to highlight the problems and risks associated with the lack of knowledge of generational challenges and characteristics and **(3)** to formulate recommendations and create a best practice guide for leaders in the tourism industry in Romania in order to optimize organizational leadership from an (inter)generational perspective. The recommendations, useful for leaders facing the problem of managing employees from different generations, focused on 3 main directions: **(1)** best practice guide -

(inter)generational perspective, **(2)** best practice guide for managing Generation Z employees, **(3)** actions to implement in crisis situations.

The **impact of the results** of this research is significant and positive from the perspective of potential benefits for the main pillars / participants in the processes analysed - organisation, manager / leader, employees - it materialises in: **(1) improved organisational performance** - the research results could contribute to improved organisational performance through the identification and presentation of effective human resource management strategies and practices adapted to the (multi)generational context; **(2) reduced costs related to recruitment and training processes** - the research results could contribute by bringing to the attention of leaders the necessary changes in recruitment and training processes so that they meet the needs and expectations of Generation Z employees; **(3) reduced generational conflict in the workplace** – *the results of the research could provide a contribution by profiling and presenting the profile of the representatives of the different generations in terms of their needs, expectations and characteristics,* **(4) increased employee satisfaction and motivation** - *the recommendations made in the research and their implementation by managers/leaders can contribute to increased satisfaction and motivation of employees of different generations.*

The scientific approach is relevant for several reasons: **(1)** it contributes to the enrichment of knowledge on optimising leadership in a multigenerational context, **(2)** it contributes to filling the gaps identified regarding the current state of knowledge on Generation Z, **(3)** it formulates a series of practical recommendations for leaders dealing with generational diversity in organisations, **(4)** it provides a complex perspective on the subject through a multidisciplinary approach.

Based on the in-depth identification and analysis of the generational challenges faced by tourism industry professionals and leaders, this research aims to make **significant contributions** by providing concrete solutions on how to adapt human resource management processes and leadership style to the identified generational challenges and to the needs and characteristics of each generation's representatives. Among the **contributions** made to knowledge through the current research I highlight: **general contributions** - such as: **(1)** enriching knowledge on the studied issue, **(2)** outlining future directions of study, **(3)** validating partial results / conclusions following their publication in journals and specialized magazines, **(4)** identifying practical solutions and formulating recommendations to leaders, and **particular contributions**: (1) exploring the characteristics of different generations in the labour market: Baby Boomers, Generation X, Generation Y, Generation Z, (2) investigating the challenges brought by generational diversity from multiple perspectives (leadership, human resource management, organisational behaviour); (3) identifying the characteristics of Generation Z and the significant challenges brought by this generation in the labour market, (4) developing its own model for measuring leadership performance.

As for the **originality and the innovative character** of the PhD thesis, these are reflected by **(1)** the realization of one of the first researches addressing the issue of generations from the perspective of human resources management - integrating perspectives of organizational behavior and leadership, **(2)** the realization of the research in Romania, in the tourism industry, **(3)** the use of a multidisciplinary approach, **(4)** the treatment of a subject insufficiently researched in Romania, **(5)** the approach of the pandemic - as a disruptive factor in the tourism industry, **(6)** the highlighting of the opinion of a recognized specialist in the field - Mohammad Murad.

As a result of the research I have identified and presented the problems and risks associated with not knowing the challenges and characteristics of the generations and have developed a best practice guide. The best practice guide aims to define concepts analysed in the PhD thesis and to present best practices for continuous leadership improvement, focusing on 3 main directions - **(1)** Best practice guide - (inter)generational perspective; **(2)** Best practice guide for managing Generation Z; **(3)** Actions to implement in critical situations.

The research was carried out in accordance with the **rules of good conduct in research and development**, with particular attention paid to all aspects of confidentiality and integrity of data from respondents. The entire research was based on sound principles of scientific fairness. In terms of critical analysis of the current study of knowledge, studies from scientifically validated sources were predominantly used, and the sources used were appropriately cited. The research and publications analysed in the dissertation come from **international databases** such as: *Web of Science, Scopus;* **official websites***: https://insse.ro/cms/,* http://www.mmuncii.ro/*.* Regarding data on the tourism industry (number of persons employed) or generations (children born in time period n) I used **official databases** such as the *Publications Office of the European Union, INS - National Institute of Statistics* and/or *EuroStat.*

The simultaneous existence of four generations in the labour market is a growing concern, both nationally and globally, with much research attempting to determine the characteristics of the existing generations in the labour market and to identify ways in which employees of these generations can be integrated, coordinated and harmonised in the workplace. The generational challenge is not only an increasingly discussed but also a controversial topic (in terms of its impact on ensuring organisational performance), and interest in it is expected to grow in the future (as macroeconomic and organisational changes in the generational structure take place); organisations, through their leaders and HR specialists, will constantly be confronted with this issue due to the dynamics of the labour market and the entry of new generations into the market, which is inevitable as time goes by.

In conclusion, the increasingly volatile and complex challenges faced by organisations outline the need for a holistic approach to human resource management, combining traditional aspects of management with more recent, specific aspects of organisational behaviour and leadership to ensure performance. Recent studies reinforce this idea, emphasising the need for today's manager-leader to provide inspiration, motivation, guidance and support to employees (Patejczyk & Kobos, 2022). From the perspective of solutions to the problem under investigation, it is worth highlighting the essential role of exercising leadership characterised by openness, inclusiveness, adaptability and flexibility - an aspect also present in recent existing research on generational diversity: Al-Asfour & Lettau (2014) argue that for a leader to manage generational diversity, it is necessary to adopt several leadership styles, depending on the generation and/or the person, and to treat each employee according to the needs and expectations they have.

Keywords: human resource management, leadership, generational diversity, Generation Z, tourism.