

# Comparison of Generation X and Generation Y for Leadership Style Preference with the Moderating Role of Legacy Beliefs

Muhammad Musa Kaleem<sup>1</sup>, Muhammad Azeem<sup>2</sup>, Saira Idrees<sup>3</sup> and Tijanni Muhammad<sup>4</sup>

<https://doi.org/10.62345/jads.2024.13.2.3>

## Abstract

*Each generation has unique characteristics influenced by their respective historical periods. This research has explored the differences in leadership style preferences between generation X and generation Y, taking into account the impact of legacy belief. Legacy belief is an important measure that shows how individuals justify their actions, and become more significant as they progress in their careers. By conducting a survey using random sampling, data was gathered from 304 banking professionals in Islamabad, Pakistan. Results show distinct differences in the leadership approaches of generation X and generation Y, particularly in transactional and transformational styles. It was also found that legacy belief plays a role, with generation X individuals showing more respect for their beliefs. This study highlights the differences in leadership tendencies across generations, contributing to existing research on how they affect organizations and employee performance. Tailored strategies are needed to engage older employees more actively. Additionally, we suggest including Generation Z in generational studies and exploring other factors that can influence generational dynamics in the workplace.*

**Keywords:** Generation X, Generation Y, Generation Z, Transactional Leadership, Transformational Leadership, Legacy Belief.

## Introduction

Generations refer to distinct cohorts of individuals who share common experiences and characteristics based on the period in which they were born (Arrington & Dwyer, 2018). Generational bonds are formed through shared understandings, common perceptions and life events, leading to a unique approach to work. Individual backgrounds and factors like ethnicity and religion contribute to the formation of a collective identity (Haiyan, 2021). Generations are classified as Traditionalists, Baby Boomers, Gen-X, Gen-Y and Gen Z. Traditionalists, born between the late 1920s and mid-1940s in the 20th century (1928 - 1945), adhere to conventional values and beliefs. Baby Boomers, born between the mid-1940s and mid-1960s in the 20th century (1945 - 1965), experienced significant social and economic changes. Generation X, born between the mid-1960s and late 1970s in the 20th century (1965 - 1979), navigated a shifting cultural landscape. Generation Y, also known as millennials and digital immigrants, was born between the

---

<sup>1</sup>Assistant Professor, Federal Urdu University of Arts, Science & Technology, Islamabad.

Corresponding Author Email: [mmusakaleem@gmail.com](mailto:mmusakaleem@gmail.com)

<sup>2</sup>Professor, EXEED College (Westford Education Group) United Arab Emirates. Email: [azeem@esbfedu.com](mailto:azeem@esbfedu.com)

<sup>3</sup>Lecturer, Federal Urdu University of Arts, Science & Technology, Islamabad. Email: [sairaidreesofficial@gmail.com](mailto:sairaidreesofficial@gmail.com)

<sup>4</sup>Assistant Professor, Federal University Gashua, Yobe State, Nigeria. Email: [hajiteee@fugashua.edu.ng](mailto:hajiteee@fugashua.edu.ng)



late 1980s and mid-1990s in the 20th century (1980 - 1995). Gen Z, identified as digital natives, were born in the late 1990s (Arrington & Dwyer, 2018).

Research suggests that discrepancies exist among different generations in the workplace, which may lead to misunderstandings and conflicts. HR practitioners must be cognizant of these diversities and tailor organizational strategies to suit the various age groups' preferences and communication styles, to promote a harmonious and efficient work environment (So Hee, & Yeojin, 2024). Scholars suggest that having a diverse age range in a workplace can bring various perspectives and better outcomes. Valuing generational differences is crucial for creating an inclusive and innovative environment. Encouraging collaboration among different age groups can boost older employees' involvement in work tasks. Teams with a mix of generational backgrounds are more equipped to tackle complex issues and make decisions. Recognizing and utilizing the strengths of various age groups can enhance success and creativity in organizations. Understanding generational divides is essential for grasping their social interactions. Businesses and educational institutions must adjust their strategies to meet the evolving needs of each new generation in the workforce (Nataliia et. al., 2023).

The primary objective of this research is to examine the variations in leadership style preferences between members of generation X and generation Y. Additionally; it aims to comprehend the potential influence of legacy beliefs on these differences. The outcomes of this study have the potential to enhance the existing body of literature on the inclination towards specific leadership styles among individuals from generation X and Y, as well as shed light on their potential impact on organizations and employees. This research endeavours to evaluate the predispositions towards leadership styles among individuals belonging to generation X and generation Y. The objectives of the current study are described as follows:

- To examine, whether significant deference exists in two groups of generations (X and Y) regarding Transformational and Transactional leadership style preferences.
- To analyse the moderating role of legacy beliefs on leadership style preferences.

### **Gen X and Gen Y**

Generation X, born from the early 1960s to the early 1980s, has unique perspectives compared to Millennials and Baby Boomers. They prioritize financial well-being, relationships with colleagues and job preferences based on self-realization and welfare guarantees. They value jobs that contribute to the organization and society, seek personal growth and continuous learning, and have a results-oriented mindset (Kam & Trippner-Hrabi, 2021). On the other hand, generation Y, or millennials, born between 1980 and 2000, are highly educated and globally connected. They shape consumer behaviour, online shopping trends, and job satisfaction. They are competitive, tech-savvy, and focused on sustainability. Millennials play a crucial role in online purchases, seeking pleasure, recognition, and making informed decisions. Contrary to popular belief, they are not the sole pioneers of transforming mobility patterns. Stereotypes associated with Millennials reflect shifts in professional and organizational identities, with older generations emphasizing their skills to maintain power dynamics (Arras-Djabi et al., 2024).

Researchers working on Gen X and Gen Y workers found that generation X workers tend to see Generation Y colleagues as having lower levels of organizational commitment and expectations regarding power distance, while generation Y employees tend to perceive generation X co-workers as having higher levels of organizational commitment and power distance expectations (Ümit et al., 2020). Studies show that generation Y has a higher turnover rate compared to Generation X due to differences in working styles, social values, and personal values. Millennials' purchasing

decisions are influenced by trust in influencers, while generation X values monetary rewards and generation Y prefers non-monetary rewards (Vitullo, 2022). Generation X responds well to task behaviour emphasizing connectedness and commitment, while generation Y prefers fair task-handling methods. There are differences in affective commitment between generation X and generation Y, impacting work values and commitment. These generational variances affect organizational dynamics significantly. Generation X values security and co-workers, while Generation Y prioritizes independence and supervision. Generation X is dissatisfied with aspects like activity, power, and pay, while generation Y is dissatisfied with a lack of creativity, variety, and achievement. Generation Y employees may struggle in the workplace, leading to lower organizational commitment (Gaziz et al., 2023).

Recognizing generational disparities in the workforce is crucial for implementing efficient training and conflict resolution strategies. Understanding unique perspectives on work from different generations is essential for successfully managing multi-generational environments. Organizations must customize human resource policies and job attributes to engage and retain generation X staff members (Bozhenko et al., 2023).

### **Leadership Style Preferences**

Management theory has shaped leadership concepts over time, from traditional theories to modern styles like transformational and relational leadership. These theories play a crucial role in enhancing leadership effectiveness and organizational success, with a particular focus on ethical leadership. Initially, theories like the Great Man theory, Trait theory, Contingency theory, Skill theory, and Behavioral theory laid the foundation for understanding leadership (Vasilescu, 2019). Subsequently, the focus shifted towards humanistic approaches, such as participative, contingency, and transformational leadership theories, which have proven effective in disease outbreak management. Moreover, contemporary leadership styles like transformational and relational leadership have gained prominence in recent years, influencing organizational effectiveness and management practices globally (Liu & Luo, 2022).

### **Transactional Leadership**

Transactional leadership style involves a leader motivating subordinates through rewards or consequences based on their performance within an organization. In this style, the leader relies on task-oriented exchanges and contingent rewards and punishments for performance in achieving short-term goals and providing clear direction (Wakit, 2023). Transactional leadership style plays a significant role in the leader-follower relationship, as highlighted in various research. Research indicates that transactional leaders positively impact organizational performance, strategic plan implementation, and organizational commitment (Cahyadi, 2023). A study by Qurat-ul-Ain Qureshi (2023) emphasizes the impact of followers on leadership behaviour, indicating a significant relationship between followership and transactional leadership styles. Additionally, research conducted by Ritu et. al. (2021) underscores the positive influence of transactional leadership on strategic plan implementation in private firms. Furthermore, Ali et. al. (2021) found that transactional leadership not only affects organizational outcomes but also shapes the dynamics of the leader-follower relationship by emphasizing task-oriented exchanges and structured approaches to leadership.

### **Transformational Leadership**

Transformational theory of leadership is based on high moral and personal values and organizations following transformational leadership achieve higher growth and profitability by empowering employees (Singh et al., 2022). By fostering a culture of innovation, creativity, collaboration and development, transformational leaders empower their subordinates to make decisions and embrace change (Imroz, 2023). Transformational leaders inspire and motivate their teams to achieve organizational goals by conveying a clear mission and objectives by developing trust-based relationships with team members to facilitate a transformative experience and co-create a vision for the future. Transformational leadership enhances motivation, satisfaction, and performance by focusing on employee development (Chiş-Manolache, 2022). Transformative leadership is appropriate for organizations engaged in innovative work with minimal structural constraints and the need for subordinate support and motivation,

H<sub>1</sub>: A significant difference exists between Gen-X & Gen-Y w.r.t. transformational leadership style.

H<sub>2</sub>: A significant difference exists between Gen-X & Gen-Y w.r.t. transactional leadership style

### **Legacy Beliefs**

Employee legacy beliefs refer to individuals' convictions about the lasting impact they will have through their work and actions, influencing their leadership behaviors (Zacher et al., 2011). Legacy beliefs play a significant role in shaping employees' lives and behaviors.

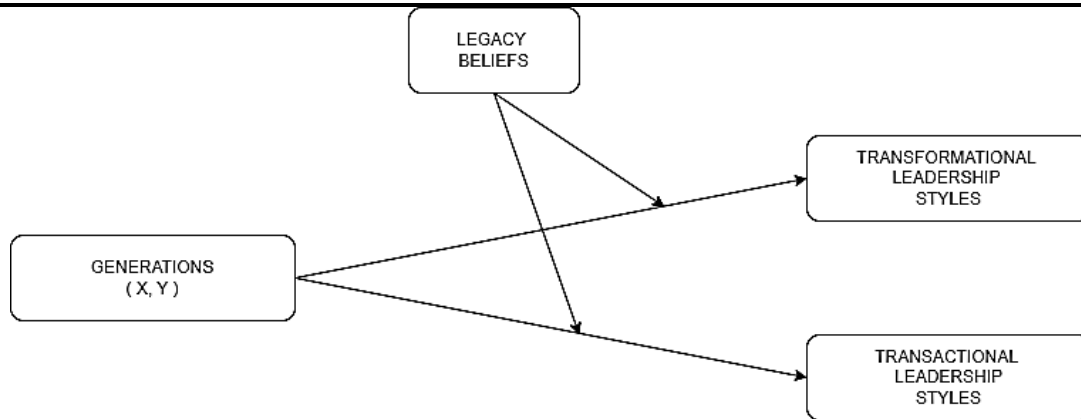
These beliefs can shape how employees approach their roles, emphasizing the importance of leaving behind a meaningful contribution that will be remembered and have enduring influence (Meuser et al., 2019). Legacy beliefs shape employees' leadership behaviors and guide in their approach to work, emphasizing the importance of leaving a meaningful and lasting contribution (Zacher et al., 2011; Meuser et al., 2019). Understanding legacy beliefs is crucial for comprehending individuals' long-term influence and remembrance perspectives, which influence their leadership styles. Legacy beliefs can drive employees to demonstrate transformational and transactional leadership behaviors, strive for work-life balance, form a deeper connection to their careers, and engage in environmentally friendly actions. Effective leaders prioritize legacy leadership practices, such as promoting diversity, community engagement, and responsibility and accountability balance (Haynes, 2023). Legacy beliefs contribute to fostering transparent, productive, and community-involved cultures in educational settings (Andrews-Lee & Liu, 2021). The Legacy Belief serves as a moderator in the current study.

H<sub>3</sub>: Legacy beliefs moderates the relationships between Gen-X & Gen-Y and transformational leadership style.

H<sub>4</sub>: Legacy beliefs moderates the relationships between Gen-X & Gen-Y and transactional leadership style.

## Methodology

**Figure 1: Research Model**



The study has followed correlational research methodology with quantitative approach in order to test the proposed framework. Data is collected through cross sectional survey methodology. The study adapted renowned scales used in past researches. For Transformational Leadership, 10 items were adapted from (Avolio & Bass, 1991) multi-factor leadership questionnaire. For Transactional Leadership 5 items were adapted from (Avolio & Bass, 1991) multi-factor leadership questionnaire. The measurement scale for legacy beliefs of respondents was adapted from a well-known 6 items scale by McAdams & Aubin (1992) known as Loyola Generatively Scale (LGS) composed of self-reported assessments of leaders perceived enduring legacy (Clark & Arnold, 2008).

All items were scaled at 5-point Likert scale as extent of respondent's agreement or disagreements with the statement (Likert, 1932). The target population includes bank workers in Islamabad. Banks in Pakistan provide identical work environment and operate under the regulations set by the State Bank of Pakistan. The renowned banks were randomly selected for data collection. These include HBL, UBL, ABL, MCB, NBP, Askari, Meezan and Faisal Bank. Three branches of each bank were selected from different residential sectors in order to assure participation of maximum number of selected banks. Residential sectors include I-8, I-10, G-6, F-7, F-8, F-10 and E-11. Bank branches were selected from highly populous sectors where considerable work activity is carried out and also researcher convenience and affordability in data collection. The final sample was taken from 40 randomly selected bank branches. For keeping equal participation, the threshold value was set to 3 respondents per bank branch who meet eligibility criteria of respondent. Bank employees were approached with the permission of bank branch manager and were requested for their volunteer participation with assurance of response anonymity and confidentiality. The questionnaires were self-administered. Out of 415 distributed survey questionnaires, 325 filled questionnaires were returned with about 77% response rate. After initial scrutiny, about 304, questionnaires were finally selected for analysis. This number is sufficient for inferential statistical analysis. The sample was composed of two cohorts of individuals. One cohort was from members of the Gen-X with ages fall between 30 and 44 years. The other cohort was from Gen-Y and its members were under the age of 30. In order to ensure the face and content validity of the instrument, a pilot testing was carried out in which interviews were conducted from 20 experienced bank employees and feedback was received about data collection instrument (Hulland, 1999). Necessary modifications and improvements in design, wording and sequence of questions were

made in data collection instrument on the basis of feedback. Questionnaire was kept in English language as respondents were able to understand its language.

### Analysis

Steps followed in the data analysis begin with reliability and validity analysis using exploratory and confirmatory factor analysis (Thompson, 2007) followed by hypothesis testing. Data analysis was carried out using SPSS, AMOS, MS Excel and Hay Process Macro, 2013 (Hayes, 2013). Exploratory Factor analysis EFA attempts to reveal complex patterns by exploring the dataset and testing predictions. It analyse whether the collected data are in accordance with the theoretically expected pattern (Yong & Pearce, 2013). On the other hand, confirmatory factor analysis CFA tests existing theory and examines whether a specified constructs are influencing responses as predicted. In CFA, researcher attempts to confirm hypothesized model by evaluating observed data using model fit indexes (Williams et al., 2010).

To begin EFA, first, the reliability was estimated (Crocker & Algina, 1986) through measuring internal consistency (Cronbach, 1951). Cronbach's alpha value was found to be 0.900. Further, Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity (BTS) were run (Williams et al., 2010). KMO index measures the sampling adequacy of responses and BTS test examines the strength of the relationships. Result showed the KMO = .929 and BTS is found significant (Chi Square 8198.838, Df 210,  $p < 0.005$ ). Further, in EFA, the principal axis factor analysis (PCA) with Varimax rotation was conducted to assess the underlying structure for 21 items.

**Table 1: Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	10.060	47.906	47.906	10.060	47.906	47.906	7.879	37.520	37.520
2	4.371	20.813	68.720	4.371	20.813	68.720	4.797	22.841	60.361
3	2.705	12.882	81.601	2.705	12.882	81.601	4.461	21.241	81.601

Extraction Method: Principal Component Analysis.

The next essential outputs are of communalities and total variance explained. Recommended values of communalities is  $>0.5$ . Values lesser than the threshold should be removed from the analysis. Total variance explained Table 1 shows total cumulative variance of 81.601%. This implies that three components (factors) having eigenvalue  $>1$  contributed 81.60% changes to the overall variance. Rotated component matrix shown in Table 2 shows the output of communalities and factor loading values containing assessments of the correlations between variable and components.

**Table 2: Rotated Component Matrix**

Items	Component			
	Commonalities	1	2	3
TFL1	.780	.872		
TFL2	.809	.863		
TFL3	.828	.870		
TFL4	.843	.895		
TFL5	.740	.838		
TFL6	.830	.878		
TFL7	.798	.846		
TFL8	.793	.870		
TFL9	.760	.827		
TFL10	.820	.882		
TSL1	.883			.895
TSL2	.911			.915
TSL3	.921			.919
TSL4	.891			.902
TSL5	.785			.838
LB1	.790		.883	
LB2	.802		.891	
LB3	.792		.885	
LB4	.811		.890	
LB5	.753		.859	
LB6	.795		.888	

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 4 iterations.

For conducting CFA, first, the model fit indexes were examined with respect to permitted threshold.

Figure 2: CFA Model

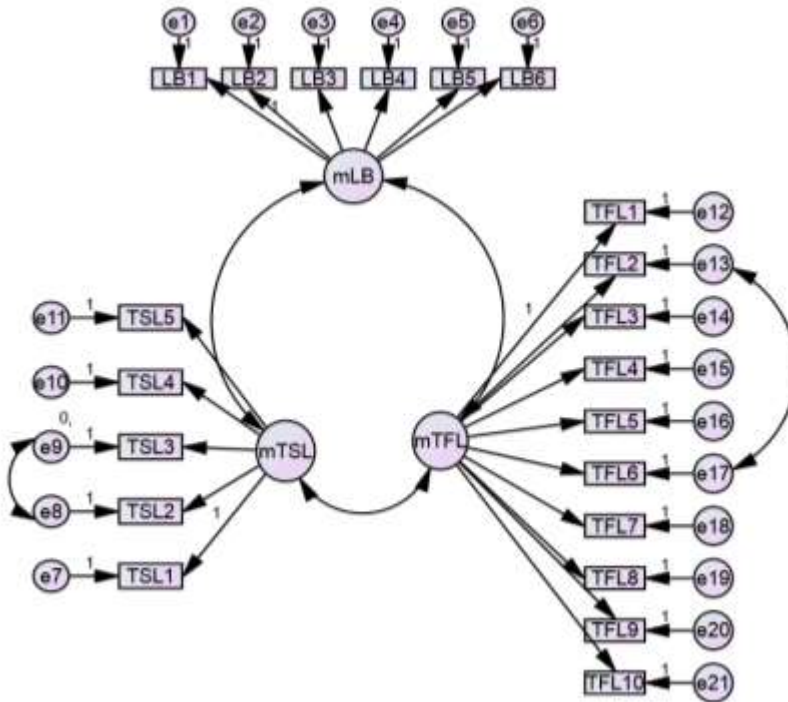


Table 3 shows the values found for model fit indexes along its recommended threshold range (Hu & Bentler, 1999). After carrying out CFA, the model fit indexes values were found within the recommended range and therefore, assures the fitness of model.

Table 3: Goodness of fit Metrics for CFA model

Measure	Cmin/df	GFI	TLI	NFI	CFI	RMSEA	PCLOSE
Value	1.646	0.914	0.983	0.964	0.986	0.046	0.745
Threshold	< 5 OK	>.90 OK	>.90 OK	>0.90	>.90 OK	<.08 OK	> .05
	< 3 good;	>.95 great	> .95 great;		>.95 great	≤0.05 Excellent	

(Gefen & Straub, 2005; Hooper, Coughlan & Mullen, 2008; Hu & Bentler, 1999).

Furthermore, reliability and construct validity, of three factors were assessed to assure their usefulness for further analysis. Table 4 shows the reliability and validity statistics. For reliability, Composite Reliability (CR) is preferred in a reflective model. Thresholds for composite reliability are values > 0.7 (Hair et. al., 2010). CR values found during analysis range from 0.856 to 0.947, which falls within the recommend cutoff level of 0.70). Further validity analysis was examined by calculating Average variance extracted , maximum shared variance and average shared variance. To confirm convergent validity, results shown that AVE values were from 0.654 to 0.832 and were within the recommended range >0.50 (Byrne, 2010). Furthermore, the values of Maximal reliability MaxR (H) fall between 0.947 to 0.998 and are within the accepted threshold of 0.8 (Hancock & Mueller, 2001). This strongly supports the convergent validity (Hair et. al., 2006). For discriminant validity, two conditions are necessary to be fulfilled. First, the MSV should be lesser than AVE and secondly, the AVE must be higher than correlation of the variable



with other variables in a model (Hair et al., 2010). These both conditions are satisfied in the analysis as shown in the Table 4 above. Hence, the discriminant validity between the three latent constructs is also established.

**Table 4: Reliability and Validity Measurements**

	CR	AVE	MSV	MaxR(H)	TSL	LB	TFL
TSL	0.955	0.811	0.238	0.998	0.900		
LB	0.947	0.748	0.045	0.947	-0.110	0.865	
TFL	0.971	0.772	0.238	0.972	0.488	-0.213	0.879

LB = Legacy beliefs, TFL = Transformational Leadership, CR = Composite Reliability, MSV = Maximum Shared Variance, AVE = Average Variance Extracted, ASV = Average Shared Variance, TSL = Transactional leadership.

Demographic analysis is shown in table 5, 6 and 7 describing respondent's characteristics.

**Table 5: Demographic Analysis**

Response Category	Freq.	%age Response	Mean	S.D
<b>Gender</b>			1.3717	.48406
Male	191	62.8		
Female	113	37.2		
<b>Age</b>			1.4112	.49286
Gen-Y	179	58.9		
Gen-X	125	41.1		
<b>Bank Experience</b>			1.8520	.64572
<=5	89	29.3		
>5&<15	171	56.3		
>=15	44	14.5		

**Note:** %Age=Percentage, Freq=Frequency, S.D=Standard Deviation

**Table 6: Cross Tabulation of Gender**

Response Category	Total	Generation		Bank Experience		
		Y	X	<=5 Yrs.	>5 &<15	>=15
Gender	Count					
Male	191	109	82	69	94	28
Female	113	70	43	20	77	16
Total	304	179	125	89	171	44

**Table 7: Cross Tabulation of Generation**

Response Category	Total	Gender		Bank Experience		
		Male	Female	<=5 Yrs.	>5 &<15	>=15
Gender	Count					
Gen-Y	179	109	70	56	97	26
Gen-X	125	82	43	33	74	18
Total	304	191	113	89	171	44

### Hypothesis Testing

H<sub>1</sub>: A significant difference exists between Gen-X & Gen-Y w.r.t. transformational leadership style.

H<sub>2</sub>: A significant difference exists between Gen-X & Gen-Y w.r.t. transactional leadership style.

**Table 8: Group Means**

	Age	N	Mean	Std. Deviation	Std. Error Mean
TFL	Gen-Y	179	2.7279	1.25313	.09366
	Gen-X	125	3.1800	1.21363	.10855
TSL	Gen-Y	179	2.6436	1.35120	.10099
	Gen-X	125	3.0000	1.41399	.12647

In the first step, independent samples T test is run to see the mean difference of predictors on outcome variables TFL and TSL. Results show that Gen-X performed significantly higher than Gen-Y.

**Table 9: Independent Samples T Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	Df	Sig. 2-tailed	Mean Difference	Std. Error Difference.	95% Cnf Int of the Difference	
									Lower	Upper
TFL	Eq. Var. Assumed	.397	.529	-3.135	302	.002	-.45207	.14419	-.73582	-.16831
	Eq. Var. not Assumed			-3.153	272.247	.002	-.45207	.14337	-.73433	-.16980
TSL	Eq. Var. Assumed	1.472	.226	-2.220	302	.027	-.35642	.16054	-.67235	-.04050
	Eq. Var. not Assumed			-2.202	259.156	.029	-.35642	.16185	-.67513	-.03772

**Note:** Diff=Difference; Conf. int= Confidence Interval; Var=Variance; Eq=Equal, Sig=Significance

The Levene's tests for equal variances for TFL and TSL indicates that two-tailed p-values for TFL and TSL are 0.002 and 0.027 respectively. This indicates that the difference of means in TFL and TSL between Gen-Y and Gen-X is different from 0. In the second step, further analysis has been carried out by running ANCOVA for assessing and controlling the confounding effect of two potential covariates; gender and banking experience before examining the influence of a predictor on outcome variable.

**Table 10: Between-Subjects Effects test**

DV	Source	Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
TFL	Corrected Model	23.032 <sup>a</sup>	3	7.677	5.071	.002	.048
	Intercept	249.282	1	249.282	164.662	.000	.354
	Gender	5.110	1	5.110	3.375	.067	.011
	BnkExp	1.885	1	1.885	1.245	.265	.004
	Gen_XY	14.526	1	14.526	9.595	.002	.031
	Error	454.170	300	1.514			
	Total	3058.260	304				
	Corrected Total	477.202	303				
TSL	Corrected Model	21.212 <sup>b</sup>	3	7.071	3.781	.011	.036
	Intercept	241.436	1	241.436	129.101	.000	.301
	Gender	9.910	1	9.910	5.299	.022	.017
	BnkExp	.912	1	.912	.487	.486	.002
	Gen_XY	8.610	1	8.610	4.604	.033	.015
	Error	561.038	300	1.870			
	Total	2948.840	304				
	Corrected Total	582.250	303				

a. R Sq. = .048 (Adj. R Sq. = .039),

b. R Sq. = .036 (Adj. R Sq. = .027)

Results of equal variance assumed indicates that there exist a significant difference ( $p < 0.05$ ) between responses of Gen-Y and Gen-X with regard to TFL and TSL. The decision is, therefore, that Hypothesis H<sub>1</sub> and Hypothesis H<sub>2</sub> are accepted. Results indicate that that generation is a significant predictor of scores on the outcome variables and there exist a statistically significant difference between adjusted means ( $p < .05$ ).

### Moderation analysis

H<sub>3</sub>: Legacy Beliefs moderates the relationships between Gen-X & Gen-Y and transformational leadership style.

**Table 11: Interaction Statistics**

Model	R	R <sup>2</sup>	MSE	F	Df <sub>1</sub>	Df <sub>2</sub>	p
	.5794	.3357	1.0566	50.5454	3.0000	300.0000	.0000
	<b>Coefficient</b>	<b>se</b>	<b>t</b>	<b>p</b>	<b>LLCI</b>	<b>ULCI</b>	
Constant	7.9995	.5341	14.9773	.0000	6.9484	9.0506	
Legacy Beliefs	-1.8917	.1619	-11.6809	.0000	-2.2104	-1.5730	
Gen-X,Y	-3.1952	.3341	-9.5623	.0000	-3.8527	-2.5376	
Int_1	1.2819	.1130	11.3396	.0000	1.0594	1.5043	
	<b>R<sup>2</sup> increase</b>	<b>R<sup>2</sup>change</b>		<b>F</b>	<b>Df<sub>1</sub></b>	<b>Df<sub>2</sub></b>	<b>P</b>
int_1		.2847		128.5865	1.0000	300.0000	.0000

Results (table 11) show that there exists an interaction effect as the p value is  $\leq 0.05$  and zero doesn't falls between LLCI and ULCI (lower and upper confidence intervals), The values for LLCI

and ULCI are 1.0594 and 1.5043 respectively. This indicates the existence of significant value of interaction effect. So there exists a generational impact on transactional leadership under the influence of legacy beliefs as a moderator.

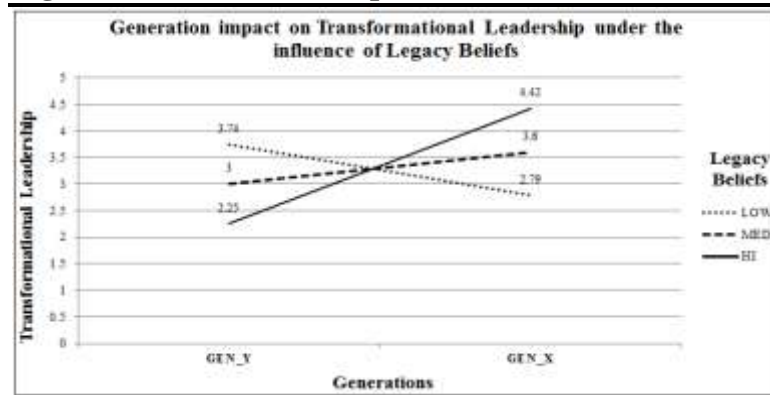
Next we have to find that under which condition (low, medium, high) of a moderator, this effect is significant (Table 12).

**Table 12: Conditional effect**

Legacy Beliefs	Effect	se	t	p	LLCI	ULCI
1.7514	-0.9501	0.1716	-5.5352	.0000	-1.2878	-0.6123
2.9660	0.6069	0.1360	4.4619	.0000	0.3392	0.8745
4.1806	2.1638	0.2127	10.1732	0.0000	1.7452	2.5823

Results show that there exists an interaction effect for all three values (low, medium and high) of Legacy Beliefs. However, intensity of moderator amplifies the relationship. This can also be seen by moderation graph. Graph shows three conditions of moderator (Low, medium and high). Graph indicates that transformational leadership (DV) preference goes higher in case of Gen-Y for low value conditions of Legacy Belief (moderator) and it is lower for higher values of moderator. On the other hand, impact on DV is higher for high values of moderator, if Gen-X is the case and is lower for low values of moderator. This indicates inverse moderating effect of legacy beliefs between generation and transformational leadership.

**Figure 3: Moderation Graph Gen-Transformational Leadership (DV)**



H<sub>4</sub>: Legacy beliefs moderates the relationships between Gen-X & Gen-Y and transactional leadership style.

Statistics of tests for H<sub>4</sub> as shown in table 13 indicate that there exists an interaction effect. The p value is  $\leq 0.05$  and zero doesn't fall between LLCI and ULCI (lower and upper confidence intervals). The values of LLCI and ULCI are 0.6323 and 1.1896 respectively. So there exists a generational impact on transactional leadership under the influence of legacy beliefs as a moderator.

**Table 13: Interaction Statistics**

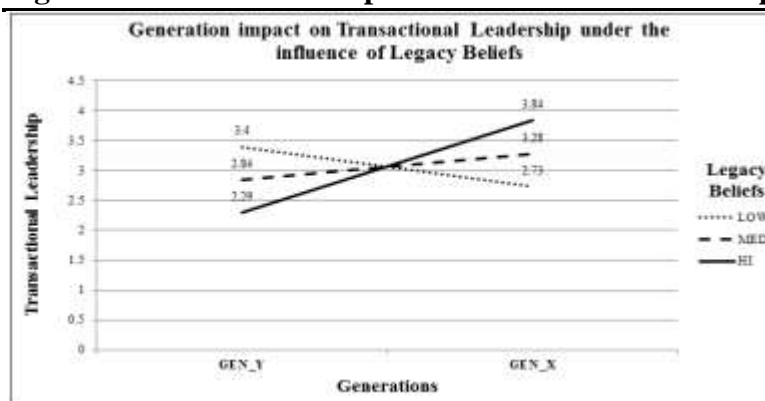
Model	R	R <sup>2</sup>	MSE	F	Df <sub>1</sub>	Df <sub>2</sub>	p
	.3819	.1458	1.6578	17.0719	3.0000	300.0000	.0000
	Coefficient	se	t	p	LLCI	ULCI	
Constant	6.4641	.6690	9.6620	.0000	5.1476	7.7807	
	-1.3688	.2029	-6.7476	.0000	-1.7680	-.9696	
Gen-X,Y	-2.2615	.4185	-5.4033	.0000	-3.0852	-1.4379	
Int_1	.9109	.1416	6.4331	.0000	.6323	1.1896	
R <sup>2</sup> increase		R <sup>2</sup> change		F	Df <sub>1</sub>	Df <sub>2</sub>	P
int_1		.1178		41.3845	1.0000	300.000	.0000

Next, we have to find that under which condition of a moderator, this effect is significant on three conditions of low, medium and high (Table 14). Results show that there exists an interaction effect for all three values (low, medium and high) of legacy beliefs. The moderator, however, amplifies the extent of relationship between predictor and outcome variable. This can also be seen by moderation graph.

**Table 14: Conditional effects**

Legacy Beliefs	Effect	se	t	p	LLC1	ULC1
1.7514	-.6661	.2150	-3.0983	.0021	-1.0892	-.2430
2.9660	.4402	.1704	2.5841	.0102	.1050	.7755
4.1806	1.5466	.2664	5.8051	.0000	1.0223	2.0709

Graph shows three conditions of moderator (Low, medium and high). Graph indicates that transactional leadership (DV) preference goes higher in case of Gen-Y for low value conditions of Legacy Belief (moderator) and it is lower for higher values of moderator. On the other hand, impact on DV is higher for high values of moderator, if Gen-X is the case and is lower for low values of moderator. This indicates inverse moderating effect of legacy beliefs between generation and transactional leadership.

**Figure 4: Moderation Graph –Transactional Leadership (DV)**

## Discussion

The generational factor in professional environments requires a deep understanding of generational roles at work. Research shows differences in work preferences among generations, affecting work qualities and leadership tendencies. This study compares the leadership approaches of Generation X and Y, considering the influence of legacy beliefs. Results indicate generation predicts transformational and transactional leadership scores significantly ( $p < .0005$ ). Legacy beliefs moderate the relationship between generation X and Y, impacting their leadership styles. The moderation analysis shows that legacy beliefs greatly influence generation X more than generation Y. Leaders with strong legacy beliefs have stronger connections than those with lower levels. These results support existing literature on leadership dynamics and development factors (Zacher et al., 2011).

Potential limitations exist for this study due to inadequate cross-sectional designs for age and generation-related processes. Longitudinal studies are more effective for addressing these topics. To overcome challenges with longitudinal designs, establishing shorter time frames for investigations could be beneficial (Ng & Feldman, 2008). Moreover, critical control variables were omitted to maintain research simplicity. Additionally, the study was conducted in a homogeneous banking workplace. However, incorporating data from different sectors could enhance outcome applicability. Furthermore, the research solely relied on bank employees' information without considering their position, performance, or job attributes. A deeper insight could be gained by categorizing demographic factors into distinct groups. Similarly, broadening respondent classifications would improve the generalization of conclusions.

Implications for researchers, theorists, and organizations can be discerned from the findings of this research. The research results suggest the importance of acknowledging and incorporating age-related influencers and motivators into various strategies. Moreover, the discovery of the impact of Legacy Belief on individuals throughout different phases of their careers emphasizes the need for further exploration in this area. Legacy Belief plays a significant role in the later stages of one's career, indicating that organizations should consider redefining job responsibilities and tasks for older employees, providing them with opportunities to leave a lasting impact. Consequently, it is imperative to conduct further investigations into the generational effects on the workforce and understand how organizations can effectively leverage this diversity to their advantage. Additionally, the inclusion of generation Z in the latest research framework is of utmost importance, especially considering their emergence as new entrants into leadership positions.

## Conclusion

This study adds to the existing literature on generational research, focusing on relationships between generations and leadership behaviours. It explored differences in generational leadership strategies, considering the impact of legacy beliefs. Results show variations in generational preferences, with legacy beliefs moderating tendencies. Older individuals rely on legacy beliefs for leadership, while younger leaders find motivation elsewhere. Recognizing and meeting the needs of older workers is crucial for their engagement. Including generation Z in future research on generational dynamics is recommended, along with investigating factors like legacy beliefs affecting leadership style preferences. The goal is to identify manageable variables influencing generational dynamics in work environments.

## References

- Ali, M., Al-Awlaqi, A., Aamer, M., Maged, B., Battour, M. (2021). The interaction between leadership styles and their followers' human capital: a correspondence analysis approach applied to

micro-sized businesses. *Journal of Management Development*.

- Andrews-Lee, C., & Liu, A. H. (2021). The language of legacies: The politics of evoking dead leaders. *Political Research Quarterly*, 74(3), 658-673.
- Arras-Djabi, M., Cottard, L., & Shimada, S. (2024). Understanding the stereotypes of Millennials in the workplace. *European Management Review*, 21(1), 45-65.
- Arrington, G. B., & Dwyer, R. J. . (2018). Can Four Generations Create Harmony Within a Public-Sector Environment? *International Journal of Applied Management and Technology*, 16(1), 12.
- Avolio, B. J., & Bass, B. M. (1991). *The full range of leadership development*. Binghamton, NY: Bass, Avolio & Associates.
- Byrne, B. M. (2010). *Structural Equation Modeling with Amos* (2nd ed.). New York: Routledge.
- Cahyadi, W. (2023). The influence of transactional leadership style and transformational on organizational commitment with compensation as a moderating variable. *JPPi (Jurnal Penelitian Pendidikan Indonesia)*, 9(2), 845-853.
- Chiş-Manolache, D. (2022). The Importance Of Transformational Leadership In Organisations. *Scientific Research & Education in the Air Force-AFASES*, 2022.
- Clark, M., & Arnold, J. (2008). The nature, prevalence and correlates of generativity among men in middle career. *Journal of Vocational Behavior*, 73, 473-484.
- Cronbach, L. J. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, 16(3), 297–334.
- E., S., Bozhenko., D., M., Nikolaeva., K., O., Svistunova. (2023). Determination of generations X, Y, Z user preferences in the Russian mobile application market. Вестник университета,
- Gaziz, Sagituly., Junhua, Guo. (2023). Job satisfaction and organizational commitment: comparing Generations X and Y. *Innovation-the European Journal of Social Science Research*.
- Gefen, D., & Straub, D. (2005). A practical guide to factorial validity using PLS-Graph: Tutorial and annotated example. *Communications of the Association for Information Systems*, 16(1), 5.
- Hair, J., Black, W., Babin, B., Anderson, R., & Tatham, R. (2006). *Multivariate data analysis*. Upper Saddle River, N.J: Pearson Prentice Hall.
- Haiyan, Wang. (2021). Generational Change in Chinese Journalism: Developing Mannheim’s Theory of Generations for Contemporary Social Conditions. *Journal of Communication*.
- Hair, J.F., Black, W., Babin, B. and Anderson, R. (2010). *Multivariate Data Analysis: a Global Perspective*, (7th ed.). Pearson, Upple Saddle River, NJ.
- Hancock, G. R., & Mueller, R. O. (2001). *Rethinking construct reliability within latent variable systems*. In R. Cudeck, S. du Toit, & D. Sorbom(Eds.), *Structural equation modeling: Present and Future*(pp. 195–216).Lincolnwood, IL: Scientific Software International.
- Hayes, A. F. (2013). *Process SPSS Macro [Computer software and manual]*. Google Scholar.
- Haynes, J. (2023). *Jerry John Rawlings. Leadership and Legacy: A Pan-African Perspective*: edited by Felix Kumah-Abiwu and Sabella Ogbobode Abidde, Cham, Switzerland, Springer Nature Switzerland AG, 2022, 352 pp.,£ 109.99 (hardback), index, ISBN 978-3-031-14666-4.
- Hooper, D., Coughlan, J., & Mullan, M. R. (2008). Structural equation modeling: Guidelines for determining model fit. *Journal of Business Research Methods*, 6, 53-60.
- Hu, L., & Bentler, P. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Struc. Structural Equation Modeling: A Multidisciplinary Journal*, 6, 1-55., 6, 1–55.
- Hulland, J. (1999). Use of partial least square (PLS) in strategic management research: A review of four recent studies. *Strategic Management Journal*, 20, 195–204.
- Imroz, S. M. (2023). *Transformational Learning in Transformational Coaching. In Transformational Coaching for Effective Leadership* (pp. 45-57). Productivity Press.
- Kam, A., & Trippner-Hrabi, J. (2021). The influence of generation x and y employees on modern cities. *Acta Universitatis Lodziensis. Folia Oeconomica*, 1(352), 39-61.

- Likert, R. (1932). A technique for the measurement of attitudes. *Archives of Psychology*, 140, 5–53.
- Liu, H., & Luo, J. H. (2022). Legacy of ideology: The enduring effect of CEOs' socialist ideological imprint on private firms' employee-related CSR. *Journal of Business Research*, 147, 491-504.
- McAdams, D. P., & de St. Aubin, E. (1992). A theory of generativity and its assessment through self-report, behavioral acts, and narrative themes in autobiography. *Journal of Personality and Social Psychology*, 62(6), 1003–1015.
- Meuser, T. M., Mthembu, T. G., Overton, B. L., Roman, N. V., Miller, R. D., Lyons, K. P., & Carpenter, B. D. (2019). Legacy beliefs across generations: Comparing views of older parents and their adult children. *The International Journal of Aging and Human Development*, 88(2), 168-186.
- Nataliia, Reznikova., Oleksii, Chugaiev., Chugaiev, Ptashchenko., O., Ivashchenko. (2022). *The Influence of the Features of the Development of Generation Y on the Formation of the Modern International Labor Market*. Business Inform.
- Ng, T. W. H., & Feldman, D. C. (2008). The relationship of age to ten dimensions of job performance. *Journal of Applied Psychology*, 93(2), 392–423.
- Qurat-Ul-Ain, Qureshi. (2023). Role of Followership Dimensions in Shaping Leaders' Behavior. *Administrative and management sciences Journal*, 1(2).2023.43
- Ritu, Sehgal., Sreejith, Balasubramanian., Sony, Sreejith., Janya, Chanchaichujit. (2021). Transformational leadership and employee innovation: Examining the congruence of leader and follower perceptions. *The Journal of General Management*.
- Singh, H., Singh, S. K., & Singh, L. (2022). A study on the effectiveness of transactional and transformational styles of leadership. *International Journal of Management, Public Policy and Research*, 1(2), 6-11.
- So Hee, L., & Yeojin, Y. (2024). Work values and communication styles among Generation X, Y, and Z nurses: A cross-sectional study. *International Nursing Review*, 71(1), 115-121.
- Thompson, B. (2007). Exploratory and confirmatory factor analysis: Understanding concepts and applications. *Applied Psychological Measurement*, 31(3).
- Ümit, Deniz, İlhan. (2020). How generations perceive each other in terms of their attitudes towards work: a qualitative analysis on generation X and generation Y. *International Journal of Contemporary Economics and Administrative Sciences*, 10(1), 107-130.
- Vasilescu, M. (2019). Leadership styles and theories in an effective management activity. *Annals-Economy Series*, 4, 47-52.
- Vitullo, A. (2022). Displacement in Young Adult Literature: A Thematic Analysis. *Children's Literature in Education*, 53(3), 296-312.
- Wakit, S. (2023). Implementation of transformational leadership style at nahdlatul ulama (nu) higher education. *International Journal of Social Science*, 2(5), 2229-2234.
- Williams, B., Onsmann, A., & Brown, T. (2010). Exploratory factor analysis: A five-step guide for novices. *Australasian Journal of Paramedicine*, 8(3).
- Yong, A. G., & Pearce, S. (2013). A beginner's guide to factor analysis: Focusing on exploratory factor analysis. *Tutorials in Quantitative Methods for Psychology*, 9(2), 79-94.
- Zacher, H., Rosing, K., & Frese, M. (2011). Age and leadership: The moderating role of legacy beliefs. *The leadership quarterly*, 22(1), 43-50.