

# Does Gen-Z Present the Need for a Paradigm Change in Management?

Sharmila Sethu<sup>1\*</sup>, Stephen Griffiths<sup>2</sup>

<sup>1</sup>Faculty of Business, International University Malaya-Wales, Jalan Tun Ismail 50480, Kuala Lumpur, Malaysia

<sup>2</sup>University of Wales Trinity Saint David, Swansea, Wales, United Kingdom

\*Corresponding author's email: sharmila@iumw.edu.my

## ABSTRACT

The world population of Gen Z currently stands at 32% of world population as the oldest of the Gen Z's will enter the working world. Today's globalised world with intense competition and with a post COVID recession looming, how would the change in management and leadership styles keep the younger Gen Z motivated and a workforce that are productive? The discussion on generational characteristics is ongoing. The special challenge of Generation Z (and the following Gen-alpha), the internet immersed generation is widely discussed in professional periodicals. As up to the COVID-19 pandemic in 2020, Gen Z's were relatively in a stable predictable routine of getting higher education and moving into the working environment. This is particularly true in the setting of new agendas in marketing to Gen-Z, human resource management of Gen-Z and strategic direction of organizations when Gen Z becomes the majority. This presented Gen Z with new challenges and that meant changes in the mindset of the Gen Z as well as employers. The simplistic identification of categories within the population, based on age, experiences, education and especially access/familiarity with technology, has its critics. Even within the age category some of its members object to typecasting and wish to define themselves in other ways. Nevertheless, generational theory does provide a useable perspective, to at least challenge old ways of thinking and doing. The typecasting denotes that Gen-Z appear technologically sophisticated, have a global perspective, ecological concern and expect changing environments in their personal lives. This contrasts with the baby boomers and Gen-X, who grew up pre-Internet, where lifestyles were more predictable, and patterns of their lifecycle were not subject to great dislocation. Selling to Gen-Z requires an appreciation of their key drivers, in terms of consumerist views, lifestyle choices, care for the environment, social engagement and their flexibility, which can challenge old fashioned brand loyalty and personnel management, including the family life cycle. Managing requires sensitivity. As buyers they are driven by opinion influencers, social media and may resemble promiscuous consumers (who in the past represented a minority). They espouse the modern view of HRM, not expecting long term job tenure, but at the same time demanding personal development and fulfilment. Without sensitivity the Gen Z customer or employee will simply move on. Indeed, they might move on despite sensitivity. Whether this is a real challenge to the paradigms we have all been taught in business schools in the past is debated. The new generation certainly does appear to their forbears to be different and sometimes difficult to live with. However, was it ever thus? Older generations have a tradition of criticising the new, misunderstanding them and failing to manage them effectively. If the older established paradigm incorporates dynamic strategic approaches, it might be argued that updating for newer trends, fashions and technology, does not require entirely new paradigms. In addition, other more powerful challenges to the paradigms of management might be noted such as the impact of the recent pandemic, the poor economic recovery, threats of war, worsening international relations, scarcity of resources and the threat of global warming, which could have a bigger impact. Nevertheless, it will be Gen-Z that faces these challenges to the fullest extent. It is hoped that their sophisticated command of technology, wide perspectives and ability to think differently could offer solutions beyond the capacity of past generations. In this paper we examine how Generation Z has managed to move into the employment world whilst coping with a global crisis (COVID-19), and this could mean changes to how organisational leaders will focus on paradigm changes to the management of the firm.

**Keywords:** Gen-Z, Challenge to paradigms, Post COVID strategies

