

# CHANGING COMPETENCIES OF LEADERS: WHAT THE NEW GENERATION EXPECTS FROM THEIR LEADERS

## A Conceptual Qualitative Review

Kagan Cavusoglu<sup>1</sup>

PhD Student, Department of Psychology  
Varna Free University “Chernorizets Hrabar”

### Abstract

*With changing technology and Generation Z joining the work life, the perception of leadership has transformed. Leadership practices aligned with the expectations and needs of the new generation should now be discussed in the literature. This conceptual qualitative review investigates the competencies leaders should have in line with the expectations of Generation Z. Studies in the literature published between 2000 and 2025, based on the concepts of leadership, organizational behavior, and generation, were systematically analyzed. As a result of the thematic synthesis, five competency axes were determined in contemporary leadership approaches that align with the expectations of Generation Z, which are empathy, flexibility, participation, psychological safety, and ethical transparency. These five competencies indicate that leadership practices have shifted from control in traditional approaches to a connection-centered paradigm. This transformation tells us that concepts like meaning, trust, and value have now become the fundamental components of organizational commitment and sustainability. This study introduces the concept of "Adjusted Leadership," which argues that leadership is a process that constantly adjusts to context, culture, and generational dynamics, adapting to both psychological and cognitive transformation, rather than a standard set of competencies. This approach prioritizes the changing emotional states and needs of followers and provides an environment of psychological safety. Future studies will empirically test this approach across cultural and sectoral contexts and contribute to the development of a leadership theory centered on human experience.*

**Keywords:** Leadership, leadership style, leadership competencies, Generation Z, adjusted leadership

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<sup>1</sup> Email: [kagancavusoglu@gmail.com](mailto:kagancavusoglu@gmail.com), Orcid: <https://orcid.org/0000-0002-4673-457>

## **1. Introduction**

While new age technologies and new generation employees change the working life rapidly today, they change the leadership approaches and perception as well. Especially, well-being and experience focused demands of Generation Z obligate the leaders to respond to these demands. From this perspective, the main purpose of this study is to explore what competencies the new generation employees seek in their leaders through their experiences in working life.

Differences between the generations reveal themselves strongly in working life. While the differences like working styles and the expectations in the work-life balance are widely spoken about, the difference in leadership perception confronts another current issue. According to Generation Z, leadership now contains of phenomena like inspiration, guidance, and psychological support that is shaped through the participation axis, instead of a command relationship. The approach, which also finds place in Deloitte's (2025) report, discusses that work is no longer a matter of income resource, but also an experience matter which includes meaning, development, flexibility, and psychological safety. While traditional leadership models and approaches are shaped around authority, strategy, sustainability, and decision-making competency, today leadership is measured by the capacity of connecting, ethical consistency, and the psychological support provided by the leader (Northouse, 2013).

In this context, the participation of Generation Z in working life causes reinterpretation of the leadership dynamics as a result of the intersection of the experience of well-being at work and leadership practices. The intersection also transforms the core competencies that the leaders should have. Now, leadership is considered a dynamic process in which emotional and cognitive competencies like empathy, flexibility, ethics, participation, and psychological well-being need to be practiced, more than the leading-following relationship and specific indicative behavioral sets (Ng, 2016), and the expectations of Generation Z based on the value compatibility reshapes the leadership approaches (Parry & Urwin, 2021). This transformation becomes leadership into an "art of establishing correct communication" rather than an art of management.

This study consists of a thematic examination of the literature published between 2000-2025. The examination aims to understand how the concept of leadership has been transformed over the last quarter of a century. The concept of leadership and the leadership styles, which are complicately and differently examined in the literature, are examined with a holistic approach by synthesizing the interaction of concepts like psychological support, ethical approach, digitalization, and generations in this study. This study identifies the new leadership competencies strongly emerged from the intersection of those aforementioned themes and suggests a new leadership style to the literature.

## **2. Methodology**

This study is a conceptual qualitative review that aims to create a conceptual integrity by compiling the studies on the topics of leadership, generations, and quality of work life in the literature, and it is not based on an empirical data collection process. The study examines the academic literature published between the years 2000-2025, and it reveals the leadership competencies Generation Z seek in their leaders as a “cluster of competencies.” The examination conducted in the study is based on the principles of the systematic review method (Snyder, 2019) and the qualitative thematic synthesis approach (Thomas & Harden, 2008). From this perspective, this study aims to identify the common patterns between the concepts and provide a basis for a conceptual model suggestion.

The literature review for the study is conducted in the databases often used academically. In the review, keywords like “leadership competencies, Generation Z, leadership expectations, empathy in leadership, psychological safety, adaptive leadership, digital transformation, quality of work life, ethical transparency” are used. The review includes papers published in peer-reviewed journals, academic books, and official reports. In the review process, more than 100 publications are examined, and finally, the strongest resources, in the context of the relation between leadership, generation, and organizational behavior in terms of content and concept, are selected to be analyzed.

The analysis is conducted by the thematic synthesis approach and the thematic synthesis is supported by qualitative data analysis in MAXQDA 24.11 environment. The process has three steps: (1)Descriptive coding, (2)analytical coding, (3)conceptual reframing. In accordance with these steps, firstly, the most repeated concepts are determined in the literature, which are “empathy, flexibility, inclusion, well-being, and ethics.” Later, the contexts in which these determined concepts are used are analyzed. And finally, the themes revealed are reconstructed and reinterpreted around the axes of five main competencies. The themes interpreted as “empathy, flexibility, participation, psychological well-being,” and “ethical transparency” result from the intersection of the concepts highlighted in the literature. The result is compatible with the “paradigm shift from control to connection,” and it offers a new point of view of organizational psychology. These themes are also compatible with the autonomy, competency, and relatedness dimensions of the self-determination approach (Cavusoglu, 2025), and point to the organizational climate that strengthens the connection by avoiding controlling practices (Slemp, Lee, & Mossman, 2021).

**Table 1****The process of thematic synthesis**

Step	Type of Analysis	Purpose	Application	Outcome
<b>Step 1: Descriptive Coding</b>	Determination of repeating key concepts in the literature	Identifying the common thematic clusters	Coding the studies that concentrate on concepts	Five themes determined: Empathy, flexibility, participation, psychological safety, ethical transparency.
<b>Step 2: Analytical Coding</b>	Contextually analyzing the concepts	Explaining in which contexts these concepts are used	Explaining with the supporting contents in the literature	The function of each theme in the context of “new generation leadership competency”
<b>Step 3: Conceptual Reframing</b>	Integrating the themes	Transforming the resulting themes into a new conceptual model	A new leadership approach is proposed under the paradigm “from control to connection”	New conceptual framework: “Adjusted Leadership”

*Note.* The table is adapted by the author from the model offered by J. Thomas & A. Harden (2008). Methods for the thematic synthesis of qualitative research in systematic reviews. *BMC Medical Research Methodology*, 8(45). <https://doi.org/10.1186/1471-2288-8-45>

### 3. Conceptual Review and Thematic Synthesis

The findings obtained from the thematic analysis of the data collected from the literature review are gathered under five main clusters. These clusters represent the themes of (1)empathy, (2)flexibility, (3)participation, (4)psychological safety, and (5)ethical transparency, which are at the center of contemporary leadership approaches. Each cluster refers to an axis and explains the paradigm shift “from control to connection” from a different point of view. This explanation enables the redefinition of leadership perception of the new generation employees from an experiential perspective.

#### 3.1. The Competency of Empathy

The competency of empathy is positioned at the core of the concept of leadership in an emotional context and is often highlighted in the literature. Cuff et al. (2015) define empathy as “*an emotional response (affective), dependent upon the interaction between trait capacities and state influences. Empathic processes are automatically elicited but are also shaped by top-down control processes. The resulting emotion is similar to one’s perception (directly experienced or imagined) and understanding (cognitive empathy) of the stimulus emotion, with recognition that the source of the emotion is not one’s own.*” Goleman (2004) places empathy at the center of effective leadership, and later, defines it as “*the understanding the issues or concerns that lie behind another’s feelings*” in his book (Goleman, 2006:134). On the other hand, Boyatzis (Boyatzis and Goleman, 1996; Boyatzis et al., 2001, 2007; 2009) describes empathy as “*sensing others’ feelings and perspectives, and taking an active interest in their*

*concerns*”, and discusses the relationship between leadership effectiveness and social competencies like empathy by defining the behavioral effects of emotional intelligence (Boyatzis, 2018).

The analysis conducted indicates that empathy is a tool providing trust in the leader-employee relationship. The tool is perceived as a precondition by Generation Z, and especially, the success of the leader’s empathy competence in remote or flexible working styles significantly increases the sense of being visible, appreciated, and belongingness of the employees. From this perspective, a high level of empathy of a leader increases the positive experiences of the individuals, and makes the leader not only a “manager”, but also a leader who understands, hence esteems employees (Ng, 2016).

### **3.2. The Competency of Flexibility**

Rapid developments in technology, especially with the pandemic, have caused rapid changes in working life. Those rapid changes in working life by the digital transformation also create distinct effects on the leadership style practices in the organizations. Heifetz et al. (2009:14) define “adaptive leadership” as “the practice of mobilizing people to tackle tough challenges and thrive.” This approach describes leadership as a situation that responds to environmental changes correctly and as a facilitator. Concordantly, Dirani et al. (2020) highlight that the flexible approaches by leaders during the pandemic have a significant positive effect on the well-being of employees and their commitment to the organization, rather than a standard management approach.

The studies in the literature indicate that Generation Z assesses the concept of flexibility within the framework of the concept of freedom. In this respect, flexibility is not only associated with the working style, but also associated with expressing opinions at work and communicating with leaders freely. According to Uhl-Bien and Arena (2018), modern leaders are those who are able to redesign the processes regarding the changing conditions and are “continuously learning” leaders. In this context, the concept of flexibility is a condition for sustainability for today’s and future leaders.

### **3.3. The Competency of Participation**

“The leader’s being participative” is often mentioned approach in the literature. Participative leaders aim both to create a democratic environment and to increase the leader-subordinate interaction, by promoting employee participation in the decision-making process. In their study, Bass and Riggio (2006:11) found a relationship between transformational leadership and participation and discussed that the intellectual stimulation dimension of the transformational leadership is a factor that supports participation and creativity. On the other

hand, Pearce and Conger (2003) argues leadership as “a dynamic interaction network” and positioned the leader at the top point of the network in their leadership style proposal, “shared leadership.”

Studies in the literature convey to us the need of Generation Z to “be heard” in the decision-making process. When Generation Z feels they are not heard, their organizational commitment decreases (Widodo et al., 2025). Therefore, current and future leaders should not only ask the opinions of employees in their own networks, but also ensure that those opinions are visible in the decisions made. In this respect, the behavior of participative decision-making is a leadership pattern that provides a sense of belongingness to employees and promotes innovation (Wang et al., 2022).

### **3.4. The Competency of Psychological Safety**

In the organizational psychology context, psychological safety is an organizational concept in which individuals express their own opinions and make mistakes without fear of being punished (Edmonson, 1999). According to Fraizer et al. (2017), psychological safety is one of the strongest indicators of individual performance and team chemistry. Additionally, research conducted after the pandemic indicates that leaders are no longer managers managing tasks, but also managers who manage emotional states (Carnevale & Hatak, 2020).

Generation Z is productive when they feel safe. If the individuals from Generation Z do not feel safe, they tend to burnout in their positions in a short time, and their organizational commitment decreases quickly. This is the reason why leadership is today becoming a concept that not only focuses on performance-oriented productivity but also provides an environment for psychological safety that will support productivity and contribute to the psychological well-being of individuals. Empathy, mentorship, and open communication skills are the basis of psychological safety (Kelloway & Barling, 2010). This approach transforms leadership into a “psychological balance art.”

### **3.5. The Competency of Ethical Transparency**

Any concept or approach studied related to “ethics” is a basic component of the concept of “trust” in the contemporary leadership literature, and ethics and the behavior of leading are examined within the same framework. In their study, Walumbwa et al. (2007) discuss that the decision-making process based on intrinsic ethics, self-awareness, and consistency in the authentic leadership model creates a relationship based on trust. On the other hand, in Deloitte’s report (2025), it is stated that Generation Z does not consider their existence in organizations where their personal values do not match with organizational values as sustainable, and therefore, they tend to leave their jobs due to value incompatibility. Those studies tell us that

integrity in ethical approach is not only a “matter of managerial honesty,” but also a “matter of organizational sustainability.”

Leader being ethical means to have a direct and transparent communication approach, to have a sense of justice between the individuals, including providing fair resources and benefits, and to be accountable in the decision-making processes. This type of awareness in ethics shapes the “organizational culture” of today’s organizations and provides a long-term environment of trust.

### 3.6. Conceptual Integrity and the Synthesis of Five Competency Axes

When the aforementioned five competencies are assessed together, it is understood that the concept of leadership and the organizational leadership approach have now become a multilayer “human experience”. In these layers, empathy represents the capacity of emotional connection, flexibility represents the skills of managing the change and adaptation, participation represents the success of the collectivity approach, psychological safety represents sustainable performance and belongingness, and ethical transparency represents the value framework of the entire process. The intersection of these themes transforms leadership from a control mechanism to a center of connection.

**Table 2**

**The synthesis of five competency axes**

Theme	Theme’s Focus	Key Concepts	Expected Leadership Behavior
<b>Empathy</b>	Self-awareness, trust-building	Emotional intelligence, compassion, awareness	Active listening, emotional resonance, sensitivity to employee experience
<b>Flexibility</b>	Adaptation to change, crisis management	Adaptability, learning agility, resilience	Navigating changing conditions, experiential learning, adaptive leadership
<b>Participation</b>	Inclusion in decision-making processes, collective mind	Shared leadership, inclusion, ownership	Democratic decision-making, collaboration, making ideas visible
<b>Psychological Safety</b>	Openness, trust, tolerance in mistakes	Trust, openness, well-being	Honest communication, admitting mistakes, creating a supportive environment
<b>Ethical Transparency</b>	Value compatibility, reliability, justice	Authenticity, fairness, ethical transparency	Fair decision-making, accountability, trust-based leadership

*Note.* The table created by the author.

This transformation needs a new definition different from previous leadership approaches and styles. From this perspective, “Adjusted Leadership” is suggested as a new leadership style in the literature. Adjusted leadership discusses that leadership is not only a competency set, but is a combination of relationships that continuously calibrates itself around the variables like context, generation, and organizational climate. Thus, leadership is correctly defined as “an art of managing human experience accurately and effectively in the multi-

generational and continuously-digitally-changing ecosystems of the future as well as today.” The concept of adjusted leadership is inspired by Heifetz’s (1994) “adaptive leadership”, but it goes beyond the “adaptation” approach offered in adaptive leadership, and puts new age concepts like self-awareness, generation-sensitive, and emotionally-balanced in the core of leadership. Thereby, leadership is now transformed into a competency set that identifies changes also emotionally strongly. The concept of adjusted leadership is a new field in the literature that describes the “dynamics of empathy” for new generation leaders and their capacity of “ethical agility.”

#### **4. Discussion**

The synthesis conducted in this study reveals five competency axes, which are empathy, flexibility, participation, psychological safety, and ethical transparency. When these axes are assessed together, it is seen that leadership practices shift from control to connection, and the leadership approaches zipped in specific frameworks in the previous century need to be reconstructed today on themes related to psychological well-being. This shift tells us not only about the changes in behavioral dynamics but also about psychological changes. Generation Z expects their leaders not only to evaluate them in terms of performance but also to support them in their search for meaning within the organization, and they desire to be supported in increasing their commitment to the organization. The comments in the report prepared by Deloitte (2025) on Generation Z’s intention to turnover also support this idea. These findings indicate that leadership is not only a logical management practice, but it has now become a practice of creating and sustaining the emotional integrity and ethical consistency. From this perspective, a leader will only match the organizational values with the individual values of subordinates as long as s/he provides and sustains the integrity (Sinek, 2009). This transformation in the literature is defined with the concepts of “meaningful leadership” and “value-based management” with different perspectives, but for Generation Z, these concepts are at the center of the experience of leadership.

At the core of the leadership perception of Generation Z, senses of integrity, participation, and reliability lie (Parry and Urwin, 2021). Edmondson (2018) defines this framework as “the condition of staying alive in organizations.” Additionally, previous studies indicate that successful leadership practices in crises increase organizational resilience (Dirani et al., 2020). Therefore, these outcomes may be interpreted as Generation Z prefers to work with leaders who have emotional stability and ethical transparency in challenging conditions. This situation is a clear indicator of “transition from the power-centered relation to trust-centered relation.” From this context, the concept of adjusted leadership is suggested as a new



leadership approach and leadership style to be used in the literature. The concept of adjusted leadership, an expanded version of Heifetz's (1994) adaptive leadership, compatible with today's leadership demands, argues that leadership should easily produce positive responses to environmental, generational, and emotional changes. The adjusted leadership, discussed based on empathy, flexibility, participation, psychological safety, and ethical transparency, is a leadership style that continuously calibrates itself regarding the changes and effects. This leadership style describes reshaping and implementing effective leadership practices not only in accordance with changing conditions, but also with changing perspectives, emotional states, and value judgments of the followers.

With Generation Z joining working life, it has become necessary to reinterpret traditional leadership approaches that have held their place in the literature for a long time in accordance with the needs and demands of this generation. The five axes framework, which integrates the emotional, ethical, and cognitive dimensions of leadership theoretically in this study, provides a basis for the development of a scale and for comparative research in different demographics in the future. In terms of practice, on the other hand, this study indicates that programs prepared for leadership development should no longer be designed with only traditional competencies, but also with competencies focusing on empathic communication, creating psychological safety, and making ethical decisions together, in accordance with the needs of the current and next generations. In this context, the concept of adjusted leadership provides a conceptually innovative approach as both the method and the result of this transformation.

## **5. Conclusion**

This study examines how the leadership approaches that entered the literature as contemporary concepts of its time in the 20th century, now transform in the first quarter of the 21st century, and synthesizes the expectations of new generation employees around five main competency axes. When the five competencies of empathy, flexibility, participation, psychological safety, and ethical transparency, which are studied in the literature with different frequency and contexts, are assessed holistically, it is found that they match the basic expectations of Generation Z from their leaders. This competency cluster tells us that the new generation no longer considers standard strategic management practices, but they now prioritize a process that is based on human experience, constructed on emotional and ethical approaches.

The findings of this study indicate that the expectations of Generation Z revolutionize the leadership approaches. This generation expects not only guidance, information, and learning methods to increase performance from their leaders, as it is stated in the traditional approaches,

but expects creating meaning, providing trust, and “adjusting” with their values. This situation shows that leadership has evolved into a direct communication, empathy, and connection centered experience practice, from management centered practices. The concept of “Adjusted Leadership” proposed in this study as a theoretical definition of this transformation has a “continuously-recalibrating and emotionally-supporting (adjusted)” process approach in the leadership concept in compliance with the dynamics in the context of generation, culture, and emotion, instead of a static competency set.

The concept and the approach proposed in this study provide a theoretical support for future research and suggest the development of a scale and testing its validity in different demographic and organizational contexts. In addition, examining factors such as digital transformation in all types of organizations, the integration of artificial intelligence-supported management systems, and remote or hybrid working models on these five axes will contribute to aligning leadership theory with the needs of the new age. Changing and transforming lifestyles are now moving beyond managing people to focusing on the human experience. In this context, the adjusted leadership approach is not just a leadership style; it is a transformational vision that creates opportunities to understand the needs of the new generation and create structures around them.

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