HIGH PERFORMANCE LEADERSHIP HABITS

How the future of leadership is changing: From Gen X to Gen Z

As seen in Forbes

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For decades, leadership followed a clear trajectory: prove yourself, climb the ladder, earn a title, and lead others the way you were led. That model worked well for Baby Boomers and Gen Xers, who often equated leadership with prestige, power, and security.

But something is shifting. Studies show that Millennials and Gen Z are increasingly turning down promotions and management roles. In a world where we're grappling with burnout, blurred work-life boundaries, and new definitions of success, younger generations are asking a different question: not *how* to lead, but *whether* they want to lead at all.

The traditional model of leadership is being questioned, not just by skeptics, but by the very people companies hope will take the reins. So what's going on? And what does this mean for the future?

Let's break it down.

1. The value system has shifted: work-life balance, flexibility, and meaning first

For Gen X, leadership was often about climbing the corporate ladder. Being a manager meant recognition, influence, and a pay bump. Sure, it came with more meetings, more pressure, and longer hours, but that was the cost of success.

Millennials and Gen Z aren 't buying that.

They value lifestyle as much as livelihood. Many would rather make £50K with autonomy and a four-day workweek than £70K with 12-hour days and a constant sense of dread.

Their priorities are different:

- Work-life balance isn't a perk. It's a non-negotiable.
- Purpose and meaning matter more than titles.
- Flexibility (when, where, and how they work) is an expectation, not a perk.

So when younger employees see that leadership often comes with blurred boundaries, relentless pressure, and expectations of being "always on," they opt out. Not because they lack ambition, but because they have a different definition of a life well lived.

2. They lead as facilitators, not bosses

Like previous generations, Millennials and Gen Z don't want to "work for The Man," but they take it one step farther – they don't want to *be* The Man, meaning they don't aspire to command-and-control leadership styles.

They're collaborative, horizontal thinkers. They aren't trying to be *the boss*. They want to be *the facilitator*. The person who brings people together, clears blockers, and helps the team thrive, not the one handing down orders.

This is a generation raised on transparency, feedback loops, and influence over authority. They're more comfortable saying, "What do you think?" than "Here's what we're doing."

That's a fundamental shift. Leadership, to them, is more about curating the right environment than directing every move.

3. The rise of the specialist over the manager

There's another reality reshaping the leadership pipeline: being a subject matter expert (SME) is often more valued (and more secure) than being a mid-level manager.

The traditional model assumed that to grow, you must manage people. But in today's fast-moving economy, technical specialists and knowledge experts are often paid more, respected more, and retained more than managers.

Why would a brilliant UX designer or cybersecurity analyst give up autonomy, depth, and focus just to spend their days in status meetings, hiring interview and performance reviews?

"As an IT professional advances in his career, he reaches a crossroads where he must decide whether to focus on deepening his technical knowledge and become a top expert or develop his business skills and advance into the company's management structure," says <u>Josef Dvořák</u> of SBR Consulting.

"The number of team members with high emotional resilience is definitely not increasing; in fact, it's quite the opposite. More and more people are saying that it is not their job, that someone else should do it."

This is especially true in tech, finance, and creative industries, where high-impact individual contributors are essential. Many companies now have dual career ladders that reward both management and "mastery" – and the mastery track is growing in appeal.

Add to this the rise of automation and AI, and it's clear: people management is no longer the default path to career growth.

4. Stress, burnout, and emotional resilience matter more than ever

Leadership is emotionally taxing. Gen X absorbed a culture of stoicism passed down from their elders – keep your head down, push through, don't complain. That mindset produced tough, resourceful leaders, actually, but it also led to burnout and disengagement.

Millennials and Gen Z are less willing to pay that price. Gen Z in particular came of age during "The Great Recession," a global pandemic, and a mental health crisis. They are more emotionally aware, more therapyliterate, and more attuned to signs of burnout.

They ask questions previous generations rarely did:

- · What is the emotional cost of this role?
- · How does this affect my mental health?
- Is the stress of leadership worth it?

And often, their answer is: no, or not right now.

So, what does the future of leadership look like?

For organisations, this isn't an indictment per se. It's a wake-up call. Emotional resilience *must* be part of modern leadership development. Not just grit, but self-awareness, boundaries, and the availability of support systems. If leadership continues to mean stress without support, expect the generational pipeline to keep shrinking.

Future generations and would-be leaders would do well to invest in EQ, says Dvořák of SBR.

"We often find that people have the necessary skills and access to excellent business systems. However, the biggest obstacle is their emotional resilience, ability to work with internal dialogue, and willingness to step out of their comfort zone, build relationships," Dvořák says.

Second, it's more human, more flexible and more values-driven. It's defined by coaching, not command; influence, not hierarchy.

"The old adage of 'manage *things*, lead *people*,' has never been more accurate," Dvořák says. "It has always been important, and even moreso now."

To attract and retain next-generation leaders, organisations must:

- Separate leadership from people management, giving room for technical experts to lead without managing Teams.
- Invest in leadership development that prioritises emotional resilience, mental health, and adaptive thinking.
- Offer flexible leadership roles that allow for part-time leadership, co-leads, or rotating facilitation.

The "unwritten rules" are being rewritten

Unspoken norms defined Baby Boomer or Gen X leadership: be the first in, last out. Don't show weakness. Do more with less. Climb the ladder. Don't rock the boat.

The next generation of leadership isn't just questioning the rules, they're rewriting them:

- **Presence doesn** 't equal productivity. They care more about outcomes than hours.
- Vulnerability = strength. It's ok to say, "I don't know" or "I'm struggling".
- **Boundaries are healthy.** Being accessible 24/7 isn't a badge of honour.
- **Values matter.** They want leaders who speak up about inclusion, ethics, sustainability, and a company's overall mission.
- Communication and collaboration are king. No more silos or "yes men."
- **Loyalty has to be earned.** Blind obedience to a company that doesn't follow these rules will result in high turnover in they younger demographics.

In short, the next generation of leaders isn't running from or avoiding responsibility, per se. What may look like laziness or insubordination to older counterparts is often times a pattern of thinking about leadership roles that is misinterpreted.

The next gen is more intentional about the kind of responsibility they want to carry, and the kind of life they want to lead.

And that's not a threat to the future of work. Think of it as the key to the next level.

Rethink the leadership model now – embrace flexible, purpose-driven, and people-centered leadership that resonates with a new generation. To discuss more about leadership, let's talk growth.