

A LITERATURE REVIEW ON FACTORS RELATED TO THE IMPACT OF LEADERSHIP STYLES ON GENERATION Y EMPLOYEE PERFORMANCE IN CHINESE ORGANIZATIONS

Lin Han¹, Panida Ninaroon², Pachoke Lert-asavapatra³

^{1,2,3}*College of Innovation and Management, Suan Sunandha Rajabhat University, Bangkok, Thailand,*

E-Mail: s66567810027@ssru.ac.th¹, panida.ni@ssru.ac.th², pachoke.le@ssru.ac.th³

ABSTRACT

In today's competitive business world, employees face both opportunities and challenges because of the complex nature of their work. These challenges can cause high levels of stress, affecting their physical and mental health. When employees face constant pressure without a break, they may start feeling negative emotions, which can lead to burnout. This burnout then affects how well they perform at work. This problem, known as job burnout or occupational burnout, is common in many industries, although its impact varies from one sector to another.

This study looks at how different leadership styles affect the performance of Generation Y employees in Chinese companies. It examines how leadership styles can cause burnout and how this burnout influences employee performance. By exploring the link between leadership styles and burnout, the research aims to understand how leadership affects performance. The study uses a quantitative research method, gathering data from multiple branches of a Chinese company. It focuses on Generation Y employees, including frontline workers and office staff like customer service representatives, financial managers, and administrative employees. The collected data will be analyzed using descriptive statistics, correlation analysis, and regression analysis to find the connections between leadership style, employee burnout, and performance.

Keywords: Leadership Styles, Generation Y Employees, Employee Burnout, Employee Performance, Chinese Organizations

INTRODUCTION

Globalization has reshaped the commercial landscape, profoundly impacting human resource management (HRM). As companies face intense competition for skilled professionals, HRM has transitioned from an administrative support function to a strategic role that demands cultural agility and innovative workforce engagement techniques (Ali et al., 2023). The shift toward remote and hybrid work arrangements has only accelerated this change, urging HR professionals to refine recruitment, onboarding, and employee engagement practices while bolstering organizational resilience (Ali et al., 2023).

A major challenge in this global environment is retaining talent. Organizations now struggle more than ever to keep employees due to fierce competition, enhanced career mobility, and growing concerns about workplace well-being (Mazlan & Jambulingam, 2023). Although global workforce mobility offers new avenues for talent acquisition, it simultaneously increases turnover risks as skilled professionals

pursue better opportunities elsewhere (Jaffrezo, 2023). This scenario necessitates the development of retention strategies that go beyond competitive salaries to also emphasize professional development, job satisfaction, and a culture of inclusivity.

Technological advancements have also played a key role in evolving HRM. The use of HR analytics and artificial intelligence (AI) has enabled organizations to make data-driven decisions, improving recruitment processes and overall employee satisfaction (Ali et al., 2023). Additionally, initiatives centered on diversity, equity, and inclusion (DEI) have become essential in building a workplace that attracts and retains a diverse array of talent (Ali et al., 2023).

While globalization expands access to international talent, it also introduces complexities that demand constant adaptation from HR professionals. The real challenge lies in balancing the opportunities of a global workforce with effective retention strategies to secure long-term business success. Organizations that adopt dynamic HR practices, leverage technological tools, and prioritize employee well-being are likely to thrive in this ever-changing global economy.

In today's talent-driven market, employees have become a core asset for companies. Although traditional advantages like state-of-the-art equipment and financial resources remain valuable, there is an increasing focus on internal assets—such as employee expertise, interpersonal relationships, and skills. This shift underlines the critical importance of enhancing employee performance and building a high-quality workforce, which is a priority for both managers and academics. Sustaining strong employee performance is not only vital for day-to-day operations but also for the long-term survival of a company. However, when employees are overwhelmed, their motivation can falter, leading to decreased performance. Freudenberger (1974) noted that in highly competitive settings, work overload extends beyond physical fatigue to include significant psychological strain. Continuous high-pressure conditions without adequate relief may trigger negative emotions, ultimately leading to occupational burnout. Research has found that burnout is common across industries, though its impact may vary by sector. Moreover, Amabile and Kramer (2007) highlighted that managerial behavior profoundly influences employees' work experiences, with leadership styles playing a crucial role in shaping job attitudes and reducing burnout. In essence, an effective manager can enhance emotional well-being, spark enthusiasm, and turn the workforce into a strategic asset.

Investigating how various leadership styles affect employee engagement can offer valuable insights into what drives motivation. These insights enable managers to design policies that prevent burnout, lower job-related stress, boost job satisfaction, and improve overall efficiency—laying the groundwork for enhanced job performance.

The organization in China, formed through the restructuring of local business entities and cooperative organizations, has established itself as a key regional player. Focused on serving the local economy, small and medium-sized enterprises (SMEs), and the general public, it has experienced rapid growth and matured its operations significantly.

However, this swift expansion and the resulting surge in employee numbers have introduced new challenges in workforce management. Employee feedback indicates that the rapid pace of development has led to work overload and considerable physical and mental stress. Consequently, maintaining team morale and addressing employee burnout have emerged as critical priorities for sustaining performance within the organization.

In response to these issues, this study examines employee burnout and performance within the Chinese organization. It explores how different managerial leadership styles impact burnout levels and identifies strategies to mitigate these effects. By integrating theoretical frameworks with practical insights, the research aims to develop effective approaches to enhance employee well-being and optimize overall team performance.

OBJECTIVE

1. To study the impact of the transformational leadership style on employee work performance.
2. To study the impact of the transactional leadership style on employee work performance.
3. To study the impact of the abusive leadership style on employee work performance.

METHODOLOGY

This study adopts a quantitative research approach to assess the relationships between leadership styles, employee burnout, and performance through statistical analysis using a structured questionnaire as the primary data collection instrument. Conducted in three business organizations in Beijing City, the research setting was chosen for its representation of diverse business sectors, which are critical for understanding how leadership styles influence Generation Y employees. The target population comprises Generation Y employees working in these organizations, with the sample size determined using Yamane's formula to ensure statistical significance; given that the total population across the three organizations ranges from 4500 to 6000 employees and assuming a 5% margin of error, the estimated sample size is approximately 375 respondents. To ensure data relevance and accuracy, the sampling criteria include employees aged between 28 and 43 years who have been employed in Chinese organizations for at least one year, while excluding those outside this age range, those in senior management or executive roles, and temporary or contract-based workers with less than one year of employment. The questionnaire, which comprises sections on demographic information, leadership style, and job performance scales, measures employee performance and burnout levels. The data collection process begins with short introduction to explain the study's purpose, followed by the distribution of the online questionnaire. Finally, the data analysis process utilizes statistical tools such as SPSS, employing descriptive statistics, including mean, standard deviation, and frequency distributions, to summarize the data, and regression analysis to determine the impact of leadership styles on employee burnout and performance.

RESULTS

This study shows that different leadership styles have a significant impact on employee burnout and work performance. Transformational leadership, which involves inspiring and motivating employees, caring about their needs, and encouraging them to think creatively, leads to positive results. Employees who work under transformational leaders feel valued and supported, which makes them more motivated, satisfied, and willing to work hard. This style of leadership helps reduce stress and burnout because employees feel emotionally connected to their leaders and see meaning in their work. It also leads to better job performance, including increased productivity, innovation, and positive workplace relationships. Transactional leadership focuses on rewarding employees for meeting specific goals and punishing them for not meeting expectations. This style can also lead to good job performance because it clearly defines what is expected of employees and what they will get in return. It works well in structured environments where employees are motivated by rewards, such as bonuses or promotions. However, it can also cause stress and burnout if used in high-pressure situations where employees feel constantly judged based on performance metrics. In such cases, employees may feel exhausted and lose motivation, especially if they believe that only results matter and not their personal well-being. On the other hand, abusive leadership, which involves leaders who are hostile, overly critical, or disrespectful towards employees, has a very negative impact. Employees under abusive leaders experience high levels of stress, anxiety, and burnout. They feel undervalued, lose motivation, and often want to leave the organization. This type of leadership creates a toxic work environment where employees are more focused on avoiding mistakes and conflicts than on doing their jobs well. It leads to lower productivity, decreased job satisfaction, and high employee turnover.

The study also found that the effectiveness of each leadership style depends on the work environment and the characteristics of the employees. For example, transformational leadership is more effective in teams that are already motivated, while transactional leadership works better in more

structured and less creative settings. The impact of leadership style also varies based on cultural context and individual differences, such as age, gender, and education level. For example, transformational leadership is particularly effective in cultures that value teamwork and emotional connections, like in China. Meanwhile, transactional leadership is more suitable for environments that emphasize rules and order, such as state-owned enterprises.

CONCLUSION

In conclusion, transformational leadership is the most effective style for motivating employees and reducing burnout, while transactional leadership should be applied strategically to balance motivation and well-being. Abusive leadership must be avoided as it has universally harmful effects. By adopting flexible leadership strategies and creating a supportive work environment, organizations can improve employee motivation, engagement, and overall performance. These findings provide practical insights for human resource professionals and leaders looking to enhance workforce management and organizational success.

ACKNOWLEDGEMENTS

I would like to express my sincere thanks to Suan Sunandha Rajabhat University for invaluable help throughout this research.

REFERENCES

- Ali, R., Ateeq, A., Al Ani, Z., & Al Samarai, S. A. A. (2023). A critical review of contemporary trends and challenges in human resource management. *International Journal of Intellectual Human Resource Management*, 4(2), 22–27. <https://doi.org/10.46988/IJIHRM.04.02.2023.003>
- Amabile, T. M., & Kramer, S. J. (2007). Inner work life: Understanding the subtext of business performance. *Harvard Business Review*, 85(5), 72.
- Bass, B. M., & Avolio, B. J. (2004). Multifactor leadership questionnaire. Mind Garden.
- Borman, W. C., & Motowidlo, S. J. (1997). Organizational citizenship behavior and contextual performance. In N. Anderson, D. S. Ones, H. K. Sinangil, & C. Viswesvaran (Eds.), *Handbook of industrial, work and organizational psychology* (pp. 56–70). Sage Publications.
- Freudenberger, H. J. (1974). Staff burnout. *Journal of Social Issues*, 30(1), 159–165.
- Jaffrezo, M. (2023). The mobility of personnel and its impact on employee retention. *International Journal of Human Resource Studies*, 13(1), 45–60. <https://doi.org/10.5296/ijhrs.v13i1.20645>
- Leka, S. S. (2010). Large-scale job stress interventions. In *Contemporary Occupational Health Psychology: Global Perspectives on Research and Practice, Volume 1* (pp. 77–97). Wiley-Blackwell.
- Maslach, C., & Jackson, S. E. (1981). The measurement of experienced burnout. *Journal of Organizational Behavior*, 2(2), 99–113.
- Mazlan, M. R. M., & Jambulingam, M. (2023). Challenges of talent retention: A review of literature. *Journal of Business and Management Review*, 4(2) , 78– 91. <https://doi.org/10.47153/jbmr42.6302023>

- Maslach, C., Schaufeli, W. B., & Leiter, M. P. (2001). Job burnout. *Annual Review of Psychology*, 52(1), 397–422.
- Motowidlo, S. J., & Van Scotter, J. R. (1994). Evidence that task performance should be distinguished from contextual performance. *Journal of Applied Psychology*, 79(4), 475–480.
- Stordeur, S., D'Hoore, W., & Vandenberghe, C. (2001). Leadership, organizational stress, and emotional exhaustion among hospital nursing staff. *Journal of Advanced Nursing*, 35(4), 533–542.
- Tepper, B. J. (2007). Abusive supervision in work organizations: Review, synthesis, and research agenda. *Journal of Management*, 33(3), 261–289.
- Tepper, B. J. (2000). Consequences of abusive supervision. *Academy of Management Journal*, 43(2), 178–190.
- Van Scotter, J. R., & Motowidlo, S. J. (1996). Interpersonal facilitation and job dedication as separate facets of contextual performance. *Journal of Applied Psychology*, 81(5), 525–531.