In Search of Effective Gen Z Engagement in the Hospitality Industry: Revisiting Issues of Servant and Authentic Leadership

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Abstract: The purpose of this study is to provide a theoretical framework that demonstrates how psychological capital (PsyCap) can simultaneously mediate the effects of servant leadership (ServL) and authentic leadership (AuthL) on employee engagement in the workplace. This study examines whether AuthL better explains PsyCap and workplace engagement from the perspective of Generation Z (Gen Z) than ServL, although recent research shows that ServL and AuthL correlate well with Generations X and Y, respectively. In addition, there is limited research on the above aspects in the hospitality industry. These studies either have a very limited sample, contradictory results in their own context, or contradictory results in the same industry regarding the above relationships. This study will attempt to shed light on these contradictory findings. The researchers surveyed 393 members of Gen Z working in the hospitality business in one of Russia’s most popular destinations, Krasnodar. Data were analyzed using structural equation modeling, bootstrap analysis and descriptive statistics. Although both leadership styles have a positive impact on PsyCap and work engagement (WorkE) of Gen Z employees, AuthL has a greater impact on PsyCap and work engagement than ServL, according to the results. PsyCap was found to mediate the relationship between the two leadership styles and frontline Gen Z employees, and the study also found that it influenced overall Gen Z performance. The influence of PsyCap on the job engagement of Gen Z employees in the Russian hospitality industry is examined.

Keywords: generation Z; psychological capital; work engagement; leadership style; Russian Federation

1. Introduction

Generational diversity and employee engagement have become increasingly popular topics in academic organizational research over the past decade [1–5]. Compared to other segments of the global economy, tourism was one of the fastest growing industries in international markets shortly after the severe pandemic. However, such rapid growth requires continuous human resource research in this sector to address emerging issues in the labor market [6]. One of the biggest challenges facing the industry is generational change and the inclusion of diverse populations in the active workforce, which is also true for the Russian hospitality industry. It is common knowledge that multiple generations share the same workplace in today’s workforce. The challenge has intensified with the growing number of Gen Z workers, as the different characteristics, values and expectations in these companies bring new challenges. It is important to note that the new generation (i.e., Gen Z) may not be as willing to pursue a long career in the hospitality industry due to long hours, low financial compensation, lack of career opportunities, and low motivation [2].

In addition, the COVID-19 pandemic has severely damaged confidence in the hospitality industry, causing many workers to migrate to other industries recently. For example, the Irish government forced the closure of restaurants, bars, and clubs, resulting in the
immediate layoff of 140,000 people, 120,000 of whom were employed in the hospitality business. The results have been the same everywhere from Hong Kong to California [6]. According to Walsh (2017) [7], Generation Z will soon make up more than 20% of the workforce, representing a significant portion of the labor market. The entry of this generation into the workforce coincides with the retirement of baby boomers, which may lead to significant changes in the work culture and environment [8]. In addition, Park and Goursoy (2012) [9] argue that the level of engagement at work varies significantly between different groups of “generations”. For example, generational engagement in the hospitality industry could be related to issues of the employment relationship [10], e.g., social climate was more important to Generation X. At the same time, Generation Y was more motivated by career development and job content [11]. The time when Generation Z grew up coincided with the changes in social culture, technological development, and globalization [12,13]. All of these aspects have shaped the personality of this generation and may influence their attitudes towards their future professions. In fact, promotion, healthy working conditions, and loyalty are the most important motivations for Gen Z when choosing a career [2]. This generation is sensitive to the hypocrisy caused by the lack of transparency in politics [14].

Therefore, understanding the new generation of workers is an essential aspect for the sustainable development of the industry. Additionally, the leading role in this is played by the leaders who will work hand in hand with this generation. In this context, an effective leadership style is required to retain talented employees who can achieve good quality standards, leading to long-term competitiveness and sustainability. Therefore, AuthL and ServL can be promising leadership strategies for dealing with Generation Z employees. As modern Russia faces the problem of corruption [15], AuthL was developed as a leadership concept to respond to corruption and management scandals in companies. In addition, AuthL supports characteristics such as truthfulness and openness and has a positive impact on individual and team performance [16,17]. In addition, Russian Gen Z faced the effects of the collapse of the USSR, which was associated with a significant increase in the number of single parents (single mothers) and an increase in mortality among working-age men [18]. Gen Z thus lacks male support in the fathering role [14]. In this regard, ServL’s motives are to serve their employees by supporting and encouraging them [19] and letting them know that their performance is valued and relevant to both the business and their supervisors [20]. Thus, AuthL and ServL can meet the needs of Gen Z employees and help them do their jobs better, handle difficult situations, and develop their engagement [21]. In addition, the hotel industry can benefit from the two leadership styles ServL and AuthL because they are based on positive psychology [22]. First and foremost, front desk staff are the heart of any hotel and oversee every aspect of the service they provide to guests. These employees are the main sufferers; therefore, they must be stress-resistant and emotionally balanced. However, Generation Z employees are emotionally attuned to external factors due to socioeconomic change, globalization, and the technological age [1]. In practice, traditional stress models view physiological stress as a nonspecific response to external influences and define it as a general adaptation syndrome that occurs in response to the loss of resources [23]. Resource conservation theory (COR) states that depletion of resources leads to stress [24]. Seemiller and Grace (2017) [1] suggested that slack resources affect employee work engagement (WorkE).

Generation Z is the most emotionally unstable generation and, therefore, requires unique psychological approaches, e.g., values (or motivators) play an essential role in maintaining and acquiring resources that sustain mental and physical well-being [25]. Indeed, Gen Z psychological resources can be enhanced through psychological capital (PsyCap) [21] by creating an emotional connection between the leader and the organization. Moreover, a combination of PsyCap and work engagement structures has a significant impact on morale in the hospitality industry [26]. PsyCap influences individual job performance and organizational performance in different cultural settings: in the United States [10], in European countries [27], in China [21], and in Vietnam [28].

This study attempts to contribute to the literature on hospitality by filling several gaps.
First, our study follows the call of Hoch et al. (2018) [29] and Eva et al. (2019) [30] to expand the scope of ServL and AuthL leadership research and its positive impact on employees. More specifically, it seeks to analyze ServL in comparison to other types of leadership to determine whether ServL actually explains employee motivation and performance better than other types of leadership. In addition, the study supports Brownell’s [31] idea that ServL and AuthL are essential leadership styles in the hospitality industry outside of China (i.e., Russia). Thus, this study is one of the first studies to compare how ServL and AuthL influence the attitudes and actions of Gen Z employees in the hospitality industry. In addition, this is one of the first studies with Russian hospitality employees to examine the influence of ServL and AuthL.

Second, hospitality employees, especially Gen Z employees, need to improve their WorkE, provide personalized service, recover efficiently from service failures, and maintain positive customer relationships [32,33]. Both AuthL and ServL are essential in the hospitality industry [31,33]. Nevertheless, there seems to be no empirical research on whether the indirect effect of ServL on WorkE via PsyCap is greater than the indirect effect of ServL in the hospitality business.

Third, previous studies have shown that there are no clear theoretical explanations for direct/indirect influences at the individual level (see Table 1) [34], with relevant previous research using social exchange theory to explain the relationship between managers and employees [35].


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<th>Source</th>
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</table>
MV = Leadership Style  
DV = Empowerment | Leadership Theory | Bank Employees (no = 175) | ServL and AuthL have positive impact on employee empowerment |
| Yasir and Mohamad (2016) [37]             | N/A          | International Review of Management and Marketing | Systematic Literature Review (Sle) | comparison of ethical leadership with servl, authl, and transformational leadership styles in the perspective of ethics and morality | Leadership Theory | N/A                         | ServL, authl and transformational leaders do not specifically focus on ethical behavior, thus these leaders may or may not always be ethical depending upon their moral values. |
| Kiersch and Peters (2017) [38]            | N/A          | Journal Of Leadership Education              | SLE (Multi-Disciplinary Approach)  
Goal Is to Determine How Such Student Leaders Could Be Developed Within Higher Education Programs or Courses. | servl and authl styles | Leadership Theory | Student and school staff (not specified) | Leadership development programs addressed core through the use of experiential learning. |
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<td>Ling, Liu and Wu (2017) [39]</td>
<td>China</td>
<td>Cornell Hospitality Quarterly</td>
<td>Quantitative</td>
<td>iv = servl/authl mv/dv = trust climate. iv = organizational commitment, work engagement, and work performance</td>
<td>Social Exchange Theory</td>
<td>Employee–supervisor star-level hotels (no = 1132)</td>
<td>Servl and authl have positive effects on group trust climate and employee work outcomes; however, the magnitudes and paths of their effects are distinct. In comparison with authl, servl has a more significant effect on trust climate and positive work attitudes.</td>
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<td>Hunt (2017) [40]</td>
<td>United States, Mexico and China</td>
<td>International Journal on Leadership</td>
<td>Sir Approach How Each of These Theories Are Received And Practiced In Response To The Leadership Behavior Of Humane Orientation Support The Use Of These Theories In All Three Countries’ Cultures.</td>
<td>transformational leadership, servl and authl</td>
<td>Leadership Theory</td>
<td>N/A</td>
<td>Servl and authl support the moral and ethical foundations existing in each.</td>
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<tr>
<td>Hoch, Bommer, Dulebohn and Wu (2018) [29]</td>
<td>N/A</td>
<td>Journal Of Management</td>
<td>Meta-Analyses</td>
<td>transformational leadership, authl, servl and ethical leadership</td>
<td>Leadership Theory</td>
<td>N/A</td>
<td>High correlations between both authl and ethical leadership with transformational leadership coupled with their low amounts of incremental variance suggest that their utility is low unless they are being used to explore very specific outcomes. Servl showed more promise as a stand-alone leadership approach that is capable of helping leadership researchers and practitioners better explain a wide range of outcomes.</td>
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<td>Lemoine, Hartnell and Leroy (2019) [41]</td>
<td>N/A</td>
<td>Academy Of Management Annals</td>
<td>SR: To Reveals Connections With Moral Philosophy To Provide A Useful Framework To Better Differentiate The Specific Moral Content</td>
<td>ethical, authl and servl</td>
<td>Leadership Theory</td>
<td>N/A</td>
<td>This integrative review clearly indicates that moral leadership behaviors positively impact a host of desirable organizationally relevant outcomes.</td>
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<td>Singh, Subramaniam, Mohamed, Mohamed and Ibrahim (2020) [42]</td>
<td>Malaysia</td>
<td>International Journal of Academic Research in Business and Social Sciences</td>
<td>Quantitative</td>
<td>iv = servl, authl and destructive leadership dv = employees engagement</td>
<td>N/A</td>
<td>hotel employees (no 100)</td>
<td>Authl and servl have a significant and positive effect on employee engagement, and destructive leadership does not affect employee engagement (in comparison, servl has higher impact than authl).</td>
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<tr>
<td>Kaya and Karatepe (2020) [32]</td>
<td>Turkey</td>
<td>International Journal of Contemporary Hospitality Management</td>
<td>Quantitative</td>
<td>iv = authl and servl, me = work engagement dv = adaptive performance and career satisfaction</td>
<td>Attitude And Social Exchange Theories</td>
<td>hotel customer-contact employees (no = 226); supervisors (no 29)</td>
<td>Among others, the indirect impact of servl on career satisfaction and adaptive performance, through work engagement, is stronger than the indirect effect of authl.</td>
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<td>Abbas, Saud, Suhrariadi, Usman and Ekowati (2020) [43]</td>
<td>Pakistan</td>
<td>Current Psychology</td>
<td>Quantitative</td>
<td>iv = servl and authl dv = commitment and performance mo = religiosity as external locus of control</td>
<td>Social Exchange Theory</td>
<td>university employees (no 323)</td>
<td>Authl is a significant predictor of commitment and performance, in contrast to the servl. Religiosity was found to be an external locus of control and moderator of the study that was significantly associated with leadership styles and commitment.</td>
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<td>Ucar, Alpkan and Elci (2021) [44]</td>
<td>Turkey</td>
<td>International Journal of Organizational Leadership</td>
<td>Quantitative</td>
<td>iv = servl and transformational leadership dv = creative behavior mo = authl</td>
<td>Social Learning Theory, Theory of Planned Behavior, And Social Exchange Theory</td>
<td>blue- and white-collar employees (convenience sampling) (no = 860)</td>
<td>Servl and transformational leadership were positively related to employee creative behavior, and these effects increased if moderated by authl.</td>
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<td>Zen, Lukito and Rivai (2022) [45]</td>
<td>Indonesia</td>
<td>Jurnal Mantik</td>
<td>Quantitative</td>
<td>iv = authl and servl, me = psychological capital, dv = work engagement.</td>
<td>N/A</td>
<td>auditors of financial and development supervisory agency (no 97)</td>
<td>Authl and servl positively affect psycap. Authl and psycap positively affect worke; however servl fails to influence worke. Psycap mediates relationship between servl and worke, but psycap does not mediate the relationship between authl and worke (authl effect has higher impact than servl).</td>
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Note: IV—Independent variable; DV—Dependent variable; ME—Mediator; MO—Moderator; and SLR—Systematic literature review.

Therefore, this work is expected to have meaningful implications for both managers and non-managers on how PsyCap can be activated through leadership style(s) and how career engagement of Gen Z employees can be managed through the use of COR at different levels [24].

Finally, while there are studies that demonstrate mediation relationships between ServL and AuthL leadership and employee/organizational performance, to our knowledge, only 12 studies were published between 2012 and 2022 (Table 1). More importantly, only six studies were conducted in hospitality organizations, with bank employees [36], college employees [38,43], and hotel employees [32,39,42]. Others, however, did not specify the sample [44,45] or used an SLR method [29,37,40,41], and those that used the imperial approach had a limited sample [36,42,45].

The other side of the coin shows the influence of both leadership styles, and the mediating influence of PsyCap presents contradictory results obtained in different regions or, conversely, in the same industry. For example, while much cited authors [32,46,47] point out in their different studies that ServL is prevalent and works better in Turkish, Iranian and Pakistani cultures, it is very interesting to note that the same authors point out long working hours, employee conflicts, organizational politics, low wages, work–family or family–work conflicts, etc., in the same locations with different time-offs for the same industries.

Interestingly, some authors believe that servant leadership actually leads to better outcomes than other leadership styles. The fundamental question here is how different types of workers, such as full-time, part-time, and frontline employees, can complain about a system in the same industry that is successfully led by servant leaders with high turnover, low compensation, incivility between supervisors and employees, high workloads, work–family conflict, organizational politics, and so on. Is it not a bit of an exaggeration to associate such a leadership style with such results? In other words: If leaders shape the organizational culture of a company, how can the shadow of the leader not match their effective performance in reality? Moreover, in the same context, other researchers have claimed that transformational leadership [48,49], paternalistic leadership [50,51], and AuthL are much more realistic leadership styles while ignoring the ServL style. These conflicting assessments may be due to the fact that the structure of the industry relies so heavily on rigid hierarchies, power distance relationships, inadequate working conditions, and a general lack of urgency to adapt to the changing technological and external environment. These findings compel us to go further and thoroughly review the research. Indeed, these anomalies with the same types of personnel, organizational structures, leadership styles, and cultures in the same organizations compel us to act further and confirm these
inconsistencies. Supportively, the study by [30] points to the need for further research to determine if ServL is a stronger predictor of outcomes than other leadership styles.

In terms of PsyCap and work engagement, Selye [23] emphasized that physiological stress is a nonspecific response of the body to external influences and leads to an adaptation syndrome that occurs in response to external circumstances. Thus, the post-Soviet regime and its collapse in the countries (belonging to Sous) led to socioeconomic problems and fluctuations, which were reflected in all spheres of life of the population. Hobfoll et al. (2006) [25] pointed out that life circumstances such as a change in social status, a move to another place, a divorce, and a job change do not cause stress if they are not associated with an actual loss of resources. In addition, valuable resources are more difficult to obtain, so a person is more sensitive to the loss of resources [52]. The collapse of the union affected the organizations, the factories were closed, and the population was without work and livelihood. This conveyed new values to the next generation—the values of resources and stability. Resources are considered important indicators of a person’s well-being and quality of life [24], and their loss causes people a certain level of stress (COR) [25].

According to the idea of Luthans [21], psychological resources have the characteristics of development and improvement. In this context, a psychological mechanism of four objects such as hope, effectiveness, resilience, and optimism (HORE) has been developed, which is called psychological capital (PsyCap) [21] and characterized as an underlying psychological construct that positively influences the development of employees’ psychology through the development of human resources [53].

In addition, PsyCap has a particular individual positive impact on engagement, satisfaction, and performance [54,55]. Previous studies have confirmed that PsyCap has a positive influence on employee well-being [56] and organizational behavior [48]. Paek et al. [26] suggested that the combination of PsyCap and WorkE structures has a significant impact on employee morale in the hospitality industry. As employees’ PsyCap showed greater commitment to their work and higher effectiveness [57], they were more likely to feel in control of the situation [54]. For example, Datu and Valdez [26] pointed out the positive results of PsyCap in Gen Z students. More specifically, PsyCap not only optimizes academic engagement but also prevents aberrations such as dropout, absenteeism, and depression.

In terms of the organization, PsyCap can impact employee productivity and performance at multiple levels [54] (e.g., at the individual/organizational level, on financial performance, and on manager-rated performance). This relationship is also applied in different cultural contexts, e.g., the United States [10], European countries [27], China [53], and Vietnam [28]. Based on the above, the following initial hypothesis was proposed:

Hypothesis 1. (H1). PsyCap is favorably correlated with WorkE among Gen Z frontline workers.

In terms of the relationships between servant/authentic leadership and gen-Z frontline employees’ PsyCap and work engagement, tourism in the regions of Russia has acquired a special importance for the socioeconomic system of the country [58]. This is evidenced by a growing number of articles dealing with the hospitality industry and tourism in Russia [12,59]. However, the studies mainly analyze areas and problems related to the development of the hospitality and tourism market through cultural and economic opportunities [13,58,59]. Nevertheless, the literature on Russian leadership and its impact on the hospitality industry remains sparse [58]. This is true even for countries with cultural and social ties similar to those of Russia. After the consolidation of the USSR, due to the uniqueness of the national character, management in Russia differed from the norms in other countries [60]. The influence of the USSR regime became a problem for the formation of a new corporate and organizational culture [31,61]. Thus, the post-Soviet management system was formed in a relatively short time. The economic development of Russia marked a new trend in mentality and management style, namely the strengthening of the role of individualism [62]. Most employers, taking into account the peculiarities of Russian culture, began to promote democratic freedoms. However, Russian managers at higher levels of hu-
man resources management often lack flexibility and responsiveness to external factors [63]. As a result, the majority of representatives of modern management still adhere to the management characteristics of the USSR—rigid authoritarianism, individual decision-making (centralization of power), dualism, and the predominance of administrative management methods based on coercion and rigid subordination [64].

In the 21st century, however, authoritarian leadership can no longer be effective. Members of an organization are looking for more meaningful work and are no longer satisfied with leaders who view employees as tools for profit. Therefore, leadership style is critical to employee work engagement and mental and psychological well-being [65]. Therefore, leaders should review the nature of influence on an employee and consider the stressors and characteristics of the engagement process for the next generation. Kolin (2012) [66] predicted that the danger of the psychological “gap” between generations is natural, even though it is not yet fully understood by modern society. For this reason, a proper understanding of the aspects of employee stress and its relationship to other critical employee-related workplace characteristics is of paramount importance, as it can facilitate the improvement and optimization of human resource management, the reduction of employee turnover, and the increase in job satisfaction [67,68]. As psychologists Small and Worgan [69] explain in their monograph Meet your iBrain (People in the Internet Age), Generation Z has a completely different psychology and a different way of living and thinking than the previous generation. This generation is more sensitive to the loss of resources and maintains its psychological resources through “understanding” and “support” from the outside (mostly online) [69]. According to the theory of COR, the loss of resources leads to stress [25] and is an indicator of a person’s psychological and physical well-being [24]. Gen Z builds and maintains its resources from outside, so that a leader can become a good resource flow at work. For confirmation, social environment is crucial for Gen Z because they are adapted to team spirit [70]. Thus, AuthL is always willing to listen to its employees and give them feedback [16]. Similarly, ServL pays special attention to each employee and makes them feel important [71]. By responding to individual needs and demonstrating their experience, ServLs can earn the respect and trust of Gen Z employees and set an example to emulate. A ServL pays special attention to each employee and makes them feel important [78]. This behavior helps to improve employees’ self-efficacy and optimism [71]. Consequently, there are four psychological factors, self-efficacy, hope, optimism, and stability, as the main constructs of PsyCap that positively influence employees’ feelings, desires, and emotions in various ways. All of these factors affect the employee’s mental resources and thus develop internal motivation, mental strength, and energy [19]. Both leadership styles have their own approaches to play on the strings of psychology; nevertheless, ServL focuses more on internal influence, while AuthL considers this influence more comprehensively, which helps to develop special attention to employees in an individual way [80]. Therefore, based on the above information, two further hypotheses can be suggested:
Hypothesis 2 (H2a). AuthL has a positive effect on the PsyCap of Gen Z frontline employees.

Hypothesis 2 (H2b). ServL has a positive effect on the PsyCap of Gen Z frontline employees.

Previous studies underlined that employees showed higher levels of WorkE when their needs and interests were better addressed by managers [30,81]. This proves a link between ServL and WorkE, as ServL has a strong position in promoting employee engagement by strengthening human resources [79]. Of particular note is the concern for increased psychological safety and employee value [82] through a follower-oriented leadership style [19]. AuthL as a leadership style focuses on the exchange process between leaders and subordinates through transparent relationships and feedback [72,73]. Such a relationship strengthens employees’ hope for the future by providing the necessary advice for career development [74]. In addition, Avolio, Gardner, Walumbwa, Luthans, and May [83] have observed that AuthLs can enhance the ability to remain realistic, encouraging, and trustworthy. These characteristics of leaders increase participants’ engagement by developing their willpower and providing a positive path or direction through their comments, which leads to an increase in participants’ confidence and engagement.

Thus, based on the above, we hypothesized the following.

Hypothesis 3 (H3a). Gen Z frontline employees’ PsyCap mediates the relationship between AuthL and their WorkE.

Hypothesis 3 (H3b). Gen Z frontline employees’ PsyCap mediates the relationship between ServL and their WorkE.

For servant versus authentic leadership argumentation, numerous studies in the hospitality industry indicate a positive effect of AuthL and ServL leadership [17,65]. However, there are many overlaps between the descriptions of ServL and AuthL. First of all, AuthL and ServL leaders have some beneficial character traits [30,83,84]: transparency in communication and a focus on behavior that is consistent with their own ideals and principles [30,83,84]. In addition, both styles reflect high levels of emotional and intellectual self-awareness and a deep understanding of the importance of these factors to success at work [80]. Second, moral leaders with traits such as integrity, honesty, reliability, and humility are characteristic of ServL and AuthL leaders [30,85,86]. They make decisions and behave in ways that are consistent with their high moral standards rather than those of their colleagues or the organization as a whole. Wellman and Humphrey (2011) [87,88] argue that it is necessary to nurture followers and isolate them from other leaders in order to build a bond between leader and follower and provide leadership that is aligned with the organization (e.g., charismatic and transformational leadership). To give just one example: ServL leaders help their followers “become healthier, wiser, freer, and more independent” through their service and support [19]. Similarly, AuthL leaders are those who help their followers become more authentic “by increasing their self-awareness, self-regulation, and positive role modeling” [80]. Although there are many similarities between ServL and AuthL, both also have their own distinctive characteristics. ServL, unlike AuthL, emphasizes the importance of helping others as a central element of one’s beliefs. According to Hale and Fields [89], ServL places the organization (and the leader) much higher than the leader him/herself. Therefore, a willingness to put others before oneself is a hallmark of authentic integrity in ServL. Even more than AuthL, the idea of ServL encompasses a broader range of behaviors and attitudes. Unlike AuthLs, which are primarily concerned with the growth of their followers, ServLs emphasize commitments to the organization, its customers, the community at large, and all other groups with which the business interacts [90]. ServL characteristics include having a clear vision for the future, being innovative, and having a positive impact on their local community [39,71,84]. Our research suggests that AuthL and ServL are not the same, but share some parallels in their impact on businesses and individuals.
According to the characteristics of Russian Gen Z [14], AuthL could be considered an appropriate style, as the concepts are crucial in response to corporate corruption and leadership scandals [17]. The annual report of “Transparency International” states that Russia is one of the 50 most corrupt countries [15]. Corruption manifests itself in all areas, such as state organizations [91], medicine [92], and education [81]. Therefore, Russian Gen Z considers trust/truth as an essential relationship element in all spheres of life. Coupled with trust, they value the opportunity for independence and growth in the workplace [14]. Admittedly, AuthLs consider their co-workers as friends/siblings with whom they build trust and develop passionate relationships [16]. Such relationships increase self-awareness and self-regulatory behaviors and contribute to positive self-development [17]. As a counterbalance, ServL primarily focuses on fostering intrinsic motivation and assumes most of the responsibility. Thus, it represents one of the parents that Russian Gen Z lacks, or rather, it assumes the role of a parent in the workplace. In general, ServL builds relationships between employees and managers through support and caring [85]. In addition, ServL focuses on developing a system of values, conscience, and motivation [39]. However, these characteristics may not be sufficient to promote individual development/performance and engagement at work. Therefore, we believe that AuthL may have a stronger impact on Russian Gen Z behavior than ServL. Therefore, based on the cited literature, we developed the following hypotheses:

**Hypothesis 4 (H4a).** Compared to ServL, AuthL has a greater positive effect on Gen Z frontline employees’ WorkE.

**Hypothesis 4 (H4b).** Compared to ServL, AuthL has a greater positive effect on Gen Z frontline employees’ PsyCap.

### 2. Materials and Methods

Data were collected from Gen Z employees in the hotel industry (receptionists, waiters, waitresses, concierges, etc.). The most important parameter for the study was the age of the participants, as the study focused on Gen Z born between 1995 and 2015. Therefore, the sample consisted of individuals between the ages of 18 and 25 who had at least 6 months of work experience. Data collection was supported by the HR department of tourism organizations of Krasnodar city, Russian Federation. According to the department, about 1700 employees belonged to Gen Z at the time of the research. Therefore, a convenience sampling technique was used, as the population was not very clear. The city of Krasnodar is one of the leading tourist destinations in Russia, receiving almost one-third of the country’s tourist flow [93]. In order to avoid/reduce common method bias, the procedures suggested by Podsakoff et al. [94] were applied: (1) on the title page of each survey, the purpose of the survey was explained, indicating that there are no “right or wrong answers” in this questionnaire, that the information collected in the survey will remain confidential and will be used only for scientific purposes, and that participation in this study is voluntary; (2) the data collection was split in time, i.e., data were collected in two time periods with a delay of one month; (3) identification codes were used to ensure anonymity and consistency with the participant survey; (4) the survey was designed to collect different scale formats in the first and second sections, e.g., ServL and WorkE or AuthL and PsyCap. A total of 450 questionnaires were distributed. After the two distributed surveys, 393 questionnaires were returned, which corresponded to a response rate of 87.3%. For demographics, after the final review of the collected questionnaires, we obtained 393 valid questionnaires for further statistical analysis (Table 1).

Of the actual respondents, 142 (36.1%) were male and 251 (63.9%) were female. The age of the respondents ranged from 18 to 22 years old, i.e., 269 (68.4%) were between 18 and 20 years old, 120 (30.5%) were between 21 and 22 years old, 1 (3%) respondent was under 18 years old and 3 were over 22 years old. One of the most important criteria for
respondents was having at least 6 months of experience in the hospitality and tourism industry. The statistics of the survey showed that the majority of the frontline respondents 147 (37.4%) had work experience from 7 months to 1 year, 124 (31.6%) of the respondents had work experience from 2 to 3 years, 118 (30%) had experience of less than 7 months, and 3 (1%) of the respondents had more than 3 years of experience. For instruments, ServL and AuthL were assessed using seven items adapted from Liden et al. [71] and Wong and Cummings [95]. In the questionnaire, employees were asked about the leadership approach and leadership behavior of their direct supervisor. A five-point scale was used: 5—“always” and 1—“never”. The Utrecht Work Engagement Scale (UWES-9)” by Schaufeli et al. [96] was used to measure the WorkE of Gen Z employees. In the current study, a short version with nine items was used. Respondents had to indicate on a 5-point Likert scale (5 “always” and 1 “never”) how often they felt WorkE. The Psychological Capital Questionnaire (PCQ) by Luthans et al. [21] was used to measure PsyCap. The questionnaire scale includes 24 items divided into four subscales (6 items each: hope, resilience, optimism, and efficiency). A Likert-5 scale was used for all dimensions (1 = “strongly disagree”, 5 = “strongly agree”). Age, gender, length of service, and marital status were used as control variables. Both surveys were created in English and then translated into Russian using the back-translation technique of Brislin [97]. In the ServL and AuthL scales, the word “leader” was replaced by “manager” in all items to reflect the specifics of Russian society. In addition, a pilot test was conducted with five hospitality employees to check the validity of the scales. Pilot findings did not pinpoint any need for further application of changes.

3. Results
3.1. Measurement Model

The SPSS 26 statistical program was used for confirmatory factor analysis (CFA) of the five-factor measurement model. During the analyses, some items were discarded due to errors in measurement correlation. The decision to drop items was based on a suggestion by Anderson and Gerbing [98] (p. 64). Indeed, some items with low standardized loadings (0.50) were dropped from the PsyCap measures, particularly from the indicators of hope and resilience. Previous researchers faced the same problems; for example, Dawkins et al. [99] and Karatepe et al. [46] dropped some items from the PsyCap measure. Although this study excluded an item related to WorkE, a search of the literature on hospitality showed that several empirical studies during CFA excluded several items from the UWES-9 scale [100] because the items were strongly related [96]. The item that was dropped from this scale was “I feel happy when I work intensely”.

The results regarding the reliability measures showed that all loadings (>0.50) were significant; the average variance extracted by each latent variable (AVE) reached the threshold of 0.50. The composite reliability values were greater than 0.60, while the coefficient alphas were greater than 0.70. However, the AVE of PsyCap (Hope) was slightly lower than 0.50 at 0.44 and the convergent validity (CV) or internal consistency reliability was slightly higher than the cut-off point of 0.70 at 0.90; in short, the CV was confirmed [101].

For testing discriminant validity (DV), the criteria of Fornell and Larcker [101] were used. The AVE of each latent variable was more significant than the common variances between pairs of variables. It is important to note that the AVE of the PsyCap total score (0.58) was used for the DV analysis with significant 0.58 < 0.50 (CR 0.87 and α 0.90). Correlation, mean, and SD are shown in Table 2. Non-normality of the data was checked using the values of skewness and kurtosis, whose cutoff values were less than 3.00 and less than 8.00, respectively. For ServL, AuthL, PsyCap, and WorkE values, skewness (kurtosis) was −1.68 (2.31), −1.52 (2.09), −1.52 (3.94), and −1.52 (2.00), respectively. A non-normal distribution was not indicated (Kline, 2011).
Table 2. Standard Deviations, Mean, and Correlations Between the Variables.

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Authentic Leadership</td>
<td>3.85</td>
<td>0.63</td>
<td>(0.78)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Servant Leadership</td>
<td>4.04</td>
<td>0.84</td>
<td>0.28</td>
<td>**</td>
<td>(0.76)</td>
<td></td>
</tr>
<tr>
<td>3. Psychological Capital</td>
<td>3.79</td>
<td>0.52</td>
<td>0.35</td>
<td>***</td>
<td>0.26</td>
<td>**</td>
</tr>
<tr>
<td>4. Work Engagement</td>
<td>3.80</td>
<td>0.99</td>
<td>0.28</td>
<td>**</td>
<td>0.27</td>
<td>**</td>
</tr>
</tbody>
</table>

Notes: N = 393; Parentheses show the Cronbach’s $\alpha$ coefficients; ** $p < 0.01$; and *** $p < 0.001$.

3.2. Hypothesis Testing

To check the hypotheses, structural equations were simulated considering partial and complete mediation effects. In addition, to test the hypotheses, special models were designed, namely M1 for the effect of partial mediation of PsyCap of Gen Z frontline employees, the M2 model for the effect of complete mediation, and the M3 direct effect model, which corresponds to M1 but omits the path of PsyCap of managers. Table 3 (see below) shows the results of SEM, M1 in $\Delta X^2 = 2$, $p < 0.001$; $\Delta df = 2$ (M3-M1) = 63, $\Delta df = 2$, $p < 0.001$. Figure 1 provides significant evidence of direct (0.29, $p < 0.001$) and indirect (0.3, $p < 0.001$) effects of AuthL on WorkE through the influence of PsyCap on Gen Z frontline employees. In addition, ServL shows significant effects across both direct (0.27, $p < 0.01$) and indirect (0.01, $p < 0.01$) relationships. Accordingly, the study results show that PsyCap has a partial relationship with both forms of leadership and WorkE. Moreover, these two forms of leadership showed the better result in positive comparison with M2 and M3 in terms of the presented data $\Delta X^2 (M2-M1) =$ predicted WorkE and PsyCap, but the author achieved a better effect on WorkE ($\beta = 0.29$, $p < 0.001$) than the ServL ($\beta = 0.27$, $p < 0.01$), as well as on PsyCap ($\beta = 0.35$, $p < 0.001$). Thus, all of the hypotheses in the study were supported. Cheung and Lau (2012) [102] assessed the value of bootstrapping for studying indirect effects and thus encouraged us to conduct an additional analysis using Amos with 5000 original load samples to examine indirect effects in M1. As a result, a significant indirect effect of AuthL on WorkE was found by PsyCap (indirect = 0.14, $p < 0.001$, 95% CI = [0.084, 0.212], without null). The indirect effect of ServL on WorkE by PsyCap was also found to be significant (indirect = 0.08, $p < 0.01$, 95% CI = [0.044, 0.143], without null).

Table 3. Results of SEM Analyses.

<table>
<thead>
<tr>
<th>Model</th>
<th>$X^2$</th>
<th>df</th>
<th>$X^2$ df</th>
<th>RMSE</th>
<th>GFI</th>
<th>AGFI</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>M1</td>
<td>1181.00</td>
<td>318</td>
<td>3.71</td>
<td>0.054</td>
<td>0.052</td>
<td>0.92</td>
<td>0.92</td>
</tr>
<tr>
<td>M2</td>
<td>1238.41</td>
<td>320</td>
<td>3.87</td>
<td>0.068</td>
<td>0.059</td>
<td>0.91</td>
<td>0.93</td>
</tr>
<tr>
<td>M3</td>
<td>1244.06</td>
<td>320</td>
<td>3.89</td>
<td>0.077</td>
<td>0.067</td>
<td>0.92</td>
<td>0.91</td>
</tr>
</tbody>
</table>

Notes: N = 393. Model of PsyCap mediating effects (partial = M1: full = M2); PsyCap and leadership styles’ direct effect (M3).
4. Discussion and Conclusion

The purpose of this study was to analyze the effect of AuthL and ServL on work engagement through the mediating role of PsyCap and to compare this effect between these leadership styles in the context of Russian Gen Z frontline employees in the hotel industry. The following objectives were proposed for the study: (a) to determine the relationship between PsyCap and work engagement; (b) to determine the influence of AuthL and ServL on PsyCap; (c) to determine the role of PsyCap as a mediator in these relationships; and (d) to determine whether AuthL has a greater impact on PsyCap and work engagement of Gen Z employees. Data collected from Gen Z employees in the Russian hotel industry confirmed this premise. This study found that hospitality employees’ PsyCap positively influences their work engagement, which is consistent with previous research [26,103]. In general, human resource management cannot be considered complete without considering the importance of psychological resources, which are a critical tool for employee motivation, engagement, and performance [104]. Consequently, PsyCap, by stimulating personnel to restore resources, is one of the most important psychological processes with incompatible growth characteristics. In other words, it is like a never-ending pitcher of life-giving water. Moreover, the replenishment of employees’ resources has an impact on their working conditions. This impact is most evident when employees are faced with challenges. They do not despair under the strength of their connection to their leader, remain loyal, do not accept losses, and move forward with exuberant hope and optimism [105]. Surprisingly, Zen, Lukito, and Rivai [45] found that psychological capital did not buffer the relationship between employee involvement in work and a leadership style when they studied 97 contract employees of the Indonesian Financial and Development Regulatory Agency (BPKP). However, the current study found that ServL and AuthL have a positive impact on the PsyCap of Gen Z leaders in hospitality companies. According to some studies on the psychology and well-being of today’s youth [26,56,103], According to the proposed structural equation model, the PsyCap of Gen Z employees mediates the link between AuthL and ServL. Both leadership styles generally have direct and indirect effects on employees’ WorkE, as well as indirect effects on employees’ WorkE via PsyCap.

In addition, our results showed that AuthL has a greater impact on PsyCap and work engagement of Gen Z employees than ServL. Soviet and post-Soviet governments sought to exert tight control over their workforces. This had an impact on the next generation, as Generation Y, born in the 1990s, had similar ideas, although they did not live under Soviet rule. This suggests that their views are not significantly different from those of their parents [58]. However, as a new generation of workers (Gen Z) enters the workforce, they are likely to have higher expectations of leaders, employees, and workplaces. Culture
and leadership are inextricably linked [19] as they are reflected in the person, especially in the workplace. According to cross-cultural research, Russia has a masculinity type [106] with higher power distance and collectivism than other Western nations [107], which have long been dominated by communism [108]. AuthL, on the other hand, may be considered particularly appropriate due to its emphasis on interpersonal harmony and morality [109]. While AuthL is more effective in cultures with high levels of collectivism [107], it benefits less from a culture of power distance than ServL [110]. As a result, Russian culture is expected to have a mixed influence on leadership style, i.e., an element of greater collectivism may be beneficial to AuthL, while an aspect of high power distance is likely to preclude such an advantage. In addition to the cultural and socioeconomic lens, these results can also be explained by the leader’s mental growth. PsyCap has a distinct value and can be associated with motivators that affect a person’s spirituality and inner strength by combining four psychological traits (self-efficacy, hope, optimism, and resilience) [105, 111].

For theory, this multifaceted study contributes to the theoretical level in several ways. First, the study echoes the call by Hoch et al. [29] and Eva et al. [30] to expand the knowledge of ServL and AuthL. It also highlights the importance of understanding leadership at the demographic level [31]. Second, this study also makes an important contribution because it sheds light on an important issue, namely how a leader can influence the psychological resources of Gen Z employees. The findings of the study are supported by the theory of COR, which states that supporting and enhancing employees’ psychological resources can influence employees’ hope and trust in leaders and job commitment. A significant role in the relationship between Gen Z employees and AuthL/ServL can name a phenomenon in the hospitality industry. Third, AuthL was found to be more significant compared to ServL. According to the principles of COR theory, the development of AuthL attributes in an organization can lead to the growth of employees’ psychological resources such as PsyCap. In addition, improving employees’ vital psychological resources to motivate them and increase their well-being can give hope to employees; thus, they obtain the opportunity to show themselves by increasing their self-esteem. In addition, the current study confirms that PsyCap directly affects the WorkE of Gen Z employees, influences their work quality and organizational development, and reduces employee turnover.

For managerial practices, based on the results of the study, AuthL is a more favorable leadership style for Gen Z employees compared to ServL. Therefore, AuthL deserves special attention in Russian regions and countries with similar cultural characteristics, as it better improves WorkE and PsyCap of Gen Z employees. Hospitality managers should first start with themselves by understanding their psychological strengths and emotional triggers; understanding how their personality traits (such as sociability, need for recognition, tendency to judge, and need for excellence and control) influence their relationships with co-workers; knowing how ancestry, race, class, religion, and gender influence their views; and recognizing their feelings (frustration, vulnerability, joy, etc.) in “relaxed” and “stressful” moments of interaction with co-workers [110]. After understanding their strengths and the needs and desires of Gen Z employees, managers should develop and embody the skills they want to see in their employees. Similarly, development is an ongoing process in which managers and employees become self-aware and build open, transparent, trusting, and authentic relationships, some of which can be shaped and influenced through planned interventions such as training [110]. Regarding employees, managers can motivate Gen Z employees to perform at their best by empowering and supporting them or by giving them more promotions and recognition. In addition, based on the results, managers can influence Gen Z employees’ WorkE through PsyCap. For example, greater authenticity in interactions with employees is the best way for managers to improve emotion regulation and resource growth of their Gen Z employees because authenticity reduces work stress and increases work performance [16]. In addition, managers should try to improve their interactions with Gen Z employees by showing more credibility, such as asking for feedback, saying exactly what they mean, admitting mistakes when they are wrong, and making decisions based on their core beliefs [83]. Considering their needs [13], Russian hospitality companies
should use AuthL rather than ServL leadership characteristics. Consequently, the Russian hospitality industry needs to reorganize its leadership structure and build an organizational culture that enables remote control and overcomes the negative consequences of a culture of great distance.

This study possesses limitations and provides suggestions for future studies. This study has some weaknesses, and to build on them, some advice for future researchers was given: In this study, the result of the influence of Gen Z PsyCap between leaders and WorkE has partial indirect effects, suggesting that there are other mediators that have a better influence. To address this issue, further research should investigate a mechanism based on leadership and its influence on WorkE, regardless of its composition. It is also necessary to point out the influence of culture on the study variables (PsyCap, WorkE) as one of the limitations of this study. The aspects of culture and leadership were addressed but not fully explored, as we considered leadership only from the perspective of the Russian Gen Z psychological model. However, the influence of PsyCap is closely related to the culture of a country and an organization. Therefore, we advise future researchers to consider the influence of culture and thus combine the present research model and develop a new research model that can be stronger and more valuable.

**Author Contributions:** Conceptualization, N.S., G.A., E.O. and E.C.; methodology, H.A.; software, H.A.; validation, H.A. and E.O.; formal analysis, E.O.; resources, G.A., E.O and E.C.; data curation, H.A, N.S.; writing—original draft preparation, H.A.; writing—review and editing, E.O. G.A. and E.C.; visualization, G.A. and E.C.; supervision, H.A.; funding acquisition, E.O., G.A. and E.C. All authors have read and agreed to the published version of the manuscript.

**Funding:** This research received no external funding.

**Informed Consent Statement:** Informed consent was obtained from all subjects involved in the study.

**Acknowledgments:** Our special thanks to Furkan Arasli (School of Hospitality Management, Auburn University, USA) for his valuable ideas, technical support, overall efforts, and kind help.

**Conflicts of Interest:** The authors declare no conflict of interest.

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