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Gen Z Employee Adaptive Performance: The Role of Inclusive Leadership and Workplace Happiness

Kleanthis K. Katsaros

School of Agricultural Sciences, Department of Food Science & Technology, University of Patras, 26504 Rio, Greece; klekatsaros@upatras.gr

Abstract: By drawing on the social exchange theory, this paper suggests a mediation model to examine the role of workplace happiness (i.e., work engagement, job satisfaction, and affective organizational commitment) in the relationship between inclusive leadership and Gen Z employee adaptive performance. Data were collected from 305 Gen Z employees in the Greek telecommunications industry and their supervisors in three sequential phases. The research findings suggest that workplace happiness partially mediates the relationship between inclusive leadership and Gen Z employee adaptive performance. The results indicate that should leaders and managers manage to positively influence Gen Z employees' work engagement and job satisfaction by employing inclusive strategies and procedures, they will increase their adaptive performance during change. Relevant suggestions are made.

Keywords: adaptive performance; Gen Z employees; inclusive leadership; workplace happiness

1. Introduction

Today's organizations try to adapt to the increased uncertainty and ambiguity provoked by the constant changes in their business environment (Vakola et al. 2021). Regardless of its origin, change should be approached as an anthropocentric procedure that may influence individuals on a deeply emotional level (Katsaros 2024). That is, the adaptive challenges organizations face today need greater levels of contribution, involvement and engagement from their members (Carnevale et al. 2017). Within this context, quite a few authors suggest that employees' supportive reactions, participation and adaptation during organizational change are imperative for any success (e.g., Errida and Lotfi 2021; Oreg et al. 2023). Consequently, it is not strange that developing employees' adaptive performance has emerged as a particularly important topic in both theory and practice.

It is widely accepted that leadership and organizational change are two closely related concepts (e.g., Islam 2023; Peng et al. 2021). Despite the fact that leadership is considered to be imperative for successful change initiatives (e.g., Vito et al. 2023), only a small number of studies have examined the relationship between leadership and employee adaptive performance (e.g., Kaya and Karatepe 2020; Marques-Quinteiro et al. 2019; Park and Park 2019). Even more surprising is the fact that only a small number of them have expanded upon the role of inclusive leadership, which may motivate employees to change their behaviors by helping them to find out their role during change (e.g., Nishii and Leroy 2022; Qurrahtulain et al. 2022), but none of them have examined Gen Z employee adaptive performance (i.e., those born between 1995 and 2012; Gen Z accounts for about 2 billion of the world's population, and it is estimated to represent 27% of the workforce by 2025; McAllister 2024). There is a dearth of empirical research regarding how inclusive leadership within organizations may influence Gen Z employee adaptive performance and, consequently, the factors that may affect this rather significant relationship.

Based on social exchange theory, which suggests that when an individual perceives positive behavior from someone (e.g., an inclusive leader who enhances workplace diversity

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and supports organizational members to reach their full potential; Ashikali et al. 2021), they will try to give in return something equally important (Blau 1964); this paper tries to bridge this theoretical gap by investigating the possible influence of workplace happiness (i.e., work engagement, job satisfaction, and affective organizational commitment) on the inclusive leadership and Gen Z employee adaptive performance relationship. That is, on the one hand, inclusion (when compared to discrimination) represents a stronger mediator in the relationship between positive leadership and employee well-being (Adams et al. 2020). On the other hand, workplace happiness can be an imperative personal resource in turbulent times, as it may provide necessary personal power, resilience and persistence, and thus, it may positively influence employee adaptive performance (Katsaros 2024). Further, Gen Z grew up by adapting to the constant changes that occurred in their environment, and thus, it is accepted that they are courageous, creative and never lack initiative (Csiszárik-Kocsír and Garia-Fodor 2018).

The current research may contribute to the relevant literature in four ways. First, it responds to the call for more evidence on employee adaptive performance (Vakola et al. 2021). To date, there are quite a few papers that examine employee adaptive performance (e.g., Zhang et al. 2024), but there are rather few studies that examine Gen Z employee adaptive performance and its potential results. This is quite disconcerting since Generation Z is currently the largest generation on Earth, and it is expected that it will constitute 27% of the global workforce by 2025 (OECD 2022). This would benefit both change management researchers and practitioners. Second, though researchers have adequately examined change recipients' reactions during change (e.g., Oreg et al. 2023), surprisingly, they have not fully expanded on how inclusive approaches may endorse helpful and positive behaviors during change (e.g., Katsaros 2022). Failure to do so will result in poor change management practices. Third, this research adds to the change management literature by noting the importance of promoting workplace happiness in changing and complex organizational settings. Four, it contributes to the generational cohort theory, which suggests that employees that belong to the same cohort tend to share common values, attitudes, beliefs and cognitive styles, which are assumed to be persistent over time (Okros 2020).

2. Inclusive Leadership and Adaptive Performance

Inclusive leadership refers to the ability of a leader to create an environment that embraces diversity and ensures that all team members can fearlessly bring their full selves to work and are valued for what they have to contribute (Nishii and Leroy 2022). According to Shore and Chung (2022), inclusive leaders pay extra attention to their employees' views and beliefs, tolerate their mistakes and provide support and direction when they happen. Likewise, Katsaros (2022) proposes that inclusive leadership is always anthropocentric, notes employees' equal treatment and fosters organizational unity. Additionally, Qi et al. (2019) suggest that inclusive leaders value employees' contributions and care about their psychological well-being, and thus, they may inflame creativity and innovation. Within this context, Choi et al. (2015) indicate that inclusive leadership, as a rather effective method of leadership, is positively related to employee performance. Similarly, a number of studies illustrate that inclusive leadership can positively influence empowerment, commitment, engagement and job performance in changing settings (e.g., Randel et al. 2018; Vakira et al. 2023).

Taking into account that we are living in an era always in transformation, where change is the norm rather than the exception, it is not surprising that more than a few studies today try to investigate the way inclusive approaches in the workplace may improve employee change-related reactions and behaviors. Accordingly, it is suggested that inclusive leaders may promote change, positively influence employee well-being and innovative behavior (Choi et al. 2017) and/or stimulate employees' engagement during change (Zeng et al. 2020). In the same vein, Fatima et al. (2021) have shown that inclusive leadership is positively associated with being driven to work and that employee readiness for change mediates this relationship, and Qurrahtulain et al. (2022), based on the affective events theory, have found

that vigor at work mediates the relationship between inclusive leadership and adaptive performance.

Additionally, social exchange theory suggests that when an individual receives positive treatment from someone, they will try to reciprocate with something equally valuable (Blau 1964). Thus, when employees receive respect, honesty and emotional support from their leaders, they may feel obliged to return positive work-related behaviors (Garba et al. 2017), such as change participation (Katsaros 2022). Further, on the one hand, it is suggested that Gen Z employees view diversity, equity and inclusion as non-negotiable pillars that define the heart of an organization, and on the other hand, it is proposed that Gen Z employees are potential change agents that may provide their organizations with great opportunities (Pichler et al. 2021). Based on the above rationale and the social exchange theory, we may hypothesize the following:

Hypothesis 1. *Inclusive leadership is positively related to Gen Z employee adaptive performance.*

3. The Mediating Role of Workplace Happiness

Workplace happiness refers to the experience of employees who are motivated by and enthusiastic about their work, find purpose and importance in their work, have great interpersonal relationships in the workplace and feel engaged and involved at work (Kun and Gadanecz 2022). For that reason, this attitudinal construct may significantly influence employees' behavior towards the leadership of an organization (Mousa et al. 2020). Gen Z employees highly value workplace happiness, and thus, they seek positive working environments that promote work–life balance, emphasize purpose-driven work, embrace diversity, encourage collaboration and prioritize employee well-being (Nguyen 2024). A happy workspace refers to a work environment that endorses positive emotions, well-being and satisfaction among Gen Z employees. It is a place where Gen Z employees feel valued, supported and motivated, and usually the outcomes are increased productivity, engagement and overall job satisfaction (Mathew 2023). According to Fisher (2010), workplace happiness engulfs three distinct yet complementary dimensions (i.e., work engagement, job satisfaction and affective organizational commitment).

Work engagement is a positive, work-related state described by vigor, dedication and absorption (Schaufeli et al. 2002). Vigor is a personal resource that refers to a display of high levels of energy, resilience and enthusiasm to invest efforts in one's work (Obuobisa-Darko 2020). Dedication refers to significant psychological involvement in one's work and the experience of interest, involvement, enthusiasm and challenges at work (Green et al. 2017). Additionally, absorption refers to a state of high focus, concentration and attachment to one's work (Obuobisa-Darko 2020). A number of empirical studies indicate that engaged employees exhibit positive work-related attitudes and behaviors (e.g., Brokmeier et al. 2022). Job satisfaction, organizational commitment, work performance, work–life balance, customer loyalty and financial returns are some examples of these outcomes (e.g., Neuber et al. 2022; Wood et al. 2020).

On the one hand, there is a consensus that inclusive leadership may positively influence employee work engagement. For example, Cenkci et al. (2021) have found that procedural justice mediates the relationship between inclusive leadership and employee work engagement, and Chen et al. (2020) have shown that inclusive leadership promotes employees' challenge-oriented organizational citizenship behavior and that this influence is partly mediated by work engagement. On the other hand, researchers agree that work engagement is an exceptionally important factor in turbulent times (Matthysen and Harris 2018), as it may provide the required personal focus and persistence (Katsaros 2024). Vakola et al. (2021) have found that work engagement may increase ambivalent employees' chances to adapt to organizational change, and Hobfoll et al. (2018) indicate that employees who can maintain their work engagement during change efforts may have an adaptive advantage. Based on the above reasoning, we may hypothesize the following:

Hypothesis 2a. *The positive relationship between inclusive leadership and Gen Z employee adaptive performance is partially mediated by work engagement.*

Job satisfaction is a quite stable individual evaluation of one's job (Judge et al. 2001). In other words, it represents the positive emotional attitude an employee experiences when they is doing his/her job or when they is present at work. Job satisfaction can be influenced by both individual (e.g., age, work experience, education level, etc.) and/or organizational (e.g., career development, leadership style, salary and benefits, working environment, etc.) factors (Allan et al. 2019). It is also related to numerous workplace behaviors such as attendance at work (e.g., Schaumberg and Flynn 2017); turnover decisions (e.g., Stater and Stater 2019); psychological withdrawal behaviors (Judge et al. 2017); prosocial and organizational citizenship behaviors (Gyekye and Haybatollahi 2015); workplace incivility (Sharma and Singh 2016); and job performance (Bowling et al. 2015).

On the one hand, inclusive leadership may increase employees' psychological capital by providing them with hope and support to achieve their goals in adverse situations (Umrani et al. 2024). Thus, it encourages optimistic thinking that may positively influence employee job satisfaction and performance. For example, Luu (2019) has found that inclusive benevolent leadership is positively associated with disabled employee job satisfaction and that work engagement has a partial mediating role, and Bannay et al. (2020) have shown that procedural justice has a positive adjustment effect in the mediation role of work engagement between inclusive leadership and job satisfaction. Likewise, Li and Zhou (2023), in a study of 540 young university employees in China, have revealed that inclusive leadership has a positive impact on employees' job satisfaction, and Dahleez et al. (2023) have shown that psychological ownership and employees thriving mediate the relationship between inclusive leadership and job satisfaction at Omani academic institutions. On the other hand, a positive relationship between job satisfaction and adaptability has been suggested by several researchers (e.g., Cullen et al. 2014; Sony and Mekoth 2016). For example, Strauss et al. (2015), after surveying75 employees on two occasions separated by a period of 2 years, showed that highly satisfied employees maintained their level of proactivity, whether high or low, over the 2-year period, and in contrast, employees with low job satisfaction who showed high levels of proactive behavior at Time 1 did not report high levels of proactive behavior at Time 2. Likewise, Rana et al. (2022), by using a sample of 390 faculty members, have shown that spirituality practices at the workplace may increase the adaptive performance of employees through the serial mediation of job satisfaction and emotional labor strategies. Based on the above reasoning, we may hypothesize the following:

Hypothesis 2b. *The positive relationship between inclusive leadership and Gen Z employee adaptive performance is partially mediated by job satisfaction.*

Affective organizational commitment (hereafter AOC) refers to a positive emotional connection between the employee and the organization (Rodrigo et al. 2019). In other words, AOC describes the desire of an employee to remain in his/her position and the employee's emotional commitment to participating in the organization they belongs to. It is related to employees' intrinsic motivation, while normative and continuance commitment are related to the feeling of obligation or pressure (Kim and Beehr 2020). Affective committed employees tend to be persistent and resilient, exhibit high performance and may contribute to organizational goals and objectives (Mujajati et al. 2024).

On the one hand, the leadership of an organization may significantly influence employees' AOC (Kim and Beehr 2020). We suggest that inclusive leaders, by establishing a working environment that embraces diversity, values employees' views and beliefs, tolerates their mistakes and cares about their psychological well-being, may positively influence Gen Z employees' AOC. On the other hand, when employees feel commitment, they are prepared for personal sacrifices, and concurrently, they promote change inside or outside

the organization (Katsaros and Tsirikas 2022). We suggest that employees who feel AOC (e.g., alignment with the organizational mission/vision, positive attitude toward teamwork, growth mindset, strong work ethic, etc.) and act asan ambassador of their organization will exhibit the extra effort that is needed to adapt to a changing situation. Based on the above reasoning, we may hypothesize the following:

Hypothesis 2c. *The positive relationship between inclusive leadership and Gen Z employee adaptive performance is partially mediated by affective organizational commitment.*

Thus, we have the following research model (Figure 1):

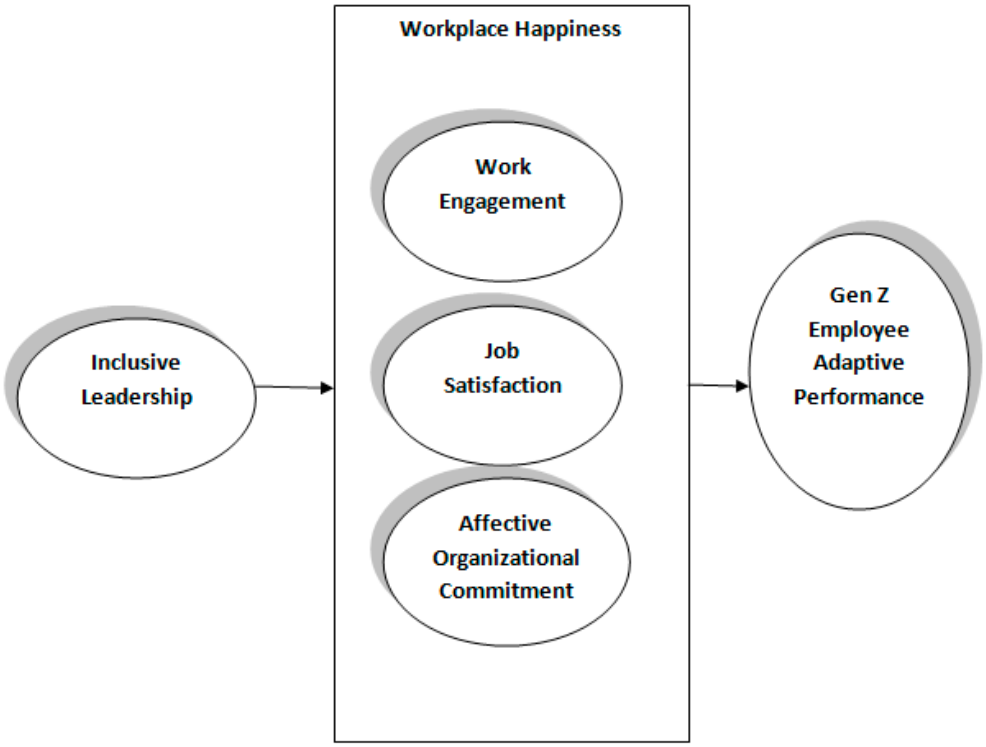

Figure 1. Research model (Created by the author).

4. Results

Table 1 illustrates the descriptive statistics, correlations and reliabilities for the research variables.

Table 1. Means, standard deviations and correlations.

	Variables	Mean	SD	Alpha	1	2	3	4	5	6	7	8
1.	E.Gender (C)	1.25	0.32		-							
2.	E.AgeGroup (C)	1.65	0.78		0.62 *	-						
3.	E.Education (C)	2.15	0.61		0.52 *	−0.42 *	-					
4.	Inclusive leadership (E)	3.98	1.02	0.82	0.45 **	0.21	0.08	-				
5.	Work engagement (E)	3.64	1.11	0.88	0.65	0.77	0.37	0.78 **	-			
6.	Job satisfaction (E)	3.22	0.88	0.90	0.32	0.71 *	0.85	0.64 *	0.78 *	-		
7.	Affective organizational commitment (E)	3.01	0.87	0.78	0.78 *	0.65	0.45 *	0.66 **	0.25 **	0.51 *	-	
8.	Adaptive performance (S)	3.44	0.68	0.91	0.32	0.58	0.78	0.85 **	0.08 *	0.22 *	0.01 *	-

Note: * $p < 0.05$, ** $p < 0.01$, N = 305, (C) categorical variable, (E) employee-rated, (S) supervisor-rated.

4.1. Direct Effects

As shown in Table 2, inclusive leadership is positively related to Gen Z employee adaptive performance (b = 0.79, $p < 0.01$), consistent with Hypothesis 1. Inclusive lead-

ership is also positively related to work engagement (b = 0.89, $p < 0.01$), job satisfaction (b = 0.78, $p < 0.01$) and affective organizational commitment (b = 0.08, $p < 0.05$). Further, work engagement (b = 0.42, $p < 0.01$), job satisfaction (b = 0.36, $p < 0.01$) and affective organizational commitment (b = 0.22, $p < 0.05$) are positively related to Gen Z employee adaptive performance.

Table 2. Regression analysis results (direct effects).

Variables	AP	WE	JS	AOC	AP	AP	AP
(Constant)	1.45	1.14	0.11	2.14	0.25	1.27	2.71
Inclusive leadership (IL)	0.79 **	0.89 **	0.78 **	0.08 *			
Work engagement (WE)					0.42 **		
Job satisfaction (JS)						0.36 **	
Affective organizational commitment (AOC)							0.22 *
Gender	0.18	0.22	0.17	0.12	−0.18	0.04	−0.05
Age	0.05 *	0.25	−0.88	−0.38	0.05	0.24	−0.51
Education	0.25 **	0.21	0.15	0.32	0.31	0.22	0.59
R2	0.45 **	0.36 *	0.41 **	0.35 **	0.38 *	0.36 **	0.24 *
Adjusted R2	0.54	0.42	0.48	0.31	0.36	0.41	0.28

Note: * $p < 0.05$, ** $p < 0.01$, N = 305, (AP) adaptive performance.

4.2. Mediation Effects

The research model was tested with the use of a structural equation modeling technique (hereafter SEM) with maximum-likelihood estimation using the Analysis of Moment Structures program (AMOS version 24). First, we developed and tested the measurement model via confirmatory factor analysis (hereafter CFA), and second, the SEM technique was employed to test all path coefficients. We used a number of generally accepted model fit adequacy indexes such as the chi-square statistic, the chi-square/degree of freedom ($\chi 2$/d.f.), the standardized root-mean-square residual (SRMR), the goodness of fit index (GFI), the comparative fit index (CFI) and the root-mean-square error of approximation (RMSEA). The model fit indexes, which are presented in Table 3, along with the acceptable cutoff points, show the good fit for our model.

Table 3. Model fit indexes.

Model Fit	Mediated Model	Cutoff Point	Reference
Normed Chi-Square, $\chi 2$/d.f.	1.777	<3	Qing et al. (2019)
Standardized Root-Mean-Square Residual (SRMR)	0.002	<0.05	Iacobucci (2010)
Goodness of Fitindex (GFI)	0.989	>0.95	Hair et al. (1998)
Comparative Fit Index (CFI)	0.988	>0.95	Hair et al. (1998)
Root-Mean-Square Error of Approximation (RMSEA)	0.050	<0.06	Iacobucci (2010)

Consequently, we conducted a power analysis by using a program created by MacCallum et al. (1996), which indicated power levels above 0.95. This finding suggests that the sample size was suitable for minimizing Type II errors. Further, specific path coefficients were tested to examine whether the relationships in the proposed model are confirmed by empirical evidence. As shown in Figure 2, work engagement and job satisfaction partially mediate the relationship between inclusive leadership and Gen Z employee adaptive performance (b = 1.25, $p < 0.01$) and (b = 0.75, $p < 0.01$), respectively, consistent with Hypotheses 2a and 2b. Hypothesis 2c was not confirmed.

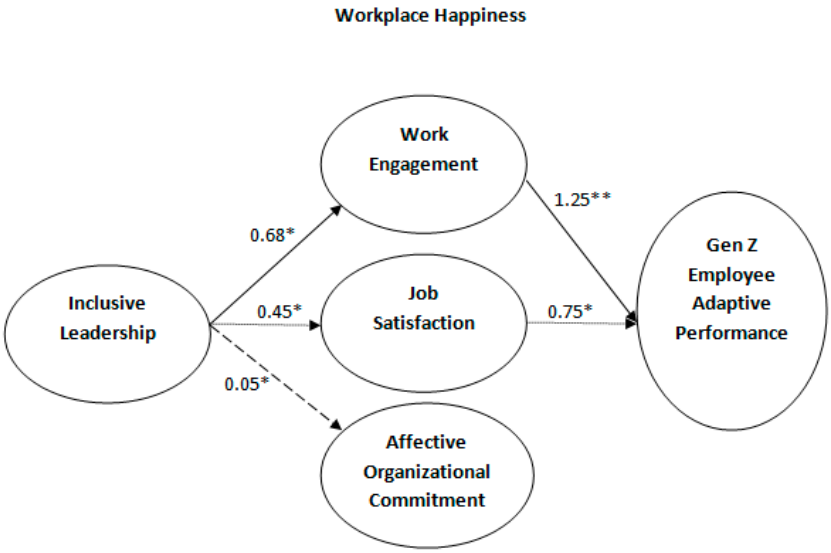

Figure 2. Structural equation modeling results for the hypothesized model (Note: * $p < 0.05$, ** $p < 0.01$, N = 305).

5. Methods

5.1. Procedure and Participants

Data were collected from Gen Z employees (e.g., born between 1995 and 2012; they constitute about 30% of the world population; Qureos 2024) in the Greek telecommunication industry and their supervisors, in three sequential phases. The telecommunication industry is constantly and rapidly changing (UNCTAD 2021). The basic reasons for this pertain to changes in terms of connectivity (e.g., 5G and fiber optic infrastructure), digital business transformation (e.g., strong new digital business models), digital public services (e.g., technology to provide services to citizens at local, regional and national levels), digital innovation (e.g., artificial intelligence, the Internet of Things, augmented reality) and the utilization of advanced technologies (e.g., telework, telehealth, e-learning, e-shopping).

The statistical literature suggests that the assumed mediators and effects must be temporally separated by an appropriate interval (Stone-Romero and Rosopa 2008). Thus, data were collected in three waves (approximately 3 weeks apart) from the same participants. This data collection method also improved the effects of common-method variance (Podsakoff et al. 2003). During the first phase, we measured inclusive leadership (i.e., the independent variable, employee-rated). In the second phase, we examined workplace happiness (i.e., a mediator, employee-rated). Finally, in the third phase, supervisors evaluated their Gen Z employees' level of adaptive performance (i.e., the dependent variable). The employment of diverse data sources (i.e., supervisors and employees) may decrease the risk of common-method variance (Podsakoff et al. 2003). The questionnaires had employee identification codes so that data collected from the supervisors and employees could be matched and grouped for further analysis. All participants participated in the research voluntarily. They were formally informed about the goals of the research by a survey e-package with guidelines and instructions. The e-package had, among other things, a cover letter and detailed completion instructions. The research team was present at all phases (i.e., online and onsite), helping the participants as well as ensuring the quality of the research.

Overall, 344 Gen Z employees from 34 firms participated in the research (response rate: 68.80%). Next, we excluded surveys with uncompleted items, resulting in a total of 305 usable surveys. Further, 61 supervisors participated in the research (response rate: 60.39%). Most of the employees were men (65.57%) who had at least a bachelor degree (81.96%) and, in total, 0–5 years of experience (91.80%). Additionally, most of the supervisors were men (78.68%), had at least a master's degree (63.93%), and had, in total, 5–10 years of experience (88.52%).

5.2. Measures

All questionnaire items were measured on a five-point Likert-type scale ranging from 'Strongly disagree' (1) to 'Strongly agree' (5). Inclusive leadership (employee-rated) was measured with a9-item scale developed by Carmeli et al. (2010). An example item is "The leader is open to hearing new ideas". Adaptive performance (supervisor-rated) was measured with a3-item scale developed by Griffin et al. (2007). An example item is "This employee has adapted well to the changes in his/her core tasks". According to Fisher (2010) and Mousa et al. (2020), workplace happiness is a construct with three dimensions (i.e., work engagement, job satisfaction and affective organizational commitment). Work engagement (employee-rated) was measured with an18-item scale developed by Rich et al. (2010). An example item is "I am enthusiastic in my job". Job satisfaction (employee-rated) was measured with a3-item scale developed by Spector (1997). An example item is "If I judge overall, I am satisfied with my work". Affective organizational commitment (employee-rated) was measured with the a 9-item scale developed by Mowday et al. (1979). An example item is "I feel, for me, this is the best of all possible organizations for which to work".

6. Discussion

In line with social exchange theory, the research findings suggest that inclusive leadership may positively influence Gen Z employee adaptive performance in the Greek telecommunication industry. Quite similarly, Bataineh et al. (2022), by examining 169 nurses who work in private hospitals in Jordan, have shown that inclusive leadership has a direct and significant predictive effect on adaptive performance and an indirect predictive effect through innovative work behavior, and Qurrahtulain et al. (2022) have found that vigor at work mediates the relationship between inclusive leadership and adaptive performance in the textile industry in Pakistan.

Further, the research findings indicate that workplace happiness (i.e., work engagement and job satisfaction) partially mediates the relationship between inclusive leadership and Gen Z employee adaptive performance. This is not surprising given that first, Gen Z highly values workplace happiness, inclusion and well-being (Nguyen 2024); second, there is a general consensus that executing inclusive leadership by caring about employees' psychological well-being may positively influence their work engagement (e.g., Cenkci et al. 2021; Chen et al. 2020) and/or their job satisfaction (e.g., Li and Zhou 2023; Luu 2019); and third, researchers agree that work engagement (e.g., Hobfoll et al. 2018; Vakola et al. 2021) and job satisfaction (e.g., Sony and Mekoth 2016; Strauss et al. 2015) are exceptionally important factors in changing settings, as they may provide the required personal resilience and persistence. The research findings also indicate that the positive relationship between inclusive leadership and Gen Z employee adaptive performance is not partially mediated by affective organizational commitment. This is maybe an outcome of their relatively low affective organizational commitment (3.01/5; sd 0.87).

6.1. Theoretical Implications

From a theoretical perspective, the research findings illustrate the significance of a positive working environment that may promote Gen Z employees' performance during change. The current study indicates that workplace happiness (i.e., employee work engagement and job satisfaction) may act as an important personal resource during change (e.g., it is positively influenced by inclusive leadership, and in turn, it may boost Gen Z employees' adaptive performance). This finding contributes to the change management literature's quest for mechanisms to achieve greater employee adaptation in changing times (Vakola et al. 2021). Additionally, the research findings have quite a few implications for sociological and psychological theories, such as social exchange theory, as they confirm that when an employee perceives positive behavior from someone (i.e., an inclusive leader),they will try to give in return something equally significant, and they expand this indication in changing settings. Finally, this study adds to the generational cohort theory, which tries

to comprehend how groups of individuals close in age, sharing alike experiences, and entering professions at the same time develop distinct perspectives/values that last over time (Okros 2020).

6.2. Practical Implications

From an applied perspective, the present study has three major implications for leaders and organizations. First, the research findings suggest that inclusive leadership may positively influence Gen Z employee adaptive performance. In parallel, inclusivity, according to Gen Z, refers to a workplace that respects individuality and diversity, values every voice and creates a sense of belonging for everyone within the organization. Hence, leaders and change management practitioners should try to employ inclusive and participative practices and processes during change efforts (e.g., psychological safety; involvement and participation; respect and value; influence on decision-making; authenticity; recognizing, honoring and advancing of diversity; Shore et al. 2018). Second, leaders and organizations should focus on increasing their employees' level of work engagement. Hence, they must help employees connect what they do to what they care about (e.g., demonstrate how employees' work is associated with the firm's purpose, support employee resource groups that represent diverse interests and goals), make the work itself less tense and more enjoyable (e.g., provide employees with the autonomy to experiment so that they can fearlessly make mistakes and come up with original solutions, increase employees' sense of confidence) and create a culture of engagement (e.g., employees are extremely connected to their work, feel a sense of purpose and are motivated to contribute to the organizational objectives; Stein et al. 2021). Third, leaders and firms should try to increase employees' level of job satisfaction by fostering workplace relationships (e.g., employees spend more time at their organization than they do with their own families), showing employees that they care about their wellness (e.g., developing an active, healthy workforce improves employee morale and drives performance), increasing employee recognition efforts (e.g., lack of perceived appreciation can lead to disengagement and, ultimately, turnover), providing training and career development opportunities (e.g., knowing that an employer is willing to use the company's resources to aid in their growth or future success makes employees feel important and drives company loyalty) and creating a culture of learning, transparency and feedback (e.g., by regularly asking for employees' feedback and contribution the company makes them feel valued; DeLeon 2023).

6.3. Limitations and Future Research

Because research has yet to describe the complex nature of inclusive leadership, our current understanding of how it may work in changing settings remains incomplete. Researchers may further explore the way inclusive leadership can be transformed into a positive mediator during change. Further, although this study was conducted in three waves, the results may be affected by temporal and/or unique situations. There is scope for extra research to confirm that the relationships identified in this study remain valid in different industries. It is also likely that participants were influenced by the social desirability effect (Podsakoff et al. 2003), that is, the tendency to reply in a way that will be viewed positively by others, hence not providing completely clear-cut responses. Finally, we accept that, indeed, workplace happiness (i.e., work engagement and job satisfaction) is not the only variable to influence the inclusive leadership and Gen Z employee adaptive performance relationship. More research is needed to shed light on this relationship. For example, future research could examine other individual (e.g., attitudes, psychological factors) and organizational (e.g., flexibility, culture, climate) characteristics. In any case, the later would be rather valuable for both the theory and the practice of change management.

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

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