The Relationship between Cultural Control, Generational Differences, and Organizational Efficiency

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ABSTRACT

This study aims to understand how intergenerational cultural control is implemented to improve organizational efficiency in a company where the majority of employees are Generation Z. The primary focus lies in exploring the differences in values, expectations, and communication styles between management (mostly millennials) and Gen Z staff, as well as the impact of these differences on compliance, motivation, and employee retention. This research adopts a qualitative case study approach using in-depth interviews with seven informants, consisting of both current and former employees. The analysis centers on three key elements of cultural control: code of conduct, group rewards, and interorganizational transfer. The findings reveal gaps in understanding organizational rules, perceptions of unfairness in the reward system, and the emergence of unmanaged informal communication cultures. These factors contribute to high turnover rates and declining organizational efficiency. The study also finds that Gen Z values transparency, work-life balance, and personalized appreciation, while millennial managers tend to rely on spontaneous and flexible approaches that do not fully align with the needs of younger employees. This research recommends improving the feedback system, establishing objective performance indicators, and strengthening healthy intergenerational communication channels as strategies to build a more adaptive and sustainable organizational culture.

Keywords*: Accounting Services Office, Cultural Control, Gen Z, Intergenerational Workforce, Organizational Efficiency.*

ABSTRAK

Penelitian ini bertujuan untuk memahami bagaimana pengendalian budaya antargenerasi diterapkan untuk meningkatkan efisiensi organisasi di sebuah perusahaan yang sebagian besar karyawannya adalah Generasi Z. Fokus utama terletak pada eksplorasi perbedaan nilai, ekspektasi, dan gaya komunikasi antara manajemen (mayoritas generasi milenial) dan staf Gen Z, serta dampaknya terhadap kepatuhan, motivasi, dan retensi karyawan. Penelitian ini menggunakan pendekatan kualitatif studi kasus dengan metode wawancara mendalam terhadap tujuh informan yang terdiri dari karyawan aktif dan eks-karyawan. Analisis difokuskan pada tiga elemen utama pengendalian budaya, yakni code of conduct, group rewards, dan interorganizational transfer. Hasil penelitian menunjukkan bahwa masih terdapat kesenjangan pemahaman terhadap aturan organisasi, persepsi ketidakadilan dalam sistem reward, serta munculnya budaya komunikasi informal yang belum terkelola dengan baik. Faktor-faktor ini berkontribusi terhadap tingginya turnover dan menurunnya efisiensi organisasi. Temuan juga mengungkap bahwa Gen Z lebih menghargai transparansi, work-life balance, dan bentuk apresiasi personal, sementara manajemen milenial cenderung mengandalkan pendekatan spontan dan fleksibel yang belum sepenuhnya sesuai dengan kebutuhan generasi muda. Penelitian ini merekomendasikan perbaikan sistem umpan balik, penyusunan indikator kinerja yang objektif, serta penguatan kanal komunikasi yang sehat antar

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generasi sebagai strategi untuk membangun budaya organisasi yang lebih adaptif dan berkelanjutan.

***Kata kunci**: Kantor Layanan Akuntansi, Kontrol Budaya, Gen Z, Tenaga Kerja Antar Generasi, Efisiensi Organisasi.*

INTRODUCTION

Differences in generational characteristics have become a tangible challenge in managing modern organizations. Each generation, from Baby Boomers, Generation X, Millennials, to Generation Z, has been shaped by distinct social, economic, and technological contexts that influence their values, communication styles, and work orientations (Strauss & Howe, 1991; Slagsvold & Hansen, 2021). Generation Z, as the youngest cohort in the workforce, is known for its technological adaptability, preference for flexibility, and strong concern for meaningful work and mental health (Turner, 2015; Singh & Dangmei, 2016; Yahya et al., 2024). However, their presence often generates tension with senior generations, particularly regarding leadership, work systems, and recognition patterns. Various studies have shown that generational diversity brings differences in values, expectations, and work approaches that may lead to conflict if not properly managed (Parry & Urwin, 2011; Beaven, 2014). For instance, Millennials or Generation Y (born 1981-1996), who grew up during the transition to the digital era, tend to value flexibility, self-development, and work–life balance. They are active on social media and place high importance on meaningful work, although they also show a tendency to change jobs more frequently in pursuit of personal fulfillment (Balakrishnan et al., 2014; Dziewanowska et al., 2016). Meanwhile, Generation Z (born 1997-2012) emerges as digital natives who prioritize speed, transparency, and authenticity in organizational life. They are highly attentive to values such as social justice, diversity, and mental health, and are more vocal in expressing dissatisfaction with non-inclusive work practices (Rahayu & Marka, 2024; Anand et al., 2025; Halibas et al., 2025).

In organizations, the intergenerational value gap contributes to high turnover, low engagement, and stereotypes portraying Generation Z as less resilient. Studies by Yahya et al. (2024) and Lowell and Weston (2024) reveal that although Gen Z shows strong motivation, they tend to resign quickly without emotional support, recognition, or growth opportunities. This suggests that formal structures and material incentives alone are insufficient to engage them. A more holistic approach through the Management Control System (MCS) is required, which aligns behavior with organizational goals (Efferin, 2021). Among its types of results are action, personnel, and cultural controls (Merchant & Stede, 2017; Pardede, 2024).

Previous research, such as that by Merchant and Stede (2017), has emphasized that the successful implementation of transformational values in organizations, such as equality, participation, and loyalty, is highly dependent on the strength of cultural control. Even when formal systems are well-designed, without a strong cultural foundation, their implementation often becomes shallow and unsustainable. This suggests that cultural control is not merely a complementary element, but a key component in maintaining social cohesion and consistent organizational behavior, especially amidst emerging generational dynamics (Rahi et al., 2022; Nagano & Hosoda, 2023; Akroyd et al., 2025). Understanding generational differences can be explained through the Generational Cohort Theory, which states that individuals born within the same timeframe develop similar mindsets and values due to shared formative experiences (Strauss & Howe, 1991). Therefore, the Generational Cohort Theory serves as an important foundation for designing inclusive and adaptive human resource management strategies.

The effectiveness of a management control system depends on its alignment with the organizational context, in accordance with the Contingency Theory of Management Control, which rejects a one-size-fits-all model and emphasizes adaptation to contingency variables such as workforce demographics (Becker & Gerhart, 1996; He et al., 2025).

Here, efficiency includes employee retention, productivity management, and reducing disruption due to employee turnover. According to Awwad and Heyari (2022), high employee turnover indicates a weak value system. By cultivating an inclusive culture that aligns with the preferences of the younger generation, companies increase loyalty and sustainable efficiency. Thus, cultural control serves as a strategic tool to retain professional services firms, with a Generation Z workforce under the leadership of Millennials.

Considering the complexity of generational dynamics, the challenges of loyalty and engagement among young employees, and the importance of values within work systems, this study specifically focuses on cultural control within the management control system. This study aims to explore how organizational values and norms can be effectively shaped, communicated, and internalized in multigenerational work environments, as well as how this approach contributes to organizational efficiency and sustainability amid the changing values of today's workforce.

LITERATURE REVIEW

Generational Cohort Theory and the Dynamics of Work Values

The Generational Cohort Theory highlights that individuals born within the same period tend to share similar values, attitudes, and work behaviors. This occurs because they collectively experience the same social, economic, and technological events, which shape distinctive mindsets and preferences in the workplace (Fauzuddin et al., 2022). The theory, popularized by Strauss and Howe (1991), asserts that shared formative experiences strongly influence the development of a generation's character and work values.

Each generation in the workplace possesses distinct characteristics. The Baby Boomer generation, for instance, is known for its high level of loyalty, adherence to rules, and preference for long-term employment within a single organization. Generation X emphasizes work–life balance and tends to be independent and adaptable to change. Meanwhile, Generation Y (Millennials) are highly adaptive to technology and value flexibility. Generation Z, as the youngest cohort in the workforce, grew up during the digital and globalization era, making them technologically proficient, innovation-oriented, and accustomed to instant results (Mulyanti, 2021). A focus on Generation Z shows that they embody distinctive values, including work flexibility, transparency, work-life balance, social justice, and a strong need for recognition and appreciation. They are realistic and stability-oriented but avoid long-term commitments, often job-hopping when expectations or values are unmet (Juniartika et al., 2023). Moreover, they value innovative, growth-oriented environments yet struggle adapting to formal, hierarchical cultures of Baby Boomers and Generation X (Aulia et al., 2023).

Differences in generational values may lead to communication gaps, loyalty issues, and even workplace conflict if not properly managed. For example, differing communication preferences, where Generation Z favors instant messaging and Generation X prefers email, can cause misunderstandings (Saepudin et al., 2022). By understanding and managing the dynamics of intergenerational work values, organizations can cultivate a harmonious and productive work environment.

Management Control Systems and the Cultural Control Dimension in Organizations

A Management Control System (MCS) is a set of mechanisms designed to align individual and group behaviors within an organization with its strategic objectives. MCS functions not only as a monitoring tool but also as an instrument to ensure effectiveness, efficiency, and accountability in achieving organizational goals (Rahmat et al., 2019; Welly, 2021). The primary purpose of MCS is to integrate individual and organizational interests so that every activity contributes optimally to overall performance. In practice, MCS is classified into four main types: results control, action control, personnel control, and cultural control (Natawibawa et al., 2020).

A focus on cultural control has become increasingly relevant in modern, multigenerational, and dynamic organizations. Cultural control is defined as the organization's effort to instill shared values, norms, and beliefs through mechanisms such as codes of conduct, group rewards, and intra- or interorganizational transfers designed to disseminate organizational values (Alfian et al., 2013; Welly, 2021). These components play a crucial role in building team solidarity and strengthening collective identity. Research indicates that effective cultural control can enhance efficiency, reinforce loyalty, and reduce behavioral deviations (Choiri et al., 2024).

The role of tone at the top, exemplified by leaders' commitment and actions, is crucial in reinforcing cultural control, as consistent upholding of organizational values positions them as role models, facilitating effective internalization of norms (Natawibawa et al., 2020; Masiku et al., 2025). This leadership fosters trust and a collaborative environment. In multigenerational organizations, cultural control proves more effective than formal mechanisms, particularly for Generation Z and Millennials, who respond better to values like transparency, flexibility, and meaningful work over rigid rules (Picarima et al., 2025). Thus, adapting cultural strategies to generational differences creates adaptive, inclusive settings, with research affirming that strong, relevant cultures boost motivation, productivity, and performance (Wicaksono & Turangan, 2024).

Conceptual Framework

The conceptual framework of this study integrates generational cohort theory and the contingency theory of management control. Generational cohort theory posits that individuals born in the same era develop homogeneous values, attitudes, and work behaviors shaped by shared socio-economic experiences. In modern organizations, generational differences, especially between Millennials and Generation Z, impact perceptions and responses to management control systems. For example, Millennials are more sensitive to hierarchical cultures and show higher turnover intentions when organizational culture clashes with their values (Lee et al., 2025).

Meanwhile, the contingency theory of management control asserts that the effectiveness of these systems depends on contextual factors, including workforce characteristics, organizational structure, and work culture. Recent studies confirm that adaptive control systems, aligned with generational traits, flexible structures, and dynamic environments, enhance organizational efficiency and performance (Hammouch et al., 2024). This theory rejects a universal approach, advocating for tailored cultural control mechanisms like codes of conduct, group rewards, and interorganizational transfers to meet the unique needs and values of different generations (Einhorn et al., 2024).

Cultural control comprises three main components: codes of conduct (rules and ethics), group rewards (team-based incentives), and interorganizational transfers (cross-unit rotations for value dissemination). These elements instill shared values, bolster team solidarity, and align behaviors with organizational objectives (Komalasari, 2023). Previous research highlights that cultural controls, including shared norms and collaboration, foster commitment, emotional attachment, and vision-aligned behaviors (Kampf et al., 2017). However, their effectiveness is shaped by generational contingencies. Generation Z's emphasis on transparency, flexibility, and meaningful work often contrasts with Millennials' focus on spontaneity and structural loyalty (Lee et al., 2025). Such differences may create tensions or opportunities for adaptive, collaborative cultures (Črešnar & Nedelko, 2020). Thus, merging these theories offers a robust basis for assessing cultural control's effectiveness in multigenerational settings.

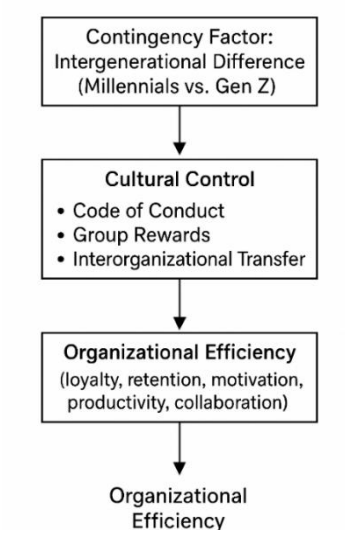

Figure 1. Conceptual Model of the Relationship between Cultural Control, Generational Differences, and Organizational Efficiency

Figure 1 illustrates the conceptual relationship among the three main elements of this study. Cultural control, which consists of code of conduct, group rewards, and interorganizational transfer, serves as the primary mechanism for aligning employee behaviors and values with organizational goals. This relationship is directed toward enhancing organizational efficiency, which is reflected through employee loyalty, retention, motivation, productivity, and collaboration. However, the effectiveness of cultural control is not universal; it is contingent upon generational differences between Millennial management and Generation Z employees. Consequently, variations in values, expectations, and communication styles across generations may either strengthen or weaken the impact of cultural control on organizational efficiency.

RESEARCH METHODS

This study employed a qualitative approach under the interpretivist paradigm to understand social reality as something shaped by interaction, experience, and the meanings constructed by individuals. This approach was chosen because the study's main focus is to explore how Generation Z employees interpret organizational culture and leadership style within their workplace, particularly in the context of intergenerational cultural control and its impact on organizational efficiency. This research focuses on examining how intergenerational cultural control contributes to enhancing organizational efficiency. This central inquiry is further developed into five sub-questions covering Generation Z's perceptions of work, organizational values, the effectiveness of cultural control, intergenerational relational challenges, and opportunities for improving work systems.

The research was conducted at an anonymized accounting and consulting firm located in Surabaya. The organization possesses unique demographic characteristics: nearly all of its employees are members of Generation Z, while the managerial positions are held by Millennials. The study involved seven informants, consisting of four active Generation Z employees, two former Generation Z employees, and one Millennial leader. Informants were selected based on variations in work experience, employment status, and informal engagement within the organization to capture diverse and in-depth perspectives. Data were collected through semi-structured in-depth interviews, participant observation, and document analysis. The interviews were designed to uncover informants' perceptions and experiences related to work culture, intergenerational relations, and leadership styles. Observations focused on daily interaction patterns and the symbolic practices of leaders as representations of the tone at the top. Meanwhile, document analysis was employed to

complement information on organizational value systems and turnover dynamics. The combination of these techniques aimed to capture the organizational reality comprehensively and contextually.

To maintain data credibility and validity, methodological triangulation was employed by comparing the findings from interviews and observations. The study also involved a peer reviewer as part of researcher triangulation to minimize interpretative bias and test the consistency of findings. Data analysis was conducted using a thematic analysis approach. The process involved multiple readings of interview transcripts, coding significant excerpts, grouping codes into themes, and conducting contextual reflection on emerging meaning patterns. This technique enabled the researcher to interpret in depth how organizational values and norms are perceived, internalized, or even resisted by Generation Z employees. The research design deeply explores intergenerational experiences, emphasizing younger employees' perspectives. Informants, selected by employment status, tenure, and proximity to decision-making or work culture, include recent junior consultants, long-term senior consultants from the firm's founding, two ex-employees who resigned over value misalignment, and a managerial informant to assess strategic culture formation and symbolic/structural value communication.

Through this methodology, the study not only aims to explain how cultural control is implemented within the organization but also to understand reflectively how Generation Z employees ascribe meaning to the system and how it influences their loyalty and work efficiency. This model is expected to bridge perceptual gaps between generations in daily managerial practice and contribute to the development of more adaptive, contextual, and sustainable control systems.

RESULTS

This study found that Generation Z employees perceive work not merely as a source of income but also as a space for learning, self-development, and the formation of a professional identity that provides personal meaning to their careers (Slagsvold & Hansen, 2021). However, their initial orientation tends to be idealistic and focused on gaining experience. Over time, more pragmatic needs emerge, such as a clear career path, job stability, and fair compensation in line with their contributions. This creates a dual narrative between self-actualization and economic stability, both of which shape their expectations toward the organization. In this context, Generation Z employees view an ideal job as one that balances opportunities for growth with fair recognition. To respond to these needs, the organization implements a fast-track promotion system, gradually delegates responsibilities according to capability, and provides annual incentives and project-based bonuses as a form of acknowledgment for the performance and loyalty of its young employees.

Generation Z employees view work as a multifaceted opportunity, extending beyond financial compensation to encompass personal growth, professional identity development, and skill acquisition (Wicaksono & Turangan, 2024). Initially, their motivations are idealistic, focusing on gaining experience and learning within a dynamic consulting environment. Over time, pragmatic concerns emerge, including the need for clear career paths, job stability, and fair compensation aligned with their contributions. This dual orientation shapes their expectations, with an ideal job balancing developmental opportunities with equitable recognition. To meet these needs, employs a fast-track promotion system, delegating responsibilities based on demonstrated capabilities and offering annual incentives and project-based bonuses to acknowledge performance and loyalty. However, these initiatives only partially align with Generation Z's preferences for flexibility, transparency, and personalized appreciation, leading to mixed perceptions of organizational support (Komalasari, 2023). Active employees, particularly senior consultants with longer tenure, appreciate the structured career progression but note that it lacks the flexibility younger employees crave. Former employees, who resigned due to value misalignment, emphasized that the absence of tailored support and unclear expectations diminished their sense of belonging.

The code of conduct, designed to establish organizational rules and ethics, is poorly internalized among Generation Z employees. Many demonstrate limited engagement with formal guidelines, preferring to rely on verbal instructions from supervisors or peers and adopting established team habits. This tendency is particularly evident among junior consultants, who find formal documents daunting and rely on informal guidance for quick adaptation. Active employees reported confusion over procedural workflows, often bypassing written protocols in favor of casual clarifications (Choiri et al., 2024). This flexibility aids onboarding but fosters perceptions of inconsistency, as managerial decisions appear context-dependent or influenced by personal relationships. Former employees highlighted that unclear rules and inconsistent enforcement were significant factors in their decisions to leave, as they struggled to navigate ambiguous expectations. The organization's socialization of formal values remains suboptimal, heavily reliant on informal channels rather than structured orientation or training programs (Natawibawa et al., 2020). This gap leads to procedural errors, duplicated efforts, and time inefficiencies, undermining organizational efficiency. The reliance on informal norms over formal guidelines reflects a broader challenge in aligning Generation Z's preference for transparent and accessible systems with the organization's traditional rule-based framework, contributing to dissatisfaction and reduced cohesion.

The reward system is predominantly individual-oriented, emphasizing personal performance metrics over collective achievements. Recognition and incentives, such as project-based bonuses, are tied to individual contributions, fostering a competitive work environment. Active Generation Z employees noted that this system drives short-term productivity but undervalues collaborative efforts, discouraging teamwork. Senior consultants, accustomed to the firm's culture, accepted the competitive dynamic but acknowledged its limitations in fostering team synergy (Mulyanti, 2021). Milagres and Burcharth (2019) highlight that junior consultants expressed frustration that their collaborative contributions, such as supporting team projects, were often overlooked in favor of individual accolades. Former employees cited perceptions of unfairness in reward distribution as a key reason for their departure, particularly when their team efforts went unrecognized. This misalignment with Generation Z's preference for collaborative and inclusive work cultures contributes to dissatisfaction and weakens loyalty.

The absence of group rewards often results in collaborative efforts being undervalued compared to individual achievements, creating a competitive rather than cooperative work climate (Hammouch et al., 2024). Although such a system may boost short-term productivity, in the long run, it risks hindering the formation of solidarity and cross-functional coordination necessary to achieve organizational efficiency. On the other hand, the organization has attempted to foster a sense of unity through job rotation, such as cross-client assignments and inter-branch training, but these initiatives have not yet been formalized into a sustainable strategic policy. Current rotations are still project-driven, so their potential to broaden perspectives, disseminate organizational values, and strengthen collective identity remains limited. These findings suggest that the reward and rotation systems need to be better aligned to serve as instruments of cultural control that not only motivate individuals but also enhance collaboration and social cohesion among generations within the organization.

Active employees reported that the focus on individual achievements led to prioritizing personal tasks over team goals, reducing mutual trust and collaboration (Fauzuddin et al., 2022). Former employees echoed this sentiment, noting that the lack of team-based incentives made them feel undervalued, exacerbating their sense of disconnection from the organization's values. The reward system's design contrasts with Generation Z's emphasis on social cohesion and fairness, contributing to turnover and inefficiencies. The organization's attempts to foster unity through other means, such as team-building activities, are sporadic and fail to compensate for the lack of structured group rewards. A more balanced approach, integrating individual and team-based incentives, could align better with Generation Z's values, enhancing motivation and collaboration while maintaining competitive drive. The current system's focus on individual performance

limits its effectiveness as a cultural control mechanism, as it fails to reinforce the collective identity needed for sustainable organizational efficiency.

Interorganizational transfer, implemented through job rotation practices like cross-client assignments and inter-branch training, aims to disseminate organizational values and broaden employee perspectives (Efferin, 2021). However, these initiatives are applied on an ad hoc, project-driven basis, lacking formalization. Active employees, particularly junior consultants, viewed rotations as opportunities to gain diverse experiences and develop skills across different client contexts. Senior consultants appreciated the exposure to varied operational challenges, which enhanced their adaptability. However, some employees, especially newcomers, perceived rotations as additional workloads without clear developmental benefits, leading to mixed perceptions. Former employees noted that the inconsistent application of rotations failed to reinforce organizational values, as the lack of a structured policy left them uncertain about the purpose of such assignments (Fauzuddin et al., 2022). This ad hoc approach limits the mechanism's potential to foster a cohesive organizational culture and strengthen collective identity. Formalizing rotations could enhance their role as a cultural control tool, aligning employee behaviors with organizational goals and improving cross-functional understanding.

The emergence of an unmanaged informal communication culture significantly influences workplace dynamics (Nagano & Hosoda, 2023; Akroyd et al., 2025). Generation Z employees frequently rely on informal channels, such as group chats or casual conversations, to share information about policies, tasks, or expectations. Active employees noted that these channels facilitate quick adaptation, particularly for newcomers, but also lead to the spread of unverified information, such as rumors about reward allocations or managerial decisions. This creates misunderstandings and perceptions of inconsistency, undermining trust. Former employees highlighted that this unmanaged culture exacerbated their disconnection from organizational values, as gossip about unfair treatment fueled dissatisfaction and contributed to their resignations. The reliance on informal communication, while practical, disrupts formal channels and fosters a gossip culture that erodes motivation. Structured communication mechanisms, integrated with informal interactions, are needed to ensure clarity and alignment with organizational values, reducing inefficiencies and turnover.

DISCUSSION

The findings highlight that the effectiveness of cultural control mechanisms, such as code of conduct, group rewards, and interorganizational transfer, depends on their alignment with generational values, particularly between Millennial managers and Generation Z employees. The limited internalization of the code of conduct among Generation Z, as evidenced by their reliance on informal verbal instructions over formal documents, aligns with Merchant and Stede (2017), who argue that cultural control requires explicit value communication to shape behavior effectively. Active employees reported confusion over procedural workflows, while former employees cited unclear rules as a reason for resignation, indicating a gap in socialization strategies. This suggests that formal rules, when poorly communicated, lead to ambiguity, procedural errors, and inefficiencies, undermining organizational harmony (Efferin, 2021).

The unmanaged informal communication culture, a key factor in turnover, further complicates cultural control. Generation Z employees' preference for informal channels, such as group chats, fosters quick adaptation but also spreads unverified information, creating perceptions of inconsistency. Former employees noted that gossip about unfair reward allocations fueled dissatisfaction, a finding consistent with Massaro and Becker (2015), who emphasize that perceived unfairness erodes loyalty. This unmanaged culture disrupts formal communication, weakening trust and motivation, particularly among junior consultants who seek transparency (Juniartika et al., 2023). Addressing this requires structured communication channels to complement informal interactions, ensuring clarity and alignment with organizational values.

The individual-oriented reward system, which prioritizes personal performance, creates a competitive rather than collaborative climate, misaligning with Generation Z's preference for teamwork (Aulia et al., 2023). Anwar et al. (2024) assert that team-based rewards enhance collaboration, yet the absence of group rewards led active employees to prioritize personal achievements, while former employees felt collaborative efforts were undervalued, contributing to their exit. A hybrid reward system, balancing individual and team incentives, could address this gap, foster solidarity while maintaining motivation, thus enhancing efficiency (Hammouch et al., 2024).

Interorganizational transfer, implemented through ad hoc job rotations, shows potential to disseminate values but lacks formalization. Active employees viewed rotations as skill-building opportunities, yet former employees saw them as burdens due to inconsistent implementation. Milagres and Burcharth (2019) highlight that systematic rotations strengthen cross-functional understanding, suggesting that formalizing this mechanism could enhance value integration and flexibility. This aligns with Contingency Theory, which stresses adapting control systems to workforce characteristics (Einhorn et al., 2024).

The tone at the top, driven by the CEO's assertive and perfectionist leadership, provides direction but creates pressure for newcomers. Active senior consultants appreciated the clarity, while former employees felt the fast-paced environment limited autonomy, clashing with Generation Z's need for flexibility (Lee et al., 2025). Lambert and Wiegmann (2025) note that Generation Z values emotional well-being alongside productivity, suggesting that a more participative leadership style could bridge this gap. Generational Cohort Theory explains these tensions, as shared formative experiences shape Generation Z's transparency focus versus Millennials' spontaneity (Strauss & Howe, 1991).

These findings reinforce Contingency Theory's argument that management control systems must align with demographic contexts to be effective (Hammouch et al., 2024). However, the study's short duration and management-coordinated informant selection may introduce bias, limiting generalizability (Awwad & Heyari, 2022). Practically, the company should enhance value socialization through interactive training, implement hybrid rewards, formalize rotations, and adopt empathetic leadership to align with Generation Z's values. These steps can reduce turnover, boost collaboration, and enhance efficiency, ensuring cultural control supports a sustainable, inclusive multigenerational workplace (Črešnar & Nedelko, 2020).

CONCLUSION

The study reveals that cultural control mechanisms, code of conduct, group rewards, and interorganizational transfer are implemented but fall short in addressing Generation Z employees' needs, leading to high turnover and reduced organizational efficiency. Generation Z employees view work as a platform for growth and identity, yet limited internalization of formal rules, reliance on informal communication, and an individual-focused reward system create ambiguity, perceptions of unfairness, and weak collaboration. The unmanaged informal communication culture fosters gossip, eroding trust, while ad hoc job rotations fail to consistently disseminate values. The CEO's assertive leadership provides direction but pressures newcomers, misaligning with Generation Z's preference for flexibility and transparency. These gaps highlight the challenge of aligning Millennial-led management with Generation Z's values in a multigenerational workplace.

In practical terms, organizations are encouraged to strengthen rule internalization through interactive training programs, implement hybrid reward systems that balance individual and team-based incentives, institutionalize job rotation schemes, and cultivate empathetic leadership to bridge generational divides. From a theoretical perspective, the results highlight the importance of designing adaptive cultural control systems that reflect generational characteristics, thereby extending the contingency theory framework by integrating demographic contingency factors. The study's short duration, management-

coordinated informant selection, and inclusion of former employees limit generalizability and may introduce bias. Future research should employ longitudinal designs to capture cultural dynamics over time, include broader informant samples, and explore other professional service firms to validate findings. Additionally, investigating specific communication tools to manage informal channels could enhance cultural control effectiveness, ensuring sustainable efficiency in multigenerational settings.

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