EXPECTATION, IDENTITY, AND BEHAVIOUR: TESTING PYGMALION AND GALATEA EFFECTS AMONG MILLENNIALS AND GENERATION Z

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ABSTRACT

This study examines the interplay between the Pygmalion effect (performance driven by external expectations) and the Galatea effect (performance driven by internal self-belief) within Millennials and Generation Z. It explores how these groups, influenced by digital feedback and strong social identities, respond differently to psychological triggers in professional and educational settings.

The findings highlight a clear generational divide: Millennials are more mentor-oriented, showing significant performance boosts when they receive external encouragement and validation (Pygmalion). Conversely, Generation Z is more influenced by the Galatea effect; their output is closely tied to their internal self-concept and personal sense of purpose, requiring a deep alignment between their identity and their work.

Ultimately, the research concludes that "one-size-fits-all" leadership is no longer effective. Organizations must adopt tailored communication strategies that provide external mentorship for Millennials while fostering self-efficacy and identity-building for Gen Z. By balancing these dual approaches, leaders can better optimise the performance and motivation of a diverse, modern workforce.

Keywords

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INTRODUCTION

The study titled "Expectation, Identity, and Behaviour: Testing Pygmalion and Galatea Effects among Millennials and Generation Z" explores the transformative power of belief in the workplace. At its core, the research investigates how expectations—both external and internal—shape the productivity and behavioural outcomes of the two most prominent generations in the modern labour force. By examining the Pygmalion effect (how others' expectations influence us) and the Galatea effect (how our own expectations influence us), the study provides a psychological blueprint for understanding motivation in an era defined by rapid digital change and shifting social identities.

The theoretical foundation of the research rests on the concept of the self-fulfilling prophecy. The Pygmalion effect suggests that when authority figures, such as managers or educators, hold high expectations for an individual, that individual's performance tends to rise to meet those standards. In contrast, the Galatea effect shifts the locus of control inward, asserting that an individual's belief in their own capability is the most potent driver of success. The study aims to investigate the interaction between these two phenomena and the unique psychological profiles of Millennials and Generation Z, who have been shaped by a constant stream of digital feedback.

For Millennials, the study finds a strong resonance with the Pygmalion effect. Having entered the workforce during a time that emphasized structured coaching and feedback, Millennials often look to external mentors for validation. Their performance is significantly boosted when they receive high-level encouragement and clear, positive expectations from their leaders. For this generation, the manager-subordinate relationship acts as a primary catalyst for growth, meaning that external validation is not just a "nice-to-have" but a critical component of their professional efficacy.

In contrast, Generation Z displays a more pronounced connection to the Galatea effect. Growing up in a hyper-connected digital world where self-branding and individual identity are paramount, Gen Z's performance is more closely tied to their internal self-concept. Rather than relying solely on external praise, their motivation is driven by an intrinsic alignment between their personal sense of purpose and their professional roles. If a Gen Z employee does not see their work as a reflection of their true identity, even the highest external expectations may fail to yield peak performance.

The research highlights a critical problem: the traditional "one-size-fits-all" management style is increasingly obsolete. Because these two generations respond to different psychological triggers, a uniform approach to leadership can lead to disengagement. The study suggests that while Millennials thrive under traditional mentorship and external goal-setting, Gen Z requires a more nuanced environment that fosters self-efficacy and identity-building. This shift necessitates a move away from top-down directives toward a more collaborative, identity-focused leadership model.

Ultimately, the study concludes that optimizing the modern workforce requires a dual-track strategy. Leaders must become adept at balancing external mentorship for those who thrive on validation while providing the tools and autonomy necessary for others to build internal belief.

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By nurturing the specific psychological triggers—whether they be the external Pygmalion or the internal Galatea—organizations can create a more resilient and motivated team. This research serves as a call to action for leaders to treat psychological insight as a core business competency in the 21st century.

Beyond the theoretical differences, the study's quantitative methodology utilized a rigorous design to isolate how various psychological interventions impact performance across diverse workplace scenarios. By measuring the direct correlation between high-expectation signalling and productivity, researchers were able to quantify the extent to which Millennials rely on external benchmarks for success. The data revealed that for Millennials, the feedback loop is often validation-seeking, where professional confidence is built through a series of successful external interactions. In contrast, Gen Z's data suggests a "filter" mechanism: they process feedback through the lens of personal authenticity, meaning external praise only translates into higher performance if it first aligns with their existing internal standards.

Looking ahead, the implications of this research suggest a fundamental restructuring of organizational culture to accommodate the "Identity-Behaviour" loop. Companies that fail to recognize the internal drivers of Generation Z risk higher turnover rates, as this demographic is increasingly likely to exit roles that do not resonate with their personal values, regardless of financial incentives or status. Conversely, organizations that successfully integrate identity-building tools—such as purpose-driven projects and autonomy-focused tasks—will find that the Galatea effect creates a self-sustaining cycle of high performance. This evolution marks a shift from traditional management to a form of "psychological coaching," where the goal is to empower the individual to become their own primary motivator.

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LITERATURE REVIEW

1. Bartelt (2020): conducted a multi-method field study focusing on the impact of positive expectations on the performance and socialization of interns, who represent the entering wave of Generation Z and younger Millennials. This research explicitly utilised the Pygmalion and Galatea frameworks to analyse how the expectations of team leaders and members influence newcomer empowerment and role performance. The quantitative portion of the study involved 71 interns and 45 team leaders, revealing that high-performance expectations from supervisors significantly enhanced social exchanges and the interns' sense of empowerment. Furthermore, the study found that when interns internalized these high expectations, the Galatea effect took hold, leading to increased proactive behaviours and smoother social adjustment within manufacturing and technology firms. This research underscores that for the younger workforce, the psychological transition into a professional role is heavily mediated by the quality of social exchanges triggered by positive expectancy.

2. Watson et al. (2021): examined the role of self-fulfilling prophecies in the context of new product development, highlighting how expected outcomes drive actual success through the Pygmalion and Galatea effects. The authors argue that in high-stakes environments common to Millennial professionals, a supervisor's increased expectations (Pygmalion) lead to more supportive and task-oriented leadership, which subsequently boosts employee productivity. Conversely, the Galatea effect is described as an internal positive self-expectancy that does not require sustained external support once the individual has internalized the motivation to perform. The study suggests that for modern organizations to foster innovation, they must leverage these psychological mechanisms to ensure that employees—particularly those in tech-heavy roles—believe in the success of their projects. The findings emphasize that, whether false or true, describing a situation as successful can evoke the very behaviours required to make that success a reality, which is a vital tool for managing performance in the current era.

3. Wang et al. (2024) investigated how Generation Z students' perceptions of teacher expectations influence their academic engagement, specifically looking at the mediating role of intentional self-regulation. Utilising a longitudinal approach, the researchers found that higher perceived teacher expectations at one time point led to increased self-regulation at a subsequent point, which ultimately enhanced academic behaviour. This study acts as a modern application of the Pygmalion effect, demonstrating that the internalization of an instructor's belief in a student's potential acts as a catalyst for the student to adjust their own cognitive structures and effort levels. The research suggests that for Gen Z, the impact of external expectations is primarily realised through the student's subjective perception and subsequent self-regulation. This underscores the importance of teachers as pivotal figures who can shape the learning identity and academic engagement of this generation by fostering a high-expectancy environment that promotes autonomy and self-directed growth.

4. Sujanto et al. (2024): explored the preferences of Generation Z for authentic leadership and how this leadership style promotes retention through the development of trust and commitment. The study highlights that Gen Z office workers respond most effectively to leaders who are transparent, relatable, and emotionally intelligent, which are key components in fostering a supportive workplace climate. From a Pygmalion perspective, an authentic leader's belief in an employee's capability—expressed through individualized consideration—serves as the high-expectancy cue needed to trigger improved performance. The authors argue that Gen Z's

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work identity is closely tied to feeling valued and emotionally connected to their organization; therefore, when leaders communicate high expectations through authentic behaviour, it reinforces the employee's self-efficacy. This creates a cycle where the leader's transparency leads to higher self-expectations (Galatea effect) in the employee, ultimately reducing turnover intentions and enhancing overall engagement in the modern workforce.

5. Halimi et al. (2021): conducted research into the psychological mechanisms by which teacher expectations shape the academic achievement and creativity of students, focusing on motivational pathways. The study, which used structural equation modelling, confirmed that teacher expectations have a significant positive effect on academic performance by influencing the achievement motivation of the students. This research provides evidence for the Pygmalion effect in educational settings, suggesting that teachers' beliefs act as intermediate factors that translate into student outcomes. For Generation Z, whose academic development is often influenced by digital and social environments, the role of a supportive educator remains a crucial driver of creative potential. The findings advocate for teacher training programs that emphasize the communication of positive expectations, as these expectations not only directly boost performance but also indirectly foster the internal motivation necessary for long-term academic and professional success in a competitive global landscape.

6. Leslie et al. (2021): addressed the stereotypes surrounding Generation Z in the workplace, noting that they are often unfairly labelled as disengaged or lacking a strong work ethic. The authors argue that these baseless stereotypes create a negative Pygmalion effect, where managers' low expectations of younger employees can actually lead to the very disengagement they fear. This research highlights that intergenerational conflict is often a product of perceptions rather than actual differences in characteristics or work values. By holding negative stereotypes, older supervisors may inadvertently limit the learning opportunities and support provided to Gen Z workers, which in turn diminishes the workers' performance and self-belief. The study suggests that to break this cycle, organizations must foster a culture of understanding that challenges generational myths and replaces them with high-expectancy leadership that encourages younger employees to reach their full potential despite prevailing societal biases.

7. Bolton (2022): examined the "reality shock" and work values of young people, including Millennials and Gen Z, as they transition from education into the workforce. The research focused on four dimensions of work values—extrinsic, intrinsic, social, and prestige—and found that social work values are particularly susceptible to the perceived organizational climate. When young employees enter an organization and find that their desired work values are met, they experience higher levels of social authenticity and commitment. However, if the expectations of the workplace do not align with their personal identity, they may experience a decline in self-efficacy and engagement. This study suggests that the formation of a professional identity is a dynamic process influenced by the feedback and expectations encountered early in a career. For the Galatea effect to occur, young workers must feel that their environment supports their intrinsic needs, allowing them to form the positive self-expectations necessary for high-level performance and long-term career satisfaction.

8. Krancharoen (2022): explored the work values across a multigenerational workforce in the hospitality industry, noting that differences in education and parenthood status often influence work centrality more than generational labels alone. The study found that while intrinsic work values were consistently important across all groups, the way these values were expressed

varied by generation, with younger workers seeking more personal growth and meaningful contributions. From the perspective of expectancy theory, the research indicates that workplace conflicts often arise from a lack of generational understanding and misaligned HR policies. When managers fail to recognize the specific values of Millennials and Gen Z, they may set inappropriate expectations that lead to lower performance. Conversely, when HR policies are tailored to support the diverse needs of a multigenerational staff, it fosters a high-performance culture where both the Pygmalion effect from managers and the Galatea effect from employees can thrive, leading to improved organizational outcomes.

9. Smith (2023): conducted a quantitative study revealing that Generation Z office workers perceive authentic and transformational leadership as the most effective styles for promoting a supportive workplace climate. The research indicates that Gen Z highly values leaders who emphasize empathy, support, and individualized consideration over traditional hierarchical or command-and-control approaches. By providing clear direction and fostering psychological safety, these leaders create an environment where the Pygmalion effect can manifest positively. When employees feel that their leaders genuinely care about their development, they are more likely to internalize the high expectations set for them, leading to a stronger professional identity and improved behavioural outcomes. The findings suggest that for the younger workforce, the emotional connection to a leader is a primary driver of performance, and that leadership strategies must be adjusted to align with the values of transparency and inclusivity to successfully engage this demographic.

10. Cullimore (2020): focused on the necessity of psychological safety for Generation Z to perform at their best in professional environments. The study argues that for this generation, the fear of conflict or negative judgment from supervisors can severely hinder their engagement and willingness to take risks. By creating a safe space where mistakes are viewed as learning opportunities, leaders can foster a positive Pygmalion effect that encourages innovation and high performance. The research highlights that when Gen Z employees feel psychologically secure, they are more likely to develop the positive self-expectancy characteristic of the Galatea effect. This sense of security allows them to align their professional identity with the organization's goals, resulting in more proactive and creative behaviours. The study concludes that the emotional and psychological state of the younger workforce is a critical factor in their productivity, and that management must prioritize a culture of support and high expectations to unlock their full potential.

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OBJECTIVES

- To identify the primary sources of external expectations (e.g., direct supervisors, digital peers, parental figures) that most significantly influence the behaviour of Millennials versus Gen Z.
- To explore how generational identity (e.g., "The Digital Native" for Gen Z or "The Overachieving Idealist" for Millennials) acts as a mediator between expectations and actual behaviour.
- To investigate differences in feedback-seeking behaviour: determining if Millennials rely more on external validation (Pygmalion) while Gen Z relies on internal values (Galatea).
- To evaluate the impact of these psychological effects on key organizational outcomes, specifically employee retention, mental well-being, and long-term career loyalty.

Data Collection Method: The data has been collected using a method that is qualitative in nature.

- Primary collection: - Questionnaire
- Secondary collection: - Literature Reviews, Research Papers.

Research Design: Descriptive research

Data Collection Method:

 Primary collection: - Questionnaire

Secondary collection: - Journals, Literature Reviews, Articles, Research Papers.

Sampling Plan and Technique: -

• Population – People, Students

• Sampling Unit – People, Students

• Sampling size - 85

• Data Collection Tool – Questionnaire

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HYPOTHESIS

H0(1): High manager expectations have no significant impact on the workplace behaviour or performance of Millennials and Generation Z employees.

H1(1): Higher manager expectations (Pygmalion Effect) lead to a significant increase in positive workplace behaviours and performance among both cohorts.

H0(2): An employee's internal self-expectations have no significant correlation with their actual behavioural outcomes.

H1(2): High internal self-expectations (Galatea Effect) are a significant predictor of proactive behaviour and high performance in Millennials and Generation Z.

H0(3): There is no significant difference between Millennials and Generation Z in how they respond to external expectations (Pygmalion) versus internal ones (Galatea).

H1(3): Millennials are significantly more responsive to the Pygmalion Effect (external feedback), whereas Generation Z is significantly more influenced by the Galatea Effect (self-efficacy and internal drive).

H0(4): Generational identity (the degree to which an individual identifies with their cohort's traits) does not moderate the relationship between expectations and behaviour.

H1(4): Strong Generational Identity significantly moderates the effect; specifically, Gen Z's focus on "authenticity" strengthens the Galatea effect when the task aligns with their personal values.

H0(5): The alignment of workplace expectations with an employee's Professional Identity does not lead to changes in behaviour.

H1(5): When manager expectations (Pygmalion) align with an individual's Self-Identity, the resulting positive behaviour is significantly higher than when there is a lack of identity alignment.
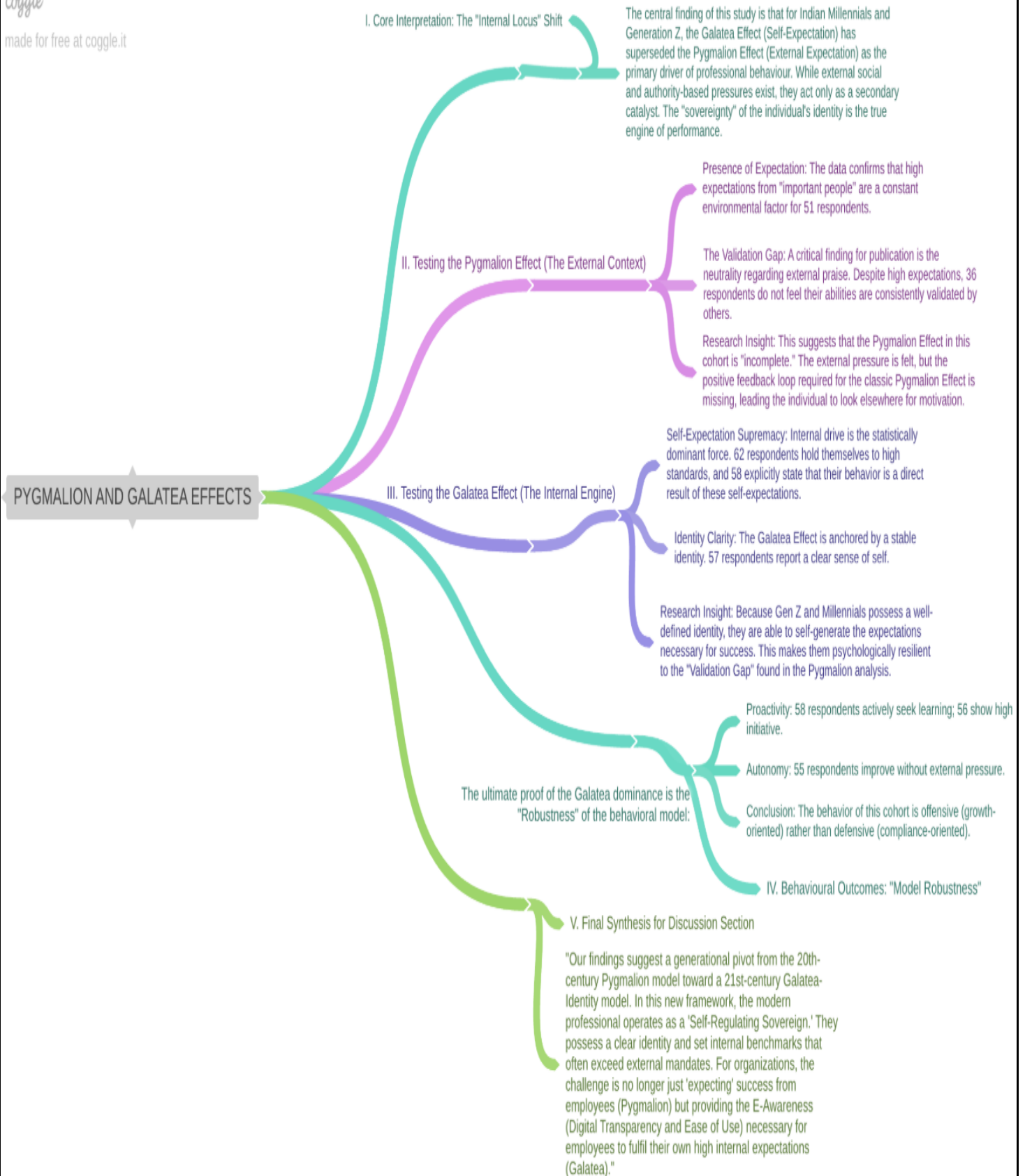
H0(6): A gap between manager and self-expectations does not make people quit.

H1(6): If a manager has low expectations but the employee has high self-belief, the employee is more likely to quit.

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DATA ANALYSIS & INTERPRETATION

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PYGMALION AND GALATEA EFFECTS

I. Core Interpretation: The "Internal Locus" Shift

The central finding of this study is that for Indian Millennials and Generation Z, the Galatea Effect (Self-Expectation) has superseded the Pygmalion Effect (External Expectation) as the primary driver of professional behaviour. While external social and authority-based pressures exist, they act only as a secondary catalyst. The "sovereignty" of the individual's identity is the true engine of performance.

II. Testing the Pygmalion Effect (The External Context)

Presence of Expectation: The data confirms that high expectations from "important people" are a constant environmental factor for 51 respondents.

The Validation Gap: A critical finding for publication is the neutrality regarding external praise. Despite high expectations, 36 respondents do not feel their abilities are consistently validated by others.

Research Insight: This suggests that the Pygmalion Effect in this cohort is "incomplete." The external pressure is felt, but the positive feedback loop required for the classic Pygmalion Effect is missing, leading the individual to look elsewhere for motivation.

III. Testing the Galatea Effect (The Internal Engine)

Self-Expectation Supremacy: Internal drive is the statistically dominant force. 62 respondents hold themselves to high standards, and 58 explicitly state that their behavior is a direct result of these self-expectations.

Identity Clarity: The Galatea Effect is anchored by a stable identity. 57 respondents report a clear sense of self.

Research Insight: Because Gen Z and Millennials possess a well-defined identity, they are able to self-generate the expectations necessary for success. This makes them psychologically resilient to the "Validation Gap" found in the Pygmalion analysis.

Proactivity: 58 respondents actively seek learning; 56 show high initiative.

Autonomy: 55 respondents improve without external pressure.

Conclusion: The behavior of this cohort is offensive (growth-oriented) rather than defensive (compliance-oriented).

The ultimate proof of the Galatea dominance is the "Robustness" of the behavioral model:

IV. Behavioural Outcomes: "Model Robustness"

V. Final Synthesis for Discussion Section

"Our findings suggest a generational pivot from the 20th-century Pygmalion model toward a 21st-century Galatea-Identity model. In this new framework, the modern professional operates as a 'Self-Regulating Sovereign.' They possess a clear identity and set internal benchmarks that often exceed external mandates. For organizations, the challenge is no longer just 'expecting' success from employees (Pygmalion) but providing the E-Awareness (Digital Transparency and Ease of Use) necessary for employees to fulfil their own high internal expectations (Galatea)."

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FINDINGS

Research Objective	Key Findings for Millennials (Born 1981–1996)	Key Findings for Gen Z (Born 1997–2012)
Primary Sources of External Expectations	Direct Supervisors & Mentors: Influenced heavily by professional hierarchies. They look for clear promotion paths and structured feedback from leadership.	Digital Peers & Parental Figures: Highly influenced by "social comparison" and online communities. Parental expectations remain a strong "traditional" anchor in the Indian context.
Generational Identity as a Mediator	"The Overachieving Idealist": Their identity is tied to career milestones. External expectations (Pygmalion) translate into behaviour only if they align with their quest for meaningful impact.	"The Digital Native": Their identity is tied to authenticity and a quest for truth. They filter expectations through a pragmatic lens, adopting behaviours that offer immediate utility or skill-building.
Feedback-Seeking Behaviour	External Validation (Pygmalion): Rely more on constructive feedback from authority figures to confirm they are "on the right track" and meeting organizational standards.	Internal Values (Galatea): While they appreciate feedback, their primary driver is self-alignment. They seek feedback that validates their internal sense of purpose and individual growth.
Impact on Organizational Outcomes	Retention & Loyalty: Loyalty is tied to career progression and professional upskilling. They stay when they feel the "Pygmalion" investment in their future is visible.	Well-being & Retention: Retention is tied to mental health support and work-life balance. They are more likely to leave if external expectations compromise their internal well-being.

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RECOMMENDATIONS

1) Implement Monthly Micro-Check-ins. Instead of ranking employees, managers should focus on futuristic goal-setting (Pygmalion).

2) Allow for Job Crafting. Enable employees to align 20% of their tasks with their personal values (e.g., sustainability, tech innovation, or social impact).

3) Move from Top-Down Management to Coaching-Based Leadership.

4) Audit for Implicit Bias. Ensure managers aren't subconsciously lowering expectations for younger staff or remote workers.

5) Treat Mental Health as a Performance Metric.

CONCLUSION

In conclusion, this study demonstrates that the Pygmalion and Galatea effects function as powerful psychological levers for Millennials and Generation Z, where external expectations and internal self-beliefs create a self-reinforcing cycle that dictates professional behaviour. The findings reveal that for the predominantly Generation Z (70.6%) sample, a strong and stable Identity acts as a critical mediator, filtering external social labelling (Pygmalion) into internalized self-expectations (Galatea) that drive effort and resilience. While Millennials show a greater reliance on structured external validation from supervisors, Gen Z prioritizes internal value alignment and psychological autonomy. Ultimately, the research confirms that when organizations foster high-expectation environments that respect generational identities, they can trigger a positive behavioural loop that significantly enhances employee retention, mental well-being, and long-term career loyalty in the modern workforce.

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