

# Rethinking Leadership in the Digital Age



The eponymous 1981 album ‘Computer World’ by the band ‘Kraftwerk’ portrays a society in which digitalization permeates all aspects of our lives. It addressed issues that were decades ahead of their time, ranging from human-computer-interactions to love and emotions in the digital age. Forty years later we live in that imagined future. The world of work, including leadership, is in the midst of a massive digital transformation at all levels.

The ongoing digital transformation and the so-called ‘new normal’ in the future of work poses both challenges and opportunities for leaders and their organisations. It is reflected in ongoing academic debates, for instance regarding leading virtual teams, re-thinking leadership theory, organizational transformation for virtual workforce, skills development for virtual team players, and the impact of digital technology on wellbeing that are all core to leadership effectiveness in a digital and hybrid world of work.

The aim of this special issue is to have a deeper look into the rapidly developing field of digital leadership and to rethink classical leadership approaches:



- Which kind of leadership is required in a digital and hybrid world of work? How can models of and current debates around servant leadership, shared leadership, and distributed leadership contribute to these new challenges?
- What is and what should be the role of AI in leadership? Where can AI meaningfully support executive decision-making (e.g., with data mining tools; AI supported decision algorithms) and where do we need to draw the line and put the human touch first (e.g., to ensure ethical and high-quality decisions in complex situations)?
- How can leaders ensure wellbeing at work in a digital/hybrid work environment and what do leaders need to know, learn, and do to ensure everyone in their organisation can stay safe and healthy?
- How can leaders increase equality and inclusion in a digital/hybrid world, balance the pros (e.g., advantages of working from home for working parents) with the cons (e.g., blurring of lines between private and work domains) and ensure fairness for all?

- What kind of training and skills do leaders need to be effective in the digital/hybrid future?
- How can we measure leadership effectiveness in a digital/hybrid world?
- What are the main ethical challenges for leadership in a digital/hybrid world?

Our call attracted numerous papers and approaches to answer these questions. For those challenges less addressed we added our own lead essay, *Güldenberg/Langhof/Moser*, which focusses on the open questions and current tensions in leadership research as well as practice in the spotlight of the current digital transformation. The objective of this lead essay is to relate these open questions and tensions to the opportunities and challenges of digitalization that leaders face and to derive key learnings for a future digital leadership research agenda. It does this by discussing five tensions which need to be solved in order to establish a solid foundation and framework of digital leadership theory: Off-site vs. on-site vs. hybrid leadership, control vs. trust in virtual work, narcissistic vs. servant leadership, social identity and the need to belong vs. the lone warriors, and short term vs. long term focus in leadership. The essay ends with a summary of the key learnings and a call for potential future research avenues. With the emergence of digital leadership we believe it is time to rethink leadership research and practice again.

In their empirical contribution, *Lettner/Weber/Lanzl/Gilli/Güttel* provide a differentiated analysis of both advantages and disadvantages of different leadership behaviours in virtual work environments. Based on the distinction of task vs. relationship focused leadership they examine how these behaviours actualize in a digital context and if and when they might be a 'double edged sword'. Using the methodology of a Delphi study with both surveys and plenary sessions with 42 experienced leaders, the authors address the to date insufficiently researched question of which leadership behaviors might be effective and appropriate in virtual work contexts and which impact they may have on different organizational members. The authors provide a structured overview of task-oriented and relation-oriented leadership behaviors and how well-intended leadership behaviors may lead to both desirable and undesirable consequences for employees and leaders. In their contribution, they challenge the assumption that enacting these behaviors always leads to beneficial outcomes and highlight that combining different leadership behaviors is important for effective digital leadership. With this, they make an important empirical contribution that advances our understanding of the differences between onsite and online leadership behaviors and their effectiveness.

The contribution of *Schmitt/Michelson/Raub* in this issue is dedicated to the topic of employee downsizing, one of the potential negative consequences of automatization and digitalization. The authors take a critical stance by questioning the positive performance outcomes of employee downsizing like gains in productivity or increased competitiveness. Their paper focuses on failed downsizing efforts, which are often related to misaligned formal and informal communication processes, such as sensemaking, gossip and rumor, and employee emotions associated with these change processes before, during, and after downsizing. The individual's attention to rumors in an increasingly digital world, e.g. through social media, is thus consistent with prior results emphasizing that informal online and offline networks in organizations are used extensively by employees during downsizing and organizational change. Given rumor's ability to impact negatively on a firm's downsizing efforts and reputation, the research objective of this paper is to shed more theoretical light on the factors that influence and potentially increase workers'

attention to rumors. As a core outcome, the authors develop a theoretical framework of how individuals rely on rumors during employee downsizing in order to make sense of the change processes. The model of an individual's attention to rumor was developed to examine the likelihood of how rumors may impact (positively or negatively) on the implementation of an employee downsizing strategy. The paper extends theory of and contributes practical insights into contingencies of employee downsizing, emotion, and informal communication. This knowledge will help organizational decision makers in a digital and hybrid world to increase their strategic preparedness when it comes to employee downsizing and organizational change.

In the context of the digital transformation, research is now focusing on alternative leadership approaches that differ from traditional approaches in various ways. One of these approaches is presented and addressed in our special issue by *Kaufmann-Pauger/Schneidhofer* in their contribution on 'Shared Leadership'. The two authors consider shared leadership to be particularly suitable for meeting the challenges in virtual teams. Shared leadership means that leadership responsibilities are distributed among different leaders that are members of the team, as opposed to conventional approaches in which there is usually only one leader. In the authors' view, shared leadership is particularly promising because it could foster more creativity and innovative behavior than more traditional leadership models. The researchers also note, however, that there is still a great need for further research in this area, particularly with regards to which specific competencies leaders would require for shared leadership. The researchers contribute to this open question by introducing a newly developed conceptual model that illustrates the required competencies and their roles and can serve as guidance for future research.

We hope that this special issue will offer surprising and insightful "aha" moments to all those interested in the topic of digital leadership and its challenges and opportunities and that it will also help to start further research. We would like to thank all the authors involved in this special issue for their inspiring contributions. A special thanks goes to our dedicated reviewers, who have contributed significantly to the quality of this special issue. We hope that you will enjoy the reading journey about re-thinking leadership in the digital age.

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