

Leadership Traits Required for International Organizational Success in the Digital Era

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Abstract

This master thesis investigates leadership traits and how they can drive success within international organizations in the digital era. The basic principles of what defines a leader have undergone significant scrutiny throughout the past one hundred years, however, the digital revolution has created the most upset when considering the requirements for efficient leadership.

This paper utilizes a literature review to first determine how modern leadership theory developed and the implications of current research, followed by an empirical study designed to collect real-world data which represents how current leaders active in various industries understand their role as a leader and what skills they use to promote success within their organization.

Cross-examination of these sources indicates that the most effective leaders employ a combination of Transformational Leadership Theory and Emotional Intelligence-based leadership. The extent to which a leader must individualize their style is strongly contingent on the organizational culture, the individual employees, and the external environment. While traits such as communication, charisma, and trustworthiness are certainly strong indications of an efficient leader, agility and adaptability clearly stand out as the traits which are most required for highly effective leaders in the digital era.

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1. Introduction

In 2020, the world was ravaged by a deadly pandemic. Adapting to the new style of work required digitalization adoption at an astounding speed. This change required leaders to adjust the way that they lead their teams in a professional context. Extensive research has been conducted in the past to identify traits and behaviours that can be used to determine the effectiveness of a leader, yet no single theory has been unanimously accepted as universally applicable. No definition can be found that clearly distinguishes an effective leader from an ineffective leader. The question then arises: how has the era of digitalization affected leadership and which specific traits and behaviours are able to stand the test of modernization and promote success within an international organization.

This research question will initially be analyzed through an extensive literature review followed by a qualitative analysis of an empirical questionnaire created by the author. Historical research, as well as modern works will be presented to identify how the study of leadership traits has evolved over the course of technological advancement. The goal is to determine a profile and guideline that current and future leaders can follow to facilitate success within their organization.

Chapter two will analyze a small sample of popular historical literature and theories and overview the evolution of leadership theory throughout the industrial revolution and beyond and create a list of the most effective characteristics of leadership according to researchers at the time.

Chapter three and four will present two leadership styles according to more recent research and the fundamentals of these theories will be analyzed, with the goal of creating a list of leadership styles that have been considered necessary or useful for success in international organizations in a more modern setting.

The fifth chapter will analyze the past, present, and future role of a leader, which is an essential understanding when considering factors influences leadership in the future.

The sixth chapter delves into the future of leadership. Current trends and future projections based on existing research will be analyzed and speculations will be drawn regarding the leadership styles that will promote success in the future.

The seventh and eighth chapter will outline the methods used when creating and analyzing the empirical study, provide a brief biography of the participants, and present the results.

Chapter nine will focus on discussing the results of this paper, and a preliminary conclusion answering the research question of which leadership traits and behaviours are required for international organizational success in the digital era will be drawn.

2. Four Perspectives of Leadership Theory

Jago (1982) divides early leadership theories into four perspectives. The first two perspectives fall under the Universal view of leadership. In this category, research argued that leadership required certain traits that were absolutely necessary to be considered a leader and boasted a “one-best-way” (Universal) to lead. In the Universal theory, leadership is understood as a general phenomenon, that is, effective leadership is a concept that remains the same throughout echelons and scenarios. Varying situations encountered by a leader do not require different styles of leadership or leadership traits, as long as the leader applies the universal method. Jago posits that leadership can be viewed as a trait or set of traits that are distributed throughout a population. Through these theories, leadership becomes a quantifiable property. These inherent traits can then be measured and explored when conducting studies using various people in leadership roles. The alternative focuses on leadership behaviours. These theories reject the idea that leadership is based purely on inherent traits and argue that the construct of leadership exists primarily in the actions of a leader. Patterns of behaviour are used to evaluate leadership instead of intrinsic properties or characteristics.

The third and fourth perspectives, also known as contingent theories, propose that being an effective leader depends heavily on the specific situations in which the leader finds themselves. This research recognized the differences between Universal and Contingent traits and behaviours. According to these theories, when acting as a leader, one must review the situational variables which will then help to define a specific approach that the leader should undertake in order to lead effectively, or a specific set of traits that the leader must possess.

These four perspectives can be displayed in a matrix grid which consequently can be used to sort classical leadership theories into types.

		Theoretical Approach	
		Universal	Contingent
Focal Leadership Construct	Leader Traits	Type I	Type III
	Leader Behaviours	Type II	Type IV

Table 1: *A Typology of Leadership Perspectives (adapted from Jago, 1982, p. 316)*

As can be seen in Table 1, a Type I theory would view leadership as a trait or characteristic that can be found in any effective leader within any group or organization. From a Type IV perspective, leadership is viewed as a certain behaviour which is determined based on the specific situation in which the leader finds themselves. As behaviour is generally seen among academic communities as a “soft” science, and therefore is not governed by well-accepted “laws” like the “hard” science fields, each of these defined Types of research is determined to be equally valid by researchers when assessing leaders and conducting investigations into leadership theory.

2.1. Type I Perspectives – Universal Leadership Traits

For approximately 40 years, from 1900 to the 1940s, research was mainly conducted using a Type I approach. The hypothesis was that there must be universal leadership traits that connected leaders around the world and separated them from their followers. Personalities such as Napoleon, Hitler, and Lincoln were analyzed in the hopes that researchers could quantify specific leadership traits and prove correlation between said traits and leadership effectiveness. Jago compiled the most prominent of these first level-level personality traits which can be seen in Table 2. Evidence based on the research conducted in these early studies presumed that the more traits a person possessed from this list, the more successful that person would be in a leadership role.

Physical and Constitutional Factors	Personality Characteristics	Social Characteristics	Skill and Ability
Activity, energy Appearance, grooming Height Weight	Achievement drive, ambition Adaptability Antiauthoritarianism Dominance Emotional balance, control Enthusiasm Extraversion Independence, nonconformity Initiative Insightfulness Integrity Objectivity Originality Persistence Responsibility Self-confidence Sense of humour Tolerance of stress	Cooperativeness Interpersonal skills, sensitivity Popularity, prestige Sociability Socioeconomic position Talkativeness Tact	Administrative ability Intelligence Judgement Knowledge Technical competence Verbal fluency

Table 2: *Type I Leadership Traits (adapted from Jago, 1982, p. 317)*

The results from Type I studies implied that hiring for leadership positions could be successfully carried out, no longer through subjective interview, but rather through a carefully constructed, mechanically designed “leadership test”. Conduction such a test on possible candidates should, in theory, yield a quantitative estimate of their potential to be a successful leader. The highest scoring candidate would be the most promising individual for the role. In further studies, however, this was determined to not be the case,

Superior intelligence far from guarantees leadership; average or below average intelligence in no way precludes leadership. Although intelligence and other traits are indeed known to be related to leadership, measures of such traits have been found to have extremely limited predictive value.” (Jago, p. 318).

It could therefore not be ascertained with certainty that an individual in possession of the Type I defined traits would automatically be successful in a leadership role. Furthermore, quite often during the timeframe in which these studies were conducted, leadership roles were filled through internal promotions after an employee had “served their time”. This would imply that certain leadership traits were not present in the

candidate before the promotion and the data collected could be viewed as a self-fulfilling prophecy. One example is a case of self-confidence; being promoted to a leadership role would result in an increase in an individual's self-confidence. This result can be expected to occur regardless of who is promoted to the position. If this is assumed to be true, there is no guarantee that the individual possessed high levels of self-confidence before the promotion.

Doubt was further cast on the Type I perspective when it was discovered that there were some inconsistencies among the results that could only be explained if one was to reject the notion of universal leadership traits, that is, to shift to a contingent-based perspective. Leaders who are successful in some situations are not guaranteed to be successful in all situations. Which leadership traits correlated with success varied based on "organizational setting, historical precedent, the nature of the specific goals or objectives of the group, task characteristics, and the traits and characteristics of followers." (Jago, p. 318).

These misgivings resulted in researchers abandoning the Type I perspective and the search for a universal leadership trait. In 1977, Calder revisited the perspective and published his Attribution Theory of Leadership

2.1.1. Attribution Theory of Leadership

Calder posits that leadership is in fact defined by a trait. However, he argues that the individual in the leadership role should not be the focus of the studies, rather the followers of said leader should be examined. According to Calder, leadership traits need not be possessed by a leader, but merely be present in the perceptions of others, especially followers. The foundation of this theory is not based on a study of leaders, but rather whether people concluded that an individual in a leadership role is in possession of predetermined leadership qualities. These conclusions can either come from direct contact with a leader and first-hand experience with the consequences resulting from that contact, or from second-hand observations which imply the existence of expected leadership qualities. Quite often this can be determined based on whether or not the team in question accomplishes a task. In the case of successful completion, it is inferred that the leader is doing something right and therefore must possess traits, for example intelligence, technical knowledge, etc., which are typical for effective leaders even in a case when the leader may not possess these precepted traits.

2.1.2. Charismatic Leadership

Originally introduced by Max Weber, the idea of Charismatic Leadership was based on the theological premise that a leader must be endowed “with the gift of divine grace” (Bass, 2008, ch. 21). More concretely, a charismatic leader should be mystical and narcissistic and have extraordinary abilities. Trice and Beyer (1986) compiled Weber’s theory of a successful, charismatic leader into five necessary components:

1. A leader must be a person with extraordinary gifts
2. This type of leader will only make themselves known in a crisis situation
3. The leader will propose a radical solution to the crisis
4. Followers of the leader will rally around as they believe that the leader is exceptional, and they feel connected to the leader through transcendent powers
5. The leader must display repeated success in order to validate the faith that the followers have placed in them.

Beyer (1999) claimed that the absence of any of these components resulted in a “taming” of the charismatic leader.

House (1977) also analyzed the charismatic definition of leadership. He posited his own list of criteria that must be present in order for a leader to be seen as charismatic. A charismatic leader must be able to influence their followers, they must create unquestioning obedience and acceptance, incite trust from the followers in the leader’s beliefs, and allow followers to identify with the leader. Furthermore, the leader must create emotional involvement with the task and promote the desire to achieve goals, and ensure that followers are efficient, both as a group and alone.

Further studies continued to focus on charisma-based leadership theory. Bass (1985) strongly argued that while charismatic leadership elicits too many inconsistencies to be an effective theory on its own, it is a key element of Transformational Leadership Theory (see chapter 3). According to Zaleznik (1983), charisma is the factor that separates an ordinary manager from a true leader within an organization. A true leader must provoke intense feelings from their subordinates and promote a setting in which followers are motivated to accomplish exciting tasks and goals.

Nadler and Tushman (1990) pointed out probable negative aspects of a charismatic leader. They argued that expectations could be created that were unrealistic or unattainable. Furthermore, followers may become dependent on the leader and refrain from taking their

own initiative. A devoted follower would also be unlikely to present their opinion if it conflicts with that of the charismatic leader. Nadler and Tushman referred to component five as presented by Trice and Beyer and suggest that in the case of failure or a lack of repeated success, followers may feel betrayed and lose confidence in the leader. This may result in a panic-based reaction from the leader leading to less-than-ideal steps in an attempt to prove themselves and regain the loyalty of their followers.

Charismatic Leadership, while firmly rooted in Type I trait theory, is nonetheless still widely accepted today. It is a foundation in modern transformational theory and has evolved significantly since its introduction in the early twentieth century. More recent empirical studies (Brown & Lord, 1999; Degroot, Kiker & Cross, 2000) have shown that two requirements are indispensable when striving to be a successful, charismatic leader. The first defines leadership traits: charismatic leaders must have strong convictions, be determined, self-confident, and express their emotions efficiently. The second views leadership from a follower perspective: followers must want to identify with the leader both in and out of a crisis situation. The empirical studies also found that, in general, charismatic leaders are more effective than non-charismatic leaders.

2.2. Type II Perspectives – Universal Leadership Behaviours

After the disappointing results of the Type I perspectives, researchers in the late 1940s started focusing more on behavioural interactions and patterns between leaders and followers. The definition of leadership shifted from inherent, intangible personal characteristics to observable processes and behaviours. The effectiveness of a leader was no longer determined based on IQ or personality tests, but rather how they interacted with the people that they led. Two main issues were identified within this perspective. The first was determining the dimensionality of leader behaviour – which categories could be defined to describe differences in leader behaviour? The second issue revolved around which patterns of leader behaviour could be seen as effective or ineffective. Could an optimal leadership style be defined?

To address the first issue of the dimensionality of leader behaviour, a questionnaire was designed to analyze a subordinate's perception of how their leader behaved. Two factors were defined within this study. The first was called "consideration" and focused on aspects such as "the degree of two-way communication and consultation, mutual trust,

respect, and warmth a leader exhibits toward his followers.” (Jago, p. 319). A leader would receive a high score in this area if subordinates agreed with such statements as: “He is friendly and approachable,” “He looks out for the personal welfare of group members,” and “He puts suggestions into operation. Conversely, disagreement with these statements would result in a low score.

The second factor was the effectiveness of leader behaviour. This was called “initiating structure” and focused on aspects such as “the degree to which the leader defines and organizes relationships among group members and establishes well-defined channels of communication and methods of accomplishing the group's task.” (Jago p. 319). A leader would receive a high score in this area if subordinates agreed with such statements as: “He assigns people to particular tasks,” “He schedules the work to be done,” “He asks that group members follow standard rules and regulations,” and “He emphasizes deadlines. Conversely, disagreement with these statements would result in a low score.

These factors were determined to not represent opposite ends of a spectrum, but to be separate and individual features. A high score in consideration would not exclude the possibility of a high score in initiating structure and vice versa. Any combination of scores could be achieved independent of one another based on this study.

Upon collecting this data, researches then started focusing on the second issue of identifying an optimal leadership style. The consideration and initiating structure scores were compared with further criteria such as subordinate satisfaction, subordinate performance, and subordinate, peer, or superior evaluations of leader performance. Unsurprisingly, the analysis suggested that leaders with high scores in both consideration and initiating structure were also determined to be most effective based on the further criterion. A successful leader not only developed good relationships and communication with subordinates, but also actively played a role in planning and conducting group activities. In this way, early Type II researchers felt they had discovered a universal leadership style and that, for the first time, proved that leadership was a skill that could be taught. Unlike many leadership traits discovered in Type I, leadership behaviour could be changed through instruction and practice.

While some studies suggested that behavioural changes in regard to leadership can be attained through leadership trainings, there is little evidence to suggest that these training have a positive effect on success within a group or organization (Campbell et al., 1974). Further research provides insight as to why this might be the case.

Korman (1966), as well as Kerr and Schriesheim (1974), determined that in some situations, a leadership style ranking high in both consideration and initiating structure may not be the ideal solution. The effectiveness of high scores in these two factors may depend on: “follower needs and dependencies, follower ability, the degree of task structure, the degree of intrinsic satisfaction associated with the task, task pressure, job level, follower expectations, and leader upward influence” (Jago, p. 320). These results tend to disprove the idea that a universally applicable leadership style can be determined based on the consideration and initiating structure dimensions.

While many academics were focusing on dimensionality of leader behaviour, other researchers, such as Tannenbaum and Schmidt (1958), were exploring avenues related to autocratic-democratic dimensions of leadership styles. In contrast to the independent scales of consideration and initiating structure, autocracy-democracy theories were designed to work on a single continuum. At the autocratic end, leadership is defined by highly centralized decision-making and individual control of power. At the democratic end, leadership is characterized by highly participative decision making and equal power distribution. These two styles are considered to be a dichotomy symbolized by autocratic versus democratic decision making.

Psychological hypotheses from Morse and Reimer (1956), which relied heavily on the presumed benefits of decentralized decision making and power-sharing, suggested that democratic leadership would allow followers to express their individual needs and feel more fulfilled during the course of accomplishing the group goals. Thus, group morale and productivity should increase under a democratic leadership style. Participative decision making was also hypothesized to provide a platform in which a leader’s own knowledge and skills could be supplemented by those of the subordinates. In the same hypothesis, power-sharing was thought to enable constructive conflict and reduce the likelihood of important topics, problems, and decisions from being overlooked.

As with the theories revolving around the consideration and initiating structure hypothesis however, there is no evidence that suggests any of the aforementioned benefits to democratic leadership exist. Locke and Schweiger (1978) examined 46 studies which focused on the effects of participative decision making on work group productivity and 43 studies which focused on the effects of participative decision making on work group satisfaction. It was determined that in the case of productivity, democratic leadership was more effective than autocratic leadership in only 22 percent of the studies. Conversely,

democratic leadership was found to be beneficial for work group satisfaction in 60 percent of the studies.

Locke and Schweiger argue that these results provide evidence that the benefits of democratic leadership are highly dependent on various situational variables including: “the extent of leader and follower knowledge and expertise, follower motivation, task attributes (e.g., complexity), the degree of conflict over goals or means to attain goals, leader attributes, time pressures, group and organization size, and environmental stability.” (Jago, p. 321).

The results of Type II research was not only instrumental in proving that leadership behaviour is a skill that can be developed and improved through specialized training, but also enabled scholars to re-evaluate theories that perpetuated leadership traits and styles as being a universal “one size fits all” solution and open the door for contingent views of the subject.

2.3. Type III Perspectives – Contingent Leadership Traits

After the conflicting results that arose with analysis of the universality of Type I and Type II data, researches were forced to conclude that effective leadership may depend on the situation. This claim, however, was impossible to validate until specific situations could be identified and tested. Detailed scenarios would have to be defined under which various leadership traits could be considered as effective or successful. Type III research focused on specifying conditions in which certain leadership traits (see Table 2) can be considered effective. Perhaps the most widely used theory that serves as the foundation for Type III research is Fiedler’s Contingency Model of Leadership Effectiveness (1967).

2.3.1. Contingency Model

Fiedler’s theory stated that all leaders can be divided into two groups: relationship-motivated and task-motivated. To determine to which group a leader belonged, he designed a measurement system called the Least Preferred Co-worker (LPC) scale. The scale was made up of 16 bipolar adjective pairs, each displayed with a ranking from one to eight with eight being the most favourable description. To complete the scale, the subject was asked to think about the person with whom they could work least well with and place a checkmark above one of the values on the scale from one to eight. The LPC score is the

sum of the values given to the 16 adjective pairs. The premise of the final score was founded on the belief that by assigning a co-worker a lower or higher score, it reflects more on the underlying personality traits of the subject doing the scoring than the co-worker. Fiedler argued that a leader who scored higher on the scale belongs in the relationship-motivated group and leaders who scored lower belongs in the task-motivated group.

Fiedler continued to define three situational conditions based on the following dimensions:

1. Leader-Member Relations - the degree to which group members trust and like the leader and are willing to follow his guidance.
2. Task Structure - involves four elements: (a) the degree to which the requirements of the job are clearly stated (i.e., goal clarity), (b) the number of different ways in which the job can be performed (i.e., goal-path multiplicity), (c) the degree to which the job provides knowledge of results (i.e., verifiability), and (d) the degree to which there exists an optimal solution or outcome for the task (i.e., specificity).
3. Position Power - the degree to which there exists vested authority in the leadership position giving the leader the right to direct, evaluate, reward and punish group members. (Jago, pp. 322-323)

Fiedler separates each of these dimensions into two possible scenarios; good versus poor leader-member relations, structured versus unstructured task structure, and strong versus weak position power, thus creating eight possible combinations of situations in which a leader could find themselves. Finally, Fiedler compared LPC scores with group productivity scores for leaders in each of the possible eight situations to determine in which type of leader would be most effective in any given situation. The results can be seen in Table 3.

Leader-Member Relations	Task Structure	Leader's Position Power	Most Effective Leader
Good	Structured	Strong	Low LPC (task-motivated)
Good	Structured	Weak	Low LPC (task-motivated)
Good	Unstructured	Strong	Low LPC (task-motivated)
Good	Unstructured	Weak	High LPC (relationship-motivated)
Poor	Structured	Strong	High LPC (relationship-motivated)
Poor	Structured	Weak	High LPC (relationship-motivated)
Poor	Unstructured	Strong	High LPC (relationship-motivated)
Poor	Unstructured	Weak	Low LPC (task-motivated)

Table 3: Results of Fielder's Contingency Model of Effectiveness (adapted from Jago, 1982, p. 324)

From this data Fielder concluded that “it is simply not meaningful to speak of an effective leader or of an ineffective leader; we can only speak of a leader who tends to be effective in one situation and ineffective in another” (1967, p. 261). These tendencies, Fielder argued, are an ingrained part of a person’s personal characteristic, and therefore more adequately describe a leader’s traits than a behaviour or leadership style.

If determining the effectiveness of a leader can in fact be determined by the match between their LPC score and the situation in which they are placed, the theories stemming from Type I and Type II research become much less applicable when identifying candidates for a leadership position. Neither the selection process, as explored in Type I trait theory, nor the training process, as explored in Type II behavioural theory, would be as effective in ensuring successful leaders as the correct placement of the leader as derived from Type III contingency theory. Instead of hiring managers with certain personality traits or attempting to train a manager to be more task-motivated or relationship-motivated, the results in Table 3 should be utilized to assign managers to the situation in which they are most likely to thrive. In the case that no suitable leader can be found for a specific

situation, Fiedler and Chemers (1984) argued that the situational variables should be adjusted until a fit with the leader is achieved.

2.4. Type IV Perspectives – Contingent Leadership Behaviour

As in Type III perspectives, Type IV research makes the assumption that effective leadership is dependent on specific situations, rather than a universal rule. Instead of expanding on Type I trait theory, however, Type IV research attempts to resolve the inconsistencies identified within Type II behavioural theory. Many models within this body of research build upon the consideration and initiating structure and autocratic-democratic models as previously discussed in section 2.2. Type IV also makes an attempt to define specific situations that resolve the problems identified in Type II research.

2.4.1. Path-Goal Theory

First introduced in 1971 by Robert House, Path-Goal theory focused on the relationships between leaders and subordinates in their day-to-day interactions. It asked the question – how does the behavior of a leader affect the motivation and satisfaction of their subordinates? In this theory, an effective leader is one who behaves in a way that clarifies paths for followers that allows them to successfully achieve both work and personal goals.

House and Mitchell (1974) defined two propositions within the theory:

Leader behavior is acceptable and satisfying to subordinates to the extent that the subordinates see such behavior as either an immediate source of satisfaction or instrumental to future satisfaction. Leader behavior is motivational, i.e., increases effort, to the extent that (1) such behavior makes satisfaction of subordinate's needs contingent on effective performance and (2) such behavior complements the environment of subordinates by providing coaching, guidance, support and rewards necessary for effective performance. (p. 84).

These propositions stated that the success to which a leader enables their followers to achieve their professional goals directly reflects on their effectiveness as a leader. The theory further drew upon contingent theories and posited that leader behaviour must be relative to the specific work environment. If the environment offers clear relationships between work effort and reward, an effective leader must illuminate these linkages and ensure that followers undoubtedly understand the connection between work goals and intrinsic satisfaction and extrinsic rewards. In an environment where no such relationships exist, a leader must work to arrange these linkages and provide the required conditions,

information, support, and resources that solidify the causality between effort and goal attainment, and between goal attainment and intrinsic satisfaction and extrinsic rewards.

In Path-Goal theory, as to be expected in Type IV research, House defines leadership behaviour as playing the role of the independent variable. Originally, House only defined two classes of leadership behaviour in accordance with earlier Type II research – initiating structure and consideration leadership styles. This list was later expanded to four (directive path-goal clarifying leader behaviour, supportive leader behaviour, participative leader behaviour, and achievement oriented behaviour (House & Mitchell, 1974) and was finally expanded to ten classes in the Path-Goal Theory of Work Unit Leadership (House, 1996). These ten classes described leadership behaviours and styles that “enhance subordinate empowerment and satisfaction and work unit and subordinate effectiveness.” (House, 1996, pp. 334-335). While the original propositions of the role of leader behaviour remain unchanged, the newly added classes seek to define a wide variety of behaviours that satisfy, motivate, and facilitate followers in the workplace. Within these ten classes, House defined 26 unique propositions, or scenarios, in which one of the ten leadership behaviours can be seen as effective or ineffective.¹

In his reformulated theory, House began to blur the lines between Type III and Type IV research. He argued that while organizational performance and follower satisfaction will improve when the correct leadership behaviour is employed according to his specified proposition, it is highly unlikely that one leader will possess all of the traits, i.e. personality, abilities, social skills, etc., required to perform efficiently in all of the specified conditions. In the case where a leader does not possess the necessary traits to perform efficiently in a specific situation, these behaviours should be delegated to peers or subordinates who do possess the traits in order to achieve the most desirable outcome, both on an organizational level and on an individual, or personal level.

House pointed out that the “contingency moderators” (1996, p. 347), or propositions, represent by no means an exhaustive list and conceded that not only is it likely that some of the ten behaviours are interchangeable, but also that effective leadership could potentially be attained in ways that are not considered within the theory. Dependent variables, such as leader interaction facilitation or peer supportiveness have the potential to replace, or nullify the need for, behaviours falling under the scope of supportive leadership.

¹ An in-depth analysis of the Path-Goal Theory of Work Unit Leadership is outside of the scope of this paper. For detailed information see House (1996).

Furthermore, the reformulation is based on the extensive empirical data used to test the original Path-Goal theory; little empirical evidence exists to prove or disprove the reformulated theory.

3. Transactional & Transformational Leadership

In 1978, James Burns identified two types of leadership, transactional and transformational, however, Burns only applied his theories to the political spectrum; it was not until 1985 that Burns' theories were applied to an organizational context. Bass (1985) developed a multidimensional theory of transformational and transactional leadership which, instead of portraying both styles as incompatible ends of a single spectrum, wove the two behaviours together as coexisting styles that could be used in tandem with one another. This theory heavily draws on previous leadership theories and develops a comprehensive definition that takes into account all four of the previously outlined perspectives.

In 1988, Bass and Avolio developed the Multifactor Leadership Questionnaire (MLQ). This questionnaire was designed to measure both leadership styles (transformational leadership and transactional leadership).

The first scale measuring transactional leadership was broken down into four components.

Charismatic Leadership (CH)/Idealized Influence (II)

This component draws heavily on the idea of a charismatic leader. It combines trait and behavioural assessment and measures not only how a leader builds trust, inspires their followers, and how often they extend beyond their individual needs to focus on those of their subordinates, but also how often the leader acts with integrity, discusses values and beliefs, and considers the moral and ethical repercussions of their actions. In general, it was determined that a leader who is charismatic is highly likely to be a transformational leader, rather than transactional leader.

Inspirational Motivation (IM)

This component focuses on how often a leader behaves in a way that motivates their followers and provides deeper meaning to the tasks and goals to which the followers are striving towards. This category employs behaviours as described in Path-Goal Theory and provides an empirical form of measurement to test the frequency of transformational leadership behaviour.

Intellectual Stimulation (IS)

Avolio (1999) noted that while the majority of managers and employees feel that their intellect is being underutilized within their organization, in a post-industrial world, it can be argued that a company's intellectual capital is more important than its physical capital. Bass (2008) argued that there is a significant difference between having traits such as competence, knowledge, skill, ability, and intelligence and being able to induce and stimulate these qualities in others. An effective transformational leader must be able to do more than broadcast their ideas; they should stimulate their followers to be more innovative and creative. This can be achieved by seeking new ideas from followers, questioning their own assumptions, reframing problems, and looking at old problems in new ways. Subordinates should be encouraged to "think outside the box" and their ideas should always be a part of the discussion and never attacked by a leader.

Quinn and Hall (1983) posited that leaders can intellectually stimulate their followers in four ways: rationally, existentially, empirically, and ideologically. Rationally oriented leaders place emphasis on ability, independence, and hard work. Subordinates are encouraged to use logical thinking and reasoning to deal with problems within the organization. Existentially oriented leaders guide followers toward creative breakthroughs by first suggesting possible solutions in informal interactions. Empirically oriented leaders highly value externally generated data and encourage their subordinates to sift through large amounts of information to identify the best solution for the issue at hand. Ideologically oriented leaders emphasize speedy decisions and the use of intuition. Followers should trust their instincts and make conclusions without collecting large amounts of data.

Individual Consideration (IC)

An individually considerate leader pays extra attention to each of their follower's personal and professional needs. Two major areas for consideration are achievement and growth. The leader should create opportunities for their followers and support them in achieving their goals. This method seems to be the current trend in leadership since the turn of the 21st century, where leaders are seen as coaches and mentors, rather than bosses and managers. Leaders should be able to listen effectively and excel in correctly delegating responsibility among their team.

Bass (2008) analyzed the transformational scores of over 1,500 leaders and determined that followers who ranked their leader as more transformational, also described the organizations that they led as being more effective. Subordinates not only stated that transformational leaders had better relationships with top management within organizations, but that the leaders also contributed more to the organization. Followers admitted to investing more effort in their work for transformational leaders than for transactional leaders.

The second scale on the MLQ focussed on ranking transactional leaders and was broken down into two components.

Contingent Reward (CR)

This component can be defined as a constructive transaction. The leader discusses the task with the follower and promises some sort of reward when the task is completed. Rewards are divided into two categories: psychological rewards such as positive feedback, praise, or approval, and material rewards such as a raise, an award, or special recognition.

Although originally defined as a transactional component, further studies determined that CR could be seen as both transactional and transformational in nature. A study by Silins (1994) found that any external material reward, such as a pay raise, should be categorized as transactional reinforcement and any internal psychological reward, such as praise, transformational. Upon further analyzing the large body of data collected by Avolio and Bass (1999), Antonakis (2001) was able to confirm this finding and further show that contingent rewards fell under both styles of leadership, depending on the type of reward.

Management by Exception (MBE)

MBE can fall into two separate styles: active and passive. When a leader employs active MBE, they are constantly monitoring aberrations, errors, and inconsistencies in their followers' performance with the hopes of identifying and dispelling a problem before it appears. Once a deviation has been identified, the leader then takes proactive steps to correct these issues. When acting passively, a leader does not monitor follower performance or take any corrective action before a problem appears. Corrective action can range from negative feedback, expressing displeasure to official disciplinary action.

3.1. Full Range Leadership Model

In 1991, Avolio and Bass added a third style to Bass' multidimensional theory – laissez-faire leadership, or nonleadership. This style is characterized by an absence of leadership. Leaders who employ this style avoid responsibility and leave the decision-making process entirely up to their subordinates. This new model was called the Full Range Leadership Model and studies were conducted to determine the most effective form of organizational leadership as defined within the model.

When analyzing a leader's role, it can be determined that transformational leadership is the most participatory style, followed by transactional leadership, with laissez-faire leadership, by definition, being the least participatory style. In an empirical study, Avolio and Bass (1999) found that transformational leadership was more effective than transactional leadership, which was more effective than laissez-faire style leadership.

In a marriage between Type I research and Transformational and Transactional Leadership theory, Bono and Judge (2004) conducted a meta-analysis to determine the relationship between personality traits and the ratings of transformational and transactional leadership behaviours. According to their findings, the so called "Big Five Traits" could determine whether a person was inclined to be a transformative or transactional leader.

1. Extraversion/introversion – as related to social interaction and leadership aspects of the subjects' personalities, the more extraverted a person is, the more likely they are to be a transformational leader. Conversely, the more introverted a person, the higher the likelihood of adopting a transactional leadership style.
2. Neuroticism – results determined that people suffering from neuroticism tended to experience more anxiety related to productivity which has negative effects in a situation where they are expected to lead a group. This can lead to lower self-esteem and cause a propensity to avoid responsibility. Thus, the more neurotic a person is, the more likely they are to adopt a transactional leadership style.
3. Openness – Bono and Judge defined openness as "tendencies to be creative, introspective, imaginative, resourceful, and insightful" (p. 903). They determined that being open is a key trait of transformational leadership. It enables leaders to translate broad goals on an organizational level into their daily leadership activities.
4. Agreeableness – although direct correlation data between agreeableness and transformative leadership was weaker than the other traits, it was determined that

individuals who possess agreeableness also scored strongly in Charismatic Leadership and Idealized Influence, both defining components of transformational leadership.

5. Conscientiousness – studies suggest that since conscientious leaders are more goal and detail oriented, they exhibit less vision and creativity (p. 903). Therefore, it stands to reason that the more conscientious an individual is, the more they adopt the transactional leadership style.

While Transformational and Transactional Leadership Theory, and the more advanced Full Range of Leadership Model, is one of the most developed and widely accepted theories to date, it is not without its faults. The MLQ scale is designed to only determine the frequency of which leaders are transformational or transactional. In many cases, leaders can score high in both, low in both, or even score in the middle and employ different behaviour in specific circumstances. Antonakis (2001) found that while the foundations and principles of the model were sound, there were a variety of factors that affected the results. He lists the gender of leaders and followers, the risk and stability of conditions, and the leaders' hierarchical levels as examples of factors that should be taken into account when applying the model.

4. Emotional Intelligence Based Leadership

A relatively new theory in the field of leadership, Goleman (1995, 1998) introduced a framework of emotional intelligence (EI). This framework identified how certain skills that relate to self-awareness, self-management, social awareness, and relationship management can be leveraged to promote efficiency in leadership and organizational success. According to Goleman, emotional competence is “a learned capability based on emotional intelligence that results in outstanding performance at work” (2001, p. 27). Goleman suggested the following framework as the key to understanding EI fundamentals and the therein associated emotional competencies:

	Self (Personal Competence)	Other (Social Competence)
Recognition	Self-Awareness <ul style="list-style-type: none"> • Emotional self-awareness • Accurate self-assessment • Self-confidence 	Social Awareness <ul style="list-style-type: none"> • Empathy • Service orientation • Organizational awareness
Regulation	Self-Management <ul style="list-style-type: none"> • Emotional self-control • Trustworthiness • Conscientiousness • Adaptability • Achievement drive • Initiative 	Relationship Management <ul style="list-style-type: none"> • Developing others • Influence • Communication • Conflict management • Visionary leadership • Catalyzing change • Building bonds • Teamwork and collaboration

Table 4: *A Framework of Emotional Competencies. (Goleman, 2001, p. 28).*

These competences represent skillsets that require a strong understanding and natural ability of the EI fundamentals. However, understanding the fundamentals does not guarantee proficiency in any certain emotional competence. These are skills that must be learned and practiced in order to apply them effectively in a position of leadership. All 20 of the competencies mentioned in the framework have been determined to contribute to leadership performance and organizational success (Goleman, 2001).

The first component, Self-Awareness, represents competencies dependent on the ability to recognize one's own emotional states, strengths and limits, and self-worth and capabilities. The relationship between being self aware and above-average performance is supported by the data; Goleman determined that average performers tend to overestimate their abilities whereas "star performers" rarely do; in fact they tend to underestimate their own abilities. A critical characteristic of this component is self-confidence. Goleman found that leaders who exhibit high levels of self-confidence as a result of emotional self-awareness earn respect and trust from their follower easier than leaders who lack self-confidence, thus being a more effective leader. In a sixty-year study using over 1000 high-IQ men and women tracked from early childhood to retirement, subjects who possessed self-confidence early on were most successful in their careers (Goleman, 2001).

The second component, Self-Management, draws from the competencies based on self-awareness and focuses on learning to control and leverage the knowledge and understanding about one's self. A leader must be able to control their emotions and handle stressful situations in an efficient manner. Goleman cited a study that found that store managers who are able to efficiently manage their own stress and negative emotions run the most profitable stores. Two competencies stand out as being exceedingly important in the digital era – adaptability and initiative. These two skills are closely related and determine how comfortable a leader is with novel ideas and approaches, and how well they react when implementing required changes within their teams, organizations, or personal leadership style. Achievement drive not only refers to a leader's ability to harness their personal drive and ambition in order to work towards their organization's goals, but also strive to continuously improve performance. Star performers among C-level executives were found to take more calculated risks, show more support for innovation, and set more challenging goals for their employees (Goleman, 2001).

The third component, Social Awareness, is heavily based in a leader's ability to be empathetic. Appropriately identifying and reacting to the feelings, needs, and concerns of followers is a skill first identified within transformational leadership theory and has since been widely accepted as a key factor in employee performance. Empathetic leaders are better able to pick up on nonverbal social cues, understand the value of intellectual capital and how it can be properly applied to promote success within an organization, recognize the various strengths and weaknesses in regard to cultural differences, and realize their role in the organization and utilize this position to effectively achieve results. Star performers

are able to separate their biases from the current situation and respond more effectively when realizing solutions.

The fourth component, Relationship Management, is the ability to take the information collected by being socially aware and use it to lead efficiently. A leader should be able to inspire and motivate their followers, retain and develop talent within an organization through feedback, guidance, and excellent team leadership skills, and ensure that collaboration remains efficient through conflict management, change management, and effective communication. Focussing on developing EI on a team level also proves to be advantageous; teams with a higher collective EI level are more productive and perform better. The mood among team members is also a shared phenomenon, and better moods have been shown to further improve performance. When a team leader outwardly radiates a positive attitude at work, it promotes both worker effectiveness and retention. Studies show that when upper-management leaders express positive emotions and harmonious relationships, overall company effectiveness increases (Goleman, 2001). Capitalizing on each team member's specific strengths and weaknesses in the form of delegation and shared leadership is also an important competence that is becoming more and more essential in a global, technology-driven work environment.

4.1. Emotional Intelligence and Organizational Success

Goleman suggested that while an effective leader will possess at least one competence from each of the four components, the fundamentals of EI function most effectively in synergistic groupings, i.e. clusters of competencies spread throughout an organization that compliment each other and promote cooperation and inter-organizational support systems. Studies show that a leader's strength within each EI competence cluster can be measured along a "continuum of mastery" and each continuum has a "tipping point" (Goleman, 2001, p. 39) which represents the point of mastery where there is a significant increase in performance. One study determined that this tipping point was reached when people excelled in six or more EI competencies. Proficiency beyond the tipping point was referred to as "critical mass of competencies" and data showed that average performers merely met the tipping point goal, while above-average performers exceeded the minimum tipping point requirement for at least six competencies, as well as demonstrated proficiency in at least one competency from each component. These results were replicated

in a study conducted among high-level leaders at a large financial services company and used to determine correlation between EI and financial success. It was shown that meeting or surpassing the tipping point in at least three out of the four EI clusters was a consistent indicator for success. Further analysis determined that, in the case of this company, strength in the Self-Awareness cluster accounted for an increase of 78 percent more incremental profit; Self-Management accounted for 390 percent more profit; and Relationship Management accounted for 110 percent more profit. These results suggest that the Self-Management competencies, such as controlling one's emotions, staying motivated and goal-oriented, promoting trustworthiness, and reacting in a highly adaptive manner have the largest effect on being an effective leader and ensuring organizational success.

To further expand his EI theory, Goleman analyzed data from 3,781 executives and concluded that this theory is highly contingent in a circular way; the competencies in which a leader excels influence 50 to 60 percent of how employees perceive the work climate within an organization and, as such, a leader should carefully select a style of leadership based on the desired outcomes and corporate climate. Goleman defines six leadership styles within the theory of EI:

Leadership Style	EI Competencies	Impact on Climate	Objective	When Appropriate
Visionary	Self-Confidence, Empathy, Change Catalyst, Visionary Leadership	Most strongly positive	Mobilize others to follow a vision	When change requires a new vision or when a clear direction is needed
Affiliative	Empathy, Building Bonds, Conflict Management	Highly positive	Create harmony	To heal rifts in a team or to motivate during stressful times
Democratic	Teamwork and Collaboration, Communication	Highly positive	Build commitment through participation	To build buy-in or consensus or to get valuable input from employees
Coaching	Developing Others, Empathy, Emotional Self-Awareness	Highly positive	Build strengths for the future	To help an employee improve performance or develop long-term strengths
Coercive	Achievement Drive, Imitative, Emotional Self-Control	Strongly negative	Immediate compliance	In a crisis, to kick-start a turn around, or with problem employees
Pacesetting	Conscientiousness, Achievement Drive, Initiative	Highly negative	Perform tasks to a high standard	To get quick results from a highly motivated and competent team

Table 5: *Leadership style, EI, and organizational effectiveness (Goleman, 2001, p. 42).*

Empirical studies showed that the most effective leaders regularly employ at least four of the six styles, switching between whichever style they deem most appropriate for any specific situation. In a study of life insurance companies, organizational success as measured through corporate growth and profit was higher when the CEO displayed proficiency in all four of the styles that have a positive impact on organizational climate – visionary, affiliative, democratic, and coaching – and rarely employed coercive or pacesetting styles.

Goleman concludes that based on all the data presented, EI-based leadership is the largest contributing factor of climate within a company, which in turn is responsible for 20 to 30 percent of organizational success (Goleman, 2001).

5. The Role of a Leader

Although most traditional leadership literature tends to focus on leadership traits and behaviours, some researchers tried to re-examine the role of management and leadership within organizations. Early management theorists made little differentiation between the function of management and leadership. Davis (1951) stated that the overarching role for both managers and leaders is to plan, organize, and control their organization's actions. These tasks were considered by those involved in the research at the time to be completely rational processes and little to no attention was given to humanistic aspects of leadership within an organization (Bass, 2008). It wasn't until 1973 that Adair expanded the managerial role to include "planning, initiating, controlling, supporting, informing, and evaluating" (Bass, 2008, ch. 23).

While most classical management theorists ignored the differences between management and leadership, other academics who were perhaps more familiar with cognitive, behavioural, and socioemotional fields argued that organizational leadership was made up of more than just strategic aspects. Gross (1961) strongly believed that the role of leadership needed an expanded definition and posited that a leader within an organization must: "define goals, clarify and administer them, choose appropriate means, assign and coordinate tasks, motivate, create loyalty, represent the group, and spark the membership to action" (Bass, 2008, ch. 23). The argument stands that leaders of and within organizations must not only be able to undertake the rational and intellectual roles as defined in classical management theory, but also subscribe to social and emotionally-intelligent behaviour in order to best support their subordinates and promote success within the organization.

This reimagining of management theory to include a separation, yet strong overlap between managing and leading was quickly accepted in the academic and professional communities. Richards and Inskeep (1974) conducted a study among 87 business school deans, 58 business executives, and 40 executives in trade associations trying to discover in which area middle managers required the most continuing education. Participants listed improving human relations skills as the top priority with quantitative and technical skills being considering of secondary importance. Even in 1974, the classical idea of an emotionless, rational manager was being rejected as an efficient method of leading within an organization.

Still, some academics clung to the idea that there is a large distinction between leaders and managers. Examples of this distinction can be found in Terry (1995), where the argument is that leadership must conform to the idea that an organization is a living organism, whereas management regards the organization as a mechanism. Parry (1996) related leadership and management to transformational theory and argued that leaders are more transformational and managers are more transactional. He followed this up with the assumption that leaders tend to do more correct things whereas managers tend to do more things correctly. Parry did, however, use examples to argue that it is possible for an individual to be both a transformational manager and a transactional manager and that the employment of one style does not exclude an individual's ability to shift and change styles as the situation requires. Bhatia (1995) placed the distinction away from the individual and focuses more on the setting, arguing that leaders are more likely to be found in a hectic environment and managers in a stable and static environment. Gardner however, rejected these broad distinctions:

Every time I encounter an utterly first-class manager, he turns out to have quite a lot of leader in him . . . even the most visionary leader will be faced on occasion with decisions that every manager faces: when to take a short-term loss to achieve a long-term gain, how to allocate scarce resources among important goals, whom to trust with a delicate assignment. (1986, p. 7).

In further publications (1988, 1993), Gardner clarified that a distinction does not exist between a leader and manager, but rather between a leader-manager and routine-manager. According to Gardner, a leader-manager is able to think in the long-term, see beyond the specific unit that they lead, understand the "big picture" and vision of the organization, and influence other members of the organization outside of their unit. They place emphasis on values, motivations, and can competently deal with conflict through mediation and compromise. Gardner briefly referenced trait theory and stated that the leader-manager must possess political skills and socioemotional competencies. When compared with transformational leadership theory, it is obvious that Gardner's definition of a leader-manager falls directly under the scope of a transformational leader, whereas the routine-manager, who, according to Gardner, lacks the aforementioned skills and abilities, falls under the scope of a transactional leader.

Bass provided the following differentiation between leaders and managers:

Leaders manage and managers lead, but the two activities are not synonymous . . . Nevertheless, some managers do not lead, and some leaders do not manage . . . Leadership is path-finding; management is path-following. Leaders do the right things; managers do things right. Leaders develop; managers maintain. Leaders ask what and why; managers ask how and when. Leaders originate; managers imitate. Leaders challenge the status quo; managers accept it. Leaders function in a higher domain of cognitive analysis, synthesis, and evaluation; managers function in a lower cognitive domain of knowledge, comprehension, and application. Leadership is concerned with constructive or adaptive change, establishing and changing direction, aligning people, and inspiring and motivating people . . . They set the direction for organizations. They articulate a collective vision . . . They sacrifice and take risks to further the vision . . . They inspire followers by exhibiting self-confidence, persistence, and determination. They influence their followers through the esteem attributed to them by their followers . . . Managers plan, organize, and arrange systems of administration and control. They hold positions of formal authority. Their position provides them with reward, disciplinary, or coercive power to influence and obtain compliance from subordinates. The subordinates follow directions from the manager and accept the manager's authority as long as the manager has the legitimate power to maintain compliance—or the subordinates follow out of habit or deference to other powers of the leader. Management is concerned with consistency and order, details, timetables, and the marshaling of resources to achieve results. It plans, budgets, and allocates staff to fulfill plans (Bass, 2008, ch. 23).

This definition of what constitutes a leader and what constitutes a manager is perhaps the most comprehensive to date. It is founded in a plethora of historical research and theory and comprehensively outlines the traits, behaviours, and tasks required in each respective role without explicitly stating which method is better or worse. It is clear however, that a successful leader within an organization must apply situational reasoning to determine the best course of action in any given scenario.

6. The Future of Leadership

6.1. Leadership and Culture

When discussing leadership and culture, this chapter will make two important distinctions. The first is the major impact that globalization has on leadership and how cultural differences should affect a leader's behaviour. The second is how the global work culture is changing and evolving in the digital era. This topic focuses on recent and upcoming trends and mindsets that change the way leaders and followers perceive the work environment, thereby affecting the necessary dimensions required for successful leadership.

6.1.1. International Cultural Differences

With the current expanse of globalization and rise of international organizations, it is important to note that many of the theories of leadership mentioned in chapters 2 and 3, although applicable in many universal situations, are very Americentric. This section will review leadership from a more global perspective and analyze how the literature suggests that cross-cultural leadership be handled.

Founded in 1991, the Global Leadership and Organizational Behavior Effectiveness (GLOBE) research project is an international study that utilizes over 200 researchers to analyze cross-cultural leadership across 62 cultures around the world. The goal of GLOBE is to examine the relationship between culture, leadership, and organizational practices and use empirical data to identify specific leader attributes and behaviour that can be considered beneficial or detrimental. GLOBE employs all four perspectives of leadership theory to create the most comprehensive body of quantitative and qualitative data to-date.

In order to adequately measure the differing values and beliefs between cultures, GLOBE defined nine core dimensions of cultural competencies based on Hofstede's cultural dimensions theory and McClelland's theories of national economic development and human motivation².

² For more information see Hofstede (1980) and McClelland (1961, 1988).

<u>Competency</u>	<u>Definition</u>
Uncertainty avoidance	the extent to which members of an organization or society strive to avoid uncertainty by reliance on social norms, rituals, and bureaucratic practices to alleviate the unpredictability of future events.
Power Distance	the degree to which members of an organization or society expect and agree that power should be unequally shared.
Institutional Collectivism	the degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action.
In-group Collectivism	the degree to which individuals express pride, loyalty and cohesiveness in their organizations or families.
Gender Egalitarianism	the extent to which an organization or a society minimizes gender role differences.
Assertiveness	the degree to which individuals in organizations or societies are assertive, confrontational, and aggressive in social relationships.
Future Orientation	the degree to which individuals in organizations or societies engage in future-oriented behaviors such as planning, investing in the future, and delaying gratification.
Performance Orientation	the extent to which an organization or society encourages and rewards group members for performance improvement and excellence
Humane Orientation	the degree to which individuals in organizations or societies encourage and reward individuals for being fair, altruistic, friendly, generous, caring, and kind to others.

Table 6: GLOBE research program nine attributes of cultures (adapted from House et al. (2014, p.7)

Once the societal and organizational cultural differences were identified and measured, GLOBE's next step was to identify to what extent specific leader attributes and behaviours could be seen as universally beneficial or detrimental to leader performance, and to what extent these specific attributes and behaviours are related to cultural characteristics. This represented a modern, empirical analysis of Type I and II perspectives versus Type III and IV perspectives.

GLOBE created a questionnaire containing 112 leadership traits, skills, behaviours, and abilities which they deemed potentially relevant to leadership effectiveness. Using the data collected from over 17,000 managers in 62 societies (House et al., 2004), researchers identified 21 primary leadership traits and behaviours that were determined to be universally beneficial to leadership effectiveness, eight specific leadership traits and behaviours that were determined to be universally detrimental to leadership effectiveness, and 35 specific leadership traits that were determined to be culture specific, i.e. viewed as beneficial in some cultures and detrimental in other cultures.

<u>Universally Beneficial</u>	<u>Universally Detrimental</u>	<u>Culturally Contingent</u>	
Trustworthy	Loner	Able to anticipate	Procedural
Just	Asocial	Ambitious	Provocateur
Honest	Noncooperative	Autonomous	Risk taker
Foresight	Irritable	Cautious	Ruler
Plans ahead	Nonexplicit	Class conscious	Self-effacing
Encouraging	Egocentric	Compassionate	Self-sacrificial
Positive	Ruthless	Cunning	Sensitive
Dynamic	Dictatorial	Domineering	Sincere
Motive arouser		Elitist	Status-conscious
Confidence builder		Enthusiastic	Subdued
Motivational		Evasive	Unique
Dependable		Formal	Willful
Intelligent		Habitual	Worldly
Decisive		Independent	
Effective bargainer		Indirect	
Win-win problem solver		Individualistic	
Administratively skilled		Intra-group competitor	
Communicative		Intra-group conflict avoider	
Informed		Intuitive	
Coordinator		Logical	
Team builder		Micro-manager	
Excellence oriented		Orderly	

Table 7: *GLOBE Leader Attributes (adapted from House et al. (1999, pp. 83-85).*

Using these attributes, GLOBE produced 21 primary dimensions of leadership and, using second-order factor analysis, further narrowed these down to a set of six global leadership dimensions which formed the Culturally Endorsed Leadership Theory (CLT) (House et al., 2004). The six CLT dimensions, along with the 21 primary factors, are described in Table 8:

<u>CLT Dimension</u>	<u>Primary Factor</u>
Charismatic/ Value-Based Leadership: Reflects the ability to inspire, motivate, and expect high performance outcomes from others based on firmly held core values.	Visionary
	Inspirational
	Self-sacrifice
	Integrity
	Decisive
	Performance oriented
Team-Oriented Leadership: Emphasizes effective team building and implementation of a common purpose or goal among team members.	Collaborative team orientation
	Team Integrator
	Diplomatic
	Malevolent (reverse scored)
	Administratively competent
Participative Leadership: Reflects the degree to which managers involve others in making and implementing decisions.	Nonparticipative (reverse scored)
	Autocratic (reverse scored)
Humane-Oriented Leadership: Reflects supportive and considerate leadership and includes compassion and generosity.	Modesty
	Humane orientation
Autonomous Leadership: Refers to independent and individualistic leadership attributes.	Autonomous
Self-protective Leadership: Focuses on ensuring the safety and security of the individual and group through status enhancement and face saving.	Self-centered
	Status conscious
	Conflict inducer
	Face saver
	procedural

Table 8: CLT dimensions and primary factors (Adapted from House et al., 2004)

The GLOBE study used empirical evidence to further solidify the fact that none of the four perspectives of leadership theory can be dismissed as invalid. The results show that while there are indeed a list of traits and behaviours that are universally accepted as beneficial, even more were identified as culturally contingent. The variances among efficient leadership behaviours and traits on an international level seem indicative of a transformational (or variation thereof) leadership style mixed with Emotional-based Leadership. By applying the results of the GLOBE study, researchers have been able to determine which cultural-specific dimensions can be used to predict the most appropriate

CLT dimensions for a leader. For example, in a high-performance oriented culture, a leader who is charismatic, team oriented, and participative would be to most successful.

Although the GLOBE study efficiently establishes a relationship between national culture and leadership dimensions, it reflects very little on how severe organizational success depends on said leadership dimensions. However, it enabled a further analysis of the relationship between the importance of national cultural and organizational success. Dulewicz and Higgs (2003) defined three groups of leadership competencies: Managerial Leadership Cluster (MQ), Intellectual Leadership Cluster (IQ), and Emotional Leadership Cluster (EQ). According to their study, EQ accounts for 36 percent of the variation on leadership performance, IQ accounts for 27 percent, and MQ accounts for 16 percent (Turner, Müller & Dulewicz, 2009). Müller and Turner (2010) expanded on this study, discovering that, while the exact requirements can change depending on the project-specific situation, nine percent of organizational success can be attributed to EQ and MQ competencies found in leaders. Despite the fact that EQ competency appears to be the most important factor, Turner et al. (2009) argue that according to the literature, all three competencies must be present in order for a manager to effectively lead and deliver projects successfully.

The results of the GLOBE study provide a list of six universal leadership dimensions that are empirically proven to contribute to leader efficiency. When reviewing the factors contained within each dimension, a large amount of overlap with the traits and behaviours found in transformational leadership theory can be observed. This finding implies that on a global scale, transformational leadership can be seen as the most effective when analyzing leadership from a universal approach. However, transformational leadership is a derivative of contingent leadership theory, therefore situational circumstances must be taken into account. This is also represented in the GLOBE study, with a large number of traits and behaviours being recognized as culturally contingent, reflecting the practical need for leaders to be actively aware of all situational factors which could have an impact on their leadership style. Further studies find direct correlation between leader competencies and project, and thereby organizational, success. It can therefore be posited that organizational success is dependent on not only which leadership traits a manager possesses, but also the contingent behaviours that a manager employs when leading teams within an international organization.

6.1.2. Work Culture in the Digital Era

As we stand on the cusp of the fourth industrial revolution, Jakubik and Berazhny (2017) considered digitalization an “essential factor” (p. 471) that will determine success in the digital age. Vielmetter and Sell (2014) conducted a megatrend analysis with a focus on leadership and identified that current and future trends predict a necessary transition from an egocentric leadership style to an altrocentric leadership style. The idea of an “alpha male leader” can no longer be accepted in an environment where innovation and creativity are the keystones of organizational success. Salicru (2015) proposed a new model of leadership based on these predictions. The Global Leadership Psychological Contract (GLPC) promotes innovative behaviour which shifts focuses to leader accountability, integrity, ethics and fairness, and trust. This model also takes into account cultural contingencies based on GLOBE research. The GLPC outlines a framework for the future that “aims at balancing the power and diverse interests between leaders and their constituents, followers, or stakeholders within the context of the impending techno-socio-economic revolution . . . this model promotes greater leader accountability, transparency, and integrity; leader-follower emotional connection and satisfaction; collective relentless effort, creative thinking, and innovation” (Salicru, 2015, p. 169).

Jakubik and Berazhny use this literature to identify three major, economical paradigm shifts as they relate to leadership:

Time	Industrial Economy	Knowledge Economy	Creative Economy
Focus on context	Physical place	Place and space	Space (digital, virtual space)
Knowledge	Applying existing knowledge	Sharing knowledge	Enabling new knowledge creation, innovation
Organizations are	Formal	Informal, open systems	Organic, open systems
Communication	Human to human (H2H)	Human to machine (H2M)	Machine to human (M2H), Machine to machine (M2M)
Becoming a leader	Inherited position, appointed by other leaders	Leader has voluntary followers based on his/her behaviour, actions	Leaders are emerging through their values, believes <i>[sic]</i>
Leadership	Leader-focused (egocentric)	Relational/Shared/ distributed leadership	Altrocentric/Phronetic/ Anticipatory/Creative leadership
Leadership practices	Command & Control	Connect & Communicate	Collaborate & Co-create

Table 9: Emerging leadership paradigm (Jakubik & Berazhny, 2017)

The shift from egocentric to altrocentric leadership can be viewed as a function of the paradigm shift as described by Jakubik and Berazhny:

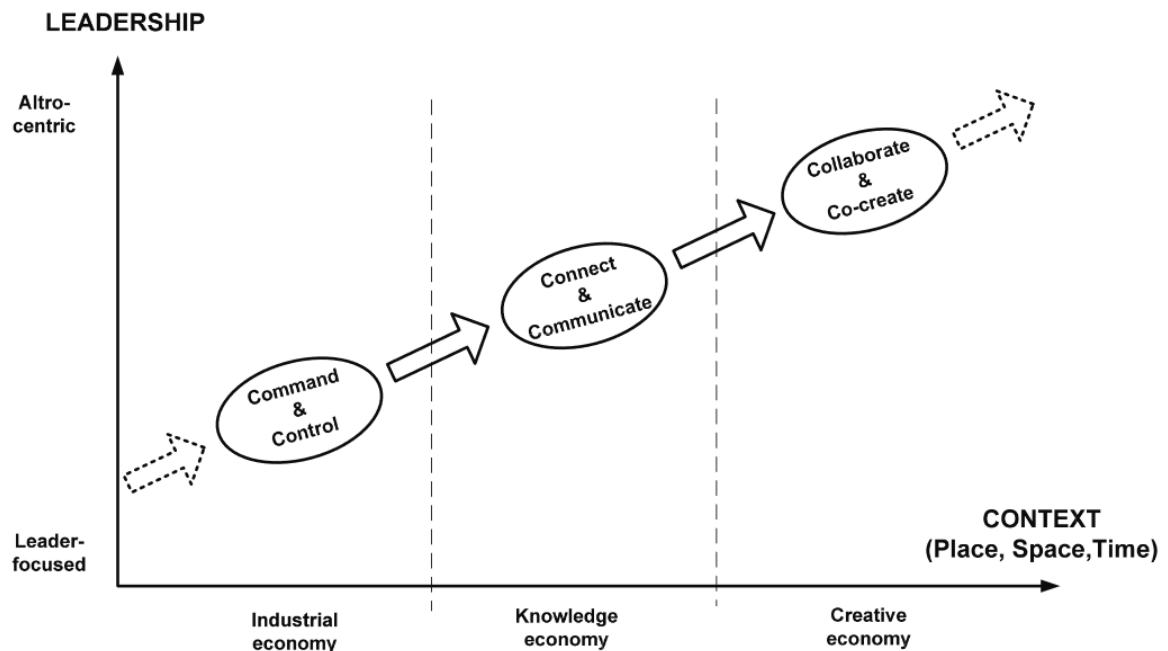


Figure 1: Evolving leadership practices (Jakubik & Berazhny, 2017, p. 473)

As society moves away from an industrial-driven economy, through a knowledge-driven economy and into a creative-driven economy, the classical leader-focused style becomes less effective and accepted by followers. In order to test their emerging paradigm theory, Jakubik and Berazhny created a questionnaire to discover how digitalization is changing current and future leadership practices. Respondents reported that leadership has already become heavily digitized, but that empathy and humanity must remain an essential aspect of leadership. Well-adopted digital infrastructure enables team members to fluidly take on the role of leader and follower, enabling participative and shared leadership. This style of leadership will be further analysed in chapter 6.2.

Respondents stated that empathy, management skills, the ability to build trust and motivate and energize others, and to maintain transparency and accountability will be essential tools in any future leader's toolbox. Digital advancements can be seen as powerful supplements for leadership but will not compensate for a lack of ability to lead (Jakubik & Berazhny, 2017).

6.2. Leadership and Technology

The exponential rate at which technology has developed over the past two decades has drastically altered the nature of the workplace. The ways in which humans view work and employment has evolved radically and continues to evolve as we progress into the 21st century. The speed at which the academic fields concerning management, leadership, and organizational behaviour have developed is objectively unproportionate to the change that technology has brought into those fields on a practical level. Kellogg et al. stated that "organizational scholarship has not kept pace with the ways that algorithmic technologies have the potential to transform organizational control in profound ways, with significant implications for workers" (2019, p. 2). The gradual transition from an industrial to post-industrial society³ has seen the manufacturing-based economy replaced by a service and information-based society, the shift of value from physical capital to human capital, and an explosion in globalization and labour automation. In order to remain competitive in a modern, global environment, companies must strive for innovation. Although this transformation has resulted in a plethora of novel and innovative theories and models being proposed in the fields of psychology and sociology, newer leadership theory is still very

³ For more information see Bell (1973).

much grounded in the traditional methodology of studies conducted during the industrial era. Newer literature tends to concern itself less with creating new theories and models, instead choosing to focus on leader and leadership development.

6.2.1. Teamwork and Technology

The first step to understanding the relationship between leadership and technology is to analyze how teamwork has evolved with the implementation of digital tools in the workplace. First, it is important to understand that the way that teams are formed has changed considerably over the past decade. Large organizations are no longer bound by strict interview restrictions or geographical boundaries. It has become common place for companies such as Netflix or Apple to hold competitions in an effort to source innovation (Dissanayake et al., 2018). These organizations, many of which are well-established, can now leverage top performers from around the world to create innovative solutions and drive the market. Not only has the sourcing of followers evolved, the channels of communication have become increasingly advanced. What started with the introduction of email has quickly evolved into instant messaging services, video conferencing systems, and online cloud platforms that enable real-time collaborative cooperation. Where the 20th century saw the advancement of self-managing teams (Stewart & Manz, 1995), trends in the 21st century are racing towards crowd-sourced labour (Kittur et al., 2013).

In a study of leadership among virtual teams, Hoch and Kozlowski determined that “virtual teams are more difficult to lead than face-to-face teams” (2014, p. 391). Leaders must be aware of the difficulties and compensate for the issues and challenges that arise in a virtual setting. This complexity is increased for every additional channel of virtual communication that a team employs. One of the biggest challenges is the lack of nonverbal communication and the following interpretation of meaning based solely on verbal (or written) communication. This interpretation is based on individual understanding and can vary significantly among an international team with different cultural backgrounds, values, and norms (Maznevski & Chudoba, 2000; Meyer, 2015). Paul and McDaniel (2004) conducted an in-depth study of the correlation between trust and collaboration performance in a virtual setting. They discovered that trust is absolutely integral to the proper function of virtual teams. After conducting a thorough literature review, Larson and DeChurch (2020) compiled a list of tasks, behaviours, and leadership styles that a leader should focus

on to help virtual teams overcome the therein associated challenges. Leaders should encourage high-quality, socially oriented communication in order to create and promote trust and unity among virtual team members. They should focus on relationships rather than official tasks and employ a transformational leadership style rather than transactional. Furthermore, they determined that a clear hierarchical leadership structure is less effective than a shared leadership structure among team members in a virtual space. When all leadership responsibilities are placed on the shoulders of one person it “requires more time and effort than your average face-to-face team due to the technological tools that must be used in order to complete typical leadership activities, such as motivation and direction-setting” (p. 5). Larson and DeChurch use the online self-formation of groups and teams to explain a modern, digitized form of shared leadership, specifically, the example of the online encyclopaedia *Wikipedia*. There is one group of people who act as administrators; they ensure that the technical infrastructure is working and well maintained. This technically stable assurance is, however, where the leadership tasks of this group ends. Wikipedia is an example of a team content creation tool where shared leadership is spread amongst the individuals who contribute content to the site. These contributors not only form autonomously and self-regulate their work, they do so as volunteers with no expectations of monetary consideration; team members, and leaders, donate their time and contribute to the knowledge base purely for the intrinsic rewards. The articles on Wikipedia are created and updated by a fluid team of individuals who do so purely to “harness the collaborative efforts of many individuals in order to create artifacts of lasting value” (p. 7). Zhu et al. (2011) not only proved that shared leadership is a present and effective tool among Wikipedia contributors, but that it is in fact the digital technology that shaped the form of leadership, rather than any single individual’s behaviour. Examples such as this show us that shared leadership, even among teams of individuals who have never met or spoken, is a viable and efficient style in a post-digital world.

6.2.2. Leading Robots and Artificial Intelligence

Looking beyond technology as a method of communication and contribution, evolving fields in robotics and artificial intelligence (AI) are redefining the basic definition of a team (Yen et al., 2001). Dewhurst and Willmott already argued in 2014 that “the advances of brilliant machines will astound us, but they will transform the lives of senior

executives *only* if managerial advances enable them to.” The success of future team collaboration will hinge upon a leader’s ability to not only accept technology as a crucial part of their team, but to effectively leverage the advantages that AI and technology offer. Larson and DeChurch believed that technology should not be seen as a tool that constrains or augments the team’s ability to operate, but rather as a social entity that holds a place as an equal among team members. Examples of technology as a team member can be seen as early as assembly lines in factories (physical labour) or code breaking software in World War 2 (cognitive labour). Although little empirical data exists which focuses on leader behaviour in regard to leading a technology/human mixed team, some preliminary studies indicate the leaders’ role in promoting acceptance of technology within the team plays a vital role in overall team performance. Hancock et al. (2011) determined that a team member’s trust in a robotic teammate is highly dependent on the robot’s performance and how its competence is communicated by the leader. You and Robert (2018) found that team performance is significantly better when the team members have an emotional attachment to a robot teammate. This data would imply that it is not only a leader’s role to facilitate the interactions between human and robotic teammates, but also to be highly aware of the method with which they introduce and explain technology to the team.

While the advancement of technological team members carries a number of perks, it is a leader’s responsibility to be aware of the limitations of the technology and effectively communicate these to their human followers. Overreliance on technology, especially machines augmented with AI, can have catastrophic results. A recent example of this can be seen in the 2019 Boeing 737-Max crashes. Pilots were unaware of a certain limitation in the new navigation system and as a result did not take manual control of the aircraft when the situation called for it. A leader must have an intricate knowledge of all teammates, both human and synthetic, and clearly define strengths and weakness in order for a mixed team to function properly.

Although these additional tasks may appear daunting at first to an inexperienced leader, it should be noted that, as with many other roles within an organization, technology can alleviate the more menial tasks that often take up much of an employee’s time. Two interesting examples are often brought to light when discussing an AI’s contribution to a managerial role: the first assumption is that an AI will reduce the amount of time that leaders spend on administrative tasks. Team scheduling, coordinating, and planning are all time-consuming responsibilities which could be outsourced to an AI. Ceding these tasks to

a synthetic team member would afford the leader more time to focus on sociological and cognitive processes, such as inter-team relations and knowledge sharing. The second assumption is that as the capacity of AI grows, so do the complicated algorithms and decision-making abilities that can be delegated to an AI team member. Instead of spending time pouring over raw data, leaders can instead apply their social and interpersonal expertise to solve issues that require both logical and emotional intelligence. This theory returns to the aforementioned idea of shared leadership, where responsibility is delegated among team members. When viewing technology as a team member, it only makes sense that a certain amount of responsibility is delegated to them alongside their human counterparts.

6.3. Leadership Development

As briefly mentioned in chapter 2.2, initial Type II research introduced the idea that leadership is in fact a skill that can be learned, developed, and improved. As late as 1994 academics were already proposing models for developing and teaching leadership (McGill & Slocum, Wren). Bass (2008) identifies four effective ways that leaders learn, and eight effective practices that can be used to develop leaders. Leaders can learn and improve by “(1) modeling themselves after esteemed persons; (2) adopting an implicit idea about what to do and trying to do it; (3) observing how to solve a problem as an opportunity for experience; and (4) seeking truth through observation, conceptualization, deduction, and/or experimentation.” (ch. 34). The best practices in developing leaders as summarized by Bass and based on feedback from six international organizations include:

1. leadership development has been aligned with corporate strategy;
2. leadership development has mixed educational and business interests;
3. the particular competencies and characteristics of successful leaders in their own organization have been defined;
4. development of leaders is emphasized, rather than recruitment from outside;
5. action learning and real-time business issues are the basis of leadership development;
6. leadership development is linked to succession planning;
7. leadership development is supported by top management throughout the success of the effort; and
8. evaluations of the leadership development effort, from quantitative to anecdotal, are ongoing (2008, ch. 34)

By 1997, leadership was no longer viewed by institutions as a question of “nature versus nurture”. A study of 540 organizations spread across various professional fields found that 93 percent of the 540 were actively engaged and promoting management and supervisory skills training. The results of the study also showed that companies considered to be “leading edge” spent more money on training than companies considered to be more “classical”. These “leading edge” companies also tended to be leaders in technology and boasted a higher adoption rate for new technologies (Bass, 2008, ch. 34).

The previous two sections outlined how the workplace is changing from a cultural and technical perspective. These changes occur at an accelerating pace which appears to be self-propelling. Rosa (2013) posited a comprehensive theory of social acceleration and created the circle of acceleration designed to integrate three changes into a framework.

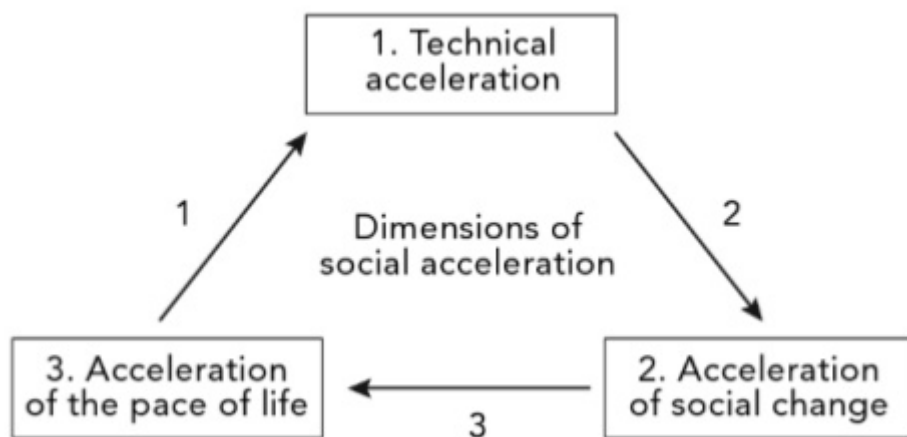


Figure 2: *The circle of acceleration (Rosa, 2013, p. 156).*

Newer trends in technical acceleration were previously discussed in chapter 6.2, but the exponential increase can be seen in historical trends as well, such as the increase of internet users worldwide or the exponential explosion of hard disk storage space since the turn of the 21st century. These advancements not only allow for more productive processes to be developed, but also require more training as the speed at which new hardware and software solutions are adopted in the workplace increases. These advancements in turn drive accelerated social change.

Faster social change means that the speed at which organizations adapt and change must increase in order to keep pace. Current trends have led to an increase in flexible and adaptive daily work. The value of knowledge, experience, and expectations of employees required to stay innovative and competitive is increasingly being diminished as the speed

at which these traits become obsolete accelerates (Rosa, 2013, pp. 22). The capacity to remain competitive is dependent on a leader's ability to adapt. The only way for a manager to be aware of these changes is through regular personal and professional development focussed on arming the leader with the traits and behaviours needed to succeed in the face of the ever-changing needs of a modern, post-industrial society.

Out of this high-pressure work culture comes the increased pace of life. Increased time pressures and pressure to perform have developed a workplace based on multitasking, overtime, and longer work weeks. These demands also bleed into the sphere of one's personal life and reinforce such adages as "stop and smell the roses". More contemporary trends, such as flexible working time and jobs advertising "life-work balance", have become more and more prevalent in recent years. These trends support the theory that management is transitioning from the egocentric to an altocentric leadership style and thus voices support for the transformational leadership theory and EI-based leadership. A manager is now required to be aware of the psychological tools used to combat the negative effects of accelerated social change. Such effects can include stress, burnout, and depression. Similar to how public leaders regulate inflation rates to promote a healthy economy, leaders in the private sector should understand that their role in a fast-paced digital era is to regulate the speed at which their followers' pace of life accelerates.

Much as transformational leadership places emphasis on contingent leadership behaviour and traits, Szwarc (2014) suggests that leadership development criteria should be individually selected based on the specific needs of the company. Training managers to lead using a certain style can only be effective if that style aligns with the corporate culture and employee expectations. Luckily for organizations, the digital era offers the solution for their custom requirements. The availability of online courses, interactive, social platforms, and digital learning tools enable customized solutions to the question of leadership development. According to Narayandas and Moldoveanu (2019), these tools make up the so called "personal learning cloud" (PLC). Organizations can use this flexible and easily accessible collection of tools to tailor-make training programs and provide all employees with the skills required for success in the digital workplace. They further outline three trends that are emerging in the field of leadership development.

First, the PLC enables organizations to create in-house training environments. It not only lowers the costs of training per employee, but also allows the department heads responsible for trainings to be more involved in the course creation process. A more

specialized set of required tools and experiences can be selected based on the individual needs of each employee or team within the organization. Due to the cost-effectiveness of digital learning environments, Narayandas and Moldoveanu foresaw an increase in company resources that are dedicated to leadership development (p. 43).

The second trend is the reduction of traditional classroom-based training for managerial development. Modern organizations now require leadership traits and behaviours, such as emotional intelligence and communication skills, that standard courses, usually offered at business schools and universities, were never designed to teach.

The third trend is the increase of third-party digital platforms and applications that offer personalized learning opportunities based on the user's role within an organization and their organization's needs. Platforms like LinkedIn Learning and Coursera now boast tens of millions of total users; some organizations offer employees corporate licenses to participate in any course relevant to their job performance.

The rapid digitalization of content and interaction, as previously discussed in the context of leading teams, also plays an important role in leadership development. The flexibility of the PLC allows trainers to efficiently mix and match low-cost content (lectures, case studies, groupwork, etc.) with high-value teaching methods (personalized coaching, individual and group feedback, project-based learning, etc.). Costs for training become associated with excellent service and results, rather than expensive tools and bureaucratic processes. This digitalization also allows for more value-efficient delivery. Trainings can not only be broadcasted online to larger numbers of participants but can also be easily recorded and shared with future trainees. In situations where meetings in person are not possible, either due to physical location or external restrictions such as the COVID-19 pandemic, the fast adoption of online communication platforms including Zoom, Skype, and Microsoft Teams has proven that digital meetings provide a simple, inexpensive alternative.

These trends share a common thread: leadership development is moving away from the universal, "one-size-fits-all" curriculum found in traditional institutions and towards a flexible, personalized, and socialized approach. Organizations are also starting to better realize the return on investment associated with properly training their leaders with the skills required to effectively lead in the digital era.

7. Material and Methods

This chapter describes the methodology employed when creating the questionnaire used in the course of this study. It presents the research question and hypothesis, design of the data collection method, brief biographies of the participants in the study, and the materials used to create and analyze the data.

7.1. Research Questions and Hypothesis

The purpose of the extensive literature review and focus of the questionnaire is to answer two related questions:

1. How has modern digitalization affected leadership?
2. What leadership traits lead to organizational success?

The author identifies that the qualitative nature of the study presents itself as a task revolved around fact-finding and interpretation. Bearing that in mind, the author presents the following general hypotheses:

- H1: Modern digitalization has significantly affected leadership. The rapid advancement of technology requires an equally rapid response from individuals in leadership roles.
- H2: Flexibility, Emotional Intelligence, and trust will be the dominant traits driving success within an organization.

The results of the literature review and qualitative study will be summarized and compared, and a conclusion will be drawn in the discussion section of this paper.

7.2. Questionnaire Design

In order to adequately assess the research question and hypothesis, a qualitative questionnaire was created to assess how current leaders view and understand the field of leadership, as well as their adaptations to digitalization in a pre- and post-COVID-19 landscape. The questionnaire was designed to collect sample data regarding how industry leaders who manage international teams view:

- Leadership traits as a whole
- How the digital transformation has affected leadership style

- Which leadership traits are required in an era of digital transformation
- How these traits have evolved over the course of the COVID-19 pandemic in 2020
- How these leadership traits assist leadership in their organization to shape international organizational success

These five focus points were divided into seven questions designed to supplement the author's literature review and provide empirical data which can be compared with the academic theories. The author had the opportunity to conduct two qualitative interviews in which the dialogue followed the same line of questioning as the questionnaire.

7.3. Participant Information

In total, two qualitative interviews were conducted and a further five leaders were asked to answer the questions provided in written form. This section will contain a short biographical summary of each participant which will provide additional insight when analyzing the answers provided. Any identifying information will be anonymized to ensure the privacy of the individual and the companies for which they are employed. Participants were selected from a wide pool of industries and roles, with the only linking factor being that they must work for an international organization and manage a team consisting of multiple nationalities.

Participant 1: EP

Participant 1, hereby referred to as EP, is the founder and Chief Executive Officer of a B2B SaaS customer service automation platform. The company utilizes smart conversational AI that uses natural language process and dynamic decisions trees to allow companies to create highly personalized chatbot conversations. EP currently manages a team of 35 people representing over 20 different nationalities. EP directly oversees three C-level managers, who in turn lead their own individual teams. Previously, EP was the CEO and founder of an eCommerce company and managed 120 employees consisting of 5 C-levels and their respective teams. EP holds a master's degree in Entrepreneurship and Strategic Management.

Participant 2: JS

Participant 2, hereby referred to as JS, is an Associate Director at an international management consulting firm. JS manages a team of three to five consultants and,

depending on the project, a client counterpart team ranging from three to twenty people. Corporate culture at the firm dictates a “360-degree” leadership role meaning that partners within the organization also manage each other, as well as the client sponsors for each project. This results in peer oversight from every direction. Based on the specific requirements of each project, JS builds a new team consisting of members that possess the required knowledge and skills. Team nationality heavily depends on project location, with JS citing examples in Germany, Hungary and the Nordic countries. JS holds a Master of Business Administration degree.

Participant 3: GS

Participant 3, hereby referred to as GS, is a Business Unit Director at an international automation technology company with a focus on the renewable energy, machine tool, and marine sectors. GS manages 55 people spread across Austria, Germany, Denmark, India, China, and the United States of America. GS is also responsible for a Condition Monitoring Competence Center located in Germany. GS holds a degree in Engineering Management.

Participant 4: WV

Participant 4, hereby referred to as WV, is a Business Unit Leader at an international company that develops testing, monitoring, and calibration solutions for the electrical power industry. WV coaches a group of 13 upper-level managers who in turn coach individual departments and teams. WV is also a member of the Dialogue Team, a group of four executives who focus on company policy, strategy, and organization. WV manages, directly or indirectly, employees in over 25 countries with varying cultural backgrounds. WV holds a PhD in Electrical and Electronics Engineering.

Participant 5: HR

Participant 5, hereby referred to as HR, is the former Innovation Process Manager at an international company that develops testing, monitoring, and calibration solutions for the electrical power industry. HR was responsible for seven teams amounting to approximately 80 employees. The majority of these employees were predominantly European; however, a substantial number came from other continents. HR’s main focus was in research and development, overseeing and ensuring success of various innovative

projects that strived towards translating customer requirements into judicious software and hardware-based solutions.

Participant 6: WW

Participant 6, hereby referred to as WW, is the former Chief Financial Officer of an international company that provides products, systems, and services to the global construction industry. WW is the current Chief Executive Officer of a charitable trust organization that supports worldwide social projects focusing on education, science, and social development. WW currently manages a team of 30 people located in Europe and the Philippines and oversees development projects in 24 countries.

Participant 7: MS

Participant 7, hereby referred to as MS, is the Chief Executive Officer at an international company that develops testing, monitoring, and calibration solutions for the electrical power industry. MS directly coaches a team of five C-level managers who make up the leadership team and six upper-level managers who constitute a separate core-strategy team. Individual members of these teams are located in Austria and the United States of America. Indirectly, MS is responsible for over 900 team members across 25 offices worldwide and oversees various project teams to ensure that company goals, values, and strategies are adequately represented.

7.4. Data Analysis Method

As the empirical data is based on qualitative research, a structured, qualitative approach to analysis was necessary. The author determined the most appropriate style is the thematic analysis as outline in Braun and Clarke (2006). This method was determined to be appropriate as it neither depends on, nor acts independently of, any particular theory or model, instead allowing for the flexibility of the author to interpret the results and autonomously draw links based on research and experience.

Thematic analysis is conducted in six phases.

Phase 1: Familiarization

This phase entails reviewing the raw data (repeatedly if necessary) and actively noting overarching topics, patterns, and meanings. In the case of the questionnaires, this task was completed without any further effort required. In the case of the personal

interviews, the audio files were first transcribed using the online transcription software *Sonix*. The author was then able to review the results and make adjustments in certain areas where the software had not performed adequately. Once the transcriptions and questionnaire results were collected in written form, an initial analysis of the data was conducted to complete the familiarization phase.

Phase 2: Code generation

The written results were then imported into the data analysis software *MaxQDA*. From here, the data was organized into broad sections which allowed for deeper analysis and filtering. This overall conceptualization of patterns and relationships enables themes to start appearing which will be identified in the next phase.

Phase 3: Theme identification

Once the codes have been identified, repeating themes started to appear. The previously divided codes are then clustered together to form general thematic categories.

Phase 4: Review

Once an initial list of themes and the therein associated codes have been created, the next step was to review the list to identify iterations of themes that form patterns together and thereby suggest that a merge would be advantageous to the research. New themes and codes may also be identified in the review phase and all possible additions, subtractions, and mergers should be taken into account.

Phase 5: Naming

Once the overarching themes of the data have been identified, further definition and refinement occurs. The name should capture and convey the identifying essence of the data contained within.

Phase 6: Production

Once the first five phases are complete, the results must be reported in a way that relates the qualitative results to the essence of the research question. Using direct examples from the text and the generated themes to convince the reader of the validity of the analysis in a way that provides a compelling argument for the outcome of the study. The results of the study are presented in chapter 8.

8. Results

The following chapter presents the findings of the interviews and questionnaires. Each section will present all the data collected from participants in respect to the specific goals as outlined in section 7.2.

8.1. Leadership Traits as a Whole

Sentiment in this category was constant among participants; the most consistently mentioned aspect was communication. In every case of leadership, being able to effectively communicate is a crucial aspect for success. The ability to actively listen and convey requirements and goals is undoubtedly a skill that every leader must possess to ensure successful cooperation within teams and thus project completion. According to participants, communication is most effective when done regularly in both an official setting (team meetings/workshops) and extracurricular setting (lunches, dinners, coffee breaks). Although most participants traditionally preferred these meetings to take place in person, the restrictions due to the COVID-19 pandemic forced expedited adaption to digital tools. This will be discussed more in-depth later in this chapter. Feedback plays an important role under the communication umbrella. Being able to deliver and receive feedback is an essential part of the communication process; a skill that every leader should be consistently working to improve, according to the participants.

A further skill that received overwhelming consensus was emotional intelligence. Participants stated that being able to anticipate, recognize, and respond to emotional responses in their followers is a key skill that they must employ, especially within an intercultural team. Although no participants directly mentioned cultural awareness as a key competence, this can be seen as a skill that can be learned through both active listening and the use of emotional intelligence. EP believes that, in the current global society, cultural awareness itself is too much of a blanket term, and that a leader can use culture as a starting point, but must eventually focus on the individual, rather than any specific culture:

Maybe with a Japanese person, you need to be much more different in the way how direct you are compared to a U.S. American person. However, I think this does not relate to nationalities. It's about persons for every single person . . . I've had a few colleagues where . . . I can't put notes on feedback prior to a meeting because they will read that and might think negatively about, well, feedback . . . So I refrained from writing feedback. For some people I do the written because I know if I'm going to

organize my bullet points, they will like it and they say thank you for that feedback and it's super-efficient. For others I might need to do it orally first and then copy in my bullet points that I've made . . . there is no right or wrong. It's just how people are. And I think that is person related, not nationality related. But nationality is going to give you an indication of how a person might be.

Another clear competency is trust. A leader must be able to trust their followers enough to renounce some of their own leadership power and delegate it responsibly among their team members. WV summarizes this idea concisely, “great leaders use their power by giving it to others . . . the more a leader empowers others, the stronger and more effective the leader and the team become.” Of course, this trust must be earned before it can be freely distributed. JS describes this process when starting with a new team,

I typically start a project more tending to the micromanagement, so managing the process, being very close to my team members, having frequent interactions with them and kind of like checking are they running in the right direction? Do they know what they need to do? Do they know where to find their staff and get their input and stuff like that and pulling back the more I understand what they can do and what they can actually manage by themselves. And then ideally, in the end, everyone is running their own workstream, their own module, and I'm more or less just managing the process.

Although only directly mentioned by two participants, intelligence is a trait that can be indirectly seen as prerequisite for many of the other skills mentioned. WW believes that leaders must also possess the ability to think conceptually and contextually, as well as have strong business analysis skills. MS states that leaders should be able to understand their teams on an intellectual, as well as emotional level. Intellectual understanding is, in a way, one of the main keys to innovation. A leader should apply and utilize their knowledge to determine the “why”, “what”, and “how” goals. Identifying issues or opportunities is the first step to developing strategy within an organization and this easiest done when the leader has a firm understanding of what is required from them on an intellectual level. WV takes this one step further and argues “There are plenty of smart people in leadership roles. What we need are wise leaders. Wise leaders have insight . . . they see beyond the obvious.”

When asked about the traits they value in others, most participants responded with the same traits they see as being required in a leader. WW highly values diversity within teams (culture, experience, personality, etc.). The ideal follower should be able to work well in a team, communicate effectively, be result oriented and honest, and be willing to take on responsibility. In some ways, it is a leader's responsibility to elicit these responses

in their followers. EP believes in being a “power plant, not a light bulb.” A leader should produce energy for everyone and project the traits that they want their followers to imitate.

8.2. Leadership Behaviours and Traits in a Digital Era

The most common trait that has been affected as a result of digitalization is adaptiveness and agility. A leader in the age of digital transformation must be curious about change and also open to it. A leader is required to understand the changes and accept that traditional methods of leadership may not be the key to success moving forward.

One of the biggest challenges given by participants was the method of communication. All participants ranked communication as a required skill when leading, but also identified the increasing difficulty of efficient communication in the digital era. With the introduction of multiple communication tools within an organization, the way in which teams communicate and collaborate has drastically changed (see section 6.2). Participants confirmed that they had to quickly adapt and not only acquire the technical knowledge of the tools, but also the intricate subtleties of digital communication. Emotional intelligence plays a significant role in this field; understanding non-verbal cues, such as intonation and body language, became exceedingly difficult in a situation where two people are communicating digitally. A major challenge as stated by multiple participants is being able to correctly identify which tool is appropriate for a given scenario. How to deal with conflict or communicate a specific message to certain team members are elements that must be considered when selecting a channel of communication. The most effective method should also be considered when sending a message through digital means. GS mentions two specific aspects that can indirectly affect leader-follower video communication – the camera position (hierarchical level) and distance (private sphere). HR determined that finding a good balance between creating a relaxing work environment while still focussing on the task at hand within a digital space is a challenge that every leader should be aware of.

Another important change in leadership style relates to the content side of communication. The participants noted that as communication shifted to a digital platform, the priority shifted to an effective, efficient form of communication. Leaders would carefully select material to be communicated to be as clear and concise as possible. Workshops that would have taken place over two days in person were condensed to three

to four hours when delivered online. Coaching meetings could also be held more often online, albeit with shorter total meeting times.

8.3. COVID-19 and Leadership

Most participants were of the opinion that COVID-19 did not have a large impact on their leadership behaviour. COVID-19, if anything, merely expedited the rate at which changes were occurring. Participants were already adopting and implementing the necessary changes brought about by digital transformation, COVID-19 simply denied them the possibility of clinging to the traditional methods.

Communication and emotional intelligence assumed an increasingly essential role. Humans are social beings and when a pandemic removes the opportunity to exercise our sociability, it can yield negative results. Participants said that their role as a leader changed during the lockdown. An effective leader had to shift their own values and priorities and invest more emotional resources in their followers. GS stated that the health and safety of everyone within the organization took top priority and each team lead was responsible for checking on the physical and psychological health of their team members. JS reflects on the way that COVID-19 affected the way he planned his time:

In the beginning, I mean, before covid you could say, the personal side was somehow in the time in between, right? So seeing each other for breakfast, seeing each other for lunch and dinner, and having a coffee break, [it] was kind of in the in-between hours. I mean, that's not there anymore. So now I would say it's at least at least 20, 25 percent of my work time, like my real work time, taking care of that. And before that it was... yeah, it depends on how you count it, but it wasn't really working time.

Team leaders started devoting their resources to taking care of their teams on a personal level. Feedback shifted from being purely performance-based to caring for employees on a deep personal level and sharing your own experiences and feelings.

Remote work during COVID-19 also led to an amplification of the modern leadership styles. Trust was no longer a buzzword that a leader could haphazardly throw around. Allowing your employees to work from home without direct supervision presented a major shift in the way that we as humans understand employment. Before COVID-19, remote work was usually offered by modern start-ups as a perk to draw young talent, and even then, only for a set number of days per month. During the pandemic, it was a necessary measure for teams in almost all industries. Participants stated that they were

originally pensive about their employees working during working hours. In all cases, however, remote working was a success and not a single participant cited a case where it did not work. In fact, it worked so well for EP that they decided as a company to abandon the idea of a central office and move to 100 percent remote-based employment.

We have a perfect office, perfectly located view to the [City] TV Tower. Super nice one. And I was saying, let's over invest in a great office because great people work in a great office and that's the most efficient way of working. I completely changed my mind because of this experience, and I am open to change. I would have never thought this works, but we were forced to do it.

Tied together with the idea of trust is empowerment – when working from home, employees were tasked to work more independently, improvise, and find solutions on their own.

8.4. Leadership and Organizational Success

Most participants agreed that it is a leader's main task to create organizational clarity. In an international organization, it is of the utmost importance to clearly define the goals and values of the company. Followers seek purpose and want to understand why they are doing what they are doing. MS, WV, and EP are all members of organizations that aim to align a large number of people spread across the world with a common goal based on a unified modern corporate culture. Their respective companies have defined principles based on company culture that outline who they are, who they want to be, and how every person working at the company should act. Each respective leader undertakes the task to impart these values and make sure that each employee understands them.

Success also hinges on acquiring proper talent. Finding skilled, trustworthy employees is crucial in an age where human capital becomes more valuable than physical capital. MS eloquently summarizes the link between the leader, the follower, and the organization: "Skilled, empowered and trusted people are the key to address this challenge. In the combination with the agreed frame, it will solicit identification and passion for what we are doing. Our customer will feel it in the solution."

Participants cite the digital transformation as being both advantageous, and disadvantageous to organizational success. The larger an organization becomes, the more helpful digital tools become. Tasks that would have been considered extremely time consuming in years past become trivial with the help of digitalization. JS uses the example

of obtaining multiple signatures on an important document – this process can be streamlined via digital signing technology and cloud sharing tools. A leader’s willingness to learn, adapt, and change are the most important skills that must be acquired when moving forward toward success in the digital age according to participants. Understanding the implications of technology also represent a skillset that a leader should possess. Being able to recognize upcoming business opportunities in the company’s core business through digital transformation is a key component of innovation and thus remaining competitive in a fast-paced global environment.

Participants also listed specific behaviours that they found to boost performance during the trying pandemic period: GS found that increasing the frequency of communication, both for personal inquiries and professional data collection, was essential. Feedback rounds followed by information on the individual markets and activities lead to a successful fiscal result, despite the global pandemic. WV found that keeping a rhythm (keeping processes and strategy running) was key. A sense of organized progress among an uncertain situation created a feeling of safety and assurance among employees. WW stated that as a leader, one must always maintain an optimistic, forward looking mindset. As stated earlier by EP, be a “power plant not a light bulb”. Your followers will feed off your energy and look to a strong leader for guidance in uncertain times.

The findings of the questionnaire present a brief glimpse into the minds of current industry leaders and how they view leadership and the digital era. Figure 3 illustrates the major keywords that concisely summarize the participants’ understanding of leadership, digitalization, and organizational success in the digital era.



Figure 3: *Word Cloud of the 25 most-used words found in the completed study questionnaire⁴*

⁴ Minimum frequency of 10, minimum character count of 4

9. Discussion

The results of the literature review and the empirical study yield the same conclusion: leadership in the digital era is not the same as leadership in the industrial era. The evolution of research into the field of leadership over the past 100 years provides insight into where leadership theory began, how it evolved, and what we can expect going forward. This thesis aims to summarize these theories and add qualitative evidence in an attempt to define a framework which can be applied to the current and future understanding of what makes an efficient leader and promotes success within an international organization.

9.1. Implication for Leadership Practices

Although most of the universal theories introduced through Type I and II research have been mostly discredited, some modern evidence supports the idea of developing universal traits and behaviours that every leader should possess. Research into EI-based leadership and extensive GLOBE data clearly identify certain traits that are advantageous in every team, company, and country. Some of these traits were also strongly supported by participants in the study: an effective leader must be able to communicate effectively in all manner of scenarios; an effective leader must be team-oriented and able to inspire their followers; and, most importantly, a leader must be able to adapt quickly and efficiently.

This ability to adapt is the single most important universal trait that allows for all contingent theories to exist; how a leader acts or reacts and which behaviour or trait they elect to employ for any given situation hinges on their capability to not only recognize the underlying requirements within themselves, their followers, and the organization, but to also quickly and fluidly transition from one leadership style to the next in order to facilitate the desired outcome.

The results support the assumption that leaders should focus on transformational leadership, specifically the Full Range Leadership Model. It promotes the most flexibility and focuses on the values that are becoming increasingly important in a time of digital transformation – fostering healthy leader-follower relationships, inspiring followers to be innovative and creative, and focusing on followers' professional and personal needs and promoting intrinsic motivations. The evidence presented in this thesis indicate that some

combination of transformational and EI-based leadership would provide the most effective way to lead and succeed in the digital era.

With the rapid advancements in technology, it is apparent that shared leadership is taking on a more important role within team constellations. Manager roles are rapidly being reinvented as coaching positions as more and more responsibility is delegated amongst highly competent team members, both human and machine. Digital leaders must be aware of rapidly evolving digital systems and prepared to utilize them when advantageous, lest the team fall into innovative obsolescence. Digital tools in the workplace also require advancements in leader EI. All participants stated that digital communication tested their ability to pick up on nonverbal, social cues. Forced teleworking during COVID-19 also created a shift in how leaders interact with their team members: priorities shifted, and more resources were dedicated to wellbeing, both on a professional and personal level.

Increased remote working also created an increased need for trust in the leader-follower relationship. The concept of a self-regulating, largely independent workforce directly violates all the principles of traditional leadership theory, and most principles of modern theory. Although trust and trustworthiness are an integral part of modern leadership styles, the traditional status quo of physical presence in a shared space was never questioned until COVID-19. The fact that remote work proved to be so successful in such a large amount of the population reinforces the paradigm shift that society is indeed moving away from the command and control mentality of an industrial economy to the collaborate and co-create mentality of a creative economy. Anecdotal evidence within this study proves this fact: one participant is completing abolishing any office presence and changing to a 100 percent remote work environment. This participant trusts that the team members will continue to work efficiently and adhere to the company goals and vision. As discovered during the literature review, the selection of EI competencies is also contingent on company culture. Leaders who understand the fundamentals and possess developed EI competencies are posed to dominate in a digitally driven work environment.

9.2. Implication for Leadership Development

In order to ensure that leadership training conforms to the modern demands as presented throughout this study, new forms of development are required to equip future

leaders with the skills needed to succeed. Modern organizations are forced to create their own internal development programs as the classical teaching methods provided by institutions start lagging behind. Technology simplifies this process considerably. With the introduction of new tools, the idea of leadership training can be individually customized based on organizational culture, structure, and vision. Modern research has discredited the theory that “leaders are born, not made”. Leadership traits can be taught, and new behaviours and skills can be acquired which enable a leader to succeed in an ever-changing environment.

In a world where shared leadership is quickly becoming the norm, shifting the training focus away from intelligence and technical knowledge and towards EI competencies seems to be the first step in the right direction. A digital leader should be able, on the one hand, to be able to understand the work on an intellectual level, and on the other hand, understand the core competencies of their team and know when to delegate which tasks. Leadership trainings should now focus on the EI fundamentals and how to shift between an appropriate leadership style. These skills are not only seen as fundamental in the literature, but also consistently mentioned by industry leaders as being the most important when leading others in a digital era.

9.3. Implication for Organizational Success

The literature shows that organizational success is directly correlated with leadership style. This notion is also reinforced in the data provided by participants. Be a “power plant not a light bulb” embodies this sentiment. The first step towards success is using your role as leader to create the workplace culture that will embody success. To date, the most effective factor of organizational success is found within EI-based leadership. Data leans astronomically in favour of a leader who is able to control their emotions, radiate trustworthiness, leverage personal ambition for organizational gain, and adapt to innovative ideas and change. The results of the questionnaire indicate that this Self-Management skill is largely overlooked by modern leaders, who tend to prioritize Relationship Management and Social Awareness competencies, with the exception of adaptability.

By utilizing appropriate development strategies, the literature indicates that organization performance can be significantly improved. The movement from an

industrial, transactional-driven workplace to a digital, transformational-driven work environment has been met with an updated list of factors affecting success. By increasing focus on EI competencies, organizations could see a potential performance increase of up to 300 percent.

Organizational success depends on strong, effective leadership who are able to efficiently apply their skills in an agile, team-oriented environment.

9.4. Limitations

The current study presents a solid framework of leadership requirements in the digital era however, it is limited in scope. Due to time and space constrictions, only select theories from history and modernity could be analyzed and summarized. While these theories are considered to be the most popular and accurate portrayals of leadership throughout the past 100 years, many more theories exist which could provide additional insight to the topic.

Although well within the recommended sample size for qualitative research, an argument can be made that the number of participants used for the qualitative portion of the thesis are not representative of leaders in general. Furthermore, the sample population contains a heavy Eurocentric bias. All participants were selected based on the requirements of leading a multicultural team within an international organization, however the leaders themselves are predominantly European and manage teams within European-headquartered companies. It can be assumed that company culture and values remain fairly consistent throughout the sample.

At the time of writing, very little literature exists regarding the effect of COVID-19 on leadership and the extent to which digitalization was accelerated as a result of the pandemic. Evidence contained within this paper is purely anecdotal and thus cannot be accepted as universally applicable.

9.5. Further Research

This study is designed to be a springboard for future research into digital leadership topics. Further studies should focus on alternative leadership theories and evaluate traits based on the digital implications and compare them to the ones outlined in this paper.

Future research with emphasis placed on how leadership is viewed among international leaders with varying cultural backgrounds should be conducted to determine if modern leadership theory is applicable on a global scale, or if other theories excluded from this paper would be better suited to represent leadership traits relating to success within specific cultures and value systems.

Leadership development will be a crucial component of success in the coming years. More research into how international companies can effectively use digitalization to implement development training individually tailored to their corporate culture is required. Existing studies only show correlation, not causation, between EI-based leadership and organizational success; further insight into causal relationships between leadership theories and success would prove advantageous for the modern companies and institutions in order to create updated curriculum for the digital era.

In-depth analysis into the effects of COVID-19 on a global scale could change the modern leadership theories as we understand them. While transformational and EI-based leadership theory can be applied to solve many of the challenges faced during pandemic regulations, further studies are required to determine the effects of the forced adoption and the expedited advancement of certain technologies on the field of leadership.

10. Conclusion

Leadership can be seen as both a process and a property. The process of leadership revolves around using behavioural skillsets and competencies to coordinate the actions of team members within an organized group toward the successful completion of group objectives. As a property, leadership is the set of traits or characteristics ascribed to those who are perceived to successfully undertake the process of leadership. In many ways, leadership in the digital era requires the same traits as defined within traditional leadership theory. The way that leaders apply these traits, however, has evolved, and recognizing the need for change is what makes the difference between an effective and ineffective leader.

To be an effective leader moving forward, one must accept that no single method will ensure success in every situation. Situational contingency is just that: contingent. A leader must approach every situation with a fresh perspective and use their knowledge, skills, and experience to determine the most appropriate course of action as dictated by the circumstances. An investigation of leadership theory indicates that modern theories, such as transformational theory and EI-based leadership, are not only the most encompassing and theoretically effective styles of leadership, but also the most flexible, allowing for individual interpretation of the correct application in a specific setting. The traits and behaviours outlined within these theories have been proven to positively correlate with organizational success in the digital era; results which are shown in the literature as well as in qualitative data collected from individuals in positions of leadership.

How to effectively train and develop leaders is an issue that has been under scrutiny for decades. Trait theories, behavioural theories, and contingent theories all proposed different approaches to this problem. Efficient leadership hinges on effective development and new digital solutions provide more flexible and effective options than ever before. Once organizations understand how to fully utilize these digital methods, leadership competences will become a nonissue, as every individual in a leadership position will be well-equipped to deal with the challenges of a modern work environment.

Technology has had a profound effect on modern culture, employment, and leadership. A leader's role in this digital era now includes understanding these new tools and leveraging them in the most advantageous way possible to drive innovation, motivation, and achievement within themselves, their teams, and their organization. In order to accomplish this, two traits stand out beyond the rest; organizational success in the

digital era depends on a leader's ability to adapt quickly and act agilely. In a rapidly evolving and ever-changing future, the underlying role of a leader stays the same. The path to fulfilling that role, however, is a complicated and bumpy road upon which only the informed leader will be able to make the correct choices in an agile manner and with an open mind, lead their followers through the virtual landscape that is the digital era.

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Appendix

Appendix A: Interview Transcripts

A = Author

I = Interviewee

Participant 1: EP

A: Good, then we'll start right off, if you could just talk a little bit, explain your current role, talk a bit about the size of the teams that you manage, the location of the teams just for an introduction.

I: So my name's [EP] and I'm the founder and CEO of [Company].

As in my current function, I am managing a team of thirty-five people in a B2B SaaS environment and we are having three C levels and they have their individual teams. I am directly leading as a team with three people in the overhead operations team. And then I'm leading three C levels that are leading their individual teams. In my former company, I have led up to 120 people with five C levels and their teams and sub teams. That was an e-commerce company. It was bigger than the current size company that I'm running. In addition to that, quick on my bio, I'm an entrepreneur since 12 years now and I've run multiple companies as a managing director and always in the function of a CEO.

A: And are all your teams located in [Country 1] or are they more spread out?

I: Yeah, that is something that has changed in my prior company from 2010 to 2015, we have had one physical headquarters in [City] everyone was there until at my current company we have had a headquarters with 30 people, but we allowed four partial remote work and last year we have decided to go fully remote. That means we have abandoned our headquarter. In two weeks from now, we're going to give back our super great office and we are a fully distributed team. Since that decision in the last six months, I have hired a C level from UK, the team has hired a C level from UK, a programmer from Ireland, another colleague from Spain, and now another colleague from Italy and she's moving to Switzerland. So we are now completely open to being distributed and we embrace that. We have in addition to that, I have decided to move from our headquarter to [Country 2], which is going to happen this summer. So we are living this distributed team thing.

Two things that I can share with you about your research.

I have written I'm putting it in the chart, you need to click on it now so that it's not gone, the letter from the CEO.

And at the second thing I want to share is our culture deck and I'm coming to leadership traits in a second.

If you click on both links, the leadership, the culture deck, there is something like a company manifesto. It's a 15-page document, something like the constitution of the company. It's a lot of text. It's not nice looking, but we fight for every single word in there. Every half a year we are reviewing that. It has been it has first established four years ago, and we iterate it every six months. And it is not to be violated. I think it's the first principle. And that's probably one of my things. We are, from a leadership trait perspective. And please stop me if I'm telling too much, if you have, like, some structure questions, I strongly believe in teal management. If you have heard about that, you know, there is red

or yellow and teal, I believe not at all teal principles of reinventing organizations, but I believe in giving responsibility to the people. So, and that starts with a CEO like I am trusting my colleagues. I trust that they are experts. I am never overruling their decisions, never that's like a principle. And it is deeply ingrained in the culture that if you look on areas of responsibility at decision making policy, our decision making policy is everyone can take any decision at any point of time if they've asked everyone meaningfully affected for advice and people with expertise in the matter. And that is not important if you're taking decisions for your own team within your scope of work. But it's important if you take a decision that is maybe affecting other teams and that is more like horizontally. And this is the thing that typically where silo thinking leads to friction. If you want to take a decision, let's say abandoning the office. That affects everyone, you need to ask if we did a poll and eighty six percent of people said we don't need an office, even if there would be an office, I wouldn't come there if covid would be over. I followed that decision and that was a decision of the team. And then we thought a lot about how to move forward. We traded our processes. So, the culture deck is how I believe management should be done. And historically, like there is just 20 to 30 percent much better outcomes if you give responsibility to people, if you let go and if you trust people to do a good thing. And that's why the culture deck is important, I need to trust that they are good people that are we're not time tracking. We have unlimited vacations. I'm trusting that people are intrinsically motivated to do a great job. And if they are not, they are violating the culture deck, then full stop. I said also my responsibility for the sake of the company. So, I strongly believe in that from a I could tell five minutes more about leadership traits and what I think makes a good leader, because I've had a talk on that last year.

A: So maybe we could divide that into three parts then because that would pretty much close up my interview entirely. Let's talk a bit about classical leadership traits in that sense. Then we can move to, let's say, maybe more of a digital era. So, the last ten years or however long mainstream digital tools have been implemented then in management styles. And then the last part, let's talk a bit about covid and how it's evolved for you or anything has changed for you over the last year.

I: Yeah, let's start with the other ones that I'm going to come to the to the classical ones first. Technical things in the past ten years, I think leadership is has completely changed because I mean, ten years ago I was I was a greenhorn, so I didn't know anything. But if I would now transition back ten years ago, it was about having a very good oral presentation in terms of people to motivate people to do a great job like these kind of speech leaders that motivate.

A: Charisma, let's say.

I: Yes, I think charisma is still important, it just changed how you do that. Now it's more important to run a to be very process, first thinking and digital, first thinking. I've had the chance to run a company digital first and we have no legacy and we are completely paperless. We do digital signatures. We are documenting things. We used a perfect numerous tools and this mindset has shifted to it's much more than I don't need to motivate people by being a big leader. I need to give people the leeway, the tools to work with. And I need to structure things I need to like we have. In the past years, I have seen that organization and project management is the fundamental core skill for hiring in addition to

like other skills. It's like we're a completely remote company. You need to say I'm running a project and we have a long internal communication, S.O.P, standard operating procedure. We have like twenty standard operating procedure. We democratized process knowledge in the company. How do you file for vacation and how do you manage your calendar? Even how do you format a message in slack is codified, it's written down and you can refer to that because we want to have that quality from everyone. How do you do project management? And this is kind of a leadership skill to make sure this happens in the organization is something that... When those tools did not exist 10 years ago because they didn't exist, that was different. There were people filling spreadsheets and paper. And I have 10 years ago signed like there was a process for a physical paper document that was running around the company from department to department, where each week I need to do signatures. Think about this compared to everything is now completely remote. Everyone can make any decisions. If they need a signature, they're going to do it themselves. If they need me, they're just going to put it to a digital signature tool that I'm just going to receive an e-mail. I'm going to click on it. This is the difference in leadership style, because technology and let's call it technology, enabled leadership. And now coming to the leadership part, which and I'm coming to covid as the third, charisma is still there. And the new leadership is, for example, to sometimes do like when there were announcements like on covid and these things, I was recording a very well choreographed, two-minute video to my colleagues.

I said, hey, this is the situation is what to do it was a very clear articulated, but it was a two minute video that I shared in our slack channel on announcement/infos. And so that's, I think, nothing of that changed; clarity.

But I maybe I need to I have a list of 12 things. So, goal orientation. And I think it's super important, you know, where you are. Our goal is to be happy. It's ingrained in the culture deck. And I just I just look at goals it's just important as a leader. And I think persistence and perseverance, especially during covid. But it's always about like we are going to get through this. We will dig to the root cause of why we are not successful or the problems, and then we going to find it. It's about this perseverance and stress resistance. I mean, it's it's always stressful, especially running a non-profitable high tech start-up, you know, because you're always on the edge of insolvency. But stress resistance is just to remain calm. And in the midst of a crisis especially relevant in covid, I always say own motivation.

I have the sentence of being a power plant, not a light bulb. So, I need to be the biggest power plant of the company I need to like. It's just there is no way I just need to produce energy to everyone. With every conversation I have with someone, they should go, well, that was great. Our CEO is an awesome person, like whoever like it, just transmitting this energy and Teamfähigkeit. So, teamwork is one of our core values. But it's very hard to if you think you're pretty smart and you're like a leader and you're like an Alphas like a leader to say, well, I need to hear to what you say and to evaluate arguments, that is a balance that is always the same, because sometimes people come to me and they want me to take a decision or they want my opinion because I have a lot of opinions. But to express that opinion in the not so direct way was a thinking that have also been gotten and, on the way, to getting a better leader. This is something that is very important to be very charismatic and very clear in what you say. But if people ask me about my opinion, I'm very clear in my opinion, they might think that they need to take a decision with my opinion, but my opinion is only advice.

So that's a very clear thing.

We talked about charisma already, so you just need to like your tone of voice, your body language is charisma. So, if you would walk into a room prior, people know that you are just a seasoned leader. I think being a visionary. This is about having. Well, I see something. Let's think about two years in the future. Like you just combine things and you have great ideas. That's about being visionary. So, seeing things about there is an opportunity, let's think about it. That's enabling people. That's visionary. And I think an important thing is to live up to the culture deck and to be a Wertevorbild. So, an ideal for the company. You shall never lie. You shall never treat people badly. It's like the fish always stinks from the head. So, I think that's super important as a character trait. And then in addition to that: experience and letting go, so experience means management is just experience. Ten years ago, I knew nothing. Now I think I know more. But still in 10 years, I will say I learned much more, or I've learned much more and more experience. Being more experienced always helps because been there, done that like you cannot learn in business school. But I've been there, done that in a ton of things in the past 10 years. So, I can say been there done that, let's do it like this and this makes me have better decisions. And lastly, I call it Denker und Lenker. So, it's about thinking and steering and letting go of day to day details. The bigger the company grows. And I'm now at like 30 people. I've had 100 people. I will one day most likely have 500 people. The more people you have the more you need to let go and letting go is trust.

And letting go means enabling the organization. But there is a lot of CEOs that are no purchase going through my desk without me signing it. That's wrong. It's about letting go. It's about letting go at the right amount of time, the right amount of a leash if you have a dog, like unleash him and he might run away, have a two-meter leash. That's bad. But if you have an invisible leash that is 50 meters long for the dog, that might be perfect because he's not running away, but he feels freedom. And I think that's a, again, a balance to have it right in the company, because if a company has five people, you don't need that.

Everything can go through your desk. If it is 35 people still a bit operational. But if the company grows, I need to let go more. And I think this is what a leader should have to ask for covid. I think covid doesn't change anything, covid was just stress testing, leadership skills, to be honest, it was an experience for me. How do you communicate the worst things on the edge of not saying everything is going to go great because it is shit? We the worst half year sales were down; people were in home office. The biggest pandemic. The biggest recession. I mean, you just need to be very clear like I think covid was a crisis. And any externally induced crisis needs to be communicated on the right balance between positive thinking and accepting the reality. And this is, again, coming back to communication Bad leaders either are too negative or too positive, and it is the balance. I think organizations have been stress tested this year, the last 12 months.

A: Now, you talked a little bit about giving kind of the feedback, the alpha versus beta, kind of how to give feedback in those in those situations. Have you noticed and this also applies to basically all of the traits that you just mentioned? Have you noticed any adaptations you've had to make due to international colleagues, or would you say that these leadership traits apply globally, that they're that they're there's no real change between countries or between people?

I: First of all, the culture deck, the constitution, is true for every employee, and there is a section on giving feedback and a section on receiving feedback, I need to adhere to that. And you can read through that. That is what I think, what I truly think about feedback and internationally, yes, there is a lot of differences, and that's the leadership skill to understand

that maybe I'm making stereotypes. Again, don't take it by name. Maybe with a Japanese person, you need to be much more different in the way how direct you are compared to a U.S. American person. However, I think this does not relate to nationalities. It's about persons for every single person. I'm having a mental like I think everyone should be just as in the culture, but not everyone is that way. And I've had a few colleagues where we just need to like I can't put notes on feedback prior to a meeting because they will read that and think might think negatively about, well, feedback. Well, that's going to be super bad. So I refrained from writing feedback and written for some people. I do the written because I know if I'm going to organize my bullet points, they will like it and they say thank you for that feedback and it's super efficient. For others I might need to do it orally first and then copy in my bullet points that I've made to kind of get people more like there is no right or wrong. It's just how people are. And I think that is person related, not nationality related. But nationality is going to give you an indication of how a person might be.

A: Exactly. That's a good way to see it. Good. Then I guess one last question. I would have you said that covid hasn't really changed much at all. It hasn't brought any changes about with the leadership styles. Did you have any plans to kind of downsize or dissolve your [City] office before covid happened? Did you plan to move to remote? So, this is a decision due to covid more or less, because you saw how well it was working?

I: 100%. I was one and a half years ago, like we have had a perfect office, perfectly located view to the [City] TV tower. Super nice one. And I was saying, let's over invest in a great office because great people work in a great office and that's the most efficient way of working. I completely changed my mind because of this experience, and I am open to change. I would have never thought this works, but we were forced to do it. And if I would have a company in this office that would work well. But would I take this this experiment of maybe ruining everything without knowing whether it's going to work? I mean, we were forced, and we saw that, like even people that have ten minutes to go to the office in [City] didn't go to the office, although it was allowed. Full stop. And there is this way of, and I write about this in my in my letter of the CEO, in the long term, there is this friction that you have with being virtual and you need to deal with it. It is existing. We will when covid is over probably every six to eight weeks, meet physically in a certain town to kind of connect to drink beers. That's important. In every six to eight weeks or 12 weeks. We need to have quarterly planning meetings. We will do them in person. That is cool, that works. But all the rest, we don't need to work together. And this is a new way of working that is directly related to covid.

A: Excellent that that answers all of my questions. The company [Company], it sounds like like it is really nice to talk to someone to who's moving away from the more traditional styles of management, and of company structure.

I: And I want to thank you because I'm always planning to become a better leader and those interviews just make me reflect on things. So, thank you for the time.

A: Exactly right. Thank you also for the time. It's been a pleasure.

Participant 2: JS

A: So, if we get right into it, I'd ask you then to just kind of introduce yourself, explain your current role. So, including the size of the teams that you manage, the locations of the teams, that kind of idea.

I: All right. Sure. So, my current role is being an associate director at [Company]. Associate director is the same level as principal. So, for us, it's like a senior leadership role somewhere between Project Lead and partner. I'm in the role now for a little over year, year and a half, something like that, the typical kind of project that I manage, so in our case, we usually have smaller teams. So, I would say my own [Company] team is maybe like three or four consultants, maximum of five, I would say. But then in a typical project set up, I would also manage a client team like a client counterpart team, and that can range depending on what kind of project it is from like a few people up to like 10, 20 people. Depends. And then, of course, in our setup, the way we are organized, it's more like a 360-degree leadership role. So, you also have to manage at the same time your partners in the organization, but you also have to manage kind of like the client sponsors for the project. So, it's really like managing in every direction. Where the team is coming from. And that's also really depending on the project. Right? I mean, we are a project organization, so I don't have a fixed team for every project. I do get a new team. Typically, I would say in most cases the team is coming from Germany, but all over the place. Although over the last couple of years, I mean, last year I was on a project in the Nordics. There I had a mix of Finnish, Polish, Polish and German team. Before that, I was on a project in Hungary. So, it was a mix up of German and Hungarian team. So, it does stay within Europe, but there it can be from pretty much every place.

A: Perfect. So I'm not sure how familiar you kind of are with leadership trait theory; kind of the old school stuff, how a leader should act, what kind of traits they should portray when dealing with a team. But I would ask you then, how do you differentiate then let's say you're working with a German team or a Hungarian team or looking at the Nordic team, what leadership traits do you try to use when you're when you're dealing with these international groups?

I: I mean, the typical consultant in our case, I wouldn't really say they are comparable to everyone you would find in an industry set up. So, I see my role as a project leader and basically my role as a leader for the team in two different ways. So, on the one hand side, we do have as a team, a common goal of achieving a successful project, right? Everyone in the team is really smart, so and most of them are with the company for at least like a year or two, so they know what they're doing. And in that way, I would describe the traits that I would need to really lead these teams is. I would say, like setting them free to kind of like be able to focus on their tasks and giving them kind of like the space and the resources they need in order to achieve more or less the best outcome, they can achieve. So in a way, it's a lot of what I have to do is related to managing the process, managing kind of like the different stakeholders and their needs and kind of keeping everything like keeping the pressure and the stress away from the team, right. And I wouldn't really say that there's a lot of a big difference between the different countries where the teams are coming from. Of course, there's like a slightly different understanding and how we work or what kind of like demand we have from the clients are in line with demand, something else the Nordics client would demand from us.

So, I think you always have, of course, to adapt a little bit. But in terms of like how I manage the teams, that's quite similar and in a way how it works for me. So, I typically I start a project, rather more tending to the micromanagement, so managing the process, very tough, being very close to my team members, having frequent interactions with them and kind of like checking are they running in the right direction? Do they know what they need to do? Do they know where to find their staff and get their input and stuff like that and that pulling back the more I understand what they can do and what they can actually manage by themselves. And then ideally, in the end, everyone is running their own workstream, their own module, and I'm more or less just managing the process in the end. So that's, let's say, like the content side. And then, of course, on the personal side, I do have the role of also helping them develop. So, what we typically do, and we have a more standardized process on that, which we call like a mutual development agreement. My second role and the second trait, I would say that I need to have is serving the people development head. So I usually sit together with everyone who's new in the team understanding what they want to achieve, what are their strengths and weaknesses, how they actually like to work, and then developing together with them, kind of like a development plan over the course of the project. So, what kind of topics do they want to work on? What do they want to test out, what they want to try and then having like constant like frequent regular feedback loops to kind of give them a feedback on how they develop and then define them where they can still improve.

A: You mentioned already the 360-degrees management idea that you're also kind of managing colleagues as well. Do you find that there are any traits or characteristics or anything in your in your colleagues that really motivate you or demotivate you?

I: So I think motivating us everything that's inspiring, right, so everyone that comes up with, like new ideas and what we can achieve or everyone who comes up with, like a creative way, how we can address a problem or everyone is kind of like adding constructive input to a discussion or something like that. I think that's always inspiring and that's always helpful. And I think positive. Negative in a way is... I wouldn't necessarily say too much concern, but more like. It's more like destructive behavior, right? So, everyone trying to either, like, stop or destroy a good discussion or kind of like pulling away from the crew, trying to solve everything by himself or something like that right. So that that I would say is or if you if you realize that, of course, you always have everyone has a different opinion and everyone has like their own agenda. But if you realize that there is someone who really wants to push his agenda through without looking at what everyone else wants and kind of like being able to go in a compromise, right?

A: Mm hmm. Sure. Kind of looking at a historical to modern point of view, have you noticed much of a change, let's say, in the leadership traits that that you use or the leadership style that you used since digital tools have been more and more implemented in the workplace? Let's say the last 10 years or so, with the introduction of all these new digital accessories, how has it changed? And have any of these leadership traits that you've been using kind of become more important or really stood out for you in this time

I: We over the course of the last two or three years, I would say we adopted in the company, also kind of make an agile way of working right. So is using everything related to agile management.

I mean, it's not something new at all, but it's just not the way of thinking how you can organize yourself as a team, and I think utilizing the digital tools actually helps a lot in order to do that, and especially now that everyone is being remote. And kind of I mean, the way we used to work is everyone is in the same room and since like a year everyone is kind of like in the home office and you have to manage a team that way.

Right. So, I think I think what has changed. I think it became more collaborative. So, using slack and stuff instead of like email, definitely helped to develop more like a discussion culture in terms of like everyone is participating to a discussion which before might have been just an email sent between two or three people. I think having a more transparent tracking of to to-dos and kind of like a story line on what you are working on and what you want to achieve and having that more visual. It definitely helps everyone to be on the same track and kind of like avoid people running in different directions and everyone is working kind of like their own to do list. But it's a lot easier to streamline a team on a common goal and who's working on what and what we want to achieve in a way. I think that's definitely two things that improved. On the other hand, I think. But what is still... actually now more difficult than it used to be having these 10, 15, 20 different channels of communication and not being able to kind of like limit that to one or two and I think I mean, before it was just like an email and phone and that was it. And now everyone has to monitor like 10 different channels. And at least the impression that I have is that it distracts people more than it helps in many cases.

And I think that is part of the problem why I think we lose some of the efficiency because everyone is kind of like there's like so many messages coming in every hour. It avoids or it's kind of like interrupts the ability of people to really go into focus deboard, right?

A: Sure. So all these all these kind of new styles that you've mentioned, both the positive and the negative, maybe you could explain a little bit about how they work towards your overall goals in the company and how they how they work towards the success of the projects that you manage.

I: I'm not sure if I understand the question correctly.

A: Ok, let me rephrase. So, the idea of, let's say all these new channels of communication being both a good thing and a bad thing on both sides, that first of all, you mentioned you're going from email to slack channeling that. But on the other hand, there's a whole bunch more areas of communication. when you're looking at the overall goals of the company or let's just say the projects that build up the company. So you want each project to be successful, obviously, to work towards the success of the entire organization. Now, would you say that these digital tools and these new leadership ideas that you've implemented have really been working towards the success of the organization? Or has it been a little bit more difficult, would you say, than the last 10 years?

I: No. I mean, especially in our case, we have a constantly growing and constantly developing company. I think we doubled in size again over the last five or six years. So that's definitely a massive challenge that the company has to manage. And at the same time, I think that's one aspect of why we had to go for more digital tools managing our project. So just this year, growth that we have been through so that there's rarely a kind of like stable legacy system that you can build on, but it's constantly changing. On the other hand, we are we are becoming more and more complex in a way, how we put our teams together. So, it becomes more common that you have a team spread around

Europe because are trying to get the best experts in a team right. So, it becomes more important that you can actually communicate on kind of like a global or at least like a European scale with everyone.

And I think that that is, of course, in our case. I mean, we are we are selling digital transformation to our clients. So, I think we somehow have to limit ourselves to be able to also advise our clients in order to run through that digital transformation. It would be weird if we would be still working with pen and paper. So, I think we have we have to take our own medicine. But I would say it actually it does help. It does help. Why do I think so, because on the one hand side if you take slack, for example, I mean, you have now 20 thousand people on slack in our different channels and it makes for example, it makes knowledge much more available. Right before it was really hard to know what the company actually knows and where to find the right experts. And now you have like a channel for every expertise and there's like the two thousand experts on the topic. And you just them a send a message and you get a response on that. Right. But that's something that wouldn't even have been possible before. So, I think it actually it brought the company closer together in a way, this kind of communication tools.

Yeah, and I think the second thing is it creates the higher transparency on one side, on a project level, so understanding where you are on the project, how much do you still have? How much have you already achieved, what you still need to achieve and stuff like that. But then also on a company level, understanding where do I get my, I don't know, a thousand projects? I'm running in parallel at the moment when they stand and where do I need to interact? Where do I need to change the course in order to be on track as a company?

A: Great. And then my final question, the point that I want to want to look at is a little bit about the covid pandemic. So how has how is the pandemic really affected let's say you're the style of your leadership. Let's say maybe the methods you've had to use, the traits you've had to employ. And if there's any kind of single trait or style that you've really focused on during the pandemic, what would it be?

I: Yeah, it definitely changed... it's changed a lot. If I start with what would I have to focus on the most? And what was the most important trait, I would say it's taking care of my team and the people as individuals and being more like. Ok, that's more like being a coach or a kind of like a team building leader or something like that. Right. Because what I realized is that what I think everyone kind of realize that when they're leading people, sending the people home and letting them work from home, from their kitchen and living room and with kids at home and whatever, and we kind of set up it was a huge struggle for everyone, and especially in our in our time of work, having that kind of, like, team room team set up, being with the client. close to the client, being kind of like 24/7 or at least like five days a week with your team. That's part of the spirit and part of the creative work and part of kind of like why we can work very efficiently together and losing that I think, or trying to keep that in a covid related environment. That was definitely the biggest struggle for us and still is. So, I think I spent like. I don't know how many how many hours a day. Only like taking care of the people in terms of like calling them up, having non-work related calls with them, organizing team events, onboarding them if they're new to the team, creating connections between them and other experts and stuff like that, taking care of that definitely became much more important than everything else. Besides that, I think every other aspect that we used to have. So what we typically organized already before covid was like team meetings in the morning, team meetings in

the evening, kind of like catch up calls at the end of the week, understanding what have we achieved, what are we going to do next week? I think these kind of routines that were already there, so we just used like a digital format on them. So, I think we could translate quite easily that way of working on a content side. But everything on a personal level changed dramatically.

A: And one more question, how much would you say then that the priorities shift, let's say, from the work, from the from the project oriented side to really the personal level then to the to the personal well-being of your team?

I: I mean, in the beginning, I mean, before covid you could say. The personal side was somehow in the in the time in between, right? So, seeing each other for breakfast seeing each other for lunch and dinner and having a coffee break, I was kind of like in the in between hours. I mean, that's not there anymore. So now I would say it's at least at least 20, 25 percent of my work time, like my real work time taking care of that. And before that it was. Yeah, it depends on how you count it, but it wasn't really working time.

A: Ok, great, then that's everything from my end. Thank you so much for taking the time. Sure. And I wish you a pleasant evening.

I: Thanks so much. Good evening. Good you as well. Bye.

Appendix B: Questionnaire Results

Q = Question

A = Answer

Participant 3: GS

Q: Please briefly explain your current role (including size of teams managed, location of teams, etc.)

A:

Director Business Unit Wind Energy; responsible for [Company] business unit wind worldwide

55 employees worldwide

Team location: Austria, Germany, Denmark, India, China, USA

[Company] wind related entity in [City]/[Country]: competence center Condition

Monitoring for wind turbines

2020 Responsible turnover: >60M€

Q: Which leadership traits do you use when managing an international team?

A:

Open communication; weekly meetings with team leaders

Define and review annual goals/objective

enable decentral teams to gain responsibility

Global guidelines/policy (business strategy)

Frequent team meetings – exchange of experience; “collegial advice” -> coaching

Q: What leadership traits do you value the most in others (your team members) when managing an international team?

A:

- open communication and proactive information

- team coaching; development of team responsibility

- target oriented decision and workflow

Q: How have the leadership traits you use changed since the mainstream introduction of digital tools in the workplace? In your opinion, do any traits stand out as becoming more important over the past 10 years?

A:

- Due to the distributed organization in Wind business I already executed leadership remotely in the past

- Challenges are in online group meetings compared to personal presence attendance of employees; meeting discipline/rules, restrictions in open discussion, non- and paraverbal communication (behavior, gesture, voice modulation, etc.)

- Behavior in online meetings

Camera position (hierarchic level) and distance (private sphere)

Recognition of “not verbally” communication feedback (gesture, facial expression)

Q: How has digital transformation affected your leadership style? (Day to day leadership methods, rituals, behavior with team members, etc.)

A:

Higher frequency for meetings => technical level and emotional level

Shorter meetings (e.g. 2 days presence workshop => 3-4 3h online workshop)

More target focused meetings

Q: Please explain how these leadership traits and styles help to shape success within your organization.

A:

Due to time limitation Focus on important topics

Increase meeting discipline

More flexible in opportunity for meetings (date, time) due to less travel effort

Acceptance for online meeting; equal value compared to personal presence meeting (f2f).

Threat: attention/presence of “all” attendances; no “face2face” Smalltalk (feeling, emotional factors, etc.)

Q: Have these traits changed for you since the start of the COVID-19 pandemic? What single trait would you define as being most helpful during the pandemic and why?

A:

More acceptance for online meetings (no option)

Health and safety issues => “protect each other”

Increase of communication frequency and feedback; more information about market, activities; increase of employee individual responsibility (due to home office time management)

Participant 4: WV

Q: Please briefly explain your current role (including size of teams managed, location of teams, etc.)

A:

BU leader and part of the [Company] Dialogue team
I personally have an Electrical engineering background.

Q: Which leadership traits do you use when managing an international team?

A:

1. Great leadership begins with the person, not the position.

Before you can lead others, you must first manage yourself. Leadership is not so much a position you hold (which is potentially determined by hierarchy, role, age, seniority, etc.) as it is a set of disciplines and behaviours you practice, the first and most fundamental of which is self-discipline. Others are moral principles (see as well our company values), the attitude to serve the team, etc.

2. Great leadership is about your level of influence, not your level of authority.

People follow the leader first and the vision second. If people aren't committed to you, they will not be committed to the vision you communicate. Indeed, your influence is your authority. You establish your personal credibility and authority by consistently living your core values and demonstrating that you are a person others can trust.

3. Great leaders are as good at listening as they are at communicating.

People want their leaders to listen. People want to be understood at two levels: intellectual and emotional. At the intellectual level people want the leader to understand what they are saying. At the emotional level people want the leader to understand what they are feeling. Listening is not about agreeing with people, it is about respect and seeking to understand.

4. Great leadership is about wisdom, not intelligence.

There are plenty of smart people in leadership roles. What we need are wise leaders. Wise leaders have insight, that is, they see beyond the obvious.

5. Before you can lead, you must first learn to follow.

Great leaders are great followers. They are humble. They do not always need to be in charge. They understand the impact of great followership.

6. Great leaders create stability and drive change.

Effective leaders build and maintain a changeless core. From that foundation they drive continuous change and improvement. The changeless core is a deep, unwavering commitment to shared values that gives people meaning and identity beyond their role in the organization and beyond the circumstances the organization or its people may be facing. The commitment to continuous change derives from the leader's recognition that success requires constant adjustment and continuous improvement.

7. Great leaders use their power by giving it to others.

effective leaders are a source of power and energy for people, teams and the organization. They understand that power is not a zero-sum game. The more a leader empowers others, the stronger and more effective the leader and the team become.

8. Effective leadership requires courage.

Courage ('cor' from latin = 'heart') means strength of heart. It takes great courage—that is, strength of heart—to be a great leader. Courage in taking risks to reach new heights, courage to go and lead outside of comfort zones, courage to be accountable or courage to stop things which don't work out.

Q: What leadership traits do you value the most in others (your team members) when managing an international team?

A: Great leaders use their power by giving it to others.

Q: How have the leadership traits you use changed since the mainstream introduction of digital tools in the workplace? In your opinion, do any traits stand out as becoming more important over the past 10 years?

A: Communication via digital tools and the way we collaborate:

- **Webex:** Communicate wider (cross boarders) easily also great tool for team meetings.
- **Email:** more for formal use in the team but more focused content and focused groups
- **Intranet:** Wider communication and more general content
- **SharePoint, Confluence** gain importance: common data, collaboration tool, work on doc together especially in Project Leader work
- **WhatsApp / Signal** : more for informal communication with the team
- Tools like **Mentimeter** are more user to collect a view or to pulse the decision of bigger groups
- ...

Q: How has digital transformation affected your leadership style? (Day to day leadership methods, rituals, behavior with team members, etc.)

A: More focused communication A lot of people have too much “online-time” so you need to get to the point fast

Q: Please explain how these leadership traits and styles help to shape success within your organization

A: Use the skill and abilities of different team members (by empowerment) to do something together in a **corporative style**, and not isolated attempts

Q: Have these traits changed for you since the start of the COVID-19 pandemic? What single trait would you define as being most helpful during the pandemic and why?

A: Trust and empowerment become more important... allowing colleague to work with full trust and to use modern tools (see point 4). Also to keep a rhythm (keep processes like strategy running), enough is changing already so keep the work and processes rhythm going.... Creates a feeling of safety.

Participant 5: HR

Q: Please briefly explain your leadership role (including size of teams managed, location of teams, etc.)

A: This reply is given within the framing of my former role as Innovation Process Manager responsible for 7 teams and approximately 80 personnel. The teams are all located in the same development centre in [Country]. The team members are predominantly Austrian and German, but are also derived from other EU countries, with a handful from other continents. We have leaders for each team who form part of a think-tank for strategizing, goal setting and shared problem handling.

Q: Which leadership traits do you use when managing an international team?

A: With an international team, different cultural perspectives are apparent. Active communication with an emphasis on listening thus form key elements of leadership.

Q: What leadership traits do you value the most in others (your team members) when managing an international team?

A: Willingness to share information on active tasks, a balance of humor and crisp communication, and wish to actively contribute to the whole team effort.

Q: How have the leadership traits you use changed since the mainstream introduction of digital tools in the workplace? In your opinion, do any traits stand out as becoming more important over the past 10 years?

A: With the onset of digital communication and distance working, getting the balance of greeting and establishing a relaxing/working atmosphere, without taking too much time, is valuable [emphasis from original]. Reading intonation and body language (if video activated) is also important. Then the challenge of how to share and spar on ideas – what graphics, what text, what is only spoken, etc., requires active attention. Leadership which fosters both party involvement (one on one), or equal participation with groups, needs attention.

Q: How has digital transformation affected your leadership style? (Day to day leadership methods, rituals, behavior with team members, etc.)

A: Can be easily summarized in one word: communication. Establishing a strong working communication requires the most active concentration

Q: Please explain how these leadership traits and styles help to shape success within your organization.

A: Our organization focuses on communication, each person taking responsibility and an inclusive culture – so these traits naturally feed into a basic recipe for success. Again, communication stands out as key.

Q: Have these traits changed for you since the start of the COVID-19 pandemic? What single trait would you define as being most helpful during the pandemic and why?

A: The pandemic has changed everything as leadership and communication had to move to more digital interactions. This was a forced, rather than chosen, change. If one has to single out one trait in this regard, it is the one I highlight in red above.

Participant 6: WW

Q: Please briefly explain your leadership role (including size of teams managed, location of teams, etc.)

A:

- a. CEO [Company] Foundation. Managing a team of 30 people at the HQ in [Country 1] and [City],[Country 2].
- b. The foundation engages in: Affordable Housing for families in need, Music for social change for children and youth living in vulnerable, disadvantaged regions and economic empowerment for the poorest.
- c. The geographical scope is global: currently the Foundation is active in 24 countries globally, running 50 projects concurrently
- d. The key principle of the Foundation is “help for self-help”, which in turn means, that we are not a financial donor, but actively engage helping people to take life in their own hands. Our programs aim for systemic change, which ensures sustainable impact are large scale
- e. The global philanthropic investment in 2020 has been 29 mio USD to give an order of magnitude.
- f. The foundation has further investment areas, which can be looked up on the website: [URL]

Q: Which leadership traits do you use when managing an international team?

A: I believe that I can consistently build on four skills in leading teams and individuals:

- a. Business analysis: skilled judgement as a guide to thought and action in accomplishing tasks; accurately identifying critical objectives, clear strategies, anticipation of obstacles, creative problem solving to achieve desired results
- b. Conceptual thinking: quickly able to identify core issues, able to explain complicated situations in useful ways, new ways to look at an issue that create strategic insight;
- c. Contextual thinking: based on my vast international experience (business, culture, languages etc.) able to see different perspectives in complex interpersonal or organizational interactions. Consider broad, complex and organizational impacts of issues, able to think beyond the obvious, approaching topics from multiple angles.
- d. Interpersonal awareness: able to recognize and respond to people’s emotional states; anticipating likely emotional responses to decisions and discussions ...

Q: What leadership traits do you value the most in others (your team members) when managing an international team?

A: A key principle that I have been consistently following over my long leadership experience (around the globe) has been to get high diversity into the teams I work with. Diversity from different aspects (culture, thought, experience, personality traits etc.). Diversity in teams creates innovation, holistic views and solutions and is generally more

fun to work with.

Generally, I would say I value:

- a. I value people who have ambition and purpose, are intrinsically motivated and are driven to achieving results, getting things done.
- b. People who are value driven: like, demonstrating commitment, vigorous integrity (honest, transparent, no second agenda etc.), have courage to take calculated risks
- c. Team-working skills: people who embrace working in a team / leading teams; people who can influence, convince rather than using a top-down /telling leadership style.

Q: How have the leadership traits you use changed since the mainstream introduction of digital tools in the workplace? In your opinion, do any traits stand out as becoming more important over the past 10 years?

A:

- a. Adaptive / transformational leadership style
 - i. My own curiosity, openness to learn new technologies
 - ii. willingness to adopt and change, e.g. methods and style of communication, working together;
 - iii. adopting a pro-active response to this “new normal”
 - iv. understanding that embracing the digital transformation as a leader is the only way (if you are not changing, you are out fairly quick)
 - v. dealing with
- b. Emotional intelligence and influencing skills are much more demanded than power and force
- c. Opportunity thinking based on the new technologies and at the same time develop a healthy “Paranoia” to look at potential disruption of what digital transformation
- d. Maybe more ...?

Q: How has digital transformation affected your leadership style? (Day to day leadership methods, rituals, behavior with team members, etc.)

A:

- a. Shorter cycled coaching, alignment, coaching using digital means of communication
 - vi. coaching, feedback and communication with team leaders and team-members hopefully creating higher motivation
 - vii. Much more thoughtful of timing and content of communication and the channels that can be used for targeted and more effective communication
- b. Using much more sources to get to relevant information (papers, articles, news feeds);
- c. Using much more possibilities to connect, build networks, find best practices, find the best thoughts and minds etc.
- d. Ability to stay focused on what is relevant as opposed to information overflow, ... sometimes a struggle

Q: Please explain how these leadership traits and styles help to shape success within your organization.

A:

- a. Greater organizational clarity, greater alignment in the company; gaining speed, effectiveness and outreach in communication;
- b. Effective people strategies: employer branding, attracting and hiring the best talents; career development and succession planning etc.
- c. Business opportunities in the core business through digital transformation, significant differentiation potential through usage of technologies;
- d. And more...

Q: Have these traits changed for you since the start of the COVID-19 pandemic? What single trait would you define as being most helpful during the pandemic and why?

A:

- a. More frequent digital connection and communication with people
- b. Emotional skills and sensory. Recognize how people are affected in their personal situations etc.
- c. Truly caring for them: listen, understand, share own experience, thoughts and feelings
- d. Always optimistic, forward looking and positive mind-set

Participant 7: MS

Q: Please briefly explain your current role (including size of teams managed, location of teams, etc.)

A:

Direct:

- Coaching and coordination of the leadership team; size: 5 members; location: Austria, USA
- Leading and coordination of the core-strategy team; size: 6 members; location: Austria, USA

Indirect:

- Various Project teams
- Lead [Company]; size: ~900 team members; location: ~ 25 offices w[orld]w[ide]

Q: Which leadership traits do you use when managing an international team?

A: The following I perceive as very helpful and effective. It does not mean that I am perfect in applying it - there is enough potential in all areas to improve:

- Trying to provide answers on the Why (the purpose)
- Elaborating the mutual “What” (the goal)
- Being clear about the Values when pursuing the “Why” and the “What”
- Listening and seeking to understand (intellectual and emotional)
- Communication (via various tools)
- Direct contacts (events like workshops, team meetings/-building, ...)
- Empowerment, trust, mutual feedback

Q: What leadership traits do you value the most in others (your team members) when managing an international team?

A: I guess it is not surprising if I come up with the same list like the above, since in my opinion these are elements of effective and efficient leadership at [Company]

Q: How have the leadership traits you use changed since the mainstream introduction of digital tools in the workplace? In your opinion, do any traits stand out as becoming more important over the past 10 years?

A: In my case I wouldn't say that the traits changed because of the introduction of digital tools. My observations is:

- the importance of various traits compared to others changed due to the changed environment/tools
- I had to develop the understanding and sensitivity of what tool is used when

Examples: which tool is used to address conflicts or which tool is used to communicate what, ...

Traits which became more important in my opinion:

- Purpose, goals, values
- Empowerment, trust and feedback

Because of a multi-faceted, worldwide team in a fast changing and very demanding environment.

Q: How has digital transformation affected your leadership style? (Day to day leadership methods, rituals, behavior with team members, etc.)

A: In the beginning I perceived it as very efficient but over the time it made me more sensitive of what has been lost because of it. I had to become more precise of what tool is used when. For example: there was a time when I used e-mail for short information even when the receiver sat at the next desk ...

In other words, in the beginning it was more efficient than effective. It needed a learning phase to ensure the effectivity.

In the combination with digital tools, I observe following changes in my behavior:

- Bringing in personal topics, feelings, stories, ... to meetings
- Ensuring that during meetings/VC's everyone gets time to speak out and be listened => more structured process
- Looking for the possibility for personal meetings to compensate shortcomings due to digital tools (fire-side talks, ...)
- Communication via various tools (e.g. Intranet postings, video, Radio show, ...)
- Use of sounding boards e.g. before something important is posted in the Intranet

Q: Please explain how these leadership traits and styles help to shape success within your organization.

A: I am convinced that people look for purpose. If one sees sense in what s/he is doing, it creates emotion and passion.

Especially in a team which is spread worldwide (different countries, different cultural backgrounds, different skills, ...) the core (Vision - Why, Mission – What, Values – How) needs to be strong. This is what is connecting us and what is the frame within we are working together.

Today's demands are very challenging. The increasing complexity, the fast-changing environment, ... make it even more challenging. A centralized operational controlling (only) will not be enough to address these challenges.

Skilled, empowered and trusted people are the key to address this challenge. In the combination with the agreed frame, it will solicit identification and passion for what we are doing. Our customer will feel it in the solution.

Q: Have these traits changed for you since the start of the COVID-19 pandemic? What single trait would you define as being most helpful during the pandemic and why?

A: I would not say that the traits changed due to the pandemic. For me the value and importance of some traits became more obvious:

- Specifically: Empowerment, trust, feedback:

The social/physical disconnect had impact on our daily routines. With the tools at hand – especially in the beginning – we are barely able to compensate the limitations. Although video and audio pretend to provide what's needed, we had to learn that it is mainly a limitation to 'just' two senses: see and hear.

Empowerment, trust, feedback are very helpful traits to compensate the limitations. Even more, they show their full capacity in such times.

- Empowerment: Colleagues were used to work on their own, improvise, find solutions, became active if needed, ...
- Trust: obviously “working from home” was a challenge for some companies – it was a question of trust: “do the employees work during the office hours”. Gladly, this wasn’t an issue for us
- Feedback: empowerment and trust become stronger when verified through mutual feedback and exchange

- More general: Values and Culture

Values and Culture is shown by the behavior of a team in critical times. In other words; it is a long-term investment which (hopefully) shows its value when it is needed most.