

LEADERSHIP IN THE DIGITAL ERA. THE NEW GENERATION OF LEADERS

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Abstract:

Today, the changes that remodel the leadership of companies are technology, access to information through the Internet, transition from creative economy to shared economy (eg. AirBnB, Uber, Facebook, eBay, Amazon, AliBaba etc.), organizational forms of companies lesser hierarchies, the ability to learn how to learn, unlearn and relearn in a holistic, integrated and trans-disciplinary manner.

In the digital era, the role of the leader is defined by: his contribution to an organization that makes knowledge the raw material, open attitude, and the ability to understand and anticipate the impact of the latest technology on the various industries and operating ecosystems of the company (from big data and cloud computing to artificial and augmented intelligence), knowing the limits of your own competences, and expanding the field of knowledge through consultation with relevant colleagues and experts. Conscious of its own limits, the leader opens to the community and forgets the traditional leadership model.

According to new studies by industry specialists, digital leaders are more innovative, more enterprising, more daring, more extrovert and more agile in addressing business opportunities than traditional ones.

In order to have a competitive advantage, organizations today have to create structures capable of anticipating the evolution trends and the structural and content changes of the market on which they operate and these cannot be achieved without reconfiguring the way one thinks and does business.

Digital technology will play an important role in our lives and companies. The rise of the digital era does not necessarily mean the fall of leadership in general, but an important reformulation of the one we know.

More and more we will need people with vision, skill magnets, dream projectors, and conscious experts. We will need talent, new organizational architects, new leaders.

The present paper aims to bring arguments in this respect using recent study data.

Key words: *leadership, digital era, creative economy, shared economy, new leader*

JEL Classification: J24, L26, M15

Introduction

Any company asked itself at some point what is the secret behind a successful organization? The response, which is being given more attention lately, is not very difficult to find and consists in creating a strong organizational culture that, together with the leader, manages to maintain the talented and appropriate human resource by coordinating and guiding the employees towards the goals. Organizational culture is created and developed by a leader who exercises charisma, introspection and power to lead by example at any moment, because the influence of a good leader is also observed in the commitment or effectiveness of the human resource, which leads to the achievement of objectives with direct effects on the organizational performance.

1. New frontiers in leadership. Forming the new generation of leaders

1.1. Typology of leaders

Efficient leaders believe that individuals, organizations and even nations possess undiscovered talent and unexploited resources. They seek to free the full potential of their successors so that they can go higher and go further than they previously thought possible. Leaders can be categorized into the following four types: opinion leaders, brave leaders, inspirational leaders, and servant leaders.

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✓ *Opinion leaders*

Leaders use the power of the idea to get change. Sometimes a new idea of them can bring a paradigm shift that can provide a new goal for visualizing and understanding a radically different context. At other times, the new idea only leads to an incremental change. But all the changes, whether large or small, start with a new idea. For centuries, leaders believed that they had fought on the ideas market using books, papers, and oral presentations. They still do this, but today they also use the internet, the media, and other technological advances to disseminate ideas more quickly and to a great extent.

✓ *Brave leaders*

Brave leaders follow a vision, bravely, in the face of considerable opposition and risks. They have strong beliefs about their mission (purpose), vision (long-term goals), and the values they believe in (right and wrong). They talk about their basic beliefs and fight for their values, no matter what the situation. In addition, they seek the truth and want to be fair with others.

✓ *Inspirational leaders*

Inspirational leaders promote change through the power of their passionate commitment to ideas and ideals. Their words mingle in the spirit of the employees, strengthen their convictions, and leads them to action. They are eager to follow because they have positive attitudes that create strong emotional ties with people. Their speech is refreshed through words, such as justice, freedom, honor, respect, pride and love. Affirming and encouraging their conduct builds the confidence of their offspring. Inspirational leaders create a sense of urgency by explaining why it is important to take action rather sooner than later. In addition, they describe the measures that people have to take. These leaders are forced to think and act in a different way, using personal values and innovation to help guide their actions instead of following solutions from books offered by various authors.

✓ *Servant leaders*

Servant leaders care very much about people. They seek to remove the barriers and obstacles that keep them from realizing their full potential. They strive to create an environment in which their followers can best perform their work. Leaders frequently ask, "How can I help?" The servant leaders attract followers and motivate people to change, helping to remove the obstacles that are in the way of their growth and development.

In order to fully understand the role of leaders, it is necessary to look at what is happening within these people, not just to observe their behavior (Nygren & Levine, 1995).

It is suggested that tomorrow's leaders may need vision, values, hypotheses and paradigms that are consistent with the need to have a targeted team and empowered workforce in order to have the greatest success. Without their vision and values to support the organizational structures of the future, people cannot be equipped to make decisions in accordance with these structures (Fisher, 2000).

1.2. Developing new leaders

In an attempt to cope with an increasingly dynamic economic environment, there is a growing need for rapid intervention in leadership training and education. It is necessary for a leader to be receptive to changes or developments in leadership strategies. There are new leadership styles that can be developed through mentoring, experience, and feedback sessions.

A. Leader -Mentoring

It is a new method that supports the development of leadership, based on learning from one's own experiences.

Mentoring helps improve relationships with superiors, subordinates, colleagues, other organizations, suppliers or customers by developing trust, which is the foundation of learning. Mentors or intellectuals helps young people with less experience, teaches them how to exploit opportunities, giving them tips based on their own experience and inspiring their sense of belonging and loyalty.

Perhaps most importantly, mentors make their disciples introspective. (Moon, 2014).

One such example is American judge Nathaniel R. Jones, who was marked by his mentor J. Maynard Dickerson, the first prosecutor of color. Dickerson influenced him and caused him to change his perception of civil rights and the system after he invited him to attend a trial. In the following period, the mentor helped him to develop emotional intelligence, communication skills, how much respect and trust in interpersonal relationships means, and explaining the consequences for each mistake.

B. Learning from your own experiences

For each of us the legitimate question appears at a certain moment: Can I evolve as a leader? How?

The answer lies in the experiences lived by the leader, experiences that influence the way in which he is predisposed to learn from the activities developed, to develop communication skills, motivation, knowledge, this experience is gained in time and working in different organizations. (Day et al, 2014)

This was the case with Motorola's vice president, Liz Altman, who gained a lot of experience as a Sony employee who had to work in a whole new culture, in Japan.

In order to be respected and to be recognized, she was advised to avoid associating or developing interpersonal relationships with other subaltern women, suitable only for lower-level posts. Altman did not listen to the advice she received and communicated, gaining the confidence of women, then turning to soft skills in communicating with men. After a long period of time, she was recognized as fair and respected by all members, helping her to develop her potential and capabilities, to be calm and not to make hasty conclusions, thus preparing for difficult future situations as vice president at Motorola, where she runs intercultural relationships with various regional operations points.

C. Leadership through feedback

Successful leaders offer and wait for feedback, creating trusting relationships with their peers because they understand how essential another perspective is if they want high performance. For leaders, understanding and applying a 360 degree feedback, are needed for personal development. By providing feedback, the leader can support employee efforts and improve everyone's effectiveness, but it all starts from self-knowledge and awareness of strengths and weaknesses. (Day et al, 2014)

An example of how important it is to respect employees' ideas, needs, or suggestions and integrating their feedback into company and technology strategy can be found in Booz Allen Hamilton. He provides consulting services on six continents and employs about 21,000 people. The company used to have a fantastic commitment rate of employees and was an example in any business conference. Employees have been working in 2 weeks shifts on their collaborative platform on the basis of feedback from employees. The project was transferred to the IT department where no one was interested in the employees' opinion, which led to lower commitment rates and efficiency.

1.3. A possible portrait of the leader in the digital era

Technological evolution and globalization has greatly influenced the profile of today's leaders, therefore attributes such as agility, anticipation, transparency, connectivity and multiculturalism characterize the profile of the current leader.

Today, digital technology is radically changing things. People have access to all kinds of information, reports, evaluations, etc. published in the on-line environment, having the opportunity to better understand things and even solve some problems themselves.

It is very clear that the old leadership strategies no longer give the expected results today, as the information is mostly transparent and generally published in the on-line environment.

Generations "Y" and "Z" are already coming fast. Even if they are disadvantaged by their age, they have the great advantage of doing very well in digital competition.

They have a much faster and more thought-oriented way of exploiting opportunities. They can better collect and manage large amounts of data and, of course, they also have the energy of a younger age. And how in business we talk about profit and globalization, then why would it remain a classic and unadjusted leader in the situation where consumers, the market or companies evolve to other requirements?

It is very clear that today's leaders who have not started adapting to the people requirements of the digital economy will soon become irrelevant in business and lose their status. "Yesterday" leaders can no longer be the same today or tomorrow. To adapt to requirements and to successfully meet daily challenges, leaders in the digital economy need to develop and refine their skills and competencies in practice.

- Necessary abilities of the new leaders in the digital economy

- ✓ *Thinking and predicting*

The ability to use efficiently the "clarity of the mind" when deciding or planning, finding and selecting with ease the relevant and essential information, and using them for advantages in business.

- ✓ *Emotions*

The ability to understand and work efficiently with their own and others emotions. The ability to understand universal people emotions and finding solutions to value them by eliminating fear.

- ✓ *Memory and attention*

The ability of working efficiently with the memory, focus and attention, maximizing the mental resources that one possesses and the mnemonic triggers that help structure the information.

- ✓ *Decision*

The ability to take fast and balanced decisions, emotional and rational, even in conditions of risk, focusing on present and future opportunities.

- ✓ *Networking*

The ability to develop, in relations with others, your own social, interpersonal and intrapersonal intelligence, supported by values based on mutual respect and desire to help each other.

- ✓ *Listening and empathy*

The ability to see and imagine things from another person's point of view, such that we are capable of understanding ones feelings, transmitting understanding and, at the same time, remaining connected.

- ✓ *Creativity*

Using efficiently the neuroplasticity of the brain by learning and opening the neuronal ways, capable of recognizing information and creating, whenever it is necessary, new ideas and concepts.

- ✓ *Digital skills*

The ability to use efficiently the present and future capacities of technology, in order to develop success strategies in the front of digital competitor on the market.

It is estimated that in 2-3 years the Y generation will occupy over 50% of the workforce. The evolution of digital technologies is explosive. As such, employees and consumers are changing.

Today's leadership chance, most of the Baby Boomers and X generations, is to demonstrate that:

- *they can refine their mental abilities to increase their performance;*

- they can connect and integrate active generations by creating competitive analogue and digital teams;
- they can adapt to the requirements and challenges of the current digital economy.

2. Case study on the new generation of leaders in the S.C. Continental Automotive Romania S.R.L Company in Timisoara

Founded in Hanover in 1871, Continental Company is currently among the top five automotive suppliers worldwide. With approximately 177,000 employees in 46 countries. Continental Automotive Romania S.R.L., as part of Continental AG, is one of the leading automotive security systems suppliers, including: brake systems, panel displays, vehicle chassis components (electronic parking assistance).

Continental Automotive Romania has several locations in Romania: Timisoara, Iasi, Braşov, Sibiu, Arad, Satu-Mare etc.

2.1. Research methodology

The case study is aimed at identifying the leadership style practiced at Continental to identify the profile of the successful leader. It also wants to emphasize the importance of leadership in the organization, the role of the leader in developing skills necessary for employees to achieve the organization's goals in accordance with their talent, skills and professional knowledge.

The aim of the research is to identify and analyze the leadership styles practiced within S.C. CONTINENTAL AUTOMOTIVE ROMANIA S.R.L, Timisoara Branch, as well as the way in which the employees are assisted in increasing the individual and organizational professional results within this company. In order to achieve the aim of the research, the main objectives of the paper are:

- ✓ *Objective no.1:* Determining the level at which employees are encouraged or benefit from the support of the leader in achieving outstanding results.
- ✓ *Objective no.2:* Highlighting the leadership style within the organization;
- ✓ *Objective no.3:* Highlighting the appreciation and recognition of organizational value.
- ✓ *Objective no.4:* Highlighting the possibility of transferring to the subordinates the authority and responsibility of taking decisions so that they can carry out their tasks independently.

The research method used is the survey based on a questionnaire. The research tool is the questionnaire. The questionnaire consists of 10 questions and was distributed to a total of 30 subjects, including 6 with leading positions and 24 executives at S.C. CONTINENTAL AUTOMOTIVE ROMÂNIA S.R.L, Timișoara Branch. Subjects surveyed represent 30% of all employees in the production department where the research was conducted. Information processing was done using Excel, and the results obtained from this sample should be understood as having a contextualizing and non-generalizing role, but reflecting aspects that are worth to be known by Continental Timisoara's management.

2.2. Results

Following the study conducted at CONTINENTAL AUTOMOTIVE ROMANIA - Timisoara Branch and taking into account the four objectives, we have achieved the following conclusions:

Objective no. 1: Determining the level at which employees are encouraged or receive leadership support in order to achieve outstanding results

The results show that the employees of this company believe they have the support of the leader, encouraging them to achieve outstanding results, helping them to develop, to progress and thus to fulfill their objectives much more easily, which indicates a positive aspect because the employees know what tasks they have to accomplish, they can coordinate

their activities much better and get very good results. The fact that leaders set job-specific objectives with each employee individually leads them to a greater motivation, employees being aware that achieving goals is recognition, personal achievement and rewards. It is also important to keep in mind that the company leaders clear the tasks of the subordinates. This has been confirmed by most of the employees who have been questioned. The fact that employees know what tasks they have to accomplish helps them to grow, to progress and thus to accomplish their goals much more easily, by coordinating their activities much better.

Objective no. 2: Highlighting the leadership style within the organization

The leadership style present in the company Continental Automotive, Timisoara, is democratic. The main reasons behind this conclusion are: this style is characteristic of the leaders who ensure the participation of the subordinates in the leadership process, these leaders call for the collaboration of the subordinates both for the setting of the objectives and for the assignment of the tasks. As a consequence of this democratic style, we are witnessing a reduction in tensions, conflicts and strong participation in the company.

Objective no. 3: Highlighting the appreciation and recognition of organizational value

Both executive and management employees consider that their professional qualities are recognized and appreciated within their company and that there is a link between organizational and personal values. Among the most important values appreciated by a leader, in the employees' opinion, we mention: good communication, teamwork and continuous orientation towards innovation. From the leaders' point of view, the most important values that an employee is looking for are: teamwork, continuous orientation towards innovation and positive attitude. As a conclusion, we find that in Continental Automotive Timisoara, both for employees and for leaders, all values matter, but to a different extent.

Objective no. 4: Highlighting the possibility of transferring to the subordinates the authority and responsibility of taking decisions so that they can carry out their tasks independently.

According to the results, we find that in Continental Automotive Timișoara, leaders practice delegating authority with confidence in their subordinates and assuming responsibility for how they carry out their tasks.

2.3. Conclusion for the case study

We find that in the studied company we are witnessing a social architecture that is based on respect and dignity. In addition at Continental Automotive Timisoara, there is a great opening for decentralization and delegation from the central level to the lower levels. This does not mean, however, that there is a dilution of authority, but that the organization becomes more responsible at all levels of decision and action. The results of the study show that the leaders at Continental Automotive Timisoara provide a highly motivational organizational framework in which the employees of the company feel they are developing and show their talent, skills and initiative at the highest level. We can say that in this company the organizational culture is created and developed by leaders who exercise their charisma, introspection and the power to lead through the power of the example regardless of the moment, because the influence of a good leader is also observed in the engagement or the efficiency of the employees, objectives with direct effects on organizational performance.

3. Final Conclusion

In order to have a competitive advantage, organizations today have to create structures capable of anticipating the evolution trends and the structural and content changes of the market on which they operate and these cannot be achieved without reconfiguring how to think and do business .

More and more we will need people with vision, skill magnets, dream projectors, and conscious experts.

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