

## DIGITAL LEADERSHIP AND CORPORATE CULTURE: WHAT CHALLENGES DO MANAGER ENCOUNTER AND HOW DIGITALITY INFLUENCES LEADERSHIP BEHAVIOUR

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***Abstract:** This article presents a study that examines the link between digital leadership and corporate culture. Leading teams remotely pose new challenges for managers. For example, the lack of physical collaboration with employees can be a big impediment. The focus of this research paper is precisely on these challenges. It underlines and proves the relevance of digital leadership from the perspective of remote leadership. The extent to which leadership has changed against the background of digitality and the digital maturity of companies is examined. Digital maturity is clearly identifiable and measurable in a company and can be influenced by the leadership style of leaders and managers of different hierarchical levels within an organization. Using a practical example challenges that leaders and companies face will be verified within this empirical environment. At the same time, a methodology in the form of a workshop-format is introduced. It enables leaders and managers of different hierarchical levels to succeed in working digitally. At the same time an uniform understanding of values will be needed in order to shape a value based corporate culture.*

*Not only the topic of changing leadership styles due to the digital age is addressed. A concrete practical reference presenting a tool and methodology that enables leaders to manage the challenges that remote leadership brings with it, is offered. The approach explored is adaptive. Meaning the concept can be applied to all types of companies and teams. A concrete practical use case proves the methodology against its applicability in practice. And abstracts the complexity that remote leadership and digital maturity entail to an understandable level. It therefore offers leaders of various hierarchical levels an opportunity to influence the culture within their teams. In this way, leaders and managers are able to significantly strengthen and positively influence the digital maturity of their companies.*

### **Introduction**

Digitization and remote working, which has become increasingly important, especially in the past year due to the COVID pandemic, pose new challenges for both companies and their executives. Research conducted and published by MIT Sloan Management Review in collaboration with Deloitte Digital in 2016 shows that 90% of the 1000 CEOs interviewed are convinced that business is being transformed and influenced by digital business models. 70% of interviewees even believe they do not have the right skills and leaders to embrace and adapt to these evolving structures (Kane et al., 2016). Preparing a company for digitality and the digital future means aligning and changing the entrepreneurial activities and structures, the people and, above all, the culture in synchronization with the organizational goals. Companies should succeed in integrating their digital strategy into the companies overall strategy. This means that processes, business models, as well as the promotion and retention of talents, will be transformed by technology. The corporate

culture, which is characterized by common values and features, plays a central and decisive role. Characteristics such as the willingness to take risks, to try new things, the investment in talents and its advancement, as well as the development of leadership personnel such as business executives and managers significantly shape companies in terms of their digitality and help them to drive innovation and significantly advance the digitalization of their business (Bersin, 2016; Kane et al., 2016).

Managers and the leadership style they use to lead teams and employees are closely intertwined with the culture of a company and have an immense influence on the organizational structure and the prevailing corporate culture. Last but not least, the attitude of managers with regard to digitally driven topics and framework conditions, such as technologies or the willingness to work remotely (e.g., home office), has a strong influence on the corporate culture of a company. The culture is also influenced by the employees and their own willingness to try out new things, find new ways of working together, and their identity and willingness to take on responsibility. It is therefore more important that a corporate culture is characterized by uniform values and that these are also lived and intensified over time (Bersin, 2016; Kane et al., 2016).

### **Leadership and Leadership styles in the modern era**

Change processes characterizes our time and countless aspects of our lives, both in the private and professional context. Especially in the professional environment, we experience this in the form of a change in markets, products and, above all, needs. Last but not least, globalization and the technological change of the past years move companies and organizations and lead to changes within them. Especially in terms of employee management and leadership within companies. Pure technical knowledge is now no longer sufficient to be able to successfully lead employees and teams; instead, competencies such as the willingness to innovate or the ability to learn seem to be becoming increasingly important. Teams are becoming more heterogeneous and complex, corporate structures are becoming more complex and work behaviour and the culture have changed (Winkler & Niedermeier, 2020). Against the background, a manager in particular must react flexibly to economic and, not least, social changes and requirements. They must act with foresight in order to cope with structural change and the demands that come with it. This is the only way to support sustainable corporate development and, not least, the performance of a team, thus securing a decisive part of the company's success.

Leadership behaviour over the years has changed. From a very authoritarian and strongly hierarchical power-motivated leadership style of many managers to an expressive, charismatic leadership to a cooperative leadership style.

### **Authoritarian Leadership**

Authoritarian leadership describes a leadership behaviour in which the decision-making authority and the leadership of employees rests unrestrictedly with one person alone. Employees are not integrated or involved in any decisions. Authoritarian leadership is characterised by a strictly hierarchical structure between the superior and the employee. The authoritarian leadership style requires a high degree of obedience and discipline from the employees towards the superior. Within the framework of an authoritarian leadership style, it is common for work results to be strongly evaluated and checked by the manager, i.e. through external control. Authoritarian leadership is also called patriarchal leadership

style because it is characterised by the authority and the claim to rule of a single person (Taylor & Roesler, 2011).

### **Transactional Leadership**

The transactional leadership style is based on an exchange relationship between the leader and the employee. However, two decisive dimensions are in the foreground: on the one hand, performance-based remuneration and on the other hand, intervention by the manager in the case of deviations from the desired behaviour. The employee receives recognition for good performance, but also negative feedback in the case of unsatisfactory performance. This form of leadership is thus characterised by a high degree of control and a predefined structure by the manager (Furtner, 2016b, 2016a; Sturm et al., 2011).

### **Charismatic Leadership**

To a certain extent, charismatic leadership is similar to patriarchal leadership, as it also involves a claim to power. However, unlike patriarchal leadership, charismatic leadership relies on the charisma of the leader's extraordinary personality. Charisma is defined by Max Weber as a "certain quality of an individual personality, by virtue of which he or she is set apart from ordinary people and treated as endowed with supernatural, superhuman, or at least specifically exceptional powers or qualities. These are not accessible to the ordinary person, but are regarded as of divine origin or as exemplary, and on the basis of them the individual concerned. is treated as a leader." (Robbins et al., 2016 p. 341). Accordingly, a charismatic leader possesses one or more characteristics that positively distinguish him or her from others and on the basis of which he or she is valued. In the literature, four characteristics are repeatedly highlighted and named that make up successful, charismatic leadership:

1. a clear and comprehensible vision that the leader has.
2. a willingness to take personal risks in order to achieve the vision.
3. the willingness to address and respond to employee needs on an individual basis.
4. behaviours that are considered exceptional (Robbins et al., 2010).

### **Transformational Leadership**

The inspiring and motivating nature of the leader is characteristic of transformational leadership (Bass, 1997, p. 133; Felfe, 2006, p. 69 f.). Here, the leader has a stronger effect by virtue of his or her role model function. Thanks to their inspiring and often visionary appearance, they can awaken the self-motivation of staff and convince them of their own vision in such a way that those led increasingly interpret the values and goals of their organisation as their own and identify with them (Bass, 1999; Howell & Avolio, 1993; Riggio & Reichard, 2008). By communicating values and goals, the leader can motivate employees in the long term.

### **Cooperative Leadership**

The cooperative leadership style, on the other hand, describes a leadership behaviour in which the employee is involved in decision-making. This can be done by delegating tasks and decisions from the manager to the employee. The employee is given a corresponding degree of trust to act in the interest of the company and to decide in favour of the company. The trust placed in the employee also increases the employee's motivation (Jorn & Grunau, 2014; Jung & Sosik, 2002).

### Modern Leadership

Modern leadership is a style of leadership that has increasingly emerged from leadership and looks less at procedural control and plannability and instead much more at people in the center of research. This form of leadership motivates and inspires people by communicating a vision. In this way, they are inspired and pulled along to achieve a desired goal (Isada & Isada, 2017; Jokinen, 2005; Klimoski & Amos, 2012, 2012; Kotter, 2012; Kreutzer et al., 2017; Winkler & Niedermeier, 2020). The focus of leadership is therefore not on efficient control from a monetary point of view, but on the inspiring nature of the leader. Through the vision that a leader pursues and embodies, he or she succeeds in inspiring people and influencing them so that they share the same vision, adopt and pursue it and make it their own (Boyatzis, 2018; Kotter, 2012; Mödinger et al., 2016; Neubert et al., 2013; Passarelli et al., 2018; Robbins et al., 2010). In modern times, especially in an agile context, the employee who is at the centre of the research is brought on an equal footing. Leadership is therefore becoming less hierarchical and increasingly lateral, i.e. „from the side“. The manager increasingly acts as a coach or leader by supporting employees in creating a working environment in which they can work in a concentrated manner without unnecessary obstacles. Managers ensure that conflicts that arise are clarified and obstructive influences are eliminated (Denison, 1984; Denison et al., 2003; Denison & Mishra, 1995).

### Digital future and corporate culture

In the literature, countless studies can be found on leadership and the connection between leadership and corporate culture. Several frameworks have proven to understand cultural differences within companies and have helped to evolve different dimensions that can be helpful to understand cultural differences. Denison and his colleagues developed a culture framework which puts organizational culture and effectiveness in relation to each other (Denison, 1984; Denison et al., 2003; Denison & Mishra, 1995). The study using data from 764 organizations shows four essential cultural traits – mission, consistency, adaptability and involvement – which can be related to criteria of effectiveness (Denison & Mishra, 1995). The following table 1 shows the four different cultural traits and the associated criteria of effectiveness that influence them (Denison et al., 2003).

<b>cultural traits</b>	<b>predictors for</b>	<b>criteria of effectiveness</b>
mission consistency	→	profitability
involvement adaptability	→	innovation
adaptability mission	→	sales growth

*Table 1. Cultural traits and its related criteria of effectiveness*

The study by Denison, Haaland and Goelzer (2003) also shows that a common understanding and perspective on the organizational culture can be possible in multinational corporations. It can also be measured and tracked to have a predictable impact on the effectiveness of the company. It is proven that cultural traits of organizations have an impact on the performance of the company and its business. The effectiveness of

organizations can be linked to differences in the organizational behavior, the values of work, the organizational culture and last but not least to the leadership behavior in a company.

But what is missing in this context is the digital aspect. It is clear that companies have to be prepared to the digital future of their businesses. This change has been driven fast over the past couple of years and has presented companies with the challenge that they will have to overthink their future strategies, business models and non the less their internal business processes.

Another study by the MIT Sloan Management Review in corporation with Deloitte (Deloitte Consulting LLP and Deloitte Services LP) found that digital trends will greatly impact businesses in the future and lead them to organizational change processes (Kane et al., 2016). MIT Sloan Management Review together with Deloitte conducted its fifth annual survey of more than 3,700 business executives, managers and analysts from international organizations from more than 131 different countries and 27 different industries, from organizations of various sizes (Bass, 1997; Felfe, 2006). In order to understand and contribute the insights of the study to a richer understanding, they interviewed also business executives from several industries to understand the practical issues that organizations are facing in order to digital maturity and change processes.

The result of the study shows that digitally mature organizations share the same values and views. The difference between digitally mature organizations and immature organizations is that they are more willing to take risks, try new things and experiment, invest sustainably in their own talents and recruit leaders, and train and develop their own leaders within the framework of their own soft skills (Kane et al., 2016). Creating an effective culture is an immense challenge that companies are increasingly facing. Digitally mature companies are shaping a culture of change in which taking risks, trying new things and, above all, working together in an agile and collaborative way is desired. Such a culture must be created and lived. This in turn requires a new way of thinking, especially at the level of senior management, as managers must increasingly trust and offer their employees the freedom and opportunities to try out new things. They must also encourage their employees to take responsibility for what they do and to take risks. This, in turn, has a major impact on the willingness to make mistakes and the error culture in a company. This also means that the leadership team, especially in senior management, must be developed in a digital environment and also learn digital skills.

Above all, soft skills play a decisive role and are more important in these times than technological expertise. Skills such as communicating a transformative vision, being a forward thinker or a corresponding mindset that sensitizes for change and the corresponding change process are decisive and success-leading in addition to other leadership competencies and collaborative skills.

The study also shows that the respondents see the greatest challenge to the digital transformation and maturity of the company in internal processes and workflows.

The following chart shows what the biggest threat is that their companies are facing as a result of digital trends.

*What is the biggest threat facing your company as a result of digital trends?*



*Fig. 1 Threats that companies are facing (Kane et al., 2016)*

This figure shows the need to take a closer look at internal processes and procedures and to critically examine the current status quo within a company.

The following figure shows what a digital culture could look like and how the participants of the research rate these components regarding their companies digital maturity (Kane et al., 2016).

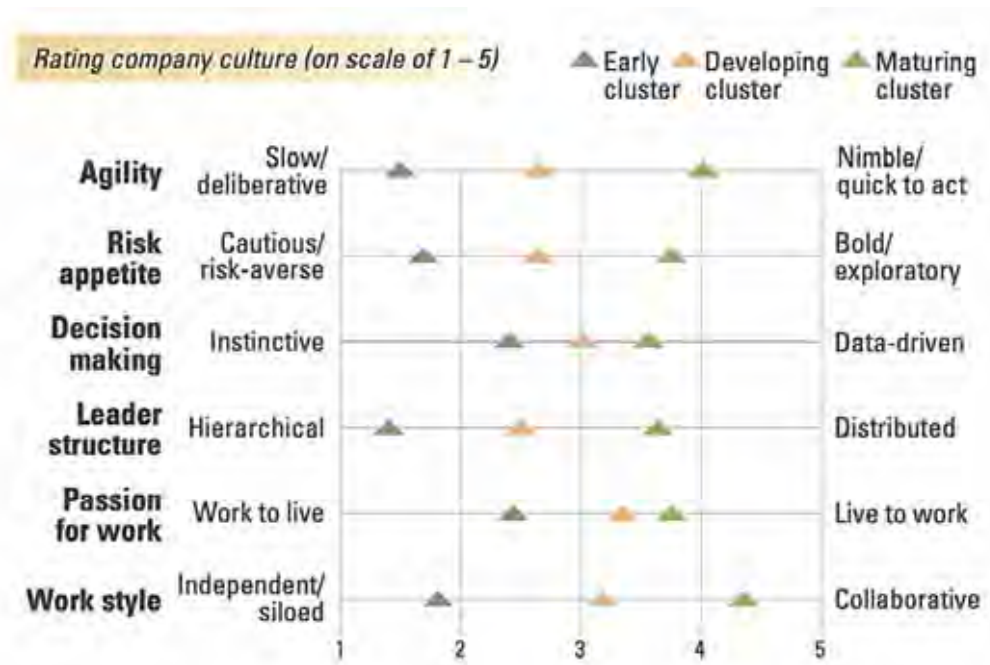


Fig 2. Rating of company culture regarding the companys digital maturity (Kane et al., 2016)

What has not been sufficiently investigated is what challenges leaders really encounter in practice, whether these challenges consider with the findings of the SLOAN Management Review and Deloitte (Kane et al., 2016) study and how these challenges can be solved by virtual leadership during a time in which remote work is the new standard (see chapter DIGITAL FUTURE AND CORPORATE CULTURE).

The following graph shows different layers of an organizational environment of different stakeholder within an organization. The center of this graph is each individuum the second inner layer is the team in which the individuum is working. The middle layer is the leadership competencies of the manager followed by the layer of the corporate culture. The outline shows requirements und influential variables such as social requirements and social changes such as working from anywhere in a mobile office or home office for example.

This paper concentrates on the three outer layers, the social influential variables such as home office, the corporate value as the center of this research and the leadership behavior and competencies.

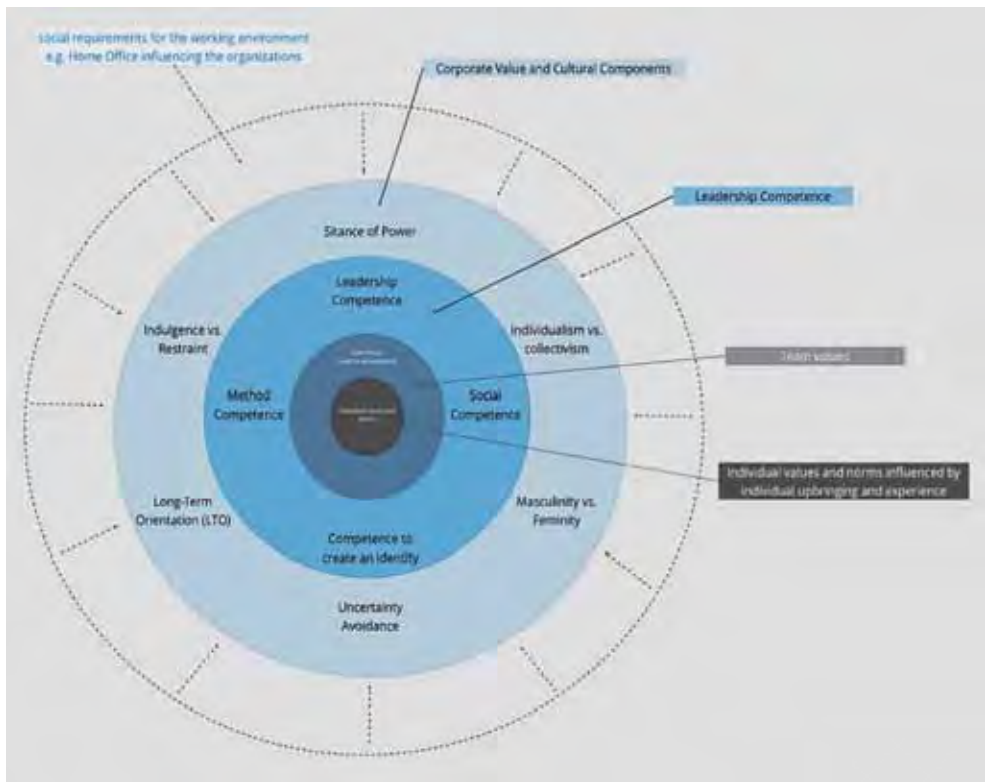


Fig. 1. Dimensions of the research

**Research questions**

Leadership of employees is as individual and unique as the respective situation in which leadership is needed, as well as the respective employee himself. The form of leadership has changed over the years from a strongly hierarchical leadership, in which the manager dictates very precisely what is to be done, to a leadership at eye level. Leadership that resembles coaching the employee to enable him or her to do new things and perform better.

The interactions and influencing factors between the leader and the corporate culture, from the leader to the group and to the individual are obvious and have already been extensively researched. The need for digitality to change ways of working, cultures, as well as corporate cultures is also obvious. It is the task of managers to recognize these changes and to react to them accordingly. This is also necessary to ensure that their business units are digitally future-proof in the long term and to secure the continuity and success of the company.

Remote working and physical separation, which has increased especially in the past year, poses new challenges for leaders. This requires leadership to rethink and find solutions that enable leaders to shape a unified culture despite the physical separation and remote working, and to shape collaboration in interdisciplinary teams to create team performance despite the physical separation and barriers that remote working brings.

## Methods

As the chapter LEADERSHIP AND LEADERSHIP STYLES IN THE MODERN ERA of this article shows, there is no one form of leadership that leads to effectiveness. The contingency approach is based on the recognition that there is no one solution for everything and that effective leadership is as individual as the people being led, the situations in which leadership is needed, or the cultures and circumstances in which leadership takes place (Bons & Fiedler, 1976; Zeithaml et al., 1988). The contingency approach is based on Fred Edward Fiedler's contingency theory developed in the mid-1960<sup>th</sup>. This theory states that the effectiveness of leadership depends on two essential factors: the leadership style and the situation (situational favorableness). Fiedler developed a model that can be used to find out whether the leader is more of a "task-oriented" or a "relationship-oriented leader". The strength of the task-oriented leader lies in the fact that tasks are quickly implemented and completed. The situational leadership theory shows, that leadership behavior and its effectiveness depends on the situation the leader and the employee are in. So leadership in certain situations can be learned and trained. The path-goal theory by Robert J. House and Martin Evans is based on a similar thought, that the effectiveness of leadership behavior depends on the situation a leader is placed (House, 1971, 1996; Schriesheim & Glinow, 1977). But unlike Fiedler House and Evans put a focus on the observable behavior of the leader and is called the path-goal theory, which is that effective leadership means that organizational members are given a direction (a path) and a valued goal. Here, motivation and motivational factors such as payoffs, promotions or any item that gives the member an incentive to work (mostly external motivational factors) play a decisive factor. Within this approach, the manager increasingly begins to take on a coaching and guiding role within the framework of leadership. They are also responsible for ensuring that employees have sufficient resources to do the job and achieve the goal and to eliminate disruptive factors (Edwards, 2009; Turpin & Marais, 2004).

Decision making theory, is based on the idea that decisions need to be made effectively by leaders. To do this, effective leaders assess a situation, evaluate it and then decide how to support staff in response. Again, the leader adjusts his or her own leadership style accordingly to get the necessary support from staff. This theory is also known as the Vroom-Yetto-Jago Decision Making Model of Leadership (Brown & Finstuen, 1993; Vroom & Jago, 1978).

The listed dimensions of the Contingency Model differ in some respects and diverge from each other. However, the core message of all four dimensions is that in all points of the theory, the leader adapts his or her own leadership style to a specific situation, task or the people involved and makes it dependent on this in order to be able to lead effectively and achieve a common goal.

The central objective of qualitative research is to open up a selected object of investigation with the help of one's own interpretation of the research results, since the results of the surveys are not completely transparent (Mayring, 2016). Due to the lack of transparency, a qualitative evaluation, analysis and interpretation of the results must take place.

In the context of the research of this thesis, the methodology of grounded theory was chosen because the procedural principles and working principles formulated in this theory have a high degree of generality (Strübing, 2014a). This facilitates the applicability of the theory to the research object contained in this thesis. By means of grounded theory, a representation of the researched data to practice is only possible (Strübing, 2014b; Strübing et al., 2018).

The narrative interview was chosen as the interview form for data collection. This is characterized by the fact that the interview partners are not confronted with a standardized catalogue of questions, but are to be motivated to tell stories freely through targeted questions (Mayring, 2016). This makes it possible to obtain particularly authentic information from the interview partner (Küsters, 2009). In a narrative interview, the interviewees are in an everyday communication situation. The open and unstructured interview form is intended to elicit as many further narratives as possible. The interviewer has the role of an attentive listener, while the interviewee has the greater share of speech and is not intervened. The situation is based on natural communication mechanisms (Küsters, 2009). In order to give the conversation a structure, the questions that the interlocutor is supposed to respond to within the framework of the conversation are ordered according to content and topic. This serves to avoid a constant change of topics and thus makes it easier for the interview partner to concentrate on the individual thematic contents.

Key events shape people and remain particularly in their memory, regardless of whether they were positive or negative. The Critical Incident Technique (CIT) is a method with which such success-critical behavior can be recorded.

Here, test persons describe concrete events in which, in their opinion, clear success or failure is expressed. Through abstraction and subsequent interpretation, a detailed, person- and situation-specific picture then emerges from the study. The method is suitable for research because it enables an in-depth analysis of interpersonal interaction between leadership situations. The CIT also uncovers cognitive and emotional behavioral elements (Chell, 1998; Lipu et al., 2007). A critical incident (CI) must represent the behavior observed by the employee or the self-perceived behavior of young managers and their older and younger employees in concise, mutual interaction. It is important that this situation is in the past and that it has already been completed. In addition, the CI must be described in sufficient detail.

### **Empirical findings**

Managers bear responsibility for individual employees and their teams. In addition, however, managers are increasingly driven by different motives in their role. A pronounced need for achievement is one of the leadership motives. On the one hand, leaders have high expectations of their own performance and the quality of their work. This includes striving for better and more efficient solutions. Another need is the need for affiliation, to be particularly respected and appreciated by others and to be admired and accepted. An additional incentive can also be the need for status and ego, to enjoy special privileges in one's own role. The most decisive motive by which leaders are inevitably driven in their role, not least by the high level of responsibility they bear for other people and teams, is the need for power. In their role, they influence individuals and staff on the one hand. In order to ensure that work results are delivered on time and in the desired quality, managers like to control employees.

Especially against the background of digitality and remote working, managers often find it difficult to maintain a uniform understanding of values in their teams. Values that shape and influence cooperation, even remotely, and determine the interaction within the team.

Managers are increasingly faced with the challenge of having to relinquish some of their own control over their employees, as they are no longer physically „within reach“ in

the office. This in turn can lead to a lack of trust, for example, from the supervisor to his or her employees and vice versa, from the employees to the manager.

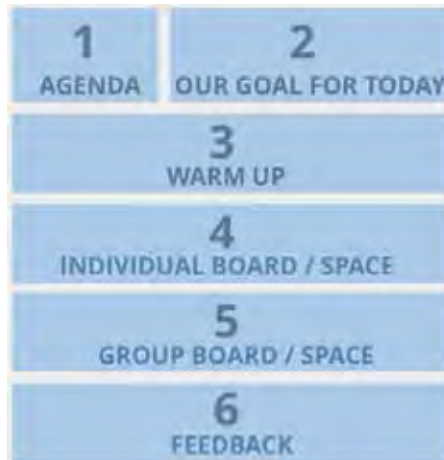
It could be observed that the frustration of the employees and the manager was present on both sides. Team members felt pressured by their manager, were often unable to interpret behavior correctly and quickly felt insecure when the manager made clear and unambiguous statements in joint meetings. They quickly doubted their own performance and felt insecure and afraid of making mistakes.

The manager, on the other hand, had to deal with enormous pressure and was faced with the challenge of getting his own team to perform very well. Ambitious goals were set by higher management and had to be achieved. So the manager had to achieve clear goals, had to sensitize the employees to them and collectively pick them up. But how is it possible to win over employees if there is a lack of trust?

The crucial question we had to ask ourselves is how does virtual leadership succeed in creating trust and a uniform understanding of values?

### Results

A uniform understanding of values is the basis for cooperation within a team. It is the responsibility of the manager, especially against the backdrop of the coaching role he/she assumes, to build the framework conditions for such a uniform understanding to be created and formed. The relationship within the team, which was previously characterized by mistrust and different expectations both from the manager to the team members and vice versa, should be changed. The objective is to create a uniform understanding of values that shapes cooperation and applies equally to everyone, both staff and managers within the team. For this reason, a workshop was held. The following figure shows the individual components of the workshop, which represent and discuss the structure of the workshop.



*Fig. 2. Workshop Structure in order to work on a common set of values (own illustration)*

The agenda helps so that the participants know roughly how the time together at the workshop is to be used. Rules for the meeting should also be referenced so that each participant can be sure that the results of the meeting will not leave this virtual space. A

good example from this empirical environment is the Vegas-Rule, which says what happens in Vegas, stays in Vegas. To show the participants what the aim of the workshop is, is also very important. This way, all participants have the same level of knowledge, work is done transparently and all participants know what we would like to achieve as a team. A warm-up helps to familiarize all participants with the tool and to find out the current mood of the participants. It helps to put aside the stress of everyday work for a moment and concentrate on the content of the workshop.



Fig. 3. Example of an individual Board (own illustration)

Giving each participant the opportunity to reflect on the task alone is particularly important. Also, in every group there are participants who are very extroverted and others who are introverted. In order to give everyone the same opportunity and above all not to let the full potential of the group go unused, it is important to give each participant their own space to collect and write down their own thoughts.

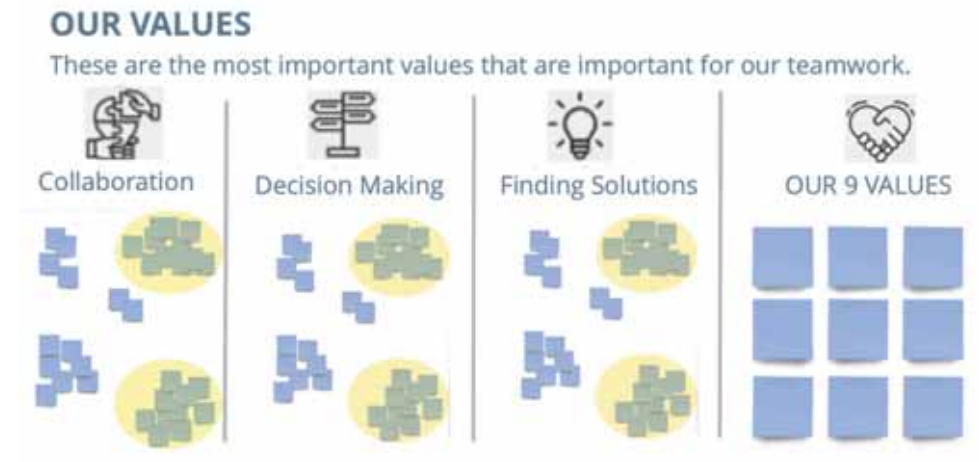
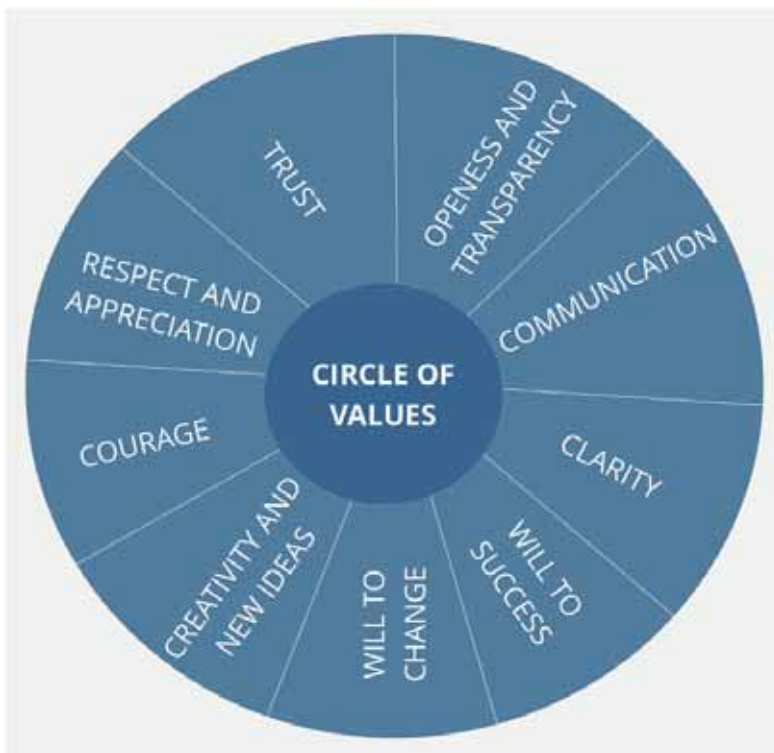


Fig. 4. Example of a group board showing word clouds (own illustration)

The results of each individual can then be consolidated by the moderator of the workshop and discussed in another meeting. One possibility is to form Word Clouds. In this way, it is directly visible which values have been mentioned particularly frequently by individuals. It can be assumed that the frequency of the values mentioned is particularly relevant for the participants and that there is a common consensus here. In this way, it is possible to quickly agree on a set of values within a group with which all participants can identify. If everyone can identify with the results, it can be assumed that the participants and team members are more willing to live the jointly identified values.

The result of the workshop shows that after consolidating the individual results, nine values are considered particularly essential.



*Fig. 5. Circle of values (own illustration)*

The circle of values (Fig. 5) shows the nine values that the team has agreed on, which should shape and determine the cooperation. These values should shape the cooperation and coexistence within the team.

Trust, which is closely related to transparency and openness, is particularly important. Transparency can only be created within a team if there is a certain degree of trust. This also includes transparency about work results and perhaps even mistakes that can happen in the cooperation. In addition, creativity and the willingness to try out new ideas are particularly important to the team. This, in turn, requires a great deal of trust on the part of the leader in his team that new ideas and creative solutions can also lead to successful

solutions and results. This often requires a change in thinking and a high degree of trust in one's own team. In this context, courage is also something that is important to the team in their cooperation. Courage can have an impact on very different levels and areas. On the one hand, it refers to the courage to address issues openly, on the other hand, it also refers to questioning work results and proposed solutions, or courage in relation to trying out new creative solutions and working methodologies. Communication is also a particularly important component of cooperation. This point is also related to the values of transparency and trust within the team. Because openness in communication in turn promotes transparency. And transparency strengthens trust within the team.

The will to succeed is a value that also shapes togetherness and cooperation. In this context, the will to succeed takes on a special significance and has a decisive effect, especially for the leader. One of the initial challenges was that the leader was under enormous pressure from his or her own supervisors and was under a lot of pressure to achieve goals and targets. The leader tried to transfer this pressure to the team, often making very direct statements and intimidating the team. The leader, on the other hand, had the feeling that he had to intervene at any time because otherwise the work results would not be right and the required quality would not be achieved. Now that the will to succeed has been identified as a crucial value by the whole, this value also has the effect of a high commitment, because it is not only something that is particularly important to the manager, but also a value that is crucial for the team and the individual members. Anchoring the will to succeed as a value in a team has an enormous impact. On the one hand, it shows the team's willingness to perform well; on the other hand, it shows the supervisor that he can rely on his team and that he can trust his team, that each individual is willing to perform well and wants to experience success. If the manager trusts the team here because everyone has the same goal, to be successful, the manager is more willing to promote new ideas and creativity for new solutions. Cross-effects can also be observed here. In addition, clarity was mentioned as an essential component of cooperation. Clarity, in turn, is related to transparency and openness on the one hand, but also to communication on the other. Clarity also means that goals and visions, as well as expectations, are clearly and comprehensibly defined and communicated. Only through a high degree of clarity can it be ensured that each team member shares the same level of knowledge regarding the goals to be achieved and it can be ensured that each individual in the team works towards this goal. Clarity is also related to work boundaries. Roles and responsibilities also need to be clearly separated and transparent to each team member. This is the only way to ensure that each individual knows within what limits he or she is allowed to make decisions and when consultation with the supervisor may be necessary. Another connection of the results to the initial challenges within the team can be seen with regard to respect and appreciation. Appreciation and recognition is something that has been defined as a common value and it makes for good cooperation for all. The lack of appreciation on the part of the leader is a point that was initially observed and quickly expressed itself in mistrust. It is all the better that this value has been clearly defined and is considered particularly important by all team members. Respect and appreciation are directly related to empathy here. This in turn also shows the role and task that a leader increasingly assumes. The leader increasingly meets the team members at eye level and acts as a coach. The manager is therefore also expected to engage with the individual team members and be there for each one of them. Last but not least, the value of readiness for change was jointly defined. Willingness to change is a value that gains particular importance against the background of digitality and digital change and is essential for the further success of a team. Only if the team is willing to change things, to

critically question itself, existing structures and circumstances, can the need for optimization be recognized and the team make continuous improvements. Willingness to change is also related to the value of creativity and new ideas, because willingness to change also means taking a step back from old ways of doing things and trying out new things in order to bring about long-term change and improvement.

### **Discussion**

The findings of the theoretical study by the SLOAN Management Review and the study by Deloitte (chapter DIGITAL FUTURE AND CORPORATE CULTURE) can be partially proved by the empirical research conducted. At the same time, the researched remote workshop method is recommended as a practical methodology to shape the corporate culture and strengthen the digital maturity. This research paper consists of three levels. A theoretical level presenting the known research results regarding the current state and status of companies regarding their digitality and digital maturity. A second theoretical level, which adds to the first level theoretical insights regarding the development of leadership approaches over time within the contingency approach. The third level is the presented research contribution of the workshop method. This empirical level reviews and links the first two levels. At the same time, it represents a concrete recommendation for action, which has been proven in practice. It supports leaders and managers in leading teams remotely and thereby sustainably shaping the corporate culture and strengthening the digital maturity of companies. The content that makes up digital leadership and was already mentioned in the SLOAN study (chapter DIGITAL FUTURE AND CORPORATE CULTURE) can also be seen in the empirical environment.

The findings from the theory with regards to the digital culture can be summarized as follows (Table 2. references theory and research findings):

- A high degree of agility, which manifests itself in the ability to react quickly to any conditions that are influenced by the environment.
- A healthy degree of willingness to take risks, which can be expressed in the fact that exploratory action can be taken.
- Digital culture and the degree of agility can be expressed in terms of the speed at which valid decisions can be made.
- Decisions here are based on automated data.
- A leader structure that is less hierarchical, but distributed.
- Furthermore, it expresses itself in the individual passion for the work and a work style that is characterized by collaboration, not by independent, siloed work

Parallels can therefore be seen above all with regards to culture (p.7 DIGITAL FUTURE AND CORPORATE CULTURE, Fig 2 Rating of company culture regarding the companys' digital maturity (SLOAN Management Review)). „Culture is key“ and success clearly depends on the openness and transparency with which information is shared among employees and colleagues (chapter „DIGITAL FUTURE AND CORPORATE CULTURE“). This finding can be very accurately related to the identified value of transparency and openness, as well as open communication, which were also elaborated in the collaboration of the practice team (chapter „RESULTS“). Digital values, also with regards to the objectives pursued by a team, are recognizable here. Here too, a direct connection and reference to the value of clarity can be seen. Leaders in the digital age are handing over a large part of their own responsibility to their employees. It is evident, that a

clear connection to the value of trust is discernible (chapter “DIGITAL FUTURE AND CORPORATE CULTURE” and chapter „RESULTS”). This is because the leader in the practice team will be willing to hand over responsibility if he or she had confidence in his or her own employees. He or she also has confidence that the team members are also striving for success (chapter „EMPIRIAL FINDINGS”). Companies are increasingly looking for employees with innovative skills and capabilities and are eager to hire them. A company needs such employees to be self-motivated and proactively driving the digital values and its mindset within the company. In this way, they act as multipliers for these values within the company. These values are the decisive key to success on the path to a corresponding corporate culture and digital maturity.

This also has an influence on the values that are considered particularly important in the practice team, namely with regards to the value of willingness to change and the courage for innovation and creativity, which are promoted and increasingly shaped by precisely such innovative employees. The explained consistency that can be found between theory and the empirical environment in the context of this research are summarized in Table 2 below.

Reference theory - research findings

Theory		Research Findings		
Digital culture means:		A digital culture requires:	Agreement theory and research:	Recommended action:
Agility	quick to act	Trust Openness Creativity	is given and can be promoted through an appropriate workshop format	continuous work to further promote it by workshop implementation
Risk appetite	exploratory	Trust (leader - team and vice versa)	is a major issue in practice can be solved by open communication and an appropriate workshop format	continuous work to further promote it by workshop implementation
Decision making	data driven	High level of automation	could not be investigated and was not the major focus of the study	
Leader structure	distributed	Trust (leader - team and vice versa)	is a major issue in practice can be solved by open communication and an appropriate workshop format	continuous work to further promote it by workshop implementation
Passion for work	live to work instead of work to live	an environment and culture in which employees feel comfortable	workshop format promotes open communication and opportunity for open feedback, which gives the chance to evaluate what team members are missing	recommendation to implement regular workshop sessions
Work style	collaborative	Transparency Kommunikation	is given and proved	recommendation to implement regular workshop sessions

Table 2. References theory and research findings

In conclusion, it can be stated that there are very many parallels to the contents of the studies presented and the research approach of this empirical environment. Parallels regarding the level of digital maturity and the cultural influence on these (chapter „DIGITAL FUTURE AND CORPORATE CULTURE”) can be clearly identified.

Particularly noteworthy is the relevance of the significant influence leaders have on the corporate culture. There is a connection between corporate culture and a corresponding culture of cooperation within a single team. This proves the importance for leaders to work on a uniform understanding of values in their own teams. This is a necessity digitally under the challenges of managing a team remotely as this example of the empirical environment (chapter „EMPIRIAL FINDINGS”) shows. The understanding of values significantly

shapes the collaboration on a small scale, i.e. within the individual teams. As different teams work together in this particular empirical environment as well as this particular empirical environment, the culture of the individual team influences other teams. Therefore, the culture of an individual teams has an influence on the entire corporate culture through the collaboration across teams in a company.

On the one hand, the challenges described in Chapter “EMPIRIAL FINDINGS” confirm the problems identified in the theory. At the same time, a practical solution is sought that would enable managers at different hierarchical levels to lead their remote teams more effectively. Through this they are able to strengthen the digital maturity of the company. The workshop format presented in this empirical environment gives leaders a concrete tool that can help shaping a culture. By shaping the culture within a particular team and through these employees acting as multipliers they reinforce the values that make up a digital mature company.

### Final remarks

In conclusion, this research paper builds on theoretical insights regarding the digital maturity of companies, as well as different leadership styles. In addition, the research approach combines the insights gained from theory and links them to a current challenges and problems that managers increasingly face today: leading teams in a time when remote working has become the norm and teams no longer physically sit together on site.

In further research, this approach should be considered and explored even more precisely in combination with the corporate culture against the background of the digital maturity of companies. In addition, further research approaches can be developed through which managers can manage their teams remotely and at the same time positively influence the culture of the company in order to achieve a higher level of digital maturity of the company.

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