

REMOTE WORK LEADERSHIP

Ivaylo Iliev¹
e-mail: iliev.ivaylo@unwe.bg

Abstract

Not a small part of business processes are strongly affected by the changes occurring as a result of digitalization. This article traces the importance of remote work and the increasing opportunities for it. The main goal of the paper is to explore and expose the main changes in leadership behavior caused by digital technologies, as well as to analyze the advantages and challenges they present for organizations. Different conditions require different approach and the issue of leadership in such conditions is reviewed. The factor of communication, as a precondition for leadership behavior in digital environment is considered as well. Data from studies related to the affected topics are presented. Basic opinions related to the new requirements for leaders in a digital environment are also summarized. Data from a research conducted related to the considered aspects are presented and conclusions are drawn.

Keywords: remote work, digital communication, digital leadership

JEL: M10, O30

Introduction

In the modern world, technological developments are changing the ways in which even routine daily activities are carried out. This also affects the conditions under which employees perform their work duties. One of the fast-growing trends is remote work from a location away from the office, and the past pandemic has accelerated the development of this trend. For example, according to a study by Zane (2022) from 2021, 26.7% of jobs in the United States are remote, and 56% of companies allow remote work for at least some of their employees. This also changes part of the traditional business processes taking place in organizations, having a great impact on informal relationships between colleagues. Years ago, the strong influence of these relations was established in the conclusions of Elton Mayo (1933 cited in Muldoon, 2012, p. 105-119) after the Hawthorne experiment, and leadership is among the most significant manifestations in this direction.

¹ Chief Assist. Prof., Department of Management, Faculty of Management and Administration, University of National and World Economy, ORCID: 0000-0001-6977-5494

Remote work

In order to understand the issues related to the topic, it is important to define what is meant by remote work. Although there is no universal definition of it, the European framework agreement signed on 16.07.2002 between the social partners at the European level, calls it “telework” and defines it as “a form of organizing and/or performing work, using information technology, in the context of an employment contract/relationship, where work, which could also be performed at the employers’ premises, is carried out away from those premises on a regular basis”. This agreement also states that the signatories view teleworking as an opportunity for employers to modernize and organize work for employees and improve their work-life balance, as well as achieve greater autonomy in the workplace.

Remote work has evolved significantly in the two decades since this agreement was created. This development is in line with the technological advancements that are key to remote working and are expressed in new communication possibilities and interaction platforms. This has enabled a wide variety of forms of remote collaboration. As a result, in 2008, a European Commission report on the implementation of the 2002 social partner agreement, noted that there was scope for a broader definition of telework. In a slightly more recent research report by Eurofound and International Labor Organization (ILO) 2017 (Eurofound and International Labor Office, 2017, cited by European Agency for Safety and Health at Work, 2021) contribute to the definitional debate by noting that in remote working practice there are a number of ways of working:

- regular employees working remotely;
- remote employees working outside the employer’s premises, but not regularly, but in emergency situations;
- highly mobile employees working in different locations, including from their homes.

From a technological point of view, organizing work processes in a fully virtual environment is a challenge, but not an impossible task. Technologies are advanced enough to offer a solution, with some of the virtual teamwork platforms used like Microsoft Teams; Slack; Zoom; Skype; Miro; OneDrive, etc. The workload of support staff is much greater in a digital environment than when everyone is in one place.

Leadership and communication in a digital environment

Task setting communication, feedback from employees to the leader and between team members is critical for effective leadership. Communication during remote work can include – chat, e-mail, phone, video, a combination

of the above. Each of these forms of communication has its advantages and disadvantages. Chat is suitable for short quick answer questions, schedule coordination, checking project status, as well as informal communication. E-mail is suitable for slower communication, but more detailed. The phone is good to be used to resolve conflict situations. The video connection somewhat resembles physical communication, but it is much more exhausting (Fosslien, 2020). In these virtual meetings, it is even more important that leaders take an interest in each participant and ask each of them about what is happening in their real world.

Different people may perceive a different part of the information depending on the way it is provided. According to William Bradford (2004) 30% of people perceive, understand and analyze information through hearing, 5% understand and learn to complete a certain task by performing a similar one and the remaining 65% need visualization as well.

In the physical verbal communication information is perceived through words, voice and body language. Regarding the relative importance of verbal and non-verbal messages, different studies have cited different weights between these three factors. One popular theory is Albert Mehrabian's 7-38-55 rule of communication (1971, cited in Lapakko, 2007, p. 7-19) in which he clarifies that only 7% of what we "say" is in the literal content of the message. The use of the voice (tone, intonation and strength) takes up 38% and up to 55% of communication consists of body language.

Also, when communicating in a real environment, the distance between the communicators is also important. With colleagues, at business meetings or personal conversations, the comfortable distance is from 50 to 120 cm, the social zone for communication with strangers or new colleagues is up to 3.50 meters (Hall, 1966). Above this distance, it is considered to be a public area where one is speaking to a group rather than an individual.

In the virtual environment, distance loses its meaning, as does much of non-verbal communication. Communication is extremely important for a certain person to be perceived as a leader, and some perceptions are hindered when working in a virtual environment. Video conferencing, although it is face-to-face communication, are used differently from meetings where people are in physical contact. The technologies used do not allow direct contact between the eyes of two people. To be able to look directly from the screen, the gaze must be directed towards the camera and cannot be focused on the gaze of the other participant.

In the interaction between a leader and a follower, gaze plays an important role, and this is also evidenced by a study by Capozzi (2019), which looked at the use of gaze in leaders, regardless of leadership style and situation, suggesting that gaze can serve as a common marker of leadership. The method used in the study shows that gaze-based group behavior clearly identifies leaders during

natural group interactions. It is also hypothesized that followers' repetitive gazes toward leaders and promptness to respond to leader-initiated interaction betray communicative concern, i.e. show their interest in the opinions of the leaders. These hypotheses can be tested by manipulating participants' beliefs about whether their own gaze is viewed by others.

Another study by Maran (2019) tested two hypotheses related to facial expression and gaze – “while giving task instructions, a leader's persistent and persistent gaze leads to higher follower performance” and “while giving instructions about assigned tasks, a smile on the leader's face leads to higher follower performance”. The authors goal was to determine whether the simple, deliberate use of leaders' gaze and smiling, two nonverbal cues, can increase objective performance in humans within an experimentally set situation. The results show that smiling on the part of the leader during the interaction does not change performance, but this is not the case with the gaze. Effectiveness improves when the leader uses direct eye contact more often while giving instructions. Participants who received eye contact from the leader responded faster than participants receiving less eye contact. Therefore, direct eye-to-eye contact leads to increased readiness to act and influences immediate motivational channels.

Digital leaders

To support this digital transformation, companies are required to move from their traditional hierarchical structure to a more decentralized and flexible one. The new style of leadership, also known as digital leadership or leadership 4.0, is not only about the application of digital technologies in collaboration and communication, leaders must be able to make the most of new technologies and provide solutions through digital tools.

Digital technologies are impacting not only the field of information technology, but also how business is run and what type of leadership styles are applied. Leadership 4.0 means leadership in the era of Industry 4.0. These leaders are called digital leaders. Not every leader in a technology company is a digital leader – what makes a leader digital is not the field in which the company operates.

It is difficult to give a precise and clear definition of digital leadership, but Lorenz (2018, pp. 39-40) defines it as “Development of leadership in the direction of new understandings of leadership, leadership behavior, use of leadership tools, as all these elements must fulfill the prerequisites for successful digital transformation and long-term and sustainable existence of the organization in time and what is most important – through the use of digital business models”.

Digital leadership implies a new way of working, as the digital leader relies to a much greater extent on his team, which is composed of highly qualified specialists in various fields. Their competence implies active participation in the

decision-making process. In addition, teams are often mixed with younger and older staff, and the exchange of knowledge between them is key. One of the characteristics of digital leadership is global connectivity and communication, taking place instantaneously in different parts of the world through digital collaboration. Digital leadership uses feedback at all levels as an essential tool, enabling continuous improvement.

It is a matter of leadership style and the ability of those leaders to inspire their employees, innovate and stick to their ideas. Key elements and actions defining digital leaders, according to Oberer (2018), are:

- organizational goals – the ability to move from fixed cycles for evaluating employee performance, to the ability to understand that situations determine the need to evaluate employees and teams, together with the ability to apply regular feedback;
- people – the ability to allocate tasks based on the situation and the competence of the team, connecting the abilities of managers and employees to form a competent group intelligence;
- change – a high level of readiness and ability to change, promoting a high level of flexibility between the market, the client, partners and employees;
- results – the ability to control processes, evaluate tasks and their completion, as well as use resources according to competence;
- mistakes and conflicts – creating an open atmosphere with a learning effect for mistakes and a collaborative atmosphere for dealing with conflict situations
- communication – the ability to create a transparent framework for the dissemination of information, relying on the own responsibility of employees and teams and proactive behavior,
- innovation – knowing that innovation can be learned, being able to transform old structures through the use of multidisciplinary teams and creative processes and flexible work environments.

Digital leadership (Leadership 4.0) is a fast, inter-hierarchical, team-oriented and collaborative approach, with a strong focus on innovation, the leader's personal competence, his thinking, as well as his ability to apply new methods and tools.

Leadership skills are necessary for continuous learning and gaining experience. At the World Communication Forum in Davos in 2021 Karen van Bergen, dean of Omnicom University, summarizes the necessary skills that will be the hallmarks of future leaders:

- The first is the ability to create a compelling vision and motivate people to follow it.
- The second is to have high emotional intelligence, empathy, honesty, respect.

- The third is in-depth communication skills.
- The fourth is resilience, as the ability to recover from setbacks. Essentially, it is the ability to keep calm and carry on despite life's trials. This also contributes to self-discipline, courage, positivity and determination.
- And the last fifth point, but certainly not the least, is an endless curiosity that leads to learning, creative thinking, cultural adaptability and leads to an innovative way of thinking and all the above skills can be acquired.

In this context, written works on leadership increasingly refer to the VOPA+ model developed by the German entrepreneur Dr. Willms Buhse in 2014 (cited in Heß, 2019). Rather than focusing on explicitly breaking down established structures or skillfully hiding the lack of planning, this model is aimed at better leadership based on a modern way of thinking. In five words, Buhse describes the values that, according to him, are particularly important (**V**ernetzung, **O**ffenheit, **P**artizipation, **A**gilität):

- Networking (**V**ernetzung) – should take place at all levels, internally and externally, to encourage interdisciplinary collaboration and build expertise. In addition to tried and tested methods, new channels such as social media platforms and virtual communities can be used for this purpose.
- Openness (**O**ffenheit) – a corporate culture aimed at openness and transparency creates a framework in which information can be systematically and successfully shared and in which the willingness of staff to experiment can grow.
- Participation (**P**artizipation) – the true involvement of employees in decision-making processes can give companies access to valuable knowledge. Whether it leads to innovative ideas or increases employees' sense of responsibility, everyone benefits in the end.
- Agility (**A**gilität) – autonomous ways of working are ideal for providing lessons from mistakes (trial-error learning). Flexibility and quickness to react to changes is required.
- The “+” sign means trust – trust both in yourself and in your colleagues is the basis of the transformation described above.

The VOPA+ culture is based on building mutual trust and takes time to realize. It sounds somewhat idealistic at first, but taking the path to a trust-based leadership culture fully aligned with the VOPA+ model is no longer about trying to achieve one main goal, but rather about taking many small steps in the right direction.

Technological change is inevitable for organizations in various industries, either adapt or die. Along with leveraging modern technology, organizational leaders must prepare their employees to support the digital transformation itself, creating a workforce fit for innovation.

Methodology of the study

Extensive and in-depth research can be done and has been done on a number of topics related to leadership. Leadership in virtual teams is also not new, but due to the increasing application of remote work and the new possibilities of digital technologies, the interest in such research is increasing. The data presented in the paper are part of a larger study (Iliev, 2022). Empirical data in the study was collected using a Google questionnaire Forms in the period from November 2021 to April 2022, with 137 responses received. Software and statistical tools were used to analyze the data obtained, such as Microsoft Excel with its built-in functions, two-dimensional empirical distribution, etc. The answers to the included statements were collected in a 5-point Likert scale with values from 1 – strongly agree to 5 – strongly disagree. The current paper includes statements that are consistent with the overall topic under consideration, starting with remote work, non-verbal communications and the manifestation of leadership:

- In my organization there is a possibility for remote work.
- I like the possibility of working outside the office.
- I will not miss informal conversations with colleagues if I work remotely.
- Different work communication platforms make my job easier.
- My direct supervisor manages to influence my work even if I work remotely.

Empirical results

Already from the first statement, it is clear that the majority of business organizations are already adapted to the possibility of remote work - for 66% of respondents, remote work is an option (table 1). This relatively high percentage is probably also a consequence of the Covid pandemic since the beginning of 2020, since the study was done after that.

Table 1: In my organization there is a possibility for remote work

Strongly agree	Rather agree	Cannot judge	Rather disagree	Strongly disagree
40 %	26 %	5 %	17 %	11 %

Source: The author

In addition to the already mentioned adaptation on the part of business organizations for increasingly frequent switching to remote work, the study also observed a positive attitude on the part of employees towards this process (table

2). The possibility of working outside the office appeals to employees, as the overall agreement with the statement is 72 percent compared to only 12 for the opposite opinion.

Table 2: I like the opportunity to work outside the office

Strongly agree	Rather agree	Cannot judge	Rather disagree	Strongly disagree
52%	20%	14%	8%	6%

Source: The author

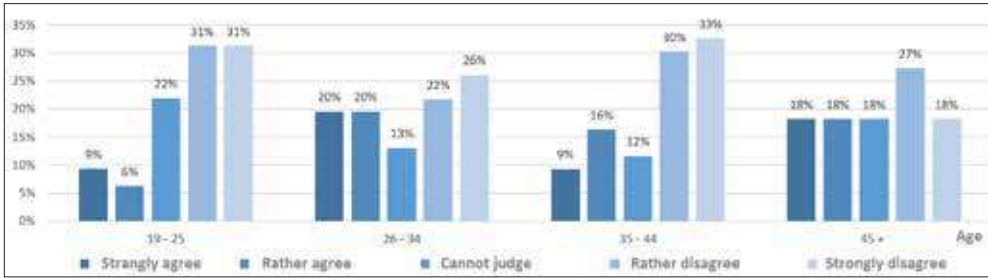
Productivity is influenced by informal relationships in work groups and teams, which in turn are influenced by informal communications within and outside of work engagements. Therefore, the following statement is directed precisely to these relations. The majority of respondents place great importance on informal communications and say they miss talking to colleagues when working remotely. This is observed in a total of 56% of the respondents. 29% have the opposite opinion, while there are also 15% who cannot judge (table 3).

Table 3: Informal conversations with colleagues will not be missed if I work remotely

Strongly agree	Rather agree	Cannot judge	Rather disagree	Strongly disagree
14 %	15%	15%	27%	29%

Source: The author

As it is known, different generations have different needs, and for this reason, the answers divided by age groups are interesting (figure 2). Respondents between the ages of 19 and 25, as well as those in the 35 to 44 age range, are most likely to have informal conversations with their colleagues, at 62 and 63 percent, respectively. The percentage of those who agree with the statement seems high in the 26-34 age range, which is 40, but even there most will feel the lack of informal conversations – 48%.



Source: The author

Figure 2: Informal conversations with colleagues will not be missed if I work remotely

In addition to the informal ones, formal communications were also examined with a statement aimed at directly evaluating the platforms for official communication and whether they facilitate the work of the respondents. Here, the results are strongly in favor of the fact that software supporting communication makes work easier according to 82% of the respondents, while 3% of the respondents are of the opposite opinion.

Table 4: The different platforms for business communication make my job easier

Strongly agree	Rather agree	Cannot judge	Rather disagree	Strongly disagree
44%	38%	5%	2%	1%

Source: The author

The results of the last two statements show that the widespread penetration of digital devices succeeds in facilitating formal communications, but informal ones cannot be replaced in the necessary way so that their absence is not felt.

The last statement related to behavior in an organizational environment affected by digital changes is related to the influence on employees by their direct managers. In a digital environment, this has its peculiarities, but nevertheless 62% of the answers confirm the presence of such an influence (table 5). Influence is missing for 10% of respondents, and 27% cannot judge.

Table 5: My direct supervisor manages to influence my work even if I work remotely

Strongly agree	Rather agree	Cannot judge	Rather disagree	Strongly disagree
31%	31%	27%	5%	5%

Source: The author

It is undeniable that interaction and influence between manager and employee is exceptional important for doing good communication and performance of official duties tasks.

Conclusion

As a result of globalization and the opportunities it offers, the number of employees who choose to work remotely and even for business organizations abroad is constantly increasing. According to the research, 66% of the respondents have the option of working remotely, and this is taken very positively and liked by 72% of the respondents.

Communications as a continuous process occurring in any business organization has its advantages and disadvantages, but when considering the aspect of digital technologies for business communication, it is appropriate to emphasize the positive aspects of written channels. Without detailed information available when such platforms are used as a primary tool or as a support tool, respondents strongly felt that they make their work easier. However, informal communication has been identified as something employees will lack in fully remote work.

Digital leadership implies a new way of working and building relationships in the team, and research in this direction is likely to increase as a result of the changes imposed by digitalization. However, the research confirms the presence of influence on employees even from a distance.

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