# Chapter 6 Online Leaders Increase Three Types of Capital

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#### **ABSTRACT**

This chapter explores 10 years of development in online leadership by asking, How may information and communications technology (ICT) increase the economic, cultural, or social capital of online leaders in a global information-technology company classified as big business? Drawing on practice theory, this chapter is aimed at investigating online leaders' approach to their role seen "from inside," particularly in regards to three types of capital (social, cultural, and economic capital). This qualitative case study employs the methods of memory work and document analysis covering the development of ICT by Oracle, a global IT company from 2002 to 2012. The analysis provides insights into four themes: first, establishment of common ground for cooperation; second, working practices; third, critical competencies; and fourth, stock valuation trends. The findings indicate that ICT supports the enhancement of all three types of capital.

#### INTRODUCTION

This study takes as its point of departure the author's many years of experience as an online leader. This sparked her curiosity about how other online leaders approach the online work environment and how current theories and methodologies might support the understanding and development of work mediated by information and communications technology (ICT). Applying the practice-based approach (Gherardi, 2012) from organizational studies, this study explores how leaders in a global setting use the available ICT to accomplish tasks and how they create a sense of meaning concerning their actions in this context.

ICT has enabled organizations to transform from local, physical entities into global entities in which employees at all levels cooperate online rather than face to face. The advantages of globalization for such companies are well known: the work follows the sun, and tasks are solved 24 hours a day, 7 days a week, 365 days a year. A company can hire the best and least-costly employees regardless of geographical location (Daim, Reutiman, Hughes, Pathak, & Bynum, 2012). Online leaders have one-on-one ac-

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cess to their team members and can communicate with their teams at any time (Hunsaker & Hunsaker, 2008). This online work environment raises various questions about leadership and teamwork because the development of ICT has changed traditional ways of communication and collaboration (Hambley, O'Neill, & Kline, 2007). Online leadership entails leading geographically dispersed teams that rarely or never meet face to face but instead cooperate and collaborate online (DasGupta, 2011).

This chapter explores the use of ICT to lead geographically dispersed team members in a large, global IT company and discusses the deployment of new technology in this company from 2002 to 2012. Online leadership and the thoughts and considerations involved are hidden in the heads and hearts of online leaders. This chapter, therefore, proposes memory work (Schratz-Hadwich, 2005) as a method to uncover these hidden processes and clarify how ICT impacts online leaders to enhance the three types of capital being social, cultural and economic capital. As well, this study uses document analysis to explore the 2002–2012 ICT development in the global IT company. To investigate both memory and ITC development in the same company, data are collected from only one company. The study thus can be classified as a case study (Flyvbjerg, 2006), and the research setting and data collection should meet the requirements of a case study for rich, qualitative data that can be analyzed and interpreted. This study collects data on 2002–2012 ICT development in the global IT company, working practices and critical competences for online leaders in the global IT company, and measures of corporate valuation. The objective is two-fold: 1) to provide insights into online leaders' approaches to their role and to clarify how ICT supports enhancing cultural, social, and economic capital; and 2) to explore memory work as a new approach in organizational research.

#### **BACKGROUND**

Bourdieu (1986) conceptualizes value in three forms of capital: economic, cultural, and social capital. Economic capital is easily measurable, and in most companies, it is the most important measure. Online leaders are assigned specific economic targets, and the processes of online leadership should ensure their achievement. To do so, online leaders engage cultural capital such as English language skills, education, and hierarchical status; and social capital e.g., building relationships with team members (Bourdieu, 1986). While online social networks may be perceived as social capital (Putnam, 2001), the theoretical foundation of this framework lies in Bourdieu's (1986) work. This chapter discusses economic capital only briefly, focusing instead on the thoughts and considerations of online leaders themselves.

Pigg and Crank (2004) point out that research has rarely addressed the question of how ICT may enhance social capital. This chapter makes a small contribution to fill this gap. A literature review of EBSCO, JSTOR and IEEExplore conducted in February 2017 found no English-language books or articles proposing memory work as a method for organizational studies or leadership and online leadership studies. This study, therefore, presents a new method in this regard. The findings suggest that ICT may support online leaders in increasing social capital and according to Fraser and Michell (2014) memory work is suitable for investigating sensitive matters, hence memory work seems a suitable method for organizational studies.

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