

Chapter 74

Leadership 5.0 in Industry 4.0: Leadership in Perspective of Organizational Agility

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ABSTRACT

In today's competitive environment, agile firms tend to be more successful. If today's technology companies, which are leaders in their sector, may fail in that competitive environment, it would be possible that they might lose their market leadership in the future. Some companies which were in the top in market in their own sector in the past are likely to be stand back from their competitors for not adapting to market change conditions. Fast process of technology and digital world are taking place in all organizational authoritative in all area and in all kind of sectors because the business world is transformed by the postmodern revolution-Fourth Industrial Revolution. In this dynamic environment, leaders should learn new management behaviors, with which they can communicate both internal and external environment of their enterprises by the strategies of being agile and innovative organizations. This can be by being aware of changes in environment and having the ability to manage these changes for the company's favor.

INTRODUCTION

Fast process of technology and digital world are taking place in all organizational authoritative in all area and in all kind of sectors, because the business world is transformed by the postmodern revolution-Fourth Industrial Revolution. In this dynamic environment, leaders should learn new management behaviors, with which they can communicate both internal and external environment of their enterprises by the strategies of being agile and innovative organizations. This can be by being aware of changes in environment and having ability to manage these changes for the company's favor.

DOI: 10.4018/978-1-7998-8548-1.ch074

Change is an indispensable fact of our lives. Change happens in organizations, in people behaviors and ideas and in every area of the world we live in. In particular, the continuous changes in customers' demands and needs make it inevitable for managers and leaders of companies to constantly adapt to these changes in order to keep their firms in a competitive environment. Leaders and managers have sought new solutions in order to manage and to survive their enterprises in dynamic and changeable business environment. For that, they firstly focused on adaptation, then on flexibility and finally they focused on agility, especially in production in order to adapt to change. Especially after 2000s, this change has been getting increased and for companies it has been inevitable to be agile organizationally.

We live in a digital time, and in this time, most of the people are in communication with the technology itself instead of each other. The changes in this time force leaders and managers to understand both changes and developments in the environment and to adapt those changes to their enterprises. Kouzes and Posner (2003a) state that leaders and managers are expected to have four qualities such as vision, trust, courage and knowledge in order to achieve this adaptation.

Today's business environments are changing at an extraordinary rate (Günsel & Açıkgoz, 2013). In today's competitive environment, agile firms tend to be more successful. If today's technology companies, which are leaders in their sector, may fail in that competitive environment, even it would be possible that they might lose their market leadership in the future. Because some companies which were in the top in market in their own sector in the past are likely to be stand back from their competitors for not adapting to market change conditions. Some of these firms have not had high market share which they had in the past, although they keep their surviving. It may be said that one of the main reasons of these companies losing their leadership in their sector is to fail meeting customers' needs and demands. Companies need to develop their structures and processes according to customers' demands, by taking into consideration variables in both internal and external environment in order to get competitive advantage and maintain their market position. Therefore, agility is quick turning into a key driver for organizations additionally as an important issue to a firm's ability to survive and thrive in uncertainty market (Ganguly et al., 2009).

Organizational agility, which has been used in the field of production, was first systematized in the literature of organization and management in 1990s and after that has been used in different fields. For example, organizational agility has been studied in the field of human resources (Shafer, 1997), in the field of production (Lopes, 2009), in terms of sustainable competition (Mason, 2010) and in the performance of employees (Latham, 2014). However, the important question here is there a relationship between multiple leadership styles and organizational agility? Even no study is seen in literature that examine the relation between multiple leadership style and organizational agility in techno-enterprise firms which create technology and mostly need to adapt changes in environment in industry 4.0 term. This gap in literature leads us to focus on this basic research question in our study whether "Multiple leadership styles in techno-enterprise firms have an effect on organizational agility or not?"

Organizations need a leader to reach their goals, to maximize their profit and value, to overcome chaos, turbulent and incomprehensible situations and the leaders have been able to rescue organizations from these adverse situations with the least harm and also they have been able to maintain their organizations presence. Throughout history, different leadership approaches and styles have been defined by different researchers. The multiple leadership approach, one of these approaches, will be discussed in this research.

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