NEW LEADERSHIP IN A WEB 2.0 WORLD

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Since the emergence of the World Wide Web in the early 1990s, an array of technologies and tools has evolved at an exponentially increasing pace. These tools have radically expanded the possibilities for communication and interaction at all levels of society. According to Clay Shirky, "We are living in the middle of a remarkable increase in our ability to share, to cooperate with one another, and to take collective action, all outside the framework of traditional institutions and organizations."

Because of its widespread impact, creation of the Web has been compared to the invention of the printing press. From this perspective, Web-based tools are the latest phase of an old pattern: technological change precedes and drives social change. In this article—based on our recent book *Leadership and Web 2.0: Leadership Implications of the Evolving Web*, Bertelsmann Verlag, 2011—we explore the basic features of Web 2.0 as a first step toward understanding the implications these revolutionary new technologies have for leadership (see "What Is Web 2.0?").

The evolving Web is the source of new technologies that are perhaps the most tangible of many changes that are transforming society—and organizations within all sectors—in ways unforeseen and without precedent. The world is becoming more complex, more interdependent, and less predictable. The new technologies, though, are only the surface manifestation of a deeper cultural shift. Traditional norms have been challenged to absorb practices of transparency, collaboration, and openness that emerged in the "geek world" of open software and have become second nature to the Millennials who grew up digitally literate.

This shift requires organizations, and those who exercise leadership within them, to understand the new conditions and make appropriate accommodations. The same technologies that threaten to make traditional ways of leading obsolete offer powerful new vehicles for innovation and change, erode boundaries around and between organizations, and foster networks that mitigate risk and facilitate creative adaptation. At the same time, new modes of leading and new tools for the exercise of leadership come hand-in-hand with new constraints.

WHAT IS WEB 2.0?

Following a tradition in the naming of phases of software development, the term "Web 2.0" emerged in the wake of the 2001 collapse of the dot.com bubble to refer to a second generation of Web development. Web 2.0 does not refer to an update to any technical specifications of the Web, but rather to changes in the ways software developers and end users utilize the Web. The term is more metaphorical than literal, since many of the technological components of Web 2.0 have existed since the early days of the Web, and the boundaries are fluid. This second generation is roughly distinguished by two-way communication and collaboration in contrast to the more static, one-way communication characteristic of Web 1.0.

Seven Indicators of the Need for a New Leadership Paradigm

In surveying the vast literature on leadership in recent decades, we see seven trends that—taken together—suggest that we need new mental models for this key organizational and societal role. We've observed

• A focus on leadership as an activity rather than a role
• A focus on leadership as a collective phenomenon
• A need for individual leaders with high levels of personal development
• Movement away from organization-centric toward network-centric leadership
• Movement away from viewing organizations as "machines" toward viewing organizations as "organisms"
• Movement away from planning and controlling toward learning and adapting
• A shift from Generation X to Generation Y

The paradigm that was dominant until at least the early 1990s assumed that organizations were driven by designated "leaders" and "followers" pursuing shared goals. At its best, this model allowed

TEAM TIP

Be aware that the move to Web 2.0 is as much about behavior change and changing our mindsets about collaboration as it is about technology.

for participatory and shared leadership, but it inevitably singled out the lone leader as a key player, tacitly reinforcing deeply rooted myths about the importance of "heroic" individual leaders and the effectiveness of command-and-control styles of leading. While situations will continue to exist that are well suited to this approach, it has become obvious that in the world that is emerging, the leadership resulting from this paradigm is increasingly limited in effectiveness.

Criteria for a New Paradigm

Taken together, we believe that these signs constitute a compelling case for a new leadership paradigm, or perhaps more than one. Indeed, the era of single-paradigm leadership may be past. Attractive as it is to identify the next new model, we think it is more realistic to view the current situation as one of intense fermentation. We seem to be living in a period of continuous disequilibrium, at the boundary between order and chaos, which complexity theory teaches us is the most fertile ground for creativity.

What is clear is that the most effective approaches to leadership going forward will meet the following criteria:
• *Adaptive*—capable of learning and responding to ongoing change
• *Supportive of emergence*—appreciative of the capacity of systems to spontaneously self-organize and create novel solutions
• *Cognizant of complexity*—recognize the need to bring a complexity of thought and feeling to challenges that is commensurate with the complexity of those challenges
• *Integral*—take into account a full range of perspectives on people, organizations, and society
• *Outcome-oriented*—focused more on what results from leadership than the particular ways in which those results are attained

Below we describe five illustrative models that we find attractive, each of which meets some or all of these criteria:
• *Developmental Action Inquiry* (Joiner & Josephs, 2006; Torbert, 2004, 1976), which is a way of simultaneously conducting action and inquiry as a disciplined practice, integrating developmental theory with the skills of individual and organizational learning.
• *Adaptive Leadership* (Heifetz, Linsky, & Grashow, 2009), which recognizes that leadership is an activity rather than a role, is suited to challenges without known solutions and emphasizes the need for living with disequilibrium.
• *The DAC Model* (Velsor, McCauley, & Ruderman, 2010; McGuire & Rhodes, 2009), which shifts attention away from designated leaders influencing their followers, focusing instead on the

outcomes of leadership (such as direction, alignment, and commitment, as captured in the acronym), without specifying how those outcomes are created.
• *Integral Leadership*, which is grounded in Ken Wilber's bold aspiration to create a "theory of everything" (Wilber, 2001) and aspires to take into account both objective and subjective perspectives on individuals and systems.
• *Theory U* (Scharmer, 2009; Senge, Scharmer, Jaworski, & Flowers, 2008), which builds on, deepens, and systematizes the best features of organizational learning to integrate rigorous data gathering and analysis, deep reflection, and practical prototyping of innovations.

No doubt this list is incomplete. Whatever the limitation of any particular choice, we believe the set as a whole ably illustrates the emerging landscape of possibilities.

Implications of a Paradigm Shift

The Web technologies that have coevolved with societal trends will increasingly serve as nails in the coffin of the old paradigm, while accelerating and consolidating the emergence of a new one. Thus, we can expect more open and participative forms of leadership to play an increasingly important role. Web 2.0 expands both the capacity and the disposition of people throughout an organization to communicate with one another and to link with people outside the organization, be they customers, suppliers, or peers.

More traditional styles will become riskier in light of the need to understand and adapt to a rapidly evolving environment. Businesses must cope with a world that is increasingly interdependent, hyper-competitive, and characterized by accelerating rapidity of change. A reliance on traditional organizational practice and leadership limits learning from the environment and the ability to respond flexibly to it. This approach will not only be unattractive to the Millennials who constitute the next wave of membership but also threaten an organization's very survival.

New Leadership Mindsets

Whatever the particular realities of any given organization, it is safe to predict that most people in roles of formal authority in all sectors will need to develop new mindsets and skills in order to master the kinds of leadership most effective under the conditions that are evolving. For example, practitioners on the cutting edge of leadership learned some time ago that it is both more realistic and more effective to focus on *influence* rather than *control*, and to frame influence as being *mutual* rather than *unilateral*.

A related shift of mindset is from *ROI* to *ROR*—from return on investment to return on relationships.

Things get done through people, and this process requires building relationships with peers and others over whom one has no authority. These and many other mindset shifts are necessary to fully capitalize on the potential of the Web.

Such shifts in mindset are increasingly necessary rather than merely optional. In their book *The 2020 Workplace*, Meister and Willyerd predict that in 2020, employees will communicate, connect, and collaborate with one another around the globe using the latest forms of social media. As they work in virtual teams with colleagues and collaborate with their peers to solve problems and propose new ideas for business, they will need to be able to

- Participate socially
- Think globally
- Learn ubiquitously
- Think big, act fast, and constantly improve
- Exercise cross-cultural power

Of course, we have also learned that mindsets are hard to change. As a first step, leaders need to have a deep understanding of how the paradigm is changing and "unlearn" old assumptions about leadership.

Skills

New mindsets are the foundation for new skills. Here are examples of the kinds of skills that have proven useful in supporting the current cultural shift, of which the Web is only one wave.

Self-Leadership. Leadership, like charity, begins at home. Just as it has become critical to understand systemic patterns in relationships, organizations, and society, so too is it important to be aware of one's own internal system. Long gone are the days when a person could "check her personality at the door" and act as if professional behavior is independent of personal character. A key element of self-leadership is emotional intelligence.

Interpersonal Skills. High-performing teamwork depends on high-quality communication. But habitual modes of talking—be they polite or blunt—often obscure rather than enhance communication. Being able to understand the reality that others experience, as well as enabling them to understand your own, requires the two core skills of reflective conversation: advocacy and inquiry.

Collaborative Leadership. A large set of forces have combined to give momentum to the inexorable shift away from one-way, hierarchical, organization-centric communication toward two-way, network-centric, participatory, and collaborative leadership styles. According to Meister and Willyerd, by 2020, a "collaborative mind-set" enabling "inclusive decision-making" and "genuine solicitation of feedback" will be not just advantageous but required. In many contexts, the primacy of individual intelligence will give way to that of collective intelligence, as leaders learn to take advantage of crowdsourcing.

Network Leadership. In an increasingly networked world, network leadership skills will become as important as team-building skills. Like teams, networks have predictable stages of development and other characteristics with which leaders need to be familiar. But of course leading networks is quite different from leading teams of subordinates. As Boje (2001) observed:

> Network leaders provide mediating energy. . . . They set up exchanges between other partners, point out collective advantages in collaboration, and identify dangers and opportunities. Leaders must be able to see and respond to trends, and redirect energies as appropriate. They must be able to identify and bring together network resources to tie the network together and reconnect fractures.

Those who try to exercise such leadership with the rules of a more traditional approach risk turning networks into bureaucratic federations.

Small- and Large-Group Facilitation. Group facilitation offers an old but underutilized set of skills. These are increasingly essential as leaders strive to elicit—and allow—leadership to emerge from teams and other groups. Having the skills to manage virtual meetings, or even virtual teams, is increasingly important.

Systemic Hosting Skills. Newer on the horizon are a variety of tools for convening at the systems level. Managers would do well to learn how to bring together stakeholder groups and even a "strategic microcosm" of the whole system that includes representatives from constituent groups.

Systems Thinking. Through the systems archetypes, simulations, and experiential activities, leaders can gain powerful insights into the role they play in the systems in which they operate.

Ability to Lead Millennials. Organization-based leaders face a challenge in leading employees of the Millennial generation (born roughly in the last two decades of the 20th century). The experience of this generation in "growing up online" will likely lead them to expect the social environment of work to reflect the social context of the Web. According to Gary Hamel, "Companies hoping to attract the most creative and energetic members of this generation will need to understand these expectations and reinvent management practices accordingly." He offers a list of 12 "work-relevant characteristics of online life":

- All ideas are on an equal footing.
- Contribution counts more than credentials.
- Hierarchies are natural, not prescribed.
- Leaders serve rather than preside.

- Tasks are chosen, not assigned.
- Groups are self-defining and self-organizing.
- Resources get attracted, not allocated.
- Power comes from sharing information, not hoarding it.
- Opinions compound and decisions are peer-reviewed.
- Users can veto most policy decisions.
- Intrinsic rewards matter most.
- Hackers are heroes.

The same skills for leading Millennials can also help organizations adjust to the external environment in the face of accelerating change and unprecedented uncertainty.

Coaching. Coaching has been identified as one of the top tools for developing leaders. On-the-job learning is the core of leadership development, and coaching helps ensure maximum value from such experience. By developing the skills and underlying mindsets of coaching, managers make the transition from seeing themselves as a critic to the more supportive perspective of a coach. Instead of asking "How could this person have performed better?" the coach asks, "How can I help this person learn from the experience?"

The belief that leaders are mostly made, not born, not only expands the notion of who can be leaders, it also expands the responsibilities of a leader. An important dimension of leading becomes the ability to cultivate leadership in subordinates.

Knowledge

New areas of knowledge are also important to undergird shifting mindsets and new skills. Two of the most salient are Web 2.0 literary and cultural literacy.

Web 2.0 Literacy. To optimize their effectiveness, leaders need to command at least minimal literacy in how to use these tools. They also need to know how to leverage these technologies to grow other leaders. Leaders today need even more skill in "listening" to other views, constructively asserting their own, and being willing to challenge their own assumptions. The inability to do so may result in a marked decrease in the volume and quality of information others willingly make available to them. And without a disposition to inquiry, leaders could use the new media to seek information that merely confirms their biases.

Cultural Literacy. The Web increases the need for leaders to be sensitive to and able to manage differences in national as well as organizational culture. Increasingly, teams and networks will be virtual via the Web, comprising individuals from different countries, races, and religions. Effective leadership will need to take into account those differences.

Impact by Sector

While this profound cultural shift poses challenges that are common to organizations in all sectors, we see distinctive patterns within each sector.

In the business sector, in particular, the boundaries around enterprises are eroding, enabling deeper two-way communication and interaction with and among customers, competitors, suppliers, and other stakeholders. Such new constellations constitute "ecosystems" of mutual benefit that are better able to help companies sense and respond to rapidly changing realities. New relationships of this kind, arising from the technologies of "Enterprise 2.0," allow companies to better meet customer needs while simultaneously drawing customers into the very design of products and services as "prosumers," who produce as well as consume. Companies are better able to look for ideas coming from the outside, become more transparent about their aspirations, and draw upon the best brainpower around the globe.

Established businesses also face stiff competition from lean "new industrial era" global players that use the Web to create virtual companies at radically reduced cost and with minimal infrastructure. The new, agile competitors are also able to easily avail themselves of the economies of "the Cloud" (the Internet equivalent of a common, shared resource, comparable to an electrical utility), without having to manage legacy IT systems.

In the social sector, individual organizations are increasingly networked, using the Web to enhance their effectiveness in attracting support, collaborating with organizations with similar missions, and soliciting stakeholder feedback to assess impact. The social media enable groups to self-organize and mobilize in response to crises and opportunities, requiring established organizations to collaborate with individual "free agents." At the same time, such free agents—acting alone or in networks—are increasingly able to act on behalf of the public good without organizations as intermediaries.

While beneficial for the health of the sector, this trend threatens existing social-sector institutions with obsolescence, unless they can demonstrate distinctive value. Nonprofit organizations are also collaborating more with one another in response to pressure from funders to produce results and in response to the greater ease of collaboration made possible by the Web.

In the government sector, the Web has breathed new life into "open government" movements in a number of countries across the globe. At all levels of government, agencies in those countries are beginning to make information about their mission and spending more available, while seeking information from citizens to better meet public needs. Public bureaucracies are becoming more transparent about

their operations and decisions, not only to the public but to their employees and to other agencies as well.

Government is acting more like business, treating the public as customers to be served and taking greater accountability for meeting the needs that those customers are now better able to articulate. To this end, government institutions are increasingly forming "policy webs," in which a wide range of stakeholders participate in the decision-making process.

Emerging "Global Commons." Across sectoral boundaries, individuals and organizations are increasingly called to come together to finding common cause in the effort to address "wicked" problems that defy solution from within any single sector. This trend reflects the emergence of what we are inclined to call a "Global Commons." This new Commons has a number of discrete ingredients, all of which serve to enhance the well-being of the collective. It is a critically important source of new leadership for addressing "stuck" problems at all levels. We see this sector as continuing to become more and more significant, eventually subsuming to a large extent the discrete sectors, as people within, across, or outside organizations rise to the challenge of collaborating to construct sustainable lifestyles, cultures, and societies in a world of increasing complexity, accelerating change, and daunting problems.

The New Status Quo

These are not be easy times to be in formal positions of management and leadership. Guardians of organizations at all levels face tough choices about how much to insulate and protect their institutions from the threats to privacy and security posed by the Web, while at the same time striving to benefit from the Web's power to open access to new ideas and modes of organizing. More basically, organizations of all kinds face challenges to their viability as they strive to keep pace with the agility and cost advantages of Web-enabled networks and free agents. Creative disruption may become the new status quo.

Whether one focuses more on the disruption or the creativity may depend as much on personal disposition as it does on one's particular organization,

country, or culture. In either case, thanks to the Web, we have the opportunity to learn how to hone and extend our individual intelligence, deepen our collective intelligence, and use this new capacity to address the threats to our well-being and survival that have resulted from accumulated, unintended systemic consequences of our behavior. Thus the ultimate implication of the Web for leadership is that it provides hope for a sustainable future combined with the tools to help create it. ◙

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Grady and Tina are the authors of *Leadership and Web 2.0: The Leadership Implications of the Evolving Web* (now available for the Kindle on German Amazon.com and available on U.S. Amazon.com in August 2012).