

Tata Communications and ABIS Roundtable report: Leadership in an age of digital communications

At a recent global roundtable, hosted via Telepresence, experts from the worlds of technology and business education discussed the role of new communications and collaboration technology, and their impact on leadership, knowledge, and the digital divide.

Can new communications technologies improve business leadership, and can they be harnessed for the wider good?

This was the central question posed at a recent international roundtable, hosted by Tata Communications and ABIS. The event was held using Tata Communications' global network of Telepresence rooms, and brought together experts in London, Singapore, Shanghai, Mumbai, Johannesburg, Lille, Paris, Delhi and Brussels.

The event set out to examine how communications technologies are changing working patterns, and especially, business leadership.

As well as outlining some of the drivers for growth in video conferencing and unified communications, the discussion looked at the impact of these technologies on working patterns, work-life balance, and the way knowledge is gathered and shared.

At the same time, the audience heard how technology is a key factor behind a number of changing leadership paradigms, and some of the conflicts that can arise at the interface between technology and culture.

Panellists also looked at how organisations are responding to the technological shifts, and how those shifts can be put to work – for example, to share knowledge, reduce inequalities, and narrow the digital divide.

The debate covered research business schools have carried out into the impact of technology on leadership, as well as how institutions can use that same technology to improve training, and business education, especially in emerging markets.

The changing role of the CEO

Opening the keynote sessions, Tata Communications' Managing Director and CEO Vinod Kumar started by looking at how enterprises are changing, and how that, in turn, is changing the role of the CEO.

He pointed out that business today operates in a truly global environment, a trend that is being accelerated by the growing importance of emerging markets. This is causing managers to have to run businesses across continents, not just countries. But technology is also creating a "hyper-connected" world.

This, he suggested, affects businesses at all levels, not just at the top.

Increasing access to communications and information technology – in some markets, that access is close to ubiquitous – creates a significant opportunity for organisations to improve their internal and external communications. New technology should be improving

collaboration at all levels of the business, as well as between the business and its stakeholders: employees, suppliers, customers and shareholders.

Used well, the technology should also allow business to be more agile and more responsive. The speed of decision making and time to market are key factors in business success, and areas where technology has a vital role to play.

But Mr Kumar also identified some stress points this can create. The consumerisation of technology is creating situations where IT users can be more IT literate than IT staff.

Witnessing a shift in business technology

IT, too, is less in control of technology than it was.

IT spending is shifting from the IT department to the business, or even, to personal spending. The growth of cloud, and the growth of personal devices, provide key evidence of that trend.

The CIO, then, has become more of “orchestrator of services” than the final budget owner or the ultimate decision maker. As non-business or consumer IT becomes more mainstream, we are seeing a fragmentation of IT resources in organisations, and perhaps a loss of central control.

At the same time, there are significant benefits. Video conferencing is a collaboration and sustainability platform, Mr Kumar suggested. It can be a “life optimiser”, which is not just about cost reduction, but also a way of improving the way businesses operate, and the work-life balance of employees and managers.

None the less, business leaders need to recognise that these technologies, though powerful, are “always on”.

That changes the way leaders manage their organisations, but it can also expose leaders to an additional burden. Improved transparency or even scrutiny of leadership brings benefits, but leaders also need to manage at an ever faster pace: something that needs to be managed, if it is not to reduce effectiveness.

Mollie Painter-Morland, Professor and Academic Director, Nottingham Business School & ABIS, explained some of the ways companies are changing based on the latest academic literature.

Businesses, she said, are complex adaptive systems that need to respond to changing and sometimes, contradictory, demands placed on them by market and technology changes.

Handing over control?

Control of the business is not, or is no longer, just in the hands of the executives. Instead companies are now connected to global groups of stakeholders, including shareholders and employees. Increasingly, businesses are also aware of the impact they have on the communities in which they operate, and they may face growing regulatory demands.

Customers, for their part, are more influential than ever on a business’ direction. Modern communications are making it easier for stakeholders, and customers, to interact with businesses, but there is a risk of information overload. This continues to represent a

challenge to leaders: technology cannot remove the challenges. But it can perhaps make it easier to manage their impacts.

Tata Communications' President and CTO, John Hayduk, echoed the point that businesses – and business leaders – now operate in an “always on” world. This, he said, presents challenges for the IT department but also for wider management.

Living in an always-on world

Today's IT department is very different to the IT department of even a decade ago, but that is being driven by some very real changes in what business needs, and expects, from IT. Technology needs to be more flexible and better able to adapt to change. But companies are also less likely to own all their technology, and more likely to outsource, use the cloud, or again, rely on consumer services and devices.

Unified communications is one part of that change – and part of how IT is responding to business' demand for greater collaboration, more flexibility, and a faster pace of operations.

Business leaders are having to deal with more information. The number of “inputs” business leaders have to deal with are growing, said Hayduk, and this requires new ways of dealing with the growth of information.

There is also a generational change: people entering the workplace today are more likely to use technology to communicate and collaborate, and see personal technology as a key part of their working lives. This is fuelling demand, for example, for personal video conferencing and messaging technologies.

These changes are also making distance less of a barrier in business operations, allowing easier business across timezones and continents. This, Mr Hayduk said, is making not just intra, but also inter and cross-company collaboration easier and effective.

The new technologies are also a massive productivity gain, saving thousands of hours in travel time, but also cutting the administrative overhead that accompanies travel and physical meetings. Cutting out travel does, of course, also cut costs and serve to reduce a business' environmental footprint.

Firms, though, do need to ensure that their chosen technology scales, Mr Hayduk warned. If not, they could find that a new technology bottleneck simply takes the place of an older, inefficient way of doing business.

Faster, better decision making

Panellist Ghislain Deslandes, Professor of Leadership & Speed at ESCP Europe, pointed to the impact speed is having on decision making. Professor Deslandes, whose primary research area is the media industry, cautioned that speed can lead to poor decision making.

Faster decision making can benefit businesses, but they need to balance speed with decision making accuracy. Organisations also need to learn how to deal with increasingly rich information flows. Better communications change the volume of information, but also change accountability within organisations, and can force changes in leadership styles.

Access to technology is changing, and so businesses need to know how to achieve the right blend of technologies, he said.

Professor Jonathan Cook, of the African Management Initiative and the Gordon Institute of Business Science, Johannesburg, asked whether technology and cultural change are “flattening” organisations’ structure.

As a result, businesses need to learn to avoid micromanagement, and a culture where information is shared, or decision making sent up the chain, just because the communications tools are there to support this. Local or lower-level managers need to retain decision-making power, as this often goes hand in hand with the ability to solve problems and to innovate.

The final panelist, Matt Gitsham, of Ashridge School of Management, stressed the importance of using iterative processes for better decision making.

Citing findings from an ABIS / PRME research project, he pointed out that business leaders need to be able to deal with complexity and can do so by staying connected – and that being connected helps organisations and their leaders to stay ahead of today’s challenges.

That, he said, was also an area where business educators can play a part, both by helping companies to make the best use of technology, and by business schools themselves using communications technology to spread know-how more widely.