Chapter II

Leadership in E-Business

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ABSTRACT

Inevitably, the adoption of any new technology brings about change, but e-business is significantly different in that it completely shifts global business into a fast-paced electronic environment. The old notions of management are totally ineffective and a new style, focused on ‘leadership’, is required—but what style of leadership? To determine the most appropriate leadership style, senior managers from the top 250 e-commerce companies in Australia were selected and surveyed. Using a change management matrix, each manager was positioned within this framework. This model consists of a four-by-four matrix encompassing the scales of change and the styles of change management. The model covers the broad spectrum of levels of change that an organisation can go through. The authors found that within
the most successful organisations, leaders had a distinctive style that facilitated the appropriate change and established a conducive e-business environment. The data highlights that qualities such as visionary, consultative, ability to listen to others opinions, inclusive, risk taking, approachable, forward thinking, open to change, committed, determined, and the ability to communicate are required in leaders to lead an e-business transition.

INTRODUCTION

The management of change has always been a challenge. Historically, change occurred and people adapted. Often this was a relatively slow adaptation, as the pace of change was slow. Then there were times when general stability was punctuated by periods of chaotic change, most often when advances in IT were the catalyst. As such, those periods of change were managed as isolated events. Increasingly, the time between each change is reduced, requiring the change to be planned and managed—now the time between changes has gone! The result is that chaotic change is a constant factor in today’s organisations. Even more so, the speed of change facilitated by e-business necessitates a unique style of leadership. It is obvious that organisations that are in constant transition need to be led—not managed.

Inevitably the adoption of any new technology brings about change, but e-business is significantly different in that it completely shifts global business into a fast paced electronic environment. The old notions of management are totally ineffective and a new style, focused on ‘leadership’, is required—but what style of leadership? The findings of this research indicate that organisations that have successfully integrated e-business have exhibited a particular style of leadership.

To determine the most appropriate leadership style, senior managers from 250 e-commerce manufacturing companies in Australia were selected and surveyed. Using a change management matrix, each manager was positioned within this framework. This model consists of a four by four matrix encompassing the scales of change and the styles of change management. The model covers the broad spectrum of levels of change that an organisation can go through. It was found that within the most successful organisations, leaders had a distinctive style that facilitated the appropriate change and established a conducive e-business environment. The particular characteristics are detailed later in the chapter.
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