What every great leader must do in the digital era

An Outlook Up Close Video Transcript

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I had the opportunity to work for him as a strategy advisor at the ripe old age of 19 and through him, I learned some extraordinary lessons about what humility meant as a leader, what it meant to learn over the course of your life, what it meant to listen effectively to other people.

Who was the greatest leader for you growing up? A gentleman by the name of Cesar Chavez who was the founder and organizer of the United Farm Workers Union in California and Arizona.

How is the nature of leadership changing? Three master trends are going to reshape the practice of leadership in the years ahead. These trends have been the basis of the research that we've been doing on leading the digital enterprise.

The first trend is that networks will supersede hierarchy. Doesn't mean hierarchy goes away, but networks will increasingly be the way which work is organized.

Second major trend. Talent will increasingly fragment. Now that's partially a product of the way in which work is going to be organized, with an increasing use of outsourcing, co-sourcing, temporary relationships.

The third major trend is going to be opening up of organizations. Now we've seen that increasingly with open innovation and the creation of
effective ecosystems.

But we are going to see it even more particularly as data and knowledge become much more transparent, much more available.

What role are machines taking in leadership?
One of the things we've heard from many executives over the course of the interviews, is the expectation that in the not-too-distant future, they will have a machine on their leadership team.

Which is not to say necessarily a box that sits in the board meeting, but they will rely on machine intelligence, on artificial intelligence increasingly to make critical decisions.

How should executives change to lead digital enterprises?
One, leaders will need to master the skill of orchestrating very different groups of people through networks. Second, leaders will have to get comfortable with the idea of machines as part of the decision making process.

Third, a leader's ability to articulate their strategic priorities in a shared purpose will mean the difference between moving forward together and just spinning in place.

And finally, leaders will be judged by how well they integrate diversity in terms of experience, employment relationship, skill set, industry and professional background, and geography.

The practice of leadership will still be necessary, but the things that leaders will need to excel at, the tools that they'll need in their toolbox, are going to change.