

A man in a grey suit and white shirt is sitting on a blue office chair on a sandy beach. He is working on a silver laptop on a white folding desk. The background shows the ocean and a clear sky.

# Digital lifestyle and work

Embracing the digital natives

The nature of leadership will have to change dramatically if organizations are to harness the benefits and counter the negative effects of the six megatrends identified by Hay Group as likely to have the greatest effect on organizations and their leaders over the coming decade. Here we examine the organizational and leadership implications of one of these megatrends, digital lifestyle and work >>

New media will continue to blur the boundaries between private and working lives, a change that will accelerate once mobile internet access becomes all-pervasive. Individuals are 'always on', more and more business is conducted 'virtually', and power is shifting to employees – particularly the rising class of knowledge workers, who

can work anywhere and forge large numbers of loose digital connections with both personal and business contacts. Another feature of the increasingly digitized economy is that customers are becoming partners in the value chain, a trend facilitated by increasingly open systems and networks.

## Organizational implications

Knowledge is fast becoming the powerhouse of the global economy, its instantaneous exchange facilitated by the internet. Digital tools offer cheap, easy and fast communication, co-operation, organization and production, and workplaces are no longer tied to bricks and mortar locations. In this climate lifelong learning and networking are essential and will become engrained, as organizations will no longer be able to rely on traditional hierarchies and career paths.

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## Leadership implications

Leaders must embrace the creativity, curiosity and open minds of ‘digital natives’, and harness their skills, but set guidelines and frameworks for new ways of working to ensure organizational objectives are achieved. They must also foster collaboration and knowledge exchange between digital natives and traditional workers to bridge the information gap. At first glance, the digital natives’ mastery of technology might appear to better qualify them to lead than their seniors. However, while technological prowess can aid innovation, digital natives’ over-reliance on technology and their lack of social skills equip them poorly for leadership roles – so they have much to learn from their older colleagues.

Leaders will have to learn to lead remotely, or from a matrix structure, but must guard against relying purely on virtual communication. Combining virtual and face-to-face contact is important for both effective decision-making and fostering motivation and loyalty. In an increasingly digitized world the digital natives hold a lot of power given their ability to share information – positive and negative – instantly with a global audience via the internet. This makes integrity and sincerity of paramount importance in organizations. As such, leaders have to provide ‘digital wisdom’ – clear, transparent and practical guidance to using new digital technologies – as well as role-modeling and fostering high levels of openness, integrity and sincerity to preserve corporate reputation in a more transparent world.

### About Hay Group

Hay Group is a global management consulting firm that works with leaders to transform strategy into reality. We develop talent, organize people to be more effective and motivate them to perform at their best. Our focus is on making change happen and helping people and organizations realize their potential.

We have over 3000 employees working in 87 offices in 49 countries. Our insight is supported by robust data from over 125 countries. Our clients are from the private, public and not-for-profit sectors, across every major industry.

To find out more about how to prepare your organization for the leadership challenges that lie ahead, contact your local Hay Group office through [www.haygroup.com](http://www.haygroup.com)