RESILIENT LEADERSHIP

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Major shifts in the world are placing a cascade of new demands on businesses, workforces and ultimately education and training. The paradigm shift is upending legacy hierarchical organisational structures, the microcosms of human capital and their distinct personnel. New Resilient Leadership skills are required for Australia's future prosperity.

Technology Driven Futures

The Fourth Industrial Revolution (4IR), anecdotally referred to as the Data Revolution, has emerged since the Global Financial Crisis of 2008 as a proliferation of our ability to capture, store and manage data and harness real-time information for insight, prediction, planning and decision support.

The 4IR is shaping new technology-driven futures underpinned by today's emerging automation technologies, including data analytics, deep learning, artificial intelligence and cognitive computing. Automation technologies are already becoming essential parts of everyday life and will increasingly transform our workplace.

Profound technological change, the commoditisation of data and intensifying competition in an increasingly borderless commercial environment are often-agreed characteristics of the 4IR that define a new paradigm. While such globalisation has led to unprecedented gains for many from the movement of goods, services, people and ideas, there are those who have lost out – economically, politically or culturally.

Against this backdrop of concerns about jobs, inequality and globalisation, education institutions are looking to open new pathways to prosperity. A wide range of new technology-intensive and high-skilled occupations are expected to be in demand in the future, along with new growth broadly across sectors such as education, healthcare, sustainable energy and more, calling for a new approach to education, skills development, human capital and ultimately leadership in the digital age.

Australia risks being swamped by the consequences of technological change due to the reluctance of government and elements of business to take a lead role in preparing for automation and innovation. Over 2018 corporate Australia displaced more than 500,000 jobs in

company restructures across manufacturing, telecommunications and financial services alone that were, anecdotally, as a direct result of the 4IR.

Upending hierarchical organisation structures

In an environment defined by the 4IR and automation technologies, new business model innovation is upending traditional hierarchical organisational structures.

Organisations traditionally have five layers that are nominally defined by governance; executive management; middle management; production, operations, accounts and administration; and product or services delivery. Historically, leadership has been associated with management and the common titles defined within strict hierarchical organisational structures.

Leadership, often related to management in organisations, is described as taking active approaches to making decisions; gaining and keeping the engagement of others' positive attention; showing empathy; insight; intellectual competence; self-direction; self-esteem; setting direction; and demonstrating strength and flexibility during a change process.

In the new paradigm of the 4IR, leadership skills are diverging from traditional management skills through auxiliary capabilities that meet those technology driven futures with increasing composite technical competencies, entrepreneurship, innovation and creativity.

Moreover, the new tools of leadership have particularly evolved through the blurring between social networking, agile project management methodologies as well as agile workplaces and employment arrangements that have already redefined the cultural fabric of many leading organisations.

The divergence between and evolving tools of management and leadership are thus likely to accelerate as the nature of occupations and jobs change sufficiently quickly that skills, at all levels of the organisation, become redundant and existing management are vulnerable to unemployment, underemployment and poor skills utilisation.

Human capital must evolve

While hierarchical organisational structures are being upended the human capital of organisations is likely being eroded as part of this domino effect.

Human capital constitutes the knowledge, skills and abilities that reside in individuals, as well as the shared knowledge of employees as a group. The ways in which knowledge, skills and abilities are organised to achieve corporate objectives – human capital management – has been a determinant of corporate value.

The human capital of organisations is thus evolving rapidly, in this sense, as legacy hierarchical structures are increasingly upended by an evolving microcosm of social capital. Social capital - a broad concept captures the quality of professional, personal and social relationships; the strength of social norms; and the level of civic participation in society and the workplace - is highest rated by the World Economic Forum in Australia.

This demands Resilient Leadership

This transformative change requires immediate strategic responses by businesses to adapt to the cascade of technology changes, organisational restructures and new modes of social capital. A far greater level of deeper resilience is required of all employees to meet the demands of the shifting global economic landscape.

Resilience originates from the Latin word *resiliens*, which refers to the pliant or elastic quality of a substance. More generally, resilience often refers to positive self-esteem, hardiness, strong coping skills, a sense of coherence, self-efficacy, optimism, strong social resources, adaptability, risk-taking, low fear of failure, determination, perseverance, and a high tolerance of uncertainty.

To meet the demands of the 4IR, businesses should inspire a new breed of professionals with relevant management and leadership competencies that empower greater resilience to meet the demands that are upending legacy hierarchical organisational structures and their microcosms of social capital.

In this sense, we posit that Resilient Leadership will require individuals to increasingly hone their competencies to adapt to such accelerating business model innovations comprising automation technologies such as, robotics, big data, machine learning, and artificial intelligence. Similarly, businesses will be increasingly required to support their executives, who are otherwise bound by legacy organisational structures, business processes and cultural values.

Our proposed archetype, Resilient Leadership, requires life-long skill and knowledge development of the attributes to operate in a new agile management environment. A Resilient Leader will need the ability to propel innovative and ethical industries that are globally competitive in rapidly transforming environment to realise the beneficial futures of work and industries and support a new generation of thriving micro, small, medium and large businesses.

These key themes are conceptualised in a framework (Figure 1) that we will apply to examine the desired attributes of Resilient Leadership and draw on various disciplines, capabilities and knowledge.
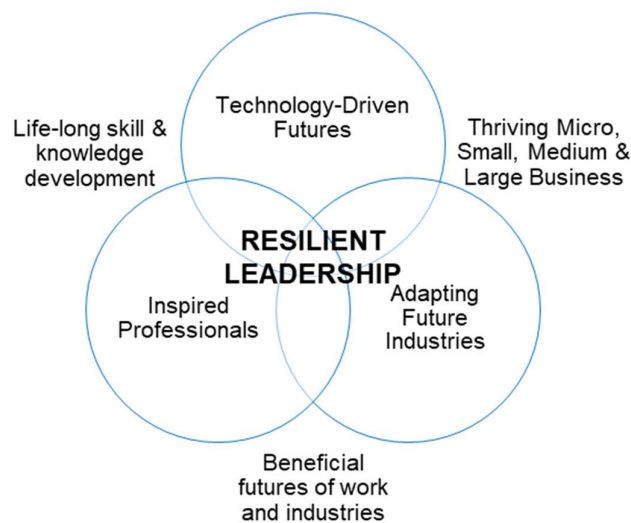

Figure 1: A framework to examine Resilient Leadership

Research into Resilient Leadership should focus resources on the ability of our education systems to keep up with changing business models and social capital requirements, and develop the knowledge base and materials required to support a new generation of teaching and learning. This can only be achieved if we:

- Examine the implications of new business models and the technologies, social trends and economics affecting the regulation of work and developing relevant best practice material;
- Identify the social capital that will allow organisations to adapt to new business models and embed new working modes and mechanisms bottom-up through all levels of their organisation, from new graduates to the Board of Directors;
- Determine the key Resilient Leadership skills to develop research-informed training that can be delivered by the University to students and professionals as mainstream learning and teaching; and
- Pilot the newly developed Resilient Leadership best practice in rapidly evolving employment environment of Melbourne's West.

Ultimately, impacts on and management of employee health and wellbeing; assessing the readiness of Australia's industrial relations policies, regulations and laws; and examining the potential impact on future earnings, working patterns, demographics on the economy, government and society are aspects that need deep exploration.

While 4IR isn't a force we can stop, Australia's economy has a lot to gain with an estimated $2.2 trillion of economic growth, over the next 15 years, that will be deployed to successfully move affected workers into new employment and from accelerating the rate of our automation in public and private sectors. Resilient Leaders will ensure the opportunity doesn't escape our grasp and will play a central role in determining the future prosperity for Australia in our Resilient Leaders.

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