The Role of Agile Leaders in Establishing Effective Internal Communication in Digital Organizations

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Abstract: Fourth industrial revolution and digital economy have affected many organizations and fostered them to become digital in order to survive and succeed. Leaders of digital organizations need to embrace numerous changes not only in organizational structure that becomes flat with minimal hierarchy, control, bureaucracy but also in all organizational processes and activities. One of the most important organizational processes is internal communication which becomes digital due to modern information and communication technologies and tools. This paper shows the role and importance of agile leaders in establishing and nurturing effective internal communication in digital organizations. To achieve the goal of effective digital communication in all directions and through the entire organization, leaders should be agile enough to establish appropriate communication channels, stimulate creative and critical thinking, new ideas, information and knowledge share, real time feedback, build and nurture trust among employees and engage employee participation in decision making.

1. INTRODUCTION

The main purpose of communication in any organization is to facilitate the contribution of employees in daily operations with the aim to achieve organizational goals. Any job position requires employees who have strong communicational skills. The way people communicate has been changed due to development and massive use of modern information and communication tools and technologies. Employers are looking to implement various digital technologies and put them into use in all processes and activities. Besides that, employers want employees who are able to communicate, connect, transmit knowledge and ideas, provide services via digital channels and all of that in real or near-real time.

On the other hand, due to modern technologies, organizations have become digital driven as their effective communication is mostly based on digital technologies and tools. However, to establish and encourage effective digital communication, organizations need agile leadership. Unfortunately, in practice, many leaders believe that by introducing new tools and technologies all employees will embrace them fast and achieve efficiency and effectivity. They forgot or lose sight of the fact that employees must be educated to use new technologies and tools, and they need to feel confident about new channels and methods of digital communication.

The aim of this paper is to point out the role and importance of agile leaders in establishing and fostering effective communication in digital organizations.

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2. **DIGITAL ORGANIZATIONS – KEY CHARACTERISTICS NEEDED FOR SUCCESS IN THE DIGITAL ECONOMY**

The fourth industrial revolution caused numerous economic changes and the emergence of the digital economy in which data and information are positioned as the key economic resource. Every organization that operates in digital economy is turning to digital aspects and forms of business and becomes focused on data – their collection, processing, analysis, interpretation, and application in the decision-making process. Contemporary organizations expect an unpredictable future that imposes on them very complex task – the integration of digital strategy into overall organizational strategy with a focus on permanent development of digital knowledge and skills of employees (Kane et al., 2016). Organizations have become aware that they must react fast in order to create new business opportunities (Mirković et al., 2019). Furthermore, leaders and managers realized that they need to change their ways and methods of work and to become agile.

Agile organizations, also known as entrepreneurial and resilient organizations, have the ability to quickly respond to changes in environment – they react fast and successful to the emergence of new competitors, changing demands of customers and all unexpected shifts in marketplace (MBA Skoll Team, 2016). Some organizations are agile from their first day – they are born agile, while others need a lot of effort to become agile no matter of the phase in their life cycle. Those organizations require transformation to become agile. Regarding the book of Gareth Morgan “Images of organization” and classification of organizational types, agile organizations must be treated as living organisms – they must be able for constant change, growth and development, evolution, adaptation, and survival.

Organizational transformation with the aim to make entire organization agile is complex and challenging because it is difficult and almost impossible to anticipate all internal and external factors and predict all the effects and changes that need to be taken. One thing is for sure – organizational structure needs to be changed and reshaped with new characteristics and forms. Digital organizations must become agile, flexible, learning oriented, networked, collaborative, minimally hierarchical – almost without any hierarchy and control, self-organizing, open for knowledge sharing and open for change (Snow, Fjeldstad & Langer, 2017). In the digital economy, the development of new forms of organizational structure is a necessity because traditional organizational models are rigid, with strong internal and external boundaries, and without flexibility and potential to respond fast to changes in environment (Lukić & Vračar, 2018). Those shortcomings have become barriers to successful functioning of organizations in digital economy. The internal operations and processes in any organization became more complex due to dynamic and changeable environment (Dudić et al., 2018).

3. **KEY CHARACTERISTICS OF EFFECTIVE INTERNAL DIGITAL COMMUNICATION**

As activity through which employees exchange knowledge, information, ideas and thoughts, communication is very important for successful functioning of any organization and overall results (Lukić Nikolić, 2021). Every employee has the need and wish to be informed about happenings in organization. Internal communication is the process of exchanging information and ideas in a range of formal and informal communication between employers and employees. Table 1 presents dimensions, levels, directions, participants, and content of internal communication. As is it shown in the table, regarding the dimension, internal communication can be team peer, project peer, line management and corporate. Each dimension has its level, direction, participants and content.
Table 1. Internal communication: overview of dimensions, level, direction, participants, and content

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Level</th>
<th>Direction</th>
<th>Participants</th>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team peer</td>
<td>Team colleagues</td>
<td>Two way</td>
<td>Employee-employee</td>
<td>Team tasks and information</td>
</tr>
<tr>
<td>Project peer</td>
<td>Project colleagues</td>
<td>Two way</td>
<td>Employee-employee</td>
<td>Project information and issues</td>
</tr>
<tr>
<td>Line management</td>
<td>Line managers</td>
<td>Two way</td>
<td>Line managers-employees</td>
<td>Roles, duties, appraisal discussions</td>
</tr>
<tr>
<td>Corporate</td>
<td>Top managers</td>
<td>Two way</td>
<td>Top managers-employees</td>
<td>Organizational issues, goals, activities, values and achievements</td>
</tr>
</tbody>
</table>

Source: Adapted from Welch & Jackson, 2007

No matter of dimension and other parameters, it is important to acknowledge that the main goals of internal communication are (Welch & Jackson, 2007):

- To contribute to establishing and nurturing internal relationships among employees;
- To promote a positive sense of belonging and commitment of employees;
- To develop the understanding of employees about the goals and vision of the organization.

Adequate communication helps employees to understand their roles and goals. Unfortunately, a large number of organizations use static approach to communication, as letters and e-mails or use vertical communication in form of strict command and directives. Those approaches are inadequate for effective functioning of organizations and their business results in digital economy. Communication, as process of transferring information and meaning between senders and receivers, may use one or more forms of media (Bovee & Thill, 2020). In digital organizations that operate in fourth industrial revolution it is important to establish and nurture technology-enabled communication, so called digital communication. This type of communication can be defined as interaction among individuals, teams and communities in an online environment. The overall changes in communication and collaboration of employees are largely dependent on the technologization of leadership (Schwarzmüller et al., 2018). Increased work in virtual project teams forces leaders to communicate using new media and tools. The range and variety of digital communication tools are electronic whiteboards, e-mails, videoconferences, virtual meeting spaces, instant messaging, podcasts and wikis (Dwyer, 2020). Employees expect to receive and send information in real time, online, while organizations give their best in order to develop new practices and policies for digital communication. Digital workplace toolbox can be classified in eight different groups, differing the ways in which employees communicate, collaborate, connect and deliver services. Those groups are presented in Table 2.

In order to establish effective digital communication, it needs to be practical, based on facts, concise, clear and persuasive. Recipients should be given useful information that help them solve problems or make good decisions. The information must be clear, accurate and ethical, transmitted with concrete language and specific details that are important for the subject. Furthermore, it is important to clearly state what is expected from the receiver.

Key advantages of digital channels and digital communication are:

- Sharing ideas, information and feedback in real time, much faster than by traditional communication channels;
- Breaking down organizational silos;
- Opening up and fostering communication through entire organization in all directions;
• Connecting employees beyond different time zones and locations;
• Fostering organizational and team learning processes and activities;
• Embracing a global mindset;
• Embracing a diversity;
• Fostering inclusion.

| Table 2. Digital workplace toolbox |
|-------------------------------|-----------------|-----------------|-----------------|
| **Messaging**                 | **Productivity** | **Collaboration** | **Communication** |
| Provides a fast way for communication | Enables knowledge workers to finish their jobs efficiently | Enables employees to work with each other and partners | Supports information sharing and internal publishing |
| • E-mails                      | • Word processors | • Team rooms      | • Portals/Intranet |
| • Instant messages             | • Spreadsheet tools | • Communities     | • Blogs |
| • Micro blogging               | • Presentation software | • Wikis            | • Personalized |
| • Mobile messaging             | • Calculator     | • Web conferencing | homepage         |

<table>
<thead>
<tr>
<th><strong>Business applications</strong></th>
<th><strong>Crowd sourcing</strong></th>
<th><strong>Connectivity</strong></th>
<th><strong>Mobility</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Enables employees to access self-service applications online</td>
<td>Enables organizations to gather employees’ ideas and opinions</td>
<td>Helps locate experts across the organization</td>
<td>Enables access of tools away from the workplace</td>
</tr>
<tr>
<td>• Expense claims</td>
<td>• Idea generation platforms</td>
<td>• Employee directory</td>
<td>• PC/laptop</td>
</tr>
<tr>
<td>• HR systems</td>
<td>• Polling</td>
<td>• Organization chart</td>
<td>• Mobile/smartphone</td>
</tr>
<tr>
<td>• ERP</td>
<td>• Survey</td>
<td>• Rich profile</td>
<td>• Home office</td>
</tr>
<tr>
<td>• CRM</td>
<td>• Forums</td>
<td></td>
<td>• Remote scanners</td>
</tr>
</tbody>
</table>

Source: Adapted from Deloitte, n.d.

As it is known, there are always two sides to the coin. In practice, there are also some disadvantages of digital channels and digital communication. The most frequent disadvantages are:

• Employees are frequently overwhelmed by emails or texts at any time of the day or night, because of the different time zones and working schedules;
• Employees may receive notifications at any time 24/7, 365 days a year;
• It may be hard for employees to establish and nurture work-life balance because of their all-time availability;
• Notifications may be very disturbing while employees are in the middle of work or meeting;
• Notifications may be very stressful or annoying for entire family when employees work from home.

Furthermore, one of the disadvantages is the fact that technology sometimes may reduce employees’ freedom to perform work tasks on creative and/or innovative way, because technology use standardized procedures (Petković & Lukić, 2013; Schwarzmüller et al., 2018).

To achieve effective digital communication, organizations must enable and establish some characteristics. Firstly, it is important to tailor the message according to digital communication channels because each channel has its specifics and is appropriate for specific messages. Secondly, it is recommended to create an organizational policy for digital communication. On that way, employees will have clear guidance and rules on how to use different communicational channels and tolls. On the other hand, organizations will be sure about privacy, protection and effectiveness of digital communication. Thirdly, organizations must provide adequate training to employees in order to learn them how to use modern communication tools and platforms for collaboration. Only educated and competent employees will be able to create added value for clients (Virijević Jovanović & Jošanov Vrgović, 2017). Fourthly, one of the factors that impact
The effectiveness of digital communication is trust among employees because when employees trust each other, they have better results and relationships with superiors, (virtual) teams, partners, clients and entire organization.

4. THE ROLE OF AGILE LEADERSHIP IN EFFECTIVE DIGITAL COMMUNICATION

One of the key factors that determine the success of organizations, especially in digital economy and the fourth industrial revolution is leadership. Leaders of any organization must be able to cope with new environment in digital economy, and with the overall impact of digital technologies in order to survive and succeed. The important characteristic of leaders needed in digital economy is agility. Agile leaders are transparent, sincere, open, cooperative, responsible, focused on future, communicative, resilient in difficult and stressful situations, flexible and open to new experience.

In order to use digital technologies for internal communication in the best possible way, leaders must be aware of the following (Bovee & Thill, 2020).

- Technology, no matter of how much is expensive and superior, is only a tool, an aid, a means for communication. The communication in its nature must be established and nurtured appropriately and only channeled via technology.
- Information overload and technology overuse may lead to stressful situations, mistakes, distraction, burnout effect. It is necessary to educate employees that they must adjust digital channels to avoid the information they do not need and to filter only information which is important for their part of work.
- Employees must use digital channels and tools wisely and carefully in sense of data protection and privacy, but also in the sense of how much time they waste on these technologies.
- Employees must be educated to use technologies efficiently in order to be productive.
- There is still need for physical, direct contact among employees. Sometimes there may be misunderstandings in messaging, e-mails and other textual communication. In case that employees feel that there is or may be some confusion, it is important to visit receiver and have direct (face to face) communication.

Successful use of digital channels requires that employees have skills to: (1) synthesize, critically analyze and evaluate all data and information; (2) collect and use information with the clear purpose and goal that need to be accomplished; (3) create and communicate meaningful new information and knowledge; (4) comply with ethical and legal requirements such as privacy, confidentiality and data security.

When choosing the right tool for communication, leaders must be aware of the following (Martic, 2019):

- Solution should be easy for use;
- Solution should be mobile-friendly;
- Information should be easily accessible and shareable;
- Solution should have options for customization of usage, depending on the role of employees;
- Solution should encourage employees to communicate and share knowledge;
- Solution should enhance cross-functional communication;
- Solution needs to be secure and reliable.
In order to foster open and honest digital communication in all directions and through entire organization, leaders should establish appropriate communication channels, stimulate creative and critical thinking, new ideas and propositions, information and knowledge sharing, real time feedback, and engage employee participation in decision making. One of the activities of agile leaders that is important in digital economy and remote working is using digital communication channels for meetings with the entire global workforce, no matter of time zone and location. But, on the other hand, leaders must be aware that sending e-mails after working hours may cause more harm than good, because employees feel pressured to respond immediately. Modern tools and applications have the option to schedule e-mails to be sent on some specific date and time.

During 2020 and 2021 a large number of organizations implemented remote working with the aim to protect the health and safety of employees from Covid-19 pandemic. The key challenge was how to stay connected during physical distancing, especially having in mind that in crisis situation is of tremendous importance to have clear, open, honest and real-time communication. One of the researches conducted in 2020 in Serbia, Croatia and Bosnia and Herzegovina showed that during remote working of organizations, digital communication flourished. Crisis management teams and leaders quickly established effective channels of communication and nurtured open and honest communication in real time (Lukić, Jaganjac, Lazarević, 2020). Other research conducted in Slovenia, also showed that employees were mostly satisfied with digital communication – telephone calls, e-mails, video conferencing and chats (Erjavec, 2020). All those results indicate that organizations are able to establish and foster a variety of digital communication channels and achieve effectiveness, even in the time of crisis.

5. CONCLUSION

Internal digital communication is of tremendous importance for successful functioning of any organization that operates in digital economy. It represents any kind of communication that relies on the use of modern information and communication technologies and tools such as e-mails, phone calls, video conferencing, instant messaging, webchats, etc. It may be said that digital communication, especially in digital economy and growing remote working due to Covid-19 pandemic, have become an integral component of the workplace. However, the way how digital communication is established and nurtured determines whether it will be effective or not. Leaders and their agility have a key role in that process.

In this paper is shown that in order to achieve effective digital communication in all directions and through entire organization, leaders should be agile enough to establish appropriate communication channels, stimulate creative and critical thinking, new ideas, information and knowledge share, provide real time and constructive feedback, education and training of employees on how to use new digital channels, build and nurture trust among employees and engage employee participation in decision making. All these activities lead to effective digital communication and consequently to the rise of overall business results. Digital communication is here to stay, and, surely, it will be the dominant type of communication in the future. For that reason, leaders should be prepared on how to make the most of digital communication.
REFERENCES


