Thomas A. Kolditz is Director of Ann and John Doerr
Institute for New Leaders at Rice University, USA; Tomas
Casas i Klett is Director of the China Competence Center,
University of St Gallen, Switzerland; and John Strackhouse
is Partner, Board and Chief Executive
Officer, Practice, at Caldwell Partners, USA

Featured Essay

Are You a Leader of the Fourth Industrial Revolution?

As the Fourth Industrial Revolution (4IR) fuses the physical, digital, and biological worlds, complexity will drive change that makes team leadership a non-negotiable skill for 4IR leaders. Teams will become the central organizational reality, and will function to animate organizations. Leadership and teams of the 4IR are characterized as: Flat, non-hierarchical teams; multifunctional, specialized teams of leaders; teams at distributed, multi-organization workplaces; and teams as follower networks. One should not underestimate how the revolution impacts the worldview of leaders. It touches fundamental questions, from the principles that move the world to common views on ethics.

1. **Systems thinking**. The 4IR ushers the logic of the complex. That is, "dominated by dynamics that are often beyond our control." (Probst, Bassi, 2014:3) The "dynamic interplay can lead to unexpected consequences" begging the question of where opportunity and threat lie. Leaders of the 4IR will be system thinkers able to connect the dots and interpret vast, complex and unpredictable systems.
2. **Pragmatic ethics**. Leaders must lack naiveté about deceit, malfeasance and illegality, and protect their organizations in a world increasingly tolerant of unethical behaviour – especially behaviour conveyed by digital and informational means. They
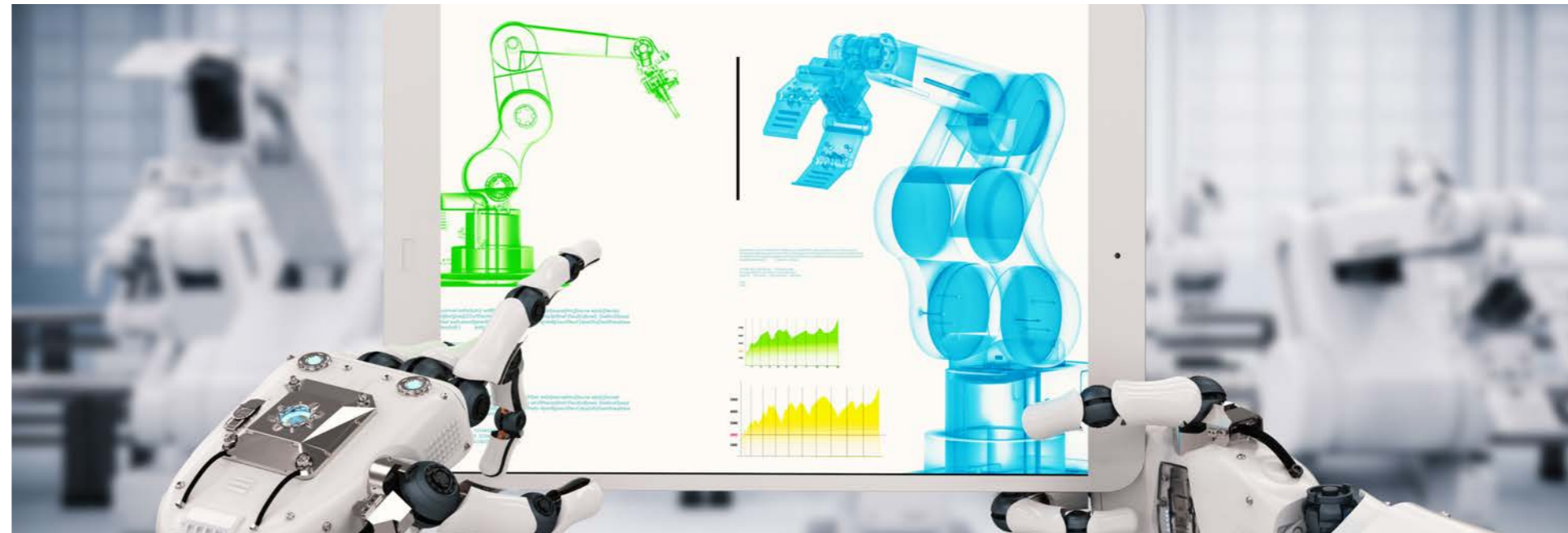
must be comfortable in the grey areas opened by technology that are ethically ambiguous, while at the same time uphold integrity.
3. **Narratives out of the paradox**. Minds are not designed to deal with contradiction and paradox; leaders of the 4IR will cut through paradox, contradiction and confusion, taking decisive actions where others would be paralysed. Their action will be structured by the unique narratives.

Key Skills
4IR leaders possess a repertoire of key skills at which they will excel:
– **Powerful emotions**. Leaders will have strong emotions and clear subjective visions that will inspire followers. The best leaders will bridge the difficult virtual and cultural divides that will define the workspace.
– **Global intelligence**. Cultural intelligence enables leaders to develop behaviours adaptive to different social contexts and be effective across cultures. Customers, supply chains and IP will be sourced across the globe. Leaders will therefore need to understand foreign cultures, systems of thought and philosophies.
– **Creative storytellers**. As master storytellers, these leaders will craft visions and narratives that will turn into their organizations' future.

The context of the 4IR will have an impact on the personal qualities of leaders:
– **Authentic**. Technology and speed will cause privacy to diminish, and it will be nearly impossible to manage for leaders who lack authenticity. Integrity will be a powerful signal and bring about a loyal following.
– **Agile**. The speed inherent to 4IR will place a greater demand on agility and inspired change management. By necessity, leaders will intelligently improvise and take quick action while disregarding processes and routines as they swiftly size opportunity.

– **Coward-conscious**. Leaders must be adept at recognizing and discouraging cowardice in the face of ambiguity, volatility and the consequences of risk. Leaders will need to "creatively destroy" both the inconsequential work of others and their own; that is, that they display no cowardice when critically dealing with their own interests.

Are You a 4IR Leader?
Leaders will build unbeatable teams, will be master storytellers and inspirational value setters, and embrace uncertainty and courageous disruption.

As a 4IR leader, you will be subject to quantitatively sophisticated leader evaluation and selection **methodologies**. In the Fourth Industrial Revolution, incompetence will hurt organizations more than ever; bad leaders will not be able to hide behind general economic or industry growth. Boards will be placed into positions of greater accountability as will the leaders who run companies, non-profits and government.

As a 4IR leader, you will be **intentional** about advancing your own leader **identity** and skills, as well as those of the team. The rapid pace of transformation will

demand that leaders and their teams undergo *kaizen*-like personal development as they seek and execute new technological and business model possibilities.

The defining quality will be your **heart**; that is, the outwardly apparent manifestation of your humanity that inspires collective action.

As a 4IR leader, you will disrupt rather than be disrupted and generate shareholder value while positively contributing to the most sweeping change in society since the emergence of the First Industrial Revolution nearly two centuries ago.