

Return of the manager: Do next generation hybrid workplaces need good managers more than good leaders?

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Introduction

The Covid-19 pandemic changed the way millions of people work. Before the global health crisis, the hybrid work method, where an employee works partially at home and partially in the office, was a privilege of certain professions. Now, the hybrid work model is the new reality for most white-collar workers around the world (Hilberath et al., 2020). This puts both executive- and team-level leaders in a situation where they have to synchronize people in different locations and motivate them without regular in-person interactions.

Various industry studies and surveys have reported on how team leaders (so-called middle management) were particularly hard hit by the challenges of the pandemic (Teevan et al., 2022) and outline the new skills needed by leaders of hybrid work teams (Hooijberg and Watkins, 2021). While leader and manager are often used interchangeably, there is a distinction and a definite preference for leaders and leadership in the literature (Detert et al., 2022). Even studies on team management (like Hooijberg and Watkins, 2021) prefer to use the term leadership, while also mentioning that the required skills change as a team manager moves higher up the ladder (with the visionary “champion” role becoming more important). This has culminated in recent calls to “save management from our obsession with leadership” (Detert et al., 2022) and reconsider whether our love of leaders over managers (who are seen to “only” budget, hire and supervise) is really justified (Kniffin et al., 2020). Times of crises make the need for good managers particularly clear. As evidence from the “great resignation” shows, workers rarely quit because of their top leaders lacking vision, they quit because of toxic workplaces and bad bosses - poor management - in other words (Sull et al., 2022).

Given these undercurrents, our study investigates *how hybrid workplace challenges were experienced and addressed specifically by executive- and top-level management*. As managers of managers, these individuals occupy classic leadership positions – they should be the visionaries who inspire, motivate and guide. Insights into how they experience the challenges related to hybrid work and how they address these challenges can shed light on the skills and practices needed by leaders of hybrid workplaces.

The preliminary findings based on 14 interviews with leaders (C-suite and managing directors) show that hybrid workplaces require from top-level leaders, in many ways, a return to the basics and learning again the meaning of good management and leadership in a distributed, hybrid, technology-saturated work environment.

Theoretical Background: Management and Leadership in Hybrid Workplaces

Hybrid work settings bring along new challenges of adjusting management activities to both in-person and virtual settings (Hooijberg and Watkins, 2021) and tensions between different levels of the organization, from top management to middle managers (Heikkinen *et al.* 2021). No single leadership or management style is considered the most effective in the hybrid workplace, since different situations require different types of leadership or a combination of many (Northouse, 2021). Furthermore, the virtual world does not treat roles and tasks equally, for example leaders, who get access to high-end video technology and are more fluent in Zoom presentations might overshadow the managerial talents with less opportunities and more modest speaking skills (Heikkinen *et al.* 2021).

While hybrid workplaces introduce some new challenges, many lessons can be learned from decades of research on leading virtual teams (see e.g. Malhotra et al. 2007; Hoch et al. 2014). This research echoes traditional calls for balancing transactional and transformational leadership behaviors (Bass, 1990; Garengo et al 2022), focused on managing tasks and managing interpersonal relationships, respectively.

Method

The empirical study focused on obtaining a snapshot of challenges in the hybrid working arrangement among top leaders at a point in time (just out of the pandemic) when hybrid work became prevalent at many workplaces around the world. The sample of top leaders to interview was based on the criteria of hybrid work being used in the leader's team, the leader occupying a C-suite or director position, and the team size (direct subordinates) being equal to or larger than five. Interviews with 14 leaders (including four CEOs, two CFOs, one CIO, one general managing director, one head of marketing, one head of HR, etc.) were conducted in October and November 2021, both in-person and via video calls. All leaders and their home organizations were located in Northern Europe. The industries varied greatly, including retail, manufacturing, telecom, pharma, IT, media, and transportation. The interview consisted of 20 questions that were divided into 4 main categories: general hybrid work framework, challenges of hybrid work, leadership style changes and skills needed for hybrid work. Transcriptions of interview texts were analyzed in stages following Vaismoradi et al. (2016).

Findings

Our preliminary findings (see overview in Table 2) reveal five key challenges experienced by the leaders. While productivity was reported as stable or even increasing, leaders admitted

new challenges with general well-being and mental health. Most frequently referred complications were screen fatigue, an inability to switch off and feeling isolated. Some leaders even mentioned gaining efficiency at the expense of human connections. The behavior of these top-level leaders adopted to address the challenges ranged from typical vision- and purpose-focused leadership behaviors (inspire, guide and motivate) to detailed daily management behaviors (budgeting and supervision). Many leaders reported becoming more concrete in their expectations. As the volatile environment demands swift and determined action, leaders have often opted to go outside the formal hierarchy to operate and make decisions faster. At the same time, leaders reported having to become more empathetic and spend more time caring for people. Interestingly, before COVID-19, this duty of care has not been one of the prototypical behaviors assigned to either managers or leaders (Kniffin et al. 2020).

Table 2. Overview of findings

Experience of challenge	Example behaviors to address challenge	Leading or managing?
1. Diminishing team cohesion	<ul style="list-style-type: none"> plan time for casual chats and organize fun team activities consciously create a safe team climate 	Transformational (interpersonal); Leading (inspire, care)
2. Blurring work-life boundaries and burnout	<ul style="list-style-type: none"> agree working times and help set priorities promote healthy and balanced lifestyle, set an example raise awareness of mental health provide mentors & contacts of dedicated psychologists 	Transformational (interpersonal); Leading (guide, care)
3. Communication errors	<ul style="list-style-type: none"> agree response times according to message importance establish digital etiquette guidelines plan regular company-wide information sharing days 	Transactional (task); Managing (supervise)
4. Slowed down innovation	<ul style="list-style-type: none"> use digital collaboration platforms/boards where everybody can contribute encourage sharing of ideas and experiences in team chat continue learning activities (trainings, trips) create opportunities for thinking (focus & reading time) promote a culture of “trial and learn” 	Transformational (interpersonal) + Transactional (task); Leading (guide, motivate) + managing (budget and supervise)
5. Performance / monitoring	<ul style="list-style-type: none"> agree mutual expectations, use two-sided reflection focus on output rather than input lean in on trust, do not micro-manage 	Transactional (task); Leading (motivate) + Managing (supervise)

	<ul style="list-style-type: none"> • increase transparency, create a habit where everybody shares their daily or weekly activities 	
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Discussion

Theoretically, our findings are interesting because they suggest that top leaders need to go back to the basics and learn anew what both good management and good leadership look like in a hybrid, technology-saturated work environment. Specifically, two managerial skills and one leadership skill are becoming increasingly important in the transition to hybrid work. On the managerial side, top leaders have to relearn good communication skills in hybrid settings, and a set of digital behaviors and manners corresponding to an agreed-upon etiquette. These are the basic skills that any manager presumably thinks they possess but are actually being challenged (and need updating) in hybrid workplaces. On the leadership side, top leaders must accept that they are also caretakers – not just of shareholder interests, but of the wellbeing of all the organization’s stakeholders.

Practically, the solutions Northern European leaders implement in response to various challenges represent a creative range of experiments, including virtual coffee breaks and games, agreeing specific office days with free lunch, raising awareness of mental health issues, sharing personal stories, establishing clear goals with shorter milestones, encouraging regular status updates, etc. Digital etiquette guidelines also became progressively more detailed during COVID-19 related lockdowns. Often the guidelines specified the way meetings should be prepared and conducted, when an agenda should be sent out beforehand and how to engage all participants. The impact of these experimental practices can be teased out in future research.

To conclude, hybrid workplaces need a good combination of management and human-centric leadership. Deadlines should be fixed, tasks divided, and outcomes agreed, followed by frequent catch-ups and positive encouragement. As shown in Figure 1, leadership in the hybrid workplace should combine good managerial skills with considerable human-centric leading skills and focus on adaptability and agility.

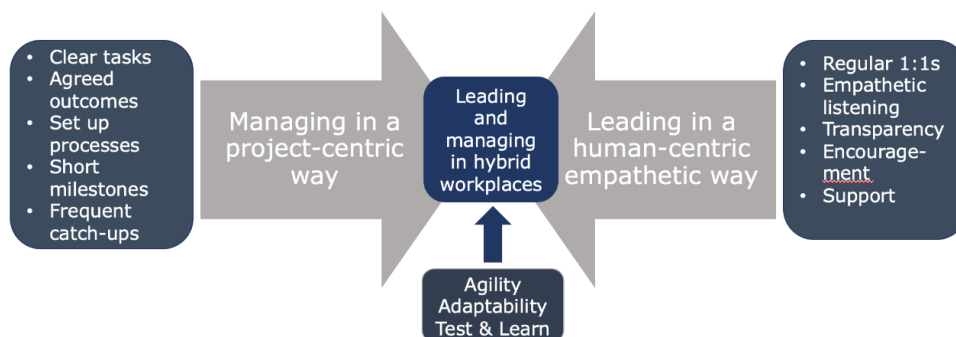


Figure 1. Leading and managing in hybrid workplaces

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