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I Z A
World of Labor
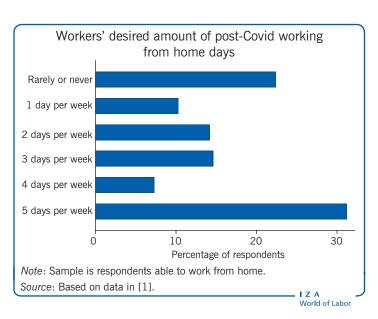Evidence-based policy making

Digital leadership: Motivating online workers

Which leadership techniques and tools should digital leaders use to communicate effectively with remote teams and gig workers?

ELEVATOR PITCH

Remote work and digital collaborations are prevalent in the business world and many employees use digital communication tools routinely in their jobs. Communication shifts from face-to-face meetings to asynchronous formats using text, audio, or video messages. This shift leads to a reduction of information and signals leaders can send and receive. Do classical leadership and communication techniques such as transformational or charismatic leadership signaling still work in those online settings or do leaders have to rely on transactional leadership techniques such as contingent reward and punishment tools in the remote setting?

Workers' desired amount of post-Covid working from home days

Note: Sample is respondents able to work from home.
Source: Based on data in [1].

KEY FINDINGS

Pros	Cons
Pros ⊕ Introducing performance pay leads to higher output in online labor markets. ⊕ Charismatic leadership communication and signaling can increase worker output considerably in remote settings without leading to monetary costs. ⊕ Leaders using rhetorical techniques, an animated tone of voice, facial expressions, and body gestures are perceived as more charismatic in written, audio, or video messages. ⊕ The quality of work is not affected by performance pay, punishment mechanisms, or leadership techniques.	**Cons** ⊖ Increasing payment schemes does not induce higher output levels in general. ⊖ Unreflected usage of single charismatic rhetorical techniques or references to previous good performance can lead to reduced delivered output. ⊖ Non-congruent usage of verbal and non-verbal charismatic signals and communication modes can backfire and lead to lower output. ⊖ There is mixed evidence regarding the effect of rhetorical techniques in written communication.

AUTHOR'S MAIN MESSAGE

Remote work and digital collaborations are ubiquitous and reduce a leader's available instruments to motivate their followers. This problem is even more prevalent in online labor markets where there is no personal contact. Digital leadership relying on communication such as charismatic rhetorical techniques as well as body language, facial expressions, and tone of voice, can increase follower performance even in anonymous online settings. However, leaders must pay close attention to deliver a congruent appearance; otherwise the communication techniques might backfire, leading to lower output levels.