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Leader competencies in virtual organization

Abstract

This paper discusses the competence required in the leadership of virtual organization. The specifics of virtual organization presents a challenge to traditional managerial styles. In order to achieve success in virtual environment, a leader must develop specific abilities.

This analysis examines the uniqueness of the virtual organization, including team work and management. The last part presents findings and summaries regarding effective e-leadership requirement.

A virtual leader managing a virtual organization should possess several social competencies, as well as technological knowledge and managerial abilities.

Virtual leadership is still evolving, therefore the diagnosis of its crucial elements is very important. The basic listing of e-leaders' competence has a great impact on our understanding of virtual organizations. The findings indicate the main competencies that each e-leader should be focusing on.

Keywords: e-leadership, virtual leadership, core competencies, virtual organization,

New economy

This paper discusses the competencies and skills the leaders in the new economy should develop to effectively and operationally manage employees of a modern enterprise. The term new economy refers to the fundamental changes that have occurred in the recent decade that have influenced present organizations. This process is connected to the modification of core principles of the enterprise. The evolution of the current economy affects the way contemporary organizations work and how they are managed. Transformation of knowledge flow, globalization and the development of information and communication technologies cause the fundamental changes in the modern organization (Castells, 2003, p. 77-93) .

The modification of knowledge management in an enterprise refers to the power intellectual capital has gained in recent years. It was caused by two major factors: the implementation of a technological solution that upgrades and accelerates the knowledge flow. The second factor relates to the efficient usage, accumulation and creation of knowledge by well-trained people in organizations (Kisielnicki, 2004,). Concluding, the role of intellectual capital in order to achieve the competitive advantage on the market is crucial (to Ujwary-Gil). Modern era has been called "the era of knowledge" due to the fact that knowledge is treated as one of the most important resources of the enterprise. Furthermore, companies rate highly the ability to use it in a productive way. Table 1 shows the differences between traditional and high-tech approaches.

Moreover, the growing significance of knowledge as a company's basic resource leads to the formation of a new group of core employees: knowledge workers (Drucker, 1999). The knowledge worker is a type of

employee who has ability to manage, distribute and create knowledge in a productive way (Davenport, 2005, p.10-11). The total number of knowledge workers is constantly growing. Due to the very high value of final products they are working on, knowledge workers require adequate management. The leader must be aware of their demands that differ from traditional workers.

Table 1. Listing of differences between Age of Industry and Age of Knowledge.

	Age of Industry (past)	**Age of Knowledge** (present and future)
1	2	3
main resource	capital	knowledge
people (employees)	source of costs	investment
authority/power	depends on place in hierarchy	depends on abilities, knowledge and reputation
style of management	order and control	participative style
the structure of organization	hierarchical (mostly bureaucratized and centralized)	network (virtualized) flat, hyper-textual, ad-hoc
strategy	competition oriented	cooperation oriented
organizational culture	based on obedience	based on trust
market value	depends on financial assets	depends on intellectual capital (intangible assets)
motivation	mostly by financial stimuli	mostly by internal motivation
customer relations	one direction, through market	interactive, trough cooperation
constant changes	threat	opportunities
development	linear, foreseeable	chaotic, incalculable
hi-tech usage	important	necessary/crucial
leading industry	heavy industry	services, information processing
the most important inventions that improve effectives of management	assembly line	Internet
leading companies	Ford, General Motors, Exxon	Microsoft, AOL, Amazon

Source: M. Strojny , *Teoria i praktyka zarządzania wiedzą*, 'Ekonomika i Organizacja Przedsiębiorstwa', 2000, no. 10, p. 6.

Another element that evidences evolution in the core structure of modern organization is globalization. We understand globalization according to managerial approach: as a growing number of global industries (Koźminski 2004, s. 19) Globalization has changed not only the way companies are managed but it has also affected the people within. The stakeholders have got a wider perspective of a performance. Which means that their movements step over the geographical or national horizons (Stoner, Freeman, 2001).
Another factor that has an impact on modern economy, the development of information and communication technologies, has played a significant role in the process of the alteration of contemporary organizations. The hi-tech saturated environment modifies the classic enterprise (Malcolm, Morgen, 2005). Along this process, one can observe an increasing role of intangible assets of organization (Low, Kalafut, 2004, p.14-20). Moreover, the important role of intangible assets causes the increasing role of social aspects of management.
One of the youngest types of organization is a virtual organization. It is a perfect example that illustrates how all discussed elements have affected the modern enterprises. It differs from traditional organizations by structure, technology involved and approach/usage of time and space. In literature there are many definitions that refer to this kind of companies (Byrne, Brant, Port, 1993; Grudzewski, Hejduk, 2002; Mowshowitz , 1997; Sankowska, 2009; Hughe et al., 2001; Martins et al., 2004, Powell et al., 2004, Lin Yan, 2009). The basic characteristic of virtual organization includes: "ability to boundary crossing,

electronic communication, complementary competency, geographical dispersion of workers, and equality of members" (Jaegers, Jansen, Steenbakkers, 1998,p. 69). Therefore in this paper the term virtual organization is defined as a set of particular components that are typical for this kind of organization. These virtual components of an enterprise refer to: the temporary rather that the permanent, dynamic structure, independence, swiftness, exploration of market opportunities, core competences, partnership, ITC as an essential enabler, identity, innovations (Kasper-Feuhrer, Ashkanasy, 2003).

Virtual organization is constantly evolving. Furthermore the dynamic is an immanent factor that defines the virtual potential of organizations. That implies practical issues: how to successfully manage and motivate employees in a changing and unstable environment? The variety of organizational behaviors makes it harder to predict strategic and efficient patterns of enterprise components.

New HRM approach

The change in the economy, alteration of the environment and within the organization influences the new way of organizational functioning. The traditional organization differs from virtual workspace in three main aspects: culture, structure and process, what implicates other managerial orientation (Crandall, Wallance, 2002, p.33-53).

It has an impact on the human resources management practices (table 2). Human resources management is an immanent part of each organization. Its goal is to provide essential support for managing the organization (Armstrong, 200, p. 19-20). Because of the evolution of the economy the philosophy of traditional human resources has changed as well (Maslyk-Musial, Bulinska, 2011, p. 13-15).

Table 2. The comparison of typical characteristics for different approaches to personal function

Comparison criteria	before HRM	HRM*	New conception of HCM**
Main rule	„proper man on proper place"	„HRM strategy adjusts to business strategy"	„Human as an investor in human capital"
The perspective of solving HR issues	cost	assets	capital
Action logic	minimization	multiplying	Capital orientation
Main role of HR***	HR as administrator	HR as *business partner*	HR as a *part of business*

*HRM – Human Resources Management
**HCM – Human Capital Management
*** HR- literally Human Resources. In practice it means the personal function or the part of organization that is responsible for personal actions.
Source: Pocztowski, 2010, p. 271.

In contemporary organizations one can observe the increasing role of HR departments as a result of noticing the fundamental role people ale playing in the enterprise's success. It causes changes in the traditional approach toward the managers by increasing the value of human aspect of management (Pocztowski, 2010, p. 260-261).

One of the most important tasks in modern enterprise is to identify employees' needs at a given the moment. Due to the changeable environment, dynamic structure and on-and-off partnerships, the accurate diagnosis of members' requirements is crucial. Moreover, it is necessary to not only find the right elements to motivate people, but also to initiate the change and implement all demanded modifications. (Stredwick, 2005, p. 1-39).

Leadership in virtual organizations

In virtual organizations, employees have to work in changeable environment, often in geographical dispersion and with reduced amount of face-to-face interactions. It can cause the significant reduction

in work productivity and performance due to decreased level of trust, lack of interpersonal communication and identification and in consequence motivation (Holland, 1998, p. 54-56; Msanjila, Asfarmanesh, 2008).

Therefore people management is so important in virtual organization. The participants of such organizations must work more independently and have better ability to collaborate with other members and partners. It is the fundamental rule of effective virtual work (Fritz, Manheim, 1998, p.125). Through the balance human resources management organization can cope with the issues that are connected with the process of forming the virtual organization.

Classical approach to the management of teams refers to the styles in which superiors can in the most efficient way motivate and influence employees' behavior in order to achieve organizational goals (Masłyk-Musiał, 2011, p.126). Successful management depends on three main conditions: situation (the type of task, structure of organization, team consistency), workers and leader/manager.(R. Tannenbaum, W. Schmidt,1973) The approach of choosing proper managerial style is now relativistic, which means that each time a different style might be adequate. This enables optimal usage of given circumstances. Development of individual ability and focus on knowledge increase the potential of virtual workers. Management coordinates tasks executed by workers and unifies their effects. The function of control, related to assessment and supervision, became peripheral. Core managerial duties in virtual organizations are: enabling effective cooperation and enhancing communication (Fritz, Manheim, 1998, p. 123-137) .

Despite relativization of managerial styles, there are some models of management that are recommended in the e-economy (Masłyk-Musiał,1996, p.114-117). The optimal style for the specificity of virtual organization is integrative style (as opposed to directive style). The integrative style is the best solution in changeable environment and under risky conditions. It supports relationships and teamwork, moreover, it favors team problem solving. The manager is actively involved in team development and creation of workers' attitudes (Masłyk-Musiał, Bulińska, 2010).

Leader instead manager

However it is not enough for the boss/director in the virtual organization just to manage people's performance by using traditional tools. In the literature it has been noted that a managerial crisis has occurred (Wood, 2010, p. 10). It is caused by the two opposite tendencies in modern leadership: firstly - the need for short-term oriented practices (because of the turbulent environment). Secondly: this type of leadership makes it difficult to change the organizational structure, which is crucial in the increasing insecurity (Koźmiński 2004, p.28). Therefore it is so important to develop the strong and authentic leadership in a virtual organization.

This kind of a headship differs from traditional approach. The most important characteristic of a successful manager in contemporary company is social skills such as leadership, communication and negotiation (Koźmiński, 2008, s.94).

Manager was replaced by leader in a virtual organizations. Leader acts in the categories of an organizational mission and makes it more visible and noticeable. Leader is responsible for setting goals, assigning standards and priorities and he cares for its reaching (Drucker, 2001, p.399-400). A definition of a leader states that it is: "leading an organization to achieve its goals by influencing behaviors and earning members' trust" (Grudzewski et al., 2010, p. 98). In turn, Griffin defines leadership as a process that is based on non-compulsion influence on the group in order to achieve organizational goals and motivate task-oriented behaviors (Griffin, 2004, p. 554).

The leader is supposed to convince every member of organization to common vision. Leadership in virtual organization means ensuring the autonomy for its participants and simultaneously strengthening existing communicational structures. This requires an ability to quickly diagnose conflicts and to solve them efficiently. The leader in virtual organization became its role model (Graf, 2009, p.30-36).

The table below illustrates the model of perfecting managerial skills for effective management of virtual organization.

Table 3. A Model to Enhance Leadership Skills for Success in a Multicultural Virtual Organization

Enhancers	Derailers
Promotion of trust and maintaining effective working relationship	Inability to establish the required level of trust for remote workers
Establishing virtual priorities to ensure organization is in an alignment	Inadequate communication skills required for virtual network
Identifying and defining virtual worker roles, responsibilities and accountability	Lack of competences with technologies required for success in virtual organization
Establishing a reward and recognition system commensurate with the virtual organization characteristics while maintaining consistency with traditional organization structure	Inability of conflict solving
Demonstrating cultural competency when interacting globally	Lack of sensitivity towards different styles of communication

Source: SHRM Interview with Global Dynamics, Inc. (www.global-dynamics.com); *Successfully Transitioning to a Virtual Organization: Challenges, Impact and Technology*, w: 'HRMagazine', April 2010, Vol. 55 Issue 4 , p.1-9.

New economy requires from its leaders the same skills as traditional management, however, the emphasis has been placed on motivation and creation of open attitudes among virtual workers. Interpersonal skills such as communication or conflict solving abilities are crucial. Leaders are responsible for shaping cooperation between independent workers. Virtual manager should be innovative, open-minded, goal-oriented and flexible. Besides he/she should be willing to share the power with subordinates. Optimal style of management is, as was mentioned before, the integrative style, which uses the workers' potential and increases identification and commitment towards organization.

The virtual manager became a coach that develops virtual competences, such as upgrading skills typical for virtual work. The leader in cyber-organization also accustoms specific processes characteristic for virtual environment. It is important that the leader does not develop all work skills like a typical coach, but only supports and strengthens virtual work competences. It will give the needed autonomy to employees and will favor trust that is vital for effective functioning of virtual organization.

The virtual leader builds relations in organization that base on trust, not on organizational structures. The trust is an essential condition that enables optimal relation. Leaders are integrators that influence workers, creating a climate of confidence (Grudzewski, et al., 2010, p.98-100). Trough trust-based management, managers increase credibility of organization, unify stakeholders around common goals and animate creative discussions. The leader- integrator is characterized by following traits:

- – ability to take a risk to achieve an objective
- – ability to inspire workers' positive commitment
- – ability to support and motivate to take up challenges (Gobilliat, 2008, p. 92-94)

The leadership based on trust brings mutual profits for organization: better motivation, commitment, creativity, openness to innovations, reduction of cost and increase of work quality (Grudzewski, et al., 2010, p. 100). The general rule confirmed in research and observation (Garden, 2006, p. p. 79-82; Bennis, Goldsmith, 2010, p. 293-303; Facts On File 2009 p. 27-30) shows that employees follow the leader they can trust. In virtual organizations creation of climate of confidence is difficult due to specificity of virtual work. However, it is even more important than in traditional organizations. Managers try to create positive relations between workers who often do not work together, in the same place, or contact one another only via electronic media. Direct interaction supports interpersonal relationships, therefore, proper methods of designing and maintaining bonds despite geographical distance are an important challenge for virtual leaders (Grudzewski, et al., 2010, p. 110). Concluding, social/interpersonal competences are core abilities of e-managers.

The transformative leadership is another approach on the issue of managing the contemporary organizations in turbulent environment. It is a charismatic type of leadership that allows an enterprise to adjust to changeable circumstances (Koźmińiski, 2004, p.152-153). A charisma and social skills are obligatory traits that characterize a transformative leader, who influences people on emotional levels. Transformative leader doesn't make people achieve goals of his/her own. He/she influences people in order to change their own goals and aspirations (Earley, 1993, p.173). The unique traits that characterize a transformative leader are:

- ability to predict future changes,
- ability to articulate the new vision,
- ability to conform the old and new practices of functioning of an organization,
- authority,
- ability of self-understanding (Cushman, King, 1997, p. 40).

To sum up, transformative leadership inspires people to creative thinking and accelerates the organizational learning process (Griffin, 2004, p. 578).

Emotions are the major element of transformative leadership that allows to motivate people (Koźminiski, 2004, p.153; Gooty, et al., 2010, p. 979-1004). Except technological skills or intellectual capability, transformative leader should acquire emotional intelligence (Goleman, Boyatiz, 2008).Table 4. illustrates the leadership types in modern companies.

Table 4. Leadership types

type	Traits of leadership style
Innovator (49%)	-formulating a vision that crosses the previous practices -stimulation innovation
Humanist (26%)	-fulfilling customers requirements -rewarding and developing personnel -high ethical standards -impact on the society
General (25%)	-inspiring others to implement business strategy -making decisions, and still being popular

Source: Perpetual, 2007

Virtual cooperation and collaboration

When change becomes one of the fundamental pillars of organization, people work in constant insecurity. Hence, the manager that is able to control this unstable environment is needed. Specific aspects of virtual work and bigger autonomy that each worker possesses implicate the necessity that each person in such organization must be able to cope with changes to accomplish the plan. In this paper we are focusing on two types of such cooperation: external and internal (macro and micro dimension): partnership and team work.

Partnership

Cooperation with the partners is, as it has been mentioned before, the basic characteristic of a virtual organization. It refers both to the external partnership and to cooperation between organization members. Table 5. compares these two basic concepts referring to mutual activity in virtual organizations.

Table 5. Cooperation vs. collaboration in virtual organization

	cooperation	**collaboration**
orientation	Compatible goal	Common goal
characteristic	-information exchange -sharing resources -labor division between participants -common plan	-sharing information -sharing resources -sharing risk and rewards -joint identity -mutual engagements

Source: (Msanjila, Afsarmanesh, 2008, p.1254)

Collaboration in virtual organization implies common action. It brings both risks and chances. Even though stakeholders are willing to implement it in order to gain potential benefits. The example advantages of such a collaborative partnership are:

- sharing costs (access to new market without high investments, shared R&D expenses, ability to compete with stronger companies),

- sharing risks (sharing knowledge reduces the insecurity, co-responsibility, solidarity mechanisms),

- increasing the innovation capacity (diversity of cultural backgrounds and resources generates new ideas, access to the new source of value, products' life cycle reduction),

- increasing flexibility (share resources and potential among partners, different core competences, increased adaptation capacity),

-i ncreasing specialization (ability to concentrate on critical activities) (Abreu, Camarinha-Matos, 2008, p.1211-1212).

The leader should understand the value of partnership for virtual organization. Establishing successful collaboration with other companies requires quick decision making process, flexibility and trust (Kasper-Feuhrer, Ashkanasy, 2003, p.48). Productive cooperation means profits for the company and allows to optimize organization's business concept. Organizational leader should be capable of exploiting such an opportunity in order to achieve competitive advantage. And to introduce people to such a partnership.

Team building

Team building is a process that supports the team in order to increase effectiveness in realization of its tasks (Cook, 2002, p.256). It requires collective, well coordinated actions and good interpersonal relations. Functioning in unstable environment is related to fear and insecurity. The fear of the unknown and of lack of stability causes resistance to implement new strategies, as well as influences negatively the attitudes of workers.

Team is an assembly of individuals who independently are working on their tasks, by managing their mutual relations (Fjermestad, 2009, p.36).

Before workers become a team they are just a group of people. There are four indicators that allow to diagnose if the manager works with the team:

1. common values, vision or (integrated) goals
2. independence
3. commitment to working together
4. accountability as a unit in the organization (Hoefling, 2003, p.132-133).

The similar characteristic of the work team was proposed by Koźmiński:
– common goals and interests, that are accepted by all members
– integration and harmonization of resources
– common values (Koźmiński 2004, p.147).

E-teams diverge from traditional ones. There are four main types of virtual teams, distinguished by the location and the superiors:

"- Teleworkers: one leader at one place
- Remote team: single leader and a dispersed teams
- Matrixed teleworkers: Multiple leaders of a single team
- Matrixed remote teams: Multiple leaders and many diverse locations" (Cascio et al., 2003).

The virtual condition, in which there is far less face-to-face interaction and far more diversity than in a traditional enterprise, requires the leader to support its cohesiveness.

When all the above criteria are fulfilled there is a real team. T. Hoeffling assumed that typical virtual team evolves trough four main stages (Hoefling, 2003, p.132-133). At each of those stages the leader is supposed to support virtual workers by adequate behaviors. The stronger the team the better effect for the organization. The following listing describes each stage of developing virtual team and optional managerial behaviors.

Table 6. adjustment and virtual managerial responses for virtual work environment

virtual worker adjustment stage	effective virtual manager response
Stage 1: let me start! Little experience in virtual environment but a lot of enthusiasm is most characteristic for this stage	Response 1. clear instruction The manager provides practical assistance and maintains close contact regarding virtual workers' performance and development of virtual work habits. Little emotional support is needed because virtual worker is already excited!
Stage 2: bummer Some healthy work habits begin to form but frustrations and challenges and changes are in the center and some people might want to quit	Response 2: reassurance The manager continues to provide practical guidance to virtual workers. In addition, manager reassures worker and provides emotional support. Support may be in the form of advocating in the organization to provide additional resources or support
Stage 3: I don't know…. Solid virtual competences are developing but emotional frustration is still in consciousness	The worker is experiencing some insecurity but solid virtual worker's competences are developing. Provide less practical guidance and more feedback to help the team to see the good they are doing. Help workers increase they self-confidence by noticing what is working
Stage 4: yes! System and processes are in place and working	Response 4: delegation The virtual worker is working independently so manager provides coaching when elicits input or other indicators are evident. The manager will need to provide significantly less emotional support.

Source: T. Hoefling, *Working Virtually: Managing People for Successful Virtual Teams and Organizations*, Stylus Publishing, Virginia 2003, p. 133.

Each team member becomes in one way his or her own supervisor (Kanter, 2001, p. 256). Furthermore, the managerial competences are cooperation-oriented. Team management in unstable conditions requires additional skills in order to cope with higher risk and variable environment. The leader is supposed to implement changes and team building.

The fundamental condition that guarantees the proper functioning of a team is its members. The psycho-social profile of the team participants is essential. The social skills and predispositions are equally important to substantial competences. However, the most important element is always a leadership (Koźmiński, 2004, p. 150-151).

Team building in virtual organization requires specific managerial skills. Managers in virtual organization have additional tasks regarding the situation: to reduce fear of change, commit teams into new tasks and build positive attitude among workers towards changes. Team building in constantly changeable conditions means building relations. This process is involved in creating goal-oriented consciousness. The manager that builds virtual teams based on e-culture should act flexibly, adjustably, innovatively

and be open to changes. Dynamic environment demands from leaders the ability to anticipate changes. R. Kanter, based on her studies on virtual organizations, indicates seven main competences that are essential to efficient team building under variable circumstances (Kanter, 2001, p.257-280). Key competences are:

1. tuning in on the environment
2. kaleidoscopic thinking
3. Inspiring Vision
4. Coalition building
5. Nurturing a working team
6. Persisting through difficulties
7. Spreading recognition

Managing the team supported with described skills allows to foresee changes and optimally use dynamic potential from actors involved in virtual organization. While building the team in e-culture the commitment of leader, as well as team members, is strictly required. Moreover, common and visible goal and healthy relationships that enable efficient communication are advisable. In conclusion, innovation, flexibility, interpersonal and leadership skills (e.g.: charisma) are core competences of managers of the future organizations.

Team empowerment, understood as a motivation of the team members, that share collective goals and positive assessment of the organizational functions, is a significant factor regarding the team management aspect (Kirkman, Rosen, 2000). Empowerment relates to four aspects:

"-potency- the collective belief that team can be effective,

-meaningfulness- the extent to which team members feel caring for their tasks,

-autonomy- the degree to which team members believe they have freedom to make decisions,

-impact- the extent to which they believe that their tasks make significant organizational contributions" (Kirkman, et al., 2004, p.176-177).

Research has confirmed that there is a positive relation/connection between team empowerment and team performance (Burpitt, Bigoness, 1997; Hyatt, Ruddy, 1997; Kirkman, et al., 2004). Increased level of team empowerment leads to higher efficiency and job satisfaction. Hence, the leaders' ability to motivate people and to empowered teams is vital.

Since motivation in virtual organization outreached classic rewards system, it is nowadays focused on the emotional and social aspects of human behavior. There are five core aspects of motivating employees in an efficient way:

-responsibility,

-respect,

-relationship,

-recognition,

-rewards (Bowem, 2006, p. 59- 63).

Summarizing, the successful team needs a leader to motivate it, empower the team and lead participants trough the changeable and turbulent environment. Leader in a virtual organization is a charismatic role-model, his relations with team members based on trust. He/she has got good social skills and communication abilities.

Virtual Leadership competences

In general, a competent leader is a person who optimizes own abilities in order to achieve organizational goals (Masłyk-Musiał, 2011, p.128). Competences are abilities to execute particular behaviors and they characterize an individual. McClelland has been the first one to use it in a context of HR, as an indicator of desirable qualification (McClelland, 1973). In 1982 Boyatzis has created a list of managerial competences (Masłyk-Musiał, 2011, p. 129.). The term competence is defined as a set of predispositions to perform professional tasks (including: attitude, knowledge, skills) (Kossowska, Sołtyńska, 2002, p. 14).

The core competencies are capacities which are generally unique, which means they are difficult to

imitate and have a wide range of use (Agha, et al., 2011, p. 192-193). Core business competencies enable leaders to successfully compete with others (Botha, Claassens, 2010, p. 78-79).

To succeed in a virtual economy a leader should encourage people to learn and activate innovative thinking. A virtual leader concentrates on the future, invests in a relation, builds an honest relationship, has a global approach and removes business obstacles (Masłyk-Musiał, 2005).

Harris and De Long (Harris, De Long 2001, p.10-14) describe basic competence of an e-leader as:

1. Quick decision making (identifying and solving problems, conducting analyses)
2. Building partnership relations (assessment, negotiation and relationship building)
3. Technological knowledge (integration, development, research)
4. Concentration on information (time management, priority management, filtration)
5. Creating future vision (predicting, experimenting, synthesis)
6. Attracting and keeping talents in the organization (communication, collaboration, motivation, productivity management)

Table 7. Core e-leaders competencies

Reference	Characteristics
Cascio, 2000	- concentration on results instead on time - delegation of tasks - flexibility
Grenier and Metes, 1995	- technological proficiency - ability to establish the knowledge flow - ability to replace traditional personnel with virtual one - ability to appreciate the value of ITC - ability to accelerate and stimulate - creativity and innovation. - open-mindedness
Avolio, et al., 2003	- communicating - time balance - ability to use technology in order to increase cooperation
Lipcnack, Stamps, 2000	-influence by persuasion -participatory management - creating a shared and understandable vision - communication skills
Annunzio, 2001	- communicating - managing knowledge resources - facilitating discussion - actively listening - empowering teams - delegating tasks
Kissler, 2001	- information flow - future print - organizational alignment - proximity management - creative tension - dynamic - talents development - leading by values
Chutnik, Grzesik, 2009	- coaching - use of ITC - cross-cultural management - human development - building trust - clear team procedure

Hoefling, 2003	- high communicating skills with the use of multiple media - organizational skills - linking teams with strategic vision - focus on mission accomplishment
Grudzewski, et al., 2010	- having communicating skills - open-mindedness - courageous enough to initiate changes - innovative - ability to adjust to changing business strategies
Malthora et al., 2007	-creating and sustaining trust -monitoring the distribution of diversity -manage the life cycle of virtual work -managing virtual teams -extending the visibility -assuring benefits for team members
Shriberg, 2009	- create and support the system that sustain the synergy of a virtual team -support team work

Source: Own elaboration based on references.

To sum up, e-leader has an ability to communicate, to understand and use technology and to work on various tasks. He is capable of managing across cultures and building and maintaining trust within the organization.

Still, in virtual enterprises leaders should focus on social part of management. Communication and trust are crucial elements that bring about the power of organizational performance. In order to avoid communicational problems leaders should clarify expectations, ask questions and clarify perspective (Mercurio, 2010, p.4-6). E-leader should be able to maintain effective both face-to-face and ICT mediated interactions in order to support team attitude.

Conclusions

The key to success in virtual teams is to integrate employees, ensure optimal usage of communicational tools (such as: telephone, fax, video-conference etc.) and guarantee knowledge flow. Leaders who have highly-developed communicational skills (both verbal and nonverbal) increase organizational performance and employees' productivity. Keeping up face-to-face communication and interactions with each team members and with the team ensures the sense of unity and conscious participation.

In conclusion, the leadership in a turbulent environment stands for a specific activity that increases individuals' potential. New economy implies the new, changing organization with a dynamic structure which leads to the lack of stability. Therefore leadership in virtual, learning organizations refers to ability to accelerate individuals' potential, transform goals into action and increase faith in the organizational mission. Team building and team empowerment are essential. Virtual leadership is based on trust and communications. Core leader competence relate to social skills and interpersonal intelligence.

To sum up, an e-leader acquires the qualifications that are crucial in order to manage geographically dispersed teams and assure good understanding between team members, as well as manage the organization in the virtual, changeable and unforeseeable environment. The core e-leader competences include excellent communication ability, technological skills and managerial predispositions. The important challenge in virtual teams is how to gain employees' trust. E-leadership means being focused on all aspects of organizational behaviour and stimulate the team potential. Since the virtual organizations are constantly evolving, the e-leader should follow alterations and adjust to new circumstances. Successful e-leadership requires both specific competences and flexibility. Finally, the description of virtual leader is still emerging, hence the e-leader competency is constantly modifying.

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