

EDITORIAL

Management trends: Artificial intelligence, Q-Day, soft skills, work patterns, diversity, and sustainability initiatives

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The main management trends at the moment are related to artificial intelligence, Q-Day, soft skills, work patterns, diversity, and sustainability initiatives, which will be discussed in this editorial. It is my honour to write my first editorial as the Editor-in-Chief of the *Journal of Management & Organization*, which is the flagship journal for the Australian and New Zealand Academy of Management. Increased emphasis is being placed on management trends in the global economy due to its importance in influencing organizational performance and reputation. Whilst there are many different kinds of trends occurring related to management and organization practices, I will focus on the ones I consider most relevant for the journal.

Artificial intelligence is a topic that has become popular due to the process of digitalization in facilitating its development and usage. Digital technologies are now common in many businesses and play a prominent role in society with digital competencies being a way to measure an individual's or firms' ability to produce good results. The advantage of digital technologies is that they introduce new opportunities for businesses by converting material and processes to digital formats, which includes the ability to integrate and deploy a range of digital technologies in the workplace (Philip & Kosmidou, 2023). To be entrepreneurial in today's digitally based society, it is important to have digital competencies as it can help in learning about emerging technology and accessing new information. Bachmann, Rose, Maul, and Hölzle (2024: 3) define perceived digital competences as 'a set of knowledge, skills, abilities, and other characteristics that enable individuals to efficiently accomplish job-related tasks by employing digital means in a secure manner for information and data handling, communication and collaboration as well as problem-solving'. Individuals in organizations who have higher levels of digital competences are more likely to succeed in the competitive global marketplace.

There has been a global digital transformation in recent years with more products and services offered in a digital format. Vial (2021: 121) defines digital transformation as 'a process that aims to improve an entity by triggering significant changes to its properties through combinations of information, computing, communication, and connectivity technologies'. The digital part of the term digital transformation refers to the use of information technology that can be used in a digital format, whilst the transformation component refers to a big change occurring. The emphasis is on change which refers to an alteration in existence over time that is often based on a significant change process. This is emphasized in Stegmann, Nagel, and Ströbel (2023: 1221) defining digital transformation as 'the radical, disruptive and evolutionary process of change due to information technologies in economies, institutions and societies'. This means that digital transformation has resulted in a need for organizations to know how to better appropriate value. However, the alteration of products to a digital format may take time and resources that need to result in better performance.

Digital transformation is conducted by combining computer and information technologies within an organizational environment, thereby enabling digital information to be communicated to others. Digital innovations rely on digital technologies to enter business markets through a process of business model change. Nambisan, Lyytinen, Majchrzak, and Song (2017: 224) define digital innovations as ‘the creation of market offerings, business processes, or models that result from the use of digital technology’. The digital transformation of organizations has been facilitated by the COVID-19 pandemic making digital transactions a necessity.

Digital technology enables organizations to improve performance through the use of technology (Wang, Xu, & She, 2023). New digital technologies such as data analytics and social media have increased the reach of organizations in terms of more people being able to access information. This has led to enhanced customer experiences and created new business opportunities. In addition, the internet of things has connected technology devices to offer seamless services. This has streamlined operations and supported the integration of digital technologies. As a result, there has been major business improvements based on the use of digital technology.

The 21st century has been described as the artificial intelligence century due to the significant changes that have occurred as a result of artificial intelligence. Well-known examples of artificial intelligence technologies include virtual agents, robots, and facial recognition. Artificial intelligence enables organizations to invent new business models as a form of radical change. This includes designing novel products and service offerings. Alan Turing is known as one of the founders of artificial intelligence as he devised the ‘Turing test’ that asks whether a machine can imitate human behaviour. This means an early way to conceptualize artificial intelligence was based on whether a machine can behave in a human-like way. In the 1950s, artificial intelligence focussed on programming computers to do maths or computations, but with the introduction of the internet in the early 2000s this changed the way it was viewed. Lukaszewski and Stone (2024: 1) define artificial intelligence as ‘the science of making machines (especially computer systems) that can use human-like intelligence’. Artificial intelligence is being used to manage a range of business management processes and practices. This means it is creating new business ventures out of scientific advances. There are many unknown variables associated with artificial intelligence such as a lack of privacy, security issues, and access to data. This means there is a concern about how artificial intelligence will influence society and organizations. There are unanticipated outcomes associated with artificial intelligence such as erroneous decisions and bias.

The benefits of artificial intelligence are in streamlining processes through reduced transaction costs. For many people and businesses, the use of artificial intelligence is recent. This is due to the idea of artificial intelligence being based on science fiction and not being a reality. Artificial intelligence was popular in movies, books, and TV shows but lacked real-life applications. This has rapidly changed in recent years with advances in computing systems. Generative artificial intelligence has become one of the most popular forms of artificial intelligence as it generates new content through a range of sources such as audio, text and video. The main difference between generative artificial intelligence is that it creates content whilst traditional artificial intelligence predicts behaviour. Tasks viewed as tedious can be done by artificial intelligence. Moreover, artificial intelligence-generated tools can generate analysis and reports. Due to artificial intelligence still evolving it is important to be flexible with how it is used. This means recognizing its adaptability as a strategic learning tool.

Related to the emphasis on artificial intelligence is the term ‘Q-Day’, which refers to when large scale quantum computers can decipher the public encryption systems that currently protect digital transactions. The rapid advancement of technology related to artificial intelligence is happening so fast that existing management practices are finding it hard to keep up to date with the change. This means that there is an ethics and business debate about the usages of artificial intelligence much like the ‘Millennium bug’ that was faced by information technology systems when 1 January 2000 occurred.

Due to the increased emphasis on artificial intelligence tending to negate many business analytics tools, soft skills that can be considered as old-fashioned people skills are being emphasized.

This includes communication skills, teamwork, values, ethics, and leadership abilities which influence work design and work status (Sarich, Kiffin-Petersen, & Soutar, 2023). These skills were previously overlooked in favour of hard skills based on technical capabilities required in jobs, which are normally industry and occupation specific so are hard to transfer between positions. The changing emphasis on soft skills is based on psychosocial abilities that are applicable to many different job positions.

Part of the rationale for increased emphasis on soft skills is due to the effects of the COVID-19 pandemic changing work patterns. It is now normal and in many industries expected to work some days from home, which has changed the way offices are used. The previous Monday to Friday work pattern has altered with specific days allocated for working from home. As a consequence, for managers there can be difficulties with emphasizing the benefits of face-to-face interaction with digital efficiencies. At the same time, workplaces have changed in design with utilization issues becoming important. This means mental health and work–life balance issues are being prioritized.

Diversity in recruitment hiring and retention practices in organizations is still a major trend (Abbey & Adu-Danso, 2023). The definition of workplace diversity and inclusion is changing based on societal practices. Having people from different political, demographic, and social backgrounds is considered an advantage for organizations in terms of knowledge transfer and creativity. This helps managers make more informed decisions. Related to diversity is how organizations can attract the best talent by trying to create an age-inclusive workplace (Fan, Song, Fang, & Chen, 2023). To do this, remote and hybrid work is being encouraged in addition to specific human resource management practices based on neurodiversity. This means acknowledging the neurological differences between people and giving people an ability to do their work in different ways.

The last management trend I want to highlight is sustainability with many organizations implementing the United Nations sustainable development goals. As a result, organizations are changing to a more circular approach that emphasizes reusing and recycling products (Diacono & Baldacchino, 2024). This can include the use of sharing platforms and pay as you go systems that are based on need. As a consequence, responsible management practices are being prioritized in terms of conserving the use of resources (Muhammad & Migliori, 2023).

In conclusion, it is my objective of this editorial to highlight management trends that will affect organizations now and into the future. We are in exciting times and much change is happening. Thus, there are many good topics deserving of more attention in the *Journal of Management & Organization*. Due to the emphasis on management in the journal, it is useful to consider how these trends can be incorporated into research studies and management policies.

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