Springer Proceedings in Business and Economics

Silvia L. Fotea
Sebastian A. Văduva
Ioan Ş. Fotea *Editors*

Reimagining Capitalism in a Post-Globalization World

Proceedings of the 13th Griffiths School of Management & IT Annual Conference (GSMAC 23), Oradea, Romania, June 9, 2023

EMANUEL UNIVERSITY OF ORADEA
INTEGRITY, EXCELLENCE & PASSION

Springer

Springer Proceedings in Business and Economics

Silvia L. Fotea • Sebastian A. Văduva
Ioan Ş. Fotea
Editors

Reimagining Capitalism in a Post-Globalization World

Proceedings of the 13th Griffiths School of Management & IT Annual Conference (GSMAC 23), Oradea, Romania, June 9, 2023

Springer

EMANUEL UNIVERSITY OF ORADEA
INTEGRITY, EXCELLENCE & PASSION

Editors
Silvia L. Fotea
Griffiths School of Management and IT
Emanuel University
Oradea, Romania

Sebastian A. Văduva
Griffiths School of Management and IT
Emanuel University
Oradea, Romania

Ioan Ş. Fotea
Griffiths School of Management and IT
Emanuel University
Oradea, Romania

Griffiths School of Management and IT Annual Conference on Business, Entrepreneurship and Ethics gsmac gsmac2023 GSMAC 13th Oradea Romania https://gsmac.ro/

ISSN 2198-7246 ISSN 2198-7254 (electronic)
Springer Proceedings in Business and Economics
ISBN 978-3-031-59857-9 ISBN 978-3-031-59858-6 (eBook)
https://doi.org/10.1007/978-3-031-59858-6

This Springer imprint is published by the registered company Springer Nature Switzerland AG
The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

Contents

Chapter 1
Management Approaches of Stakeholder Capitalism and Digital Leadership in the Twenty-First Century

Nicolae Bibu, Maria-Madela Abrudan, and Alexandra Daniela Sivulca

Contents

Abstract This chapter explores the existence of connections between Financial Bottom-Line (FBL) management, Triple Bottom-Line management (TBL), and Social Ecological Thought management (SET) as modern forms of stakeholders management, specific to multiple stakeholders capitalism, on one hand, and digital leadership as an evolved form of e-leadership, on the other hand. Currently, the business world is characterized by an increasingly accentuated volatility, uncertainty, ambiguity, and complexity. Organizations are forced to change and adapt to the new disruptive digital waves from a technological point of view in order to remain competitive in the markets in which they operate. The global, regional, and national economies are going through a new evolutionary phase of development, crisis, and growth while developing the concept of digital economy. Capitalism as an operating system is an adaptogenic one and has undergone several evolutionary phases. A current turning point of capitalism seems to be focusing also on the interests of stakeholders, not only of shareholders/owners, and thus, developing organizations aim to find a balance between the creation of stakeholder value and the shareholder value. We consider that the digital leadership style is a transformational

N. Bibu (✉) · A. D. Sivulca
West University of Timișoara, Timișoara, Romania
e-mail: nicolae.bibu@e-uvt.ro

M.-M. Abrudan
University of Oradea, Oradea, Romania

S. L. Fotea et al. (eds.), *Reimagining Capitalism in a Post-Globalization World*, Springer Proceedings in Business and Economics,
https://doi.org/10.1007/978-3-031-59858-6_1

style, based on recognizing that stakeholders have specific, sometimes divergent interests, on mutual respect and collaborative work. Thus, it is highly contributing to the success of companies using the triple bottom line and more specifically the emerging social economical thought management approach. To achieve our research goals, that of mapping the interdependencies between concepts, we will use bibliometric analyses as work tools.

Keywords Stakeholders capitalism · Triple line of results · Social economical thought management (SET)

1.1 Introduction

The various management approaches to stakeholder capitalism represent an important topic due to the dynamism of the world in which we live and the economic discrepancies between individuals. The entire economy is one based on billions of networks that are constantly interconnecting under the auspices of globalization and diversity of markets, increased competitiveness for profit, and capitalism plays a key role in this regard. The business environment begins to value no longer only the interests of its shareholders and maximizing profitability but is giving more credit to all stakeholders who contribute to the organization's long-term success. They can represent the unseen part of an iceberg/the level of depth of the business model.

Management specialists such as Eric Rhenman, Russell Ackolf and Igor Ansoff helped expand the concept of stakeholders in the 1960s (Freeman & Liedtka, 1997). For Freeman and Liedtka (1997), organizations are not considered isolated from the rest of society, but they are an active part of it. Historically, the notion of stakeholder management took shape in the 1980s and was considered a tool for analysing the interests of those who exerted a certain influence on organizations and were also affected by them (Freeman & Liedtka, 1997)—this shows the double conditioning of the two variables.

Organizations have two courses of action that allow them to focus either on the needs of stakeholders or on the needs of shareholders, but choosing only one option is a flawed choice (Freeman & Liedtka, 1997). Moreover, most of the time, the interests of the two categories (shareholders and stakeholders) intersect, and in many situations, they are not competing (Freeman & Liedtka, 1997). The twentieth century was marked by three ideological approaches: socialism, communism, and capitalism (Hodgson, 1996). Capitalism was and is an adaptogenic system—Fujiyama (1991) in Bassiry and Jones (1993) marks the "end of history" triggered by the supremacy of capitalism over totalitarian socialism, a moment that coincided with the end of the Cold War. It is also a system of controversy—the perceptions of sociological theorists and economic specialists engaged in distinct ideologies have oscillated on the moral character of the system (Bassiry & Jones, 1993). From the perspective of stakeholders (Freeman & Liedtka, 1997) capitalism "should serve as a model for the processes that make companies the best companies."

1.2 Literature Review

Those who have traced the contours of today's capitalism were Adam Smith and Herbert Spencer. Smith is a pioneer of the Industrial Revolution, being the person who championed the privatization of organizations and their freedom early on as a result, his ideas were widely adopted by many business leaders and policymakers, and the Industrial Revolution of the nineteenth century saw the rise of industrial capitalism as entrepreneurs used new technologies to create large-scale factories and mass produce goods for a globalized market. Capitalism has existed in many forms and there are many definitions of the concept over time. Mayhew (1980) highlights and supports Schumpeter's view of the evolutionary nature of capitalism, also expressed in his book (Capitalism, Socialism and Democracy), as not having a stationary nature. It has a great capacity for adaptation and development generated by the inability of its own subjects to perceive it as such (Varoufakis, 2008).

Max Weber and Ernst Troeltsch argued that the system involves the calculated valuation of expected periodic earnings (dividends, interest payments) and the equation of these earnings as a current sum. This way of approaching capitalism can be correlated with the means of understanding socioeconomics in relation to interest rates, insurance, investment procedures, the process of saving, trading goods, etc. Lujo Brentano puts forward another hypothesis—capitalism consists in organizing agents in the field of production or distribution in a way that not only generates income but also increases initial investment (the validity of his view lies in the possibility of building the foundation of the functions of the social and economic nature of entrepreneurs, innovators, and creators on the following variables: vision, organizational mode, and flair). At the intersection of the two viewpoints, there is Sombart's interpretation of capitalism as a historical event whose background is not purely economic, but part of a more complex and diversified landscape: contemporary civilization (Taeusch, 1935).

Between capitalism and management was and is a connection. Capitalism provides incentives for innovation and entrepreneurship, while management ensures that resources are used efficiently to achieve organizational goals. Finally, both concepts contribute to growth and economic development. One of the main difficulties of the line of reasoning advocated by Lujo Brentano led to the perception of the system as a component far too strongly linked to labor management (Taeusch, 1935). However, their relationship is a complicated one that generates several alternative points. One of these points focuses on the managers and the effort made by them to achieve the performances recorded by the organization (their total assumption). The second point focuses on the human resources (the key determinant in ensuring the increased value). As a result of the work done, several theories were created—the theory of the commodity type, theory of work related to wages (these being the motivating factor for the increase of industrial efficiency), and the theory of purchasing capacity (Taeusch, 1935).

The end of the nineteenth century and the beginning of the twentieth century revealed a new variant of capitalism from a managerial perspective ("managerial capitalism"). This was at the opposite pole of classical individual capitalism (decisions related to the processes of production and distribution were made by individuals who did not have the capacity to hold the capital within the organizations to which they belonged: "managers, employees, hierarchies, teams" (Chandler, 1984)). The trigger, according to Chandler (1984), was the development of the integrated industrialized organization (examples of such organizations were found in Japan, the United States, and Europe).

Today's capitalism is based on two forms, managerial capitalism and shareholder value capitalism (1932–1976), the latter proving to be flawed. The definition of these two forms was envisaged as early as 1936 in the paper *The Modern Corporation and Private Property* (written by Berle and Means), stating that management and ownership had to be demarcated. As a result, it is important for organizations to balance their profitability with their social responsibility to ensure long-term success for all stakeholders involved.

Schwab and Vanham (2021) highlight that stakeholders are not a new concept. In the 1950s and 1960s (Schwab & Vanham, 2021), they noted the tendency for organizations not to focus exclusively on shareholders, but on all those who can contribute to their success. For Schwab and Vanham (2021), the epicentre of the stakeholder capitalism pattern can produce both short-term (shareholder earnings generation) and long-term (value generated by satisfying some of the needs of all stakeholders) benefits.

Schwab pointed out that the common element of stakeholder capitalism is the organization and the business model, in the book published in 1971 (Modern Company Management in Mechanical Engineering), marking the following synapses: shareholders, leaders, state and society, customers, economy, human resources, and suppliers. At present, there are four highly interrelated categories of stakeholders: governments, society, companies, and the international community—each of them has a critical role (Schwab & Vanham, 2021). Schwab and Vanham (2021) set out their interconnected goals as follows: the goal of government is to ensure the welfare of the masses of people; civil society organizations are the goal generator for its stakeholders; the goal of business organizations is to generate as much profit as possible; the international community wants to ensure and maintain peace.

Hunt et al. (2021) outline three dimensions of stakeholder capitalism: first dimension, workers, directors, the board of directors, and shareholders are examples of internal stakeholders; second dimension, organizations and people who do not have the status of employees of the firm, but who deal directly with it (customers, sellers, and investors who are not shareholders, such as bankers); third dimension, governments, communities, and the environment are examples of external entities that are crucial to the activities of the business organizations. According to Hunt et al. (2021), there are currently five main approaches by which firms can achieve impact on stakeholders: financial and operational effect, level of satisfaction, institutional and personal health, capacity development, and environmental impact. The financial stability of the company serves as a cornerstone for all efforts (Hunt et al., 2021).

Leadership is a critical aspect of any organization or group and plays a significant role in determining the success or failure of the organization. The concept of leadership has evolved over time and various approaches to leadership have been developed. Leadership is a crucial aspect of any socioeconomic system, including capitalism. Capitalism is an economic system that emphasizes private property and the pursuit of profit. In this system, leaders play a significant role in determining the success or failure of businesses and industries. Polman (2014) points out that current capitalism needs to develop leaders and leadership and different types of leaders are needed compared to the past. Not better leaders because each scenario has its own set of challenges, but leaders who can cope with current obstacles.

Leaders are at the heart of social and economic movements and the economic effects achieved are generated by their actions and style (Budhathoki, 2019). The goal of business leaders is to find a bridge between purpose and profit—the main issue for them is to stay focused on key stakeholders and their ability to engage and actively listen to them (Freeman & Todnem, 2022). According to Freeman and Todnem (2022), complexity, creativity, and cooperation are vital for leaders and their partners—stakeholders. Stakeholder theory is used as the foundation for a new conceptualization of hierarchically free leadership, known as the organizational leadership stakeholder model, because stakeholders can be both internal and external to the firm, eliminating the belief in managerial power over stakeholders Schneider (2002).

1.3 Modern Forms of Stakeholder Management and Leadership

The concept of stakeholders has become increasingly important in the business world, as companies recognize the need to consider the interests of all parties affected by their actions. The Financial Bottom Line management approach (FBL) is the classic side of management according to Dyck and Caza (2021), based on Kurucz's work in 2013. It was a widely used concept with the onset of the Industrial Revolution (Dyck & Caza, 2021)—they marked the connection of the concept with those stated by Milton Friedman (Nobel laureate) about the business world and their main purpose to make a profit.

The Triple Bottom Line (TBL) management approach is a concept that has gained significant attention in recent years. It was Elkington (1997) who created the concept of triple baseline, a notion correlated with that of sustainability. By means of this triple bottom line (Goel, 2010) the level of organizational performance can be determined, considering three levels (economic, environmental, and social). There is a relationship between the triple bottom line and the stakeholders of a company based on the fact that the activities of a business organization generate effects on three levels of context and on its stakeholders—the aim is to better manage the special situations created by the economic, social, and environmental level in order to positively increase the results obtained by these parties (Hede, 2007). Elkington (2018) in the article published in Harvard Business Review (25 Years Ago I Coined the Phrase “Triple Bottom Line.” Here’s Why It’s Time to Rethink It.) said: “The triple baseline was not designed to be just an accounting fact. It had to provoke deeper thinking about capitalism and its future.”

In close connection with the two concepts above is also found the Social-Ecological Thinking (SET) management approach. This type of management has fundamental priorities (Dyck & Caza, 2021) of maximizing well-being at the ecological and social level and derived objective of generating well-being from an economic point of view—profit is necessary to be able to continue the activity, but maximizing it is not an imperative requirement. The new course of action goes against the principles of the Financial Bottom line approach and of the Triple Bottom Line approach (Dyck & Caza, 2021) (Table 1.1).

Financial Bottom Line (FBL) management maximizes the financial well-being of the organization, was dominant in the management of the twentieth century, with roots in the nineteenth century:

Triple Bottom Line (TBL) management emerged in the 1990s and early twenty-first century and calls on the organization’s managers to amplify the financial well-being of the organization by reducing negative social and environmental impacts and supporting sustainable development. The Social and Ecological Thought (SET) management model consists of prioritizing social and ecological well-being over maximizing the profit of the business, thus a radical change from the first two management models.

Each approach relates differently to the financial, environmental, and social dimensions. The FBL is solely focused on the goal of maximizing financial well-being at the expense of social and environmental well-being. SET is focused on all three dimensions of well-being but prioritizes the social and ecological dimensions. TBL marks the interdependence between them with the observation that the priority goal remains to maximize the financial well-being of the business but with its limitations by reducing the negative impact from a social and ecological point of view

Table 1.1 Link between TBL, FBL, and SET

Concept	Common element	Focus on	The timeframe of the concept
FBL		Maximizing the financial well-being of the business	Nineteenth and twentieth centuries
		Maximizing financial well-being of shareholders	
TBL	Ensuring well-being	Supporting sustainable development Reducing negative social and environmental impact	Twenty-first century (first 20 years)
SET		Prioritizing the socio-ecological prosperity over maximizing profitability	New approach intensively used in current management (after 2021)

Source: Adapted from Dyck et al. (2018) page IV

(Dyck et al., 2018). According to Niu et al. (2022), globally the importance of problematic aspects related to society and the environment has been recognized, shaping in management a specialized area called environmental, social, and governance (ESG) management.

With the rapid development of digitalization, we consider that the process of digital transformation of business requires the SET approach, especially due to the concern caused by the particularly rapid development of artificial intelligence but also by the rapid growth of companies that are engaged in digital transformation in order to remain viable in today's highly competitive world. We also appreciate that research on the SET management model and its correlation with the digital transformation of companies and the development of digital leadership is currently at an early stage.

Due to digital disruptive waves, capitalism and leadership go through some adaptogenic phases. In the literature, the term "digital capitalism" has emerged against this background. Pace (2018) sees this concept as an accumulation of operations and events mediated by digital technology relative to its structure, which is not anchored in a particular historical period—and rather represents a process of qualitative growth characterized by system complexity based on the execution of all work tasks, business processes, and management and leadership processes using digital tools based on digital technologies.

Digital leadership is a concept that has emerged in recent years as digital technologies have continuously progressed and has numerous definitions. This concept is often used interchangeably with that of e-leadership according to Phillip (2021), which we see as an initial stage in the development of the notion of digital leadership. This view is also supported by the person who first separated the two notions, namely Fisk (2002).

One of the most used definitions of e-leadership is that of Avolio et al. (2014) who say that it is "a process of social influence embedded in both proximal and distal contexts, mediated by information and communication (digital) technologies, that can produce a change in attitudes, feelings, thinking, behaviour and performance" of team members and organization.

El Savy et al. (2020) see digital leadership as "doing the right things for the technical success of digitization, for the enterprise and its business ecosystem. Digital leadership means thinking differently about business strategy, business models, IT function, enterprise platforms, mindsets and skill sets, and the workplace." In Swift's (2018) view, digital leadership/leadership is transformational and has the ability to spot threats to the digital transformation process in order to refine business models and increase the level of change to generate long-term innovations (key to success).

Digital leadership in the researchers' view is transformational in nature, taking place in organizations undergoing digital transformation (early or advanced phase), and is a dynamic process that is embodied in the social leverage of an individual (or group of individuals) to engage other members of the group in achieving set tasks and goals over a period of time in a specific organizational context, based on the use of digital technologies on a large scale.

1.4 Research Methodology

Our current research work is based on bibliometric analyses, with the aim being to determine the existence of synapses between the following terms: FBL, TBL, SET, digital leadership (DL), stakeholder management and stakeholder capitalism. Zupic and Cater (2014) see in these analyses the possibility of Hart's analysis of existing research to identify new areas of analysis. Pritchard (1969) and Broadus (1987) introduced this method into the sphere of quantitative research. The process has four steps in line with those proposed by Fahimnia et al. (2015): first, choice of keywords that underlie the identification of the required items; second, selecting and formatting the information obtained from the search; third, the initial selection; and fourth, final data analysis.

To perform bibliometric mapping, we used VOSviewer software as a technique for visualizing the interdependencies between various concepts (Batistič et al., 2017). We used the Web of Science platform as a data collection point, one of the best sources. The questions we started from in the research process are:

- What is the connection between capitalism and the concept of stakeholders?
- What are the defining elements of multi-stakeholder-oriented capitalism?
- What is the connection between digital leadership and e-leadership?
- What is the connection between digital leadership, e-leadership, and transformational leadership style?
- What is the relationship between stakeholder capitalism and digital leadership?

To identify the main areas of relationship between the concepts of stakeholder capitalism and stakeholders, we extracted a number of 453 relevant articles. We went on mapping based on bibliographic data and the type of analysis was co-occurrence based on all identified keywords.

The measurement method was a complete count method with a minimum number of occurrences of a keyword of 5 times (out of 2084 words, 98 were valid after verification). Thus, five groups of interest were identified (Fig. 1.1).

The first group includes the following key elements: responsibility, capitalism, climate change that occurs twice, companies, consumption, energy, commitment, environmental justice, evolution, governance, information, internet, knowledge, neoliberalism, organization, perspectives, politics, political economy, power regulation, rights, social responsibility, standards, sustainability, and technology.

The second group consists of: cities, corporate governance, diversity, economy, financialization occurs twice, firms, globalization, innovation, institutional change, institutions, investment, labor, law, markets twice, model, ownership, politics, growth, shareholder value, stakeholder capitalism, and variations of capitalism.

The third group has the following interlinked variables: behavior, capabilities, conscious capitalism, corporate social responsibility appears twice, culture, education, ethics, framework, future, history, leadership, management, performance, responsible leadership, shared value, stakeholder management, strategies appears twice, systems, and values.

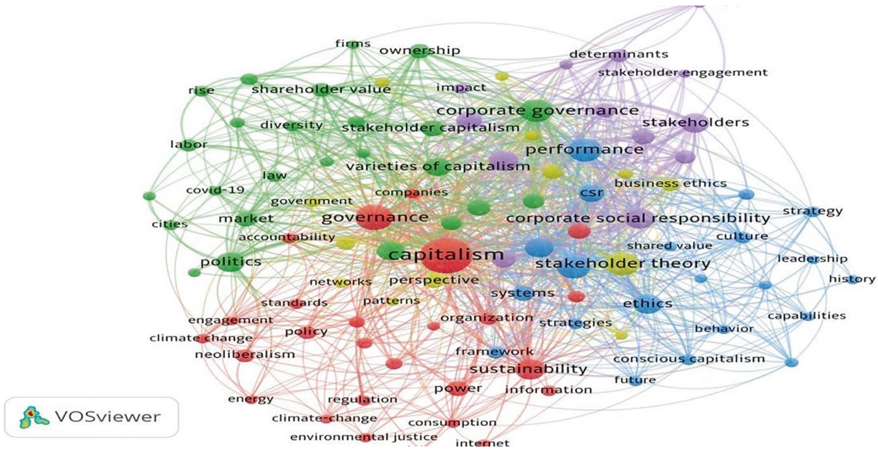

Fig. 1.1 Bibliographically based map (co-occurrence) of the link between capitalism and stakeholders. (Source: made by the authors based on VOSviewer software)

The fourth group contains: business ethics, corporation, economics, entrepreneurship, government, inequalities, networks, models, perspectives, society, stakeholders, stakeholder theory, and value creation.

The last group includes: business, corporate social responsibility, determinants, financial performance, firm, impact, institutional theory, legitimacy, accountability, stakeholders, stakeholder engagement, stakeholders, and sustainable development.

Capitalism has 291 connections and ramifications, management has 185, corporate governance 175, performance 174, business 164, corporate social responsibility 154, stakeholder theory 145, sustainability 125, variations of capitalism has 122 connections (conscious and shared, stakeholder capitalism according to Tkachenko, 2018; sustainable capitalism according to Gore & Blood, 2012; moral capitalism as described in the paper by O'Brien, 2020; there is also a framework of these variations and refers to how the various relationships between organizations and stakeholders are coordinated according to Borges et al., 2020, etc.), firms 111, globalization 110, stakeholders 109, ethics 108, stakeholder value 85, stakeholder management 34, technology 34, stakeholder engagement 31, value creation 27, conscious capitalism 35, stakeholder capitalism 38, social responsibility 34, environmental justice 14, climate change 24, responsible leadership 24, inequality 33, sustainable development 72 (Fig. 1.2).

To mark the defining elements of multiple stakeholders-oriented capitalism, 33 relevant articles were used, which totaled 263 keywords (frequency of occurrence 3) and valid 13 keywords We identified four interrelated dimensions.

The first dimension consisted of five concepts: (entrepreneurship, environmental justice, perspectives, strategies, and sustainability. The second dimension has four elements (capitalism, governance, organization, and technology). The third is made up of: corporate social responsibility, performance, and stakeholder theory. The fourth has only one element, namely financial performance.

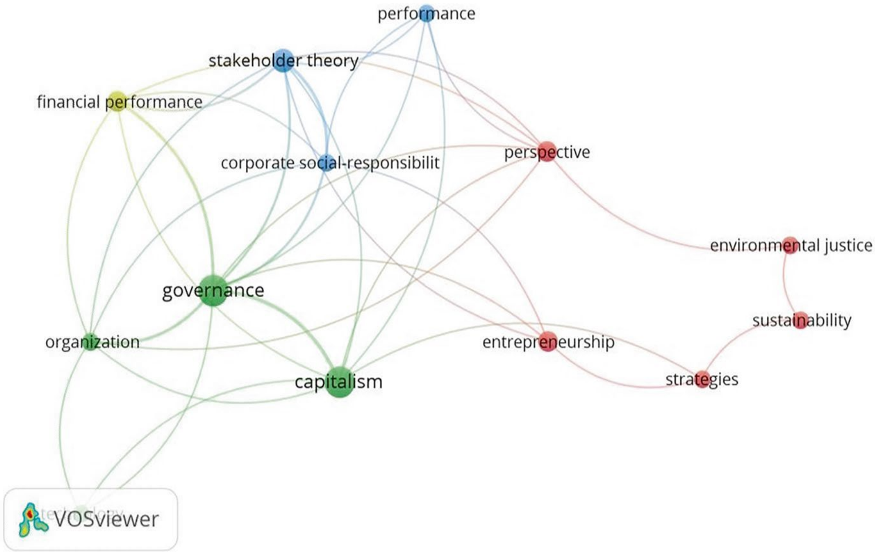

Fig. 1.2 Bibliographic data-based map (co-occurrence) of the elements of capitalism with several factors of interest. (Source: made by the authors based on VOSviewer software)

To validate the correlation between leadership and capitalism, we used 439 relevant articles and went by the authors' keywords (1357), with a minimum number of occurrences of 5 and 23 out of 25 keywords were validated after analysis. Six main tiers were outlined. The first group consists of five items (capitalism, Cold War, hegemony, social movements, and socialism), which refers to ideological and political concepts.

The second group consists of five variables (culture, globalization, responsible leadership, variations of capitalism). The third group consists of five keywords (academic capitalism, better education, management, Marxism and neoliberalism). The connection between these terms is supported by Slaughter and Rhoades (2000) on academic capitalism, which was used to describe how public research institutions responded to neoliberal inclinations by addressing higher education policy as a component of economic policy.

The fourth level has three elements (ethics, ideology, leadership); the fifth level also has three elements (education, innovation, sustainability), and the last level has one element—democracy. Capitalism and leadership have the strongest ramifications (43 and 36 links) (Fig. 1.3).

To test the existence of a link between digital leadership and e-leadership, we used six relevant articles extracted from the Web of Science database. From the 6 articles, we found 51 keywords and from these we selected those with a minimum number of occurrences (2), so only 12 terms met the condition. The analysis of the 12 terms indicate the existence of the link between e-leadership and digital leadership which developed 26 and 10 synapses with the other terms (shared leadership,

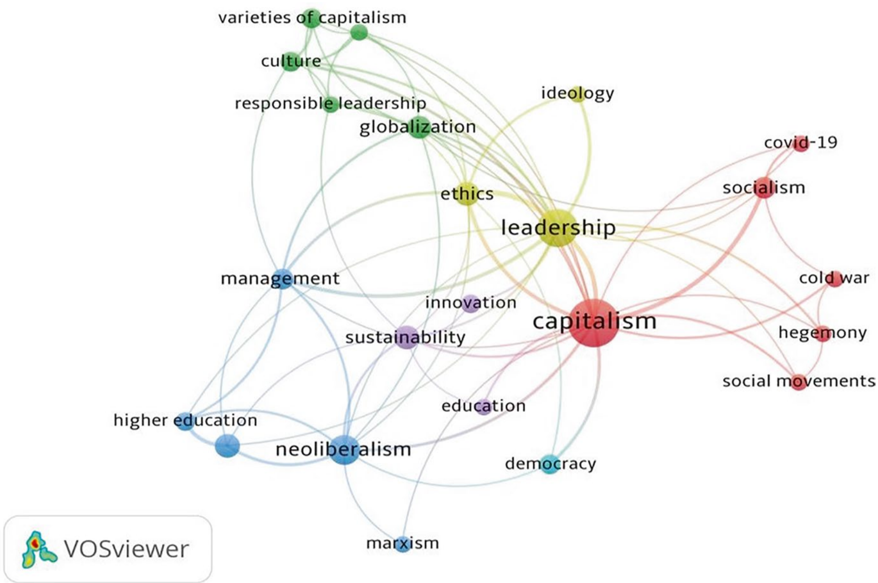

Fig. 1.3 Bibliographic data-based map (co-occurrence) of the relationship between leadership and capitalism. (Source: made by the authors based on VOSviewer software)

social media, communication, performance, transformational leadership, business, technologies, management, digital transformation etc. (Fig. 1.4).

Also, to check whether the two terms (stakeholders and digital leadership) are directly connected, we built the following theoretical map. Out of 139 relevant articles, we found 910 keywords. From these, we selected the terms with a minimum number of occurrences of 5 and found that only 23 met the condition (Fig. 1.5).

1.5 Research Results

As we can see in Figs. 1.1, 1.2, and 1.4, we found that between sustainability and capitalism there is a strong relationship that is both positive when taken into account by the owners and managers of the firms and negative if ignored or diminished in importance. Sustainability and capitalism have a complex relationship that has been debated and researched for decades. While some argue that capitalism is inherently unsustainable due to its focus on profit maximization, others believe that sustainable, environmental, and social practices can be successfully integrated into capitalist systems. One argument for the link between sustainability and capitalism is that businesses have a responsibility to consider not only their long-term financial performance but also the long-term impact of their actions on the environment and society. By implementing sustainable practices, companies can reduce their

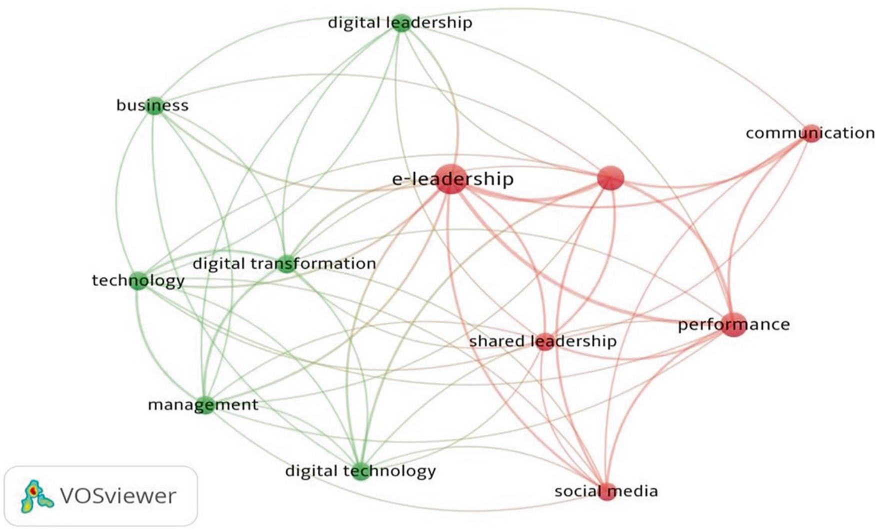

Fig. 1.4 Bibliographic data-based map (co-occurrence) of variations in leadership styles. (Source: made by the authors based on VOSviewer software)

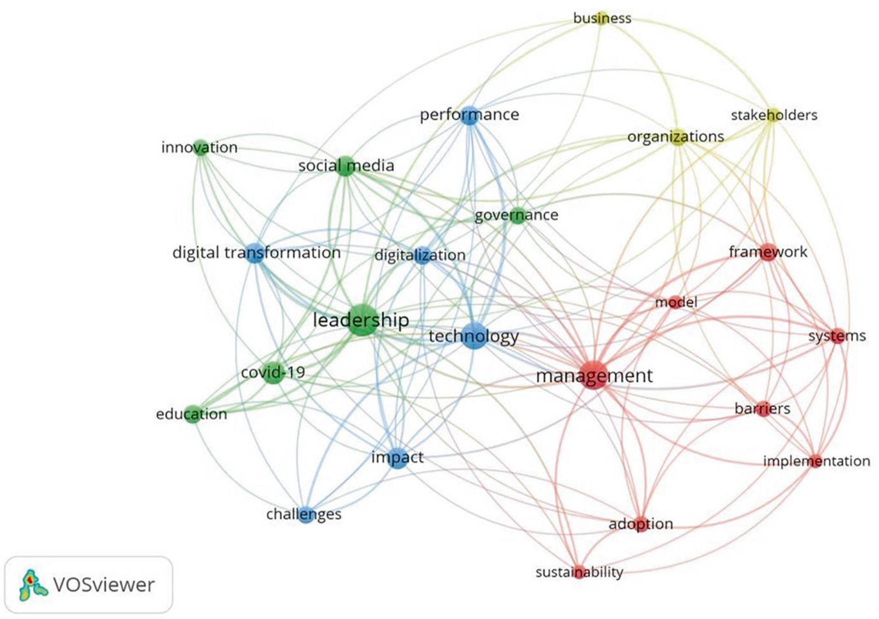

Fig. 1.5 Bibliographic-based map (co-occurrence) of variables between stakeholder management and digital leadership. (Source: made by the authors based on VOSviewer software)

environmental footprint while improving their bottom line by increasing efficiency and reducing waste.

The definition of sustainable capitalism, according to Gore and Blood (2012), is an integral part of the value chain and covers a wide range of economic agents (investors, capital providers, large corporations, human resources, activists, policy-makers, etc.) and leads to the removal of barriers, sectors, stakeholders, and asset groups. The implementation of this variation of capitalism brings positive effects on companies: The market rewards this behavior; the development of sustainable products and services can increase a company's earnings, strengthen its brand, and improve its competitive position; minimizing expenses on sourcing and increasing the efficiency of human capital management processes; thanks to the model, risks are managed more efficiently, and the level of compliance standards are on an upward slope; financial benefits increase.

In Figs. 1.1 and 1.2, corporate social responsibility in relation to capitalism and beyond is highlighted. CSR (Carroll & Shabana, 2010) is the sum of several notions that are the bridge between organizations and their communities, regardless of their geographical area (local, national, and global). Du et al. (2011) argue that through CSR there is an upward slope in management and financial performance on the one hand and an increase in the well-being of the community in which they operate due to the provision of a higher standard of living for the organization's stakeholders. Piacentini et al. (2000) points out that the relationship between the organization and its stakeholders is much better and the management is more effective in terms of achieving standards in economic and legal aspects. There is also a connection between this concept and stakeholder theory (on which it was based)—a view also supported by Pirsch et al. (2006). In Figs. 1.1 and 1.2, stakeholder theory plays a central role and according to what Pirsch et al. (2006) said it starts from the idea of sustainability and its link to organizational success, management by achieving economic and social objectives (this is only achieved if the needs of stakeholders inside and outside the organization are considered and met).

Niu et al. (2022) argue that CSR is similar to environmental, social, and governance management, but the latter is much more complex.

In our view, CSR cannot be folded into the SET concept described by Dyck and Caza (2021). It is about the importance assigned to each of the three components in each model.

A major difference between capitalism and the CSR approach is their fundamental purpose. Capitalism prioritizes profit maximization for shareholders, CSR is a form of TBL (Triple Bottom Line), where financial performance is paramount Another difference is their impact on society. Capitalism has been criticized for exacerbating income inequality and environmental degradation, while CSR aims to address these problems by promoting sustainability practices, which remain secondary.

Figures 1.1, 1.3, and 1.5 have various branching relational nodes that start from stakeholders and stakeholder management (Fig. 1.1) to the other key elements and vice versa (interdependence). Stakeholder management (Chang et al., 2013) is extremely important for achieving the desired outcomes of a project and the degree of stakeholder engagement in the project. Freeman (1999) states that you cannot build strong stakeholder engagement without a proper management approach. Vinten (2000) says that this type of management facilitates the achievement of proposed objectives and acts as an enabler of organizational and business performance (Goodijk, 2002).

Leadership is a keyword (we find it in Figs. 1.1 and 1.2 where it is linked to the capitalism node, Fig. 1.4 with its typological variations, and Fig. 1.5). Organizations formed by truly effective leaders must have the ability to overcome obstacles, competitive disruptions, etc. (Bass, 1990), and these directly affect growth (Jones & Olken, 2005). The connection between leadership and performance in Fig. 1.5 is also supported by Barker (2001). In Fig. 1.4, we find the concept of shared leadership—this type is a possible mix of transformational, transactional, and direct leadership characterized by accountability (Fig. 1.1) distributed among team members (Ensley et al., 2006).

The results presented in Fig. 1.4 validate the hypothesis that digital leadership is an evolved, higher-level form of e-leadership and is based on digital transformation and digital technologies (also found in Figs. 1.1 and 1.5). Due to the increased popularity of digital technologies and of their use by society and sectors/industries, the concept of digital transformation of organizations has emerged (Kaplan et al., 2004).

1.6 Conclusion

The importance of considering stakeholders is critical, as they play a crucial role in shaping the direction of organizational success. Multi-stakeholder management is the ability to harmonize stakeholder and stakeholder interests by taking them into account and including them in the business and management processes to improve organizational performance. By understanding stakeholder needs and expectations, organizations can make decisions that align better with their interests. This results in increased trust and stakeholder loyalty, which in turn translates into improved business outcomes. On the other hand, poor management of multiple stakeholders can lead to negative consequences such as loss of reputation, decreased customer satisfaction, and consequently to reduced business profitability.

By adopting a TBL and especially a SET management approach, we consider that business organizations can achieve long-term sustainable success, while also contributing to the well-being of society and protecting the environment. They provide a framework for businesses to create financial, social, or environmental value for all stakeholders, while promoting sustainable development.

We conclude that traditional leadership, e-leadership, and digital leadership are successive sequences of the leadership concept evolved under the growing impact of the process of digital transformation of firms. Each one has advantages and disadvantages. We therefore consider that it is important for business managers to strike a balance between these approaches to effectively lead their organizations through the digital transformation of the organization in today's digital age.

We also conclude that digital leadership is a dynamic process that is embodied in the social influence power of an individual leader (or group of individuals acting as leader) to engage other members of the group in achieving set tasks and goals, over a time period, in a specific organizational context, based on the widespread use of digital technologies. Successful digital transformations of business organizations require their managers to use digital leadership in their daily activities.

References

Avolio, B. J., Sosik, J. J., Kahai, S. S., & Baker, B. (2014). E-leadership: Re-examining transformations in leadership source and transmission. *The Leadership Quarterly, 25*, 105–131. https://doi.org/10.1016/j.leaqua.2013.11.003

Barker, B. (2001). Do leaders matter? *Educational Review, 53, 65–76.* https://doi.org/10.1080/00131910120033664

Bass, B. M. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics, 18(3), 19–31.*

Bassiry, G. R., & Jones, M. (1993). Adam smith and the ethics of contemporary capitalism. *Journal of Business Ethics, 12*, 621–627. https://doi.org/10.1007/bf01845899

Batistič, S., Černe, M., & Vogel, B. (2017). Just how multi-level is leadership research? A document co-citation analysis 1980–2013 on leadership constructs and outcomes. *The Leadership Quarterly, 28*, 86–103. https://doi.org/10.1016/j.leaqua.2016.10.007

Borges, M., Saucedo-Acosta, E. J., & Diaz-Pedroza, J. (2020). The effect of varieties of capitalism on the relationship of institutional gearing and economic growth. *Engineering Economics, 31*, 262–269. https://doi.org/10.5755/j01.ee.31.3.22852

Broadus, R. N. (1987). Toward a definition of "bibliometrics". *Scientometrics, 12*, 373–379. https://doi.org/10.1007/bf02016680

Budhathoki, K. (2019). Does leadership style matter for enhancing economic performance? *Economic Journal of Nepal, 42*, 55–72. https://doi.org/10.3126/ejon.v42i1-2.35905

Carroll, A. B., & Shabana, K. M. (2010). The business case for corporate social responsibility: A review of concepts, research and practice. *International Journal of Management Reviews, 12*, 85–105. https://doi.org/10.1111/j.1468-2370.2009.00275.x

Chandler, A. D. (1984). The emergence of managerial capitalism. *Business History Review, 58*, 473–503. https://doi.org/10.2307/3114162

Chang, A., Chih, Y.-Y., Chew, E., & Pisarski, A. (2013). Reconceptualising mega project success in Australian defence: Recognising the importance of value co-creation. *International Journal of Project Management, 31*, 1139–1153. https://doi.org/10.1016/j.ijproman.2012.12.005

Du, S., Bhattacharya, C. B., & Sen, S. (2011). Corporate social responsibility and competitive advantage: Overcoming the trust barrier. *Management Science, 57*, 1528–1545. https://doi.org/10.1287/mnsc.1110.1403

Dyck, B., & Caza, A. (2021). Teaching multiple approaches to management to facilitate prosocial and environmental well-being. *Management Learning, 53*, 98–122. https://doi.org/10.1177/13505076211045498

Dyck, B., Caza, A., & Starke, F.A. (2018). Management—brunodyck.weebly.com [WWWDocument]. https://brunodyck.weebly.com/uploads/1/4/7/1/14715544pdf_sample_chapter_and_toc.pdf. Accessed 20 Apr 2023.

El Savy, O. A., Kræmmergaard, P., Amsinck, H., & Vinther, A. L. (2020). *How LEGO built the foundations and enterprise capabilities for digital leadership* (pp. 174–201). Strategic Information Management.

Elkington, J. (1997). *Canibals with forks: The triple bottom line of 21st century business* (Vol. 8, p. 37). Capstone.

Elkington, J. (2018). *25 years ago I coined the phrase "triple bottom line." Here's why it's time to rethink it*. [WWW Document]. Harvard Business Review. https://hbr.org/2018/06/25-years-ago-i-coined-the-phrase-triple-bottom-line-heres-why-im-giving-up-on-it. Accessed 20 Apr 2023.

Ensley, M. D., Hmieleski, K. M., & Pearce, C. L. (2006). The importance of vertical and shared leadership within new venture top management teams: Implications for the performance of startups. *The Leadership Quarterly, 17*, 217–231. https://doi.org/10.1016/j.leaqua.2006.02.002

Fahimnia, B., Sarkis, J., & Davarzani, H. (2015). Green supply chain management: A review and bibliometric analysis. *International Journal of Production Economics, 162*, 101–114. https://doi.org/10.1016/j.ijpe.2015.01.003

Fisk, P. (2002). The making of a digital leader. *Business Strategy Review, 13*, 43–50. https://doi.org/10.1111/1467-8616.00201

Freeman, R. E. (1999). Divergent stakeholder theory. Academy of Management Review, 24(2), 233–236.

Freeman, E., & Todnem, By. R. (2022). Stakeholder capitalism and implications for how we think about leadership. *Journal of Change Management, 22*, 1–7. https://doi.org/10.1080/14697017.2022.2037184

Freeman, E., & Liedtka, J. (1997). Stakeholder capitalism and the value chain. *European Management Journal, 15*, 286–296. https://doi.org/10.1016/s0263-2373(97)00008-x

Fujiyama, F. (1991). *The end of history and the last man*. Harper & Row.

Goel, P. (2010). Triple bottom line reporting: An analytical approach to corporate sustainability. *Journal of Finance, Accounting, and Management, 1*(1), 27–42.

Goodijk, R. (2002). Partnership at corporate level: The meaning of the stakeholder model. *Journal of Change Management, 3*, 225–241. https://doi.org/10.1080/714042537

Gore, A., & Blood, D. (2012). A manifesto for sustainable capitalism with commentary. *Sustainability: The Journal of Record, 5*, 66–69. https://doi.org/10.1089/sus.2012.9971

Hede, A.-M. (2007). Managing special events in the New Era of the triple bottom line. *Event Management, 11*, 13–22. https://doi.org/10.3727/152599508783943282

Hodgson, G. M. (1996). Varieties of capitalism and varieties of economic theory. *Review of International Political Economy, 3*, 380–433. https://doi.org/10.1080/09692299608434363

Hunt, D. V., Nuttall, R., & Yamada, Y. (2021). *From principle to practice: Making stakeholder capitalism work [WWW Document]*. McKinsey & Company. https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/from-principle-to-practice-making-stakeholder-capitalism-work. Accessed 18 Apr 2023

Jones, B. F., & Olken, B. A. (2005). Do leaders matter? National leadership and growth since World War II. *The Quarterly Journal of Economics, 120*, 835–864. https://doi.org/10.1093/qje/120.3.835

Kaplan, B., Truex, D. P., WasteII, D., Wood-Harper, A. T., & De Gross, J. I. (Eds.). (2004). *Information systems research—Relevant theory and informed practice. IFIP Advances in information and communication technology*. Springer International Publishing.

Mayhew, A. (1980). Schumpeterian capitalism versus the 'Schumpeterian thesis'. *Journal of Economic Issues, 14*(2), 583–592. https://doi.org/10.1080/00213624.1980.115037

Niu, S.J., Park, B.I., Jung, J.S., 2022. The effects of digital leadership and ESG management on organizational innovation and sustainability. Sustainability 14, 15639. https://doi.org/10.3390/su142315639.

O'Brien, J. (2020). The moral foundations of stakeholder capitalism. *Law and Financial Markets Review, 14*, 1–4. https://doi.org/10.1080/17521440.2020.1724373