

National Digital Transformation as an Instrument in Accelerating the Leadership Transformation of Indonesia's Young Generation

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Abstract:

The rapid evolution of technology and the ongoing digital transformation are fundamentally reshaping the nature of leadership, particularly for the younger generation in emerging economies like Indonesia. This creates an urgent need to understand the competencies required for future leaders to navigate this new landscape effectively. This study investigates the leadership styles of Indonesia's future young generation, focusing on identifying the defining characteristics of effective leadership in a digitally accelerated era. Using a qualitative research approach, the study employed semi-structured interviews with emerging leaders from diverse sectors such as business, education, technology, and social activism. Thematic analysis of the data revealed key leadership traits, including adaptability, digital fluency, collaborative orientation, and a strong sense of ethical and inclusive practice. The findings highlight that effective future leadership is not only about individual skills but is also deeply intertwined with the broader national digital ecosystem, including infrastructure and supportive policies. The study concludes that fostering these competencies through integrated educational, training, and policy initiatives is essential for developing a generation of leaders capable of driving sustainable innovation and inclusive growth in Indonesia's digital future.

Keywords: Leadership Styles; Indonesian Young Generation; Qualitative Research

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INTRODUCTION

There are many challenges that young people must face and anticipate in the future. Young people must now be proficient and master what is called Shifting of Skills in the context of Reskilling Needs that the world will need in the future. The World Economic Forum explained that there are Top 10 Skills of 2025 that will be needed, namely: (1) analytical thinking and innovation, (2) active learning and learning strategies, (3) complex problem-solving, (4) critical thinking and analysis, (5) creativity, originality, and initiative, (6) leadership and social influence, (7) technology use, monitoring, and control, (8) technology design and programming, (9) resilience, stress tolerance, and flexibility, and (10) reasoning, problem-solving, and ideation. In the end, it can be concluded that young people must be able to solve every challenge in an agile, fast, and intelligent manner (Agile) in various aspects of life.

Young people in the future need to be smart and agile in solving the problems around them (OECD, 2019; World Economic Forum, 2020). The skill to build collaboration and leverage resources in unraveling and solving big problems is a capital that must be possessed by today's young people (Trilling & Fadel, 2018; Ananiadou & Claro, 2019). This extends beyond alleviating problems in the micro context to much broader challenges on a macro scale, such as poverty alleviation, inequality, and beyond (United Nations Development Programme, 2022).

In the 2020 World Economic Forum, the world's young leaders stated that a better world is one that is friendly to the weak and marginalized (World Economic Forum, 2020; Schwab, 2018). Everyone should have the same opportunity. Therefore, it should be the duty and responsibility of youth in every country to make the land where they live better, especially in the era of disruption and the influence of technological developments during the world's industrial revolution (UNESCO, 2018; OECD, 2019; United Nations, 2021).

Existing studies on leadership have explored various styles and competencies in different contexts (Bhattacharyya, 2019; Ly, 2024; Ngayo Fotso, 2021). For instance, research by Oberer and Erkollar (2018) examined leadership models in the Industry 4.0 era, highlighting the shift toward agile, team-oriented, and innovation-driven approaches. Similarly, studies on digital leadership (e.g., LAN RI, 2021; A. Khan, 2020) have underscored the importance of technological proficiency and adaptive communication in virtual environments. In the Indonesian context, Amanda (2022) discussed the role of youth in fostering inclusive and equitable development, while APJII (2018) highlighted the demographic dominance of young internet users actively engaged in digital and creative economies. However, while these studies provide valuable insights into leadership traits and digital competencies, there remains a significant gap in understanding how these elements converge to shape the holistic leadership identity of Indonesia's future young leaders particularly in a post-pandemic, digitally accelerated era.

Despite growing interest in youth leadership and digital transformation, few studies have empirically examined how Indonesia's young generation internalizes and practices leadership in a digitally saturated environment. Moreover, there is limited research on how national digital policies and infrastructure—such as the rollout of 5G technology—directly influence leadership development and readiness among youth. This gap is urgent to address, given Indonesia's ambition to become a competitive digital economy and the pressing need for agile, ethical, and inclusive leaders who can drive sustainable development. Without a clear understanding of the evolving leadership paradigm, educational institutions, policymakers, and organizations may fail to equip the next generation with the necessary skills and mindsets.

This study introduces novelty by integrating the concept of national digital transformation as an instrument for accelerating youth leadership development (Ly, 2024; Schiuma et al., 2022; Zabalawi et al., 2024). Unlike previous works that treat digitalization and leadership as separate domains, this research examines their synergy and mutual reinforcement. It also adopts a forward-looking perspective by focusing on leadership styles and readiness rather than past behaviors, using qualitative insights from emerging young leaders across sectors. Furthermore, the study situates its analysis within the specific context of Indonesia's digital policy landscape, including the implementation of 5G and national digitalization agendas, thereby offering contextually grounded recommendations.

This research aims to identify the key characteristics and leadership styles of the Indonesian young generation in the digital era and to examine how national digital transformation—including digital infrastructure and policies such as the rollout of 5G technology—shapes their leadership competencies. Furthermore, the study seeks to develop a framework for cultivating agile, inclusive, and digitally fluent young leaders who can

contribute to national development and navigate future challenges effectively. The findings of this study are expected to contribute theoretically to the literature on leadership and digital transformation, particularly within the Indonesian context. Practically, the research will provide insights for educators, trainers, and policymakers in designing leadership development programs aligned with the demands of the digital age. Additionally, the results can serve as strategic guidance for organizations and institutions in nurturing young leaders capable of driving innovation and sustainable growth. The policy implications of this research are anticipated to enhance digital inclusion and leadership readiness among Indonesian youth, in line with the nation's vision for a competitive and equitable digital future.

RESEARCH METHOD

The research employed a qualitative approach to explore the leadership styles of the future Indonesian young generation. Data were collected through semi-structured interviews with a diverse group of young leaders from various sectors, including business, education, and social activism. A purposive sampling method was used to select participants who are actively engaged in leadership roles. The interviews were transcribed and analyzed thematically to identify key attributes and trends in leadership styles. This approach allowed for an in-depth understanding of the participants' perspectives and experiences.

The data analysis process was conducted using thematic analysis, which involved several iterative steps to identify, analyze, and report patterns within the data. First, the transcribed interviews and field notes were read repeatedly to achieve data familiarization. Initial codes were then generated to capture significant features of the data related to leadership attributes, digital competencies, and perceptions of national digital policies. These codes were subsequently grouped into potential themes through a process of collation and refinement. Themes were reviewed and validated by cross-referencing with observational notes and documentary sources to ensure consistency and credibility. Finally, the themes were defined, named, and interpreted within the conceptual framework of digital leadership and youth development. This analytical approach enabled a nuanced understanding of how digital transformation influences leadership identity and readiness among Indonesia's young generation, while also providing a structured basis for deriving actionable insights and recommendations.

RESULTS AND DISCUSSION

Characteristics of future leaders

The development of communication technology has created disruption to the development of parenting in the 21st century, and the presence of young leaders occurs in tandem with these communication technology/hardware technologies simultaneously. Millennials and Gen Z currently have a key role in the development and growth of a region, region and even country. There have been many leaps in progress and activities of young people that have been carried out in various fields of work.

They grow with innovation and will develop with a network of relationships that are in accordance with their understanding of technology and mastery of science. Their new

standards of leadership began to be applied in various fields of work. Young people today focus on a people-oriented approach with two-way communication, flexibility, values, and ethics.

As many as 49.52 percent of Indonesian internet users are millennials with an age range of 18-34 years (APJII, 2018), namely young people who are engaged in creative and meaningful activities with the character of novelty that is in line with the rapid development of technology. The ability to build and show one's identity through social media is important in today's industrial era. In addition to being proficient in the use of technology, young people prioritize work principles and the value of cooperation, collaboration, flexibility, humility, and openness to open up opportunities to learn and develop. They are open to constructive criticism and progress, regardless of differences in their daily workplace habits, for example.

The Indonesian Ministry of Industry stated that by 2030, Indonesia needs 17 million high-tech millennials or young people with super-advanced technological capabilities. They are experts in programming, web designing, technical-network engineering, government digital services, and other future professions. When there are more talents, at the same time the task of young people in the future must play the role of human accelerators and personal developers for fellow young people is very necessary. The hierarchical form and organizational structure must shift and lead to a constructive proactive approach. Through efficiency, the organization itself adjusts the scope, type of work and also the work habits of young people will further build their organization with things they like (passion) and there is a social mission (social purpose) in each of their activities.

Future leadership style

Leadership standards across lines have changed as industry 4.0 has evolved. One of the main abilities of future leaders is to understand how to react super-fast to things in their control space. From 24/7 text communication to public communication skills in the online or offline realm.

Future leaders are also more results-goal-oriented, not always prioritizing procedures in decision-making. Maintaining Integrity is a key competency for future leaders because everything related to work becomes transparent. Leaders must listen, see, feel and go down to the field of work in order to be able to make decisions and see problems as well as possible. The decisions made must also be made quickly and precisely.

The ability to develop talents and talents is also their main task, movements and shifts occur faster so that individuals who are not agile and unable to adapt quickly from conventional thinking will disappear. The agility of leadership style in general practice can be a leadership style that must be practiced in the daily life of young leaders. The ability to adapt to every development that occurs all the time with many parties, adept at accommodating perspectives, prioritizing cross-line collaboration, and reducing ego, is an important capital that needs to be mastered and applied in every activity of future young leaders as a human-based approach.

5G technology entering Indonesia

Google.statistic data shows that in the Realme brand mobile product event at the 5G Summit Indonesia, data was obtained that the use of digital services in Indonesia grew rapidly

from before and after the outbreak of the Covid-19 pandemic. Before the pandemic, new consumers for Internet services or the digital economy were around 37% with an average of 3.6 hours of time spent per day based on personal use. However, since the pandemic until now, this figure has continued to grow to 93% with an average of 4.7 hours of time spent per day based on personal use.

This percentage is predicted to still be at a high number even in the post-Covid period, and certainly higher than before the pandemic. This growth was ultimately supported by positive news about the announcement where 5G was officially launched in Indonesia. We see from the data that is also validated by search trends according to Google Indonesia, the Indonesian market wants to find an affordable 5G smartphone. 5G products from the Counterpoint brand say that 75% of the smartphone user market segment in Indonesia is dominated by entry-level and mid-range. This is a fairly important opportunity for industry players to bring their products more widely to this segment.

Leadership Style of the 4.0 Era

The author seeks to take one theory, namely the theory of strategic leadership that tends to prioritize the "Art" of achieving the best output while maintaining technical and tactical details in the formulation and decision-making process. Oberer and Erkollar offer a model for identifying leadership styles in the 4.0 era. While there is no one best leadership style in all situations, leadership in the 4.0 era is challenged to make decisions quickly, across hierarchical, team-oriented, cooperative, with a strong focus on innovation.

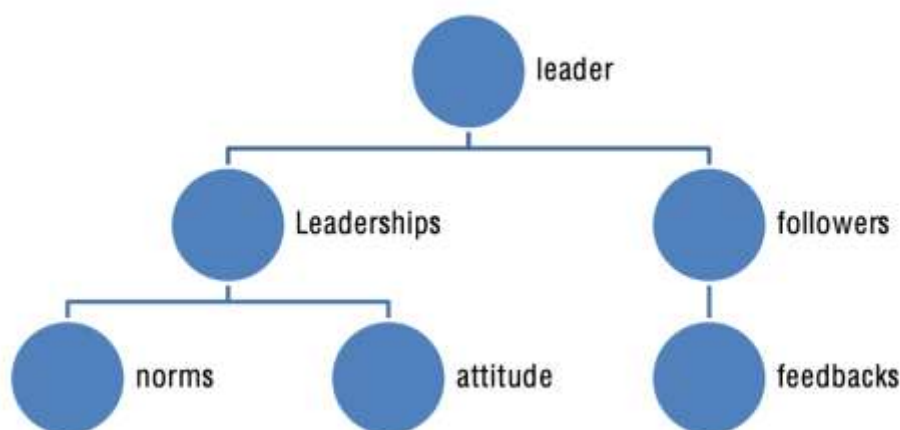


Figure 1. Influence Leader Leadership Followers-Feedback Process Diagram

Source: Developed by the author based on the adapted model from Oberer & Erkollar (2018) and the digital feedback process concept from LAN RI (2021)

The author will make a list of questionnaires that will be distributed to Indonesian students who are fulfilling study abroad assignments (Iran and Slovakia), to obtain answers about which 2 factors most influence the process for each student to carry out the "instructions" of the leaders within the scope of their student organization, and which instruments are more dominant influencing them in carrying out the instruction (norms or behaviour's leaders) and

how to deliver the feedback from each of these instructions (tools, media, and feedback content) to develop their student organizations abroad.

As the main foundation, it is necessary to assume that Digital Leadership is the ability of individuals or organizations to direct, manage, and optimize the use of digital technology in achieving business goals and creating added value. Here are examples of Digital Leadership in various contexts:

1. Visionary CEO. The CEO who has a strong vision of digital transformation and is committed to driving change across the organization, he identifies new opportunities generated by digital technology and develops strategies to make the most of them. He also encourages a culture of innovation and collaboration in the company as well as taking the risks associated with the adoption of new technologies.
2. Technology-savvy Management team. A management team that has a deep understanding of digital technology and is able to apply it in various business functions. They recognize technology opportunities relevant to their industry and integrate them into business processes to improve efficiency, quality and customer experience.
3. Digital Transformation Project Leader: a project leader who is responsible for digital transformation initiatives in the organization. He has in-depth knowledge of technology and is able to manage complex organizational changes. He works with various departments to identify opportunities, implement technology solutions and ensure the success of digital transformation projects. (Digital Training, Airlangga Executive Center)

Meanwhile, according to Covey (1989), there are three main habits possessed by a leader, namely mastery of material by always being pro-active, beginning and ending by placing the success mind-set in the first and last place of a task. The next habit is to build healthy relationships with others, always think of a win-win solution and always try to be able to understand other people and new situations that occur in the work environment. This understanding is to dive in and then continue with the practice of synergy. The last habit is what is called Sharpen the saw, which is always making improvements or improvements.

The State Administration Institution (LAN) in its Leadership Training emphasizes that a digital leader must also focus on the quality and functional value of the company's digital assets. As individuals, digital leaders work in the same way that chief financial officers (CFOs), human resources directors or chief operating officers (COOs) work; they need to convince all stakeholders that the assets they are responsible for maintain maximum value (LAN RI, 2021).

Executives who run digital leadership do something that everyone in the C-suite relies on. CFOs can't do their jobs well if they don't have reliable digital information. Human resources directors can't make good hiring decisions if their system allows fake applications for jobs to be submitted without verification of credentials and abilities. COOs can't run the factory properly if they don't get reliable input on the raw materials being shipped. If the information is trustworthy, if it is reliable and if it is genuine, business decisions are made faster and more likely to be trusted because of the quality of the information on which the decision is based (LAN RI, 2021).

E-leadership

E-leadership has five differences in principles from conventional leadership that have an impact on specific skill or ability needs, namely:

1. **Type of communication.** In traditional leadership, face-to-face communication occurs between the leader and his followers, but in the case of e-leadership communication, communication occurs through electronic media such as the internet, between the leader and his followers. The communication medium can be relatively "traditional" such as email, it can also be by utilizing the WhatsApp (WA) and LINE applications, and even direct messages in the Instagram application. Therefore, virtual leaders must have good communication skills. E-leadership requires the use of electronic media to communicate with followers. Email is mostly used by virtual leaders so they must have written communication skills to get the job done from their followers according to their direction. Virtual leaders must also have social networking skills. Social sites like Facebook, twitter, instagram, LINE, and so on can also be used by leaders to lead their followers so they must have the skills to use these sites effectively to achieve their organizational goals.
2. **Membership.** In the case of a traditional leadership leader and his followers are the main members but in the case of an e-leadership leader it is called a virtual leader and a follower is called a virtual follower. Because it is virtual, the emotions and psychological responses between followers and leaders are difficult to capture. Virtual leaders need to have sensitivity to the mindset of followers. Here it is also important to understand that followers come from different social and economic backgrounds so the virtual leader must be able to understand the mindset and values of followers
3. **Quality aspect.** The qualities of both are the same but the members in e-leadership must have knowledge of new and modern information and communication technologies (ICT), something that is not required in the case of traditional leadership. Virtual leaders certainly have the ability to use ICT well. He must have knowledge of the latest ICT to direct people through electronic media because this is the basis of e-leadership. Then he has the ability to convince others of the benefits of new technology, since he must be able to convince others that communication through electronic media provides various benefits such as helping to eliminate the barriers of time and distance. In addition, he must be innovative enough to use new technologies in his leadership to reap the benefits of modern technology.
4. **Need for space.** In traditional leadership, a specific office or place is required to do the work by the leader and his followers. But in e-leadership, offices in specific locations are not necessary, they can communicate with each other even from a distance from one place to another, from one country to another. E-leaders must also have knowledge of how to think and work across time limits, space boundaries, and cultural barriers where direct supervision and interaction are not possible. With information and communication technology, leaders can communicate with not just hundreds but thousands of people at once with just the touch of a button. Virtual leaders need to have a global and multicultural mindset. Virtual leaders operate remotely, they can guide people from an organization that works beyond the boundaries of cities, provinces, even countries, involving employees from different cultures, in which case it is important for virtual leaders to have a mindset

and attitude to guide them properly. Virtual leaders should have the ability to monitor and manage virtual work effectively. It must have the qualities to effectively monitor and manage virtual work to know if they are functioning properly or not, whether electronic communication is working or not, whether followers understand its direction or not.

5. Member availability. In the case of traditional leadership, all members are only available during office hours, but e-leadership members are available even outside of business hours, 24 hours a day, 7 days a week. Therefore, virtual leaders must have a 24x7 orientation—they must be able to work at any time 24 hours a day and 7 days a week. However, the e-leader must be flexible enough to deal with changes in the business environment, changes in the technological environment, so that he can do the work to achieve organizational goals keeping in mind changes in the business environment (LAN RI, 2021).

Cover

For the first stage of several comparative studies of assumptions, theories and observations that have been carried out by researchers, several conclusions were obtained, namely: the need to take action, even if it turns out that the action is wrong. Without taking action, it will make a leader seem hesitant, weak, and subject to the attitudes and demands of others that are more coercive in a certain place and a certain condition. By taking action, a leader will change the dynamics around him and that is a good thing.

Lastly, in developing persuasive leadership a leader cannot do it alone and needs support. No matter how strong, capable, independent, and autonomous a leader is, a leader who receives support, shows vulnerability, and acts humbly will make a huge difference in his success as a leader.

According to the interviewees, the main leadership quality they offer in the answers on the questionnaire is the ability to see what's going on. If one can really see what is happening around him, he is in a better position to do something. Therefore, the ability to "see" things from the perspective of others is one of the most attractive qualities that a leader possesses because it encourages fairness and creates the ability to negotiate even in the most difficult situations.

From the various writings, leadership modules and articles that exist, digital leadership is not an easy thing to do, because it combines technical skills (electronic/digital) with personal abilities such as managerial, production science, natural sciences, legal knowledge and so on at the same time. The main challenge that feels increasingly difficult in the future, is that the young generation of Indonesia not only competes with fellow young people from one country but from various countries and nations, even the places that give rise to a Leader are sometimes unpredictable before the person emerges and becomes a Leader because of his ability to anticipate situations and conditions that are felt together. both in the government sector and the private sector here.

The main foundation of the ability of a leader with high digital intelligence, is to be able to carry out a decision without hesitation and successfully for the benefit of all his subordinates without increasing the risk of failure or great losses in the future. This is very difficult to do if everyone is still mentally business as usual. The challenge in this digital era is how a leader

must be able to think out of the box so that he is able to estimate new steps for his organization, to seize the opportunities available in the field and use the skills of subordinates, colleagues, all human resources and material capital in the organization to get the greatest benefit for his organization.

Training for the younger generation is not only in technical terms such as the ability to operate AI applications and other modern applications, because every decision taken by a leader will also involve insight, conscience or ethics, both in terms of business and development in general.

For CEOs or company leaders, the emphasis on business ethics training is very important to reduce risk and increase trust for potential consumers, without firm training on this subject, it is impossible for a leader to maintain and advance the organization's business. Loyal consumers are the pillars of a business's life, without this it is difficult to be able to maintain the business in the midst of global competition.

CONCLUSION

The study reveals that future Indonesian young leaders are defined by key characteristics like adaptability, inclusivity, collaboration, resilience, and a focus on fostering diverse voices and innovative solutions to navigate complex challenges. To cultivate these traits, recommendations include integrating digital leadership competencies into national education and training frameworks, developing mentorship and experiential learning programs in public and private institutions to tackle real-world digital transformation issues, and adopting a coordinated approach among stakeholders to bolster leadership readiness for a resilient, innovative society. For future research, a suggestion is to conduct longitudinal studies examining the impact of digital policy interventions on youth leadership development across diverse socio-economic and regional contexts in Indonesia.

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