

# Governance Beyond Hierarchy: Validation of the 2026 Power Dynamics Scale (PDS-26) for Algorithmic and Remote Leadership

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**Abstract:** The interplay among Organizational Power, Resource Dependency, Ideology, Cognitive Authority, and Emergent Brokers is fundamentally reshaping the governance landscape of 2026. This study introduces and validates the 2026 Power Dynamics Scale (PDS-26), a specialized instrument designed to measure how the transition from physical to digital presence affects managerial control and leadership legitimacy. Grounded in Upper Echelons Theory and New Institutionalism, the research examines the "Presence Paradox" in remote work and the tension between AI-driven algorithmic logic and seasoned human intuition.

A quantitative content validation study with an elite panel of 10 Chief Executive Officers (CEOs) established the PDS-26's content and face validity across diverse industry contexts. By assessing how decentralized models and automated protocols shift traditional "locations of power," the study identifies mechanisms, such as "Safety Traps" and "Algorithmic Subjectivity," that intermediaries use to maintain brokerage power.

The resulting framework provides a validated methodological foundation for sustaining organizational governance and effectiveness in an increasingly technology-augmented, multi-generational corporate environment.

**Keywords:** Organizational Power, Cognitive Authority, Virtual Work Dynamics, AI Governance, Resource Dependency, Multi-Generational Workforce, Organizational Control 2026, Organizational Effectiveness.

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## I. INTRODUCTION

In 2026, the traditional foundations of managerial authority are undergoing a fundamental transformation. Contemporary organizations are navigating "Compounding Pressures" stemming from the convergence of decentralized virtual work, unprecedented generational diversity, and the integration of automated protocols. Despite these shifts, many leadership models remain anchored in outdated hierarchical structures that fail to account for new "power locations," "strategic points where network centrality, ideological alignment, and technical expertise are now rival formal corporate titles.

As organizations move toward ostensibly egalitarian models, power is increasingly dispersed. Influence is captured by Emergent Brokers, who bridge information gaps across remote networks, and by Resource Dependencies, which tie organizational survival to external digital and

human assets. This shift creates pronounced Technical-Managerial Dissonance: while senior leaders retain formal authority, Cognitive Authority, the perceived legitimacy of expertise, is rapidly shifting toward specialized knowledge holders.

However, this transition is mediated by deep-seated human factors. Grounded in Upper Echelons Theory, this study posits that strategic outcomes reflect the leadership team's personal values and "cognitive filters." In 2026, these filters are uniquely shaped by Generational Ideological Conflict, as shifting values regarding social responsibility and "digital-first" cultures challenge established organizational politics.

Furthermore, intermediaries may leverage "Safety Traps," framing operational or technological change as an existential risk to organizational integrity to preserve traditional brokerage roles and institutional legitimacy. This

creates a distinct Presence Paradox: as virtual work diminishes traditional face-to-face oversight, organizations lack a validated governance framework that balances human intuition with automated accountability. Without a psychometrically sound instrument to identify these evolving bases of power, spanning social exchange dynamics to algorithmic logic, firms risk strategic stagnation.

This study addresses this empirical urgency by introducing and validating the 2026 Power Dynamics Scale (PDS-26). By providing top-level leadership with a quantitative framework for mapping the interplay among human, ideological, and technical authorities, this research offers a strategic roadmap for governing technology-augmented corporate environments.

## II. THE STUDY PROBLEM

The rapid evolution of socio-technical workflows in 2026 has outpaced existing organizational measurement tools. While modern enterprises are transitioning toward decentralized, AI-integrated structures, organizational researchers and executive boards remain constrained by outdated hierarchical evaluation frameworks. These legacy models fail to capture or quantify modern "power locations," resulting in a critical threefold problem:

**The Strategic Blind Spot:** Senior leadership lacks a diagnostic mechanism to distinguish genuine technological risks from "Safety Traps"—strategic delays orchestrated by internal intermediaries who leverage their Cognitive Authority to preserve traditional brokerage power and professional legitimacy.

**Structural Measurement Deficiencies:** As power shifts from formal roles to network actors who bridge "structural holes" in virtual networks, the Presence Paradox leaves organizations without a quantifiable way to measure influence in decentralized environments. This results in an unmonitored loss of control over critical external Resource Dependencies.

**Governance Dissonance:** The widening Technical-Managerial Dissonance and unmanaged Generational Ideological Conflict create fragmented, hidden power bases. Because existing scales do not account for algorithmic or multi-generational influence variables, CEOs cannot objectively assess whether "digital-first" policies reflect substantive structural evolution or mere cosmetic imitation (Mimetic Isomorphism).

Consequently, there is an immediate need for a psychometrically validated instrument to map these shifting boundaries. This study addresses this need by developing and validating the 2026 Power Dynamics Scale (PDS-26) as a diagnostic tool to help top-level leadership regain strategic clarity and maintain organizational integrity.

### ➤ *Questions of Research (RQs)*

To validate the PDS-26 as a psychometrically sound and practically viable instrument, this study answers the following research questions:

- *RQ1: Construct Validity of Algorithmic Shift*

To what degree do the items of the PDS-26 accurately capture the perceived shift from human executive intuition to algorithmic authority within the executive tier?

- *RQ2: Structural Integrity of the Ideological Factor*

How effectively does the scale differentiate between traditional organizational politics and power shifts driven by Generational Ideological Conflict?

- *RQ3: Measurement of Virtual Resource Dependency*

Does the PDS-26 demonstrate sufficient content validity to measure the perceived impact of external digital infrastructure on traditional institutional asset control?

- *RQ4: Factor Differentiation of Cognitive vs. Formal Authority*

To what extent can the scale distinctly isolate the perceived influence of technical experts (Cognitive Authority) from that of designated formal managers during high-stakes strategic decision-making?

- *RQ5: Capture of Emergent Brokerage Dynamics*

How reliably do the scale items identify the operational influence exerted by informal digital connectors over information and resource flows relative to the formal organizational chart?

- *RQ6: Governance & Effectiveness (The Safety Trap).*

Part A: What is the prevailing state of organizational governance (ranging from manual oversight to automated digital protocols)?

Part B: How does the shift toward technological power and the presence of "Safety Traps" (strategic delays) affect perceived overall organizational effectiveness?

Is the "Safety First" Argument a Trap?

This explores the "Safety Trap." It examines whether the shift to automated rules is perceived to improve the company, or whether actors leverage "security risks" as an excuse to slow change and protect legacy power structures.

## III. THEORETICAL FRAMEWORK

### ➤ *Structural Power, Centralization, and Effectiveness*

Traditional organizational power is operationalized through structural centralization, yet contemporary environments dictate that organizational effectiveness is no longer a static achievement measured by predetermined metrics. Rather, effectiveness is a dynamic outcome of mature governance systems that swiftly integrate human and technical resources. Institutional leadership bears explicit responsibility for architecting and sustaining the human-machine collaboration necessary to maintain systemic

control. While centralized bureaucratic channels historically optimized predictability, modern governance demands that leaders shift from rigid top-down oversight to the strategic design of socio-technical workflows.

➤ *Resource Dependency Theory (RDT)*

Resource Dependency Theory (RDT) holds that organizational power stems from control over scarce, critical environmental resources. In digital environments, these resources include computational capacity, proprietary data, and architectural tools. Power shifts asymmetrically to actors who control these "digital gateways," because access dictates operational workflows and survival.

➤ *Ideology and Organizational Politics*

Organizations function as political arenas where shifting coalitions negotiate strategic direction, systemic values, and authority. This internal landscape is mediated by competing managerial ideologies, increasingly shaped by generational clashes. Structural tensions surface during demographic succession, as established command-and-control ideologies championed by senior cohorts directly clash with emergent paradigms from younger generations that favor flat governance, systemic transparency, and corporate responsibility, thereby recontextualizing the mechanisms of institutional legitimacy.

➤ *Cognitive Authority*

Cognitive authority shifts from bureaucratic position to recognized expertise and trust in information. In complex algorithmic ecosystems, formal rank decouples from operational influence. Authority concentrates within decentralized hubs of individuals with the specialized literacy to interpret, validate, and grant credibility to technical outputs.

➤ *Network Brokerage*

Brokerage power resides with actors who bridge structural holes between disconnected organizational subgroups. Brokers control the timing, curation, and distribution of information across these divides. This strategic positioning provides significant influence as the broker, regardless of their official rank, integrates knowledge and oversees collaboration across different units.

➤ *Presence-Gap Theory*

Presence-Gap Theory addresses the spatial disruptions that arise in distributed work settings, where geographic dispersion diminishes the effectiveness of proximity-based behavioral oversight. When physical presence is lacking, conventional methods of direct supervision and compliance-based reward systems become less effective. This creates a regulatory gap that challenges the leadership and governance structures traditionally found at the top of organizations. To maintain operational coherence, organizations need to transition from behavioral oversight to digital network connectivity, in which influence and coordination are dictated by network centrality rather than physical proximity.

**IV. LITERATURE REVIEW**

➤ *Scientific Management*

The traditional "Scientific Management" (Taylorism) model is built on a rigid division between "thinking" (managers who plan) and "doing" (workers who execute). Modern forces are fundamentally breaking this 100-year-old heritage structure.

The following Table 1 compares Taylor's original principles with the five specific future-of-work shifts that decentralize power and redefine authority.

Table 1 Scientific Management vs. The Future of Work Factor

	<b>Scientific Management (Old)</b>	<b>Future of Work (New Shift)</b>	<b>Impact on Power &amp; Authority</b>
<b>Virtual Remote Work</b>	Behavioral Surveillance: Physical presence and "stopwatch" oversight for direct job control.	Result-Oriented Autonomy: Focus on output rather than physical monitoring; employees gain spatial freedom.	Management loses direct control over jobs; workers gain leverage through global mobility.
<b>Technology</b>	Proprietary Planning: Tools controlled by managers to dictate the "one best way".	Democratized Access: Cloud, AI, and Big Data put information and decision-making tools in workers' hands.	Flattens hierarchies; technical literacy becomes a new "bottom-up" power source.
<b>Generational Work Gap</b>	Seniority-Based Authority: Power resides in years of experience and hierarchical rank.	Cognitive Authority Shift: "Digital natives" often possess higher technical fluency than their senior managers.	Knowledge gaps weaken traditional managerial authority; younger workers demand ethical leadership over rigid control.
<b>The New Brokers</b>	Internal Firm Hierarchy: All work is organized through a top-down internal management chain.	External Platform Brokers: Power shifts to external algorithmic platforms or talent marketplaces.	Managers lose control to "third-party" algorithms; both management and workers answer external tech "gatekeepers".
<b>Skills-Based Hiring</b>	Ideological Molding: Hiring "potential" to be trained in the firm's specific, rigid ways.	Verified Capabilities: Hiring for immediate, measurable technical and cognitive skills.	Reduces management's power to "mold" workers; skilled employees move fluidly between firms, prioritizing personal skill sets over firm loyalty.

➤ *Remote and Virtual Work Frameworks*

Remote and hybrid work has fundamentally transformed the workplace, shifting corporate dynamics from a presence-based to an outcome-focused performance model. While this transition has unlocked notable gains in engagement and productivity, it has also introduced complex challenges in culture and governance.

This complexity is evident in academic research, which presents sharply conflicting views on the long-term viability of distributed teams. Kuma (2025) notes that while the permanence of remote work will undeniably reshape the future job market, its exact trajectory remains contested. Some researchers argue that remote setups inherently breed operational inefficiencies and will naturally decline in prevalence. Conversely, others maintain that the structural advantages of flexibility guarantee continuous growth (Yang et al., 2021; Moss et al., 2018). Bridging these two realities remains a management bottleneck; Afata et al. (2024) emphasize that leaders still struggle to assess the efficiency of remote teams while actively combating rising employee loneliness, deteriorating social relationships, and a lack of workplace fulfillment.

Given these internal friction points, business transformation is central to the 2026 corporate agenda. To counter macro headwinds such as economic volatility, unpredictable tech cycles, and severe talent shortages, organizations can no longer rely on basic hybrid models or standalone digital tools. Surviving this environment demands more than a superficial push for high performance; it requires deep structural agility and systemic cultural overhauls (HBR editors, 2025) that directly address how virtual teams operate.

Consequently, organizations that neglect this deeper transformation will experience performance dips, information silos, and obscured behavioral norms. Cultivating a resilient corporate culture that sustains virtual work is now a baseline requirement for operational survival. Methodologically, this study includes remote-work metrics in its survey instrument to control environmental variation in modern employee performance.

➤ *Generational Work Gap*

Shifting global demographics have created unprecedented age diversity, with up to five generations now coexisting in the modern workplace. Each cohort brings distinct operational traits, unique institutional histories, and varying communication preferences that directly affect corporate outcomes. Navigating this complex landscape requires leaders to abandon traditional, one-size-fits-all management models in favor of frameworks tailored to the distinct facets of age diversity (Gerhardt, 2023; King et al., 2019; MariaSavery & Rajamohan, 2020; Sana & Dinar, 2022).

Optimizing this multigenerational workforce requires a deliberate blending of asymmetric skill sets. Senior professionals anchor organizations with deep institutional knowledge, strategic foresight, and refined interpersonal capabilities. Conversely, younger cohorts inject cognitive

diversity through technological literacy, fluency in emerging digital systems, and disruptive, innovative thinking. When successfully synthesized, this complementary blend mitigates "groupthink," fosters multi-perspective problem-solving, and drives superior decision-making on complex corporate initiatives.

Capitalizing on these advantages presents unique governance challenges. Underlying generational tensions often stem from differing expectations regarding work-life balance, preferred corporate structures, and the adoption of digital tools. Communication gaps tend to widen when traditional communication methods clash with modern, decentralized virtual workflows.

Particularly acute friction occurs in non-traditional hierarchies, such as younger managers leading older subordinates. To prevent these dynamics from fracturing team cohesion, corporate leadership must implement objective management frameworks. These systems must safeguard employees' psychological safety and professional interests across all age groups while rigorously protecting overarching organizational objectives (Sana & Dinar, 2022).

Ultimately, fostering an inclusive environment that values diverse generational perspectives is no longer just an HR initiative; it is a baseline driver of modern business performance. Therefore, generational demographics are included in the survey framework as control variables to account for age-related differences in workplace dynamics.

➤ *The Independent Variable: Organizational Power*

Organizational power and governance are the two primary mechanisms that shape how a company operates, makes decisions, and treats its employees. Governance delineates the formal framework that guides organizational operations, providing essential "rules of the road." Power, by contrast, is the real capacity of individuals or groups to influence behavior and shape outcomes, whether within or outside established rules. It represents the potential to alter another's behavior, attitudes, or will successfully in a desired direction. Generally, power stems from personal characteristics and organizational position, though it can also reflect individual self-interest (Greenberg & Baron, 2003; Samuels, 2002; Lukes, 2018; Wasserman et al., 2024).

In organizational reality, power functions as a routine political process that involves motivating others to achieve desired results and advance goals. It is a vital organizational resource; without it, the organization cannot operate or manage its processes effectively. Heifetz and Linsky (2007) emphasize this in *Leadership on the Line*, noting that political thinking in leadership requires balancing relationships with supporters, managing opponents, and navigating uncommitted stakeholders to achieve strategic objectives.

Power is created and exercised through repetitive behavioral patterns among individuals, groups, or organizations that aim to achieve specific goals (Wasserman et al., 2024). For power to endure, it must rest on solid economic, physical, ideological, or religious foundations

(Samuels, 2002). Drawing on Lukes (2018), power is the ability to exert positive or negative influence on significant social outcomes. Ideally, this exertion embodies cooperation, contentment, and a genuine commitment to positive results, positioning the powerholder as an enabler. Conversely, power also has negative dimensions, including enforcement mechanisms that perpetuate separation, control interpersonal relationships, foster dependency, and marginalize alternative voices.

Structure further dictates this dynamic. Egeberg and Trondal (2018) argue that organizational structure functions as a normative order that systematically biases governance in favor of specific interests. By adhering to territorial or functional principles, these structures directly shape the distribution of power and facilitate instrumental governance through deliberate design choices.

Within these structures, the literature identifies six primary bases of power: coercion, reward, expertise, information, authority, and charisma. Traub (2021) notes that while CEO power historically derived from formal authority and the capacity to reward, the impact of traditional rewards is limited among Generation Z. Consequently, organizations are shifting toward personal influence-based approaches, even as they continue using physical symbols to highlight hierarchies and deter resistance.

Modern decision-making and power distribution are also being disrupted by technology. Kuma et al. (2025) argue that organizational outputs cannot accurately assess decision-making quality because organizations often use public display platforms to signal rationality while concealing internal issues.

Today, traditional human-led processes are increasingly replaced by artificial intelligence, which alters power dynamics due to its efficiency. Shrestha et al. (2019) identify the advantages of AI across five dimensions: accuracy, search space, interpretability, scope of alternatives, speed, and recovery ability.

However, this technological shift introduces new risks. Cappelli and Rogovsky (2023) warn of moral dilemmas, cultural maladaptation, risks to employee welfare, and the potential misuse of information. Navigating this, organizations look to leverage technology to drive productivity (Brown & Leopold, 2024).

Mary Barra's leadership at General Motors mirrors Siemens' digital transformation, using formal authority to shift a legacy manufacturer toward an AI-driven, electric-vehicle ecosystem. Similar to Siemens' Industrial Copilot initiative, this strategy navigates workforce adaptation risks and leverages public platforms to secure stakeholder support. Both cases show how modern CEOs reshape structurally biased governance models by embedding organizational power directly into digital networks. This transition shifts executive influence from legacy, reward-based authority toward technological and expert power. Ultimately, both leaders use external branding and public displays of

innovation to secure vital market resources and mitigate employee resistance to automation (Business Chief, 2026).

#### ➤ *The Independent Variable: Resource Dependence*

Resource Dependence Theory (RDT), as articulated by Pfeffer & Salancik (1978), holds that organizations interact with their external environment to acquire the resources needed to survive and thrive. Resource Dependence: Controlling scarce resources enables a group or set of groups to influence the activities of other groups. Groups that control significantly more resources than others are considered to have greater power in the organization (the more one group depends on another for the resources it needs, the weaker it is). Thus, the most powerful function in an organization is the one that controls the organization's resources (Greenberg & Baron, 2005).

The more an organization depends on its environment, the weaker its power becomes; the more important and valuable its resources are, the stronger it is and the greater its ability to demand compliance from other organizations through certain actions or by refraining from others (Samual, 2002). Organizations that cannot meet their needs through their own resources (human resources, technology, customers, materials, money, and information) depend on external factors in their environment. Therefore, an organization strives to manage its dependence on resources to survive over time; it needs to exert influence and power over its environment.

Organizations that are strong and have significant influence over their environment better manage their resource dependence and reduce vulnerability to external factors by developing unique expertise, building strong networks, engaging in political activity, and leveraging resources to gain influence (Wasserman et al., 2024).

Because resources are scarce, organizations compete for access to them, leading to unequal power relations and, in turn, a complex network of dependent agents. Mutual dependence on another organization shapes its behavior. Correct strategic behavior in managing resource dependence, such as obtaining information, developing relationships, or acquiring specific expertise, helps reduce vulnerability to uncertainty.

The research literature identifies four dimensions of resource dependence: dependence on suppliers, customers, competitors, and regulatory bodies. Supplier dependence refers to reliance on suppliers for raw materials, components, and other inputs. Organizations manage this dependence by developing close, long-term relationships or even acquiring their own suppliers. Customer dependence is managed by building strong customer relationships and offering products or services that suit their customer base. However, we are facing a new world of customers who are becoming smarter and more demanding. The availability of information makes it easy for them to explore alternatives on a computer or smartphone. They demand a holistic experience, from making a personal purchase to feeling unique (Traub, 2021).

Organizations differentiate themselves from competitors through mergers, acquisitions, and alliances. For example, Apple and Samsung, despite competing in the same smartphone markets, maintain a complex, interdependent relationship.

Regulatory dependence, subject to regulation by regulatory bodies and government agencies, requires organizations to comply with regulations to avoid penalties for issues such as workforce diversity, minority employment, workplace discrimination, and more.

Resource dependence often drives decision-makers to centralize for two reasons. The first is the search for a steady supply of resources to meet minimum requirements for survival and daily functioning, and the second is the attempt to establish autonomy and independence, thereby creating greater freedom of action (Wasserman et al., 2024).

The sheer scale of computing power required to process these analytics creates a new form of Resource Dependence. Technological Gatekeepers: Power shifts from traditional production managers to IT departments and data scientists. In a low-tech organization, those who can interpret and "speak for" the data become the new power centers. In contrast, the rest of the organization becomes dependent on their technical expertise to understand daily operations.

Westover (2025), based on findings from the literature review, describes ways to change power dynamics within and across organizational boundaries to enable Sustainability by limiting changes in power asymmetry in the supply chain through shared Stakeholders, streamlined systems, and digital transparency. It identifies two possible ways: to create a common control structure and to leverage the ability to establish work networks.

A few words about the RBV (Resource-Based Value) approach, which holds that an organization's resources can include information, raw materials, land, and other assets. According to this approach, organizations create and sustain a competitive advantage over time by accessing valuable, rare resources that are difficult to obtain or replace (Barney, 1991). Therefore, information systems can influence innovation through resources in two ways: by improving the value proposition for customers through the acquisition of rare resources, or by creating an imitation or a less-rare substitute (Kalman, 2017).

➤ *The Independent Variable: Organizational Ideology.*

One significant way to shape organizational perception covertly is through ideology, which plays a pivotal role in structuring and sustaining power dynamics within the organization. As Wasserman et al. (2024) articulate, ideology shapes the channels through which power is exercised, legitimized, and distributed. When employees internalize the organization's ideology, they align their efforts with management's objectives without overt coercion. This alignment can leave workers unaware of potential conflicts with their own interests, fostering a system in which employees do not critically examine the adverse effects of

opportunity inequality, leading to disparate positions and varying definitions of knowledge sources.

Management exercises its authority through two primary components: organizational culture and technical rationality. By shaping organizational culture, management creates a lens through which the world is interpreted and understood, ultimately shaping subordinates' behavior. This is often accomplished through a clearly articulated organizational vision that encapsulates the organization's goals and values. By embedding core values, management influences behavior and decision-making processes perceived as advantageous to the organization rather than solely to the ruling elite (Vasserman et al., 2024; Morgan, 2010).

Malcin & Tzhor (1992) explain that ideology underscores the necessity for leadership to rely on the support of an indefinite, changing public to obtain legitimacy for exercising control. The ways of obtaining public support and legitimation differ, whether through symbolic means, elections, or de facto empowerment. The need to mobilize support increases when leadership seeks to preserve a given social and political reality or to reshape it in line with an ideological perception. To this end, public opinion must be created, shaped, and mobilized to act.

The dissemination of ideology is another critical tool, enabled by communication styles and methods that reinforce and promote the desired ideological framework. This occurs through the strategic allocation of resources, the implementation of specific policies, and the emphasis on particular values and objectives. Both formal and informal communication channels play a crucial role in this process, shaping content, tone, and overall messaging throughout the organization.

Moreover, recruitment and socialization processes are designed to identify individuals whose values and beliefs align with the organizational culture. Orientation and training programs further reinforce desired behaviors, particularly among new employees, thereby constituting a subtle form of normative control that obscures potential conflicts of interest between management and staff. The success in addressing complex problems, coupled with the application of technical rationality, enhances management's authority within the organization.

Technical rationality, defined by the prominence of managerial practices that prioritize efficiency, predictability, and instrumental reasoning, is another cornerstone of power. It legitimizes the use of formal tools, structured procedures, and efficiency-maximizing calculations, thereby streamlining decision-making through systematic information analysis and standardized methodologies.

Managers leverage technical rationality to strengthen their control over organizational operations, positioning themselves as both experts and authoritative figures within their domains. By consciously steering the design and implementation of processes, they create performance

metrics aligned with their expertise, which in turn shape the evaluation of employees and teams.

Resource allocation can also reflect managerial priorities, as managers use their technical acumen to optimize distribution and justify budgetary decisions. Ultimately, demonstrating effective problem-solving under the guise of technical rationality further cements their power within the organizational hierarchy.

Morgan (2010) points out that ideology can be used as a tool by a shrewd manager who understands that adopting approaches such as "we are a team" may make it easier for him to establish unity among elements facing different directions. If the manager believes he is leading a team and can convince even his subordinates of this, cooperation may develop among them.

In traditional or low-tech settings, control is often achieved by aligning employees' identities with the organization's ideological goals. Modern management influences behavior through internalized norms rather than relying solely on external rewards or punishments. This approach, known as "normative control," encourages workers to view adherence to managerial expectations as part of being a "professional."

In many low-tech factories, the ideology of 'Scientific Management' creates a distinct cognitive divide between 'thinkers' (engineers and managers) and 'doers' (production workers), thereby reinforcing managers' authority over work organization. Recent research describes the shift toward data-driven management as "Digital Taylorism," which further deepens the cognitive divide by automating authority through software-mediated governance. This process deskills labor through real-time surveillance, perpetuating the traditional separation between thinkers and doers.

Ideology plays a significant role in internalizing these power structures, making them appear natural or inevitable (Singa & Gupta, 2025). Low-tech firms often mimic the strategies of high-tech industry leaders to enhance their social standing, even when those strategies are ill-suited to their context (Coe et al., 2024). Moreover, research indicates that employees often self-select into organizations whose ideologies align with their own, reinforcing existing cognitive authority and making it increasingly difficult to challenge established yet inefficient practices. The push for "Digital Transformation" also serves as an ideological force in low-tech sectors (Abhari, 2025).

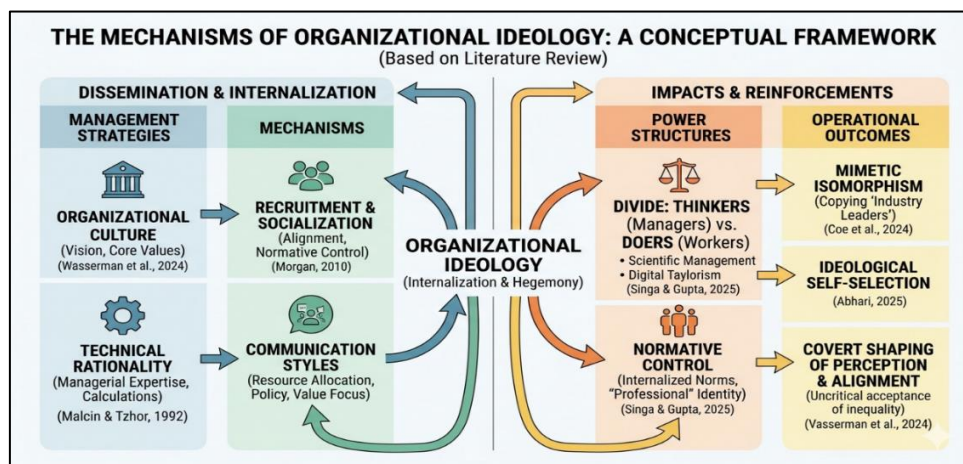


Fig 1 A Conceptual Framework for The Mechanisms of Organizational Ideology, Illustrating The Cyclical Process Between Dissemination and Internalization (Via Management Strategies and Communication Mechanisms) and The Impacts and Reinforcements (Via Power Structures and Operational Outcomes).

➤ *Independent Variable: Cognitive Authority*

DiMaggio and Powell (1983, 2000) delineate three distinct types of isomorphism within the framework of Institutional Theory: coercive, mimetic, and normative isomorphism, which reflect the institutional pressures that compel organizational conformity (see Figure 1- Attributes of isomorphic pressures).

Institutional theory suggests that organizations do not just follow efficiency rules; they follow them to gain legitimacy. This ties into ideology in three ways:

**Naturalization of Choices:** Ideology makes certain organizational structures seem like the "natural" or only way to operate. When mimetic isomorphism occurs, an

organization is not merely copying a peer; it adopts the dominant ideological belief that "this is what a successful company looks like" (Meyer & Rowan, 1977).

**Professional Hegemony:** Normative isomorphism is heavily driven by university education and professional associations. These institutions act as "ideological apparatuses" that instill a specific worldview in managers, ensuring they all approach problems through the same lens (e.g., managerialism) (Klikauer, 2019).

**Moral Governance:** Coercive and normative pressures often enforce the prevailing political or social ideology of the time. For example, the shift toward ESG (Environmental, Social, and Governance) reporting is an isomorphic trend

driven by a global ideological shift regarding the role of capitalism in society (Alvesson & Willmott, 2002).

Cognitive Authority, as conceptualized by Wilson (1983), is a form of influence in which a source is recognized as "proper" and credible, thereby shaping an individual's thoughts. In an organizational context, this authority is the primary mechanism for validating specific worldviews. Wasserman et al. (2024) argue that cognitive authority emerges when a "collective rationality" becomes institutionalized. Once a practice is deemed "rational," it is adopted for institutional legitimacy rather than for objective efficiency. This often manifests as a "Safety Trap," in which managers pursue conventional, easily justifiable paths, such as standard DEI (Diversity, Equity, and Inclusion) frameworks, to avoid the professional risk of unconventional failure.

The Upper Echelons Theory (UET), introduced by Hambrick and Mason (1984), posits that organizational outcomes reflect the top management team's personal backgrounds, values, and experiences. Executives do not scan every piece of data; instead, they view the world through a filter of "bounded rationality."

A definitive example is Amazon's acquisition of Whole Foods. While traditional grocery algorithms flagged high brick-and-mortar costs, Jeff Bezos exercised cognitive authority through his intuitive vision of a "unified ecosystem." This shift illustrates UET, as the strategy was rooted in Bezos's personal risk tolerance rather than in immediate profit calculations. However, this created a "culture clash" between Amazon's data-driven efficiency and Whole Foods' high-touch model, showing that standardized metrics, such as how a butcher cuts meat, often fail to capture the "tacit knowledge" essential to perishable goods.

The source of authority is shifting from physical expertise to digital mastery. The Digital Twin concept, first proposed by Michael Grieves in 2002, creates a virtual replica of a physical system, enabling data-driven decision-making. In modern factories, power shifts from the worker operating the machine to the expert managing the digital model. This transition centralizes authority at the computer screen, making management's control invisible and harder for the workforce to challenge, as it becomes a "taken-for-granted" script for rational behavior.

As AI evolves from a passive tool to an active "co-creator of knowledge," Xu (2025) introduces the concept of Hybrid Cognitive Authority. This concept describes a collaborative truth co-constructed by humans and AI agents. However, this introduces Algorithmic Subjectivity, in which AI simulates intent without genuine cognition, posing risks to human "interpretive agency". When management uses AI-driven "scripts" to govern conduct, employees often cede their cognitive agency to the system, trusting the algorithm's "logical" standard over their own judgment.

Conclusion: Information Security and Institutional Legitimacy Ultimately, the role of cognitive authority is to maintain organizational stability and legitimacy. Hirvonen et al. (2022) demonstrate that cognitive authority is now understood as an indicator of information security quality, discursively constructed to uphold the legitimacy of scientific and professional standards. Whether exercised through a CEO's intuitive vision or the data-driven output of a Digital Twin, cognitive authority ensures the organization's "integrity" is preserved in the eyes of stakeholders, even when the resulting strategies are suboptimal. In modern organizations, power is defined by the ability to control the "truth" that employees are required to accept.

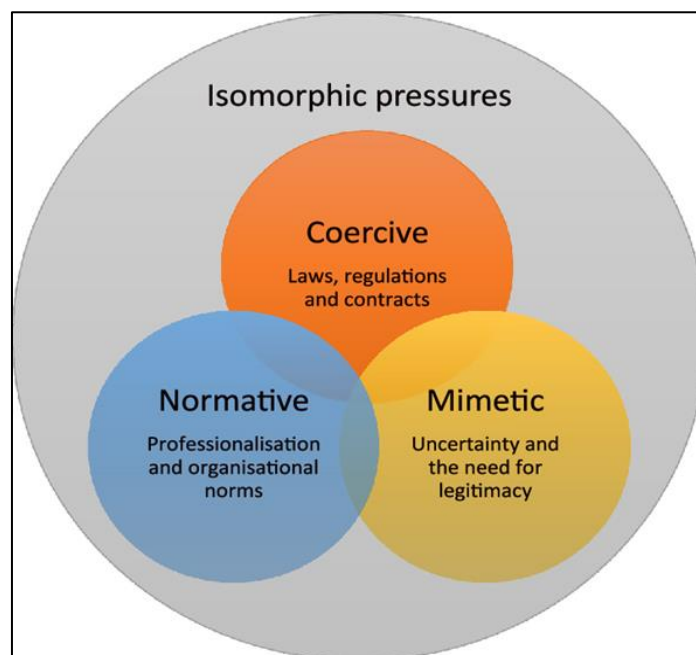


Fig 2 Isomorphic Pressure  
 \* DiMaggio and Powell's (1983) theory.

➤ *Emergent Brokers & Network Power - Independent Variable*

The foundation of organizational power lies in Ronald Burt’s (1992) Theory of Structural Holes. Power is not merely a byproduct of formal rank but of "relational capital." Individuals or departments that bridge isolated clusters (structural holes) act as brokers.

Brokers gain power through access to diverse ideas and the ability to negotiate between parties who cannot communicate directly. They "do better" through higher pay and faster promotions because they possess a "vision advantage."

In a traditional manufacturing plant, the maintenance manager often serves as a premier broker, bridging the "gap" between the production floor and the procurement office. Because they know which machines are failing before the data appears in the reports, they hold a timing advantage that allows them to influence budget allocations.

In the organizational structure, the Human Resources (HR) Department serves as the primary formal gatekeeper. Its role has shifted from administrative support to a strategic function. The HR Department protects executive leadership by serving as a buffer against legal liability and internal dissent. By managing "Symbolic Power," HR frames executive mandates, such as layoffs or shifts, to minimize resistance. HR practitioners filter out "noise," low-quality or culturally misaligned candidates, providing management with an information subsidy that reduces the cognitive load of decision-making.

In a family-owned logistics firm, HR protects the owners by handling "difficult" union negotiations or disciplinary actions. They act as the "bad cop," allowing the owners to maintain a benevolent image while the HR broker ensures the company’s strict standards are met.

Power shifts also occur at the intersection of business and government through Lobbying. Lobbyists operate as external brokers who provide "Legislative subsidies" to policymakers (Hall & Deardorff, 2006). They vet information and screen clients, granting management a voice in the regulatory environment. For example, a lobbyist for a traditional steel mill does not just ask for favors; they provide the Ministry of Industry with data on how a new environmental regulation will impact local employment. This "subsidy" of information makes the lobbyist a vital gatekeeper for both the politician and the mill owner.

Even in low-tech industries, the "gate" is becoming automated. Power is shifting from humans to systems; power now resides with those who control the algorithmic logic. HR is moving toward "distributed insight," in which HR professionals serve as data translators. While traditional brokerage was decentralized, modern power shifts to the platform owner.

**Low-Tech Example.** An older agricultural warehouse adopts an automated inventory system. The veteran "warehouse foreman" (a traditional broker) loses power to the IT systems manager. The foreman used to "know where everything was" (informal brokerage); now, the algorithm determines the picking order, and power shifts to whoever sets the software’s parameters.

Shadow Brokers operate in the "white space" of the organizational chart, using informal ties to bypass formal systems. In the digital age, shadow brokers often hold contextual information that algorithms cannot capture. e.g., the algorithm states that the machine can run at 90%, but the shadow brokers know it breaks if it exceeds 80%.

**Protecting Management from Failure:** Shadow brokers often "fix" mistakes before they reach executive visibility, serving as a secondary shield for leadership.

A senior salesperson at a construction supply company has a 30-year relationship with a major developer, even when the company’s new automated pricing tool recommends a higher price. The salesperson "brokers" a side deal to retain the client, shielding management from the loss of the account while preserving the salesperson’s indispensable status.

Although the reasons for seeking power have remained the same, the methods have evolved from traditional approaches to those suited to the algorithmic era. This shift marks a move from personal influence to a focus on systemic management. While AI and Big Data now address the "structural gaps" that Burt (1992) identified, the fundamental power dynamics, levels of authority, incentives, and the distribution of resources remain the primary drivers of success for new entrants. Today’s "Data Translator" roles in HR or the "Information Subsidy" offered by lobbyists are merely the latest forms of a long-standing pursuit of influence.

Table 3 Matrix of Brokerage Power & Organizational Evolution

<b>Broker Domain</b>	<b>Theoretical Foundation</b>	<b>Power "Currency"</b>	<b>Operational Role (The "Shield")</b>	<b>The Low-Tech to High-Tech Shift</b>
<b>Relational Brokers</b>	Burt (1992): Structural Holes	Relational Capital: Access to "insider" timing and diverse perspectives.	The Negotiator: Bridges production gaps; influences budgets by "knowing" before the data shows.	From the Foreman's "tribal knowledge" to the IT Manager's control over picking logic.
<b>Institutional Brokers</b>	Symbolic Power: Gatekeeping	Informal Subsidies: Filtering out noise and "bad fits" for leadership.	The Buffer: HR protects management from legal/social fallout by acting as the "bad cop."	From Personal Gatekeeping to Algorithmic Governance and Automated Surveillance.

<b>External Brokers</b>	Hall & Deardorff (2006): Subsidies	Political Capital: Providing "Legislative Subsidies" to simplify policy decisions.	The Voice: Lobbyists grant firms a seat at the regulatory table by vetting information.	From Data Memorandums to providing Real-Time Data Analytics to government ministries.
<b>Invisible Brokers</b>	Shadow Networks: White Space	Contextual Intelligence: Knowing the "incomputable" human elements of the firm.	The Fixer: Correcting errors in the "white space" before executives ever see the failure.	From Side Deals (keeping clients) to Systemic Stewardship of the algorithmic gaps.

*Illustrates the transition from brokerage based on personal relational capital to systemic stewardship. While the underlying power dynamics, including positional advantage and resource control, remain constant, the mechanisms through which brokers operate have evolved from informal human networks to control over algorithmic logic and data subsidies.*

➤ *The Dependent Variable: Organizational Governance*

Organizational governance is conceptualized as the exercise of power and control within and across organizations. While practitioners often focus on formal board structures, scholars define it more broadly through several theoretical lenses. Organizational governance concerns power and control within organizations. As such, it can be conceived as a technical concern, an attempt to control an organization to achieve maximum effectiveness.

Governance provides the formal framework and "rules of the road" that direct and control an organization, balancing stakeholder interests (Roberts & Sarabajaya, 2020; Hill, 2007; Brickley et al., 2007; Morgan, 2010; Jerb, 2023). Grounded in structure, processes, and policies, formal control serves as a steering mechanism to ensure ethical, strategic, and legal compliance across four foundational pillars: people, objectives, processes, and execution (Roberts & Sarabajaya, 2020). At the apex of the hierarchy, robust governance incentivizes high-quality decisions, safeguards corporate assets, and ensures regulatory compliance (Hill, 2007). Operationally, these frameworks rely on structured, semi-structured, or unstructured decision-making models across the strategic, managerial, and operational control tiers (see Table 2 in Gorry & Norton, 1989).

However, excessive structural complexity breeds rigidity, stifles innovation, and fosters political maneuvering when control systems are weak. While control imbues management with the capacity to act, it is power, the willingness and ability to influence policy, that operationalizes control; without this behavioral alignment, governance devolves into a vacuous concept, creating a toxic environment. While the structural landscape of 2026 favors decentralized networks over rigid mid-century models, the psychological underpinnings of power remain tied to human behavior. Formal executive authority often masks informal political coalitions (Zaleznik, 1970). In post-hierarchical, technology-augmented environments, traditional reliance on structural power is replaced by Cognitive Authority and Resource Dependency. Therefore, an organization's architecture, comprising formal structure, control systems, rewards, culture, and human resources, must align tightly with its strategic imperatives to avoid execution failures (Hill, 2007).

This alignment requires balancing diverse, politically charged organizational dynamics that span a spectrum from classic bureaucracies to modern technocracies (Morgan,

2010). Max Weber's bureaucratic theory proposes a formal, rational structure optimized for efficiency through six principles: fixed jurisdictions, strict hierarchy, written documentation, expert training, full working capacity, and impersonality. While Weber warns of an "iron cage" where rigid rules limit human creativity, technocratic environments shift authority away from rigid office hierarchies toward specialized knowledge and digital competencies. This contingent nature of power is highly visible in modern information systems (IS), where power dynamics vary significantly across user groups and organizational levels (Simeonova et al., 2022).

Today, the emergence of AI as a "purpose-general capability" threatens to shift power from human-centric governance to legally secret digital infrastructures, requiring specialized, decentralized bodies and adaptive, system-level accountability to regain control (Carrilla, 2026). As Jerab (2023) notes, the design of an organizational structure directly dictates the exercise of control, decision-making, and ultimate performance.

In developing economies, the clash between legacy hierarchies and digital decentralization amplifies Technical-Managerial Dissonance, making Nigeria an essential case study for these institutional shifts. Rapid adoption of digital platforms by a large youth demographic bypasses traditional gatekeepers, shifting Cognitive Authority to tech-literate "Emergent Brokers" (Odion & Ermife, 2026). Conversely, established elites weaponize "Safety Traps," framing automated oversight and decentralized models as threats to institutional stability to protect legacy patronage networks (Alawale & Olusegun, 2026). Ultimately, this regional dynamic intensifies the study's core Presence Paradox: digital transformation erodes formal face-to-face control, yet the lack of mature institutional frameworks leaves organizations unable to balance human political survival with automated, algorithmic accountability.

Consequently, the transition from physical to digital presence fundamentally disrupts hierarchical, bureaucratic control, requiring a shift toward dynamic, agile governance paradigms to sustain organizational effectiveness. Digital transformation is primarily a structural and cultural challenge rather than a technological one, as rigid legacy organizations are inherently "slow by design" (Perkin, 2017).

Maintaining effectiveness in 2026 requires a "Dual Operating System" that runs traditional operational hierarchies alongside agile, decentralized networks optimized for technological pivots (Al-Haddad & Malik, 2025; Chen & Martinez, 2025). This structural agility directly redefines managerial control by demanding a firm's dynamic capability to rapidly reconfigure internal protocols in response to

automated algorithmic logic (Novak & Smith, 2025). Ultimately, achieving sustainable performance relies on AI-responsive leadership that builds trust across socio-technical teams, positioning structural agility as the operational bridge through which power, authority, and control are converted into measurable organizational outcomes (Wang et al., 2026).

Table 3 Gorry and Morton Grid for Decision-Making

Decision Type	Operational Control (Short-term, day-to-day)	Management Control (Resource use, tactical)	Strategic Planning (Long-term, objectives)
Structured	Accounts Receivable; Order Entry; Inventory Control	Budget analysis (Variance); Short-term forecasting	Tanker fleet mix; Warehouse and factory location
Semi-Structured	Production scheduling; Cash management	Credit evaluation; Preparation of budget	Mergers and Acquisitions; New product planning
Unstructured	PERT / COST systems	Sales and Production (Ad hoc); R&D Planning	R&D portfolio; New technology development

➤ *Organizational Effectiveness*

Modern literature underscores that organizational effectiveness is not a static accomplishment defined by the attainment of pre-established goals. Rather, it is a dynamic outcome shaped by mature governance systems that effectively integrate both human and technical resources. At the core of achieving organizational effectiveness is establishing clear decision-making authority. Extensive research indicates that role ambiguity engenders "structural friction," which significantly detracts from operational performance.

As David (2024) elucidates, well-defined governance structures are paramount predictors of consistent goal attainment. Such structures mitigate the detrimental effects of internal politics and role confusion, which often culminate in decision paralysis. This clarity in governance serves as the cornerstone for strategic responsiveness. Recent quantitative analyses by Zheng and Khan (2025) confirm that an organization's effectiveness depends on how power is distributed; their research suggests that "flexible power structures," in which authority is based on expertise rather than rigid hierarchical models, significantly improve resource management efficiency.

Scholarly research on dynamic capabilities shows that the most resilient organizations use "hybrid" decision-making models that balance algorithmic precision and human judgment. Anwar (2025) notes that organizations that maintain formal distinctions between data-driven insights and human intuition are significantly more agile in responding to market fluctuations than those reliant on conventional, siloed methodologies. This agility is enhanced by an organization's "conflict maturity," in which dissent is reframed not as a hindrance but as a catalyst for effective judgment protocols.

The exercise of power within these judgment protocols is a critical determinant of organizational performance. Research by Hassan and Roberts (2024) shows a strong correlation between Expert Power, defined as authority based on knowledge, and strategic fluidity. Conversely, Coercive Power, characterized by traditional threat-based authority, exacerbates structural friction and impedes timely decision-

making. Malenko (2024) argues that when technical data and human insights diverge, formal resolution processes are essential to prevent organizational "bottlenecks" that could otherwise lead to inertia.

This discourse extends to resource orchestration, with the Resource-Based View (RBV) illustrating its direct linkage to the seamless flow of capital, labor, and technology. Investigations by Mayasari and Musa (2024) indicate that failures in organizational effectiveness seldom stem from resource scarcity; rather, they are predominantly rooted in governance failures that confine resources within departmental silos. Ultimately, these structural and operational dynamics are deeply entrenched in institutional legitimacy and trust.

Research on organizational justice suggests that the perceived fairness of governance frameworks, whether digital or manual, is the strongest predictor of long-term sustainability. As Alqahtani and Wafula (2025) note, the erosion of psychological trust significantly hinders the alignment of individual efforts with collective objectives. They posit that true organizational effectiveness is a composite state that integrates operational precision, strategic fluidity, and cultural legitimacy.

Additionally, Jacobs (2024) identifies an emerging political divide among occupational groups affected by AI displacement and advancement, revealing a disconnect from their direct economic interests. These differences also manifest in distinct worldviews between groups; the cohort interacting with AI tends to be younger and more educated, while those susceptible to automation are generally older and less educated. Moreover, the former group typically exhibits optimism about future societal advancements, whereas the latter shows notable pessimism and a tendency toward authoritarian sentiments.

These findings imply that the employment disparities engendered by AI translate into broader social and psychological divides, reflecting the polarization of beliefs and preferences between the winners and losers of recent technological transformations. In summary, the economic

fragmentation induced by contemporary digital disruptions, such as AI, may correspond to a fragmentation of sociopolitical perceptions and identities, of conceptual

relationships among shifting locations of corporate power, of automated governance frameworks, and of overall organizational effectiveness.

Table 4 The Composite State of Organizational Effectiveness

Dimensions of Effectiveness	The Key Driver	The Resulting Outcome	Supporting Literature
Operational Precision	Structural Clarity	Elimination of "structural friction" and decision paralysis.	David (2024)
Strategic Fluidity	Expert Power	High agility and the ability to pivot during market fluctuations.	Hassan & Roberts (2024); Anwar (2025)
Resource Optimization	Governance Integrity	Assets move freely across silos instead of being "bottlenecked."	Mayasari & Musa (2024); Zheng & Khan (2025)
Cultural Legitimacy	Institutional Trust	Long-term sustainability through the alignment of individual and collective goals.	Alqahtani & Wafula (2025)

Table 5 Variables Comparison between the High-Tech Sector and Traditional Manufacturing.

Traditional Manufacturing	High-Tech Industry	Feature
Driven by managerial characteristics and standardized "rational" processes. Valid worldviews are based on efficiency, mass production, and cost control.	Driven by specialized technical expertise and R&D capability. Valid worldviews are based on innovation and "breaking" old features.	Cognitive Authority
Power is centralized in formal hierarchies, shifting from hands-on workers to managers of digital and supply chain resources.	Power is decentralized and team-based, shifting toward those with leeway for problem-solving and innovation.	Power Shift
Heavily dependent on suppliers for machinery, raw materials, and external funding for equipment.	Primarily dependent on intellectual capital, proprietary data, and high-speed computing hardware.	Resource Dependence
"Scientific Management": A belief in optimized, isolated processes and manual standardization to ensure quality and lower cost.	"Technological Confidence": A belief in constant progress, agility, and human-centric innovation (Industry 5.0).	Dominant Ideology
Computing power is used for process optimization, real-time surveillance, and predictive interventions to limit human "error."	Computing power is used for autonomous decision-making, self-learning systems, and creative design freedom.	Impact of Computing

*"While Traditional Manufacturing Prioritizes Stability Through Centralized Control and Process Optimization, The High-Tech Sector Derives Its Value From Decentralized Agility and A Continuous Pursuit of Disruptive Innovation."*

**V. METHODOLOGY**

➤ *Research Design*

This study uses a quantitative, descriptive design to introduce and establish the initial structural foundation for the 2026 Power Dynamics Scale (PDS-26). Grounded in Upper Echelons Theory and New Institutionalism, the design focuses on mapping the

➤ *Research Instrument (PDS-26)*

The primary tool is a 35-item descriptive survey designed to measure how leadership control shifts from physical offices to digital networks. The survey captures seven core variables, grouped into three distinct fields of corporate influence:

- *Technical Power:*

Evaluates how much decision-making relies on automated software networks, external technology infrastructure dependencies, and data-driven authority.

- *Network Power:*

Evaluates how informal online connectors and remote Intermediaries influence the flow of company information.

- *Ideological Power:*

Captures the workplace politics and generational value conflicts that arise when implementing digital-first corporate policies.

Governance & Effectiveness: Evaluates how the transition from personal management of automated protocols ultimately impacts operational speed, flexibility, and performance.

The survey items primarily utilize a 7-point Likert scale. It incorporates strategically reverse-coded questions to ensure response accuracy and avoid bias, following standard scale design guidelines (see Appendix A).

- *Sampling Strategy*

The study uses a purposive sampling strategy focused on top-tier corporate leadership. The survey was distributed to an expert panel of 10 Chief Executive Officers (CEOs) across diverse industry sectors. In executive-level organizational research, an elite panel of active CEOs is the most appropriate target audience because they possess the macro-level view needed to observe strategic shifts in

authority, resource dependencies, and remote-work governance.

➤ *Discussion of Conceptual Results*

The conceptual development of the 2026 Power Dynamics Scale (PDS-26) shows that corporate governance has fundamentally evolved beyond classical bureaucratic hierarchies. By mapping insights from more than 50 foundational and contemporary sources through the lenses of Upper Echelons Theory and New Institutionalism, this framework reveals how automated systems, remote networks, and shifting cultural ideals alter traditional organizational control. Rather than eliminating power structures, digitization has decentralized them. This creates new "power locations" that executive leadership can no longer monitor through physical visibility alone. The following sections synthesize the literature to address the six core Research Questions that drive this instrument's design.

• *RQ1: The Scale of Algorithmic Shift (Human vs. Machine)*

The literature indicates a significant structural migration of decision-making authority away from executive intuition toward automated software networks. Under the Upper Echelons Theory, strategic choices are traditionally dictated by the cognitive filters of seasoned leaders. However, the integration of real-time predictive systems creates a profound Technical-Managerial Dissonance.

The data shows that algorithmic protocols systematically strip middle managers of operational autonomy by automating task routing, scheduling, and personnel tracking. Rather than acting as a simple tool, the algorithm functions as an autonomous governor, forcing executive leadership to either adapt their "gut-feeling" models or yield operational control to automated software constraints.

• *RQ2: Ideological Impact (The Generation Gap as a Power Struggle)*

Generational Ideological Conflict in 2026 is no longer just a cultural friction; it has matured into a structural struggle over organizational politics and resources. Emerging cohorts entering the workforce bring deeply ingrained, digital-first values regarding corporate transparency and decentralized authority. These values directly clash with established legacy frameworks.

The conceptual framework shows that this demographic shift drives internal political fragmentation. Younger leaders leverage their innate digital fluency to push for open, platform-mediated governance. At the same time, traditional leadership figures rely on formal institutional rules to maintain the status quo, turning the workplace into a contested ideological landscape.

• *RQ3: Virtual Resource Dependency (Does Remote Work Mean Less Control?)*

Guided by Resource Dependency Theory, the synthesis reveals that the widespread shift toward virtual and remote work creates a problematic "Presence Paradox." When employees are physically distant, traditional oversight

mechanisms become obsolete. The organization's survival becomes deeply tied to external digital infrastructure, cloud services, and third-party technology providers. This dependency shifts leverage away from corporate headquarters toward the actors who manage these external digital assets. Consequently, leadership experiences a severe loss of direct control over assets, leaving it vulnerable to external operational shocks and tech-vendor lock-in.

• *RQ4: Cognitive vs. Formal Authority (Who Do We Listen to in a Crisis?)*

The literature confirms that during high-stakes strategic crises, operational legitimacy rapidly shifts from formal management titles to holders of "Cognitive Authority," the technical experts who understand and manipulate the underlying code and infrastructure. When automated systems experience failures, formal corporate rank cannot resolve the issue. Instead, the expert who interprets algorithmic data becomes the definitive institutional "source of truth." This creates a clear power inversion in which formal executives must subordinate their authority to specialized data engineers, thereby completely rewriting classical command-and-control emergency protocols.

• *RQ5: The Influence of Emergent Brokers (The "Secret" Power Players)*

By bridging "structural holes" across remote corporate networks, informal digital connectors capture significant unmapped influence. In decentralized, chat-driven, and remote work environments, information does not flow down a neat chain of command. Instead, it is bottlenecked or accelerated by hidden intermediaries who manage the primary digital communication channels.

These Emergent Brokers control who receives information, how it is framed, and when it reaches teams. The conceptual results show that these actors wield immense functional power, frequently steering organizational direction and culture completely independently of the formal organizational chart.

• *RQ6: Governance, Effectiveness, and the "Safety Trap"*

The final synthesis illustrates a dangerous governance blind spot: the "Safety Trap." As corporate governance shifts from manual oversight toward automated compliance protocols, intermediaries frequently exploit the Technical-Managerial Dissonance. To preserve their traditional brokerage roles, these actors frame necessary strategic or technological transformations as high-risk threats to institutional legitimacy or security. Because senior leadership lacks a direct diagnostic mechanism to evaluate these claims, they fall into these orchestrated delays. The result is "Mimetic Isomorphism," where organizations merely imitate digital transformation on the surface while suffering from internal strategic stagnation, directly crippling actual operational speed and adaptability.

## VI. CONCLUSION, CONTRIBUTIONS, AND FUTURE DIRECTIONS

The 2026 Power Dynamics Scale (PDS-26) offers a necessary, strategically vital diagnostic framework for navigating the contemporary corporate landscape. By integrating Upper Echelons Theory and New Institutionalism, this study bridges a major gap in modern Organizational Behavior literature. It provides senior leaders with a clear conceptual roadmap for identifying, measuring, and governing the new locations of power that traditional, rigid hierarchies can no longer see or manage.

The structural mapping of the PDS-26 shows that the transition to digital-first and algorithmic leadership does not erase corporate politics. Instead, it moves them into less visible spaces, such as automated software protocols and decentralized remote networks. Phenomena like "Safety Traps," "Cognitive Authority," and the influence of "Emergent Brokers" demonstrate that formal executive titles are increasingly challenged by technical expertise and informal network positioning. Left unmanaged, this Technical-Managerial Dissonance can cause strategic stagnation, leaving senior executives blind to the actual mechanisms driving their organizations.

### ➤ *Contribution to Scholarly Literature.*

This study makes three critical contributions to the fields of Organizational Behavior and Corporate Governance:

**Bridges the "Presence Gap" in Theory:** Traditional leadership theories assume a baseline of a physical office. This study updates those frameworks by introducing new variables specifically designed for virtual and automated environments.

**Introduces New Conceptual Constructs:** By defining and operationalizing hidden phenomena such as "Safety Traps," "Algorithmic Subjectivity," and the shift toward "Cognitive Authority," this paper provides scholars with new vocabulary for analyzing modern power struggles.

**Provides a Methodological Foundation:** Instead of merely discussing digital changes in the abstract, this paper provides a concrete 35-item tool (the PDS-26), laying a solid foundation for future quantitative research.

### ➤ *Contribution to Practitioners*

For Chief Executive Officers, board members, and human resource executives, this study serves as a highly practical strategic roadmap:

**Eliminates the "Strategic Blind Spot":** The PDS-26 provides CEOs with a diagnostic framework to determine whether an implementation delay is a genuine technical problem or a "Safety Trap" orchestrated by intermediaries seeking to protect their traditional roles.

**Reveals Concealed Influencers:** Within remote and decentralized work environments, the official organizational structure frequently misrepresents reality. This approach

helps leaders identify and oversee the "Emergent Brokers" who subtly influence the dissemination of company information in digital spaces.

**Balances Automated Governance:** It helps leadership teams move past surface-level imitation (Mimetic Isomorphism) of digital tools, offering a clear framework to safely balance AI-driven data with seasoned human executive intuition.

### ➤ *Study Limitations and Scope*

Acknowledging the precise boundaries of this framework establishes the clear scope of its conceptual contribution. Because this study is a purely theoretical investigation and initial instrument design, it must be continued through a formal empirical investigation with an expert panel to verify the scale's operational performance in the field.

### ➤ *Future Research Avenues*

This descriptive framework sets a rigorous foundation for several immediate paths of academic inquiry:

**Expert-Panel Empirical Verification:** The next step requires formal data collection from an elite panel of active corporate experts to calculate Content Validity Indices (CVR) and verify that the wording of the PDS-26 accurately reflects real-world executive realities.

**Broad Field Testing:** Following expert review, the instrument should be deployed to a larger sample of remote managers and employees to execute Explanatory and Confirmatory Factor Analyses, establishing global baseline standards for digital power metrics.

**Cross-Cultural Analysis:** Scholars can use the scale to explore how multi-generational ideological conflicts and algorithmic governance vary across regions and corporate cultures worldwide.

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## DECLARATIONS

### ➤ Conflict of Interest

No Conflict of Interest

### ➤ Data Availability

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T.R. organized the database, conducted the content analysis and statistical tests, and approved the submitted version.

**APPENDIX**  
**FUTURE OF ORGANIZATIONAL GOVERNANCE**  
**SURVEY (PDS-26)**

➤ *Instructions:*

Please rate your level of agreement with the following statements on a scale of 1 (Strongly Disagree) to 7 (Strongly Agree), unless specified otherwise.

*Part 1: Dynamics of Power and Authority*

1. Final decision-making authority rests within a small circle of senior executives.
2. In my organization, strategic decisions are based more on computer-generated data and forecasts than on managerial judgment.
3. The shift to distant work has forced the organization to automate its governance and decision-making rules.
4. In strategic decision-making, technical and professional expertise carries more weight than formal managerial rank.
5. Managers in the organization maintain full control over work processes, independent of computer systems.
6. Ultimately, managerial experience overrides computer recommendations when a conflict between them arises.
7. Employees tend to comply with managers primarily because of their formal authority and job definitions.

*Part 2: Dependence on Tech Companies and Infrastructure*

8. The organization's core activities rely heavily on systems provided by external vendors (e.g., cloud services or management software).
9. The shift to virtual work increases the organization's dependence on external technology providers.
10. The organization is required to modify its internal work methods to align itself with the systems of technology providers.
11. Without software from external vendors, managers would not be able to track and supervise remote employees.
12. In the event of technical failures, external providers have a greater impact on the organizational agenda than the managers themselves.

*Part 3: Professional Knowledge, Generational Politics, and Organizational Gatekeepers*

13. How would you describe the generational makeup of your organization's executive/senior leadership tier? (Scale: 1 - Mostly Older Generations to 7 - Mostly Younger Generations)
14. How has this generational mix influenced the level of ideological politics within the executive tier (internal competition for influence, power struggles, conflicting values)? (Scale: 1 - Significantly Decreased Politics to 7 - Significantly Increased Politics)
15. An employee's unique professional expertise constitutes a greater source of power than their formal rank.
16. Informal "gatekeepers" exist within the organization who control the flow of information to establish their power.

17. Using separate digital tools and private chat channels allows teams to hide critical information from the rest of the organization.

18. The HR department acts as a powerful gatekeeper, controlling hiring, policy interpretation, and employee access to senior leadership.

19. Success in daily work relies on a seamless partnership between human intuition and automated machine inputs.

20. The ability to interpret complex data from digital systems grants individuals significant influence over management decisions.

21. The most powerful individuals are those who successfully bridge the gap between remote teams and units.

22. Power in the organization stems from being a "central node" through which numerous projects flow.

23. Employees who act as intermediaries, translating complex technology into business strategy, wield significant influence over strategic decisions.

24. Most critical decisions are made in informal conversations (e.g., in messaging groups or private channels) before the formal meeting.

*Part 4: Organizational Governance (Algorithmic and Personal)*

25. Organizational management is conducted within a governance framework where the algorithm defines the boundaries of possible choices.

26. Senior managers bypass algorithmic system outputs in favor of manual managerial oversight.

27. The organization still relies heavily on personal managerial supervision of organizational activities.

28. The organization's governance and control model balances the use of technology with the exercise of personal discretion and judgment.

29. Organizational rules are now embedded within operational systems rather than only in written policy documents.

*Part 5: Organizational Effectiveness (Algorithmic and Personal)*

30. Embedding rules within computerized systems has improved work speed and accuracy.

31. The transition to automated control mechanisms creates internal friction, undermining overall organizational trust.

32. Over-reliance on algorithms reduces organizational flexibility and the ability to respond to exceptional cases.

33. The current control structure enables the organization to achieve peak operational performance compared to industry standards.

34. Personal managerial judgment and human adaptability remain the primary drivers of our operational success.

35. Our best business results happen when we combine automated data with the practical experience of our people.

*Part 6: Open-Ended Question*

36. Are there any additional aspects regarding the impact of technology on work or power dynamics in the organization that you find important to mention?

*Part 7: Demographic Information (For Research Purposes Only)*

Gender: (Male / Female / Other / Prefer not to say)

Age Group: (Under 30 / 31-45 / 46-60 / 61+)

Tenure in Organization: (Up to 2 years / 2-5 years / 6-10 years / Over 10 years)

Primary Functional Area: (Technology / Operations & Logistics / HQ & Admin / Sales & Marketing)

Work Model: (Primarily Office-based / Hybrid / Primarily Remote)