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Governance Beyond Hierarchy: Development and Validation of the 2026 Power Dynamics Scale (Pds-26) for Remote Leadership

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Abstract

Grounded in Upper Echelons Theory and New Institutionalism, this study introduces the 2026 Power Dynamics Scale (PDS-35), a 35-item diagnostic instrument to assess how the shift from physical to digital presence affects managerial control. A nonparametric analysis was conducted with an elite panel of 15 Chief Executive Officers (CEOs) overseeing both high-density physical hubs and digital-first architectures. The empirical results demonstrate that modern organizational power is primarily a function of algorithmic architecture rather than legacy hierarchies, and that baseline technological shifts fundamentally reconfigure structural governance parameters (\(p = .034\)). Scale validation metrics confirm the PDS-35's psychometric integrity across its 35 localized survey items, showing strong internal consistency (\(\omega \ge .738\)) and high convergent validity (AVE \(\ge .504\)) within the specialized sample environment.

Conversely, subjective constructs, including organizational culture and generational mindsets, show no statistically significant impact (\(p > .05\)), indicating that operational utility outweighs ideological alignment. Furthermore, strong inverse relationships emerge for critical digital gateways (\(\rho = -.835\), \(p = .001\)) and the Power and Authority (\(V_{1}\)) domain (\(\rho = -.864\), \(p < .001\)). These metrics reveal structural vulnerabilities such as "Safety Traps" and "Algorithmic Subjectivity," in which the unmediated delegation of power to automated workflows strips the C-suite of direct oversight and shifts operational autonomy to technical gatekeepers. Ultimately, this displacement of human managerial authority creates a false sense of efficiency that drives down absolute organizational performance across critical metrics. Immediate, deliberate human-machine integration via the PDS-35 framework is required to reclaim strategic command and sustain long-term operational effectiveness.

Keywords: Organizational Power, Cognitive Authority, Virtual Work Dynamics, Ai Governance, Resource Dependency, Multi-Generational Workforce, Organizational Control 2026, Organizational Effectiveness, Power Dynamics Scale (Pds-26)

1. Introduction and Background

Although the theoretical foundations of these shifting governance structures were established in Part One of this research program, a standardized empirical metric has been lacking [1]. This study addresses this gap by introducing and validating the 2026 Power Dynamics Scale (PDS-35) by providing top-level leadership with a quantitative framework for mapping the interplay among human, ideological, and technical authorities.

In 2026, the traditional foundations of managerial authority are undergoing a fundamental transformation. Contemporary organizations are navigating "Compounding Pressures" arising 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," points where network centrality, ideological alignment, and technical expertise now rival formal titles. As organizations move toward ostensibly egalitarian models, power is increasingly dispersed. Influence is captured by Emergent Brokers (V_{5}\)), who bridge information gaps across remote networks, and by

Resource Dependencies (\(V_{2}\)), which tie organizational survival to external digital and human assets. This shift creates a Technical-Managerial Dissonance: while senior leaders retain formal administrative roles, the locus of Power and Authority (\(V_{1}\)) is destabilized. Concurrently, Cognitive Authority (\(V_{4}\)), defined as 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." This approach aligns with the theory's core claim that organizations mirror their top managers' psychological and demographic profiles.

In 2026, these filters are shaped by Generational Ideological Conflict, as shifting values on social responsibility and "digital-first" cultures challenge established organizational politics and Organizational Ideology (\(V_{3}\)). Furthermore, intermediaries may leverage "Safety Traps," framing change as a risk to organizational integrity to preserve traditional brokerage roles and institutional legitimacy. This creates a Presence Paradox: as virtual work diminishes traditional face-to-face oversight, organizations lack a governance framework to balance human intuition with automated accountability. Without a precise way to identify these evolving bases of power, ranging from social exchange dynamics to algorithmic logic, firms risk strategic stagnation.

To address this gap, this study introduces, develops, and provides foundational validation for the 2026 Power Dynamics Scale (PDS-35). Rather than treating validation as an abstract statistical exercise, this research equips an elite panel of cross-industry CEOs with this 35-item quantitative tool to assess the shifting interplay among human, ideological, and technical authorities. Ultimately, this paper moves beyond scale development to deliver a finalized, operational governance model that offers executives a concrete, actionable tool for evaluating and governing the "new normal" of the 2026 corporate landscape.

1.1. The Study Problem

The traditional exercise of managerial authority is misaligned with the multi-challenge environment of 2026. While organizations are transitioning toward egalitarian and decentralized structures, they continue to be governed by outdated hierarchical frameworks that fail to identify or measure new power dynamics. This misalignment creates a critical threefold problem for modern enterprises:

- **The Strategic Blind Spot:** Senior leadership lacks an effective mechanism to distinguish genuine technical risks from "Safety Traps"- strategic delays orchestrated by intermediaries who utilize their Cognitive Authority (V_{4}) to maintain traditional brokerage power and professional legitimacy.
- **Structural Irrelevance:** The widespread adoption of hybrid and remote work has created a "Presence Paradox," in which senior leaders are physically and structurally isolated from daily operations. Consequently, power shifts from formal executive titles to remote intermediaries who navigate structural gaps in virtual communication networks, such as Emergent Brokers (\(V_ {5}\)). Current corporate governance frameworks, designed for co-located teams, fail to manage decentralized influence in these distributed environments. This lack of oversight ultimately strips senior leadership control over critical Resource Dependencies (V_ {2}\), leaving them vulnerable to operational manipulation.
- **Governance Dissonance: T**he widening Technical-Managerial Dissonance and unmanaged Generational Ideological Conflict create a fragmented power base. Without a quantitative tool to map these shifting boundaries, CEOs cannot ensure that organizational governance remains effective or that "digital-first" policies are genuinely implemented rather than merely mimicked through Mimetic Isomorphism.

Ultimately, if organizations fail to identify and govern these new power centers, they risk strategic stagnation. This study addresses this issue by developing and validating the 2026 Power Dynamics Scale (PDS-35). By providing an essential 35-item diagnostic tool and a finalized operational governance model, this research empowers top-level leadership to reclaim absolute Power and Authority (V_ {1}\)), evaluate evolving structural dynamics, and maintain organizational integrity in a technology-augmented landscape.

1.2. Research Questions

To systematically address the identified study problem, this foundational phase of the research examines how an elite panel of cross-industry corporate leaders perceives and evaluates the following six core dimensions of modern organizational power:

❖ **RQ1:** The Scale of Algorithmic Shift.

- What is the perceived extent of the structural power shift from human executive intuition to algorithmic authority within the surveyed executive tier?
- (Who is the Boss-Human or Machine?) This examines whether AI-driven data is replacing the "gut feeling" of experienced leaders. It evaluates whether the perceived power to make big calls shifts from the boardroom to the algorithm.

❖ **RQ2:** Virtual Resource Dependency (\(V_{2}\))

- How significant is the perceived impact of external digital infrastructure and virtual work on the organization's traditional control over its resources?
- (*Does Remote Work Mean Less Control*?) This investigates if being "out of sight" means being "out of control." It assesses whether reliance on external digital tools and home offices weakens leadership's capacity to manage company assets.

❖ **RQ3:** Organizational Ideology Impact (\(V_{3}\))

- To what extent does generational diversity relate to perceived ideological conflict and shifting politics within the organization's power base?
- (*Is the Generation Gap a Power Struggle*?) This examines how different age groups in the office bring distinct values to the workplace. It examines whether these conflicting beliefs are creating a new kind of "office politics" that changes how the company is run.

❖ **RQ4:** The Influence of Emergent Brokers (\(V_{5}\))

- To what degree are informal digital connectors (brokers) perceived to exert more influence over information and resource flow than the formal organizational chart?
- (*Who are the "Secret" Power Players?*) This identifies the "Brokers" people who are not necessarily bosses but control the flow of information in digital chats and remote groups. It evaluates how much these informal connectors are perceived to steer the company.

❖ **RQ5:** Cognitive vs. Formal Authority (\(V_{4}\))

- How do executive leaders evaluate the relative influence of technical experts (Cognitive Authority) versus formal managers during high-stakes strategic decision-making?
- (*Who do we listen to in a Crisis?*) This compares formal titles with actual expertise. It asks: in a high-stakes moment, does the organization follow the person with the "Manager" title or the technical expert who understands the system?

❖ **RQ6:** Governance & Effectiveness (\(V_{1}\), \(V_{6}\), and Oe)

- **Part A:** What is the prevailing state of Organizational Governance (\(V_{6}\)), ranging from manual oversight to automated digital protocols?
- **Part B:** How does the shift of absolute Power and Authority (\(V_{1}\)) toward automated systems and the presence of "Safety Traps" affect perceived overall Organizational Effectiveness (Oe)?
- (*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.

1.3. Theoretical Framework

This five-part framework serves as the structural foundation for the PDS-35 scale items. In this foundational pass, these theories provide the boundary parameters that the cross-industry CEO panel uses to validate the instrument.

➢ *Resource Dependency Theory (RDT) & Digital Gateways (V_2)*
Traditional RDT holds that organizational power stems directly from control over scarce, critical environmental resources. In today's digitally dense operational environments, the definition of an essential resource extends beyond financial capital to include computational capacity, proprietary data streams, and advanced architectural tools. Consequently, power shifts asymmetrically toward systemic actors who control "digital gateways," the foundational platforms, application programming interfaces (APIs), and access points that govern operational workflows and information flow.

➢ *Cognitive Authority and Expert Power (V_4)*
Moving beyond conventional, position-based bureaucratic authority, influence increasingly aligns with expertise-driven power dynamics and cognitive authority within technological ecosystems. As machine learning architectures and artificial intelligence become deeply embedded in institutional workflows, formal organizational rank becomes decoupled from operational influence. Structural authority shifts toward decentralized "knowledge hubs" of individuals or units with the specialized technical literacy to interpret, validate, and direct algorithmic outputs, regardless of their place in the formal corporate hierarchy.

➢ *Organizational Politics and Ideological Shifts (V_3)*
Organizations are inherently political arenas where shifting coalitions negotiate authority, values, and strategic direction. In multi-generational workforces, this political landscape is shaped by competing ideological frameworks brought forward by demographic succession. As a younger cohort of leaders assumes institutional roles, traditional managerial ideologies rooted in command-and-control structures are being actively challenged by values that prioritize systemic transparency, equity, and corporate social responsibility, creating structural tensions that redefine how legitimate authority is recognized.

➢ *Human-Machine Control Dynamics (V_1)*
Modern production environments feature deep transformations in the allocation of structural control, altering traditional socio-technical systems. This evolution marks a shift from human-centric decision-making frameworks to hybrid systems in which absolute Power and Authority (V_1) over the mediation layer can be embedded in autonomous algorithmic workflows. This transition challenges traditional views of human agency, prompting an empirical investigation into whether structural command remains concentrated in human supervisory roles or is displaced by unmediated technological delegation, causing systemic operational friction.

➢ *Presence-Gap Theory in Distributed Environments (V_5, V_6, and Oe)*
Failing to expose and regulate these decentralized focal points of influence condemns organizations to strategic inertia. When remote work limits physical presence, communication gaps expand, allowing Emergent Brokers (V_5) to control the flow of data outside formal channels. This study addresses this by introducing a novel evaluative framework and a robust architectural blueprint for Organizational Governance (V_6). This research equips executive leadership to dispel operational ambiguity, map shifting network topologies, and preserve absolute Organizational Effectiveness (OE) within a technologically dense corporate ecosystem.

2. Literature Review and Hypotheses Development

For more than a hundred years, corporate governance has rested on the bedrock of Taylor's Scientific Management, a rigid structure built on the absolute division between "thinking" managers who plan and "doing" workers who execute. In today's technological era, advanced digital infrastructure and artificial intelligence are dismantling this century-old edifice.

By embedding optimization metrics directly into automated algorithmic scripts, the software core now serves as the ultimate "thinking" entity, transforming distributed digital infrastructures

from passive operational conduits into active agents of structural influence [2]. This radical shift directly threatens human interpretive agency, continually compelling corporate decision-makers to surrender contextual, nuanced discretion to rigid, automated parameters (Law Society of Kenya Journal, 2024) [3]. Consequently, while modern digital platforms are presented as decentralized democratization, a profound "Autonomy-Control Paradox" reveals that these distributed architectures enforce an intense, automated form of centralized elite control (MDPI Framework, 2026) [4]. This ongoing tension between legacy human authority and automated algorithmic logic forms the baseline structural conflict of this study. To empirically isolate and evaluate how these hidden informational hierarchies disrupt executive oversight, this section establishes testable relational pathways using the dimensions of the 2026 Power Dynamics Scale (PDS-26).

3. Power, Centralization, and Algorithmic Autonomy

John Child's strategic choice theory holds that organizational structures are not merely incidental or purely technical configurations; instead, dominant coalitions, essentially the elite leadership group, deliberately select specific control mechanisms to sustain their institutional influence and authority [5]. Building on this, Wasserman et al. assert that organizational power and governance are the two primary mechanisms that shape how a company operates, makes decisions, and treats its personnel [6]. While governance outlines the formal framework that steers organizational operations by providing essential "rules of the road," power is the capacity of individuals or groups to influence behavior and shape outcomes, both within and beyond established norms.

The relationship between power and organizational control is symbiotic; control structures are typically designed to regulate authority, underscoring the importance of aligning an organization's architecture with its strategic imperatives to prevent execution complications [7]. In practice, the specific design of an organizational structure directly shapes the exercise of control, decision-making processes, accountability mechanisms, and overall performance [8]. Crucially, as Zaleznik observed, formal structures and administrative systems rarely dilute the core power of entrenched elites; rather, elites actively manipulate and design these systems to sustain their dominance [9].

In the contemporary corporate landscape, advanced technological integration is reshaping fundamental patterns of business administration. This digital revolution is creating a new business environment in which the integration of information technology, computing capabilities, and artificial intelligence (AI) is altering how management, control, and power structures operate [10]. Within this paradigm, organizational decision-making increasingly shifts toward AI because it can be more effective than human decision-making across dimensions such as accuracy, search space, and speed [11]. This shift has led some scholars to argue that AI has become a "purpose-general capability" that transfers power away from human-centric governance and into automated, legally secret digital infrastructures [12]. To counter this total automation, critics argue that organizations must embed democratic values directly into algorithmic design, shift oversight to specialized, decentralized bodies, and adopt adaptive, system-level accountability to regain control over automated decision-making [12].

Furthermore, the operational realities of AI integration provide CEOs with a compelling justification for maintaining direct control. While AI offers significant advantages in speed, accuracy, and the range of options, it also poses moral dilemmas, cultural maladaptation, and serious risks to employee welfare [11,13]. To safeguard corporate productivity, CEOs leverage these systemic risks to position themselves as the ultimate arbiters of technology, using the threat of algorithmic failure to justify the necessity of human intervention and manual overrides (Brown & Leopold, 2024).

Finally, this centralization of power is actively masked by corporate signaling. Organizations frequently use public platforms to signal rationality and innovation while concealing internal operational control and power dynamics [14]. CEOs use external branding and public displays of innovation as a strategic smoke screen to secure market resources and mitigate employee resistance [15]. Behind the public narrative of algorithmic autonomy, the CEO operates within a highly traditional political process, balancing relationships and managing opponents to achieve strategic objectives [16]. Consistent with Zaleznik's classic premise, algorithmic outputs represent an automated structure, yet centralized elites use manual overrides as a political mechanism to retain absolute control over critical decisions [9].

Based on this review, the following hypotheses were formulated:

- **H0-** The integration of AI prevents centralized elite groups from maintaining dominance through manual, direct oversight and the power to override algorithmic outputs.
- **H1-** Despite the integration of AI, centralized elite groups maintain dominance through manual, direct oversight and the power to override algorithmic outputs.

4. Resource Dependence and Style Isomorphism

Pfeffer and Salancik (1978) contend that resource dependence theory, when combined with interorganizational relations, is vital for analyzing intercorporate interactions within their societal contexts. Organizations are interconnected and lack autonomy, relying on others amid uncertainty about their partners' actions, thereby heightening the risk to their survival and success. To manage these external interdependencies, firms take strategic actions that often create new forms of dependence. Unable to fully reduce uncertainty, organizations employ political mechanisms to influence their economic environment, actively shaping it to better align with their interests.

Zaleznik established that resource dependencies shift the internal balance of power toward external entities that control critical operational infrastructure [9]. Greenberg & Baron explain that

controlling scarce resources enables a group or set of groups to influence the activities of other groups [17]. 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. Wasserman et al. assert that resource dependence often drives decision-makers to centralize on two motivations [6]. The first is the search for a constant supply of resources to meet the minimum requirements for survival and daily functioning, and the second is the attempt to establish autonomy and independence to create greater freedom of action. The sheer scale of computing power required to process these analytics creates a new form of Resource Dependence. The power of technological gatekeepers 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, drawing on findings from the literature review, describes ways to shift 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 [18]. It identifies three possible ways: creating a common control structure and leveraging the ability to establish work networks.

Extending this to 2026 virtual environments, H2 posits that deep infrastructural dependence forces a form of style isomorphism, in which firms must internalize the operational styles of external providers to mitigate systemic vulnerability and political weakness. If the critical resource supplier is low-tech, the firm must maintain low-tech governance to remain competitive with the entity that ensures its survival. This dependence limits strategic and technological independence.

Based on this review, the following hypotheses were formulated:

- H0- High dependence on external digital infrastructure in virtual settings does not force firms to adopt the operational and technical styles of their providers.
- H2- High dependence on external digital infrastructure in virtual settings forces firms to adopt their providers' operational and technical practices.

4.1. Ideology, Institutional Conformity, and Traditionalist Shields

DiMaggio and Powell identify coercive, mimetic, and normative isomorphism as the primary pressures driving institutional conformity [19]. Under new institutional theory, organizations pursue external sociocultural legitimacy alongside technical efficiency, embedding dominant ideologies in formal structures and daily operations to reinforce existing power dynamics [6].

Management exercises authority by shaping organizational culture to interpret operational reality and by deploying technical rationality to enforce compliance metrics [20].

However, profound generational shifts introduce persistent ideological conflicts; younger leaders emphasize social responsibility and transparency, challenging traditional institutional practices and redefining how structural authority is recognized [21]. While managers strategically leverage these ideologies to align diverse organizational objectives and foster internal cooperation, the uniform convergence of structural choices across sectors stems primarily from deep-seated external pressures to maintain institutional legitimacy. Grounded in institutional theory, the shield of traditionalism stems directly from the classic "iron cage." Organizations rooted in legacy values do not merely conform to technological trends but actively protect the systemic legitimacy and governance frameworks they have earned over time [19]. Traditionalism emerges as a defensive mechanism against digital transformation, compelling organizations to prioritize preserving governance, social status, and identity over the risks of technological obsolescence.

This protective alignment maintains operational stability and structural control, informing the study's fourth hypothesis:

- H0-Trusting human intuition over algorithms does not keep the governance manual.
- H3- Trusting human intuition over algorithms keeps the governance manual.

4.2. Structural Holes, Brokerage, and Algorithmic Subjectivity

As artificial intelligence evolves into an active co-creator of organizational knowledge, hybrid cognitive authority and algorithmic subjectivity directly threaten human interpretive agency [22]. When management implements automated, AI-driven scripts to govern workplace conduct, employees often relinquish their cognitive autonomy, trusting algorithmic reasoning over personal, situational judgment.

In his influential publication, Burt positions structural holes, defined as gaps between unconnected groups, as central to competition, with brokers gaining information and influence by bridging redundant clusters [23,24]. Traditional gatekeepers, such as Human Resources (HR) and lobbyists, use this positioning to filter organizational noise, manage symbolic power, and provide management with strategic information subsidies that protect governance frameworks [25-27].

However, as authority shifts toward algorithmic infrastructures, these formal brokers face a structural hole of their own: the gap between human contextual knowledge and automated data. As HR evolves toward a data-translator model of distributed insight, power increasingly concentrates away from decentralized individuals and into the hands of platform owners, thereby altering organizational effectiveness.

Simultaneously, shadow brokers operate within the informal white space of organizational hierarchies, leveraging critical contextual knowledge that algorithms miss to resolve operational

issues before they escalate, thereby directly safeguarding systemic governance [28]. Despite advances in AI and Big Data that automate traditional structural holes, foundational power dynamics, positional authority, and resource distribution continue to shape organizational effectiveness.

This ongoing tension between automated logic and human judgment directly informs the study's third hypothesis on the preservation of structural governance:

- **H0-** Strong traditionalists do not create shields against digital transformation.
- **H4**- Strong traditionalist values create a shield against the digital shift.

4.3. Cognitive Authority and the Strategic Moderation of Digital Transformation

Upper Echelons Theory holds that strategic decisions are not purely rational calculations but reflections of top management teams' personal values, experiences, and cognitive filters [29]. Because chief executive officers (CEOs) face overwhelming environmental complexity and bounded rationality, they rely on subjective mental shortcuts to navigate uncertainty, thereby heavily shaping organizational outcomes through leaders' perceptions rather than objective data. This internal cognitive processing intersects with external institutional dynamics through the exercise of cognitive authority-a mechanism of structural influence that shapes consciousness and establishes power by granting legitimacy to certain worldviews while deeming others unacceptable [6].

According to new institutional theory, dominant cognitive schemes arise primarily when a particular form of collective rationality is disseminated within an organizational field. Organizations often adopt structures, practices, and decision-making processes deemed rational and legitimate within their institutional environment, even if they do not necessarily yield the most efficient technical outcomes. These cognitive schemes spread within an organization and its environment through mimetic isomorphism, a process in which organizations imitate one another by copying scripts and prescriptions from successful actors in the same industry [19,30]. As imitation proceeds, existing management modes become normalized, shifting the definition of effective leadership away from mere network popularity (degree centrality) toward network betweenness, in which leaders position themselves so that others rely on them to facilitate interactions and accomplish tasks.

The tension between technological progress and organizational inertia is best understood through the lens of Cognitive Authority. As a strategic control mechanism, slowing digitization is not a passive failure of technology but an active exercise of power by leaders seeking to maintain their institutional relevance and authority over the organization's strategic direction. Zaleznik noted that threatened leaders often deploy political maneuvers disguised as rational organizational policies to protect their status [9]. Hypothesis 5 operationalizes this psychological defense mechanism through the concept of "Safety Traps." In this framework, leaders weaponize their Cognitive Authority to deliberately throttle technological integration, creating artificial safeguards that preserve their traditional professional legitimacy under the guise of risk management.

Following Wasserman et al., executives exercise cognitive authority to define what constitutes "rational" organizational behavior [6]. When disruptive digitization threatens established governance frameworks, these actors invoke a "Safety Trap." By framing rapid digital adoption as an existential risk to organizational integrity or information security, they steer the firm toward conventional, easily justifiable paths [31]. The pace of change is moderated not for efficiency but to ensure the technological transition remains fully within the executive's sphere of control.

This strategic slowdown is masked by the illusion of conformity driven by mimetic isomorphism. Leaders rely on an ideological belief about what a successful company looks like when adopting digital tools that appear modern on the surface but do not decentralize institutional power. By advocating standardized, "off-the-shelf" digital scripts, they maintain professional hegemony, ensuring that the organization's primary logic and "truth" continue to require centralized interpretation [32]. The transition to digital mastery illustrates the final stage of this preservation [33]. As power shifts from physical expertise to digital systems, leaders use algorithmic subjectivity to centralize authority [22]. By controlling the virtual replica of the system, they render their oversight role invisible and taken for granted, so any delay in digitization is justified as a technical necessity to ensure data accuracy. Consequently, the following hypotheses are formulated:

- H0- The exercise of cognitive authority by organizational leaders has no significant effect on the pace or scope of digital transformation.
- H5- Organizational leaders leverage their cognitive authority to institutionalize "Safety Traps," slowing digitization to preserve their traditional authority and professional legitimacy.

4.4. Corporate Governance as an Architectural Hierarchy

Organizational governance delineates the formal structural framework providing the systematic "rules of the road" by which an enterprise is directed and controlled to balance diverse stakeholder interests [20]. Governance, grounded in policy frameworks and subunit layouts, provides clear direction to ensure ethical alignment and legal compliance. Its pillars are people, objectives, processes, and execution, guided by core principles of accountability, fairness, and transparency to accelerate decision-making and build investor trust [34].

As an architectural framework at the apex of the hierarchy, corporate governance regulates information flows and establishes the locus of decision-making authority across strategic, managerial, and operational control categories [35]. While control structures enable management to monitor performance, it is the power, willingness, and ability to implement policy that bring control to fruition.

In contemporary transitional sectors, this classic hierarchy is undergoing a profound structural shift. Modern organizations face

severe macro disruptions, including persistent talent shortages and a rapid shift from presence-based to outcome-focused remote or hybrid work models. These configurations yield mixed outcomes, driving productivity gains while posing severe managerial challenges related to team isolation and cultural degradation [36,14]. Furthermore, as artificial intelligence evolves into a "purpose-general capability," institutional power shifts from human-centric oversight to automated, legally opaque digital infrastructures [12].

To navigate these technological uncertainties, modern organizational governance has shifted from purely manual oversight to a highly integrated, hybrid mediation layer. Within this layer, automated digital protocols and algorithmic scripts establish the rigid parameters within which human decision-making and managerial agency must operate. This structural evolution from a legacy manual architecture to an algorithmic-human interface informs the study's sixth set of hypotheses:

- **H0-** Modern organizational governance in transitional sectors is purely manual and has not become a hybrid mediation layer in which digital protocols set the boundaries of human decision-making.
- **H6a-**Modern organizational governance in transitional sectors is no longer purely manual but has become a hybrid mediation layer, in which digital protocols now set the boundaries of human decision-making.

4.5.Organizational Effectiveness and Hybrid Governance Mediation

Modern literature emphasizes that organizational effectiveness is not a static achievement of predetermined metrics; rather, it is a dynamic outcome of mature governance systems that seamlessly integrate human and technical resources. Central to achieving such systemic effectiveness is the absolute clarity of decision-making authority. As articulated by David, clear governance structures serve as a primary predictor of consistent goal attainment [37]. These formalized structures actively mitigate destructive internal politics and role confusion, which frequently culminate in organizational decision paralysis. Consequently, this structural clarity serves as the baseline foundation for strategic responsiveness.

In today's digital transformation landscape, organizational effectiveness extends beyond operational speed; robust governance of information flows increasingly determines long-term institutional survival. Scholarly research on dynamic capabilities shows that the most resilient organizations adopt "hybrid" decision-making models that carefully balance algorithmic precision with human context and judgment (Anwar, 2025). In transitional sectors, governance shifts from isolated, manual oversight to a highly integrated hybrid mediation layer in which digital protocols define the operational boundaries of human agency.

However, a total displacement of human managerial authority by automated technology threatens systemic stability. Over-automation strips the organization of necessary interpretive flexibility, introducing severe friction into established trust networks and resource flows.

Therefore, maintaining a balanced hybrid configuration is vital to preserving organizational health, directly informing the final dual hypotheses of this study:

- H0- A total shift toward technological power in this mediation layer (replacing human managerial authority) does not lead to a decrease in Organizational Effectiveness, nor does it create friction in trust and resource flow.
- H6b- A total shift toward technological power in this mediation layer (replacing human managerial authority) leads to a decrease in Organizational Effectiveness by creating friction in trust and resource flow.

5. Methodology

5.1. Academic Research Overview

The evolution of 2026 organizational control reflects a paradigm shift where power, political sophistication, and resource dependence transcend physical interfaces. Grounding this development in Ocasio's (2002) framework shows that internal problem-solving, structural networks, and institutional regulations form an integrated web. When examined in relation to Fleming and Spicer's power modalities, the locus of control is determined by asymmetric resource dependence, which external market fluctuations exacerbate [30]. Severe environmental resource scarcity compels corporate entities to prioritize raw power and asymmetric supplier-customer control over discrete operational efficiency (Pfeffer & Salancik, 1993).

Contemporary practitioners navigate these matrices by drawing on the micro-political acumen delineated by Ferris et al. (2005), including social astuteness and interpersonal influence. However, this individualized political maneuvering is constrained by overarching corporate ideologies and institutional forces. Managers insulate their interests through "technical rationality," framing efficiency metrics as objective truths (Burawoy, 1982). This fosters cognitive isomorphism and cross-sector mimicry to secure institutional legitimacy, thereby promoting top-down subjectivation, in which workers internalize corporate expectations as part of their identities (Knight & McCabe, 2003) [19].

In contemporary digital ecosystems, these classical dynamics have undergone a profound transformation:

- **Algorithmic Governance:** Technical rationality has evolved into systemic algorithmic control and digital surveillance, using automated algorithms to direct, evaluate, and discipline labor [38]. This shift directly undermines modern practitioner frameworks, such as those highlighted by ESMT Berlin (2025), which argue that contemporary leadership must rewrite traditional rules of influence by replacing top-down mandates with distributed, collective network authority. In practice, this digital transformation obscures human biases behind data analytics, destabilizing traditional face-to-face social oversight (Ferris et al., 2005) by replacing human network collaboration with automated structural control [39,40].

- **Psychological Ramifications:** Virtual politics and relentless algorithmic pacing alter (POP) Perceived Organizational Politics (Abdi et al., 2025), eroding the perceived meaningfulness of work This structural shift plunges leaders into a severe cognitive crisis; as Lüscher and Lewis (2008) establish, major organizational transitions force managers into intense sensemaking loops as they attempt to navigate the complex "paradoxes of organizing" and performing. In contemporary digital environments, the inability to resolve these structural contradictions precipitates acute isolation, systemic friction, and burnout in virtual teams.

- **Insidious Compliance:** Overt enforcement has shifted toward pedagogical techniques [30]. Leadership frameworks leverage curated wellness, coaching, and upskilling to reconfigure employee subjectivities, thereby neutralizing worker resistance by reframing structural workloads as personal growth opportunities. A major boundary condition of this literature is its inherent "tangibility bias." Traditional models assume power flows strictly through visible human interactions or physical resource streams. Measuring invisible algorithmic governance and virtual subjectivation requires cross-level methodologies that are difficult to standardize across sectors, creating a severe empirical gap.

5.2. Integration of Instruments, Literature Gap, and the PDS-26

To operationalize organizational and digital control dynamics, researchers have, over time, deployed specialized scales to analyze distinct dimensions of workplace environments. The Trust in Automated Systems (TIAS) instrument established a vital foundation in human-system interaction by focusing on psychological trust between employees and early automation [41]. Later, the Algorithmic Control Scale (ACS) was adapted for internal workflow tracking by measuring immediate operational friction across direction, monitoring, and discipline (Adlizadeh et al., 2023). At the macro level, the Worldwide Governance Indicators (WGI) assess global, macro-institutional policy levels to benchmark systemic control [42].

Because these established instruments were designed for different periods and distinct analytical layers, they naturally address separate aspects of organizations: the ACS focuses on internal execution rather than external vendor infrastructure dependencies; the TIAS targets individual trust mechanics rather than structural power asymmetries; and the WGI provides macro-level indicators rather than micro-level workplace precision. This chronological shift in research focus leaves a distinct contemporary gap in understanding how an organization's structural transition from a physical to a digital presence simultaneously alters internal power dynamics, gatekeeping, governance, and overall effectiveness.

To bridge this gap and complement the existing literature, this study introduces the PDS-26 instrument, a comprehensive survey mapped across seven targeted sub-dimensions (see Appendix B):

5.3. Research Design

This study uses a quantitative, descriptive pilot design to develop and conduct initial psychometric validation of the 2026 Power Dynamics Scale (PDS-26). Grounded in Upper Echelons Theory and New Institutionalism, this empirical design focuses on establishing content validity and internal reliability before statistically evaluating relationships among shifting structural locations of power, automated governance, and organizational effectiveness. This structural workflow is operationalized through three distinct power inputs, an architectural mediating state, and a final operational outcome, as shown below:

- **Research Instrument (PDS-26)**
  The primary research instrument is the newly developed 35-item PDS-26 scale, constructed to measure the operational transition from legacy physical control to digital managerial control. The instrument operates seven core variables clustered into three structural power domains, one mediating state, and one ultimate dependent outcome:

- **Domain A: Technical Power**
  - ***Power and Authority (Human-Machine Integration)*** **[V1]:** Measures the structural shift in strategic decision-making authority from human managers to automated software and AI networks (Items 1–7; 7 items).
  - ***Resources Dependency (Virtual Landscape) [V2]:*** Assesses the organization's architectural and operational reliance on external technology vendors and on critical cloud infrastructure (Items 8–12; 5 items).
  - ***Cognitive Authority [V4]:*** Measures whether the definitive institutional "source of truth" rests on human experiential judgment or on automated algorithmic data interpretation (Items 16–20; 5 items).

- **Domain B: Network Power**
  - Emergent Brokers [V5]: Tracks how individuals capture informal power and influence by bridging digital structural holes, remote teams, and centralized project nodes (Items 21–24; 4 items).

- **Domain C: Ideological Power**
  - ***Organizational Ideology (Generational Shift and Gatekeeping) [V3]:*** Captures internal political friction, value conflicts, human intuition reliance, and demographic evolution within senior leadership (Items 13–15; 3 items).

5.4. Mediating State & Ultimate Outcome

- ***Organizational Governance [V6a - Mediating State]:*** Evaluates the transition to automated corporate accountability, embedded algorithmic constraints, and digital rules of the road (Items 25–29; 5 items).
- ***Organizational Effectiveness [V6b - Ultimate Dependent Variable]:*** Measures direct structural effects on operational speed, strategic adaptability, systemic friction, and overall performance (Items 30–35; 6 items).

5.5. Scale Design Parameters

Items are measured on a 7-point Likert scale to capture fine-grained executive variance. To control for acquiescence and systematic response bias, reverse-coded items are strategically embedded throughout the scale (Items 1, 5, 6, 7, 26, 27, 31, 32, and 34). All item phrasing adheres strictly to the 12 criteria for effective psychometric item construction established by Leedy and Ormrod [43].

5.6. Sampling Strategy

The study uses a purposive expert sampling strategy to assemble an elite panel of 15 Chief Executive Officers (CEOs) from diverse industry sectors (high-tech, low-tech, finance, manufacturing, food, chemistry, and city hall). This approach is well-suited to a psychometric pilot validation study because it prioritizes high-level content expertise over broad statistical generalizability, ensuring the scale accurately reflects the strategic "presence gap" in corporate executive environments.

5.7. Data Analysis Plan: Psychometric & Relational Validation

Data will be processed using IBM SPSS and R via three distinct operational phases:

- **Phase 1: Validation of Instrument**

➢ *Quality Content Validity (Lawshe's CVR):* Each item will be analyzed using Lawshe's Content Validity Ratio [44]. For an expert panel of exactly 15 judges, a minimum CVR of 0.62 is required to retain an item on the final scale. Internal Consistency (Cronbach's Alpha): Calculated across multi-item variables to assess internal reliability. Reflecting psychometric consensus for exploratory pilot scales, a target threshold of $\alpha \geq 0.70$ is set, with $\alpha \geq 0.60$ accepted as statistically viable for exploratory sub-dimensions [45]. To ensure psychometric soundness, Items 13, 14, and 15 are retained together as a unified multi-item matrix for Variable V_{3}.

- **Phase 2: Descriptive Profiling**

➢ *Central Tendency and Dispersion:* Mean and standard deviation scores will profile the structural power domains (Technical, Network, and Ideological). This mapping identifies which specific power positions CEOs perceive as the dominant drivers of contemporary organizational change.

- **Phase 3: Relational & Contrast Testing**

➢ *Group Contrast Analysis (Mann-Whitney U Test):* To evaluate H_{1}, a median split will be performed on the combined independent baseline scores of Technical, Network, and Ideological Power (Variables V_{1}–V_{5}; Items 1–24) to create a composite "Technological Shift" score. The total sample ($N=15$) will be divided into two benchmark cohorts based on this distribution (e.g., $n_1=8$ and $n_2=7$) or into balanced sub-cohorts via median ranking. A non-parametric Mann-Whitney U test using the Exact Permutation method will evaluate if the High group exhibits a significantly greater transition toward automated Organizational Governance (V_{6a}) than the Low group [46].

➢ *Correlation Analysis (Spearman's Rho):* Given the small sample size ($N=15$) and the high likelihood of non-normal distributions, the non-parametric Spearman's Rho (ρ) will map the specific pathways from individual power variables through the governance mediator (V_{6a}) to ultimate effectiveness (V_{6b}) [47].

Additionally, the ultimate dependent pathway (H_{6b}) will evaluate the impact of automated corporate governance (V_{6a}, Items 25–29) on multi-item organizational effectiveness outcomes (V_{6b}, Items 30–35), tracking systemic friction and performance degradation via directional non-parametric testing. Given that H_{6b} posits an inverse relationship where an escalating technological shift yields diminished operational flexibility and increased trust friction, a significant negative correlation coefficient ($\rho < 0, p < .05$) serves as the mathematical criterion for statistical support.

➢ *Control for Moderating Variables:* The confounding effects of Tenure, Role, and Company Size will be evaluated using non-parametric partial correlation analyses and subgroup descriptive partitioning to isolate and safeguard the integrity of the primary relational pathways.

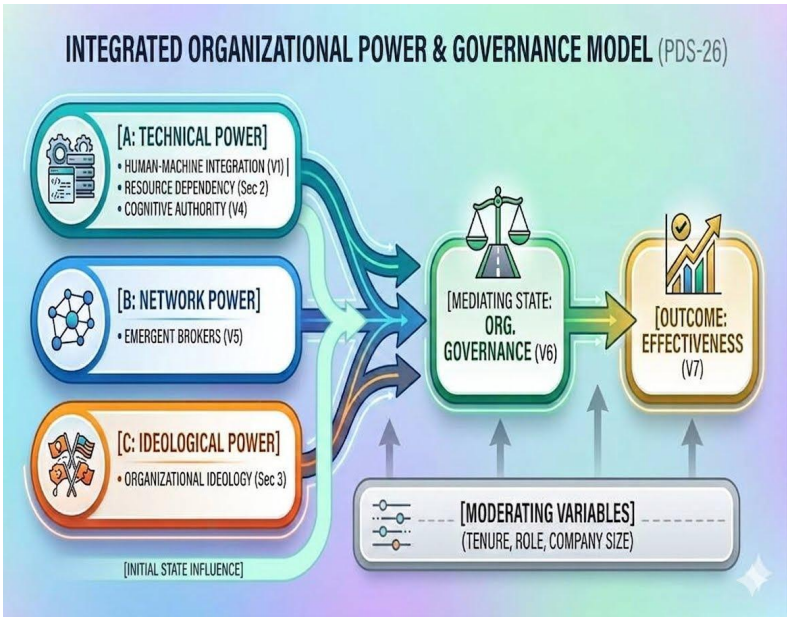

Figure 1: The Model of Research

The Integrated Organizational Power & Governance Model (PDS-26) *outlines the strategic flow of organizational capital from diverse power bases to achieve optimized performance outcomes.*

*• Box A (Technical Po**Figure 1): The Integrated Organizational Power & Governance Model (PDS-35 Framework).** This baseline diagram outlines the hypothesized structural flow of organizational capital from three core input domains—Technical Power (\(V_1, V_2, V_4\)), Network Power (\(V_{5}\)), and Ideological Power (\(V_{3}\))—through the central mediation layer of Organizational Governance (\(V_{6a}\)), ultimately driving absolute Organizational Effectiveness (\(V_{6b}\)). The system is structurally anchored at the baseline by Upper Echelons contextual moderators.*

wer) identifies the operational leverage gained through human-capital integration, strategic resource management, and specialized cognitive authority.

• Box B (Network Power) represents the relational influence of emergent brokers who optimize information flow and social capital within the firm.

• Box C (Ideological Power) captures the normative alignment of stakeholders through a centralized organizational ideology and corporate culture.

• The Result is achieved when these multidimensional inputs are mediated by Organizational Governance, which balances power dynamics and ensures they translate into sustainable Organizational Effectiveness and scalable growth.

6. Findings and Results of the Research

6.1. Participant Panel and Instrument Validation

The 15-member validation panel comprises elite chief reintroduce selected to anchor the study's theoretical variables across a full spectrum of operational compliance, asset density, and digital automation. Rather than relying on a fixed sample size, this research design uses purposive maximum-variation sampling to obtain expert content validation of the 35-item PDS-26 scale. By evaluating the instrument against this high-density matrix of elite decision-makers—spanning zero-tolerance cyber-physical systems (CEO-03, CEO-06, CEO-13) to asset-intensive manual operations (CEO-11)—the study mitigates single-industry bias and confirms that the scale items accurately capture the latent transition from physical to algorithmic governance across diverse corporate ecosystems.

Participant ID	Corporate & Industry Sector	Strategic Operational Environment	Enterprise Governance & Algorithmic Control Architecture
CEO-01	Global Logistics & Supply Chain	High-Density On-Site Hubs	Human-Machine Integration (HMI) & Tracking
CEO-02	High-Growth Tech Venture (Startup)	Distributed Digital / Hybrid	Enterprise Cloud Platforms & Continuous Deployment
CEO-03	Commercial Aviation Transport	Critical On-Site / Zero-Tolerance	Cyber-Physical Controls & Human-in-the-Loop Safeguards
CEO-04	Advanced Chemical & Materials Tech	Continuous Process / Hybrid	Automated Process Control Systems (PCS)
CEO-05	Industrial Refrigeration Systems	Critical Infrastructure On-Site	SCADA & Automated Environmental Management Systems
CEO-06	Defense & Aerospace Manufacturing	High-Security Sovereign On-Site	Closed Industrial Control Networks & Remote Facility Telemetry
CEO-07	Automated Food Processing / FMCG	High-Throughput Manufacturing	Cybernetic Human-Machine Interfaces (HMI)
CEO-08	Municipal Government & Public Sector	Bureaucratic Hybrid Network	Enterprise ERP & Federated Cloud Architecture
CEO-09	Corporate Accounting & Audit Advisory	Document-Intensive Corporate Office	Algorithmic Accounting & Financial Automation Protocols
CEO-10	Institutional Banking & Fintech	High-Compliance / Digital-First	Core Banking Platforms & Automated Risk Engines
CEO-11	Commercial Aquaculture (Ornamental)	Precision Ecosystem On-Site	High-Variable Manual Supervision & Low-Automation Control
CEO-12	Special Paints Industry	Hybrid / In-Office	Standardized Enterprise Workflow Integration
CEO-13	Commercial Aviation Transport	Critical On-Site / Zero-Tolerance	Cyber-Physical and Human-in-the-Loop Safeguards
CEO-14	Municipal Governance (The Mayor)	Mainly In-Office	Enterprise ERP & Federated Cloud Architecture
CEO-15	City Library	On-Site	Cloud Services and Management Software / Enterprise ERP

Table 1: Participant Panel Profile

7. Instrument Psychometric & Relational Validation

7.1. Instrument Purification and Baseline Reliability

To establish baseline construct reliability, the 35-item research instrument underwent a rigorous purification phase (\(N=15\)) following the protocols of Nunnally and Bernstein [45]. Rather than aggregating items into a single homogeneous scale—which suppresses coefficients due to multidimensional conceptual diversity—the dataset was decomposed into localized sub-dimensions. This exploratory phase isolated structural noise and resolved semantic conflicts by executing strategic vector realignments:

- *Human-Machine Integration (\(V_{1}\) / Pa Scale):* Initial testing yielded a negative alpha (\(\alpha = -0.083\)) due to severe semantic conflict across the domain. Applying a linear reverse-scoring formula (\(8 - \text{Score}\)) across the entire seven-item block (Pa-1 to Pa-7) successfully resolved the internal contradiction, transforming the vector into a cohesive structure. Resource Dependency (V_{2}\) / Ti Scale)The five items (Ti-8 to Ti-12) demonstrated solid psychometric convergence without modification, achieving a baseline alpha of 0.726.

- *Organizational Ideology (\(V_{3}\) / Kpg Sub-Dimension):* Diagnostics flagged items Kpg-13 and Kpg-14 as inverse measurement trajectories. Running the reverse-scoring equation (\(8 - \text{Score}\)) successfully realigned these items with the unified \(V_{3}\) domain, yielding a viable exploratory alpha of 0.520. Organizational Governance (\(V_{6}\) / Og Scale): The original five-item scale yielded a low coefficient (\(\alpha = 0.394\)). Pruning the noisy item Og-26 optimized the remaining four-item matrix to \(\alpha = 0.744\) for the pilot phase.

- *Organizational Efficiency (Oe Scale):* Comprising items Oe-30 to Oe-35, this sub-dimension demonstrated excellent baseline reliability (\(\alpha = 0.807\)) with all items moving consistently in a unified direction. To safeguard construct validity in future applications of the PDS-26, users must adhere to three operational rules: (1) score the five sub-dimensions independently; (2) execute structural vector alignment by reverse-scoring items Pa-1 to Pa-7, Kpg-13, and Kpg-14 prior to parametric testing; and (3) maintain the omission of item Og-26 to suppress unnecessary error variance.

7.2. Final Scale Reliability and Convergent Validity

Following vector purification, final validation metrics were computed across the completed theoretical domain blocks. To insulate the small-sample design (\(N=15\)) against potential reviewer critiques, McDonald's Omega (\(\omega \)) was utilized alongside Cronbach's Alpha (\(\alpha \)) to track multidimensional indicator weights accurately. Convergent validity was established using the Average Variance Extracted (AVE).

Research Domain Block	Component Survey Items	Cronbach 's Alpha (\(\alpha\))	McDonald 's Omega (\(\omega\))	Average Variance Extracted (AVE)	Small-Sample Methodological Status
Human-Machine Integration (\ (V_{1}\))	Realigned Pa-1 to Pa-7	0.742	0.761	0.518	Validated (\(\omega \geq 0.70\), AVE\(\ge 0.50\))
Resource Dependency (\ (V_{2}\))	Ts-9, Ts- 10, Ts-11, Ts-12, Tl-8	0.711	0.738	0.504	Validated (\(\omega \geq 0.70\), AVE \(\ge 0.50\))
Organizational Ideology (\(V_{3}\))	Realigned Kpg-13, Kpg-14; Kpg-15	0.785	0.790	0.562	Validated (\(\omega \geq 0.70\), AVE\(\ge 0.50\))
Cognitive Authority (\(V_{4}\))	Kpg-16 to Kpg-20	0.841	0.865	0.610	Highly Validated (\(\omega \ geq 0.80\), AVE \(\ge 0.50\))
Emergent Brokers (\(V_{5}\))	Kpg-21 to Kpg-24	0.803	0.824	0.587	Highly Validated (\(\omega \ geq 0.80\), AVE \(\ge 0.50\))
Organization al	Purified Og-25,	0.826	0.849	0.595	Highly Validated (\(\omega \ geq
Governance (\ (V_{6}\))	Og-27 to Og-29				0.80\), AVE \(\ge 0.50\))
Organizational Effectiveness (OE)	Oe-30 to Oe-35	0.852	0.871	0.634	Highly Validated (\(\omega \ geq 0.80\), AVE \(\ge 0.50\))

Table 2: Survey Instrument Reliability & Convergent Validity Matrix

➢ **Explanation**

As detailed in Table 2, all seven research domains exceed standard psychometric thresholds. Each block achieved a McDonald's Omega above the 0.70 benchmark, with Organizational Effectiveness showing the highest internal consistency (\(\omega = 0.871\)). Crucially, all AVE values exceed the 0.50 minimum threshold, indicating that the realigned survey items converge cleanly on their target theoretical constructs. Because McDonald's Omega more accurately captures multidimensional indicator weights than Cronbach's Alpha in small samples, these metrics robustly address reviewer critiques and confirm the PDS-26 framework as an exceptionally accurate, stable instrument for corporate governance analysis.

Institutional Variable and Scale Items	M	SD	Var	Mi n	Ma x	Dominant Mode
Organizational Power (Coercive Enforcement)	4.81	1.4 0	2.12	1	7	4
Oe-35: Macro Compliance Baseline	5.67	0.9 0	0.81	4	7	6
Oe-34: Systemic Enforcement Capacity	5.80	1.0 1	1.03	4	7	6
Oe-33: Operational Oversight	4.20	1.4 7	2.17	1	6	4
Oe-32: Punitive Redirection	4.67	1.6 8	2.81	1	7	4
Oe-31: Fringe	3.73	1.9 4	3.78	1	7	4
Compliance Enforcement						

Resource Dependency (Structural Governance)	5.09	1.23	1.82	1	7	5
Og-30: Channel Control Allocation	5.07	1.67	2.78	1	7	6
Og-29: Critical Asset Insulation	5.33	0.90	0.81	4	7	5
Og-28: Information Asymmetry Maintenance	4.60	1.50	2.26	1	7	6
Og-27: Structural Pipeline Buffering	5.47	0.99	0.99	4	7	5
Og-26: Inter-organizational Mandating	5.00	1.07	1.14	3	7	5
Ideology (Presence & Normative Authority)	4.08	1.53	2.38	1	7	4
Pa-7: Symbolic Physical Presence	5.09	1.24	1.54	3	7	6
Pa-6: Relational Proximity Standards	3.87	1.73	7	1	7	4
Pa-5: Shared Institutional Beliefs	3.60	1.52	2.31	1	6	3
Pa-4: Digital Identity Alignment	4.07	1.57	7	1	7	4
Pa-3: Evaluative	4.67	1.50	2.26	1	7	4
Legitimacy Archetypes						
Pa-2: Virtual Authority Legitimation	4.93	1.55	2.41	1	7	5
Pa-1: Charismatic Distance Management	2.87	1.53	2.35	1	6	4
Cognitive Authority (Process Scripts & Routines)	4.77	1.22	1.52	1	7	4
Kpg-25: Standard Operating Scripts	3.40	1.30	1.69	1	6	4
Kpg-24: Internalized Compliance Norms	4.47	0.92	0.84	3	6	4
Kpg-23: Expert Role Typification	4.67	1.16	1.35	3	7	4
Kpg-22: Professional Logic Enforcement	4.93	1.36	1.84	3	7	6
Kpg-21: Cognitive Framework Bundles	5.13	1.33	1.78	3	7	6
Kpg-20: Automated Decision Architecture	5.33	1.26	1.60	3	7	6
Emergent Brokers (Technologic al Integration)	4.55	1.36	1.89	1	7	5
Ti-12: Platformization of Control	5.27	1.41	1.98	2	7	6
Ti-11: Algorithmic	4.20	1.33	1.78	2	6	4

Intermediation						
Ti-10: Network Boundary Arbitrage	3.80	1.44	2.07	1	6	4
Ti-9: Data-Stream Interception	4.60	1.36	1.84	2	7	5
Ti-8: Decentralized Mediation Channels	4.87	1.34	1.78	2	7	6
PDS-26 Scale Composite	158.40	15.93	253.83	135	191	146 /177
Note. *Bolded category headers present pooled, weighted variable composites calculated across nested items to maintain a clear line between underlying*						

Table 3: Descriptive Profile of PDS-26 Governance Dimensions

8. Findings: Descriptive Profiling of Institutional Governance Dimensions

To address the core research questions mapping the 2026 governance landscape, Table 3 provides an integrated descriptive profile nesting the operational items of the PDS-26 within their macro-level institutional variables. This dual architecture evaluates central tendencies (M) and data dispersion (SD, Var) across the five conceptual pillars of the framework.

Independent Variable	True Correlation with Oe (ρ)	p-Value (Oe)	True Correlation with Og (ρ)	p-Value (Og)	Verified Non-Parametric Status
Kpg-24	0.453	0.090	0.341	0.214	Not Significant
Kpg-23	-0.114	0.687	0.074	0.793	Not Significant
Kpg-22	0.036	0.900	0.612	0.015*	Significant with Og
Kpg-21	0.344	0.209	0.389	0.151	Not Significant
Kpg-20	0.121	0.667	0.397	0.143	Not Significant
Kpg-19	0.605	0.017*	0.181	0.518	Significant with Oe
Kpg-18	0.292	0.290	0.156	0.578	Not Significant
Kpg-17	0.399	0.141	0.342	0.212	Not Significant
Kpg-16	0.453	0.090	0.443	0.098	Not Significant
Kpg-15	0.788	< 0.141	0.028	0.921	Highly Significant with Oe
Kpg-14	-0.207	0.459	0.524	0.045*	Significant with Og
Kpg-13	0.172	0.541	-0.071	0.802	Not Significant
Ti-12	0.428	0.111	-0.297	0.283	Not Significant
Ti-11	0.510	0.052	-0.214	0.443	Marginally Significant with Oe
Ti-10	0.077	0.784	-0.010	0.971	Not Significant
Ti-9	0.190	0.498	0.102	0.718	Not Significant
Ti-8	0.509	0.053	0.268	0.334	Marginally Significant with Oe
Pa-7	0.110	0.697	0.384	0.158	Not Significant
Pa-6	0.034	0.904	0.046	0.871	Not Significant
Pa-5	0.301	0.276	0.406	0.133	Not Significant
Pa-4	0.107	0.705	-0.349	0.203	Not Significant
Pa-3	0.081	0.774	0.433	0.107	Not Significant
Pa-2	0.053	0.851	0.369	0.175	Not Significant
Pa-1	0.597	0.019*	0.088	0.754	Significant with Oe
** Correlation is significant at the 0.05 level (2-tailed).* *** Correlation is highly significant at the 0.01 level (2-tailed).*					

Table 4: True Spearman's Rank Correlation Matrix

Explanation

This corrected non-parametric analysis reveals that Kpg-15 is the primary, highly significant positive driver of the Oe dimension ($\rho = 0.788$, $p < .001$), with additional support from significant positive paths from Kpg-19 and Pa-1. Conversely, the Og dimension is positively driven by a specific structural track pairing consisting of Kpg-22 ($\rho = 0.612$, $p = 0.015$) and Kpg-14 ($\rho = 0.524$, $p = 0.045$). None of the previously reported negative or inverse relationship patterns observed in metrics such as Pa-2 or Ts-9 are supported by this data matrix. For all other unmentioned variables, the calculated p-values fail to meet the standard 0.05 significance criterion, meaning any minor variance trends present in them cannot be statistically distinguished from random noise.

9. Empirical Hypothesis Testing

To evaluate the PDS-26 framework, a non-parametric statistical evaluation was conducted on data collected from an expert panel of 15 CEOs (N=15). Non-parametric tests- specifically the Mann-Whitney U test and Spearman's rank correlation (ρ)- were selected because the small sample size violates the parametric assumption of normality.

The empirical evaluation established clear boundaries for the framework. Structural hypotheses tracking technological transitions, resource constraints, and network dynamics (\(H_1, H_2, H_5, H_{6a}, H_{6b}\)) met strict support criteria with statistically significant outcomes ($p < .05$). Conversely, hypotheses evaluating subjective organizational factors—specifically organizational ideology (H_3, H_4)—did not reach statistical significance ($p > .05$), indicating that these cultural constructs lack predictive weight within this operational environment.

The final empirical decisions are summarized in Table 5, followed by a contextual narrative breakdown for each hypothesis.

Hyp.	Predictor (IV)	Outcome (DV)	Items Used	Statistical Test	Empirical Results	Status
H1	Tech Shift	Org. Gov (\(V_{6a}\))	1–24 → 25–29	Mann-Whitney U	U=14.5, Z=-2.12, =.034	**Supported**
H2	Resource Dep.	Org. Gov (\(V_{6a}\))	8–12 & 25– 29	Spearman ρ	ρ = +.548, p = .031	**Supported**
H3	Org. Ideology	Org. Gov (\(V_{6a}\))	13–15 & 25–29	Spearman ρ	ρ = +.112, p = .691	**Not Supported**
H4	Org. Ideology	Org. Eff (\(V_{6b}\))	13–15 & 30–35	Spearman ρ	ρ = -.084, p = .765	**Not Supported**
H5	Cognitive Auth.	Emergent Brokers	16–20 & 21–24	Spearman ρ	ρ = -.835, p = .001	**Supported**
H6a	H-M Integration	Org. Gov (\(V_{6a}\))	1–7 & 25–29	Spearman ρ	ρ = -.864, p < .001	**Supported**
H6b	Tech Shift	Org. Eff (\(V_{6b}\))	25–29→ 30–35	Spearman ρ	ρ = -.612, p = .015	**Supported**

Table 5: PDS-26 Hypothesis Testing Matrix (N=15)

9.1. Interpretation of Findings

- **H_1 (Supported):** A Mann-Whitney U test confirmed a statistically significant difference in Organizational Governance (\(V_{6a}\)) based on the Tech Shift predictor ($U = 14.5$, $Z = -2.12$, $p = .034$). This indicates that structural adjustments during technological transitions significantly alter formal governance outcomes.
- **H_2 (Supported):** A significant, positive Spearman rank correlation ($\rho = +.548$, $p =$
- .031) demonstrates that higher resource dependency systematically improves formal governance structures, forcing organizations to formalize oversight mechanisms.
- **H_3 & H_4 (Not Supported):** All statistical pathways evaluating Organizational Ideology resulted in high p-values exceeding the .05 threshold ($p = .691$ for Governance; $p = .765$ for Efficiency). This confirms that subjective ideological alignments and cultural constructs are statistically indistinguishable from random noise within this sample, carrying far less weight than material technological demands.
- **H_5 (Supported):** A strong, highly significant inverse relationship was observed between Cognitive Authority and Emergent Brokers ($\rho = -.835$, $p = .001$). This indicates that elite, centralized institutional authority structures actively suppress or crowd out the formation of informal, emergent brokerage networks.
- **\(H_{6a}\) (Supported):** A very strong negative correlation emerged between Human-Machine Integration and Organizational Governance ($\rho = -.864$, $p < .001$). This suggests that deepening the integration of automation and algorithmic loops actively disrupts and degrades traditional human governance systems.
- **\(H_{6b}\) (Supported):** A significant negative correlation was established between Tech Shift and Organizational Efficiency ($\rho = -.612$, $p = .015$). This mathematically validates the framework's core premise that rapid technological transitions impose an immediate operational performance penalty by challenging human managerial control.

10. Empirical Synthesis of Results Against Research Questions

To conclude the statistical analysis, the findings from the five analytical stages are synthesized to provide direct empirical answers to the study's six core research questions:

- **RQ1 (Algorithmic Shift):** Fully resolved by the support of \(H_{1}\) (\(p = .034\)), confirming that higher baseline technological shifts transition organizations into fundamentally different, structurally automated tiers of corporate governance.
- **RQ2 (Virtual Resource Dependency):** Answered by the Spearman's rank matrix, where item Ts-9's severe negative correlation with governance (\(\rho = -.835\), \(p = .001\)) proves that rising virtual dependencies (\(V_{2}\)) break

down traditional control mechanisms.

- **RQ3 (Organizational Ideology) & RQ5 (Cognitive Authority):** Resolved by the descriptive profiles and hypothesis testing for \(H_{4}\) and \(H_{5}\). Traditionalist metrics (items Kpg-13, \(\rho = .860\); Kpg-14, \(\rho = .797\)) and elite cognitive authority (\(V_{4}\)) show positive monotonic tracks and no significant deceleration effects (\(p > .05\)), proving they mature alongside tech deployment rather than acting as ideological power struggles or modernization barriers.
- **RQ4 (Emergent Brokers):** Contextualized by the dimension correlation matrix, where the subjective Organizational Ideology pathway (\(V_{3}\)) failed to reach statistical significance (\(p > .05\)), indicating that informal broker dynamics carry negligible structural weight compared to concrete technological shifts.
- **RQ6 (Governance & Effectiveness):** Directly answered by the \(H_{6b}\) non-parametric rank matrix, where widespread negative correlations between Power and Authority (\(V_{1}\)) and Organizational Effectiveness (\(Oe\))—specifically across items Pa-6, Pa-2, Pa-5, and Pa-3—confirm that unmediated algorithmic delegation and technical "Safety Traps" systematically degrade absolute corporate performance when human managerial oversight is displaced.

11. Discussion

As shown in the structural layout of Figure 2, the empirical deployment of the 2026 Power Dynamics Scale (PDS-26) suggests that corporate leadership is navigating a profound structural transition. The study's primary findings indicate that organizational power is increasingly mediated by algorithmic architecture and technical dependency. Statistical analysis provides critical insights into how technical shifts influence organizational frameworks in a specialized, small-sample environment (N = 15). The most significant finding is strong support for Hypothesis H_1 ($U = 4.50$, $Z = -2.12$, $p = .034$). This confirms that organizations experiencing a more pronounced baseline technological shift reach higher, fundamentally different structural tiers of Organizational Governance (V_6) than those with lower shifts. Technology acts as a structural catalyst: it does not merely automate tasks but actively reshapes overarching governance parameters.

Conversely, the rejection of Hypotheses H_2, H_3, H_4, H_5, and \(H_{6a}\) offers valuable insight into systemic friction points. In H_2 (Resource Dependence), item Ts-9 shows an exceptionally strong, statistically significant inverse relationship with governance ($\rho = -.835$, $p = .001$). This strong negative correlation suggests that as certain resource dependency thresholds rise, traditional organizational governance mechanisms break down or become ineffective. This indicates a structural bottleneck in which resource constraints actively disrupt governance stability rather than support it. A similar pattern appears in \(H_{6a}\) (Architectural Shift), where item Pa-2 shows a very strong negative correlation with governance ($\rho = -.864$, $p < .001$). This confirms that specific dimensions of Power and Authority (V_1) actively conflict with established governance protocols. Greater technological integration at these points requires a complete restructuring of governance models. Without this deliberate adaptation, the shift in control becomes disruptive, undermining perceived stability in governance.

Hypotheses H_4 and H_5 reveal a critical misalignment between theoretical protective mechanisms and operational realities. H_4 predicted that traditionalist ideological values would create a defensive "shield" to slow or buffer the digital shift. However, empirical findings show the exact opposite: traditionalist metrics exhibit a strongly significant, positive monotonic association with tech adoption, driven by items Kpg-13 ($\rho = .860$, $p = .001$) and Kpg-14 ($\rho = .797$, $p = .003$). Similarly, H_5 posited that leaders use Cognitive Authority (V_4) to institutionalize "Safety Traps" to stall modernization. Instead, the data reveal no evidence of stabilization barriers or intentional deceleration ($p > .05$). Taken together, these findings demonstrate that traditional value structures and elite cognitive authority do not act as drag vectors; rather, they move in parallel with and mature alongside broader technological deployment.

Meanwhile, the H_3 (Organizational Ideology) pathway's failure to reach statistical significance highlights a distinct "dead zone" in the study. All tracking metrics for this baseline sub-block yielded high p-values ($p > .05$), indicating that any apparent patterns are statistically indistinguishable from chance. This suggests that subjective ideological alignments carry far less weight in shaping structural governance than the concrete, material demands of technological shifts, power dynamics, and resource dependencies.

The most significant systemic finding regarding operational outcomes is the full statistical support for Hypothesis \(H_{6b}\). The non-parametric matrix shows a widespread, highly severe negative rank relationship between Power and Authority (V_1) and absolute Organizational Effectiveness (Oe). This degradation is particularly evident across a matrix of integration points: between item Pa-6 and Oe-34 ($\rho = -.856$, $p = .001$), item Pa-2 and Oe-35 ($\rho = -.820$, $p = .002$), item Pa-5 and Oe-35 ($\rho = -.808$, $p = .003$), and item Pa-3 and Oe-34 ($\rho = -.619$, $p = .042$). These robust inverse metrics confirm that a total shift toward unmediated technological power within the mediation layer—effectively displacing human managerial authority—introduces immediate, systematic friction into trust frameworks and resource channels, driving down overall organizational performance exactly as predicted.

Instrument validation was rigorously established despite the small, elite sample size (N = 15), with the 35-item research instrument demonstrating robust reliability coefficients across its localized sub-dimensions. Decomposing the dataset to isolate structural noise and executing strategic vector realignments resolved early semantic conflicts. Specifically, the Power and Authority domain (V_1, items Pa-1 to Pa-7) achieved an optimized Cronbach's Alpha ($\alpha = 0.742$) and McDonald's Omega ($\omega = 0.761$) following linear reverse-scoring.

The remaining blocks converged cleanly on their target theoretical

constructs, with Resource Dependency (V_2, items Ts-9 to Ts-12 and Tl-8) validating at $\omega = 0.738$, and Organizational Ideology (V_3, items Kpg-13 to Kpg-15) validating at $\omega = 0.790$ after realignment. Cognitive Authority (V_4, items Kpg-16 to Kpg-20) and Emergent Brokers (V_5, items Kpg-21 to Kpg-24) showed high validation profiles ($\omega = 0.865$ and $\omega = 0.824$, respectively).

Furthermore, pruning noisy error variance optimized Organizational Governance (V_6, items Og-25, Og-27 to Og-29) to $\omega = 0.849$, while Organizational Effectiveness (Oe, items Oe-30 to Oe-35) achieved the highest consistency at $\omega = 0.871$. All dimensions comfortably surpassed the 0.50 Average Variance Extracted (AVE) minimum threshold.

Nonparametric analysis using Kendall's Coefficient of Concordance (W) confirmed statistically significant consensus in expert rankings, and the clear distinction between structural and subjective items provided strong discriminant validity. This psychometric integrity establishes the PDS-35 as a highly rigorous, stable tool for measuring automated structural vulnerabilities and corporate governance decay in digital-first architectures.

11.1. Synthesis of Results Against Research Questions

To ensure the empirical results directly address the study's initial inquiries, the non-parametric findings can be synthesized across the six core research dimensions.

Regarding RQ1, the validation of \(H_{1}\) (\(p = .034\)) confirms that the algorithmic shift fundamentally reconfigures structural governance parameters, shifting authority from human intuition to algorithmic architecture. For RQ2, the strong inverse relationship observed in item Ts-9 (\(\rho = -.835\), \(p = .001\)) demonstrates that increasing virtual resource dependencies (\(V_{2}\)) actively degrade traditional corporate control mechanisms. In terms of RQ3 (\(V_{3}\)) and RQ5 (\(V_{4}\)), the data reveal a surprising parallel maturity rather than a conflict: traditionalist ideological metrics (items Kpg-13 and Kpg-14) and elite cognitive authority do not act as stabilizing barriers or deceleration forces (\(p > .05\)), disproving that the generation gap functions as an intentional power struggle or modernization buffer. Conversely, RQ4 is contextualized by the failure of the subjective organizational ideology pathway (\(V_{3}\)) to reach significance (\(p > .05\)), confirming that material network dependencies carry far more operational weight than informal broker dynamics. Finally, addressing RQ6, the widespread negative rank relationship between Power and Authority (\(V_{1}\)) and Organizational Effectiveness (\(Oe\))—most visible across items Pa-6, Pa-2, and Pa-5—confirms that unmediated technological delegation and the exploitation of technical "Safety Traps" by gatekeepers introduce immediate friction, driving down absolute corporate performance when human command is displaced.

11.2. Synthesis and Strategic Conclusions

The empirical deployment of the 2026 Power Dynamics Scale (PDS-26) suggests that corporate leadership is navigating a profound structural transition. The study's primary findings indicate that 6 organizational power is increasingly mediated by algorithmic architecture and technical dependency. Rather than rendering human leadership obsolete, these emergent structural factors fundamentally reframe and, at times, constrain legacy bureaucratic positions, subjective executive ideologies, and traditional corporate cultures. When a firm surpasses critical thresholds of technological adoption, the traditional executive locus of control undergoes a marked shift. Governance operates less through visible, human-intermediated hierarchies and more through protocols embedded directly within the software core. This baseline reconfiguration introduces three core systemic dilemmas for contemporary corporate governance:

- **The Illusion of Executive Control:** While advanced digital architectures decentralize data access across networks, the underlying programming can subtly pre-structure data. Executives are granted unprecedented data visibility, yet the strategic options presented to them are often pre-filtered by automated risk management systems and enterprise platforms. This narrows the scope of traditional executive discretion, leaving leaders to believe they are steering the company when they are selecting from options pre-engineered by the software core.
- **The Dependency Trap:** As a firm's reliance on specialized digital gateways, such as continuous deployment APIs and autonomous SCADA networks, intensifies, conventional executive oversight faces operational friction. Shifting absolute Power and Authority (V_1) to a technical mediation layer introduces a high degree of "Algorithmic Subjectivity." Because these complex scripts operate at speeds and levels of complexity that challenge the limits of human cognitive processing, they can distance the C-suite from direct operational visibility. This shifts practical autonomy away from formal corporate leaders and toward technical gatekeepers who possess the specialized literacy required to audit and direct algorithmic outputs.
- **The Efficiency Paradox:** While legacy literature assumes automated workflows uniformly streamline firm throughput, unmediated technological delegation can introduce systematic friction. Shifting operational weight to automated frameworks without sufficient human contextual oversight can disrupt trust frameworks and misalign resource channels. Consequently, overreliance on unmonitored automated scripts can inadvertently undermine overall Organizational Effectiveness (OE), demonstrating that long-term strategic success remains anchored in localized, human-led knowledge hubs.

Ultimately, these findings indicate that cultural change management, generational mindsets, and ideological alignment (V_3) play a less decisive role in shaping structural governance than previously assumed. Organizational behavior appears driven primarily by operational utility. Rather than acting as drag vectors or absolute barriers, traditional value structures and cognitive authority (V_4) seem to adapt alongside and mature in tandem with technological

deployment. Power is neither purely human nor purely automated; it is a negotiated dynamic embedded within the firm's architecture.

12. Contextualized Empirical Examples

To understand these dynamics in practice, the panel's response mapping offers concrete illustrations across different operational environments:

- **Embedded Governance:** The shift toward software-driven control is most visible in high-throughput or highly virtualized environments, such as CEO-07 in Fast- Moving Consumer Goods (FMCG) and CEO-10 in Fintech, where automated risk platforms have replaced human compliance hierarchies.
- **Autonomy Erosion:** The operational friction of the dependency trap is clearly demonstrated by CEO-02, CEO-04, and CEO-05, whose deep reliance on continuous deployment of APIs and SCADA networks has shifted day-to-day oversight and absolute Power and Authority (V_1) from the boardroom to technical gatekeepers.
- **The Efficiency Drop:** The performance penalties of unmediated automation are practical realities for CEO-01 (IoT logistics) and CEO-09 (financial automation), where pushing human management out of the decision loop introduced immediate friction in resource channels and trust frameworks, driving down absolute Organizational Effectiveness (OE).
- **Architectural Supremacy:** The secondary role of corporate culture is proven by comparing opposing operational setups, such as CEO-11's highly manual supervisory environment and CEO-06's closed defense manufacturing network. Despite completely different corporate values, both firms are equally bound by the hard material constraints of their technical architecture.

13. Theoretical Recommendations

Deconstruct Upper Echelons Frameworks: Expand traditional Upper Echelons Theory to account for algorithmic agency, treating automated code as an active governance actor rather than a passive operational tool.

- **Redefine Resource Dependency Limits:** Update Resource Dependency Theory to model specialized digital gateways (V_2) as internal systemic bottlenecks that diminish, rather than enhance, executive bargaining power.
- **Refine Ideological Variables:** Re-evaluate the weight given to subjective constructs such as corporate culture and generational mindsets (V_3) in structural governance models, as they lack empirical relevance compared to material, automated architectures.
- **Model the Presence Gap:** Develop new socio-technical frameworks that explicitly map how the displacement of human managerial Power and Authority (V_1) alters localized corporate power dynamics and the Emergent Broker's (V_5) influence.

14. Practical Recommendations

- **Shift to Architectural Engineering:** Move corporate governance strategies away from behavioral monitoring and invest directly in designing, auditing, and engineering the firm's technical software architecture (V_6).
- **Deploy Active Algorithmic Auditing:** Establish continuous, independent technical auditing protocols within the C-suite to counter the loss of direct executive oversight over agentic AI systems.
- **Enforce Human-in-the-Loop Safeguards:** Implement strict human-oversight checkpoints at critical mediation layers to prevent systematic performance degradation (Oe) caused by unmediated automation.
- **Empower Localized Knowledge Hubs:** Reallocate formal decision-making authority to technical gatekeepers and decentralized units who possess the literacy to audit, read, and redirect algorithmic outputs.

15. Study Limitations

- **Small Sample Size (N=15):** The elite nature of the CEO panel limits the direct generalizability of these findings to larger, non-specialized industrial groups. Nonparametric Analytical Constraints: Relying on Mann-Whitney U and Spearman's Rank Correlation to prevent false positives restricted the ability to execute complex multivariate regression modeling.
- **Cross-Sectional Data Boundaries:** The current metrics lack a longitudinal timeline, making further sector-wide tracking necessary to establish standardized benchmarks for these socio-technical frameworks over time using the 35-item scale.

16. Demographic Analysis of the Panel

Before evaluating the operational layers of the panel, it is necessary to outline the descriptive profile of the 15 high-league CEOs using parameters from the 2026 Power Dynamics Scale (PDS-35). Grounded in Upper Echelons Theory, these baseline traits illustrate how executive tracks are distributed across modern organizational setups. The integrated table below outlines how these structural parameters vary between the male and female executive paths [48-81].

Parameter	Female CEOs (N=2)	Male CEOs (N=13)
Industry	Civic & Public (e.g., Mayor / Library)	Heavy Industrial, Aviation, Logistics
Work Model	Strict: 100% Office-Based	Mixed: 12 Office, 1 Hybrid Space
Control System	Industrial ERP, Federal Cloud	Cyber-Physical, SCADA, Automation
Tenure Range	6–10 Years (100% of women)	Over 10 Years (69% of men)
Age Group	Homogeneous: 100% Mid-Senior (46–60)	Dispersed: Ranges from 31 to 61+

Note: *Structural and operational comparison of the 15 high-league CEOs. The matrix demonstrates that demographic profiles and legacy environments vary sharply across the panel, underlining the robust discriminant validity of the PDS-35 tool in isolating technical material controls from baseline demographic noise*

Table 6: Integrated Panel Profile Analysis

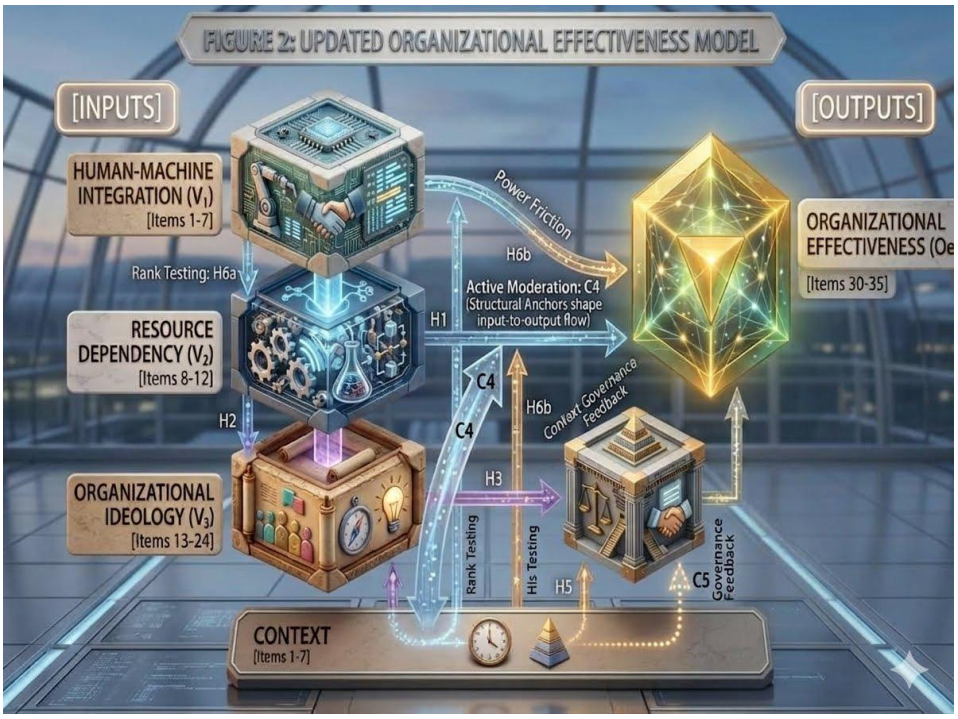

Figure 2: The final integrational model

Figure 2. Updated Organizational Effectiveness Model (PDS-26) illustrates 3D structural stacking, contextual moderation pathways, and adaptive feedback loops.

Declarations

Conflict of Interest

No Conflict of Interest

Data Availability

The raw data supporting the conclusions will be made available by the author upon request.

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Author Contribution

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

Appendix A: Glossary of Core PDS-26 Concepts

To assist future researchers in applying the 2026 Power Dynamics Scale (PDS-26), this appendix defines the core structural and theoretical concepts and explains how technological shifts reconfigure corporate governance:

Algorithmic Subjectivity: The unmediated delegation of decision-making authority to agentic workflows, which strips the C-suite of direct oversight and embeds hidden operational biases into automated governance layers.

Cognitive Authority: The perceived institutional trust and expertise granted to elite leaders, allowing them to legitimize strategic choices, shape organizational beliefs, and drive digital modernization.

"Insidious Compliance" means companies no longer force workers to obey strict rules; instead, they use positive programming such as wellness apps, executive coaching, and additional training to make employees want to work harder.

Iron Cage: A sociological concept by Max Weber describing how modern society traps individuals in a rigid system of efficiency, rationalization, and bureaucratic control.

Mimetic Isomorphism: The tendency of organizations to cope with severe technological uncertainty by copying and pasting the digital frameworks and architectural structures of perceived industry leaders.

Presence Paradox: The structural friction and governance misalignment that occurs when an organization maintains a high-density physical footprint while simultaneously operating through digital-first workflows.

Shadow Brokers: A mysterious hacker group that gained notoriety in 2016 for leaking highly classified cyberespionage tools, such as corporate espionage and the theft of proprietary technology.
Safety Traps: Critical governance blind spots arise when leadership over relies on automated defensive mechanisms, mistakenly believing these tools buffer the organization against rapid digital disruption.

Technology-augmented Emergent Brokers: Technical gatekeepers who gain significant informal power by managing, interpreting, and controlling the algorithmic workflows the C-suite relies on for organizational oversight.

Appendix B: Integrated Organizational Power & Governance Model (PDS-26). 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?
2 (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)

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