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# **Organizational Flexibility in Changing Environment**

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## **Introduction**

The world of work is rapidly changing. Even as little as a decade ago, the times were calmer than they are today. Its just- that today the changes appear to be happening more rapidly. As the management of human resources is seen increasingly in terms of competitive advantage, the question that arises is: What must we do to gain this advantage?

As part of an organization then, HRM must be prepared to deal with the effects of the changing world of work with the understanding of the implications of globalization, work-force diversity, changing skill requirements, corporate downsizing, total quality management as also making employees adaptive to changing environment, realizing the diversity of views of different age groups, changing skills environment, overcoming skills deficiencies, overcoming employees redressals, gaining cross-cultural competence minimizing destructive conflict, management of poor performance and so on.

## **Objectives of the Study:**

- i) This paper attempts to articulate some above mentioned concepts and issues that can be productively integrated with HRM.
- ii) It aims at providing ways to bridge the gap between the theory and practice of HRM in today's workplace in changing environment.

## **Data and Methodology:**

The present study is based upon explanatory type of research design in the sense that the purpose of the study has been to portray accurately the various dimensions of the problem in the light of rapidly changing work environment. The purpose here is to conduct a study on various dimensions mentioned above. The sample size consists of 20 permanent staff, full-time staff, also qualified professionals, technicians and managers, along with part-time and temporary employees. The starting point for research was secondary data. Of course, the research plan is also supported by primary data. Primary data is more relied upon for interpretations. Surveys as well as personal interviews were conducted to gather necessary data. A separate set of questionnaire was conducted for employees and managers. The conclusions are drawn on the basis of data collected and summarised. The interpretations have been based on those conclusions drawn from the analysis of data and formal as well as informal talks with the workforce. The data were tabulated and suitable statistical tools such as percentages and averages were used for the analysis of data. Analysis of categorical

data is done with the help of method of expected frequency. Then the combined results are discussed below the table.

### **Analysis and Interpretations:**

As declared earlier the interpretations made are not on the basis of categorical division. It's the summation of the entire staff including full time/permanent staff as well as part time/ contractual staff

Attributes	Trained & Permanent Staff		Untrained/Semi-trained/ Contracted Staff	
	AB	AxB/N	AB	AxB/N
Employees agree that organizations are resorting to downsizing	9	9	6	6
Employees prefer traditional organizational structure to matrix structure	1	2.4	3	0.4
Employees prefer flexi-time	10	4.6	2	4.8
Agree that training is provided to them to make them adaptive to difference in organization	4	2.5	0	1.6
Employees are eager to learn differences that arise because of cross-cultures	9	6.6	2	4.4
Employees agree that there is difference in skill and capacity of different staff members	11	7.8	2	5.2
Believe that employees belonging to diverse age group have diversified skills	12	8.4	2	5.6
Believe that job security is more important than fringe benefits	4	3	1	2
Employees are loyal to the organization where they work	3	3.6	1	1.6
Employees believe measures are taken by managers to overcome redressal	7	3.6		16
Loyal to task more than loyal to organization	8	8.4	6	5.6

### **How are Organisations Managed in Changing Environment?**

In order to successfully manage human resources in rapidly changing environment, there is an urgent need for human resource manager to focus on certain aspects discussed below.

## **Organisational Downsizing:**

It is a fact that organizational downsizing has become a prevalent business strategy. A decline in performance necessitates downsizing. Moreover, firms seeking to be more flexible, more responsive or less bureaucratic are increasingly resorting to work-form elimination to achieve the advantage of smaller organizations. On the basis of study it has been observed that there are two types of down-sizing – convergent downsizing and reorientation downsizing. Convergent downsizing involves shrinking the organization without making significant changes in its strategic direction. These are budget-driven. Here, efforts are made to reduce costs. The result is that ‘members end up doing the same with less’. Reorientation is generally stimulated by long-term dislocation in the environment, resulting from the introduction of new technology, entry of a new form of competition or a dramatic shift in the relevant political or economic conditions. Here efforts are made to save time and energy. More emphasis is laid on mass production in order to take benefit of economies of mass scale production and to increase productivity. Organisational downsizing has far-reaching impact on organizational structure.

## **Changing Work Design:**

The objective of work-design concerns the need for quality, flexibility and responsiveness in meeting customer requirements in an increasingly competitive climate. The management motives are strategic rather than operational, concerned with competition and customer satisfaction rather than with employment costs.

Approaches to the design of work systems have progressed through three broad phases during the 20<sup>th</sup> century. The period from 1900 to 1950 A.D. was dominated by the ‘Scientific Management’ approach in which emphasis was laid on task fragmentation and division of work. From 1950-1980 A.D. the ‘Quality of Working Life (QWL) movement’ developed with major emphasis on ‘Scientific Management’ and ‘Job Enrichment’. Since 1980 A.D., “high performance work systems” techniques using team-based approaches to work and organisational design in so called ‘new design plants’ have become increasingly popular. Organisational structures are ultimately determined by the ways in which tasks and roles are designed and allocated.

The term ‘high performance’ is used to refer to systematic, integrated application of autonomous group for organisational excellence and also concerns aspects affecting training and payment systems as well as other aspects of organisational design. From the study it has been observed that today’s organisations emphasizes the work-design to be more flexible, quality oriented and responsive in meeting customer requirements in an increasingly competitive climate.

## **Role of Networks and Information Technology:**

There is an increasing trend towards “network” structures – clusters of business units, in which each performs certain activities related to the business of the organisation. There is the ‘dynamic’ network whereby the core organisation acts as a broker for a number of independent suppliers, producers and distributors i.e. care has to be taken while dealing with both forward linkages as well as backward linkages. Instead of managing within one hierarchical organisational structure, the manager is likely to be managing in a matrix, operating across hierarchies and organisational boundaries. There is another change that is common place in the “information age” those relating to computer-mediated information and networking. Although middle managers have

decreased in number, their jobs appeared to have increased. One area in which the middle manager's role has changed significantly is in the way in which he manages human resources. The manager has to bring the match between employees' capabilities and their workload. HRM therefore depends on integrating the importance of human resources into the organisation's strategic policy and planning and ensuring that all line managers adopt its principles as part of their everyday work. If it is effective, the organisation will achieve its objectives and also its employees will be committed to its success. It depends on the match between employees and the human resource needs of the organisation and the quality of working life.

### **The Employees of the Future:**

The occupational make-up of the workforce is changing rapidly and is likely to continue to do so. The decline in jobs in manual occupations seems set to continue. There is also evidence of a clear trend among employers towards a greater use of forms of flexible working in their drive for cost-effectiveness, enabling a much closer match between workforce provision and work requirements. It has been observed from the study that permanent staff is comparatively rule bound, less flexible. They are more concerned with job security than high and attractive packages. They have been found to be working in organisations for years together, and, because of their experience, are considered as 'Mature' staff of the organisation. They are more committed to organisations. Employees (known as baby busters) are generally quite young and aggressive. They are highly ambitious and are more committed to task than to their organisations. They are attracted by high packages and are not much concerned about job security. The level of frustration and job dissatisfaction is found to be high in this category of employees. One more category of employees has been found in the organisation known as 'baby boomers'. The most peculiar characteristic of these groups is that most of them started their career in the initial stage of organisational setting and they reached at the peak of their career with the growth and advancement of organisations. They are neither as bureaucratic as old permanent staff, nor as much negligent towards job security as baby busters. They are found to be career oriented. They believe in taking calculated risks. In order to bridge the gap between theory and practices of HRM, the Human resource manager has to perform the task as discussed below:

### **Cross-cultural competencies**

The workforce of the 21st century is increasingly diverse and multicultural. To effectively manage and lead in this environment, HR must be knowledgeable about cross-cultural factors-on both the domestic and global fronts-in human resource management. By promoting education in cross-cultural competencies throughout the organization, HR can better serve the company to successfully achieve its mission and goals. Cultural environment is critical to the success of an organisation's operations. Corporations, today, are eager to employ qualified, experienced staff who may or may not belong to different cultures. This recruiting has certain other benefits. Because these individuals come from differing backgrounds and are mixed together, there is a spill over training effect: that is, while working closely with one another, individuals informally learn the differences that exist between them and their two cultures. Some companies, for example, build on this informal development by providing formalized training that focuses on the "major differences that lead to problems."

## **Making employees adaptive to changing environment**

HRM also will be required to train management to be more flexible in its practices. Because tomorrow's workers will come in all different colours, nationalities, and so on, managers will be required to change their ways. This will necessitate managers being trained to recognize differences in workers and to appreciate-even celebrate-those differences.

## **Realizing the diversity of views of different age groups**

In addition to the diversity brought about by gender and nationality, HRM must be aware of the age differences that exist in the workforce. Today there are several distinct groupings. Human resource management train these groups to effectively manage and to deal with one another, and to respect the diversity of views that each offers.

## **Changing Skills Environment**

Difference in skill and capacity of workforce is observed in the organisations owing to the differences in reading, writing and grasping skills. Technical knowledge as well as experience of workforce is also not same. Others in the workforce are computer illiterate. HR manager has to make employees adaptive to changing skills environment.

## **Overcoming skills deficiencies**

Skill deficiencies translate into significant losses for the organization in terms of poor-quality work and lower productivity, increases in employee accidents, and customer complaints. To attack and to begin to correct functional illiteracy will require the resources of companies and government agencies.

## **Overcoming employees' redressals**

It is possible for human resource manager to overcome employees' redressal by facilitating open communications, ensuring safe and healthy work sites, by providing fair and equitable treatment to employees, by making them feel part of a community, by providing various welfare measures, by involving workers' participation in management etc.

## **Minimize destructive conflict**

The most challenging task of human resource manager is to minimize destructive conflict because it is obvious that as the size of the organisation increases, formal as well as informal group within the organisation increases, thus increasing the chances of destructive conflicts. The manager will have to –

- **Discuss priorities with employees:** Discuss priorities with employees and tell them very clearly what is expected from them. Encourage them to openly articulate individual and team priorities. Motivate them to focus their energies on priorities.
- **Develop conflict management skills:** Wherever there are groups, conflicts are likely to take place. Evaluate team members on how they handle conflict and difficult situations. Provide individual feedback as soon as you have witnessed a

relevant situation. Building friendly and open relationships can help lay the foundation for resolving conflicts when they arise.

- **Change perspectives:** Ask team members who disagree to consider others view points, switch perspectives, and argue the other person's point of view. It is necessary to broaden the attitude.
- **Avoid Blaming:** Ask employees to focus on solutions without blaming others. Also, avoid forming cliques to complain about problems that should be discussed openly.
- **Be Future Focused:** It's not about what they should have done differently (i.e. they did some thing wrong), but rather its about what they can do differently in the future to achieve a different outcome. It is inevitable for H.R. managers to be farsighted.
- **Communicate:** In many cases, conflict is brought about by miscommunication. To avoid being misunderstood, explain your actions before others start speculating and creating their own interpretations of what you did or said.
- **Build Strong Relationships:** A healthy and cordial relationship within the organisation is the basis of organisational success. The organisation which succeeds in building optimal business relationships has competitive advantage in today's ever changing business global environment. Check in with your team members and find out how they are doing. Get to know them in relaxed, informal situations. Regarding fairness in the workplace, organisational justice is a central theme within the employee relations domain. A fair workplace helps maintain employee commitment, contributes to job satisfaction and minimizes absenteeism and turnover.
- **Acknowledge the Positive:** Before pointing to negative aspects, the task of a manager is to point out positive aspects and efforts. Through motivation and inspiration he can deal with the conflicts in right way and avoid conflicts becoming destructive.
- **Management of poor performance:** The impact of poor performance is widespread and affects the whole team including the manager and the wider organisation. Great managers master the essential management skill of dealing with underperformance. The key is to be consistent and to avoid the anxiety associated with dealing with underperformance for both manager and employee.

### **Organisations of the Future:**

Organisation of the future will take many forms. There will doubtless continue to be monolithic organizations, mechanistically structured, producing standard goods for stable markets, in which cost-minimisation through economies of scale and strict management control will be the key criteria for success. But there is likely to be a range of other organizational types, linked together in a wide variety of different ways through a combination of contractual and managerial arrangements. The globalization and removal of trade barriers and continuous improvements and breakthroughs in new technology have revolutionized the industrial and financial sectors. The concept of having a lifelong career is out of date. The trend is reflected in changing organizational structures in which a small core of permanent, full-time staff, usually qualified professionals, technicians and managers, are supported by contracted-out specialists and a flexible workforce of part-time and temporary employees. There is

evidence that the traditional career structures of bureaucratic organizations, with clearly defined pay and grading systems, are becoming increasingly unattractive to job-hunter. Because there is no longer any job security, other benefits become increasingly important.

### **Conclusions:**

This investigation concludes that there is indeed a convergence in the use of HRM for competitive advantage. However, in pursuing this convergence there are some clear divergences, nuances and specific themes in the areas of HRM.

1. Organisational downsizing has become a prevalent business strategy. A decline in performance necessitates downsizing.
2. The management motives are strategic rather than operational, concerned with competition and customer satisfaction rather than with employment costs.
3. There is also evidence of a clear trend among employers towards a greater use of forms of flexible.
4. Working in their drive for cost-effectiveness, enabling a much closer match between workforce provision and work requirements.
5. There is evidence that the traditional career structures of bureaucratic organisations, are becoming increasingly unattractive to job-hunters. Because there is no longer any job security, other benefits become increasingly important.
6. It is evident from the study that the organisations of the future will be, if not completely unstructured, very loosely organised. They will be flexible, entrepreneurial, innovative, dynamic and progressive.

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