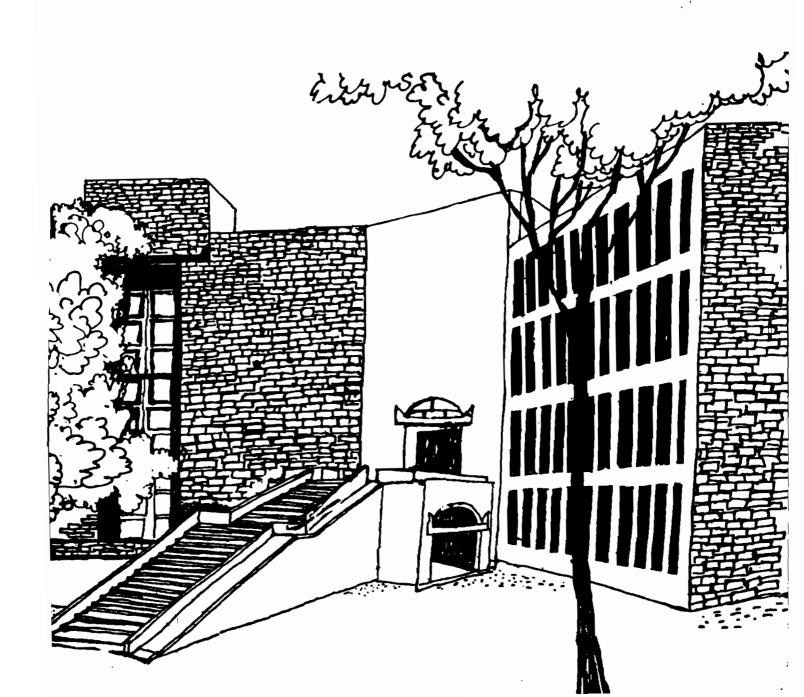


## Working Paper



#### THE ORGANIZATIONS OF THE FUTURE

By

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# THE ORGANIZATIONS OF THE FUTURE INDIRA J PARIKH INDIAN INSTITUTE OF MANAGEMENT, AHMEDABAD

#### **ABSTRACT**

The paper "The Organizations of the Future" explores the movement of organizations in India the past to the organization of the future. The last five decades Indian organizations have moved from

- An ancient civilization of vast richness to contrasting poverty and scarcity to the present of increasing plenty.
- 2. Idealistic socio-political systems to a self centered, power-centered and greed.
- 3. Indian corporations movement from manufacturing, production, selling of shabby goods to increasing focus on quality and services.
- 4. A society with rigid structures to possibilities of freedom.
- Communities deeply embedded in narrow role definition to give expression to ones own aspirations and
- 6. Individuals responding to the world with capabilities and competencies

The interplay of the above impacting the masses. The paper examines the Indian corporations transforming given the changes occurring globally. Three critical shifts are highlighted. (1) The individuals fragmentation of home and work space and redefinitions due to net explosion. (2) Women's entry into work and broadening of the role boundaries impacting the relationships. (3) The concept of life space of men and women and search for humanising relationships.

The paper identifies the new paradigms of people which the corporations would require at the level of collectivity of employees, systems and the individual.

### THE ORGANIZATIONS OF THE FUTURE

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India is a country with a rich heritage as well as an enormous baggage from the past. The country simultaneously lives with contrasts and contradictions, continuities and discontinuities and rides the waves of most advanced technologies of the future. We as Indians live in a society which is simultaneously agrarian for two thousand five hundred years, industrialised for about fifty to hundred years, and global for about ten years. We are multicultural and diverse as well as polarised within the country around race, religion, colour and gender. Currently the country is influenced by media and complex, electronic and chip technology which has revolutionised the world. For twenty five hundred years and more the agrarian society of India moved at a pace and rhythm with the agricultural seasons. Life moved at a slow pace of unfolding and change. Industrialisation and globalisation has increased the momentum to a galloping pace of change.

The last five decades has witnessed, India's movement from

An ancient civilisation of vast richness and contrasting poverty to last hundred years
of extreme scarcity and poverty to the present experience of plenty and multiplicity
and therefore alternatives and choices.

- Five decades ago an idealistic socio-political system to a self centered sociopolitical system anchored in individuals obsessed with power agreed and personal agenda.
- Industry and corporations which began in idealism of manufacturing, production and services for the nation to organisations growing into sellers of shabby good at their terms at the cost of consumers.
- The partnership of socio-political systems and Indian industry focusing on employment, growth, productivity and production to a partnership of licence raj, control and governance through corruption. The emerging processes contributed a mechanism to cheat the citizens and consumer of quality of life and dignity. The masses became victims and helpless. They lost their voice to expect basics of living like education, health and infrastructure.
- A society with rigid social structures and boundaries to possibilities of freedom and as such, mobility across the country and globally.
- Communities and families deeply embedded in role definitions anchored in duty, loyalty, obedience and conformity to possibilities of giving expression to ones own identity, walking one's own path of education and occupation and owning up one's own voice.
- Individuals educated and equipped with competencies and capabilities held
   dreams, hopes and aspirations to achieve and excel across the world.

Given the above context of interplay between continuities and discontinuities of sociocultural and political systems and the industrial, global and formal work organizations the country as a whole and corporations in specific have reached a cross-road. The individuals for the first time are asserting to actualise their dreams. Overall expectations from the country, social, cultural systems, life, both social and work relationships and organizations have begun to change and acquire a new form and a shape. Instead of obligation to people and systems, surrender and gratitude and adapting, adjusting and accommodating within the organizations, the individuals are demanding opportunities, challenges, participation, inclusion and growth and development for themselves within their systems.

Indian corporations have emerged from a continuously transforming social cultural, milieu and industrial environment. The corporations have held simultaneously a love hate relationships with the government, politicians and bureaucrats and utter indifference to the consumer. The interplay of relationships between the corporations and the government gave power and control to both. License raj created restrictions as well as support and protection to the select few. This gave both the givers and recipients immense licentiousness to undignify the consumer and the citizens. The government as well as the corporations treated the citizens and buyers as beggars famished of goods and services. The bureaucracy made life as uncomfortable and difficult for its citizens and denied legitimate infrastructure and services. The corporations took the path of exploitation and doled out shabby products, goods and services. The government ensured that the masses would live in perpetual scarcity and corporation has reinforced it by poor quality and quantity. This state of interface of sellers market between the corporations and the large masses continued for almost four decades.

Then the winds of change started blowing. The decision was taken to liberalise and open the economy. This decision was not driven by internal proactive and growth oriented strategy to make life easier for the citizens but by pressures from larger economic needs and global compulsions. However, once the decision began to be implemented the stage was set for runaway responses. Individual and mass consumers had a catharsis to release pent up deprivations, hankerings and wishes. By then the masses were ready for freedom of choice and tired of scarcity and victimhood. The market was then flooded by goods which were once only dreams or acquired from outside. Most corporations were caught unawares and were unprepared for the emerging realities let loose by the post liberalisation era. Corporations now started talking of level playing fields and were the recipient of contempt and disdain. Competition from across the world generated opportunities as well as anxieties, challenges as well as fears, adventures as well as successes and failures and life space of people changed dramatically. The corporations experienced the flux and transforming inner and outer environment and began to realistically assess themselves, their organization structures, management practices and people.

People - employees were now focused on achievements, climbing the corporate ladder, managing success, managing alternatives, responding to choices, redefining relationships with the organizations and pulls and pushes from multiple systems. For the first time, Individuals in organizations were being sought after for their competencies, capabilities and result orientations. They had choices and could state what they wanted, what they could do and what infrastructures of work they were looking for.

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The open economy, the revolutionary changes in technology and the changing

aspirations of individuals made the existing organization structures, ways of

governance, managing people, measuring organization and people performance

redundant and obsolete. The organizations had grown from small, medium, large,

mammoth to global and had designed increasingly complex structures borrowed from

the west. However, the management and people processes had remained deeply

embedded in traditional processes of hierarchy and authority where employees and

managers were only implementors. This resulted in a work culture which was devoid of

energy, involvement, committment and pride of belonging either to the organization or

to the nation. Today the organization structures will have to be designed and

operationalised given the reality of the organization and the transforming business and

people environment. The organization structures will need to be aligned with

technology, business strategy and policies and tasks and people requirements.

Organization and individual performance variables and measurement will need to be

based on multiple factors other than loyalty. People's roles, locations and life space

will need to be included as part of the organizations living reality.

Given the traumatic and dramatic shifts through industry competition and the rising

expectations and aspirations of people, the employees are going to make demands

and create pressures on the organizations. Restructuring would mean reduction in

work force. Organizations will be bogged down with the huge employee force who

have been trained to be mediocre. Though corporations are worried about the unions

and the internal work force they need to worry about the masses of people who have

been knocking the doors of the corporations for decades, for jobs and have been

VIRRAM SARABHAT LIBRARY Indian institute of managemena Vastrapur. Ahmedabad... 2003a turned away. They carry the anger, resentment and frustration built up for years. With the change of the scenario they are going to demand a price.

Within the organization three critical factors will change. Once upon a time individuals lived in communities while he worked alone. The transformations through industrilaisation has differentiated home and work space. Now people live alone or in small nuclear families but will be required to work as teams and groups to deliver and be accountable. Moreover, the net explosion will create opportunities for both men and women to work alone and from within the homes. A whole mass of people who were once service brokers and interfaced with seekers of service will be eliminated. For example inter-dependent transactions will be directly on the net. This will free enormous numbers of people to engage in other activities. Organizations then will have to design organization structure and processes where employees are physically not present in the work space. While there may be those who engage with tasks within the organization which would require group and team work.

The second critical factor of change in organizations is women's entry into work. Once upon a time women managed home and relationships while men managed and interfaced with the external environment. Women educated and qualified and capable and competent now enter work spaces and strive to discover the uniqueness of their own existence and identity. They aspire to be economically contributing member of the family as well as rise the corporate ladder in work organizations. This shift in the roles of women would change the existing structures of relationships both within the home and work place. As women engage with work, there will be need for men to directly engage in the activities and participation in homes. As women will opt for working long

distances, and single marriages, parenting would be on acceptable reality. There will be a shift to emotional relatedness and committment rather then physical presence and togetherness binding the relationships. Concept of home and family would undergo changes in their definition and meanings. These processes will move the organizations to invest in educating people in fostering mature adult relations across gender in terms of work and performance. Gender issues will impact organizations in terms of work allocation and addressing dilemmas. Large number of women will choose to stay home and deliver the services. Many others will join the work force and aspire for growth and be active part of the corporate space. The organizations will have to facilitate resolutions of personal and professional dilemmas of both women and men. The needs of working wives of men and working women in the organization will have to be addressed. Characteristics of managing homes will change as the possibilities of shopping on the net will increase. Appliances will be available in plenty at affordable prices freeing the employed to give quality time to their work roles as well as take away the drudgery of work in the homes.

The third critical factor of change will be the concept of life space men and women will hold. Organizations will have some people overengaged with work. While there may be many more in search of human organization where dignity and sanctity of human beings is valued. There will be search for harmony and tranquillity to take away the oppressions and the compulsions. Essentially the search will be for pride in belonging and spirit of fostering growth of the self, others, the organization and the nation simultaneously.

New Road maps, paths and destinations.

For the individuals to be responsive to the present and future some of the baggage will need to be owned up as belonging to then and shed, while the dreams of the individuals need to be anchored in reality tempered by hard work, self and systemic discipline, involvement and commitment to the systems of belonging and pride in the nation. Unless each citizen feels proud of his country and his work space the nation as well as the corporations cannot excel and achieve.

Corporations will have to design structures which are sensitive to human existence. Their vision will need to include people and the growth to foster people to grow and unfold. Each shareholder as well as the employee will need to be valued. Moreover, the corporations will need to provide infrastructures of living, time for family, identify individual paths and visible destinations for individuals and collectivities to aspire for, distances and mileposts to create challenges and opportunities, good and healthy working environment, and address issues of emotional as well as physical health of employees. Corporations will need to design events of celebrations for collectivities to be together, valuing employees and employees valuing themselves and the system. The corporations and the socio-political systems are so intervined that the corporations as well as the nation will need to create new traditions to value and live by. New landmarks and laws of the land will need to be designed where the dreams of each one becomes a reality.

The nation, the corporations and the individual has arrived at a new threshold and a cross word simultaneously. Every individual enters an organization with dreams for tomorrow and a baggage from the past. Dreams are held as exclusive property of the individual which need to become a reality while the baggage is unique and attributed to personal, social and cultural residues.

Corporations are going to hire less and less people so what are these people going to do. Indian have an immense ability to innovate, create and initiate firms and enterprises.

Corporations will need to facilitate and capture the spirit of adventure and encourage entrepreneurial energy to spin off many many localised enterprises be they in manufacturing, service or computers. The opportunities available across the seas can be made available here. These enterprise would multiply the opportunities of the larger numbers and harness the energy for growth.

