Managing in Organisations in the Future: Australia in the Next Decade

Robin Kramar*
Macquarie University, Australia

During the 1990's there were major changes in the world of work, organisations and the way people were managed. However, although we can expect further changes in the economy, society and organisations, predictions based on developments in the last ten years provide only a limited understanding of possible developments in the first decade of the twenty first century. This article examines four scenarios and the dominant organisational structure that would emerge in these scenarios. It also examines the issues involved in managing people in these organisational structures and briefly suggest ways in which these issues could be managed.

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* **Correspondence:** Graduate School of Management, Macquarie University NSW 2109, Australia.
Email: Robin.Kramar@gsm.mq.edu.au

Introduction

During the 1980's and 1990's people who did the work of organisations were known as human resources. They were seen as an important part of providing a service or creating a product. At the same time there was growing formal use of an approach to managing people known as strategic human resource management in large public and private sector organisations in Australia.

However, during the late 1990's there were increasing indications that this approach to managing people was being called into account. Developments in the economy and society were providing challenges to an approach that emphasised organisational needs at the expense of individual well-being and which regarded recruitment as the beginning of the employment relationship.

This article explores some of the issues related to managing people in Australia in the future. The usual approach to doing this is to predict what changes will occur based on incremental changes from the current position. However, as the events of the 11th of September 2001 indicate, this approach might not be the best approach for thinking about the future. Major discontinuities do occur and different methods are required to look at the future. Scenarios are one way of doing this. This article seeks to provide a number of scenarios that could be used as a basis for considering the issue of managing people in the future.

The first part of the article briefly examines some key developments influencing organisations and the way they managed people during the closing years of the twentieth century. The second part identifies some of the predicted drivers that will shape the future of organisations and develops a number of scenarios for future organisations based on two of these drivers. The third part identifies some of the issues that could be associated with managing in these future organisations and the final section briefly identifies the need for a different view of the people doing the work of organisations.

The article focuses on Australia in the first section. However, in the later sections on expected trends, drivers and scenarios, information developed in Australia and other countries will be used. Many of the trends discussed in the first section are evident in the United Kingdom (Goyder, 1998) and the United States (Laubacher and Malone, 1997) and predictions about the future in these countries are worthy of consideration when considering Australia's future.

Developments

Economic, social, regulatory and technological developments of the 1980's and 1990's resulted in major changes in the composition of the workforce and the way people were managed in many organisations. These changes reflected a view of the world that included a belief that economic success required domestic industries to be competitive and efficient and operate without state regulation (Waters, 1995). They also reflected a belief that all individuals regardless of their personal characteristics had a right to the opportunities available in the labour market. This section briefly summarizes the major developments during this period.

- During the 1980's, Australia became increasingly exposed to international competition as a consequence of deregulation of national financial markets, severe import competition for manufactured products and increasing volatility of international investment flows.
- Improved performance was sought in a number of ways including organisational restructuring, mergers and acquisitions (Thomson Financial Securities Data 2001 in Agami, 2001; Marks and Cutliffe, 1988; Segil, 2000; Burns, 1989), work intensification, employment contracts that provided for flexibility and the introduction of a system of enterprise bargaining.
- During the 1990's more than a quarter of organisations reduced their workforces and the major reason for this reduction was a consequence of restructuring (Morehead et al., 1997). Work was outsourced to external providers such as self employed contractors, sub-contracting companies or agencies/labour hire companies increased during the 1990's (ACIRRT, 1999: 142-3; VandenHeuval and Wooden, 1995; Kramar and Lake, 1997; Kramar, 2000).
- Employees were required to work harder and the pace of work increased. As a consequence of this, almost half of the workforce report an increase in the amount of stress on the job (ACIRRT, 1999: 106-7) and a during the first half on the 1990's, stress claims more than doubled (ACTU, 1997). First line supervisors report experiencing stress as a consequence of increased work pressures and change (Sheldrake and Saul, 1995).
- From the mid 1980's and during the 1990's Australian governments and many employers sought to improve employee productivity and flexibility by changing the processes, the rules and regulations determin-

ing employment rewards and conditions. Enterprise bargaining was introduced in a number of stages (ACIRRT, 1999; Morehead et al., 1997; Kramar, 1999; 2001; Hamberger, 2001).

- During the 1980's and the 1990's the composition, expectations and family responsibilities of the workforce continued to change. Participation rates for women and particularly women with young children increased. The traditional family model of one working parents was changing as the number of dual income families, the number of single mothers and the number of older people in the workforce increased (ABS 1988-1998; ABS 1998; ABS 1999).
- Accompanying changes in the workforce have been changes in the attitudes and expectations of people in the workforce. Members of different generations have different expectations and attitudes (Mackay, 1997) and attitudes to parenting changed. There has been a change in the expectations about the nature of male involvement in domestic responsibilities (Russell and Bowman, 2000:21). One of the consequences of this is that about a third of the workforce believe the relationship between their work and family life is out of balance (Morehead et al., 1997; Kramar, 1998:457). More than 30% of workers would take a pay cut in order to work less hours (Robinson, 2001).
- State and federal legislation during this period sought to promote greater efficiency in the workplace by providing employers with more freedom to establish employment conditions and rewards and at the same time requiring them to make employment decisions on the basis of "merit" (Teicher and Spearitt, 1996: 115-116).

The measures taken to improve organisational performance and efficiency during the 1980's and 1990's were based on a view that employers have the right and know best what needs to be done to run their businesses. Governments' role was to provide the conditions conducive to businesses operating optimally. This view was prevalent during the twentieth century (Bell and Head, 1994), and became even stronger during the late 1980's and 1990's when one of the few areas in which the government had been more interventionist. In the area of employment regulation, employers were given more freedom (Hall and Harley, 1995).

The emergence of issues such as increased employee stress, dissatisfaction with the balance between work and home life, work intensification and increased employment insecurity suggest that the dominant view of organisations and the nature of employment policies may not serve the needs of all the groups in society.

Governments and employers have choices about how the economy is regulated and people are managed. Therefore it does not necessarily follow that the trends described in this section will continue in the early part of the twenty first century. Similarly, assumptions that work will occur in organisations structured in the way we know them and that people will have a "master" - "servant" relationship with the organisation, could misrepresent the context in which work occurs. A variety of factors will shape the future structures of organisations and the relationships people doing the work will have with those organising work.

Drivers and Scenarios

Drivers

This section briefly identifies those drivers that have frequently been identified as important shapers of the future, the expected changes in a number of these drivers and a number of scenarios of future organisations and workplaces.

A number of key drivers that have been identified (GBN, 1999; Laubacher and Malone, 1997; Glenn and Gordon, 1998). These drivers include globalization, communication technology, demographic shifts, distribution of wealth between countries and within countries, government participation in society, social values and force, Australia as a taker rather than a shaper, environment and sustainability, knowledge economy and innovation . These drivers could develop in different ways, for instance:

- Globalization - this could range from free trade to isolationism.
- Technology and particularly communication technology - this could range from vibrant to stagnant.
- Government participation in society - this could range from high involvement to little involvement or laissez-faire.
- Distribution of wealth between countries and within countries- this could range from polarised to more equitable.
- Population - from high growth to low growth - this will affect the demographic characteristics of the population and the workforce.
- Social force - this could range from individualism to a strong sense of community.

The position on the continuum for the various dimensions is influenced by government role and philosophy, national history, cultural val-

ues and traditions. It will influence the approach to business and the way people are managed.

Scenarios

For the purpose of this article the two drivers of globalization and government participation in society were chosen as those that would have the greatest impact on the management of people in the next ten years. The driver of globalization ranges along a continuum from isolation to free trade. The driver of government participation ranges along a continuum from high involvement in the Australian society and economy to a laissez faire approach or very little involvement in supporting parties in the economy and society.

Four scenarios have been defined by the dimensions of globalisation and government participation in society. Two aspects of organisation in 2010 are examined in each of these scenarios:

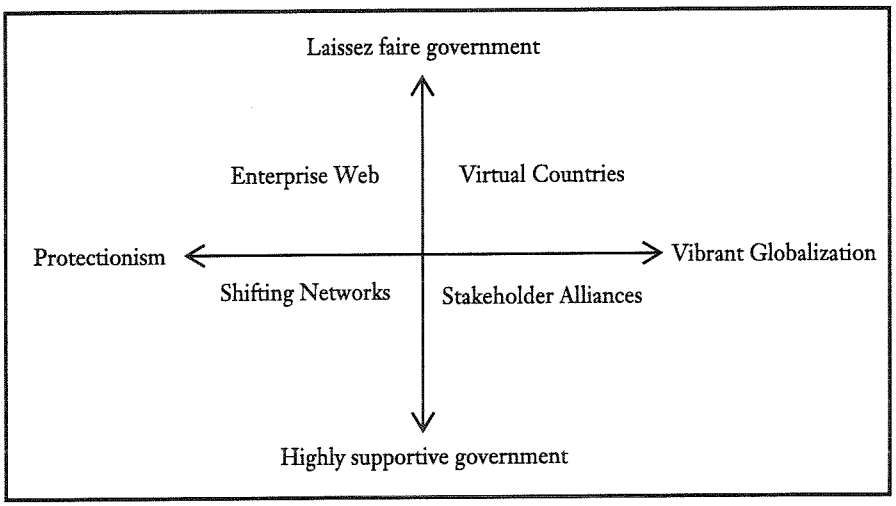
- Organisational structure
- Implications for managing people.

Organisational structure reflects the influence of a number of factors and those factors considered as most influential (Robbins, 2001) were

- Strategy
- Nature of the environment: institutions or forces that are outside the environment and potentially affect performance, particularly the role of government
- Organisation size
- Communication flow.

Figure 1 presents the four scenarios that could be defined in terms of these drivers. The scenarios of Virtual Countries, Enterprise Web, Shifting Networks, Network Alliances are described in the following section. The scenarios are described from the perspective of the year 2010.

Figure 1 Scenarios for Organisation in 2010



Scenario 1 Virtual Countries

Vibrant globalisation and Laissez faire role of the government

During the years until 2010 development of a globalised economy, media and culture continued, growing interconnectedness using on-line electronic communication and commerce and major developments in a variety of technologies took place. The Chinese economy continued to grow as a low cost producer of manufactured goods and exerted a downward pressure on prices and the ability of Australian manufacturing companies to compete.

Tourism, particularly eco-tourism and adventure tours through the Australian coastal and inland regions expanded. Australia became preferred destination for large global companies to hold their annual Conferences and reward events. Demand for personal services, business and financial services grew. These services are often provided through large organisations.

This competitive pressure combined with strong consumer power stimulated innovation of products, processes, industry and organisational structures. The world of business is built around large organisations that operate through global supply chains, global brands, information and communication networks and building customer relationships. Organisations developed as webs of knowledge transfer without strong, imposing physical presences.

The governments during the period maintain the philosophy of "economic rationalism" and this continues to shape economic and social policies. The government's first priority remains getting economic indicators right. Consequently, expenditure on social services, education, health and welfare is minimal. Legislation makes it more difficult for collective organisations to represent the interests of employees and large organisations provide many of the services previously provided by governments.

Organisations in this scenario would be dominated by large conglomerate organisations. These organisations will be similar to those proposed in the MIT study described below and labelled "virtual countries". A number of huge corporations will sell products and services in an oligopolistic market featuring high entry barriers. These organisations will have a series of permanent or semi-permanent relationships with suppliers (Laubacher and Malone, 1997). "Virtual countries" organisations will be large vertically and horizontally integrated firms and they will play a pervasive role in employees' lives.

Table 1 Characteristics of Dominant Organisational Structures

Organisational structure	Strategy	Size	Communication Dow	Values	Environment: government role
Virtual countries	Market Domination	Large permanent	Flow freely, formal channels	Selfish individualism	Organisations free to manage businesses as wish
Enterprise web	Differentiation, high value production, focus on customer needs	Small permanent	Flow freely, between core workforce and contractors	Defensive collectivism	Organisations free to manage businesses as wish and influence governments
Shifting networks	Focus on project outcomes	Small, fluid, impermanent	Flow freely, project requirements	Community individualism	Support range of community and businesses
Stakeholder Alliances	Entrepreneurial	Interconnected small units	Flow freely, about task, and	Collaborative collectivism	Provide favourable
			stakeholder and relationship building		frameworks for representative to operate

As shown in Table 1 these organisations had a market domination strategy. Core members were required to be innovative, risk taking and take a long term view. Their structure also needed to provide fast, flows of communication between members of the organisation and suppliers. Information was distributed not only about the requirements of customers, strategic direction and developments in the business and processes, but also about company sponsored learning opportunities, welfare and entertainment services and personal achievements.

In these organisations employees work in virtual teams using a range of communication technologies such as e-mail and videoconferencing. Communication is fast, international and non-hierarchical. They are substantial shareholders of the organisation and they elect management through elections. In order to do this they are provided with substantial amounts of information. This organisation constitutes an important community for the employees (Curtain, 1998: 282-3) and provides maintenance services such as health care, training and learning opportunities and income and job security (Laubacher and Malone, 1997). Ties to the company are extended to the purchase of goods and services from company-affiliated organisations such as appliances, cars, internet-telecommunications-entertainment services. This occurred earlier in the keiretsu in Asia (Laubacher and Malone, 1997). Consequently most of the value chain for the production of goods and services is retained within the core firm.

Alongside these large conglomerates are organisations that operate nationally or regionally. These organisations consist of networks of small businesses which operate as a franchise. They will operate in the personal services area, like lawnmowing (Jim's Lawnmowing), household services (Dial an Angel) and food services (Enjoy!). These networks unable to provide the quantity and quality of services to people by the conglomerates and individuals engaged in these areas need to provide learning opportunities and resources for retirement.

As a consequence of these developments, the divisions within Australian society that emerged in the 1980's deepened and widened. People with the skills and personal attributes necessary to operate in knowledge industries earn high incomes and are able to pay for good health care and education, but in many cases these people have these services supported by companies. At the other extreme, increasing numbers of people are employed on short term contracts, in small businesses on projects or

unemployed. These people are involved in industries such as recreation, personal and domestic services and consulting.

There is little representation of employees by trade unions because legislation has severely limited their ability to represent employees and they do not have coverage of people engaged on contracts. They also find it difficult to represent people in the "virtual countries", where the companies attend to the needs of employees.

In this scenario people are very concerned about their individual and family well-being. The social force within the society is primarily individual, although people seek to develop collective relationships through groups. Those engaged in the "virtual organisations" do this through their work organisations.

Organisations reflecting the characteristics of "Virtual Countries" reflect a view that the organisation's needs are paramount but the organisation will look after the employees' interests. However, this approach is unlike the paternalistic approach adopted in many bureaucratic organisations in the twentieth century. Employees in "virtual country" organisations have a very strong vested interest in the organisation - in many ways they are the firm. They own the firm, they elect management, they are provided with information and they live according to the values of the organisation. The "Virtual Countries" scenario is based on a collectivist view.

The metaphor for "virtual countries" networks is stable communities. Stability and a sense of community, however does not preclude flexibility in the way people are managed and the nature of their employment relationships. It also does not prevent the existence of a number of subcultures operating within the framework of a strong organisational culture.

Table 2 outlines the main features of managing people in the four organisation structures. It indicates that in "virtual countries" the work is done using teams consisting of members of the "virtual country" and also suppliers. Leadership is concerned with maintaining the identification of the core members with the vision of the organisation and stimulating a sense of community.

Table 2 Managing People in Future Organisations

Organisation Structure	Work organisation	Leadership	Rights and responsibilities	Rewards	Learning opportunities	Work Paths
Virtual countries	Teams involving members of Virtual country and suppliers	Create identification with vision and sense of community	Build community of Virtual country and share in the benefits	Share in rewards of organisation, goods and services, welfare, social benefits, recognition programs	Provided by virtual country	Global, dynamic, long term
Enterprise web	International partnerships	Stimulate exploration and building relationships and responsibility for self directed learning	Provide customer satisfaction and share in benefits	Based on quality and effectiveness of activities performed	Through work and self directed	Global, variety of work
Shifting networks	Temporary teams	Stimulate commitment to project	Manage self and involvement in the team; potential for future work	Based on timeliness and quality of completed project	Through work undertaken and self directed	Built around projects
Stakeholder Alliances	Collaborative, temporary teams, commitment to task	Create meaning, trust and manage the politics of the alliances and networks	Share the values of the alliance and change role frequently; work	Based on building alliances and embracing meaning of the organisation	Provided through stakeholder alliances	Built around collaboration in teams, consisting of internal and external stakeholders

Scenario 2 Enterprise Web

Protectionism and return to self interest and laissez-faire government

Large corporations extend their influence over the US government through increased campaign donations and representation on govetnment committees and advisory boards. They also extend their representation in other countries, including Australia. These large, international, global organisations control government policy around the world, including Australia, however, they are not large hierarchical bureaucratic structures.

The government establishes a framework where corporations are free to manage their business, market relationships and people in terms of very broad guidelines. Governments are influenced by huge campaign funds These corporations develop "protectionism" of their business via control of intellectual property, pricing policies and deals between conglomerates and governments about the location of production and service delivery.

The government accepts responsibility for creating the climate in which corporations can prosper. Corporations rely on skills such as problem solving, problem identification so that customer needs can be met. Constant contact with customers is necessary. The organisation becomes a network of people with a range of talents. It seeks to protect this intellectual capital and so develops structures that facilitate the retention of these core skills. It is also innovative in terms of responding to customer needs and enabling the rapid flow of communication.

An organisational structure, labelled an 'enterprise web' (Reich, 1991) enables the work, information and decisions to flow freely and quickly through the core members of the organisation and suppliers and contractors. The people with the core skills do not do routine tasks. Rather routine tasks are subcontracted out, and space and equipment are leased. Other work such as standardised, high volume production is contracted out to low wage countries.

These organisations seek to build a workforce that it retains and can move around the world as required. In this scenario, the protection of intellectual property is even more important than in the previous scenario. This is a difficult task and requires the retention of people and signing of contracts protecting the companies ownership of intellectual property. It also requires people share a common vision about what the web was seeking to achieve and to be given the opportunity to share in the success or failure of the organisation.

The divisions within the Australian society strengthen even more than in scenario 1. The government provides minimal health, education and welfare services and these are provided by the 'enterprise web' to their employees and to a limited extent to the web of people doing work for them such as suppliers and contractors. These people tend to fare reasonably well.

However, people whose skill is in high volume production fare badly, because the production is outsourced to low wage countries. This then

exerts pressure on the wages of people doing the work in these areas. Legislation does not protect the rights of trade unions and so these people do not have any collective power.

Table 2 summarizes the major characteristics of the processes associated with managing people in the "enterprise web". The metaphor for "enterprise web" organisations is "flexible communities".

Scenario 3 Shifting Networks

Protectionism and return to self interest and highly supportive government

Towards the end of the 1990's there were indications that people were questioning the value of globalisation. There is a world wide backlash against globalisation. Under the presidency of George Bush, the United States reverted to a policy of economic rationalism. This reflects the traditional conservative support of protectionism. Throughout the world there are protests against the social and economic divisions fostered by globalisation and the widening gaps between the developed and developing countries. Government uses financial and trade sticks to enhance and protect its markets and supplies of raw materials.

Early in the twenty first century the US economy and other developed economies slid into recession. The bursting of the internet bubble in 2000 and the World Trade Disaster on 11th September 2001 shook investor confidence. Protectionist policies became more widespread. As a consequence world trade fall and Australia implemented a number of measures to protect its industries, enhance local markets, assist the development of local markets and introduced stricter rules regarding foreign ownership.

Inbound tourism, demand for rural products and resources declined. Companies requiring venture capital and global markets, such as IT companies relocated overseas or closed down.

With the changing industry structure, unemployment increased, particularly in rural areas and Tasmania. An increasing percentage of the population live in poverty and have limited access to quality education and health services because of a contraction in the public spending. There is renewed interest in organisations representing employees in the labour market and trade union membership increased. This is encouraged by legislation that protects the rights of trade unions to represent employees.

The poor economic and social conditions stimulate people to vote for parties that would best represent their own immediate interests. Therefore political parties are encouraged to develop policies that assist those with less financial resources. However, they find it difficult to implement policies that required a longer term for implementation.

In this scenario the government recognizes the increasing divisions in society and attempts to reduce this division through using community support programs that promote employment and welfare support. Despite the government's attempts to build up communities and regional districts, social tensions increase. These tensions are expressed in a number of domains, including the labour market where trade unions seek to protect the wages and benefits of their members and between wealthy and poor communities. The values of individualism operate alongside values of collectivism.

In this scenario, organisations need to be very flexible and responsive to customer needs. Therefore, "Shifting Networks" is a possible form of organisation. This networks consist of autonomous teams of one to ten people working as independent contractors or small organisations who come together as a temporary project team to complete project work. This structure is facilitated by the availability of electronic networks that drive down the cost of communication and exchanging data (Hagel and Singer, 1999). This scenario is particularly suited to project work such as in the film industry. And it has been found to work in situations where small firms develop joint ventures in logistics, purchasing and R & D as in the textile enterprises in the Prato region in Italy and where the company has encouraged employees to form satellite enterprises as in the case of Semco (Laubacher and Malone, 1997).

As in the film industry, intellectual capital is embodied in individuals and mobilised through networks and communities of professional groups (DeFillippi and Arthur, 1998). This scenario reflects a strengthening of the outsourcing and fixed term contracts for employment.

Matters associated with maintenance requirements such as health insurance, unemployment benefits professional development and a sense of belonging will need to be met by organisations other than the employer. Rather than obtaining a sense of social belonging from the workplace, other organisations such as professional organisations, university alumni associations, community groups and clubs provide the sense of belonging to a stable community.

The "Shifting Networks" organisation reflects a view that organisations provide structures to achieve results and that the people achieving the results are committed to the project while they are involved, but they also accept responsibility for themselves in the way they achieve these results and for their learning and career development.

The metaphor for "shifting networks" organisations is fluid impermanence. The metaphor captures the idea that flexibility, adaptability and change are the essential character of the organisation. This metaphor, however does not determine the precise way people will be managed. Although essentially "individualistic", there are choices about how people are managed in order to provide flexibility and adaptability. Refer to Table 2 for details.

Scenario 4 Stakeholder Alliances

Vibrant globalization and highly supportive government

The trend to globalization and the introduction of technology continued.

However, unlike Scenario 1, developments in Australia reflect a strong vision articulated by the federal government. The government builds a strong social partnership with major representative groups representing a range of interests such as environmental and conservation, older Australians, youth, employees, cultural and racial groups, arts, sports, and business. These groups participate in forums that contribute to the development of government policy. Public policies and legislation are gradually enacted to provide support for the vision.

There was increasing sensitivity to creating sustainable development and environment and ecological preservation (Ruthven, 1999). Sustainable development is now defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Fricker, 1998). So although concern about the environment further contributed to the rise of the Green movement, there is concern about social and spiritual developments as well.

The vision articulated was for Australia to be primarily a high-skilled economy which competes primarily on value added and flexibility. The economy displays characteristics such as knowledge intensive industries, high wages, mass customise/customised, niche marketing, high value added, early adoption and high R & D expenditures (Dunphy and Griffiths, 1998). Such a vision requires a highly skilled workforce who is adaptable

and able to learn continuously and adapt. The government supports the vision by investing in education at primary, secondary and tertiary levels and encourages greater flexibility in combining employment and tertiary education. It encourages educational institutions to develop partnerships with work organisations. People are encouraged to establish small entrepreneurial businesses and support, including financial incentives and development of areas with the infrastructure necessary for these businesses were established.

The government encourages companies to become entrepreneurial and to form alliances within industries, within regions and also globally. It does this by providing tax breaks for organisations that collaborate on research and development projects and by subsidising infrastructure necessary for businesses in some regions. It also assists organisations to source potential partners in other countries.

The entrepreneurial strategy of organisations is therefore served by structures built around networks and stakeholder alliances. These structures are built around values expressing collaborative collectivism. These values reflect those of the government and underpin the approach to social policy. The divisions within society that developed during the last three decades of the century have been minimised by government programs.

This organisational type has been labelled "Stakeholder Alliances". It involves units in an organisation collaborating to produce commonly desired outcomes that are consistent with the vision of Australia articulated through the policies of the government. These organisations also have alliances with other organisations either in a region, an industry cluster or with other organisations that operate globally. In addition to these alliances, they have strong alliances with educational institutions and community groups. These institutions and groups are involved in contributing to the work getting done and also share in the benefits of the organisation. The metaphor for these organisations is collaborative communities.

The stakeholders involved in doing the work and the units within the organisations see themselves as operating autonomously and as working within the alliance, rather than as a resource for the alliance. However, while the stakeholders are part of the organisation, they are required to embrace the goals of the organisation, share the values of the organisation and apply themselves wholeheartedly. Learning opportunities for the internal and external stakeholders are derived from working with a variety

of stakeholders and through collaboration on a variety of projects. Table 2 summarizes the main characteristics of managing people in these organisations.

Issues Associated with Managing People

Although people are managed in different ways in each of the four organisational forms, there are a number of common issues associated with managing people. These issues revolve around managing people with different relationships with the organisation, with different personal characteristics and living in different physical locations. Some people will be part-time, others full-time, others will be on contract, while suppliers, outsource providers and customers could also be doing the work. These people will have different expectations of the organisation and possibly different psychological contracts with the organisation (Saul, 1997). An issue associated with this will be the need to manage the different expectations of these people and at the same time provide a strong sense of commitment to the project in the case of "shifting networks" and "enterprise web" and to the organisation in the case of "virtual countries" and "stakeholder alliances".

A second aspect will involve managing people with different personal characertistics eg age, family responsibility, health, etc. These individuals will have different personal needs and expectations about the balance between work and non-work. It will become increasingly important to recognize the different needs of the variety of people doing the work. In the case of "virtual organisations" and "network alliances" these needs will need to be managed so that people continue their relationship with the organisation, while in the case of "shifting networks" and "enterprise web" these needs will need to be managed so that people will work effectively while on the project. In all types of structures the concept of what a balanced work life represents will need to be defined from balance over a period of a week to perhaps balance over a longer period of time such as three or six months.

In "virtual countries" and "enterprise networks" and possibly in "shifting networks" and "stakeholder alliances" the work will be done in dispersed and different physical locations. For instance, teams could be dispersed geographically throughout the world, or working remotely within a country or city using e-mail and other telecommunication tools. Two possible issues associated with this arrangement could be the lack of ef-

fective communication between teams and the need to manage the performance of team members. In addition, in circumstances where people are working from home an issue will involve the establishment of a safe working environment and environment in which stress is minimized (CCH, 1997).

A fourth aspect involves the continuing change in the economy and the need for individuals to continue to keep their expertise up to date. The provision of learning opportunities will be essential in all types of organisations. However, these learning opportunities could be provided in a variety of ways. They could be built into projects and/or be part of the reward package in both structures. Alternatively, individuals could undertake their learning independently of the workplace. It is 'learning opportunities" that will be increasingly important as a tool for attracting people to projects and organisations.

People as Resources

Although people have been labelled the most important resource of organisations, the frequent downsizings and retrenchments of the 1990's suggest this view is not widely held. Drucker (1992) commented that "People are our greatest asset. Yet few practise what they preach, let alone truly believe it."

However, in order to manage in the future, the view that people doing the work of "virtual countries", "enterprise web", "shifting networks" and "stakeholder alliances" are a resource will need to change so that people feel valued and want to work for an organisation or on a project. People will need to be seen as human capital rather than as an expendable resource. When people are viewed as human capital they are regarded as a valuable commodity whose value can increase overtime. The organisation's systems designed to acquire, reward and develop people form an important part of the organisation's value (Friedman, Walker and Hatch, 1998).

Although the "enterprise web" and "shifting networks" organisations involve people on fixed term contracts or as subcontractors, it will be just as important to consider these people as resources, because they are doing the work of the organisation and could be required to continue to work on projects over an extended period of time. In all four organisational types, there will need to be a recognition that the organisation needs many of the workers more than the workers need the organisation. In many ways these people will need to be treated as volunteers.

They will want to know what the organisation is trying to achieve, they will be interested in personal achievement and personal responsibility, they will want to be respected and be allowed to make decisions associated with their work. In addition, they will recognize the importance of continuously learning. This requirement will necessitate learning be built into many of the projects, particularly in the "enterprise webs" and "shifting networks".

A process of managing the similarities and differences between people is a way of recognizing the value of people doing the work of organisations. This recognition will be particularly important as a way of achieving commitment to the goals of the project in "shifting networks" and the "enterprise webs" organisations. Managing diversity is a process that provides for this type of management.

The process of managing diversity provides an opportunity to connect people to the vision, values and purpose of the organisation. Consequently, all types of organisations will need to consider themselves as not only economic entities, but also social and human entities and be able to convey this to all the people doing its work. Clear communication of the values, vision and purpose should facilitate the people working together when they are geographically dispersed or have a short term contract. Two challenges for management will be to balance these three aspects and to effectively communicate the social legitimacy of the enterprise.

Processes for managing people in these organisations will involve managing conflicting needs. The resolution of this conflict can be recognizing the role of the concept of duality in managing people and in the use of scenarios as a regular component of the human resource planning process.

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