

Impact of technology innovations on the contemporary organization



“ Discuss how technological innovations have shaped contemporary organization with regard to how products and people are managed?”

This essay will review and explain how technological innovations have required organizations to alter the way in which they manage both products and people shaping them into the contemporary organizations of today. All organizations aim to improve efficiency, whether it is improving a work forces productivity or reducing the costs of manufacturing a key objective for any organization is to become more efficient and can be achieved by adapting and evolving with technological innovations which are either invented or available to an organisation. Innovation, which can be defined as the creation of new processes or products which has an effect on an organization and how it operates, is an imperative notion that is strived towards by many contemporary organizations. Living in a world which revolves around technology, technological innovations have a pivotal impact on the ways in which contemporary organizations are able to achieve their goals, to ensure they are able to capitalize on the advantages of technological innovations organizations have had to change the way in which they manage both products and people thus shaping them into what we see them as today.

Technological innovations have provided us with many advantages, when it comes to organizations and how they manage both products and people there is a strong correlation between improvements in technology and greater efficiency. Progression and development regarding technological innovations and organizations can be categorized into two main eras, the industrial and digital eras. Technological innovations from the industrial era

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have had a large impact on the way contemporary organizations manage their products and people, the era which focused on ' the application of industrial power, the procurement of traditional physical resources, and the mass production' (Cascio and Montealegre, 2016) heavily influenced the way today's organizations operate. The birth of assembly line automation, which original concept is credited to Ransom E. Olds, led to significant changes with the way organizations have had to manage their products and people. Henry Ford who is known as a technological innovator for using automated assembly line production helped influence the innovative way contemporary organizations use production process. Originally Fords car production lines, like many organizations, which were a chaotic and slow process with many employees working on one car at a time. With the aim to improve efficiency by using mass production techniques Henry Ford invented machines which made the parts for the cars and developed procedures to make the assembly of the parts as quick as possible. With the success of these automated assembly lines the process of manufacturing had now changed, this change caused a modification of the way organization managed their employees and the process of making products. Using division of labour and capitalizing on the advancements in technology, automated production assembly lines became the most efficient method of production, with the aim to reduce costs and improve efficiency any large-scale production line uses this method with the automated aspect of the production line slowly replacing the human roles as the years progress with some production lines now being fully automated.

As mentioned previously continuous improvements and innovations in technology are leading to machines and robots increasingly replacing various roles of the human workforce in many different types of organizations. From working in a factory line to accounting to a cashier at a supermarket, humans are being displaced with estimates that 3.6 million of the British workforces are in an occupation which is 'very likely to shrink' especially those that are 'made up of routine tasks' (Cities Outlook, 2018).

Organizations no longer have to manage a large number of employees they are able to reduce the size of their workforce and focus on the maintenance of the machines which have replaced these job roles, key advantages of automation is the reduction of errors and increased efficiency from a production aspect, reducing the number of employees through automation from a managerial aspect is very advantageous as machines are a lot easier to manage as there is no need to focus on human resource factors such as motivation and personnel management. However, with change comes resistance and with displacement by automated machines becoming a common feature within organizations there are many growing concerns with '60% of consumers believing intelligent automation is more likely to replace jobs' (Adam-Gedge, 2019). Nonetheless, there is no need for concern as although some workers will be displaced, jobs will evolve and the implementation of new technologies will create new jobs and provide employees with 'innovative and satisfying work environment' (Adam-Gedge, 2019) and will not result in a 'net loss of jobs' (Aepfel, 2019). Moreover, contemporary organizations have to manage people in a way which fights this machine vs human ideology and makes the technological integration a harmoniousness transition by elucidating the benefits it has to all.

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Technological innovations have also played an imperative part regarding the change in the way organizations manage their products, Product management which is a crucial aspect of many organizations operations and their ability to succeed, can be categorized into these main stages; planning, forecasting, production and marketing. The internet which is can be regarded as the most influential innovation of the digital era has provided organizations and people with immense access to information, thus having a large impact on how products are managed. Organizations are able to capitalize on the unfathomable amounts of information that is available to them, with regards to the planning stage of product management, research for contemporary organizations has changed massively. Organizations no longer have to devote large amount of resources into research and development by doing the legwork themselves to retrieve the required information, as the majority of it is already available to them online or can be easily obtained. This has allowed contemporary organizations to better manage their products in terms of understanding the wants and needs of consumers thus being able to better cater for the requirements of consumers making their products or services more successful. As discussed earlier production methods have improved and changed significantly with credit to technological innovations, other examples of how this has changed is through improvements in transport and infrastructure which has turned an organizations production process into a global chain of events with the sole objective of reducing costs, however, this has led to organizations being able to exploit aspects of the production process such as the use of cheap labour in developing countries. The ways products are marketed have also changed dramatically, the digital era of marketing is revolved around data and <https://assignbuster.com/impact-of-technology-innovations-on-the-contemporary-organization/>

information, organizations aim to personalize any interaction consumers have with their products or services using the data they retrieve on individuals to market their product or service on an individual level instead of marketing it to a market segment as a whole. The improvements in communication have also helped make interactions between organizations and consumers easier which again has helped organizations to create a more personalized experience with people.

In addition, Computers, on-line systems and ' the cloud' have been other significant technological innovation which have shaped the way contemporary organizations manage their people, especially regarding office-based work. The transition from pencil and paper processing to the digital and machine-based work we know today started as early as the 1970s it was a very difficult switch for many organizations and their employees leaving some employee's describing their work as " floating in space" or " lost behind the screen." (Zuboff, 1996) and although the initial transition was difficult it was an important change, which required organizations to alter the way they manage people helping them to become what we are so familiar with today. One of the ways technology has changed management, is the ability to govern employees without as much physical authoritative presence, organizations are able monitor and manage their employees through the technologies they use whether it is through supervising the websites people use or checking the emails that they send organizations have greater access to what employees are doing which has changed traditional working patterns. Improvements in communication technology has been an important factor for shaping contemporary organizations, the

ability to communicate with ease has led to organizations being able to be fully functioning and operational without actually having to be in a physical location, with the use of email, WhatsApp and other communication methods organizations can continue to work outside of traditional work hours or without being at a traditional workplace which has also changed how organizations are able to recruit. With the ability to communicate so freely organizations no longer require employees to all work in one physical location, employees are able to work remotely meaning they can do their work wherever and can still be a valuable asset to an organization, this has provided both organizations and employers with much more freedom which is why it is very common. Technology also helps organizations to be kept fully organized, improvements in efficiency and the increased simplicity of regular organizational tasks such as administration or accounts can now be conducted using software, this has helped to fix traditional problems such as accountability and productivity as it allows organizations to monitor, assess and review everything digitally. The role of leadership within contemporary organizations has also changed, leadership is no longer about direct power but about influence, contemporary leadership focuses more on the ability to influence rather than command control.

In order to stay relevant and to be able to stay competitive it is imperative that organizations 'adapt incrementally to the changes that the stream of modern technologies produce' (Clegg et al. 2015). With the importance of keeping up with technological innovations it is apparent that organizations have had to change the way they manage products and people which in succession has shaped them into the contemporary organizations of today.

The focal ways in which organizations have changed with regards to management often links back to improvements in efficiency through technological innovations with the main developments and changes as follows. Improvements in production methods allow organizations to reduce costs and increase output on a large scale as automated machines are able to replace the role of a human whilst being easier to manage and more capable. The greater accessibility to information has had a large impact on shaping how organizations manage products allowing them to better research and develop their products and services enabling them to more competently satisfy the desires of consumers. The advances in communication systems have helped improve the flexibility of organizations and their employees breaking the traditional routine and methods of management and work. The authoritative role of managers has also changed with there no longer having the requirement of a physical presence as organizations are able to monitor everyone digitally making the task of governing employees easier. The task of keeping organized has been made simpler with the tools and software that technological innovations have provided organizations with meaning they are able to focus their efforts and resources on more important tasks. All these technological innovations have provided organizations with many benefits and although it has meant they have had to change the way they manage products and people which has come with its own challenges, as is the case for any meaningful change, these changes have collectively allowed them to be the successful and efficient contemporary organizations that we are familiar with.

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