

Global organization management in the year 2000

[Business](#), [Management](#)



" Technological advances at the end of the 20th century have allowed companies to globalize, facilitating the sale of their goods and services in foreign markets. Communications, empowerment, and learning will be the three greatest deciding factors in the success of these new multinational firms. " To be more successful in business in the global environment, it will be necessary to expand to the global market. An increase in production, sales and profits are some of the compelling reasons why most companies will seek to go beyond the limited sphere of strictly selling to US consumers.

But as companies in the year 2000 and beyond will surely find out, it isn't always easy to manage an organization when the work force and management teams are thousands of miles and an ocean away.

Consequently, there are a few strategies that can ensure the success of a business located in the global market. First of all, the 1990's have already taught us that people are proud to work for companies that treat them well. They become linked to companies in more than an employer/employee relationship -- they come to feel as if they are truly a part of an organization; not just one of the employees.

In the year 2000 and beyond, it shall be the presence of this feeling more than any other that sets excellent companies apart from the ordinary, and therefore less successful. Companies which are expanding to the global market will need to make all the positive contributing employees feel more than just workers. One thing that employees in the future will - more than ever -- ask themselves continually is how personally beneficial or detrimental their work environment is to their well-being.

By establishing a research study to investigate the psychological climate of the overseas workplace, several important factors can be established which will help in the effective management of the global firm. More than ever before, employees in the global will show a genuine appreciation for fairness within their workplace, as well as some amount of recognition for a job well done. This is especially important when the parent company is located in another country.

The prevailing attitude may be that the new organization isn't as important to company success, simply because the head of the organization isn't a daily, or even monthly, presence at the workplace. By recognizing the achievements of foreign employees, employers will ensure that their global family feels appreciated and part of the team, which in turn will create an atmosphere where the employees take pride in their work, and feel as if they are an integral part of the entire production process.

There may also be problems with job stress, or harmony within the work group (possibly a lack of warmth and friendliness which does not provide a pleasant working environment). All these potential problems are part of the psychological climate within a workplace already, and will need to be addressed as part of an effective management program of a global organization in the future. Every day, employees will form a perception of how their organization values them in their contributions. It is important that these global employees feel that the organization cares about their well-being and is willing to fairly reward their loyalty or effort.

How the global employees will perceive this support from the parent organization is important to them as they try to understand their role in the production process. Maslow (1954) argued a hierarchy system of human needs. The hierarchical needs are fixed from the bottom to the top. The bottom is physical needs; next is safety and security needs; third is social needs; fourth is self-esteem; and fifth is self-actualization. Maslow's theory suggests that an individual's motivational needs aspire to the next level once the lower level needs have been achieved.

The global firm must address the needs of the foreign and expatriate worker, to keep their commitment to the organization. The individual wants money not just to live on but also acquires some degree of personal satisfaction from earning it. Money will be used for housing, foods, and healthcare, for himself and his family. Receiving an increase in salary will contribute to the individual's status and self-worth, both of which are identified needs that require satisfaction. The overlapping areas in the motivation model suggest that the Maslow's needs are satisfied simultaneously.

There are three overlapping areas in the model, an overlapping of individual needs and external influences, an overlapping of individual needs and business, and an overlapping of individual needs, external influences, and business. The first area includes the physical needs, the safety and security. The second area includes the social needs. The last area includes self-actualization and self-esteem because the two needs are satisfied when the

three factors are met. Furthermore, a size of each overlapping area can explain management's attempt to satisfy the degree of employees' needs.

The global firm must attempt to satisfy the needs of all the workers, not only in monetary terms, but also in fulfillment of self worth. All the workers should not just feel as if they are a 'cog in the machine", but part of the whole process. The expectancy theory presented by Vroom (1964), is a frame work for our ideal global firm to operate within. We assume performance, reward, and satisfaction are interconnected. The theory suggests that an increase in effort leads to increasing performance and then proper rewards with satisfaction help keep the relationships.

The factor not taken into account is the relationship between a person and external influences. The relationship between performance and rewards relates to the interaction between individual needs and business. Our global firm will provide a systematic rewards process which meet the individual needs as performance occurs. The size of the overlapping area of individual needs and business can illustrate the degree of matching individual needs and the respective rewards. Our eventual long term goal is to increase long term commitment to the firm.

If workers meet goals, and targets they will be rewarded. The global firm does not want to lose good workers. It is hard enough to maintain a domestic workforce, finding and maintaining a global workforce is an immensely large task. Employee perceptions of the global organization organization" s support will strongly influence their commitment to the organization. When

they see the organization as being supportive of employee efforts, this also affects and influences their attitudes and behaviors.

How employees perceive support from the organization is directly influenced by positive feedback from the organization. As in everyday life, praise and approval for a job well done is the best way to let people know they are appreciated. This is very important in global management to increase employee morale. This positive feedback lets the employee know that the organization recognizes and values the contribution of their global employees -- a key message in all forms of support.

The 21st century organization will find it helpful to take monthly surveys of the global employees in which to get their assessment of the employee-organization relationship, and if they feel there is positive feedback or communication occurring within the organization. When an employee feels that the management's actions and policies communicate employees are easily replaced, he or she may feel well-being within the workplace, and be less likely to identify with the organization.

It is important for global employees to feel as if they play just as much of an important role within the organization as does the core group of employees in the home base organization. If an employee perceives top management communicates consistently -- and in several different ways -- that employees are valued, he or she may feel increased well-being and report a stronger identification with the organization, which would result in better performance and a company loyalty.). Concern and caring for employees can be

communicated through statements sent to the foreign workplace from organization.

Loyalty to the company can be reinforced by publicly recognizing employee achievements in company newsletters. Organizations can also communicate their support of their foreign production team by providing tangible benefits, such as child-care facilities or flexible work arrangements. This allows employees reducing uncertainty about their jobs through job training or information about what would happen if the company had to layoff a certain number of employees. Overseas production teams will assume responsibility in the event of profit or losses. The global team would be the first to be cut.

Knowing ahead of time that there is an established plan for handling such a possibility will go a long way in increasing employee feelings of well-being and loyalty to the company. Ambiguous policies, on the other hand, only serve to promote uncertainty among global employees. It is also important to understand how organizational events are interpreted by employees, which can lead to increased understanding of the organization and improve the employee/employer relationship. Organizations of the future allowing global teams to be part of the decision-making policies and practices will generally have more supportive organizational climates.

This shall show the foreign production team to feel they are part of the entire organization and not that the parent organization is deciding for them on work practices and policies, which don't directly affect the organization as much as they would affect the foreign team. Allowing the global team into

the decision-making process will signify management's respect for them as an important part of the entire organization. Positive evaluations of employee value and their decision-making abilities are also important.

Participation in decision making is related to increased motivation and increases in employee attitude toward commitment to the organization. One of today's biggest buzzwords is "Teams". Most companies are leaning toward a team concept. One way to enforce teams is by empowering employees. Many companies striving to edge their competition are turning to the empowered employee teams initiative. The difference between a group and a team must be understood. A group is two or more people who interact to achieve their goals. In contrast a team is a group in which members work together intensively to achieve a common goal.

Therefore the fact that there is no camaraderie in the groups is not only because of the lack of proper interaction and understanding but also because of the fact that workers are not trained enough to realize the importance of working in groups. The difference between groups and teams Groups work individually to achieve a common goal, or target. Teams work and communicate together to achieve common goals. The global organization must achieve form teams, and not groups. The global empowered teams will be part of a much larger global composition of teams that will form the companies network.

In the global organization empowered teams will make the difference between the company being a multinational that meets the regional demands, or an international corporation. Regional needs will be satisfied

because the teams distributed throughout the world will be responsive to the needs of the customer. The ultimate goal of the corporation is "to market itself globally, but act locally." (Stein, 1999) Most businesses want to achieve total customer satisfaction by anticipating and solving a problem before it occurs. Thus a new kind of team has emerged with the goal of insuring customer satisfaction from the start.

In the global environment empowered teams will be able to react regionally to the needs and wants of the consumer. Empowered teams are built with empowered people whom have the authority and autonomy to make significant changes within the organization. The global teams will consist of several members from different functions. Instead of one individual making decisions, the group or "team" makes decisions collectively with the middle manager position eliminated or acting as the coach. The use of these empowered regional teams is to solve problems, lower costs, increase quality, and ultimately improve customer satisfaction.

The global team will understand the national culture of each individual country it operate in. They will identify that particular set of economic, political, and social values that exist in that nation. Throwing people together does not always mean they should be called a team. They must first be made up of the right people who understand and can define a task. The strength of the team depends on proper training, timing, and communication. Before a regional empowered team is created, the goal of the company and mission of the team must be defined.

The top management must identify how much of empowerment is needed, and recruit the best people to work on the problem. For a team to work successfully it should ideally be comprised from a diversified workforce. The diversification will facilitate more idea" s and openness with the team. An article in the Wall Street Journal mentioned Honda, Motorola, and General Electric as examples of companies who form diversified empowered teams. Honda motor company for example, attempts to compose it each of teams from a minimum of three different countries.

This allows Honda to incorporate regional needs, and use other non regional concepts. Recruiting the right people, and insuring they represent the cross-section of discipline" s and regional diversity is very important. One person missing out of this formula can ruin a team. Within every team, a cross-functioning method must be used for the team to be successful. If one of the team members is hard to get along with, they still can be beneficial to the team. Everyone's input is important, the output of the team is greater than any individual's output. A strong facilitator is also needed on the team.

The facilitator guides rather than leads. Usually middle management, this person is set equal to the other members of the team. The facilitator must recognize and understand each member's participation, as well as, coordinate the reporting progress. In order for team to be successful, senior management must be committed to recognize the team should be put in charge. This is done only when senior management defines a specific goal for the team to strive for. Too much management can kill a team. The team

might spend more time on reporting the progress than the task that needs to be completed.

Middle management is the biggest obstacle for teams. To be successful, middle management must surrender its power and let the team empower themselves. Setting time limits are also important to the team success. Never let a team go beyond six months, everyday should be treated as an important day. Training is also important for team to succeed. Everyone in the organization, including all suppliers must work together to improve customer satisfaction. Outside vendors should be reminded that increased sales by the corporation will lead to increased revenue for them.