Organizational Behaviour - II Prof. Susmita Mukhopadhyay Vinod Gupta School of Management Indian Institute of Technology – Kharagpur

Lecture – 50 Organizational Characteristics in Global Context

Welcome to the last lecture session on this module of module 10 in which we are discussing on the team behaviors and organizational culture. The different types of organizational culture and like how it affects the team behavior. In today's lecture we are going to discuss on the organizational characteristics in a global context.

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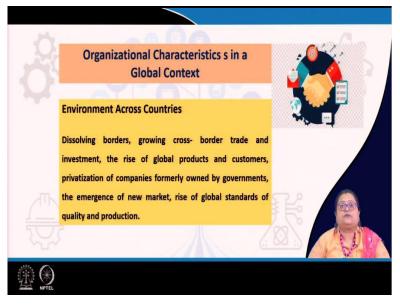
So, this part of the lecture session will be held on the organizational characteristics in a global context.

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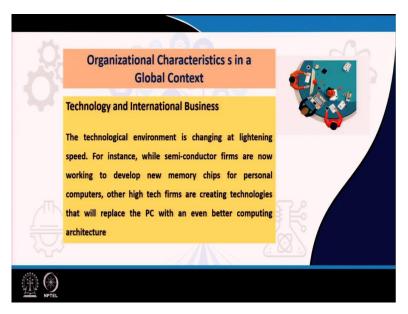
Now, what are organizations in a global context? So, it is a fact that no organization can work effectively in isolation and has to comply with the global factors that have an impact on their business. Globalization imposes numerous challenges in front of the organization. There is a rise of global standards of quality and production. The growing sophistication of information technology have altered the environment of business everywhere across globe dramatically.

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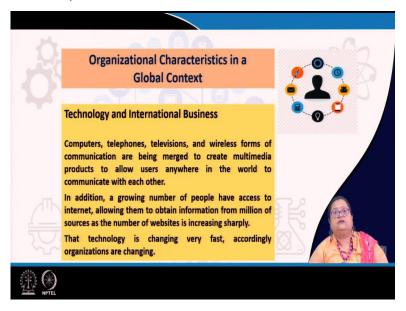
Now, what is the environment across the countries? Dissolving borders, growing cross border trade and investment, the rise of global products and customers, privatization of companies formerly owned by governments, the emergence of new market rise of global standards of quality and production. This is the environment across the countries.

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Technology and international business. The technological environment is changing at a lightning speed. For instance, while semiconductor firms are now working to develop new memory chips for personal computers. Other high-tech firms are creating technologies that will replace the PC with an even better computing architecture.

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Computers, telephones, televisions and wireless forms of communication are being merged to create multimedia products to allow users anywhere in the world to communicate with each other. So, this we are seeing in virtual teams also while people are physically white apart. How they are taking care of using the communication technology to close the distance to bridge the gap of physical distance?

And like work together as a team where they can share their thoughts with each other maybe on a real time basis also communicate with each other share their work with each other. So here technology becomes very important tool for international business. In addition, a growing number of people have access to internet allowing them to obtain information from millions of sources as number of websites is increasing sharply.

That technology is changing very fast accordingly the organizations are also changing.

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Organizational designs, international managers deal with many different types of organizations in international business dealings. Surprisingly, there are similarities between organizational design seeing different cultures. At the same time, there are differences also. The light organizations across cultures, scholars have identified to reasons why organizations from different societies can be similar. These are explained in the convergence and culture free theories.

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Now, what are this convergence and the culture free theory? The convergence theory so, there is a worldwide knowledge of successful design which the managers copy the successful design regardless of the nation's origin and it gives rise to similar organizational designs in all nations. The culture free hypothesis, the contextual contingencies are like the size, technology and strategy.

So, this limits the design options for successful performance. And then from those limited options, similar organizations designs are chosen for those limited options.

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Now to illustrate on this, the convergence theory. Many management practices, especially those related to strategy and structure are becoming increasingly similar. This growing similarity management practices is called convergence. Firms competing in the same industry

tend to have similar structures and strategies regardless of the location of the organization's headquarters.

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Several developments account for convergence are customers' needs across societies as similar, companies need to produce similar products. Growing industrialization and economic development enable organizations to have the technical financial capabilities to use technology. Global competition and global trade contribute to convergence. International strategic alliances also contribute to convergence. Business education also serves to harmonize organizational practices.

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Next, we will go for the culture free theory in terms of organizational design. The second theory on the similarities in organizational designs relates to organizational contextual

factors. Such factors include the organization size, technology and strategy. Large organizations trained to be more formalized, specialized and less centralized. Technology efforts of mission design mostly at the department level.

Strategy and structure are intertwined in all firms. In MNC strategy generated at headquarter are percolated worldwide.

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Now, what are the different organizations? The 2 reasons why dissimilarities found between organizational designs are. The national cultures influence the preferred way of organizational settings consistent with their own cultural values and norms. Pressure from the institutional environment influence not only how managers choose the strategy rather how they choose the organization's design also.

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Organizational change in it is the additional environmental complexities global businesses face, it follows that organizational change may be more critical to them than to purely domestic organizations or businesses. A second factor to be noted is that acceptance of change varies across cultures. In some societies, change is normal and an accepted part of organizations life.

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So, we have to see like, if we are trying to move towards a culture free society, we are trying to move towards the similarities in cultures and similarity in organizational design. These are possible but also, we need to understand there would be some differences based on the national culture that the organization is belonging to. We can then classify see according to the we have seen in the previous lecture how the National cultures are clustered together in terms of Hofstede's national cultural values at then.

We have gone through the globe culture strategy and we have gone through the Trump enters cultural clusters also. So, even if national cultures are different but again, we can form the cultural clusters to give shape to the understand like your which countries could be like, similar in terms of their national cultures and which countries could be different. So, we can try to realize the similarity and try to group the countries together.

And that is how the ease of understanding the organization designs become easy. But at the same time, we need to respect the diversity also and acknowledge the diversity. And like try to adjust ourselves and assimilate with diversity. So, these are the things like that is required when we are talking of acceptance of the change. And so, we cannot just assume that the person will be similar to me.

The other person can be different based on his national cultures. We will try to find out the commonness but we cannot ignore the differences also rather we need to assimilate we need to respect and assimilate the differences. Because from differences, from diversities, we can learn many things. There are a lot of learning points which we can get from other cultures. And if we can learn from those things, we make ourselves more enriched, more effective.

So, some of the challenges in the organizational behavior are, so first important challenge as you can see in this scenario, we are talking about global cultures like commonness and similarity and the similarity is like improving on people's skills, improving on the quality and productivity, total quality management, managing workforce diversity is a very, very important challenge and how we get ourselves like trained for it.

How we develop our mindset perspectives for it? Responding to globalization, how we respond to globalization? Empowering people is also very important challenge of leadership. So that we are empowering in the right way with the right intention and spirit and we are empowering those people who really want that empowerment welcome that empowerment and ready and developed for that empowerment.

We have seen through this in the leadership styles that we have already referred to. So, these are some of the challenges that are very important challenges while we are discussing organizational behavior with respect to Team problem solving leadership and with respect to the cultures also.

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Some of the other challenges are like coping with temporariness because we understand like the environment is changing very fast. So, and we need to learn when to adapt to the environment, we have to know how to solve problem creatively and stimulating innovation and change. There are different new styles of organization emerging like e-organization, e-commerce.

In all these things ethical behaviors, whether we are going for problem solving, whether we are going for leadership, whether you are going for collaboration competition everywhere. Ethics becomes very important improving on the ethical behavior. Improving on the customer service we can be effective. Organization can be effective only when they are customer focused and they know how to serve their customers well.

And very, very importantly is of course, like we have learned about to Team behavior. We have learned competition collaboration. We have learned problem solving in a creative way. We have seen the organization's cultures and the effects of team how it affects each other. We have seen how the leadership affects team behavior and team behavior also the group's affects leadership.

So, one of the very important function in every of these things is of course, especially for the leadership is to see like and to help the employees balance work life conflicts. It is very important because employees are a holistic entity who have both a work life and family life a

personal life. And it is only a well-balanced employee who can balance his personal life and work life well.

Becomes a better functioning individual who can contribute to the organization's growth and also find his or her own growth in the system of the organization.

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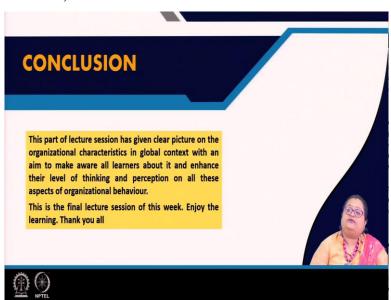


So, it is a very important function of the whole team leadership. The organizational culture, the way that the person solves the problem in a creative way to find solution. To find out how he can balance both his personal life and work life? And be like effective in both the domains and being tranquility to oneself be become more resilient to answer to the stresses of the environment that is around.

And contribute positively to the growth of the organization, to the growth of the team and in overall personal growth also. There so that there is a holistic growth in all the domains. So, and that can be achieved only through the h balanced activity or the balanced nature in all the domains of the person's life. Organization is a system of systems. Human being is also a system of systems.

So, when these 2 systems interact properly with each other in like synchronized with each other properly, then only we can expect synergy, then when only we can expect something magical happening, something happening which leads to not only effectiveness but also sustainability in the long run. So, we have given use these references for this particular lectures.

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So, hope like this lecture sessions have given the awareness about the global context of the organizational culture how it affects. This is the final lecture session of this week and enjoy your learning. Thank you all.