

Managing the People Dimension of Globalization

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The Process of Societal Transformation

Think 'Transformation', several images are evoked in my mind. The good old morphing of caterpillar into BUTTER FLY. The modern day vegetable vendor using cell phone is also a transformation taking place in our society.

Transformation is the end result of a highly energized process that combines human ingenuity along with its indomitable spirit to make new things happen and to create value in corporates. Transformation is about turning aspirations into realities and converting setbacks into opportunities. Charles Handy calls the creation of new alchemists from ordinary people with conviction.

Toffler said "the illiterate of the 21st century will not be those who can not read or write but those who can not learn, unlearn and relearn" and the change process is all about learning, unlearning and relearning.

The transformational processes have nine most important lessons. They are as follows-

1, the first is the ability to manage TIME effectively. The organization in a state of flux throws up many demands on time than one in a steady state. The Indian corporates particularly the government departments should effectively manage time by removing red tapism, delays etc. the delays will result in raising the cost or cost escalation.

2. The transformational process demands effective energy management in the organizations. The process of change can be exhausting, both physically and mentally and needs sustained levels of high energy over a prolonged period of time. The change process is mostly about Leadership, leadership in all levels and also from the leadership team at the top in the organization. The process is about rallying employees around to an exciting and compelling Vision of the future. The leadership should be plugged into the minds and hearts of the people in the organization. For ex in AV Birla group it is observed that the process of change is triggered by leadership (90%) and managing is only 10%. This facilitates the improvement in the quality of imagination, innovation and creativity in the organization.

The AV Birla Group in 1996 launched a corporate identity- a logo with a Rising Sun. The launching of the corporate logo bought a group identity and an impact of bringing of people of different companies together. This was at the time when the group was going through emotional turmoil; the logo of rising Sun helped to re-energize themselves, cross the bridge and start the change process. This corporate identity not only made an emotional connect that wove the group together into an integrated whole but also fulfills the need of the need of fraternity among all employees. These reenergizing proceeds also bought a new optimism as a rallying point for the organization.

The creation of corporate identity is a strategic step in the transformation process in an organization.

Leadership Development

Leaders in the organizations find themselves between conflicting demands and are subject to an endless series of paradoxes and dilemmas.

Here HR function is responsible for leadership development in all levels in the organization. In a multi national context when there are people with different cultural backgrounds HR function shall develop transformational leaders for transforming the conscience of the people.

3. Transformation process is possible through communication. A critical area in the process of change is communication, communication and more communication. Instead of over communication better, faster and more communication in the organization will facilitate the change process.

Technology particularly IT can be effectively used for better and faster communication. Using technology is advantageous to the change process as it enables to reach out to as large audience as possible. Communication engages people to interact. In fact in communication the same message is filtered differently by different people, understood differently, based on their perspectives.

4. Transformation process is enabled by communication by different people with different roles to play in the organization.

The management of most organizations focuses on their high performers, high potential employees, or the 'High Flyers'. Although this focus is important for the organization growth, it is equally important to focus on the 'Stayers' the mediocre performers. These are the people who work the outline-day-to-day, month-to-month and quarter-to quarter things happen. You need people who are workaholics –follow and implement the rules diligently. If these people are ignored in the process of change, then the organization will not achieve alround development and may lead to organizational 'dehydration'. Infact these mediocre performers are to be motivated to contribute for the organizational change and development. Their services and contributions are to be recognized.

5. Transformation in the organization is possible when they are heterogeneous in their composition... Many Indian traditional organizations are homogenous in composition. The kind of people we recruit, the behavior in the organizations, the type of leadership all show that our organizations over a period of time have become homogeneous. The heterogeneous composition facilitates fast change. The heterogeneous of people, though very difficult to manage helps the organizational change. It is difficult to change the genetic coding but doing this exercise will significantly improve the quality of constructive dissent and the quality of decision making on the long run. Bringing in people from different cultures, different skill sets, a new pair o f eyes and thinking will as a catalyst help in the change process provided the people in the organization bond with the basic values of the workplace or work ethics.

Therefore, organizations should move away from homogeneity and become heterogeneous by creating an organization climate that embraces different cultures, keeping its strong base on the core values.

Cultures are the living systems that resist being changed except by those who understand their underlying logics. There are 4 different organization cultures-the traditional business culture/ role culture (Eiffel tower), family culture/ power culture (family), the task culture (Guided missiles) and person culture (Incubator). But as organizational work becomes more complex then the family culture and the task culture becomes prominent. People management persons must master to act in all these cultures arising to prominence over a period, in sequence. The people management tools will be effective in certain organization cultures only and not so in all cultures.

Culture shock

In thinly staffed offices abroad, people must take up added responsibilities and play multiple roles. Foreign operations are typically innovative, with more surprises and risks. Yet when the colleagues are told about the extraordinary opportunities and adventures say in Thailand, they tend to dismiss as peripheral and trivial.

The heterogeneous organizations may face certain problems like culture shock. Differences of race, color, religion etc may arouse people in the organization to anxiety and fear. Its physical manifestations are clear and measurable. The symptoms of culture shock in the organization are- mild neurosis, sleeplessness, depression among people.

The culture shock persists unless the organization and the people in the organization confront and openly breakthrough it. It is observed that 20% of the expatriate employees face culture shock these expatriates feel actively despised. They can not cope up with work environment. The 40% of expatriates are distinguished by their job performance but complaints of home sickness particularly during festival seasons; make them count the days before the end of their assignments. The remaining expatriates (40%) who spent more time abroad will show better performance and they do enjoy variety in their careers and lives.

The problems with re-entry-

The perils of culture shock may continue after completing the foreign assignment and after returning home to the headquarters. Problems may arise after you return to your headquarters. As you were out of sight and mind, the employees in Headquarters may find that you have not accomplished much during your absence from headquarters.

The process of change may result in cultural clashes- the cultural clashes does not simply mean clash of cultures of different countries but those of different disciplines, functions, genders and classes.

If cross cultural diversity is not properly managed than the cost and damage to the organization will be high. The continuous anxiety among employees will constitute cultural shock.

HR department shall educate employees who are required to spend time and work abroad and in foreign cultures by enabling them to talk to returnees from such foreign assignments.

6. Transformation can be achieved by not only analyzing failure but also showcasing successes in the organization. Analyzing failures helps in not repeating the mistakes. On the overhand, showcasing successes has a ripple impact in the organization- inspires, motivates and also get qualitative returns. The organization must create a climate for not just building individual star performers but also star performing teams. It is creating star teams across the organization which will bring organizational change and development. Therefore recognizing and showcasing successes is critical for organizational change and development. This step motivates others also- 'We can do it' and the ambience in the organization will be great.

7. Transformation process is reflected though shifts in geography, rapid pace of mergers and acquisitions in the business world. The mergers and acquisitions give a challenge to both the organizations the need to integrate with a foreign culture and also the unexposed practices in workplace. Many Indian MNCs do face such challenges- for example an Indian Manager posted to Thailand takes time to adjust to the fact that the night shift has only women workers , the thing that is considered illegal as per the Factories Act,1948 in India. The managements must enable their employees to adapt to different cultures and have attitude by learning and assimilating from different cultures It is important and must if you organization has to become global.

8. Transformation process is possible when we track the organizational climate. The organizational health study methodology is the barometer of 'happiness at wok', the feedback from this study must be honest and candid When the feedback is honest and clear it should be



taken seriously and acted upon so that the people in the organization will have a sense of belongingness to the organization.

In Aditya Birla group as in other organizations has yielded good results. Therefore, getting an honest feedback about the health and well being of people in the organization in an organized and systematic way will have a positive impact in the process of change. It is the duty of the management to ensure that the organization is a good employer and a great place to work in is shared across the whole organization.

9. Transformation process has a premium on speed. Our thoughts, decisions and actions are to be fast or we ay lose the race. It is found that the different units in the organization ay not perceive and react in the change stimuli in the same manner. It is also unrealistic to expect all the units will drive change with the same speed and pace. In a change process, people in the organization are quick to jump to conclusions when they analyze the motive behind the change, the resultant shifts in balance of power etc. although managements want to hasten the change process internalizing the same takes its own course. The management must drive the change process consistently, rigorously throughout the organization. At this stage the organization is nearer to the goals but not yet reached yet the people will have anxiety and that anxiety may result in exhaustion- last minute exhaustion and that may break the process of change. Therefore people in the organization must be careful so that they do not fall a prey to this malaise.
