

CHALLENGES FOR ORGANIZATIONS IN TODAY'S CHANGING WORLD

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The world we are living in undergoes times of order, it changes with time, creates challenges for the organizations. Like today's organizations, organizations in the past have faced the challenges of time. Demographics, psychographics, educational and skills gaps, technology, worker mobility and globalization are the major challenges that today's organizations are facing.

Over several years the dynamics of workforce have undergone dramatic changes and this will continue for several years. The workforce in today's organizations and tomorrow's will be smaller, less connected, more ethnically diverse and culturally different. Workforces will be more mobile, less loyal and have higher expectations than previous generations of workers. Organizations need to address these challenges and meet the greatest demand for workers with increasingly complex skill sets.

Technology advancements made information exchange easy and effective, which changed the organizations from businesses to e-businesses. Technology advancements allowed organizations seamlessly integrate the business across the globe, create virtual offices and outsource the work to outside countries. Given that people costs account for some 65 percent of corporate spending, that workforce optimization has a direct impact on shareholder, and availability of skilled resources across the globe led the organizations to find alternative ways. Today organizations accepted and adopting the concept of business outsourcing, which is cost effective and allows the organizations to use the skilled resources available across the globe. While these new concepts helped in reducing the costs, organizations have to face issues related

Challenges for organizations in changing world

to the lack of key resource at centralized place and a need for change in the organization structure.

According to a Harvard University study, from 1980 to 2000, the number of people in the 25-54 age groups, historically the prime source of the nation's workforce, increased by 35 million. For the period from 2000 to 2020, it is projected to grow by just 3 million. The current decade alone will see an out-migration of 24 million workers, representing 18 percent of the experienced workforce. A projected decline in the 35-44 age group, the traditional source of new leadership, will make succession planning tougher for organizations, face serious workforce challenges at all levels of their organizations.

Organizations with medium to large workforce are going for cutting costs and outsourcing the process and operations to other countries like India. While these decisions have reduced the costs spending for both sides, there were challenges in controlling the project from a remote place. Organizations clearly observed the difference between meeting teams in person such as meeting in a room and physically observing every one to a team which is placed remotely without any clue of what their attitude and skill set. It isn't an easy task as there is an uncertainty about the out comes every day. Communicating using mail and document management systems requires methodical approach. If they get stuck we have to wait for the next working hours of the team in India which has a 12 hours gap. There are examples where teams were unable to reach the deadlines of first phase delivery and there was an extension of dates for delivery. From these experiences, I believe the challenges involved in managing a geographically dispersed workforce and providing administrative support to teams requires organizations to seek innovative solutions.

Challenges for organizations in changing world

To address above discussed rapidly changing methods of business operations organizations need to restructure. The hierarchical organizational model, organizations have used in the past was familiar and comfortable. More importantly, hierarchy has allowed the leaders control centralized groups of people. Today the hierarchical structure no longer provides what organizations need to successfully run an e-business. Distributed interconnectedness is the order of the day, and the outlook for the future. Thus, the centralized, controlling model is wildly inefficient given these new variables.

Attitude and shift in values of people is another challenge for today's organizations, which can be seen apparently from lack of basic employability traits like attendance, punctuality and work ethics. This raises particular challenges for employers. Compared to the previous generation, today employees are much more talented and hard working, but they tend to be free agents, resulting in putting their own interests ahead of the team or the company, also tend to put their personal lives ahead of work.

Organizations are facing a major challenge of lack of skills, the skills required by the workforce of has changed. Today's organizations require employees with proficiency in the Internet, intranets, e-mail, online services and a wide variety of PC software. Just not for a software professional job, every job requires these skills, some degree of technical expertise, including those not traditionally viewed as requiring higher-level knowledge. The skill gap represents a significant challenge for organizations. It exists in just about every industry and occupation, and it is getting worse.

People coming out of school, don't have the necessary skills. The responsibility of providing those skills seems to have shifted to organization, which is a challenging task and

Challenges for organizations in changing world

additional overhead for the organizations. Organizations need to identify right people, hire them, train them, pay them, reward them, support them and promote them appropriately. Training and upgrading the employees update is an integral tasks for today's organization

In summary, organizations must move from traditional central control structure to a distributed and trust based structure. Find innovative and suitable ways to control motivate and manage teams. Organizations need to learn, adopt and implement the new forms of communication. Collaboration of people and organizations across the globe is another complex task. Choosing the right outsourcing partner with right tools and managing globally distributed teams is a complex task, right decisions can lead to better cost management, maximized performance and improved employee and customer satisfaction. Organizations must enable learning culture and implement staff reeducation programs. The rewards for organizations that rise to the challenges of the workplace of the future will be high.

Finally, management studies and theories that took place several years back are the foundations for all contemporary theories of today's organizations. They address the core organization behavior and management process. Contemporary theories of management tend to account for and help interpret the rapidly changing nature of today's organizational environments. Organization today need tools that virtually connect the disconnected people, extends the organization, provides continuous training and provides operational visibility.

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Challenges for organizations in changing world

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