

Serbian Journal of Management 1 (2) (2006) 115 - 121

Serbian Journal of Management

NEW DIMENSIONS OF MANAGEMENT IN ROMANIAN ORGANIZATIONS: HIGH PERFORMANCE ORGANIZATIONS

D. Abrudan-Pop* and E. Novac

Faculy of economics, Management department West University of Timisoara, Romania

(Received 12 February 2006; accepted 24 May 2006)

Abstract

Today, more than ever, the members of every organization must rediscover the ability and will to learn. The organization without a culture for learning not adapt soon enough and will not be able to face evolution of the business environment. The high performance organization places the person on the first position. The human resource has become indispensable and its contribution is very important in the achievement of organization's objectives, mission and strategies. The present paper work presents this a new dimension of the Romanian organization's management: the high performance organization.

Keywords: Changing the organizational model, performance culture, high performance organization

1. THE PERFORMANCE CULTURE - A Necessity of Romanian's Organization

Nowadays, the powerful corporations are the ones that are able to evolve and remain on top, in conditions of great competition, regardless the activity domain.

What makes them different from other corporations?

Companies like: Sony, Toyota, Coca-

Cola, General Electric, Intel, Mc Donald's, Merck, may have an answer to this question.

Their activity proves that at least a few terms must be obeyed in order to build a successful company:

- professional employees, valuable, selected by hard filters concerning professional competences and which have a profiles of winners;

- existence of a line of activities which

^{*} Corresponding author: abrudanpopdenisa@gmail.com

achieve products and services that can not be duplicable;

- communication capacity, this allows that any "entire" to function; who control the communication can become "winners"-so that they can look trustingly the future and action for succeed continuously;

- opening to innovative perspectives could positive influence the performances obtained at individual level and organizational level to;

- promotion of a high system of personnel development;

- promotion of a reliable system of the employees reward;

- promotion of motivational packs for increasing individual and organizational performances;

- promotion of a system which can offer to each employee the chance to express his point of view, to be listen and to distinguish himself as individual value;

- support of a culture of learning;

- formation and development of a positive organizational culture, which can assure the employees the feeling of affiliation to a wellknown company that is strong on sale.

The fact that characterize the companies mentioned is the own organizational culture, a culture perfectly assumed by each member of these organizations. Sometimes this culture was gift off by their founders (e.g. Microsoft), and other times organizational culture was the product of ultra performance management teams who suggest to develop and to crest value (e.g. General Electric).

Today, in order to outface the new information realities, for resisting in a strong competitive environment all the organizations are due to has the capacity of adapting the new, the change. There is the risk that what represent yesterday the basics of strong organizational culture to become a barrier for tomorrow. That's why it is necessary to reconsider the organizational culture of each firm. These have to take into account the fact that the new means of communication have completely changed the relation between employees and employer, so that the new contemporary paradigms could affect even those organizations which today are in the top of the world economy. Last years have demonstrated the impact of contemporary life's rhythm for the profitability and leader condition.

Just in last 15 years, 46% of the company which had appeared in Fortune 500 magazine left this top. Certainly, not all these changes can be imputed to organizational culture.

The chancing of economical environment from industrial to informatics one represents another responsible factor. In the present, volume of information that a men have to process is rising extremely fast.

A mobile phone, in present contains more IT innovations that other similar product from the past.

That's why an organization, much as strong is at a moment of time, could not resist too much on the market if ignores the changing.

Therefore, actual organizations have to consider at the management level to find solutions for redesigning the organizational culture that can determine a new concept: the culture of performance.

This concept suppose that organizations have to learn to change and adapt themselves for survive and how to organize themselves for reaching the high performance.

What means culture of performance?

First, a support of performance management, concept which involves managerial practices: self-management,

116

coaching, discussions about professional career, an another way of communication with employees and business partners, development of employees capacity and performances, strategic objectives, short term tasks, always changeable-a management system built for sustain the business strategy in objectives and current practices of terms and employees who compose an organization.

The second, adoption of some principles which confer a distinct form to the organizations that have a culture like this, principles such as:

- key-performance standards in a strategy plan which is referred to objectives and the assurance of permanent compatibility between expected performances and obtained results;

- orientation to the action-members would have to assume themselves active roles, players in the activities carried on and to be not just executives, like they were till now;

- practicing a specific communication model characterized by constructive, correct information, available for anyone, which involves the awareness of the impact of this on each member of the organization;

- increase of the performances by attracting, retaining and developing talentsformation and consolidation of a culture of permanent and innovative learning process, the assurance of quality in education and professional development;

- orientation to the customer (internal and external)-the approaching to the consumer, learning from the firm's customers, customer became an important partner for information;

- innovation, adaptation-a reason which determines the organizations to maintain themselves in economical development top is that they consider very important the innovation problem;

- orientation to excellence.

How the employees of an organization with the culture of performance are manifesting themselves? In this context: it is sustained the process of learning, people know how to communicate, discuss solutions, are promoted constructive relations between employees no matter of hierarchical level, it is not tolerated satisfied performance and the management dedicated to excellence.

We can say that in an organization with a culture of performance, exist also a performance's management, between these two concepts existing a strong connection: while the performance's management is a management system built for translate business strategy in objectives and current practices of teams and employees, culture of performance refers to the elements like: excellence in business, orientation to action, concerning to putting into practice the organization values, so a sum of terms which have the same purpose: performance both at the organization level and employee level.

2. CHANGING THE ORGANIZATIONAL MODEL, A REALITY OF ROMANIAN ORGANIZATIONS

The world we live in is changing. The same happens with organizations and strategies used by them. Nowadays in post industrial era they have developed new type of organizations. This type of organizations is more harmonized¹ with the changes caused by the process of globalization of organizations, and by the revolution of IT and communications.

^{1.} Manfred F.R. Kets de Vries- Leadership, arta si maiestria de a conduce, Editura CODECS, Bucuresti, 2003, [pg. 70]

The organizations focused on control and centralization will loose ground, as those focused on ideas and information will gain much importance.

What actually happens in the world of organizations is nothing but a major change. The old way of thinking was focused on stability, was prevailed by technology, was rigid and last but not least had autocratic characteristics.

The new way of thinking is prevailed by change, flexibility, is focused on meeting the customers' demand and on continuous innovation. Besides in a survey written by Bob Harper, president at MW Corporation, about the paradigmatic changes, the author speaks about the major differences in the attitude about work, the system of values and the way employees of a certain organization behave.(Table 1.) departments are not so closed), the so called "chemical soup" organization (the departments and the relationships among them will develop continuously), and the so called amoeba organization (they continuously create new departments that become independent after a wile).

Among the organizations that have chosen such models we can mention Southwest Airlines, Gore Associates, Oticon, Patagonia, Goldman Sachs. The organizational structural in such organizations are in many cases plate and organically, dynamical and adaptable.

Nowadays the Romanian organizations that have grate performances, do not take into consideration only cutting down the number of the employees, but also improving the latest technologies in order to increase productivity. Such organizations have become the organizations that will

From:	To:
1. Autocratic management style	1. Implicative management style
2. One person decision	2. Group decision
3. Less undertaking the risk	3. More undertaking the risk
4. Grate opposability against changes	4. Less opposability against changes
5. If something work properly, don't change it	5. There has to be permanent changes
6. Unsatisfying quality	6. The grates quality
7. Rigidity	7. Flexibility
8. They think:" tell me what am I to do"	8. They think: "How can we act more efficiently"
9. They think: "It is just a job"	9. They think: "It is the suitable job for me"
10. They think: "I only work here"	10. They think: "I am the organization itself"

Table 1. The change of the organizational paradigm

Source: adaptation of - Succeeding as a self directed work team, by Bob & Ana Harper, New York 1998

This change of paradigm means they have to create new completely different organizations. There are several models of this type of organization, such as: The virtual Organization (relationships between the change the way they do business and will also give a new meaning to the companyemploy relationship.

As the classical psychological contract is not being used anymore, nowadays organizations can not protect their employees as much as they did. The culture of the life time jobs has disappeared - the only things that will help you keep the job are your performances and abilities. Once the classical psychological contract will disappear one and for all, the loyalty for the organization will lose its meaning.

The new IT organizations in Romania will develop as well a new kind of relationship between them and the employees, a relationship that will encourage the employees to learn in the companies as much as they can. An ancient Chinese tell supports this; it describes exactly the situation that takes place in the new organizations: "give a fish to a person and he/she will be feed up for a day. Teach a person how to fish and he/she will be fed up for the rest of his/her life".

As the new organizations have complex training and development program for their employees, must take the responsibility of their own knowledge, in order to be competitive in any other organization, these new organizations have more chances to keep their employees by motivating them in order to make career.

The new type of psychological contract, that will eventually change the status of the employee into an independent supplier, must also contain some programs for supporting the employees in their career, programs that ensure the employees they have the same values, the same performance as the organization they work in.

3. A NEW DIMENSION OF THE ROMANIAN'S ORGANIZATION MANAGEMENT IN THE 21ST CENTURY: *High Performance Organization* High performance organizations (HPO) put the employees on the 1st place; they do not see and use the employee as a temporary resource.

The employee will become the resource they can not dispense with, the resource that has a crucial contribution to achieving the goals of the organizations.

The employee is nothing but a crucial resource needed to have the best resource.

What does a high performance organization actually mean in Romania?

In Romania, high performance organization means:

- The organization that has employees who act together throughout vision, mission, culture, structure; it is the particular place where people feel useful and feel they have become important persons; the organization that has employees who have the sense of equilibrium and fulfill;

- The certain type of organization where they satisfy the need to use the employees, closely connected to their need for learning and finding new things;

- The one where the manager tells the employees clearly and convincingly not only HOW the activity must be done, but also WHY, explaining to each and every employee the importance of their tasks;

- The organization that allows its employees to distinguish themselves at work, by developing the sense of competition, innovation, creativity, creating new things and last but not least the sense of working, generally speaking.

High performance organizations are capable of reorganizing continuously, by

improving the operations, even by reorganizing the entire organization, by reviewing the entire business plan and by identifying the basic capabilities and new scale of social values - that is strategic

High performance organizations act quickly, are agile and focused on the market. These organizations are capable of creating an environment for learning that will allow them to adapt more quickly to the changes in the environment. This quick adaptation to new changes is continuously focused on high performance.

An organization means first of all people, thus, these organization support the investment in their people, in their peoples' ideas that will eventually lead to development, to obtaining the competitional advantage on the long run.

Who can lead such an organization?

The managers of the high performance organizations are the ones that:

- Manage to induce their inferiors the sense that they all have the same GOAL. They can only do this by phrasing clearly and convincingly the vision over the future of the organization its basic goals and culture. Having the employees' support for the settled vision, the leader forms a united team with a powerful identity, a team that lays a great accent on achieving the goals and identifying the meaning of the term "work";

- Manage to draw in people a feeling of SELF DETERMINATION. For the mental health of the organization it is essential that every employee feels that he has control over his life. The employees must not think of themselves as simple wheels in the big machine of life, but players who have to make their own decisions

- Manage to draw in people a feeling of *IMPACT*. It is important that every employee

feels that his actions mean a lot for the organization. This means authorizing. The managers must be careful that their employees have a "voice".

- Manage to develop in their people a feeling of COMPETENCE. This way, the employees will feel that they are developing and growing. Continuous learning is vital. People's creativity can give good results only if they are able to express their need for exploring.

- Manage to develop in people a strong sense of SHARED VALUE, because the importance of work consists of the way they do their jobs.

High performance organization is characterized by:

- Competitive spirit and the desire for wining;

- Positive attitude towards change;

- Continuous learning;
- Orientation towards teamwork;
- Authorizing;
- Assuming increasing responsibilities;
- Respect for the employees;
- Enterprising attitude;
- Loyalty towards the employees;
- Trust in people;
- Client orientation.

4. CONCLUSIONS REGARDING REALITIES AND PERSPECTIVES TOWARDS THE HPO MODEL IN ROMANIA

Nowadays, the high performance organizations are those that give a new meaning to the relation: employer-employee, changing the essence of the way business is made.

In the high performance organizations

everybody wins: the managers who learn how to use intelligently and efficiently all the resources in order to achieve their goals, how to use successful managerial methods, simple but effective ways to act immediately in the organization; they actually learn how to manage in real business terms, in management conditions with limited budgets, on the other hand, the employees.

A company that uses the High Performance Organization Model has several benefits:

1. The increase of every employee's productivity by using a strong motivation of the teams.

2. The increase of the top-managers efficiency by efficient transmission of the messages from them to the operational level.

3. The increase of the motivation and diminution of the employees bearing inside the organization.

4. The increase of the investments efficiency through higher implication of the middle-management in the projects.

For the Romanian company this model means: a performance culture, growing productivity, efficiency, efficacy, excellence.

For the Romanian employees, this model means:

1. self-knowing

2. outrunning their own limits

3. developing their manager qualities and improving self image.

4. the increase of professional authority and

5. career development

We can say that high performance organizations suppose a new approach of management through performance for the individuals and also for the company.

So, the new approach regarding the Romanian employee who needs to think in a new perspective in order to keep his job refers to:

" Drawing the employer (not the manager) as "clients"

" Service ensuring when and where these are needed.

" Getting new abilities that will offer them higher chances for promotion inside and outside the organization.

Regarding the Romanian employers, they will have to reinvent their way of thinking towards their business.

As a conclusion, we can say that a lot of Romanian managers will have to redefine and rethink their way of doing business, in order to save and return to life their organizations that are now broke down.

References

1. H.E. Aldrich, Organizations and environments, Prentice -Hall, Englewood Cliffs, NY

2. E. Lawer, III (1991, pg.16) High involvment management, Jossey Bass Publ., San Francisco

3. J.M.Kouzes, B.Z. Posner, The leadership challenge, San Francisco. Jossey- Bass, (1995).

4. J.R.Katzenbach, K.S. Douglas, The wisdom of teams: The High Performance Organization, NY, Harper Collins, 1994.

5. D. Pop-Abrudan, Resursele umane si performanta in organizatii, Ed. Solness, Timisoara, 2006.