



Management in Virtual Organizations

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ABSTRACT

Today, with the rapid growth of multimedia systems and dependent technologies to different networks including Internet-based education, the learning methods have developed and traditional learning is also directed towards the virtual learning settings. The new era will be with complicated, dynamic, and changing organizations. In these organizations, the existed traditional boundaries will be removed; different cultures will be incorporated and disappeared under richer cultures. Many jobs will be redesigned and technology emergence will bring changes in the organizations' structures. As it is clear from the title, this study tries to specify the role of management in the virtual organizations. In addition, issues like the definitions and important characteristics of virtual organizations, virtual office and different types of it, virtual cooperation, leadership, and their roles in the virtual organizations have been mentioned.

KEYWORDS: *organization, culture, technology, virtual, role*

1. INTRODUCTION

As Taffler (1990) has mentioned in the fourth period of the third wave of human civilization, amazing changes have appeared in the organizations' structure during the last decade. In the meantime, structures are being formed which have not been existed before. A lot of these developments and in fact the main foundation of these all changes is the tendency towards establishing the computerized integrated systems which is along with software, hardware, and complicated communicative means introduction throughout the world. Increasing development of the Information Technology (IT) the world cities have got new appearance, and a lot of cities in different countries have turned into electronic towns. Systemic thinking expediting, exploiting the capabilities in promoting the management plans in organizations, the optimized organizational management, offering qualified services to citizens, investigating the existing systems' development barriers, offering the implementing suggestions, and the role of the IT in optimizing the Electronic Government are among the Electronic Government's objectives.

2. Virtual organizations

One of the new organizational structures is the same virtual organization. There is no standard definition for these types of organizations, but to show the great extent of the provided definitions of these sorts of organizations the following definitions are summarized:

- Virtual organizations are actually types of network organizations that lack the permanent central core.
- Virtual organization is a small and central organization which provides its main sources from other organizations.
- A virtual organization is so concentrated structurally, and it rarely has specialized units and offices or tasks.

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Virtual organization has been known as a temporary network of independent units and organizations including the producers, costumers, and competitors. These units are joined together by means of IT and get the power to take the new opportunities in the best way [1].

3. Characteristics

These organizations' characteristics are principally specified by titles such as non-hierarchical, horizontal, and globalized. However, these characteristics can be mentioned shortly as the following five main ones [2]:

3.1. Horizontal structures:

Horizontal organizations emergence is a response to the competition intensifying in operational environments created by global competition and recent advances increasing in the IT as well as transportation. Becoming horizontal decreases the management levels in the organizations and disperse the human resources.

3.2. Globalization:

Regarding the world trade and cross-border communication network development, other companies and organizations lose the aspect of their localization and enter into the international process cycle.

3.3. Mechanical communication:

The next era is the era of communications; not communications in form of the past, but communications through machinery like computer. The former interactions are not existed in the organizations any longer, and the employers and not the leaders of the organizations communicate with everyone they want through their personal computers. Vendors can communicate through a local network. According to this property, the computerized communication as a mean to conduct the basic organizational activities and concurrent increasing of face to face informal communications role aiming to maintain the organization's integrity will replace the face to face communications in traditional organizations.

3.4. Inter-organizational cooperation and competition:

Not only by means of cooperation between groups virtual companies will coexist, but they cause each other's development and growth.

4. Dynamic involvement:

Dynamic involvement is an attitude which makes the management's "time" and "human relationships" revise the former attitudes towards the rapid and permanent changes. Dynamic, against the static, indicating the permanent growth and activity as well as involving contrary to withdrawal, shows high rate of relationships with others [3].

5. Virtual office

In the virtual office technology replaces a lot of physical spaces. In the virtual office philosophy a task is an act needed to be done not in a place an individual needs to go. In an implemented study, types of virtual offices have been classified on a continuum in which moving more from one end towards the other end, the more time during which the individual is outside the organizations will be.

5.1. Case 5.2. Hostel 5.3. Dependent 5.4. Home working 5.5. Totally moving

6. Leadership

Nowadays, the concepts of "leadership" and "innovation" have replaced the concepts as "management" and "following the customs and beliefs" and the conscious organizations replace the managers with leaders.

Replacing the management and manager with leadership and leader is not only playing with words; leaders of the active organizations are the key elements in today's global markets [4].

7. Virtual organizations leaders' competency

Here, the main leadership working issues in the virtual organizations will be investigated:

7.1. Performance conducting and management

Although independency, horizontal structure, and involvement in virtual organizations are the main concepts of success, it should be remembered that the virtual organization leader will recognize the necessity of self-autonomy for the internal members of a specific structure. This performance conducting can be investigated in two levels of individual and group.

7.1.1. Group performance conducting:

Leaders' activity at this level is as following:

- Creating the insight and organization's philosophy for the members: in a virtual organization, clear and common understanding, insight, existence philosophy, and strategy lead to conducting the organization members' activities in situations with high ambiguity.
- Consulting with organization's members about their responsibilities relevant to each other: since in these types of organizations individuals cannot see each other, a common understanding of their own and other members' roles and responsibilities is highly important and this is the leaders' task.
- Feedback provider: contrary to traditional organizations, the feedback exchanging about work progresses is not possible in virtual organizations daily. Thus, holding weekly conferences and video conferences through the Internet the leaders do this task [5].

7.1.2. Individual conducting: the virtual organizations' leaders should give the duly feedback to the members, and this is done by means of reporting from the customers and their colleagues communicating with them through computers or mechanically.

7.2. Appropriate technology application

The virtual organization's leader should be able to choose the appropriate technology according to the organizational task and members. To exchange information and update this information, the virtual leader uses the simultaneous online methods for the ambiguous and complicated issues such as brainstorming, achieving the group consensus and agreement, or non-simultaneous methods in which members do not need to be online.

7.3. Management within cultures

A challenge in this field the organization's leader encounters is to understand the culture differences between the team members and using it as an advantage. The virtual organization leaders should develop multi-cultural views among the members. To do this, the leaders need to know their own culture fundamentals as well as the employees'.

7.4. Contribute to job's future development

One of the virtual organizations' concerns is about the job future. The leaders of these organizations should predict these concerns and prepare the required strategies for it.

7.5. Network establishing

At the beginning of the organization formation, the virtual organizations' leaders spend most their time establishing the communications and inter-border networks such as communication with different fields' managers, customers, other people outside the organization, suppliers, and investors. The leader's most time is spent on finding the ways to create a common understanding between the partners outside the organization

about their projects and objectives. The leader should create network to obtain the required sources from different areas.

7.6. Building trust and keeping it

Another responsibility of virtual organizations' leaders is building trust between the members. In a real environment several times communication with individual make identifying them as confidant or not, but non-face-to-face communications in the virtual organizations do not give this chance. Accordingly, building trust in a virtual organization requires more awareness and planned attempts by leaders.

7.7. Groupware management

Groupware or the same electronic systems which integrate and combine the hardware and software systems, is divided into two parts in a type of classification:

7.7.1. Desktop video conferencing system: these systems make employees face-to-face interaction possible, such that a small digital camera is mounted on the screen and makes watching the image possible for everyone. Using these systems employees can share their information and exchange the information files in addition to transferring the voice and image.

7.7.2. Cooperation software system: cooperative software is designed to increase the group activities and empower the working groups' processes. Another form of these systems is group supporting system which has been designed for group decision making. Brainstorming, decision making, and other creative activities to create the ideas and suggestions are done easily with the help of group supporting systems [6].

Conclusions

It can be said that the issue of organizational new structures was noted after Peter Drakker's speech (1968) about the meta-modern world and knowledge-based employees, and then people like Jack Welsh and Alvin Taffler did some research on this field. In fact, the nature of the activity resulted in the Internet establishment, provides this possibility that anybody at any level of the organization can be in touch with it and receive their necessary information, and there is no need to any moderator.

Beside the mentioned existing issues, how would be the leadership of the virtual organizations in the modern era? Can a dominant and standard approach be defined for leadership in the virtual organizations? The thing which is clear is that leadership in the virtual organizations will get the position of management and this leadership requires new skills which will be determined by time requirements. Systemic thinking expediting, exploiting the capabilities in promoting the management plans in organizations, the optimized organizational management, offering qualified services to citizens, investigating the existing systems' development barriers, offering the implementing suggestions, and the role of the IT in optimizing the Electronic Government are among the Electronic Government's objectives.

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