

## MANAGEMENT AND ORGANIZATION IN THE DIGITAL SOCIETY

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Volume 7, Number 2 of the *Dynamic Relationships Management Journal (DRMJ)* is a special issue from the international conference of the Slovenian Academy of Management (SAM), revolving around the central theme of **Management and Organization in the Digital Society**. The conference was organized by The Slovenian Academy of Management and Faculty of Economics University of Ljubljana, Slovenia on June 14–15, 2018. It took place at the Hotel Brdo, in the beautiful surroundings of Brdo pri Kranju, Slovenia. The conference gathered academic participants from several countries (Slovenia, Serbia, Croatia, Bosnia and Herzegovina, Republic of Macedonia, Albania, Norway, Italy, Hungary, the Netherlands) as well as practitioners from Slovenian companies. In total, 17 papers were presented in six sections, discussing the topic of the conference.

The digital economy denotes a new environment for organizations that is based on **digital computing technologies**. As these digital and especially social-collaborative technologies are becoming more and more advanced, the firms, groups, and individuals need to become even more flexible and adaptive to capitalize on the availability and diffusion of digital technology. In response to the innovative nature of work, this has been leading to changes in organizational structures and processes. The organizational processes continue to develop alongside with the nature and meaning of work, resulting in work becoming even more granular, modular, and decontextualized. This development allows larger (often virtually-organized) projects to be broken down into smaller and more manageable tasks that can be distributed among the digitized workforce. These tasks may call for the use of unskilled work, such as what is frequently being requested and paid for at extremely low hourly rates via crowdsourcing platforms. However, today's increasingly digitized workforce also includes highly specialized as well as

creative and innovative labor due to the improvements made in technology and organizational design (e.g. via platforms that enable immediate collaboration, joint remote work, and idea input from other stakeholders). One can also imagine that the majority of unskilled tasks will become automated and robotized, necessitating the even more prominent role of coordination and management.

Due to these dramatic transformations of how work is being organized, the “digital workforce” and the “workplace of the future” were chosen as topics of fairly recent editorials in both *Human Resource Management Review* (January 2015) and *The Academy of Management Journal* (Fall 2016). These contributions emphasized relevance, timeliness, and a crucial need for research on particular topics, such as technology usage and generational issues, the role of information technology in decision making, new working arrangements, organizing approaches that have emerged as a result of these advancements, and how technology influences the way work is structured and carried out. Most importantly, the key question is how the structures and processes across levels of an organization, groups, and individuals should be designed and put into operation.

Research is therefore required about the effects of the changing workforce and its context at work. It is important to understand how digital and mobile technologies are shaping organisational phenomena, in particular the dynamic relationships between individuals and groups at work. Entities accounting for the digital workforce's capabilities (i.e., flexibility, digital literacy, access to working platforms beyond the traditionally designated workplace) as well as the power of technological advancements, such as artificial intelligence, not only bring challenges and opportunities, but also call for a radical change in organizational designs and related culture-driven be-

haviors. Adequate and rapid responses in these areas may benefit firms and institutions by increasing customer satisfaction, shortening time-to-market, providing customization, boosting innovations, and ultimately achieving greater efficiency and effectiveness. However, it is also important to recognize the downsides of extensive technology use for concentrated and ever-present work with its reduced levels of job security, fading of close relationships and deterioration of social aspects of digital work, fair pay, and effective collaboration. Research needs to examine the shaping conditions and effects of the growing use of technology by a digital workforce, and also to provide guidance on how best to utilize technology to meet organizational goals.

With technology unraveling many traditional forms of employment and organization, many questions remain about how organizations, but also the broader context of society, should coordinate fair exchanges between workers and employers, and assist in shaping the dynamic relationships between them, and among the employees themselves. Several contrasting views on how to organize the digital society pose interesting challenges to the current theories and practices in management and organization. Established findings are hardly applicable to an emerging, but frequently dispersed, desynchronized and anonymized workforce. Despite the importance of advancing our understanding of how we might better organize future work, research on these issues is still insufficient.

The papers in this issue address some of these lacunas in the literature. The first one, by Petar Vrgović and Ivana Jošanov-Vrgović, presents a framework for the study of **open innovation systems in developing countries**. The paper analyses how small and medium-sized enterprises (SMEs) in developing countries may successfully utilize digital networks to collaborate with external partners, and provides insights for practitioners in developing countries about how to design and maintain digital networks for open innovation. The authors provide a brief review of contemporary collaboration tools that are effectively used in open innovation, which is followed by a review of obstacles that SMEs face when trying to use digital networks. Finally, the paper provides conclusions about the practices that these SMEs could use to collaborate online using appropriate tools.

The second paper included in the special issue is written by Peter Nientied and Corella Slob-Winterink. This article discusses the relation between **human resource management (HRM) and innovation**. Through a case study, in-depth information is collected that may give new insight into how HRM can have influence on innovation, based on the ability-motivation-framework (AMO) framework. The case study describes a Dutch technical company, a Dutch branch of a German global corporation. The results of the multi-method (small-sample survey complemented with interviews) case study show that the company's HRM has most of the AMO factors in place, but improvements can be made in cross-departmental teamwork based on team targets instead of individual tasks, such as more facilitated interactions between teams, less focus on quantitative performance standards, and more flexible organisational procedures with an increase in employee autonomy. Broader implications can be derived from this research, such as that a contingency approach is more appropriate than searching for generalizations of the influence of HRM on innovation. Likewise, focusing on human resource and organizational development issues might provide additional insights, beyond knowledge gained through addressing HRM models such as AMO.

Third paper included in the special issue is a case study of a multi-national consultancy, conducted by Bálint Blaskovics. The aim of his paper was to analyze how **virtualization can influence the work of a project manager** from the point of view of their enhanced tasks, and to identify their biggest advantages and disadvantages. The paper is based on a questionnaire and semi-structured deep interviews with an IT-project department. With the findings of this paper, companies can enhance their virtual project management processes, and project managers can gain ideas to overcome problems in a more accurate manner. At the same time, it could be a reliable base for future studies analysing virtual project management from the point of view of project managers.

Paper number four, prepared by Edit Terek, Siniša Mitić, Violeta Cvetkoska, Jelena Vukonjanski and Milan Nikolić, presents the results of a study of **the impact of information technology on job satisfaction and organizational commitment** of employ-

ees in companies in Serbia. Regression analysis on data obtained from middle managers shows a predictive effect of information technology items on self-reported organizational performance. Of all independent variables, the impact of the motivation of employees to work with modern IT is especially evident, as is the role of the importance that management places on modern IT.

Finally, the fifth paper included in the special issue, authored by Sonja Šlander, Tjaša Redek and Črt Kostrevec, looks into **intangible capital investment and corporate presence in global value chains** in Slovenia. Specifically, paper studies the position of Slovenian companies, based on the Business Environment and Enterprise Performance Survey database by the EBRD (panels IV and V) to assess the differences in the accumulation of intangible capital between the companies that are active in global markets and those that are not. Their findings indicate that the observed differences are most pronounced in computerized information component of intangible capital, while differences in innovative property and investment into strengthening economic competencies are not as large. These results are discussed in light of digitalization.

On the basis of interesting findings summarized above, it behooves us to further understand the research areas exposed by the papers in this issue, which will, without a doubt, pose further challenges to management and organizational scholars alike. We would also like to share a happy news related to the journal, which is that in mid-September, we have learnt that the DRMJ was accepted to be included in the Scopus database. This recognition represents a strong push to our continuous effort in increasing the visibility and international nature of the DRMJ, but most importantly raising the quality of articles published in the journal.

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