Scenarios, Organisations and People Management in 2010

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Introduction

During the last twenty years of the twentieth century the nature of work and the management of people changed dramatically in Australia and in other western industrialized countries. These changes have been well documented and have been the basis of predictions about future developments in work organization, management practices, people management issues and the role of the human resource management practitioner. The dominant approach to developing these predictions is an incremental change analysis that extrapolates from past trends. Although this approach is useful in relatively stable environments it is less useful in turbulent environments experiencing significant amounts of change.

An alternative approach to predicting the future is a process of futures studies and analysis that develops ideas about the future based on values and preferences for future organisations and work arrangements. Examples of these techniques include scenario planning (a process used by Shell for many years), creative visualization, brainstorming and future search. The first part of the paper briefly discusses the main features of futures studies and the process of scenario planning and the limitations of the incremental change approach to predicting the future.

This paper explores the implications of using a particular form of futures analysis, that of scenario planning, for consideration of future human resource issues and the role of human resource management. The paper builds on earlier work in which scenarios of future organizational structures were developed. These scenarios will be briefly described in the second part of the paper.

The scenarios are developed using two drivers: the extent of globalization and the role of government. The possible organisational forms that are predicted to emerge in these scenarios will be described in terms of strategy, size, communication flow and values. The third part of the paper discusses the human resource issues that could arise in each of these scenarios.

During the last decade there has been debate about the future role of human resource practitioners, particularly the need for practitioners to demonstrate the way in which they add value to the business. The fourth part of the paper briefly outlines some of the predictions about the future role of human resource management and assesses these in the light of the scenarios. The final part of the paper concludes and in doing so briefly explores the implications of the earlier parts of the paper for the teaching of human resource management.

Futures studies

Thinking, studying and anticipating the future is problematic. The future is an abstraction that represents the interaction of past, present and future actions (Slaughter 2001:1). Two approaches have been used to explore the future. One approach known as the ‘incremental change analysis’ identifies changes that are expected to occur in the future. These changes are predicted on the basis of experience in the past – extrapolations are made based on past trends. Incremental change analysis techniques include stakeholder analysis, strategic planning and benchmarking.

These techniques make a number of explicit or implicit assumptions. The economic, cultural, philosophical and social commitments are taken as given and form the basis of predicted future trends. For instance, these assumptions could include the idea that customers’ notions of value will not change, that the leadership skills practiced successfully today will produce success in the future or that the business models successful today will be as successful in the future (Saul
The present society reflects a number of discourses that influence the way current issues are framed and the priorities adopted (Slaughter 2001: 4). A dominant discourse is an economic discourse that influences how government allocates resources. However, it is possible that in the future these discourses will be questioned, just as the welfare state was questioned in late the 1970’s and the place of women in society was questioned after the women’s liberation movement.

An alternative approach is a futures analysis or futures studies. This approach recognizes that discourses could change and that assumptions about the continuation of existing arrangements could be false. Chaos theory and complexity science provide insights into this alternative approach. Complexity science focuses on the nature of interactions among the individual “agents” in a complex adaptive system and monitors their effects. Computer models of complex adaptive systems demonstrate that these systems often evolve to a critical point poised between chaotic and static states: states where the emergent response is unpredictable….at the “the edge of chaos” (Lewin and Regine 1999: 30).

Futures analysis enables a futures discourse that facilitates a distinctly futures-oriented quality of understanding to emerge. Methodologies, such as scenario building, trend analysis, environmental scanning and causal layered analysis can be used to generate, manipulate and evaluate information about the future. These methodologies provide a means to handle data and at the same time embed them in contexts for the proposed project or development. This process involves “the manipulation of large data sets in combination with conceptual sophistication allows a kind of extended analysis to take place that deals successfully with complex practical problems” (Slaughter 2001: 6).

The subjects of a futures perspective are endless, but when the perspective is the world of work and employment relations it is possible to think about possible alternative forms of work and employment relations. This is done by embedding time series data into different contexts of possible futures. For instance, does the predicted view of the nature of work and employment relations make sense? Is the trend likely to be socially sustainable? What system breaks are likely to occur?

The milieu for this sort of thinking about work and employment relations could be government departments, companies, public sector and volunteer organisations, trade unions and political parties. When planning and thinking is based on futures analysis it enables questioning of particular ideologies and social and cultural values which are usually taken as given. It also enables these organisations to develop various possible models of the world, to make explicit comparisons, evaluate outcomes and to reorganise existing plans (Edelman 1992). It enables an awareness of the cultural assumptions embedded in existing plans and opens the door to examining alternative assumptions as the basis of future or revised plans.

The process of scenario construction involves examining information from a variety of sources and identifying the main factors that will shape change in the future. These factors are known as drivers of change. The potential impact of these drivers on society, the economy, organisations, or other contexts are then considered. Probable scenarios or stories of the particular future context being explored are then developed using two drivers of change that display the greatest relevance.

The next section explores possible organisational structures. This exploration is necessary when examining human resource management arrangements in the future. Existing literature on the future of human resource management is deficient in a number of ways. First it extrapolates from
existing trends, such as globalization and technological advances, without explicitly examining the organisational context in which these developments will occur. The literature (Ulrich 1997; Kochan 1997; Becker, Huselid and Ulrich 2001) also does not explicitly acknowledge that policy makers and planners have choices and that choices have different social, economic and organisational outcomes. Secondly, it does not explicitly examine the particular organisational structures within which people will be managed, despite evidence that organisational structure does influence the role of corporate and line managers (Hendry and Pettigrew 1986; Sisson and Scullion 1985; Purcell and Ahlstrand 1994).

**Scenarios**

A number of drivers have been identified as shapers of the future (GBN 1999; Laucher and Malone 1997; Glenn and Gordon 1998). These drivers include globalization, technology and particularly communication technology, government involvement in society, distribution of wealth between countries and within countries, population growth, environment and sustainability and social values. These drivers could develop in different ways. For instance the driver of technology could range along a continuum where at one end the development and application of technology is vibrant and widespread, while at the other end of the continuum the application of technology is slow and stagnant.

For the purpose of this article the two drivers of globalization and government participation in society were chosen as those that would have the greatest impact on the management of people in the next ten years. The driver of globalization ranges along a continuum from isolation to free trade. The driver of government participation ranges along a continuum from high involvement in the Australian society and economy to a laissez faire approach or very little involvement in supporting parties in the economy and society.

Four scenarios have been defined by the dimensions of globalization and government participation in society. Two aspects of organisation in 2010 are examined in each of these scenarios:

- Organisational structure
- Implications for managing people and the future of human resource management.

Organisational structure reflects the influence of a number of factors and those factors considered as most influential (Robbins 2001) were

- Strategy
- Nature of the environment: institutions or forces that are outside the environment and potentially affect performance, particularly the role of government
- Organisation size
- Communication flow.

**INSERT FIGURE 1 HERE**

Figure 1 presents the four scenarios that could be defined in terms of these drivers. The events leading to the development of the scenarios of Virtual Countries, Enterprise Web, Shifting Networks’, Network Alliances are described in the following section. The scenarios are described briefly in the following section from the perspective of the year 2010.

**Scenario 1 Virtual Countries: Vibrant globalisation and Laissez faire role of the government**

During the years until 2010 development of a globalised economy, media and culture continued, growing interconnectedness using on-line electronic communication and commerce and major developments in a variety of technologies took place. The Chinese economy continued to grow as
a low cost producer of manufactured goods and exerted a downward pressure on prices and the ability of Australian manufacturing companies to compete.

This competitive pressure combined with strong consumer power stimulated innovation of products, processes, industry and organisational structures. The world of business is built around large organisations that operate through global supply chains, global brands, information and communication networks and building customer relationships. Organisations developed as webs of knowledge transfer without strong, imposing physical presences.

The governments during the period maintain the philosophy of “economic rationalism” and this continues to shape economic and social policies. The government’s first priority remains getting economic indicators right. Consequently, expenditure on social services, education, health and welfare is minimal. Legislation makes it more difficult for collective organisations to represent the interests of employees and large organisations provide many of the services previously provided by governments.

Organisations in this scenario would be dominated by large conglomerate organisations. These organisations will be similar to those proposed in the MIT study described below and labelled “virtual countries”. A number of huge corporations will sell products and services in an oligopolistic market featuring high entry barriers. These organisations will have a series of permanent or semi-permanent relationships with suppliers (Laubacher and Malone 1997). “Virtual countries” organisations will be large vertically and horizontally integrated firms and they will play a pervasive role in employees’ lives.

As shown in Table 1 these organisations had a market domination strategy. Core members were required to be innovative, risk taking and take a long term view. Their structure also needed to provide fast, flows of communication between members of the organisation and suppliers. Information was distributed not only about the requirements of customers, strategic direction and developments in the business and processes, but also about company sponsored learning opportunities, welfare and entertainment services and personal achievements.

In these organisations employees work in virtual teams using a range of communication technologies such as e-mail and videoconferencing. Communication is fast, international and non-hierarchical. They are substantial shareholders of the organisation and they elect management through elections. In order to do this they are provided with substantial amounts of information. This organisation constitutes an important community for the employees (Curtain 1998: 282-3) and provides maintenance services such as health care, training and learning opportunities and income and job security (Laubacher and Malone 1997). Ties to the company are extended to the purchase of goods and services from company-affiliated organisations such as appliances, cars, internet-telecommunications-entertainment services. This occurred earlier in the keiretsu in Asia (Laubacher and Malone 1997). Consequently most of the value chain for the production of goods and services is retained within the core firm.

Alongside these large conglomerates are organisations that operate nationally or regionally. These organisations consist of networks of small businesses which operate as a franchise. They will operate in the personal services area, like lawnmowing (Jim’s Lawnmowing), household services (Dial an Angel) and food services (Enjoy!). These networks unable to provide the quantity and
quality of services to people by the conglomerates and individuals engaged in these areas need to provide learning opportunities and resources for retirement.

There is little representation of employees by trade unions because legislation has severely limited their ability to represent employees and they do not have coverage of people engaged on contracts. They also find it difficult to represent people in the “virtual countries”, where the companies attend to the needs of employees.

Organisations reflecting the characteristics of “Virtual Countries” reflect a view that the organisation’s needs are paramount but the organisation will look after the employees’ interests. However, this approach is unlike the paternalistic approach adopted in many bureaucratic organisations in the twentieth century. Employees in “virtual country” organisations have a very strong vested interest in the organisation – in many ways they are the firm. They own the firm, they elect management, they are provided with information and they live according to the values of the organisation. The “Virtual Countries” scenario is based on a collectivist view.

Table 2 outlines the main features of managing people in the four scenarios. It indicates that in “virtual countries” the work is done using teams consisting of members of the “virtual country” and also suppliers. Leadership is concerned with maintaining the identification of the core members with the vision of the organisation and stimulating a sense of community.

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**Scenario 2 Enterprise web: Protectionism and return to self interest and laissez faire government**

Large corporations extend their influence over the governments of many countries, including Australia through increased campaign donations and representation on government committees and advisory boards. These large, international, global organisations control government policy around the world, including Australia, however, they are not large hierarchical bureaucratic structures.

The government establishes a framework where corporations are free to manage their business, market relationships and people in terms of very broad guidelines. These corporations develop “protectionism” of their business via control of intellectual property, pricing policies and deals between conglomerates and governments about the location of production and service delivery.

The government accepts responsibility for creating the climate in which corporations can prosper. The organisation becomes a network of people with a range of talents. It seeks to protect this intellectual capital and so develops structures that facilitate the retention of these core skills. It is also innovative in terms of responding to customer needs and enabling the rapid flow of communication.

An organisational structure, labelled an ‘enterprise web’ (Reich 1991) enables the work, information and decisions to flow freely and quickly through the core members of the organisation and suppliers and contractors. The people with the core skills do not do routine tasks. Rather routine tasks are subcontracted out, and space and equipment are leased. Other work such as standardised, high volume production is contracted out to low wage countries.

These organisations seek to build a workforce that it retains and can move around the world as required. In this scenario, the protection of intellectual property is even more important than in the
previous scenario. This is a difficult task and requires the retention of people and signing of contracts protecting the companies ownership of intellectual property. It also requires people share a common vision about what the web was seeking to achieve and to be given the opportunity to share in the success or failure of the organisation. (Refer Table 2)

Scenario 3 Shifting Networks: Protectionism and return to self interest and highly supportive government

There is a world wide backlash against globalisation. Under the presidency of George Bush, the United States reverted to a policy of economic rationalism. This reflects the traditional conservative support of protectionism. Throughout the world there are protests against the social and economic divisions fostered by globalisation and the widening gaps between the developed and developing countries. Government uses financial and trade sticks to enhance and protect its markets and supplies of raw materials.

Early in the twenty first century the US economy and other developed economies slid into recession. The bursting of the internet bubble in 2000 and the World Trade Disaster on 11th September 2001 shook investor confidence. Protectionist policies became more widespread. As a consequence world trade fell and Australia implemented a number of measures to protect its industries, enhance local markets, assist the development of local markets and introduced stricter rules regarding foreign ownership.

Inbound tourism, demand for rural products and resources declined. Companies requiring venture capital and global markets, such as IT companies relocated overseas or close down.

With the changing industry structure, unemployment increased, particularly in rural areas and Tasmania. An increasing percentage of the population live in poverty and have limited access to quality education and health services because of a contraction in the public spending. There is renewed interest in organisations representing employees in the labour market and trade union membership increased. This is encouraged by legislation that protects the rights of trade unions to represent employees.

In this scenario the government recognizes the increasing divisions in society and attempts to reduce this division through using community support programs that promote employment and welfare support. Despite the government’s attempts to build up communities and regional districts, social tensions increase. These tensions are expressed in a number of domains, including the labour market where trade unions seek to protect the wages and benefits of their members and between wealthy and poor communities. The values of individualism operate alongside values of collectivism.

In this scenario, organisations need to be very flexible and responsive to customer needs. Therefore, “Shifting Networks” is a possible form of organisation. This networks consist of autonomous teams of one to ten people working as independent contractors or small organisations who come together as a temporary project team to complete project work. This structure is facilitated by the availability of electronic networks. As in the film industry, intellectual capital is embodied in individuals and mobilised through networks and communities of professional groups (DeFillippi and Arthur 1998). This scenario reflects a strengthening of the outsourcing and fixed term contracts for employment.
Matters associated with maintenance requirements such as health insurance, unemployment benefits, professional development, and a sense of belonging will need to be met by organisations other than the employer. Rather than obtaining a sense of social belonging from the workplace, other organisations such as professional organisations, university alumni associations, community groups, and clubs provide the sense of belonging to a stable community.

The “Shifting Networks” organisation reflects a view that organisations provide structures to achieve results and that the people achieving the results are committed to the project while they are involved, but they also accept responsibility for themselves in the way they achieve these results and for their learning and career development.

Scenario 4 Stakeholder Alliances: Vibrant globalization and highly supportive government

The trend to globalization and the introduction of technology continued. However, unlike Scenario 1, developments in Australia reflect a strong vision articulated by the federal government. The government builds a strong social partnership with major representative groups representing a range of interests such as environmental and conservation, older Australians, youth, employees, cultural and racial groups, arts, sports, and business. These groups participate in forums that contribute to the development of government policy. Public policies and legislation are gradually enacted to provide support for the vision.

There was increasing sensitivity to creating sustainable development and environment and ecological preservation (Ruthven 1999). Sustainable development is now defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Fricker 1998). So although concern about the environment further contributed to the rise of the Green movement, there is concern about social and spiritual developments as well.

The vision articulated was for Australia to be primarily a high-skilled economy which competes primarily on value added and flexibility. The economy displays characteristics such as knowledge intensive industries, high wages, mass customise/customised, niche marketing, high value added, early adoption and high R & D expenditures (Dunphy and Griffiths 1998). Such a vision requires a highly skilled workforce who is adaptable and able to learn continuously and adapt. The government supports the vision by investing in education at primary, secondary and tertiary levels and encourages greater flexibility in combining employment and tertiary education. It encourages educational institutions to develop partnerships with work organisations. People are encouraged to establish small entrepreneurial businesses and support, including financial incentives and development of areas with the infrastructure necessary for these businesses were established.

The government encourages companies to become entrepreneurial and to form alliances within industries, within regions, and also globally. It does this by providing tax breaks for organisations that collaborate on research and development projects and by subsidising infrastructure necessary for businesses in some regions. It also assists organisations to source potential partners in other countries.

The entrepreneurial strategy of organisations is therefore served by structures built around networks and stakeholder alliances. These structures are built around values expressing collaborative collectivism. These values reflect those of the government and underpin the approach to social policy.
This organisational type has been labelled “Stakeholder Alliances”. It involves units in an organisation collaborating to produce commonly desired outcomes that are consistent with the vision of Australia articulated through the policies of the government. These organisations also have alliances with other organisations either in a region, an industry cluster or with other organisations that operate globally. In addition to these alliances, they have strong alliances with educational institutions and community groups. These institutions and groups are involved in contributing to the work getting done and also share in the benefits of the organisation. The metaphor for these organisations is collaborative communities.

The stakeholders involved in doing the work and the units within the organisations see themselves as operating autonomously and as working within the alliance, rather than as a resource for the alliance. However, while the stakeholders are part of the organisation, they are required to embrace the goals of the organisation, share the values of the organisation and apply themselves wholeheartedly. Learning opportunities for the internal and external stakeholders are derived from working with a variety of stakeholders and through collaboration on a variety of projects. Table 2 summarizes the main characteristics of managing people in these organisations.

**Human resource issues**

It is unlikely human resource management as we know it in 2002 will continue in the four scenarios. Human resource management has many levels, the day to day management of people and the distribution of responsibilities for developing and implementing policies. Keenoy’s metaphor of a hologram “i.e. a projected image which shifts and implicates the observer” has been used as the starting point for the definition of human resource management. For Keenoy human resource management refers to “the multitude of concepts and methods devised to manage and control the employment relationship” (Keenoy 1999: 17), however, in this paper this has been extended beyond the “employment relationship”. The definition refers to all relationships that involve individuals or groups doing the work of an organisation and processes involved in maintaining and sustaining these relationships.

Relationships are central to the definition of human resource management. Although people are managed in different ways in each of the four organisational forms, there are a number of common issues associated with managing people. These issues revolve around managing people with different relationships with the organisation, with different personal characteristics and living in different physical locations. Some people will be part-time, others full-time, others will be on contract, while suppliers, outsource providers and customers could also be doing the work. These people will have different expectations of the organisation and possibly different psychological contracts with the organisation (Saul 1997). An issue associated with this will be the need to manage the different expectations of these people and at the same time provide a strong sense of commitment to the project in the case of “shifting networks” and “enterprise web” and to the organisation in the case of “virtual countries” and “stakeholder alliances”. In the case of “Virtual Countries” and “Enterprise Web” it will also involve the challenge of reconciling different organisational cultures, strategies and employment practices.

In all of these organisational forms there will be a need to manage people without employment security (“Virtual countries” and “Enterprise Webs” will still involve some people on flexible contracts). This could lead to relationships in the workplace representing “employment exchanges”, rather than “employment relationships”. This will involve short term attachment between the organisation and some people doing its work, increased job-hopping and new concepts relating to employer-employee loyalty which are able to encompass transitory
relationships (Heckscher 1995). This approach to people seeks contradictory outcomes from many people: commitment and flexibility.

Employment exchanges have been regarded as being like “serial monogamy, a series of close relationships governed by the expectation going in that they need to make it work and yet inevitably not last” (Capelli 2001: 112-113). These employment exchanges reflect the influence of the labour market. When the market is slow employees bear the cost of restructuring, but when it tightens employees are more likely to search for employment opportunities elsewhere. In a tight labour market all organisational forms will seek to maintain relationships with people that have the skills required to do the work.

A second issue will involve managing people with different personal characteristics eg age, family responsibility, health, etc. These individuals will have different personal needs and expectations about the balance between work and non-work. It will become increasingly important to recognize the different needs of the variety of people doing the work. In the case of “virtual organisations” and “network alliances” these needs will need to be managed so that people continue their relationship with the organisation, while in the case of “shifting networks” and “enterprise web” these needs will need to be managed so that people will work effectively while on the project. In all types of structures the concept of what a balanced work life represents will need to be defined from balance over a period of a week to perhaps balance over a longer period of time such as three or six months.

In “virtual countries” and “enterprise networks” and possibly in “shifting networks” and “stakeholder alliances” the work will be done in dispersed and different physical locations. For instance, teams could be dispersed geographically throughout the world, or working remotely within a country or city using e-mail and other telecommunication tools. Three possible issues associated with this arrangement could be the lack of effective communication between teams and the need to manage the performance of team members. In addition, in circumstances where people are working from home an issue will involve the establishment of a safe working environment and environment in which stress is minimized (CCH 1997). Teams, rather than individuals will become responsible for decision making and these decisions will need to be made from a team, rather than an individual perspective (Manz and Sims 1995).

A fourth issue involves the continuing change in the economy and the need for individuals to continue to keep their expertise up to date. The provision of learning opportunities will be essential in all types of organisations. In “Virtual Country” and “Enterprise Web” organisations it will be particularly important for people to make investments in company specific capabilities, however, there is evidence some people are not prepared to do this (PricewaterhouseCoopers 1999). In addition, in organisational forms such as “Shifting Networks” and “Stakeholder Alliances” investment by the organisation in people is difficult to justify when there might not be a return on the investment. When an emphasis is given to “employability” (Waterman, Waterman and Collard 1994), there is an explicit measure to people to keep their options open.

Therefore, learning opportunities will need to be provided in a variety of ways. They could be built into projects and/or be part of the reward package. Technical advice could be provided through Centres of Excellence, which could exist internally in the case of “Virtual Countries” or from external providers in the case of “Shifting Networks”. Alternatively, individuals could undertake their learning independently of the workplace. Learning opportunities” that will be increasingly important as a tool for attracting people to projects and organisations.
The issues of managing different psychological contracts, different personal characteristics, people working in different physical locations, the need for people to keep learning and the contradictions involved in managing these issues suggest the view that people are a resource will need to change. It is apparent people will need to feel valued so they will want to work for an organisation or a project. One way of doing this is to view people as capital whose value can increase over time. People represent different types of capital, for instance they possess intellectual, physical, relationship capital and these contribute to social capital. Therefore no matter what form an organisation takes, the systems designed to acquire, reward and develop people form an important part of the organisations value (Friedman, Walker and Hatch 1998).

**Implications for human resource management**

These issues suggest that the nature of human resource management will change. It appears the prevailing concepts such strategic human resource management, loyalty, commitment, employee and even performance management are unable to accurately reflect the concerns or practice of managing people in the above four scenarios. These concepts are based on a view of organisations as stable machines (Dunphy and Stace 2002: 209). They are also based on prevailing ideas of management that reflect the ability to plan and make incremental changes which will adequately deal with organisational and environmental change.

Much of the literature on the future of human resource management is concerned with the survival of human resource management. It focuses on the need for human resource activities and human resource professionals to add value to the business (Ulrich 1997; Ulrich, Losey and Lake 1997; Becker, Huselid and Ulrich 2001; Corporate Executive Board 1999). This concern has fostered interest in demonstrating the impact of human resource practices on organisational performance (Becker, Huselid, Pickus and Spratt 1997; Guest and Conway 1997; Patterson, West, Lawthorn and Nickell 1997; Huselid 1995).

Building and maintaining relationships arises as a critical concern in the above four scenarios, therefore, this emphasis on business outcomes seems misplaced. In the case of “Shifting Networks” and “Strategic Alliances” project completion and therefore business outcomes must be important considerations, however, developing and sustaining relationships with the people doing the work of organisations will be critical for organisational performance.

This literature also assumes human resource management will occur in the context of large organisations. The view that the human resource function will need to fulfil four roles: administrative expert, strategic partner, change agent and employee champion (Ulrich 1997; Jaroos and Walker 2001) in order to survive, locates human resource management within large organisations. It is possible there will be other forms of organisations; organisations that are less permanent and consist of small organisational structures. In these organisations people will still need to be paid, acquired to do the work and introduced to the organisation or projects values and ways of doing things. However, this work which is that of the administrative expert could be done by using technology, such as the internet, human resource systems applications (Corporate Executive Board 1999) or an external provider of human resource services. The role of designing strategy and processes to manage people, the role of strategic partner, and the role of change agent when necessary could also be done by an external provider or by a project manager. In these small organisations and in the larger organisations, there will be a requirement for a person or people who understand the needs of the people doing the work and is able to enhance their application to a project and /or to the organisation. This person or people will not be an employee champion but is more likely to be a relationship champion.
One of the consequences of these possibilities is that the human resource manager could disappear. In all four organisational forms discussed in the early part of the paper a person with power will need to understand that people and relationships are the capital of the organisation. It is also possible that the activities undertaken to manage people will be undertaken by different people in different organisations eg in the “Shifting Networks” organisations a project manager could do this, while in a “Virtual Country” a Human Capital and Relationship Leader could fulfil this role for the entire organisation. The role of people with specialist knowledge about designing processes and environments to manage people will develop to include ways of explicitly managing internal and external relationships, communication, diversity, learning and human capital.

Conclusion

This paper has explored possible future organizational structures and their implications for human resource management. It challenges the incremental change approach to predictions about the future and highlights that issues associated with people will vary according to the structure of organizations. There is evidence that new organizational forms are emerging in Europe and Japan as more organizations establish project form structures, operational decentralization and strategic alliances (Pettigrew and Massini 2001). In Australia, organizations displaying the characteristics of “Stakeholder Alliances” and “Enterprise Webs” are emerging (Dunphy and Stace 2001).

Research about these organisational forms demonstrates that change in these organisations in more effective when there is system wide change involving a number of changes not just a piecemeal change. Comprehensive initiatives involving changes in structures such decentralisation and project based structures, changes in processes including human resource practices, organisational integration and horizontal networking and changes in organisational boundaries involving outsourcing and alliances were found to produce more effective performance outcomes (Whittington, Pettigrew, Peck, Fenton and Conyon 1999).

These developments and the discussion in the paper have implications for the teaching of human resource management, particularly strategic human resource management. If a futures analysis approach was adopted to these subjects the adoption of existing practices would be examined in terms of the values and outcomes they represent, rather than being just taken as given. It would also provide an opportunity to explore the desired characteristics of future workplaces and the way human resource or other practices could enable this type of workplace to emerge. As proposed in the paper, developments in human resource management practices would also need to be considered in a variety of organisational forms, not just large bureaucratic or divisional or strategic business unit forms. The concepts associated with involving people in these organisational forms could require the use of different concepts to the ones presently used in the discipline of human resource management. It could also require an examination of the interaction of these processes with other processes such as horizontal networking and project structures and their impact on organisational performance, rather than just examining the impact of the human resource management processes on organisational performance.
Bibliography


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<td>Stimulate exploration and building relationships and responsibility for self directed learning</td>
<td>Provide customer satisfaction and share in benefits</td>
<td>Based on quality and effectiveness of activities performed</td>
<td>Through work undertaken and self directed</td>
</tr>
<tr>
<td>Shifting Networks</td>
<td>Temporary teams</td>
<td>Stimulate commitment to project</td>
<td>Manage self and involvement in the team; potential for future work</td>
<td>Based on timeliness and quality of completed project</td>
<td>Through work undertaken and self directed</td>
</tr>
<tr>
<td>Stakeholder Alliances</td>
<td>Collaborative, temporary teams, commitment to task</td>
<td>Create meaning, trust and manage the politics of the alliances and networks</td>
<td>Share the values of the alliance and change role frequently; work</td>
<td>Based on building alliances and embracing meaning of the organisation</td>
<td>Provided through stakeholder alliances</td>
</tr>
</tbody>
</table>
FIGURE 1
Scenarios for Organisations in 2010

Laissez faire government

Protectionism

Enterprise Web

Virtual Countries

Vibrant Globalisation

Shifting Networks

Stakeholder Alliances

Highly supportive government