

# EFFECTS OF ORGANIZATIONAL CHANGE IN PUBLIC ADMINISTRATION DURING THE DIGITAL AGE

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**Abstract:** *The evolution and functioning of public institutions in Romania are mainly determined by the context – being influenced by the more or less favoring conditions in which they operate, by the mutations that took place in the exterior environment together with the change in the system – as well as by the management due to the difference in the quality of the management practiced at their level as well as due to deficiencies in this field: focus on the current issues, structural rigidity. Given the decisional context in Romania, the public managers must acquire a series of concepts and must adopt a series of practices in order to optimize the decision making process in the context of organizational change.*

**Key Words:** *organizational change, public institutions, public management, digital age, management*

Modern management emphasizes building an organizational culture focused on integrity, the stimulation of performance, competence, initiative and innovating spirit. The evolution of informational systems demand that the management of public institutions focus mostly on developing human resources and especially developing new abilities, an increased attention being dedicated to increasing the cohesion and to developing a team spirit. A performing public institution implies a radical change of the attitudes of managers towards their subordinates, the acknowledgement of the contribution of each of them in obtaining results, the encouragement of employees to take changes, their empowerment to take decisions in their areas of competence. Researches emphasize the fact that in general people tend to act and take decisions in accordance to their way of perceiving reality and issues arise exactly from the fact this perception differ from one individual to another. Reality is perceived through the lens of one's own assumptions, attitudes and values. The change in the environment in which the organization operates implies the change of perceptions, value, and beliefs. At an organizational level, the change in paradigm concerns primarily the strategy of the enterprise, the style of management, the structure of the organization, the changes concerning the personnel.

The management of change implies a systemic succession of processes together with permanent feedback. A briefer definition, but sufficiently encompassing is the one presented by Prof .Dr. Verboncu Ioan who states that —”changes do not concern only the simple maintenance of the functioning of the organization, but they target the renewal of the organization in its whole” [1] . In the economy of the enterprise —change management is the development, management and systematic evaluation of the changes within an enterprise . Change can take the shape of novelties, adaptations, improvements as well as eliminating past mistakes. Changes undergone and ongoing demand a new type of management defined by new demands, new requirements such as: value for clients, value for shareholders, value for personnel, vision and culture; a new approach to strategy, growth and creativity; fusion and integration; speed and flexibility. While every change program is unique, the experiences of the industrial company’s managers offer insights into many of the factors that, we find, make it possible to sustain a profound transformation. Far too often, leaders ask everyone else to change, but in reality this usually isn’t possible until they first change themselves.[2] This way, Tolstoy’s dictum —Everyone thinks of changing the world, but no one thinks of changing himself is a useful starting point for any executive engaged in organizational change. After years of collaborating in efforts to advance the practice of leadership and cultural transformation, we’ve become convinced that organizational change is inseparable from individual change. Simply put, change efforts often falter because individuals overlook the need to make fundamental changes in themselves.[3]

Different epochs produce different kinds of leadership – with different patterns of hierarchical authority, different skill sets and attitudes, and different institutional incentives. Societies today are experiencing significant changes potentially as far reaching as the transition from agricultural to industrial societies. Today’s epoch is in the early stages of a transition from an industrial based society to a post industrial, digital society, and leadership patterns are beginning to reflect that transition. The new society -- variously called information society, knowledge society or networked society - is marked by four key structural changes reshaping leadership rapid and far reaching technological changes, especially the digitalization of information and communications technology accelerated globalization; a shift toward knowledge as the central factor of production (i.e. from brawn to brains); and more distributed, less hierarchical organizational forms with greatly accelerated movement within and across organizations and sectors. In this highly dynamic environment, leadership innovation and

adaptability are critical, especially the leader's capacity to channel the right knowledge to the right people at the right time in the right place.[4]

The technological advances of the digital age have allowed the global workforce to be better connected, more collaborative, and have greater personal impact than ever before. When we think about leadership in the digital age, we must distinguish between two related but different leadership categories. The most inclusive is —leadership in the digital age, which refers to leadership in any institution or sector embedded in the broader transitions toward a more knowledge intensive society. All leaders whether leaders in health, the arts or in manufacturing must be aware of the new constraints and opportunities ICTs provide, and use them effectively. The second, —digital leadership refers to leadership in the core sectors of the knowledge society – the three \_C's of computing, communications and content (broadcasting and print), and now multi-media.[5]

The informational revolution and the vast proliferation of informatics, have a powerful mark on decisional processes. It was already outlined, mainly in the developed countries, a computerisation of the decisional processes, which consist in the large-scale use of computers in all the phases of the decisional process by the use of specialised software that is likely to substantially increase the speed and effectiveness of decision-making. Decisional computerisation is the most visible trend, current professional managers have on their desk a computer for daily use to get the necessary information on which certain decisions are based and to outline and compare various decisions and for the control and assess previous decisions.[6]

The computerisation of decision-making processes generates multiple advantages in the organisation: an increased degree of substantiation, of decision rationality, use of a large volume of processed data and sophisticated models; speed up decisions, having increased chance to fit in the optimal decision-making period; facilitation and increase precision in evaluation and the effects of decisions for managers, mainly in the economic plan; partially relieving managers from menial tasks like gather, process and verification of information, thus creating the possibility to focus on major components of their activity.[7]

At the same time, decisional computerisation has its own disadvantages. Amplification for managerial costs associated with the acquisition and use of computers and software that have a rapid moral wear. Impossibility to computerise a series of quality information that have an

important influence over decision-making efficiency.[8] Another, potentially major, disadvantage is a certain trend to over-evaluate the possibility that the computerisation has in decision-making processes thus neglecting the involved human elements.[7]

Computerisation appeared as a response to the necessity for data processing, phenomenon caused by the industrialization of society. Certain aspects of daily life remain outside the computerisation's sphere of influence and that for organisations represents a strategic stake from which numerous competitive advantages may occur.

Some specialists give a primordial role to computerisation in organisational change thus neglecting the contribution of other factors like social, political and economic. Indeed, computerisation represents the most important factor in achieving change, however it is completed by the organisational factors such as organisational culture (it is necessary a dynamic culture that promotes initiative and innovation) and the organisational structure (the structure must permit inter-functional cooperation and collaboration), and human resources (this implies instruction, motivation, evaluation and staff compensation).

Computerisation offers new solutions in communications, hardware, software, and the redesign of economical processes in companies thus concluding that computerisation has entered in the economic domain with all its instruments not as a simple spectator but as an actor on the scene of the economical processes.[6]

In this context, managers should take into consideration new technologies, experimental, that appear on the horizon and to be prepared to face necessary changes in the corporation strategy accordingly to new technologies. In the relation with technologies, managers must often have a reaction of "planned abandon" – to be capable to renounce them in the moment when they no longer serve the organisation, no matter how efficient may have been or how much employees are attached to them.[9]

In computerisation success formulas are not valuable for a long period of time. Due to the ever-decreasing barriers at the entry in the electronic market and the ease of imitation of successes, competitors appear (from the virtual nothingness) and cancel that which for a company represents at a moment its competitive advantage. In these conditions organisations, must admit the constant character of change, to be permanently future-oriented, capable to

reconfigure through new force giving partnerships, through participation in the new business ecosystems. Survival of a company will depend in the new conditions on their ability to redefine and continuously adapt their purpose and actions for achieving these goals – in other words, the organisation’s ability to anticipate and exploit surprises.[6]

Thus, organisations are outsourcing some functions, decompose and recompose value change, around the customer, not the product, manage to “computerise” their entire activity. The collaboration inside and outside organisations is essential, same as integrations for information and knowledge used in a unified and coherent system.[10]

Through permanent reconfiguration we must not understand the disappearance of traditional, functional organisation – functions still represent the main axis for change.[8]

Disappearance of functions and in this manner of any frontier inside organisation will lead to disorganisation – they are necessary for the separation of people, work tasks, products and places. The permeability of frontiers given by the separations of functions [11] must remain in order to allow circulation of ideas, information, knowledge, decisions, talent, rewards and actions.[6]

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