INSIGHT INTO A VIRTUAL ORGANIZATION FROM MEMBER'S PERSPECTIVE

Diana Mariana DUMITRESCU[1], Cicerone Laurentiu POPA[2], Gabriela Beatrice NICA[2]

[1]National School of Political Studies and Public Administration, Faculty of political sciences
[2]University Politehnica of Bucharest, Faculty of Engineering and Management of Technological Systems, Machine and Production Systems Department, Virtual Enterprises Management and Engineering Training Laboratory
E-mail: dianutza_d@yahoo.com, laurentiubest@yahoo.com, beatrice@mix.mmi.pub.ro

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Abstract: This paper presents some of the essential aspects of a virtual organization, based on a pilot case study of qualitative nature. The insight was based on members' perspective about their own virtual organizations. Can communication in an organization be exclusively of virtual nature? Is the use of virtual communication influenced by the importance of the given task? Would partners prefer to base the choice of partners on previous experience or on competences?

1. INTRODUCTION

The virtual organization is a relatively new concept in the organizational development, and because of this there is no general accepted definition of it. We will present two definitions in order to present its main characteristics.

The International Association of Virtual Organizations gives the following definition: "a virtual organization is any business, club, society, institution, governing body, or other similar entity whose existence is dependent - either partially or entirely - on the evolving telecommunication technologies associated with the Internet, cable systems, phone systems, and others. The virtual idea is built upon the reality that organizations no longer necessarily need to have centralized facilities for performing a majority of their functions. In turn, members of the organization are less restricted by geography; they may locate practically anywhere in the world and still support the organization effectively."[5]

Another definition surprises some different aspects of this type of organization: "A virtual organization is a collection of geographically distributed, functionally and/or culturally diverse entities that are linked by electronic forms of communication and rely on lateral, dynamic relationships for coordination. Despite its diffuse nature, a common identity holds the organization together in the minds of members, customers, or other constituents. The virtual organization is often described as one that is replete with external ties, managed via teams that are assembled and disassembled according to need, and consisting of employees who are physically dispersed from one another. The result is a "company without walls" that acts as a "collaborative network of people" working together, regardless of location or who "owns" them."[3]

To sum it all up and add elements compressed in other definitions, the main characteristics of the virtual organization are: geographical distributed entity; flexible structure, based on knowledge; the intensive use of technology, a set of activities concentrated around competences; teams grouped based on their competences that work together; high specialization of members; free and real time communication; minimal control and multiple coordination points.

We will next try to identify some internal aspects of the virtual organization, as they are seen by its members.

2. METHODOLOGY

Because the focus-group is a qualitative research method, by using it our study produced qualitative data, based on the infrastructure of the participant's attitudes and opinions. Therefore, this cannot be seen as an exhaustive study, and it cannot be generalized by quantitative methods. [1] Due to the fact that this was a pilot test for a following quantitative study, we didn't seek to achieve a saturation point in information gathering.

The focus-group was organized in a paired system; participants were specialized members (persons who work in virtual organizations); the group had a previous existing group structure, which proved helpful in eliminating adjustment time towards each other and the environment, and free expression without fear of offending one's counter speaker. Because the group sample was exclusively made up of specialists, the decision of forming a small group was taken, in order for all to have the opportunity to express themselves. We previously considered that because of high degree of specialization, each participant would have many things to say, and answering each question would take longer then for a group of non-specialists.

Three of the researched themes were: the virtual communication, the virtual collaboration and the virtual organization. As methods of investigation there were used open questions, association exercises, and hypothetical situational questions, scaling exercises, and recalling exercises, based on personal experience. [4]

3. FINDINGS

Virtual communication was mostly associated with its environment ("virtual environment", "internet", "distance") and predominantly with neutral concepts, such as network or team. However, there were more associations with negative aspects ("blockage", "problems", "difficulty") rather then with positive ones ("time shortage"). Therefore, even before being asked to identify the disadvantages of this type if communication, participants associated the concept with its downfalls. Because the exercise of rapid first association is considered to reveal the true image of a concept in the mind of the individual, we can conclude that when using virtual communication, members of a virtual organization are mostly concerned about the problems that occur, and take the advantages as a given fact.

When asked whether virtual communication could exclusively be used in their organization, all respondents agreed that is not possible (at least for the moment) because of a pour quality understanding of messages, and because of high complexity of certain tasks, that require extra negotiation (such as financial matters). The introduction of official virtual communication canals has helped members in their work only when it comes to sending and receiving information, because of time shortening. Participants didn't consider that this change brought considerable benefits except time efficiency, and as a disadvantage it brought lesser personal time because of continuous informational work flow. In giving a grade to the efficiency of virtual communication in their organizations, participants evaluated it from 7 to 10, the most used being 9, but most comments in this part were of negative nature, presenting the malfunctions of virtual communication.

The use of virtual communication also depended on the importance of the given task or stage of the project. In the situation of a difficult task, or an important stage in a complex project, all respondents said they would rather meet in person with the other partners, in order to have a better mutual understanding.

Participants also suggested that communication is more important between different team members, involved in the same project. Communication with, or through the coordinator was seen as less important than direct communication between partners on a certain subject, because the coordinator might not have the required competences on the subject. It is thus validated one of the characteristics of the virtual organization, that of lateral communication channels, which are not controlled or subjected to organizational rules or standardization.

We can therefore conclude that despite the existing technology for live video and audio virtual communication, in key situations, direct communication is preferred even by members in virtual organizations. In comparison with face to face communication, the implementation of electronic communication has raised the total volume of total communication. But in what concerns communication for task completion, a greater volume of virtual communication doesn't necessarily bring an advantage. Specialised literature suggests that solving problems and completing tasks are nor done faster when being electronically mediated.

Virtual collaboration was mostly associated with "project" and positive aspects such as "development", "common objectives", and "specific competences". In connection to the concept of collaboration, the partner in a virtual organization was almost unanimously associated with "specific competences", but as further questioning shows selecting a partnership is mostly based on previous personal experience and trust.

Previous studies have shown that scientific communities need an initial period of physical proximity in order to build up trust and create a common view on the planed trajectory. [2] This theory was also validated by our research. In most discussed situations, when having to choose partners depending either on a personal experience or competences, participants chose the partner with whom they had previously collaborated, even if he had less competences or a smaller material base. Some participants admit that this is a dysfunction found in Romanian organizations, that should't exists in a virtual organization, but it is used in order to reduce risk.

It is therefore surprising the first association of virtual collaboration with "specific competences", when put in the position to choose, members of virtual organizations would rather choose partners with whom they had a positive previous collaboration experience. Maybe the explication lies in the fact that the structures of virtual organizations were only recently implemented in Romania, and time is needed in order for people to adjust to these new principals of organization.

The virtual organization was mainly associated its shape: "network", "bondage between more organizations","project", "global organization", and with "multitude of cultures" and "different points of view". Some negative aspects were also registered in association with the virtual organization, such as "problems" and "lack of communication".

One of the main disadvantages of working in a virtual organisation, as seen by the participants, is that of lack or low degree of trust between partners, due to poor interpersonal relations, in the sense of non lucrative relations (leisure time). Such an example was that one can better make business with someone with whom he can have a drink after. These types of direct personal connections that lead to building up trust are not possible in the virtual world. Based on previous answers, it is our belief that this problem can be solved in time, when a network of partners is established and each of them has the time to get to know all other partners and build up trust based both on work experience and on private relationships. Another disadvantage is that virtual communication is not always synchronised and bidirectional, as it should be.

The most important element for the well functioning of a virtual organization was said to be the quality of the members, who should be selected based on their

competences. Trust in other partners was again mentioned as an important element for the virtual organization, and its importance is therefore reinforced, being seen as a problem that is important to be solved in order to have the best cooperation possible between members.

4. CONCLUSIONS

Even if it has countless advantages and it made possible the existence of decentralized organizations such as the virtual one, the virtual communication is still seen as a weaker substitute of face to face communication.

When asked in a theoretical approach about the base on which they would choose a partner, members in virtual organizations mentioned "competences", but put in a practical situation, they choose "previous experience". From these pieces of information, the perfect partner should have the best competences for his task or field of work, should have previously worked with the current collaborator, and should have gained his trust from a good previous collaboration and from a personal relationship with him.

Communication in its virtual form is expected to be fast. Because of this, the content and direction of communication are likely to be temporary, as are the connections between the entities of the organization that are formed and dissolved in time. But in order to work efficiently, members need more than technology that enables communication between dispersed organizational entities. In organizations with a lateral sense of communication, such as the virtual organization, inter-personal relationships and informal contacts are stronger than formal structures and rewording systems .Communication is here based on relationships. Individuals search to set the grounds of a good relationship for making transactions and in order to achieve this they want to create a certain intimacy which is to be a counterpart for physical distance. Relationships are thus sustained in time, not under a continuous form, but under the form of build up trust.

Adopting a virtual structure has many advantages, but at a young stage of the virtual organization, members needs time in order to adapt and gain mutual trust after which, in order to complete a project, a puzzle of the best suited partners can be elaborated progressively, and cooperation can be achieved in real time, through direct communication between team members.

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