

Case 40

Virtual Working Environment

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Manning of Future Organisation

Virtual corporations are those corporations, which are open for business 24 hours of the day, everyday of the year and accessible to any customer, in any part of the world, on real time basis.

The culture of urgency, combined with the freedom of setting one's own hours, makes accountability paramount in these organisations. In a very decentralised environment of the virtual company, leadership calls for great degree of visibility, both to the employees and the customers. All managers carry laptops so that they can be in constant touch with the company at large.

This twenty-four hour, seven days a week culture, however, eats into personal time of its managers. It is common for the employees to have conference calls during 'off hours' with some member of the team. So, during one heated development, conference calls were coordinated during a time period spanning mid-day for Bangalore, early morning in Norway, close to midnight in California.

Questions

1. What type of recruitment approach should be used by virtual corporation?
2. Discuss suitable compensation policies for the employees of these corporation(s).
3. Highlight various strategies to be developed by HR

department of these corporations to develop a cohesive culture and high motivational level of the employees.

Taken from the question paper on 'HR 27: International HRM' of the examination of All India Management Association held in December 2001.

Questions

1. What type of culture-related problems are there that could result in misunderstanding between the two parties?

2. Suggest an outline of the traits that virtual corporations are those corporations which are open for business 24 hours of the day every day of the year and accessible to any customer in any part of the world, on real time basis.

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