**Chapter**

**Insights into the Futuristic Organization**

 The impact of globalization has forced the industries to rethink about their manufacturing strategies to meet the growing demand .These are facing immense pressure to enhance R&D, innovation and quality. An organisation will not have a competitive edge if it does not quickly respond to instability caused by *technological changes*. Recker et al. (2002) noted that the challenge for today’s business firms is to develop capabilities that support adaptation to technological advancement and increased competition. Many researchers suggest that support towards technological change must be focused with innovation for better performance of the SMEs (Small and Medium Enterprises). It is evidenced that organisation will be at a competitive disadvantage if it is unable to sustain the technology diffusion process. Below are some of the factors listed which will affect the performance of industry ( directly or indirectly).  *A factor is an element or an issue that influences something*, Some of the factors which influence the firms performance is discussed below.

A set of factors for organizational output is as shown in Figure:1, where factors are grouped as internal and external which are inputs to the firm’s processes. Parameters are the dimensions which need to be adjusted and achievement is the result obtained. Output is the growth of sales, increase in employment and investment which are the measures of organisational performance.



Figure 1: Contributing Factors for Organisational Output

*(Source: Balasubrahamanya et al, 2010)*

the above figure also depicts the drivers, dimensions, achievements, and outcomes of *technological innovations* carried out by SMEs in Bangalore industrial area, India. Many researchers describe work motivation as the set of internal and external factors that initiate work related behaviour and determine its form, direction, intensity and duration. This definition recognizes the impact of environmental factors, such as organizational incentives and the nature of work, as influencing the motivation of employees*.* Further, it ascertains the growth rates of innovative SMEs in terms of sales turnover, employment, and investment. Thereafter, it investigates the link between innovation and growth of SMEs by finding a correlation between innovative sales and its growth.

In Figure:2 the researchers show that there is an effective entrepreneurship, appropriate HRM, use of marketing information and application of *information technology* do have a significant impact on the performance of SMEs. The use of marketing information has the strongest influence among the four variables in affecting the organizational performance of SMEs in the manufacturing industry.



Figure 2 : Independent Variables Influencing Dependent Variable

*(Source: Moorthy and Tan, 2012)*

Omar’s model of factors influencing firm’s performance is shown in Figure:3 . The significance of the study is to add value to the body of knowledge on human resource development and practice. Specifically for practice, the findings of this study would enlighten the significance HRD activities *supported by technology platform* , as training and development, career planning, self-directed learning, employee motivation have led towards a better performance, higher creativity and innovation, retaining, staff, better service, equality and enrich human capital. It is believed that small firms should put in place strategies to enhance knowledge, skills, and expertise. In terms of HRD, these have led to better performance and encouraged individual for higher commitment to the organizational performance.



Figure 3 : HRM Factors Influencing Firm Performance

*(Source: Omar et al, 2009)*

Author asserts that SMEs in India are facing a number of problems like sub-optimal scale of operation, technological obsolescence, supply chain inefficiencies, increasing domestic and global competition, fund shortages, change in manufacturing strategies, and turbulent and uncertain market. To survive with such challenges and compete in the global market, SMEs need to initiate innovative techniques and methods in their operations. The author notes that the barriers to *technology adaptation* hinder the performance of an organization as shown in Figure:4



Figure 4 : Factors Influencing Technology Adaptation

*(Source: Zaidi, 2013)*

Omri and Frikha (2012) developed cognitive mapping to explain the failure factors of small businesses. In this approach, internal and external factors are considered to build an average cognitive map to explain small business failure, as shown in Figure:5.



Figure 5: Failure Factors for an Enterprise

*(Source: Omri and Frikha, 2012)*

Riyanti (2004) showed that age has a significant effect on business success. Successful and experienced entrepreneurs could exploit as a valuable source of knowledge and information *(technology management)* for the development of SMEs. Personality traits contribute to the formation of innovative behaviour. Training programs could be included with creativity training, in order to help to shape the behaviour needed to be a successful entrepreneur as shown in Figure:6.



Figure 6 : Factors Influencing Success of Enterprise

*(Source: Riyanti, 2004)*

Many Researchers have tested factors under different conditions in parts. The researcher has made an effort to identify various relevant factors and their variables. The factors and the relevant variables are presented in Table:1.

**Table 1 : Important Technology Related Factors**

|  |  |  |
| --- | --- | --- |
| **Infrastructure Support based on new technology**  | **Processing Constraints based on new technology**  | **Production Management based on new technology** |
| * Lack of raw material support
* Inadequate power supply
* conventional methods for material selection
* Poor facility design
* Poor equipment facility
* Unskilled manpower
* Entrepreneurial incompetence /age
* Firm location-industrial estate-cluster
* Capital arrangement
* Information extraction
* Customer approach
 | * Out dated technology
* Defective plant and machinery
* Non availability of spare parts
* Poor maintenance
* Poor Quality control practices
* Capacity utilization
* Inventory management

Lack of innovationAnd many more.. | * Out dated technology
* Defective plant and machinery
* Non-availability of spare parts
* Poor Quality control practices.
* Capacity utilization
* Inventory management
* Lack of innovation / R & D
* Patents
* Maintenance
* Non-availability of spare parts Mismatch of auxiliary equipment
* Poor quality control practices.
* Capacity utilization
* Inventory management
* Lack of innovation / R & D
* Patents
* Maintenance
* etc
 |

 **Summary :**

All the above identified factors will affect the performance of every organisation in future . But today's dynamic trends will impact change management in the future: The establishment technology management in every organisation has become the major requirement at level of all enterprises, especially during technology adoption and digital adoption projects. Future of manufacturing industries only lies in digital platform. When talking about future plans, sound flexible and adaptable rather than indecisive is required. Futuristic Management must facilitate various businesses, start-ups, and aspiring entrepreneurs to create successful brand presence through social media and digital marketing.

**Digital Plant Technology and its Transformation will enhance the performance of all types of industries in future**.

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