THE NEED OF CONNECTING THE TECHNOLOGY, POLITICAL AND CULTURAL SYSTEM

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Abstract

The paper explores the need of connecting the technology, political and cultural system in the right way to achieve the companies' goals in terms of globalization and changes. The leaders have the main role in realizing the company's strategy. They must be strategy focused and they are responsible for connecting the employees, processes and technologies. In the beginning of the paper, the characteristics of strategy focused leadership are analyzed. The available tools of strategy focused leadership through the model are presented. The matrix of strategy management can be used like a manual which helps the management in connecting systems with managerial instruments: mission and strategy, organization structure and management of human resources. The goal of the paper is to show that with professional approach, the strategy focused leaders play the main role in connecting and changing the existing systems in companies. This is the way of reaching the best performance of companies and surviving at the global world market.

Keywords: strategy, strategy focused leadership, changes, connection.

INTRODUCTION

In the term of globalization the company must respond to the changeable environment by adopting own systems (Brown 1993, 26).

The strategy focused leadership (SFL) is very important for successfully leading the companies through the intensive and complex technology dependent industries. SFL can be defined as series of processes which dictate the level until which the organizations are effective in the basic connections between the people, technologies, working processes and business opportunities.

In the Paper is pointed the importance of selection of employees and team building. Also, the dynamic aspects of system are analyzed.

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1. STRATEGY FOCUSED LEADERSHIP

The strategy focused leadership is the complex system which consists of interconnected parts.

The main goal is recognition of conditions and possibilities and focusing the activities on parts of the whole for reaching bigger effects of working (Kaplan and Norton 2001, 7).

Bellow, in the Table 1, the two dimensions of SFL will be shown: internal and external (Sosik 2004, 10).

Table 1. Internal and external dimension of strategy focused leadership

Internal dimension	External dimension
Selection and development of employees	Focusing on the trends in the appropriate industry and in the global business environment
Setting up the goals Communication and rewarding	The potential strategic alliance
Solving the problems and systems for rationalization of resources	

From the Table 1, can be noticed that the internal dimension of SFL covers the selection and development of employees, communication, rewarding and rational using the resources. The external dimension can be seen in focusing on the trends and forming the potential strategic alliance.

1.1. The model of strategy focused leadership

In this part of the paper, the Model of strategy focused leadership will be analyzed. The Model first describes the processes where the leaders predict the strategy which can be reached with input reserved from environment and then include them in integrative parts or system of social, technical and intellectual resources. All these parts result with high level of financial performance, customer satisfaction, knowledge, better communication.

In the Table 2, the main parts of Model of strategy focused leadership: input, processes and output are presented.

Bellow, the processes are shortly described. Recognition of trends and focusing on the main message of the strategy is part of the "dreaming for the success" process.

The process of "setting the appropriate base" means that the executive leaders should identify the key factors and select the strengths and weaknesses, opportunities and threats, according to Hemli, Allwood, Martin, and Mumford (2013, 5). That will define the current and future position of the company.

Table 2. Model of strategy focused leadership

Input	Process	Output
Strategy Focused Leadership		Profit
Partners	Dreaming for success	Enlarging the knowledge base
Employees	Setting the appropriate base	Sharing leadership
Technology and ICT	Building the success	Better relationship between employees and leaders
Trends	Realizing the dream	
Financial resources		Better communication between the employees and leaders
Business		

Source: Sosik 2004, 13, table 2.

These factors include the market, economy conditions, demography, technology, international politics and socio- culture trends. Focusing on the main message and strategies means skills and inspiring commitment to the vision.

Building the success shows that the strategy focused leadership must actively support the organizational innovations, communications and processes of self learning (Liebhart and Garcia-Lorenzo 2010).

In realizing the dream phase the leaders should support the main message and strategy and focus on the form of future success (Nwankwo and Richardson 1996). This includes creating a sustainable organizational culture which reflects the organizational behavior, norms and expectations of their members (Shuklev and Drakulevski 2001, 236).

From the Table 2, it can be noticed that with the processes of strategy focused leadership, the inputs of: partners, employees, technology, ICT, trends, financial and business resources are transferred into outputs like: better performances, enlarging knowledge base, better relations and connections between employees and leaders.

1.2. Selection of employees

For realizing the strategy, the executive leaders must select and develop staff and technology according to the formulated strategy. The employees and technology are the main support of the strategy plan. Selection and development of personnel in direction of strategy include the selection of real followers and acceleration of their development into leaders.

Leaders start to recognize the importance of employees as a strategy key for reaching the organizational goals set with the strategy plan. The main goal of strategy focused leaders is to systematically recognize the demand for human resources with needed skills, abilities and knowledge, as well as their availability.

The strategy focused leaders should go through a process of selection in order to find the potential employees with appropriate skills and abilities for the work and organizational culture. The development of the social and intellectual capacity for supporting innovations and organizational changes needs harmonizing the business parts, groups and employees. The organizational culture is unique for each organization and is a significant resource. Everything can be copied, except the organizational culture.

We can conclude that the companies depend on evaluation of employees' possibilities, processes and characteristics throughout time related to the mission and strategy of the organization.

1.3. Promotion of collaboration in and between teams

Integration of the right employees and technology includes building a team, team leadership and harmonizing the social and technological systems (Dyer and Singh 1998, 660).

It must be pointed out that the promotion of collaboration in and between teams is the basic factor on which the effectiveness of the company in contemporary business environment depends (Hemmer 1995).

More than a half of all American companies use team building as a foundation in their companies. The teams are used not only to collect the collective knowledge, employees' skills and abilities for solving organizational problems, but also for forming alliances with consumers, suppliers and competition. Team building means high interaction between team members which improves trust and openness. The team building uses the techniques of sensitive trainings. Rafferty, Jimmiesson and Armenakis (2013, 129) state that the team building is the group level of change implementation. With this all three systems are changed: technical, political and cultural. For greater effectiveness of the team in collecting and assigning information, also in the plan for realization of changes, all of the members must be included. Team development affects the organizational processes and the staff in organizations.

Robbins, Judge, Millett and Boyle believe (2013, 318) that building, developing and maintaining high professional teams are the basic task of strategy leaders in contemporary conditions of acting according to the need for high-tech technologies.

With the progress in informatics and telecommunications technology, more employees get flexible working contracts, such as distance working. A flexible working plan can increase the satisfaction of employees and productivity, as well as the organizational characteristics. Also, it is important for leaders to see the potential lacks and problems which can be a result of this kind of working. We should point the social aspect and alienation which appears if employees work from home.

2. MATRIX OF STRATEGY MANAGEMENT

Senge (1990, 17) pointed that an organization is a system where many systems act together. From the research studies it can be concluded that each activity in particular part causes reactions in another part. Only with systematic approach the wholeness and the laws of acting in the organization can be seen (Gjorgjiovski 1998, 110).

To show the connection of technology, strategy and employees on each level, the matrix of strategy management can be used. It is focused on the three systems: technical, political and cultural and three managerial instruments which are used for their connection.

We can use the following managerial instruments: mission and strategy, organizational structure and management of human resources.

In the Table 3 the matrix of strategy management is shown. Bellow, all the combinations are explored:

Table 3. The matrix of strategy management

	Mission Strategy	Organizational structure	Management of human resources
Technical system	Defining what kind of business the company is in and the business strategy	Defining the information flows-who, whom and for what is reporting? Grouping the employees	Methods for human resources politics, development and allocation of employees
Political system	Who can influence the mission and strategy of the organization?	What is the power distribution in the company? Is it horizontal or vertical?	Managing with politics of advance, evaluation and rewarding
Cultural system	Developing the culture and value system to support the business	Developing the managerial style and culture which can respond to the organizational demand	Selection, development and rewarding for supporting the organizational value and culture

Source: Tichy 1994, table 3.

The first managerial instrument is the mission and strategy. The strategy defines how to align the resources for realizing the mission. The second managerial instrument is the organizational structure. Management is faced with a dilemma for organizational structuring according to the technology. There are possibilities for functional differencing. Then, it is necessary to provide the integration of the organization structure. The third managerial instrument for realizing the technology is using the management of human resources. These areas in most cases are combined during the integration of new technologies. The mission and strategy are defining the goals related to the technology and strategy development, including all other managerial processes needed for realization of goals (Farrow 1997).

The case study of three types of companies is observed: companies for production and energy distributions, hospitals and educational institutions. The chosen companies are socio- technical systems, which consist of technical components and social component with participants which participate in institutional environment. For this paper companies from various nature of working are chosen.

In Table 4 the social, technical and institutional aspects of companies are presented:

Table 4. The social, technical and political system of exploring different types of companies

	Social	Technical	Political (Institutional)
Energy production and distribution	Employees, consumers, network operators, government authorities, regulators, maintenance companies, educational institutions and other partner	Production capacity, substations, technical, informatics and telecommunication technology	Working procedures, formal and informal roles
Hospitals	Patients, employees, maintenance companies, educational institutions and other partners	Medical equipment, technical, informatics and telecommunication technology	Working procedures, formal and informal roles
Education	Professors, students, partners, government authorities	Technical equipment in laboratories and classrooms, informatics and telecommunication technology	Working procedures, formal and informal roles

All three types of explored systems are complex and the components depend on each other. The technical component of energy production and distribution companies consists of production equipment, distribution network with substation, telecommunication, information infrastructure and software (Bhatt 2011, 11). In the hospitals it can be noted that the technical component are the medical equipment, informatics, telecommunication technology.

The social component, the cultural system constitutes from all participants included in the process of production and distribution of energy, hospitals or educational institutions. The institutional environment makes the formal and informal roles. We can conclude that, in the technical subsystem there is dependence between the elements and IT technologies, as well as in the social subsystem, like the producer of technology and its consumers. All these systems must be connected and cannot function independently. Continually all these systems must be changed and adapted to follow one another, with the support of the available instruments (Krell 2000).

3. DINAMIC ASPECTS OF TECHNICAL, POLITICAL AND CULTURAL SYSTEM

In order to connect the three systems in an organization, we must have the dynamic aspect of systems in mind. There are many mechanisms for temporary solving of problems in specific fields. They aren't connected all the time. The technical, political and cultural systems can be metaphorically compared with a rope. This comparison is used to point out the following observations:

- On a certain distance the particular thread of a rope cannot be distinguished, we cannot notice what is technical, what is political and what is cultural. But, the threads exist and they must be understood to perceive the nature of organization.
- The threads can be unfolded, and in that case the connections between systems are weak.
- Also, the threads can be tangled, what means that technical, cultural and political systems act against the goals of company. So, the organization can weaken.

The corrections in each area are made in cyclic periods. So, we have the technical, cultural and political correction cycles. Avril and Zumello (2013, 4) state that the energy which companies spend in the correction cycles is variable and the cycle events are interconnected.

The tendency of each system is to take its own way and interest and unfold the rope. In many organizations one system dominates the others. For example: the culture system dominates in religious organizations, the politic system dominates in organizations from the public sector.

Strategy management is a skill of keeping the rope connected and in balance, in sense of technical, political and cultural problems. A deep analysis to evaluate the type of change: little, middle, big, total or the change is not necessary (Kathleen and Martin 2000).

The combination of methods and instruments depends on long-term goals towards which the company strives in the sector and on regional and national level (Popovska 2012, 501). All these changes and connections should be analyzed, assessed and valued by the companies, education and states (Mann and Chan 2011, 25).

This analysis is also done on the state level in the case of Republic of Macedonia. The policy for research and innovation of the Government is observed. The Government's policy for research and innovation uses a systematic approach to define the strategy (Innovation Strategy of Republic Macedonia for 2012–2020). Many instruments, institutes, education, technology, staff, services and culture of entrepreneurship are included in the processes. According to Western Balkans Regional R&D Strategy for Innovation for Former Republic Macedonia (2013, 27) the main objectives of the Strategy of development are:

- Strengthening the business sector's propensity to support innovation,
- Strengthening human resources for innovation,
- Creating a regulatory environment that will support innovation, and
- Increasing the flow of knowledge between the contributors in innovations.

The implementation of the Action Plan is expected to strengthen the competitiveness of the national economy and encourage knowledge and innovation-driven economic development (Strategy Europe 2020). At the same time, it is expected that the Innovation Strategy will contribute to strengthening the cooperation between the contributors: the business community, the academic sector, and government bodies. For realization of innovation strategy, the connection of the technical system, all implemented stakeholders' cultures and the politic system is needed. The Government uses many instruments, like managing the human resources, regulations with Law and regulatory and established trough the Fund for Innovation and Technological Development.

The Law for Innovation activity regulates the methods, objectives, and subjects of the innovation activity, the scientific-research activity, the transfer of technological knowledge, and the statute, the competencies, the management and administration, the financing, the work supervision, and other issues related to the work of the Fund for Innovations and Technological Development (Law for innovation activities of Republic Macedonia 2013).

CONCLUSION

In term of globalization the organizations are valued related to development of human resources, continually improving the organizational processes and relationships in and out of the companies and the satisfaction of consumers. The paper shows that the companies are interdisciplinary systems which should be managed. We noted that the strategy focused leadership is important for realizing the company strategy.

The strategy focused leaders must have the capacity to keep the existing subsystems in the companies connected, with systematic approach and the available instruments.

For realizing the company strategy, the connection of three systems: technical, political and cultural should be done. The paper contributes to help the managers in connecting and assignment of needed change of each system at the company, sector, regional or national level.

Paper shows that the biggest ability of managers is to reach the dynamic connectivity of all three systems. They should make sure that the fibers of rope stay plaited. The paper shows that at the state level as well, with systematic approach, connecting the politic system, all stakeholders' cultures and technology is needed for realization of the strategy of research and development.

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