Management in the Context of Turbulence and Complexity

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ABSTRACT

The growth of the economy is no longer a result of more people working or of consumer demand but of a very sharp and continuous rise in labor productivity and knowledge workers. There will not be a single dominant economic power because no developed country has a population base to support this role because the competitive advantages of countries come from the qualification and competence of human resources. This means that countries must invest in the continuous and systematic work of knowledge and knowledge workers.

KEYWORDS

Complexity, Decision, Information, Innovation, Strategy, Turbulence

INTRODUCTION

The developed world is in a very turbulent and complex phase and is following a collective suicide process, i.e. its citizens are not producing enough babies to reproduce, i.e. the young population is no longer able to withstand the burden aging of the population and therefore of inactive people. Inadequate population in developed countries has the following implications, among others: The real retirement age will increase in all developed countries.

The growth of the economy is no longer a result of more people working or of consumer demand, but of a very sharp and continuous rise in labor productivity and knowledge workers; There will not be a single dominant economic power because no developed country has a population base to support this role because the competitive advantages of countries come from the qualification and competence of human resources; This means that countries must invest in the continuous and systematic work of knowledge and knowledge workers;

NEW REALITIES IN MANAGEMENT

The productivity of knowledge and knowledge workers will not be the only competitive factor in the world economy. It will probably become the deciding factor, since the probability of this prediction has implications on business and people:

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The world economy will continue to be turbulent, complex and competitive;

It is likely that managers’ information needs change rapidly, that is, they change from internal quantitative (objective) information to more subjective (strategic information) information about the environment (economic, technological, socio-cultural, political, etc.);

Increasingly, a winning strategy will require information about events and trends outside organizations, that is, about non-customers, different technologies, those used by companies and competitors, new markets, etc. Only with this information can managers decide how to apply their knowledge resources in the production of goods and / or services of the highest income;

Only with subjective information (weak and strong signals) can companies prepare for the changes and challenges resulting from the turbulence and complexity of the global economy and the nature and content of knowledge itself;

Developing methods and techniques for monitoring and collecting this subjective trend information (strategic information) will become a challenge for managers and information experts (information managers);

Knowledge makes resources mobile, that is, knowledge workers carry the knowledge in their heads and can take it with them to anywhere in the world;

Knowledge workers will increasingly become experts, consultants, part-time, partners, etc., identified by their own knowledge and not by the organization that pays them.

THE INVISIBLE REVOLUTION

The greatest of all changes is the transformation of industrial society into the information and knowledge society. The center of labor has moved into ‘intellectual labor’. In developed-country societies, increasingly, access to good jobs and a career depends on a university degree. This is the logical result, since we stop working with the sweat of our face and the strength of our body, we go through the industrial work and we come to the intellectual work. This last step represents a break with the past:

The fact that knowledge and education are now a passport to the achievement of good jobs and a career, means above all that in our society companies are no longer the only means of advancing in life and have become one of several opportunities available;

The third sector emerged, the services sector, such as consulting firms, non-profit and non-profit institutions with paid or unpaid staff;

Management, in addition to performing a function, also has a social function. Organizations are evolving and taking on new forms based on information;

Knowledge has become the capital of developed economies and knowledge workers, which determines the values and norms of society.

The great challenge of developed countries is to maintain the commitment to the economic performance necessary for organizations and countries to remain competitive.

Organizational management deals with the fundamental aspects of knowledge, wisdom and leadership and can be considered an “art” as it is a practice and an application. Managers must draw on all the knowledge and teachings of the social and human sciences, psychology and philosophy, economics and history, exact sciences and ethics. But managers must polarize that knowledge around effectiveness and results.

THE RESPONSIBILITY OF MANAGERS

Today, managers have management tools that they have not had for several years, such as outsourcing, benchmarking, reengineering, new technologies for production and information and communication
Probabilistic Methods for Uncertainty Quantification
[www.igi-global.com/chapter/probabilistic-methods-uncertainty-quantification/11315?camid=4v1a](www.igi-global.com/chapter/probabilistic-methods-uncertainty-quantification/11315?camid=4v1a)

Fuzzy Economic Production Quantity Model for Weibull Deteriorating Items with Ramp Type of Demand
[www.igi-global.com/chapter/fuzzy-economic-production-quantity-model/70960?camid=4v1a](www.igi-global.com/chapter/fuzzy-economic-production-quantity-model/70960?camid=4v1a)