An Overview of Virtual Organization

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ABSTRACT: The Virtual Organization is a flexible network of individual organizations connected to non-traditional talents, information and access to expertise through the telecommunications and computer technology. It is a type of collaboration between businesses, organizations and/or persons that provide a product or service based on an arrangement between firms. Units cooperate in the coordination and function as a single organization. The term virtual organization describes a network of independent companies which, often on a temporary basis, join forces in producing a service or product. Digital organization, for example virtual workplace, virtual departments and virtual management were also correlated with those concepts. Innovative, high-quality products/services are immediately delivered to satisfy consumer expectations in the overall purpose of the interactive enterprise.

KEYWORDS: Organizational change, Virtual organization, Virtual community, Virtual reality.

INTRODUCTION

Advances in Information and Communication Technology (ICT) and trends such as agility, globalization, and increasing demands for products and services with high productivity have motivated different organizations to cooperate and come together to explore business opportunities and fulfill customer tasks[1]. Indeed, the advances in the Internet and dramatic increases in consumer appetite for expanded goods and services have driven organizations to create a new collaboration scheme that includes geographically and lawfully partnering organizations. Computer networks are promoting this collaboration. The changing business situation of companies and customer needs have motivated researchers to introduce Virtual Organization (VO) idea. In these expanded companies virtual teams, virtual workspaces and virtual employees are described. The virtual organizations have a network root[2].

A single investigator did not invite the idea of VO/VE; instead it is a philosophy that matured over a long period of growth. In the early 1990s, concepts such as computer corporations, virtual businesses or virtual companies were added. A broad variety of literature was then developed largely in two cultures, ICT and the administration[3]. Yet VO/VE paradigm principles and meanings continue to evolve. A significant number of research projects in Europe were initiated in the last 10-15 years through the programmes sponsored by the European Commission: Japan, USA, Australia, and Mexico. Study and discourse on the concept of virtual organization will further boost distributed computing[4].

LITERATURE REVIEW

1. Virtual Organization:

This new form of organization, i.e., 'virtual organization' emerged in 1990 and is also known as digital organization, network organization or modular organization. In short, a virtual organization, what is called ICT, i.e. is a co-operation network. Knowledge and networking systems that are versatile and follow market dynamics. If it is, Altera is a social network that eliminates all of its horizontal and vertical borders. It's a less organizational limit in this context. It consists of people who work in a distributed physical world, or also people who work from mobile devices and are not confined to a fixed workplace. The interactive organization's ICT is backbone[5].

ICT coordinates tasks, puts the expertise and resources of staff together with the goal of reaching a virtual organization's shared objective. Via electronic network communications, administrators of these businesses plan and monitor foreign affairs. In India, too, the interactive type of organization. The popular corporations are virtually Nike, Reebok, Puma, Dell Computers, HLL, etc[6]. With versatility in mind, companies should provide a variety of choices, including flexible time, part-time employment, sharing of jobs and home working. One of the main challenges is to be versatile in reacting to changes – whether internal or external – to assess the nature of the surveillance or the degree of self-reliance on its members by virtual organizations. The paradox of versatility itself is this. That is, while a corporation must have some procedures which enhance its versatility in

order, on the one hand, to avoid rigidity, and which simulate that on the other, it must also have certain consistency to avoid disorder[7].

2. Types of Virtual Organizations:

2.1 Telecommuters:

These businesses have workers operating from home. They communicate with the workplace through computers connected to the telephone lines with a modem. For eg, Dow Chemicals, Xerox, Coherent Technology Inc., and several other forms of telecommuting tariffs[8].

2.2 Outsourcing Employees/Competencies:

The outsourcing of all /most core competences characterizes these businesses. Marketing and distribution, human resources, finance, research and development, innovation, production, IT system, etc. are areas for outsourcing. In this situation, the virtual organization, in a central sector but with excellence, has its own expertise. For starters, Nike performs very well in product design and marketing and relies on IT resources as a means of inter-organizational cooperation[9].

2.3 Completely Virtual:

These firms are represented metaphorically as wall-free companies which are closely connected with a broad network of vendors, manufacturers, retailers and consumers as well as strategic and joint venture partners. Atlanta Committee for the Olympic Games (ACOG) in 1996 and the development efforts of the PC by the IBM are the examples of completely virtual organizations[10].

3. Advantages of Virtual Organization:

- It saves time, travel expenses and eliminates lack of access to experts.
- Virtual teams can be organized whether or not members are in reasonable proximity to each other.
- Use of outside experts without incurring expenses for travel, logging and downtime.
- Dynamic team membership allows people to move from one project to another.
- Employee can be assigned to multiple, concurrent teams.
- Teams' communication and work reports are available online to facilitate swift responses to the demands of the (global) market.
- Employees can accommodate both personal and professional lives.
- Virtual teams allow firms to expand their potential labor markets enabling them to hire and retain the best people regardless of their physical locations.

4. Disadvantages of Virtual Organization:

- The lack of physical interactions with its associated verbal and non-verbal cues and also the synergies that often accompany face-to-face interaction

- Non-availability of preverbal and non-verbal cues such as voice, eye movement, facial expression, and body language which help in better communication.

- Ability to work even if the virtual teams are miles apart and the members have never or rarely met each other face-to-face.

Although despite these limitations, simulated organizations' success has become a reality. In our region, there are currently several active cases of virtual organizations. This is the specifically built Groupware framework, which provides virtual communities with a computer-based system, allows virtual organizations to collaborate for a shared purpose.

5. Features of Virtual Organization:

Power is knowledge. The lack of facts and expertise causes emasculation and inefficient for interactive teams. IT, i.e. seamless web electronic media do not allow for this to happen and keep the company running. The most significant features of virtual organizations are, according to Pattanayak:

5.1 Technology:

Orthodox job practices have been modified by modern technologies. The programming and telephony realms in particular unite to open up a whole new set of solutions to the challenges. The new revolution will be initiated by Computer Telephony Integrations (CTI). In all call center systems, the CTI is typically used.

5.2 Mobile Data:

This helps a laptop to gather information from the mobile network. Where and how science is done, mobile data networks revolutionize. In the past, knowledge on the corpo rate is unavailable from certain places. You will connect your laptop to your cell phone by connecting you from anywhere to your virtual organization.

5.3 E-mail Integration:

Integrating Short Message Service (SMS) into the existing e-mail infrastructure allows the whole organization to take advantages of SMS products such as 'Express Way'.

5.4 Office System Integration:

SMS technology can greatly enhance the existing or new office systems, e. g., phone messages can be sent via SMS rather than returning it in a message book.

CONCLUSION

The virtual organization gives people from around the Globe the chance to communicate in a networked virtual environment that transcends geographical distances and time zones. Further investigation is needed how people react to this opportunity. Why should the requisite personal, organizational and cultural improvements be expected to follow, if technology can cross borders? The results of this analysis include a preliminary look at problems relating to the architecture, creation and governance of the virtual enterprise and its engaging virtual teams and societies.

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