



# Journal of Intercultural Management

Vol. 12 | No. 4 | December 2020

**Editor-in-chief: Łukasz Sułkowski**

Text design and typesetting: Marcin Szadkowski

Cover design: Marcin Szadkowski

Language editing: Lidia Pernak

Adjustment: Dominika Więzik, Małgorzata Pająk

Editorial office: Społeczna Akademia Nauk, Kilińskiego 109, 90-011 Łódź  
(42) 664 66 21 e-mail: [wydawnictwo@spoleczna.pl](mailto:wydawnictwo@spoleczna.pl)

All the articles published in the journal are subject to reviews.  
The electronic version is the primary version of the journal.

© copyright Społeczna Akademia Nauk and Authors  
under the CreativeCommons CC-BY-SA license  
<https://creativecommons.org/licenses/by-sa/4.0/>

eISSN 2543-831X

## Contents

Ewa **Stroińska**

*New Public Management as a Tool for Changes in Public Administration*

1

Łukasz **Sułkowski**, Justyna **Dziedzic**

*Scientist Organizational Identity – the Diversity of Perspectives*

29

Fernando Acabado **Romana**

*Impact Assessment on the Economic and Financial Indicators of the Implementation of Lean Management Model*

49

Sylwia **Przytuła**, Gabriela **Strzelec**,

Katarzyna **Krysińska-Kościańska**

*Re-vision of Future Trends in Human Resource Management (HRM) after COVID-19*

70

Mariana **Bălan**, Svitlana **Bilan**

*Recent Dimensions of Regional Migration*

91

## Ewa Stroińska

Department of Management

Jan Kochanowski University of Kielce

Kielce, Poland

estroinska@ujk.edu.pl

ORCID ID: 0000-0002-5378-8060

# New Public Management as a Tool for Changes in Public Administration

## ABSTRACT

**Objective:** The implementation of mechanisms stimulating marketization of the public sector is an elementary assumption of a modern public management system. The main goals of these processes are to increase efficiency, reduce bureaucracy, create a platform for cooperation between public and private entities, and extend decentralization. The set of rules practiced in modern local governments increasingly resembles a private enterprise managed by efficient managers. The traditional approach, which was only the administration process itself, is being replaced by a focus on economy, efficiency, quality, and effectiveness.

**Methodology:** The material was created based on the qualitative method in the form of secondary analysis of literature data. At the same time, it provides the theoretical background for conducted empirical research on changing the management system in public administration. The effect of further research explorations will be another material presented in the form of a research report

**Value Added:** The New Public Management (NPM) concept is based on changing the orientation of management of public organizations consisting in ceasing to apply the approach focusing only on procedures and rules of conduct related to expenditure, and implementing rules based on the analysis of the results related to expenditure incurred, adopting strategic orientation and introducing market mechanism for the process of providing public services (Zalewski, 2006, p. 74). The purpose of the article is to describe the New Public Management model, the implementation of which helps public institutions to respond to challenges posed by external and internal stakeholders.

**Findings:** The article presents the thesis that changes in public administration require the transformation of a management system characterized by entrepreneurship, the use of different business-oriented strategies for implementing effective actions.

**Recommendations:** The idea of New Public Management is to replace the bureaucratic administrative management model and to introduce a managerial model, i.e. the application in the public sector of the principles and solutions of management systems known and used in the business sector (Alford & Huges, 2008, pp. 130–148). This is caused by the increase in citizens' expectations regarding the increase in the quality of service provision, while at the same time unwilling to raise taxes. To achieve this goal, NPM has introduced certain assumptions to help in effective management (Templatka, n.d.).

**Key words:** New public management, public administration

**JEL codes:** H75

## Introduction

The history of the concept and essence of public administration is located in the philosophical and social considerations. The first mentions of the specificity of organizing and influencing social life through a system of developed norms and the principles can be found already in antiquity, e.g. in the works of Plato, Aristotle.

Analyzing the specifics of the concept of public administration, it should be pointed out that it dates back to ancient Rome. This term comes from the Latin language *ministrare*, which means service, performance, an activity subordinated to orders with the suffix *ad* giving this action the potential of purposefulness. It is also a synonym of help, service, leadership, management and guidance to achieve the defined goal (Izdebski & Kulesza, 2004, p. 24).

The second part of the term, i.e. the word 'public', is to prove that the administration belongs to the area of state activity and this means that it is somewhat universal in a given country and imposed from above.

There are many definitions of administration in the literature on the subject. Their main description comes from the combination of the words *ministrare* and *ad* mentioned earlier, however, the specification of the features can be somewhat varied. The nature of public administration does not fully help in determining the essence of its operation – and thus determining its definition context. The problem with creating a good and full definition of administration occurred from the very beginning of the implementation of this concept to consider the nature of order.

In J. S. Langrod's theory the administration was: "planned grouping of people in the service of a certain public mission, and only through these people the sum of the devices at their disposal" (Boć, 2010, p. 10).

The functional approach to administration, recognized as the activity of organizing and executing political decisions conditioned by state authority, indicates the need for its functioning in all known state systems. In turn, the subjective approach was only formed in the 17<sup>th</sup> and 18<sup>th</sup> centuries, in particular during the Enlightenment.

In 1887, W. Wilson used the term public administration in the context of conducting public affairs. This was due to the fact that the administration has always been subordinated to the system and served as the executive apparatus of public authority (Witkowski, 2010, pp. 13–23).

It should be emphasized that in the Enlightenment one can find the basics of so-called good administration. "The leading idea of the En-

lightenment was mercantilism. The commented system of economic and political views drew attention to the positive trade balance. Its fundamental premise was the opinion that the wealth of the state is directly proportional to the accumulated resources of precious ores, with particular emphasis on gold. Good administration in a functional sense according to this doctrine should accumulate resources as much as possible, both by regulating its exports and by actively acquiring new resources from areas outside the country" (Princ, 2016, p. 23).

It can be assumed that from this moment the administration has begun to be present in the space of social life as a tool supporting the building of social and political order. Public administration in the 18<sup>th</sup> century focused mainly on the army and ensuring an adequate financial level in the state treasury. During this period, numerous wars took place that forced the organization of appropriate funds for the development of the arms-related economy. Therefore, the mercantilism mentioned above became popular at that time, which, with the aim of supporting the state treasury, protected its own traders by granting reliefs by imposing high external duties. Public administration played a huge role at the time, expanding its activity by increasing the number of officials and establishing many state offices.

For G. L. Seidler, the 18<sup>th</sup> century administration is:

- a reasonably selected team of people who expertly manage state affairs at various levels;
- a team that, apart from *ad hoc* tasks, had a clearly defined overall goal;
- a team that was a relatively separate group in society, aware of their position and role (Seidler, 1984, p. 23).

The increase of interest in the utilitarian approach to administration has also been manifested in building specific principles that it should characterize and improve its operations. Key replacement parts include, among others:

- the need for action based on a bureaucratic system;
- covering a larger area of social significance with its influence;
- action legitimized by so-called general legal norms (Miłek, 2004, p. 12).

The need to achieve the set goals in an efficient and effective way has resulted in the need to determine the characteristics of the organization by which it is possible to achieve key results. Bureaucracy was to be a type of organizational structure characterized by a specific set of variables intended to ensure high efficiency of the organization. Nowadays, the term is a specific form for describing the activities of public administration, which, based on three features: resolving public affairs, initiating state activities, and acting with non-empowered means, is an efficient means of accomplishing the tasks of the state as an organization (Sokalska, 2003).

## Public administration as a bureaucratic organization

Bureaucracy as a tool for the organization's activity became the subject of research in the nineteenth century. There are two key areas of inquiry into this approach. One of them is the bureaucracy analysis based on the description of the structure and features of the bureaucratic organization, seeking to build the so-called perfect model. The other approach describes the consequences of the functioning of bureaucracy, with particular emphasis on the practical context focusing rather on descriptions of dysfunctional problems arising from bureaucracy.

The article focuses on the first concept of bureaucracy, referring to M. Weber's approach.

M. Weber created a model of an ideal organization based on the so-called bureaucracy as a type of organization's ideal functioning. His goal was to be able to precisely define and determine important variables organizing and improving the operation of a standards-based organization. He assumed that ideal types are artificial constructs that have the character of cognitive tools. On the other hand, however, he believed that they were useful in real creation, research and description of the features of the organization's model in order to improve the effectiveness of its operation (Weber, 2004, p. 324).

Weber defined the concept of organization as a specific type of apparatus whose operation is based on legal and legitimate authority. The principle of operation of this model comes down to the fact that it contains very strictly defined relations between the subordinate unit and the superior unit. Within these relationships, the responsibilities and jurisdiction of other entities are strictly defined. They are also equipped with appropriate resources enabling them to act, which in turn is closely monitored. Therefore, it can be determined that under the M. Weber's model, the central office determines and imposes operating principles on all entities. He preferred to include the pure, so-called monocratic, bureaucracy, characterized by a hierarchical organizational structure, internal division of labor and tasks, fairly durable provisions on the substantive implementation of matters and service of external entities. He pointed to the selection of employees according to qualifications and the need to separate matters of the workplace from personal property and matters of persons who occupy these positions. Selected principles on which the ideal bureaucracy model is based are presented in the table below.

Table 1. Principles of the ideal bureaucracy model according to M. Weber

<b>Principle</b>	<b>Description of the specifics of operation</b>
Stability	All tasks and activities carried out by administrators must be determined by the legal system. The administrators must be permanent employees of their institutions, this increases the chances of commitment to work, reliability, and timeliness of the implementation of the assigned tasks.
Competence	The scope of responsibility for issuing instructions must be strictly defined; persons issuing the order must be granted formal rights; employees carrying out tasks must be narrowly specialized to perform their work faster and better; division of work according to competence is aimed to prevent the incorrect use of methods or tools or the improper provision of services. The basis of the employment relationship is the appointment of employees, which consists in appointing the most competent employee for a specific job.

Official hierarchy	The implementation of the hierarchy-based system is required for the efficient and legal implementation of tasks; lower-level administrators are subject to higher-level officials who have the right to give orders and control the process; every staff member has the right to appeal to a higher level. Hierarchization and expert authority should delimit errors that may result, for example, from ignorance or lack of experience.
Separation of employees from property and separation of business and private matters	Officials receive a certain salary for their work; they cannot be owners of public funds. Official positions and resources of the institution may not be used by employees for personal purposes. Officials are remunerated according to hierarchy and responsibility.
Qualifications	The necessary knowledge, experience and level of education should be determined for each position in the office to ensure that the recruited employees will perform their tasks in the best possible way. Care should be taken to improve employee qualifications. Staff members are employed according to their qualifications and not outside the criteria; the organization enables further career for people who efficiently carry out their tasks and allows them to plan their career path, which develops with the age of the employee and their achievements.
Documentation and rationality	Each action has a specific purpose and must be documented; this is to ensure that the correctness of the settlement of matters can be verified; the choice of methods for achieving the objectives is to be adequate to the specifics of the given case.
Impersonality of provisions and their repetition	Procedures, rules and regulations have no reference to specific persons; regulations and not persons should clearly and unambiguously specify the ways of dealing with matters; the proceduralization of activities ensures reliability, it is easier to exchange staff and implement replaceability by showing developed standards of operation.

Source: based on Weber (2002).

Weber, creating a model of an ideal organization, based it on legal, conferred, formal power. It was to be a contestation to anachronistic forms based on traditional or charismatic power. According to him, any departure from bureaucratic management means reducing the effectiveness of the organization, and this means irrational management of broadly understood organizational resources (Krasnodębski, 1999, p. 80).

M. Weber, describing the model of ideal bureaucracy, also initiated the current of institutionalism consisting in formalizing and legitimizing the or-

ganization's activities and, as a result, social life (Di Maggio & Powell, 1983, pp. 147–160). In this approach, it is assumed that bureaucracy is a rational and effective method of managing an organization that, when implemented, is difficult to stop. Its advantage lies in the fact that standardization of procedures helps institutions operate efficiently despite market changes. This approach to bureaucracy was named an *iron cage of rationality*. This concept presents the effects of introducing a rational management model of organizations that mainly focus on imposing restrictions on society in flexible and free implementation of goals that have not been adopted and set by bureaucracy. In this way, a significant reduction in the development of administration is born, as bureaucracy becomes an autonomous and self-supporting being (Di Maggio & Powell, 1983).

However, despite the shortcomings and inconveniences of this approach, many public organizations still base their activities on it. Of course, one must consider the fact that with the development and changes taking place in the environment of public institutions, the evolution of this model is taking into account modern changes.

## Nature and tasks of public administration

In 1955, D. Waldo divided human activities according to the categorization used in the natural sciences:

- family – joint human action;
- type – administration;
- species – public administration (Suwaj, 2009, p. 54).

According to this division, administration is a type of joint human effort that must be characterized by a high level of rationality. In turn, human action can be considered joint when it produces such effects that without cooperation would be impossible to achieve. People's cooperation may vary in terms of the effectiveness of achieving goals, which can be the goals of leaders or the goals of those who take the joint action.

The term public administration is described in the source literature as the activities of the state and local government, performing public tasks defined in the constitution and other sources of applicable law. Public administration is understood as the activities of local government (as a whole) and partial activity of the state commensurate with the other state authorities (legislative and judicial).

E. Ochendowski assumes that "administration is the activity of the state, the subject of which are administrative matters or, in other words, the task and competence in the field of executive power" (Ochendowski, 2004, pp. 13-15). I. Lipowicz claims that "administration is a system made up of people, organized for the purpose of constant and systematic, directed towards the future, realization of the common good as a public mission consisting mainly (though not exclusively) on the ongoing implementation of laws, equipped for this purpose state power and material and technical means" (Ochendowski, 2004).

H. Izdebski and M. Kulesza present the objective and subjective approach to administration – namely, "public administration means a set of organizational, executive and executive activities, activities and projects carried out for the implementation of public interest by various entities, bodies and institutions on the basis of the Law and in forms defined by law" (Cieślak, 2004, pp. 13–14).

Public administration can be considered as a separate organization or institution that has specific characteristics and is understood as organizational activity in relation to political decisions of state authorities.

As far as the theory is concerned, public administration is distinguished in organizational, material and formal terms. In organizational or otherwise subject terms, public administration is administrative bodies and other entities that perform commissioned functions in the area of public administration. In material terms, however, public administration is a state activity whose subject is the tasks and competences in the field of executive power. In formal terms, public administration is an activity that administrative entities perform regardless of whether it is of an administrative nature or not (Cieślak, 2004).

The constitutional definition of public administration states that the main responsibility of the state is to perform public tasks. A state which evades this obligation questions the sense of its existence (Błaś, Boć, & Jeżewski, 2003, p. 6).

Tasks and functions of public administration:

- order and regulation – protection of the state, social order, ensuring security for citizens (police tasks);
- provision of public services – social care, education, health care, communication, culture, municipal economy, environmental protection;
- efficient planning, organizing, performing and controlling the implementation of public tasks;
- public property management;
- services ensuring social development, economic development, issuing decisions, permits, customs, loans, interest rates etc.;
- collecting and distributing income to other areas of social tasks;
- implementation of expenditure by means of budgetary and extra-budgetary units implementing state and local government tasks;
- creating the law, establishing the financial plan and strategy;
- public resource management (Zawadzak, 2017, p. 15).

The most important features of public administration include:

- coercion, which means that all citizens of a given country and foreigners staying on its territory must be subject to public administration;
- monopolistic nature – public administration is the only such body in a given country, which means that it is the only institution with such powers;
- durability;
- plan keeping;
- continuity;
- stability;
- apolitical nature;
- competence;
- organizational and competence separation and ordering;
- legalism;

- respect for the public interest (Zieliński, 2001, pp. 45–47).

The notion of “public services” is associated with the public sphere. The purpose of these public services is to improve the quality of life of residents. This category includes only those services that serve the achievement of higher goals, constituting the so-called “to be or not to be” of the community of citizens. The basic criterion for determining whether specific actions are a public service is serving the public interest. They can be defined as public goods in relation to which it is impossible to exclude anyone from using them. These are goods which, regardless of the number of users, have a specific value that subsequent users do not infringe (Zieliński, 2001, p. 34). Therefore, these are services provided by public administration directly to the public within the public sector or private entities providing a given service. In this regard, there is social consent for the provision of certain services to everyone, regardless of the amount of income received. Public services are such an important factor that providing them is an inalienable obligation of the state under the concept of human rights. These are public goods that cannot be excluded from consumption and at the same time do not compete in consumption. Using them by one person does not deprive others of access and use infringe (Zieliński, 2001, p. 35).

Public services cover a wide range of activities of local government units implemented by various organizational forms, including, for example, budgetary units, such as: offices, budgetary establishments, commercial law companies. Tasks related to the provision of these services relate not only to offices, but also to other organizational forms, regardless of organizational solutions occurring in a given unit.

Contemporary public services can be divided into:

- administrative services;
- social services;
- technical services.

Improving the management of public services relates mainly to increasing the availability and quality of services provided by public administration units,

which should create conditions for their effective implementation based on defined standards and a specific market of service providers.

## Nature of public organization management

System transformations in Poland in the 1990s led to many changes in the management of the public administration sector and the services it provides. Already in the 70s a crisis began regarding the trust of citizens in the state apparatus. "The economic recession of the 70's undermined social confidence in the institution of the welfare state and in public administration perceived as an instrument to implement its principles. The model of administrative management of the economy was questioned and the extensive public sector was criticized" (Mazur, 2005, p. 57).

This situation was also forced by changes taking place in politics, economy, and social life. Thus, the transformation itself introduced changes in the functioning of public administration, and the administration had to become a mechanism by which new reforms were introduced. "The history of Polish public administration, as in other countries, was determined by the political forms established in the Polish state. The development of the system of the Polish state, its transformations and functioning significantly influenced the institutional shape and practice of administration." (Mazur, 2005, p.103).

The main purpose of the changes was to improve the working conditions of the office personnel, to take care of customers by paying more attention to them, and thus to improve the overall efficiency of administration. "There are five basic motives for the legislator of changes in public administration: systemic, pragmatic, political, ideological and unidentified" (Cieślak, 2004, p. 213).

"The development of the function of public administration is an exponent of changes taking place in administration and the role it plays in the lives of individuals and entire social groups" (Ferens & Macek, 2002, p. 136). That is why it is important to notice the historical outline in relation to the present day, as well as the circumstances in which transformations of public power take place.

“When analyzing the processes of reforming public administration, it should be noted that the legal and institutional change alone does not automatically solve the problem underlying the implemented transformations” (Mazur, 2005, p.121).

Today, an important element is to see the connection between the proper and effective operation of administration and management science. “To the classic of administration science and organization and management sciences, H. Fayol, state (public) administration and management are synonyms” (Habuda, 2006, p. 9). According to H. Fayol, all institutions, not only enterprises, but also state offices and services, are subject to the same principles, i.e. the need to anticipate, plan, control, organize and coordinate. Therefore, to function properly they all must be subject to the same rules. The use of management techniques in managing administration staff is more and more often noticed. However, one should not forget about the differences visible above all in the goals between public administration (acting for the good of the state) and enterprises (where the goal is mainly financial profit).

J. Korczak notes that in the administration more and more often emphasis is placed on criteria such as effectiveness, profitability, economy typical for management, and not only politics and law (Korczak, 2005, p. 53). The new approach assumes focusing on the effectiveness of performed tasks. It draws attention to the economic aspect, how to spend financial resources usefully and improve the quality of services provided, and above all, increase the efficiency of public sector activities.

When considering the nature of public management, it should be noted that it is one of the scientific sub-disciplines of management itself. Researchers emphasize, however, that they should not equate the management of private sector organizations with the management of public sector organizations. There are very clear premises that distinguish between the public and business spheres. It results even from separate goals that guide these areas. Therefore, they should also differ from each other in the way they are organized and operated. The first of these differences results from the ownership, i.e. having the right to dispose of the resources. Commercial

organizations are characterized by the fact that the right to dispose of their resources results from the ownership right. On the other hand, in public sector entities, it results from the power held by state and local government authorities, as well as from the right to supervise social units that have legal personality (Kudrycka, 2001, pp. 184–185).

Another difference results from separate goals. As one might assume, private organizations are characterized by the fact that their management is focused on achieving the particular goals of the organization and it is in this direction that the management body takes action. It should be noted here that business goals most often (in the vast majority of cases) are aimed at achieving such goals that will be expressed in money, i.e. in the highest possible profit. Meanwhile, the goals of public organizations are quite different, because their action is to lead to the well-being of the society in general or at least to improve the situation at local level. This means that the objectives of public organizations relate to a much larger group of entities and do not have a dimension that would have a purely financial sense. The anticipated profits from the activities of public organizations can be considered only in the general social context (Dziendzióra, 2008).

For these reasons, the difference seems to be significant, as it relates both to the assessment of management effects and to the fact that institutions belonging to the sphere of public life should not be assessed on the basis of their financial result or market value which they represent themselves, but on the basis of fulfilling their mission and performing their planned and various tasks.

W. Kieźuń points out that public management is about achieving organizational goals and the personal responsibility of public managers for their implementation (Kieźuń, 2002).

Public management can be defined as the management of public services in a broad sense. The basic criterion for determining whether specific activities are a public service is the pursuit of public interest. This management includes planning, organizing public services as well as motivating managers

and other people to provide these services at a high level while using their resources rationally, as well as controlling the degree of usability of the result achieved by public organizations (Kozuch, 2004, p. 256).

The subject of public management is:

- a) examining management processes in public interest organizations that are to serve the community as a whole, while achieving higher goals;
- b) determining the relationship between organized activities of people and changes in public organizations regardless of the size of their activities, presenting the justification of the changes introduced;
- c) finding and directing these changes, and then using them in reality (Kozuch & Sułkowski, 2015, p. 29).

In turn, the subject of public management research includes some forms of planned human activity:

- 1) public institutions operating in various fields of social life;
- 2) national economy or its parts, e.g. industrial economy;
- 3) the state as a political institution of society.

The nature of public management lies therefore in the analysis of management processes in organizations that pursue the public interest. It deals with explaining the relationship between the characteristics of organized collective action of people and their impact on changes in public organizations.

It is worth emphasizing that in recent years, the demand for management of public sector entities has increased. This situation is affected, among others, by the following factors:

- quick response to a changing environment – public institutions with their decision-making system based on an autocratic process can rarely do this;
- meeting client expectations – public institutions do not have incentives to study the real expectations of citizens, even political marketing is not a sufficient signal for them;
- initiative and decentralized responsibility – public organizations, especially public administration, find it difficult to leave the bureaucratic model with strict hierarchical subordination;

- investment in a high-profit employee – the public sector stops investing in staff training when it becomes necessary to reduce costs;
- the staff of 'excellent' business organizations share a common set of values relevant to the organization – public institutions are only occasionally constructed based on a shared vision and goals of the organization; in addition, the political process effectively disrupts the construction of such lasting elements of the organization's image;
- specialization in what you do well – public institutions perform tasks assigned by law, they cannot always specialize in the fragment of their activity that they assess as the best, they must perform a full range of legally defined tasks (Czaputowicz, 2011, p. 192).

In the face of new challenges and conditions in the public sector, the basic change in management is the need to meet the challenges of modern times while maintaining a classic approach based on standardized procedures. However, it needs to be considered that the new approach is associated with multiple reforms that are not only distinct but sometimes even contradictory (Dunleavy, Margetts, Bastow, & Tinkler, 2006, pp. 467–494). Public organizations face a challenge arising from the need to consider "the ability to survive, develop and act effectively in conditions of generalized uncertainty, i.e. the unpredictability of internal and external business environment" (Dunleavy, Margetts, Bastow, & Tinkler, 2006, p. 65). Public institutions are required to "follow novelty, innovation, and their skillful and effective use both inside and outside the organization" (Drucker, 2000, p. 73).

## New Public Management as a new form of public administration management

The administration is constantly changing, and accordingly, change the tasks it performs, as well as expectations from citizens. The administration "is subject to a process of particularly dynamic transformations (...). It is all

about making the public sector more effective and efficient and less costly” (Herbut, 1999, pp. 50–51).

“Given the growing pressure on the adaptation of management methods and techniques used in the private sector to the conditions of managing public organizations, or the desire to introduce the idea of New Public Management into administration, one can notice the growing importance of management issues” (Kamiński, 2016).

The response to the demand for administrative reforms was New Public Management, which is defined as a management-based public administration model. New Public Management is difficult to define because it is more than merely a concept, or a set of doctrinal beliefs (Hood, 2005).

This model can also be described by the following terms: public management, market public administration, public management on market principles. It also results from the growing expectations of citizens regarding the improvement of the quality of public services while being reluctant to raise taxes.

New Public Management is derived from the theory of economy and experience in management in private services. The basic assumptions of this concept are:

- looking at public organizations as a chain of relations between the orderer and contractor;
- disaggregation of the traditional functions of international organizations into a quasi-contractual or quasi-market relationships;
- launching competition in the field of public services provided between public agencies, companies and social organizations;
- replacement of administration, hierarchical and clerical organizational culture by managerial, entrepreneurial and market culture;
- public administration should focus on search results first, and then on processes and activities;
- introduction, where possible, of the competition mechanism to work through contracting services to make it possible to correctly improve the results of public entities;

- public services should be provided by public and private entities, as well as by third sector entities, i.e. public benefit organizations, and this choice should be based on efficiency and effectiveness;
- public entities must strive to improve the quality of services provided and should be constantly adapted to the client's needs;
- public entities must pay particular attention to how they use their resources, and particular emphasis should be placed on reducing the cost of services provided or improving quality at the same costs;
- when choosing their goals, public entities, should pay attention to stakeholders;
- organizational culture of public entities should be characterized by flexibility; innovation, problem solving and entrepreneurship;
- efficient management of public entities requires the implementation of modern management tools;
- control focused on recognizing the effectiveness and efficiency of functioning (Hood, 2005, p. 423).

As a consequence of these assumptions, public organizations should operate based on rules similar to those of the business sector, but the goals in the public sector are not only more diverse, but also harder to measure than in the private sector (Rainey & Jung, 2010, pp. 34–59).

Public administration should be focused on achieving results first, and then on processes and activities. For a long time, public organizations did not pay attention to the quality of services provided. Due to this, managers in public administration, who are progressive managers, not reactive officials, should pay more attention to tasks, and the assessment of their operation and functioning of public organizations should result from the results achieved and should be based on clear and measurable standards (Supernat, 2005).

On the other hand, in order for public organization to achieve better results, it is necessary to make better use of market competition mechanisms where it provides things and provides services, which can be done by reaching for privatization or outsourcing.

Organizational bodies and units should be reorganized as private companies to obtain revenue from the sale of goods and services. Newly organized bodies and units of public administration can compete with each other, as well as with private and non-governmental organizations. The last two solutions are usually associated with the so-called disaggregation of the public sector and the creation of smaller organizational units, so that it is easier to define their tasks, and managers take the place of bureaucrats. Making public administration more accountable to the society it serves belongs to fundamental objectives of New Public Management.

It should also be noted that New Public Management makes extensive use of the concept of public choice which perceives the individual as a consumer of the services offered by public administration. It is assumed that both the consumer's choice and the efficiency of administration will be strengthened if the administrative bodies or organizational units have to apply, just like the organizations on the market, for the individual to purchase their goods and services.

The main idea of New Public Management is to put the art of management over the art of administration in public administration, which is reflected in the words of O.E. Hughes: "Administration involves following instructions, whereas management involves the achievement of results" (Młodzik, 2015, p. 87). Therefore, New Public Management is based on a change in the orientation of management of public organizations, which consists in discontinuing the pedestal approach and procedures related to expenditure, and implementing rules based on an analysis of the results related to expenditure incurred, adopting strategic orientation and introducing a mechanism market to the process of providing public services. In addition, there is an increasing emphasis on the quality of public services provided, oriented on the needs and expectations of the citizen, who is treated as an "administration client" and whose needs should be known and met. For government agencies that compete with private organizations, this is obvious. However, even when public administrations offer goods and services, by using a monopoly or without

charging any fees, they should treat interested parties as consumers, which significantly improves the efficiency and ethics of administration.

According to J. Supernat, the idea that public organizations have customers or consumers is not new, because in 1936, that is when traditional public management was in its heyday, administration theorist M. Dimock noted that: "consumer satisfaction is equally a task of public administration and business. If an officer of the administration always has the final result, namely consumer satisfaction, in mind, the action to be taken to improve the organization of the administration becomes evident" (Supernat, 2005).

According to A. Zalewski, "New Public Management introduces a managerial approach to public sector management. The novelty of this management model is the adaptation of management methods and techniques used in the private sector to the conditions of managing public organizations. It is especially about the attitude of these organizations on achieving results, decentralization of their management, taking over the strategic perspective and using market mechanisms. This management model is intended to ensure the efficiency and effectiveness of public organizations" (Zalewski, 2005, p. 68).

Efficiency and effectiveness are closely related. Generally speaking, effectiveness refers to the degree to which goals and tasks have been achieved. In turn, efficiency refers to the degree of achievement of the assumed objectives at minimal costs or maximization of the degree of achieving the objective at assumed costs. Efficiency in New Public Management is understood primarily as providing citizens with access to services of the highest quality possible at the same time with a relatively low burden on the state budget at the cost of providing them. It should be added that in the discussed concept, the effectiveness of a given entity's activities does not depend on the level of its expenses or the amount of the budget, but on what has been achieved thanks to these expenses.

H. Krynicka, on the other hand, states that: "New Public Management puts emphasis on proper goal setting and performance monitoring, financial management, setting service standards, the use of benchmarking

solutions and modern human resource management” (Krynicka, 2006, p. 199). The author also adds that the goal of administration in the spirit of New Public Management is to obtain results and control and accountability for results, while effective action requires a combination of public, private and non-governmental efforts.

We can distinguish four basic models in NPM, whose creators are E. Ferlie, L. Ashburner, L. Fitzgerald and A. Pettigrew, they are divided into:

- NPM model 1 – increasing efficiency;
- NPM model 2 – limiting the size of organization and decentralization of management;
- NPM model 3 – in search of perfection;
- NPM model 4 – public service orientation (Młodzik, 2015, p. 190).

The basic features of this model are presented in table 2.

**Table 2. New Public Management model**

<b>Model</b>	<b>Basic features of the model</b>
NPM Model 1.  Increasing efficiency	The increase in the importance of financial control. Maximizing effects while reducing costs. Setting transparent goals and monitoring results. Development of financial and substantive audit. Promoting the use of questionnaires as a tool for assessing activities. Exposing the responsibility of service providers to customers. Increasing market and customer orientation. Implementing new good governance patterns. Increased role of the management staff. Management staff accounting for the results of their work.
NPM Model 2.  Limiting the size of organization and decentralization of management	Development of public service quasi-markets. Increasing the role of contracting. Limiting the role of hierarchical management in favor of contract management. Importance of teamwork. Focus on “management through impact”. Departing from providing standardized services towards forms characterized by diversity and flexibility.

<p>NPM Model 3.</p> <p>In search of perfection</p>	<p>Radical decentralization and evaluation through the results obtained.</p> <p>Focus on organizational development and organization learning.</p> <p>Intensive training programs for managers.</p> <p>Emphasis on charismatic management methods.</p> <p>Determining the mission of the organization and the image of its employee.</p>
<p>NPM Model 4.</p> <p>Public service orientation</p>	<p>Achieving excellence in the process of providing public services.</p> <p>Implementation of quality management.</p> <p>Focusing on the development of knowledge about public services among citizens for example by assessing social needs, organizing community tasks.</p>

Source: Młodzik (2015).

New Public Management also faces criticism. Opponents of this concept point to limited possibilities of implementing the new management model in the public sector. They mention such arguments as:

- New Public Management uses market solutions to meet social needs in which the market as a resource allocation mechanism fails;
- markets created in the public sector are not markets of free competition but markets of competition organized by various public authorities;
- the concept does not recognize that market forces are not sufficient to achieve consumer satisfaction, for example the social and environmental effects of production on buyers and employees;
- New Public Management does not recognize the difference between a client-consumer who finances the provision of goods and services and a client, i.e. the recipient, who needs goods and services (Krynicka, 2006, p. 201).

Critical remarks regarding New Public Management led to the emergence of a new concept of managing a public organization, called Good Governance, public governance, or public co-governance, the implementation of which is manifested in decision-making and activities characterized by the involvement of all stakeholders, the rule of law, transparency, responding to social needs, striving for consensus, taking into account minority voices, efficiency, as well as broadly understood responsibility towards society.

Regardless of what the new approach to changes in the public administration system will be called, it should be emphasized that transformations become the *sine qua non* condition of the activities of modern administration. Once launched, the transformations caused the necessity to take them into account and also pointed to the functionality and even the necessity of their implementation.

## Summary

The new management model focuses on effective implementation of transformations, which will result in greater flexibility of structures, saving of finances and introduction of customer orientation (no longer a customer). The concept postulates to improve the efficiency and effectiveness of the services offered, the quality of which can be checked and assessed. The new management has also improved the quality of public services by improving their accessibility, and extensive use of information technology, in particular intranet ones.

It is worth emphasizing that the modern public administration management system enforces effective management of financial resources and achieving economically and socially desirable results. However, it is moving away from looking at the activities of public administration from the perspective of expenditure incurred. Attention is paid to the rationalization of budget expenditure, the optimal use of possessed financial, material and human resources. Financial transparency leads to increased citizens' awareness, and thus limits the scope for influencing the administration of various pressure groups, e.g. trade unions. The ideal situation is the ability to independently manage resources in accordance with the belief in the rightness of action and at the same time achieving measurable results.

## References

**Alford, J., & Hughes, O. (2008).** Public value pragmatism as the next phase of public management. *The American Review of Public Administration*, 38, 130–148.

**Błaś, A., Boć, J., & Jeżewski, J. (2003).** *Administracja publiczna*. Warszawa: Kolonia Limited.

**Boć, J. (2010).** *Prawo administracyjne*. Warszawa: Kolonia Limited.

**Cieślak, S. (2004).** *Praktyka organizowania administracji publicznej*. Warszawa: Difin.

**Czaputowicz, J. (Ed.) (2011).** *Administracja publiczna. Wyzwania w dobie integracji europejskiej*. Warszawa: PWN.

**Di Maggio, P. J., & Powell, W. W. (Eds.) (1983).** The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 48, 147–160.

**Drucker, P. (2000).** *Zarządzanie w XXI wieku*. Warszawa: MT Biznes.

**Dunleavy, P., Margetts, H., Bastow, S., & Tinkler, J. (Eds.) (2006).** New public management is dead – Long live digital-era governance. *Journal of Public Administration Research and Theory*, 16(3), 467–494.

**Dziendziora, J. (2008).** Rola oceniania pracowników w zarządzaniu zasobami ludzkimi w administracji publicznej. *Zeszyty Naukowe Wyższej Szkoły Humanitas. Zarządzanie*, 1, 137–149.

**Ferens, A., & Macek, I. (Eds.) (2002).** *Administracja i polityka. Administracja publiczna w procesie przemian*. Wrocław: Wyd. UW.

**Habuda, A. (2006).** Wielowymiarowość współczesnej administracji publicznej i nauk o niej na przykładzie trzech wybranych problemów. *Administracja publiczna*. Wrocław: Wyższa Szkoła Informatyki i Zarządzania Copernicus.

**Herbut, R. (1999).** Administracja publiczna – modele, funkcje i struktura. In A. Ferens, & I. Macek (Eds.), *Administracja i polityka*. Wrocław: Wyd. UW.

**Hood, C. (2005).** Public management: The Word, the movement, the science. In E. Ferlie, L. Lynn, & C. Pollitt (Eds.), *Oxford Handbook of Public Management*. Oxford: Oxford University Press.

**Izdebski, H., & Kulesza, M. (2004).** *Administracja publiczna. Zagadnienia ogólne*. Warszawa: Liber.

**Kamiński, R. (2016).** Administracja publiczna a najlepsze praktyki zarządzania zmianą. In P. Borszowski, & B. Detyna (Eds.), *Administracja Publiczna*. Wałbrzych: Wydawnictwo Państwowej Wyższej Szkoły Zawodowej im. Angelusa Sielsiusa.

**Kieźuń, W. (2002).** Polski dorobek teoretyczny zarządzania publicznego. *Współczesne Zarządzanie*, 4, 49–68.

**Korczak, J. (2006).** Profesjonalizacja działania administracji publicznej w nowych regulacjach prawa urzędowego. *Administracja publiczna*. Wrocław: Wyższa Szkoła Informatyki i Zarządzania Copernicus.

**Koźuch, B. (2004).** *Zarządzanie publiczne: w teorii i praktyce polskich organizacji*. Warszawa: PLACET.

**Koźuch, B., & Sulkowski, Ł. (2015).** *Instrumentarium zarządzania publicznego*. Warszawa: Difin.

**Krasnodębski, Z. (1999).** *Max Weber*. Warszawa: Wiedza Powszechna.

**Krynicka, H. (2006).** Koncepcja nowego zarządzania w sektorze publicznym. *Studia Lubuskie PWSZ w Sulechowie*, 2, 11–17.

**Kudrycka, B. (2001).** *Rozwój kadr administracji publicznej*. Białystok: WSAP.

**Mazur, S. (2005).** Historia administracji publicznej. In J. Hausner (Ed.), *Administracja publiczna*. Warszawa: PWN.

**Miłek, M. (2004).** *Wybrane problemy administracji publicznej*. Sulechów: PWZ.

**Młodzik, E. (2015).** Założenia koncepcji New Public Management. *Współczesne Problemy Ekonomiczne*, 11, 185–193.

**Ochendowski, E. (2004).** *Prawo administracyjne. Część ogólna*. Toruń: TNOiK

**Princ, M. (2016).** *Standardy dobrej administracji w prawie administracyjnym*. Poznań: UAM.

**Rainey, H., G., & Jung, Ch., S. (2010).** Extending goal ambiguity reserach in goverment: form organizational gola ambiguity to programme goal ambiguity. In R. Walker, G. Boyne, & A. Brewer (Eds.), *Public Management and Performance. Research Directions*. Cambridge: Cambridge University Press.

**Seidler, G. L. (1984).** *Koncepcja biurokracji w Oświeceni*. Lublin: Wydawnictwo Lubelskie.

**Sokalska, E. (2003).** Biurokracja jako metoda funkcjonowania nowoczesnej administracji w ujęciu Maksa Webera. *Studia Prawnoustrojowe*. Olsztyn: Uniwersytet Warmińsko-Mazurski.

**Suwaj, P. J. (2009).** *Konflikt interesów w administracji publicznej*. Warszawa: Wolters Kluwer.

**Weber, M. (2002).** *Gospodarka i społeczeństwo, Zarys socjologii rozumiejącej*. Warszawa: PWN.

**Weber, M. (2004).** *Racjonalność, władza, odczarowanie*. Poznań: Wyd. Poznańskie.

**Witkowski, W. (2012).** Państwo dobrem nadrzędnym w nowożytnej Europie – od dworu monarszego do administracji publicznej. In J. Jabłońska-Bonca (Ed.), *Krytyka Prawa. niezależne studia nad prawem. t. IV: Prywatyzacja władzy publicznej, publicyzacja sfery prywatnej*, Warszawa: Poltext.

**Zalewski, A. (2005).** *Reformy sektora publicznego w duchu nowego zarządzania publicznego*. Warszawa: Wyd. Szkoły Głównej Handlowej.

**Zalewski, A. (2006).** *Teoria i praktyka nowego zarządzania publicznego*. In: M. Ostaszewski, & M. Zalewska (Eds.), *W stronę teorii i praktyki finansów*. Warszawa: Wyd. Szkoły Głównej Handlowej.

**Zawadzak, T. (2017).** *Zarządzanie w organizacjach sektora publicznego*. Warszawa: Difin.

**Zieliński, E. (2001).** *Administracja rządowa w Polsce*. Warszawa: Elipsa.

## Internet sources

Templatka (n.d.). *NPM – New Public Management*. Retrieved from: <https://www.templatka.pl/npm-new-public-management.html>. Access: 16.03.2020.

**Supernat, J. (2005).** *Administracja publiczna w świetle koncepcji New Public Management*. Retrieved from: [http://www.supernat.pl/artykuly/administracja\\_publiczna\\_w\\_swietle\\_koncepcji\\_new\\_public\\_management.html](http://www.supernat.pl/artykuly/administracja_publiczna_w_swietle_koncepcji_new_public_management.html). Access: 2.02.2020.

**Łukasz Sułkowski**

Jagiellonian University,

Cracow, Poland

lukasz.sulkowski@uj.edu.pl

ORCID ID: 0000-0002-1248-2743

**Justyna Dziejic**

University of Social Sciences,

Lodz, Poland

jdziedzic@san.edu.pl

ORCID ID: 0000-0002-8292-0892

# Scientist Organizational Identity – the Diversity of Perspectives

**ABSTRACT**

**Objective:** The purpose of this article is to show the diversity of possibilities for interpreting identities in the context of the academic profession by showing the different dimensions of participation in the academic community and personality transformations associated with the capture of certain attitudes and behaviors of the scientists.

**Methodology:** The article is based on a critical analysis of the literature dealing with the sense of organizational identity in the scientific context. We expanded the characteristics associated with this issue to the recognitions arising from the complexity of participating in the life of science on many levels. The work provides an overview of the research approaches of poten-

tial detectable factors shaping the investigator's personality in organizational terms. Provided a theoretical background on scientist identity in an organizational context in this paper provides the directions of the research that brings diagnosis in management sciences.

**Findings:** Scientist organizational identity is the concept that provides a few interpretational directions that can be explored in the management context. The empirical views on this subject provide two levels of meaning. On the first level, it raises questions about individual needs related, on the one hand, to the factors of participation in this profession's life, like prestige, carrier, and power. On the other hand, the second level's meaning is connected with the scientist's personality and compatible with his professional choices like scientific orientation on life choices and creative disposition of high professionalism. The multi-mentality of participation, both physical, emotional, and life academism discourse, brings many recognitions of the concept of scientific organizational identity.

**Value Added:** Attention has been paid to the critical discourse on the theory of an organization's influence on its scientific members' identity. Also, an indication of the role of these processes in the power and hierarchy context. In the other context, we try to understand the role of individual human dispositions and professional socialization processes in the academic profession.

**Recommendations:** Scientists' organizational identity is an interesting direction to explore, that brings many reflections about the influence that brings the academic profession area to scientific senses of being. These processes also influence factors like bureaucracy, hierarchy, career politics, evaluation processes, and academic organizational narratives.

**Key words:** Organizational identity, scientist motivations, academic prestige, scientist career

**JEL codes:** M12, M14, O15

## Introduction

There is a discourse on organizational identity in the management teachings. Since the 1980s, it has become increasingly important. Interest in the con-

cept of identity in the field of management sciences may arise from several reasons: the increase in the importance of behavioral and humanistic aspects of management, an attempt to penetrate the psychological, cultural, and anthropological spheres into the organizational context. Issues related to well-being, non-financial incentive processes, and its members' well-being may also contributed to the interest in this topic. Identity contexts are therefore into this direction of research of all professions in an organizational context. Not surprisingly, it can also reach for recognition of scientists' lives and work at the university. An identity that can be regarded as an authority is often also influenced by how members of an organization adopt phenomena that occur in the professional environment, how they interact with them and how they deal with them. Thus, paying attention to these factors and tendencies has become a source of inspiration for literature analysis and an attempt to separate the concept of scientific organizational identity. It includes self-vision concepts within the profession and a discharge of scientists' distinct characteristics certifying an organizational context. This project should bring up phenomena present in this profession, such as prestige, executive authority, university hierarchy, and the researcher's workshop. Besides, it is worth pointing out axiological trends in recognition of scientific work content, which is common or divergent with scientifically recognized and supported academic sours.

## Literature Review

The literature review included selecting search criteria targeted for a specific research problem that addressed the question: Can interpretation of different dimensions of participation in the scientific community related to professionalization and defined by the scientific themselves' image in the meaning of this dimension lead to a separate category, which is the "scientific organizational identity"?

The research criteria included multi-stage analyzes that referred to the funnel metaphor, constituting the search structure, from the general the-

matic approach to the critical analysis of selected, targeted sources. The search strategy was based on looking for previous systematic literature reviews in journals that deal with literature review in management science. The best journals in the management discipline are literature-research and review journal, *Academy of Management Annals*, and *International Journal of Management Reviews*. Besides, the search also included two bibliographic and bibliometric databases: Web of Science and Scopus. Besides, searches were also based on a book review of the research problem in the English and Polish literature. The literature review also included an analysis of book publications published at the turn of 2018–2020 and the free search for related topics on the Research Gate and Google Scholar.

In the first stage, the search criteria concerned the two top review journals in the management science discipline: *Academy of Management Annals*; *International Journal of Management Reviews*. The searched phrases concerned the following issues: scientist organizational identity and scientist motivation.

Research work on the identity issues of scientists is associated with multiple views on this subject. It is impossible to identify trends in the world of science in organizational psychology from the organizational culture. Its members are a part of knowledge and science management systems. Scientists do not live in a vacuum, but function in relationships, stimulating them from many different segments of the cultural, economic, and social environment.

## The roots of the concept of organizational identity

The solutions to identity in both collective and individual contexts should be sought in the early works of researchers such as G.H. Mead and his student H. Blumer (Sułkowski, 2013a, p. 26). Symbolic interactionism was a stream of analyzes of this concept and made it possible to refer to this category in the context of the individual's symbolic interpretation. The research lit-

erature in this regard is extensive, but this interactionist point of view arose in sociology. Therefore, it is worth mentioning classics such as G.H. Mead (1975), H. Tajfel, and J. Turner (Tajfel & Turner 1979) and H. Blumer (Mead, 1975). The concept of identity has also developed in the sciences of social psychology, cultural anthropology, and management sciences, although different directions of influence should be identified (Sułkowski, 2013a). While sociology and anthropology deal with collective identities, the science of management – organizational identity. At the end of the 1950s, Sułkowski (Sułkowski 2013) and Martineau (1958, pp. 17–55) researched the organizational image as the germ of these issues. W. Margulies, in the seventies, based on his experience in consulting, concluded that the identity context could be understood as a type of method chosen by an organization to define itself and external recognition (Margulies, 1977). S. Albert & D.A. Whetten (2004, p. 90) proposed that organizational identity be understood as the result of a search resulting from collective consensus and should meet the following criteria: (1) identifying the key features of an organization; (2) the criterion for determining differentiation; (3) the time continuity criterion. To these three criteria proposed by S. Albert & D.A. Whetten, a fourth can be added: the identity of the organization as a supra-individual and social phenomenon, differentiating and sustained by the members of the organization in time, the sense of existence (*esprit du corp*), which is a manifestation of the functioning of a social group (Sułkowski, 2008, p. 17).

Academics may feel the impact of transforming the university model towards departing from the concept of Universitas towards a pragmatic, practical and professional orientation, which is associated with the provision of educational and scientific services in a competitive environment, responding to the changing market needs (Sułkowski, 2013b). The elite education model of intellectuals has changed towards egalitarian and specialized education, in which market mechanisms play a significant role, and the participation of non-public entities is significant (Sułkowski, 2013b, p. 30). What can influence how scientists think about their profession.

## The motivation for scientific work and research

The diagnosis of a scientist's functioning in organizational contexts is also related to organizational psychology and studies on motivation. The literature review suggests that when considering the issues of scientists' identity in the organizational context, it is still the research that deals with motivational issues in the university environment that should still be considered. Motivations reveal many contexts that stimulate work and reveal incentive systems that affect researchers' work processes and well-being. Many studies are devoted to the approach to research workers' motivation related to their work's parameterization. The important determinants for that point of recognition are excellent quality (research excellence) or the Hirsch index (used both for the scientific metric assessment of individual achievements and organizations' achievements. Cris Shore & Susan Wright (2015, pp. 569–572) drew attention to the phenomenon of institutional competition that affects university employees' academic staff. The pressure of results and adjusting to the university scientific metrics the standards of their labor. Therefore, the bureaucratization may affect individualism and changes in one's perception in a scientists' professional environment. Many authors pay attention to the critical approach to the parameterization of science. The tendency to increase emphasis on parameterization draws researchers' attention to the problems of publication obedience enforcement. On the other hand, it may be important in motivation due to the increase in the number of highly scored publications, the sense of commitment, and scientific work quality improvement.

There were diagnoses concerning the public reception of scientists' motivation, which addressed networks of incentives and discouragement to scientific work, translating into the critical role of science in society and science authority properties (Johnson & Dieckmann, 2019). Johnson and Dieckmann's research prompts a wider discussion of these aspects in the context of many factors such as internal motivators, e.g. money, fame, authority, or external ones, such as scientific pragmatics and social assistance

(Johnson & Dieckmann, 2019). Turney (1996) also addressed the public reception of science and took the perspective of defining trust in scientists and researchers' work to explain scientific discoveries.

An interesting problem of motivations in a scientific field was analyzed by clinical researchers (Cianciolo et al., 2020) using an integrated theoretical framework (Social Cognitive Career Theory and Professional Identity Formation) and appreciative inquiry to explore the interplay of professional identification and research context in shaping post-training research success narratives. In the conclusions, the authors of the study (Cianciolo et al., 2020) indicate that motivating the physician-scientist may refocus the construct on medical inquiry objectives, for example, research infrastructure expectations for impact.

The problems of motivation for scientists' self-esteem have been demonstrated in the research by James C. Ryan (2014). The author recognizes that the internal motivation and self-esteem has a significant positive impact on research results and that instrumental motivation has a significant negative impact on research results. The author suggests that the motivation to research work comes from faith in the value of one's work, personal values, and scientific process standards (Ryan 2014).

Uma J. Iyer & T.J. Kamalanabhan (2006) indicate that scientists should note the above-average intelligence, distinguishing them from other groups. They researched motivation taking into account the criteria of the uniqueness of this professional environment. They pointed out that their scientists' success may depend on the level of advancement in work and high results (Iyer & Kamalanabhan, 2006, p. 196).

Alice Lam employs the three concepts of 'gold' (financial rewards), 'ribbon' (reputational / career rewards), and 'puzzle' (intrinsic satisfaction) to examine the extrinsic and intrinsic aspects of scientists' motivation for pursuing commercial activities (Lam, 2020). Scientists engage in commercial activities for reputation, and finance plays a secondary role in this regard. Therefore, the policy of encouraging scientists to work outside of academia should refer to internal factors, rather than strictly financial (Lam, 2020).

Moreover, they are related to driving internal motivation, which directly impacts the perceived research results, which affects a scientist's choice to remain in a research career. Moreover, they also pointed out an interesting view that external factors such as perceived support in the work organization environment, superior support, and work autonomy are important in the context of long-term motivation. Ultimately, they concluded that the selection path of a graduate who has a possible chance of creating a research path is influenced by the perceived performance of research with external factors in the work environment (Tan et al., 2020, p. 45). Similar conclusions come from Ommerring, van Blankenstein, Wijnen-Meijer, van Diepen, & Dekker (2018) in the medical field. Researchers raised the problem of developing physician-scientists by stimulating students. Their research results indicate that the internal motivation to research gives the greatest results and influences the research commitment among young medical students, taking into account many factors, ultimately giving rise to success in the future design of a physician-scientist (Ommerring et al., 2018, p. 7).

## The prestige of the scientific profession

Both the motivation of research workers and academic culture diagnosis refers to scientific work's prestige. Roger Brown, in the book "Prestige in Academic Life: Excellence and Exclusion." addresses questions about the shape of prestige in the professional life of scientists, paying attention to the issues of employee well-being, negotiating a career path, or supporting staff in their endeavors. The author also takes up the topic of resistance to changes in academic circles. Prestige in this approach is not decided only in the context of the researcher's identity. However, it also transfers its reception to institutional prestige issues, the same units that analyze their place in the ranking tables for competitive results and recognizing the category of "academic excellence" in the context of competitiveness (Brown, 2016).

The pursuit of scientists to work in this prestigious profession may mean that they are perceived as professionals and intellectuals by the public. Pekdoğan Serpil (2019) had an innovative look at this problem and he researched how children perceive scientists. Children (5–6 years old) drew the scientist and briefly wrote about their ideas about them. It turned out that their image brings to mind the prestige of this profession; among them were visions of a scientist working in a laboratory, having research materials, conducting experiments, and looking like intellectuals with a positive disposition (Pekdoğan, 2019). Although this is a vision of children, it can correspond to the vision that scientists themselves have, which results in them thinking about their own identity in the realm of such imagination.

The university's quality system, which should constitute the academic culture, is also important in the context of scientists. It is customary and does not need to be documented in detail (Sułkowski, 2014, p. 68). The prestige of scientific work is also associated with the elements of the culture: gratification, and the results of researchers' work are financially modified. Therefore, in this context, the term "prestige economy" is referred to, which is used in higher education (Blackmore & Kandiko, 2011). The term comes from anthropology and refers to exchange patterns that happen outside a typical market economy or in the context of one's own needs (Blackmore & Kandiko, 2011 after Bascom, 1948; Grinev, 2005; Herskovits, 1948). This prestige also refers to the organization itself and its units in the academic hierarchy. It reflects the research productivity of individuals and graduates (Burriss, 2004).

## The scientific collaboration

Collaboration in scientific work results from the belief that innovation allows for growth, including academia, and results from the collaboration between industry and researchers. For example, Saradindu Bhaduri (2013) wrote about it, analyzing the scope of the relationship between science and economy in a holistic perspective, describing India's situation, which invests in

complex policies dealing with the development of future research funding from public funds (Bhaduri, 2013).

Carlos Martin-Rios analyzed the culture of collaboration within the boundaries of a formal scientific organization. From these analyzes, we learn that there are some limitations related to rigidity and bureaucracy. However, the scientific organization has many innovation potentials for spreading collective effort for efficiency and responsibility for research (Martin-Rios, 2016). There are also limitations to such a culture and opportunities that are worth noting in the organizational context.

## Diversity in the academic organizational field

An interesting direction of analysis of the problems that reveal themselves in considering scientists' identity is the problem of academic diversity (Nunnally, 2019; Stallings & Hernandez, 2019). The subject of scientists' existence in the academic reality is sometimes critically resolved based on analyses concerning their functioning in postcolonial knowledge systems. Patterns of multicultural scientific discourse emerge. The problem of multiculturalism is resolved in a phenomenological context. Scientific diagnoses concern not only issues related to cultural diversity at the university organization level but also about what scientists deal with multiculturalism. Here resounds the discussion about the multicultural approach to science in multicultural situations (Cobern & Loving, 2001, p. 52). S. Harding considers the broader perspective of postcolonial, feminist, and scientific-technical diagnoses problems (1998, p. 124). The author attempts to establish how the new ways of thinking about epistemological issues (that emerged from post-war historical, sociological, ethnographic and philosophical research in the field of science and technology) can be used to recover and restore the functionality of some important insights. Identity and organizational diagnosis are therefore related to the treatment of scientific issues in the context of multiculturalism and the very functioning of an organization in a multicultural science culture.

The Oxford Dictionary of Social Sciences takes the term “multiculturalism” in a descriptive context, referring to the coexistence of people with different cultural identities in one country, community, or group. In a prescriptive context, it is associated with the belief that racial, ethnic, and other groups should preserve their cultures within a society, and at the same time, live in a community of mutual tolerance and respect. In a descriptive sense, multiculturalism in science will mean participation in scientists’ research work with different cultural roots and identities. In a prescriptive sense, it will strive for ethical and moral decisions of this participation. The research interests towards the problem of multiculturalism of scientists is a topic widely discussed in many aspects of equality or inequality of opportunities. This problem should be placed in the context of diversity studies.

There are also mental movements through multiculturalism that form into organizational structure, such as The National Conference of Black Political Scientists (NCOBPS). In science, the organization aimed at increasing diversity in the context of identity, whether through the inclusion of intersectional identities and expressions or philosophical perspectives (Nunnally, 2019).

The direction of science area that is considered through the prism of diversity and equality problems among scientists is also taken in gender studies (Stallings, Iyer, & Hernandez, 2013; Myung-Hui, Suk Bong, & Seung-Wan, 2017). Kim Myung-Hui, Choi Suk Bong, Kang Seung-Wan (2017) pay attention to professional roles in the context of women scientists’ life, recognizing the problem of building the professional and parental identity role. The work’s main thesis indicates the key role of the balance between the professional role’s identity and the parental role’s identity in promoting a positive attitude to work among female scientists (Myung-Hui et al., 2017).

The problem of diversity in science directs researchers’ attention to conclude that it is an important factor in developing university organizations and science. In the development of the perspective of the activity of scientific communities in the context of, among others, organizational factors, such as enhancing cultural diversity in scientific environments should be indicated,

which may guarantee creativity and, importantly, certain conditions of diversity that may serve the formation of knowledge (Child & Rodrigues, 2011).

## Reliability of research and scientific workshop

An important sphere shaping scientists' professional identity in their work ethics and workshop integrity is quality research procedures. In the area of research integration, the research was conducted by Vykinta Kligyte & Richard T. Marcy (2008). Close to this inquiry line, there are concepts related to scientific work ethics and interventions that can prevent research and publication misconduct. Research scientist skills were analyzed by Hilal Büyükgöze & Feyza Gün (2017), as well as Leith Peat & Frank Vanclay (2015). The research on the reliability and quality of scientific work was conducted by Samuel V. Bruton, Mary Medlin, Mitch Brown, & Donald F. Sacco (2020) and showed that scientists are concerned about the state of research, difficulties in publishing negative research, and see institutional opportunities to improve this state (Bruton et al., 2020, p. 547). Samuel V. Bruton, Mary Medlin, Mitch Brown, & Donald F. Sacco (2020) created a specific report that answers the question of what recommendations should be indicated to solve the problem of questionable research practices (QRP) (Bruton et al., 2020). They notice low confidence in ethics training to improve research integrity and a certain system of incentives to advance research careers that may be subject to inappropriate research practices (Bruton et al., 2020). The report emphasizes the problem of accepting changes in science environments, difficulties in publishing negative results, and poor supervision from the external institutional environment (Bruton et al., 2020).

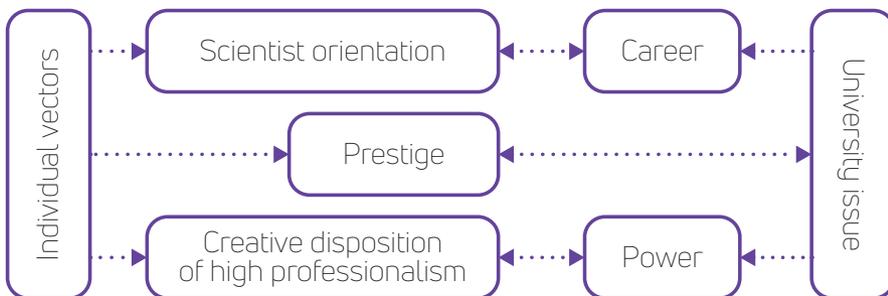
The issue of fairness becomes a key factor in recognizing research organizations and the conduct of high-quality work by scientists. Giving meaning to everyday work practices is understood as ethical decision-making skills (Kligyte et al., 2008). Marek Kwiek indicates (Kwiek) that about 3.3% of scientists publishing in both elite and basic journals, who wrote at least five articles in

1996–2018, constitute the publishing core of the global research community, while 80% of researchers who authored only one article constitutes its periphery (Kwiek, 2019).

## Future perspectives of scientist organizational identity

Scientist organizational identity is the concept that provides few interpretational directions of that problem. We can set out two main directions for the search for this concept worthy of recognition. Firstly, it brings research questions about individuals' needs related on the one hand to factors of participation in the life of this profession, like prestige, carrier, and power. The second meaning is connected with the scientists' personality and compatible with his professional choices like scientific orientation and creative disposition of high professionalism. However, it is possible to point to participation as equally physical, emotional, and a problem in academic members' lives. This refers to many transforms of thinking about oneself in the world of the profession. On the one hand, they act on the employee learning dependencies and affinities within the organization. On the other hand, he brings his bag to experiences, beliefs, and personality traits.

Figure 1. Directions of interpretation the scientific organizational identity



Source: own study.

Figure 1 presents the main orientations of scientists' identity in the context of participation in the university's organizational life. It can be noted that there are many directions of influence, which on the one hand arise from the personal characteristics of researchers, on the other hand from the trend that provokes academic life within the university. So, it is worth to put it in the form of a scheme in which there are all the meanings of the university and then recognitions derived from the psychological conditions of personality. Therefore, there is a twofold view of the processes of shaping researchers' identity in a university context. A university's properties bring out a political career based on overcoming successive science levels expressed through scientific titles. Careers are associated with scientific orientation because people with scientific potential can develop these careers, and the career itself can deepen the determination to research. In turn, power arises from the university hierarchy. It can be coupled with professionalism. A feature of professionalism affects the receipt of power, and power in professions based on work with knowledge and intellect constitutes authority. At the heart of these recognitions is prestige, which is concerning many factors because it involves building carrier and power. The desire to gain prestige can be a condition and individual needs and arise from internal motivation. The fight for prestige is to earn points for publications, publish in the best journals in the field, or be subject to measurable systems such as the Hirsch index. Therefore, universities are becoming prestigious thanks to their academic staff, and researchers are also trying to get a job at prestigious universities. It is, therefore, an inherent attribute of participation in the university world.

## Conclusion

The literature review shows that Scientist Organizational Identity does not exist as a separate analytical concept. Nevertheless, it indicated the importance of its potential. First, scientists undertake an analysis of the influence of various factors on organ life, which exerts a complex of different elements



that can be read largely within organizational cultures' reception. Among them are power, hierarchy, organizational structure, the specificity of the academic profession, the elitism of the profession, and the game of prestige. Scientists point to many factors that affect their well-being, choices, and career processes. Therefore, they are a specific industry subject to informal arrangements and can be interpreted in many categories of a network of meanings. This work highlighted the need for further exploration of this issue, especially in the context of times of evaluation pressure, termination of scientific work, and the issue of capacity and talent management.

## References

- Albert, S., & Whetten, D. A. (2004).** Organizational Identity. In M.J. Hatch, M. Schultz, *Organisational Identity. A Reader*. Oxford University Press.
- Bascom, W. R. (1948).** Ponapean prestige economy. *Southwestern Journal of Anthropology*, 4(2), 211–21.
- Bhaduri, S. (2013).** Scientists' Motivation to Innovate, Catch Up and Collaborate A transdisciplinary perspective. In U. Hilpert (Ed.), *Handbook of Politics and Technology* (pp. 396–408). Abingdon: Routledge.
- Brown, R. (2016).** Prestige in Academic Life: Excellence and Exclusion. *Times Higher Education*, 46, 22–64.
- Bruton, S. V., Medlin, M., Brown, M., & Sacco, D. F. (2020).** Personal Motivations and Systemic Incentives: Scientists on Questionable Research Practices. *Science and Engineering Ethics*, 26(3), 531–547.
- Büyükgöze, H., & Gün, F. (2017).** Building the Professional Identity of Research Assistants: A Phenomenological Research. *Kuram Ve Uygulamada Egitim Bilimleri*, 17, 1 237–63.
- Burris, V. (2004).** The Academic Caste System: Prestige Hierarchies in Ph.D. Exchange Networks. *American Sociological Review*, 69(2), 239–64.
- Child, J., Rodrigues, S. B., Dooley, K. J., & Tsoukasaridimos, H. (2011).** How Organizations Engage with External Complexity: A Political Action Perspective. *Organization Studies*, 32(6), 803–24.

**Cianciolo, A. T., Mitzelfelt, J., Ghareeb, A., Zahid, M. F., Akbar, R., & Ghias, K. (2020).**

Physician-scientist or Basic Scientist? Exploring the Nature of Clinicians' Research Engagement. *Advances in Health Sciences Education: Theory and Practice*, 25, August.

**Cobern, W., & Loving, C. (2001).** Defining "Science" in a Multicultural World: Implications for Science Education. *Science Education*, 85, 55–56.

**Grinev, A. V. (2005).** *The Tlingit Indians in Russian America, 1741–1867*. Trans. R. L. Bland & K. G. Solovjova. Lincoln, NE: University of Nebraska Press.

**Harding, S. (1998).** *Is Science Multicultural?*. Bloomington: Indiana University Press.

**Herskovits, M. J. (1948).** *Man and his works: The science of cultural anthropology*. New York: A.A. Knopf.

**Iyer, U. J., & Kamalanabhan, T. J. (2006).** Achievement motivation and performance of scientists in research and development organizations. *Journal of Scientific & Industrial Research*, 65, March, 187–194.

**Johnson, B. B., & Dieckmann, N. F. (2019).** Americans' views of scientists' motivations for scientific work. *Public Understanding of Science, Sage Journals*, 2–20.

**Kligyte, V., Marcy, R., Waples, E., Sevier, S., Godfrey, E., Mumford, M., & Hougen, D. (2008).** Application of a Sensemaking Approach to Ethics Training in the Physical Sciences and Engineering. *Science and Engineering Ethics*, 14(2), 251–278.

**Kwiek, M. (2019).** Economics of Academic Prestige. Quantitative Inclusion of the Best Journals in the Field of Higher Education Research. *Science and Higher Education*, 01 December, 1–2, 53–54.

**Lam, A. (2015).** *Academic Scientists and Knowledge Commercialization: Self-Determination and Diverse Motivations*. Switzerland: Springer International Publishing.

**Leith, P., & Vanclay, F. (2015).** Translating Science to Benefit Diverse Publics: Engagement Pathways for Linking Climate Risk, Uncertainty, and Agricultural Identities. *Science, Technology & Human Values*, 40(6), 939–964.

**Margulies, W. (1977).** Make the most of your corporate identity. *Harvard Business Review*, July–August.

**Martineau, P. (1958).** The personality of the retail store. *Harvard Business Review*, January/ February.

**Martin-Rios, C. (2016).** Sensemaking of Organizational Innovation and Change in Public Research Organizations. *International Journal of Organizational Analysis* 24(3), 516–31.

**Mead, G.H. (1975).** *Mind, personality, society*, Warsaw: PWN.

**Myung-Hui, K., Suk Bong, C., & Seung-Wan, K. (2017).** Women Scientists' Workplace and Parenting Role Identities: A Polynomial Analysis of Congruence. *Social Behavior and Personality: An International Journal*, 45(1), 29–38.

**Nunnally, S. C. (2019).** *The National Conference of Black Political Scientists (NCOBPS): Organizational Empowerment Through Signaling and Valuing Women and Diversity During #MeToo*, 22, March.

**Ommering, B. W. C, van Blankenstein, F. M., Wijnen-Meijer, M., van Diepen, M., & Dekker, F. W. (2019).** *Fostering the physician-scientist workforce: a prospective cohort study to investigate the effect of undergraduate medical students' motivation for research on actual research involvement*. *BMJ Open*, 20 July, 9(7).

**Leith, P., & Vanclay, F. (2015).** Translating Science to Benefit Diverse Publics: Engagement Pathways for Linking Climate Risk, Uncertainty, and Agricultural Identities. *Science, Technology & Human Values*, 40(6), 939–964.

**Pekdoğan, S. (2019).** I Can Draw a Scientist Whom I Imagined. *NeuroQuantology* 17(3), 1–8.

**Ryan, J. C. (2014).** The Work Motivation of Research Scientists and Its Effect on Research Performance. *R&D Management*, 44(4), 355–69.

**Shore, C., & Wright, S. (2015).** Audit Culture Revisited. Rankings, Ratings, and the Reassembling of Society. *Current Anthropology*, 56(3), 421–444.

**Stallings, D., Iyer, S. K., & Hernandez, R. (2013).** National Diversity Equity Workshop-Focus on Gender Identity and Orientation in Chemistry Faculties. *ACS Symposium Series*, 2018, 12(77), 51–77.

**Tajfel, H., & Turner, J. (1979).** An Integrative Theory of Intergroup Conflict. In W.G. Austin, & S. Worchel, *The Social Psychology of Intergroup Relations*. Oxford: Oxford University Press.

**Tan, M., Herberg, J. S., Samarasekera, D., & Chen, Zhi Xiong (2020).** Understanding factors that motivate research performance and career longevity of science, technology, engineering and mathematics postgraduates. *Asia Pacific Scholar*, 01 January, Vol. 5(1), 25–45.

**Turney, J. (1996).** Public Understanding of Science. *The Lancet* (British Edition) 347.9008, 1087–090

**Sułkowski, Ł. (2008).** Czy warto zajmować się kulturą organizacyjną. *Zarządzanie Zasobami Ludzkimi*, 6, 9–25.

**Sułkowski, Ł. (2012).** *Cultural management processes*. Warsaw: Diffin.

**Sułkowski, Ł. (2013a).** Kultura jakości w zarządzaniu, czyli pomiędzy tożsamością a kulturą organizacyjną. *Przedsiębiorczość i Zarządzanie*, XIV, 8, II, 25–37.

**Sułkowski, Ł. (2013b).** Transformacje kulturowe współczesnych uczelni wyższych. *Przedsiębiorczość i Zarządzanie*. XIV, 12, I, 23–31.

**Sułkowski, Ł. (2014).** Który model uniwersytetu?. *Przegląd Socjologiczny*, 63(3), 67–70.

**Fernando Acabado Romana**

Atlântica University,

Barcarena, Portugal

fromana@uatlantica.pt

ORCID ID: 0000-0002-9221-2099

# Impact Assessment on the Economic and Financial Indicators of the Implementation of Lean Management Model

**ABSTRACT**

**Objective:** Understand how the increased competitiveness encourages industries to seek solutions in order to maintain or increase their market share, promoting the manufacturing of quality products at reduced costs.

**Methodology:** In this study, an in-company analysis regarding the Lean performance evaluation methods present in the literature as well as already implemented in the industry was performed, focusing on the gaps of present models and needs for future.

**Findings:** New philosophies arise such as the Lean Manufacturing, which is based on continuous improvement, aiming at optimizing the production system, eliminating waste and using fewer resources.

**Value Added:** Based on the results, and with the objective of allowing comprehensive assessment of Lean performance independently by the companies, and the determination of improvement actions, a Lean performance evaluation method was developed in order to understand the impact in financial and economic figures of the case study.

**Recommendations:** Take into account the main concepts of the social sciences, such as Organizational Culture, Leadership Style and Strategic Approach, considering the link with the financial economic performance.

**Key words:** Organizational Change; Organizational culture; Leadership; LEAN management; Application and performance model

**JEL codes:** L11, L21, G31

## Introduction

Nowadays, a modern, competitive context is pressuring companies to achieve higher productivity with the lowest possible cost impact (Kokubu & Tachikawa, 2013).

Thus, few alternative methods have emerged to support management decisions in terms of economic performances and, simultaneously, considering the product quality impact and production volumes (Kokubu & Tachikawa, 2013; Sygulla, Bierer & Götze, 2011).

Under the current circumstances, a robust report supported in KPI's is considered as one of the main tools for management and results improvement (Kokubu & Tachikawa, 2013).

Deployment of Economic performance indicators is a management tool fostering the transparency of results reporting for process flows and Time Driven Activity Based Costing (Kaplan & Anderson, 2007).

This method has been developed to support industrial companies to increase the efficiency of Business Processes and to support management decisions by presenting the effective value of the company's waste.

Lean Management is recognised as a solution for waste elimination. Its main goal is the identification and elimination of several types of waste allowing companies to achieve an efficient customer demand (Spear, 2019).

Firstly, the deployment methodology is applied to an industrial system in a Portuguese company.

Then, to support the hypothesis of integration, the Economic and Financial Indicators and Lean management complementarities and gaps are primarily observed to identify improvement opportunities in manufacturing system during the Process Flow Cost Recording.

Further, to support the hypothesis of integrating the indicators and Lean tools, their complementarities aspects and gaps of knowledge are studied based on scientific literature. Thereafter, a methodology to integrate the KPI's reporting and Lean management, is presented and preliminarily validated with a case study.

## Literature Review and Methodology Model

The Process Flow Cost Recording is characterized by being a flow-orientated accounting method that traces and quantifies in physical and monetary units all the material and added value cost flows. Furthermore, it compares the costs associated to the products and the material losses (Kokubu & Tachikawa, 2013). Once the cost of waste is visible, it can drive managers to re-plan their strategy, understanding the impact on the economic and financial indicators.

As soon as their strategy is implemented, the resources reduction can be achieved and, consequently, a reduction of the overall production cost and economic impact as well (Guenther et al., 2015). Thus, the deployment of indicators aims to support companies to enhance its financial and economic performance through the reduction of resources usage (Christ & Burritt, 2016).

The original concept of the strategy and management indicators linkage was developed in 2004 at Harvard Business School, USA. Posterior few pilot

projects were initialised in the world industry. Nevertheless, the first breakthrough of the method was accomplished in Japan by Toyota.

Due to the successful results of the first implementations the methodology was enhanced and published in September 2011 as ISO14051 included in Cost Accounting procedures (Sygulla, Bierer, & Götze, 2011; Guenther et al., 2015).

## Principles and Fundamentals of Indicators Deployment

The Process of deploying indicators method divides the entire production system into responsibility levels. The  $m$  levels are parts or sub-divisions of the management system where the inputs and outputs must be quantified in physical and further in monetary units.

Usually, these areas correspond to places where materials are transformed or stocked (Kaplan & Anderson, 2007).

The management levels are the starting point for data collection in physical units in terms of resources measurements.

Considering this principle and to guarantee that all the flows are accounted, a mass balance should be performed to the production system per each area individually.

The system of indicators management considers the production of goods as a system of integrated report, based on the mass balance. It distinguishes the movements of materials in (Sygulla, Götze, & Bierer, 2011.: (i) Desired material flow – Movement of material that intend to become part of the final product; (ii) Undesired material flow – movement of unintended materials output.

The Process application method must be considered as a step-by-step procedure. Its implementation in a production system can be performed based on the following steps (Kaplan & Anderson, 2007):

- 1) Selection of the indicators to analyse;
- 2) Definition of boundaries and time period of analysis;
- 3) Determination of the measured items;
- 4) Quantification of material and added value flow in physical units;

- 5) Quantification of the previous flows in monetary units;
- 6) Identification of Inputs and Outputs;
- 7) Development of a calculation model which compiles the collected information;
- 8) Communicating the results to the company's managers;
- 9) Process Flow Cost Recording summary and interpretation.

Since any production process requires several types of inputs, the analysis should consider all the costs involved on it. Consequently, the flow cost which have to be assigned to the material's flow (physical units) include all costs which can be related or are caused by the material flow (Kaplan & Anderson, 2007).

The process of economic report divides the several types of cost into: (i) Material cost, (ii) Energy cost, (iii) System cost, (iv) Waste management Cost.

The system cost includes the cost of all expenses incurred in the course of in-house handling of the material flows, except the material, energy and waste management cost (Kaplan & Anderson, 2007).

Thereafter, a calculation model should be developed to compile all the information required resulting in a Process flow map. Further, the flow map should be presented and analysed by the company's managers to seek for improvements (Kaplan & Anderson, 2007).

The flow map is the final output of the Process Flow Cost Recording analysis. It presents the economic flow based on the resources consumed in each area of reporting. It is divided in indicators and then each indicator is sub-divided in Input cost, Energy and System cost, and outputs which in turns differentiate the product and material waste cost, which can allow the management to obtain the best KPI's value.

## Organizational Development and Change Project

The program called "Organizational Development and Change Project" (Reeves, Haanaes, & Sinja, 2015) was the model chosen by top manage-

ment as a way of ensuring the necessary change process, as well as complying with the activities.

The model to be developed is supported by three fundamental pillars, which allow its development in phases, considering the permanent monitoring and evolution: (i) Management System – Consolidation and Sustainability; (ii) Themes: Context, stakeholders, leadership and strategy; (iii) Global Philosophy of Lean Management (Womack, 2007; Lopes, 2016).

### Management System – Consolidation and Sustainability (context)

Considering that we intend to be an innovative organization that is continuously learning, we intend to develop the EFQM model from a theoretical point of view and then apply improvement and management actions in each of its aspects in order to promote and evaluate permanent and continuous improvement.

Then we intend to describe the model from a generic point of view, then highlight the improvement actions chosen by the company's top management, considering the connection of the functional areas to the points dealt with in the respective activity plans described in 2.1.

In the specific case study, top management conducted its action and follow-up priorities in the same intervention logic, highlighting actions in terms of direct intervention in (i) leadership training (moving to intermediate levels) (ii) policy definition and strategy (unfold and continue with functional areas) (iii) redefinition and management of business processes (LEAN implementation work) (iv) performance indicators (follow-up and performance using the ScoreCard).

Lean Manufacturing is based on the principles of the Toyota Production System which focus on the need to manufacture a product whenever the customer needs in the quantities he needs, allowing the disposal of finished products. Womack & Jones (2003) outline the five concepts of Lean Man-

ufacturing that make their application easier and more intuitive in different industry types: Specify the Value, Identify the Value Stream, define a Continuous Flow, Implement Pull Production and Seek Perfection. There are several Lean fundamentals and tools, such as Kaizen and Muda, Mura and Muri.

## Continuous Improvement (Kaizen)

The word Kaizen is divided into two Japanese terms: Kai – meaning change and Zen – which means to do better (Womack & Jones, 2012). The concept of continuous improvement should encompass all employees of the organization, from operator to leadership. According to Imai, the Kaizen philosophy consists in a continuous process with small low risk changes which will translate into great results on the long term. The PDCA cycle, also called the Deming Wheel, represents the successive stages of continuous improvement process (Womack & Jones, 2003): Plan (identification and analysis of the problem), Do (development and implementation), Check (analysis of results) and Act (standardization of the successful process).

## TPS House

Lean Manufacturing is based on the TPS model, visually represented by the TPS House. The fundamentals of the house are the Standardization, which is the process of developing and regularly implementing uniform and easily repeated concepts, methods and operations, adapted to the design of different products, also related to Heijunka, and the Stability, which is related to the operational consistency of the equipment, the organization of the space, the permanent alignment with objectives, and the purpose and mission disseminated in the company. The pillars are Just-in-Time (JIT) and Jidoka. JIT consists of Pull Production which is “pulled” according to customer demand, related to continuous flow on the production line. Jidoka focuses on the causes of the problems and their resolution, on the quality

of the process, on the minimization of variability and rapid response to non-conformities. In the centre there is the Involvement which consists in the existence of flexible and motivated teams that work with the common goal of continuous improvement. The main focus of TPS House is to maximize quality while minimizing cost and production time as well as eliminating waste in order to meet Customer needs. In addition to the product, the Customer considers the safety at work and the motivation of the employees (Womack & Jones, 2003; 2012).

### Muda, Mura and Muri

One of TPS's principles is the reduction of wastes ("Muda" in Japanese). All activities that do not contribute to the value of the product are considered waste. According to Womack and Jones, the Muda is associated with activities such as waiting and delays, product defects, poor processing, excessive production and inventory, poorly optimized transport and operator movement, and the inadequate use of employees' talent. Taiichi Ohno divided the Muda into seven distinct categories: Transport, Movement, Waiting, Defects or Rework, Processing, Overproduction, and Inventory. Later, another type of Muda was added: Talent, which involves the optimized use of the collaborators' capabilities (Womack & Jones, 2003; 2012).

In addition to these eight types of Muda, there is also the waste whose elimination does not involve benefit for the company: Unevenness (Mura) and Overburden (Muri). Mura represents the unequal distribution of labour due to, for example, delays in previous production steps and poor planning of production. Muri represents the overburden of equipment and operators (Womack & Jones, 2003; 2012).

## Lean Methods and Vocabulary

In order to implement the Lean Manufacturing philosophy, it is necessary to use several tools and methods to identify and reduce waste. Some of the most common methods and vocabulary used in Lean philosophy are:

- Kanban system: a visual production control system that facilitates JIT implementation;
- 5S: focusing on keeping the workplace clean and organized, it is divided into five concepts:
  - Seiri (Selection),
  - Seiton (Organization),
  - Seiso (Cleansing),
  - Seiketsu (Systematization),
  - Shitsuke (Discipline);
- Poka-Yoke: a system to prevent errors and defects;
- SMED (Single Minute Exchange of Die): a setup time reduction technique;
- Work in Process (WIP): work that was started and has not yet been completed;
- Lead Time: time spent from the beginning to the end of the process including processing time and waits;
- Takt Time: time available to manufacture a product based on customer demands;
- Overall Equipment Effectiveness (OEE): indicator of equipment efficiency;
- Total Productive Maintenance (TPM): process which ensures the correct maintenance of the equipment, assigning responsibility to operators;
- Go to Gemba: Gemba is a Japanese term meaning "the real place", which represents the space where the production work is carried out;
- Kaizen Events: small group reunions to discuss the areas which need improvement actions;
- Value Stream Mapping (VSM): detailed map with the materials' flow and information at all stages from the beginning to the end of the manufacturing process.

Although it is known which tools are necessary to obtain a competitive

advantage on the market, it is necessary to clarify how to classify a company according to its performance in Lean. It is important to understand what the current state is and what the desired Lean level is. In addition, it is necessary to understand which key dimensions should be evaluated and how to evaluate them (Womack & Jones, 2003; 2012).

## Results

According to Cameron et al. (2014), the implementation of a management model will lead management to a leadership style conducive to creating value and obtaining results in terms of quality, human and financial capital, based on effective organizational performance.

Development and implementation of the strategic plan: Strategic Map, Strategic Actions and Objectives, hitherto non-existent.

Activity Plan: Annual objective, strategy implementation maps, breakdown by functional areas and documents related to the strategic plan, which allow the common orientation of management units, such as (i) Market Studies, (ii) Business Plans and (iii) Quality Plans.

Change and organizational development project according to Reeves, Hannaes, & Sinja, 2015 was the model chosen by top management as a way to guarantee systemic implementation, based on the following pillars of action: (i) Top management actions; (ii) Definition of Objectives; and (iii) Implementation Practices, supported by the change in the Company's Culture (Values and Behaviour).

In terms of results of the study, we analyse the evolution of the economic and financial indicators (the first table), but mainly the link between the operational indicators and the economic and financial indicators that translate into a consequence of the good performance of the previous ones. This is the basis for the main research hypothesis in the case study.

The evolution of the treated economic and financial indicators is clearly the consequence of the operational indicators as we can see in the com-

pany reports, in which the evolution of values is located in the stock rotation (3.2%), Working Capital (4.65%) EBITDA margin (15.6%), and Net Cash Flow (46.7%) (table 1 and 2).

Table 1. Macro Key Performance Indicators

KPI	Value
Stocks Turnover	3.2%
Working Capital	4.65%
EBITDA Margin	15.6%
Net Cash Flow	46.7%

Source: Company reports data.

Table 2. Operational effect on Macro indicators

Macro KPI	Operational
Stocks Turnover (Production & Logistics)	Inventory Reduction
Working Capital (Controlling)	Stocks, Collection and Debt
Customer Service (Business, Quality and Marketing Directions)	Complaints, Delivery Time, Brand Image, New Solutions, Visiting and Listening.
EBITDA Margin (All areas)	Efficiency, Working Times, Standards and Rework.
Net Cash Flow (All areas)	Sales, ideas instead of investments and all cost savings.

Source: Company information reports.

Table 1 explains the improvement in results during the period under analysis, using the management indicators considered adequate for the development of the business and evaluation of the company’s performance.

Thus, it refers in the first column to the designation of the indicator in question and in the second the value relative to the percentage of the obtained improvement.

The management indicators are described in the results and were listed according to the following:

- Stocks turnover;
- Working Capital;
- EBITDA Margin;
- Net Cash Flow.

As we will be able to understand these indicators, they are the consequence of operating at the operational level. For this purpose, table 2 was elaborated, which allows us to understand the unfolding of the indicators, from the macro to the operational level, given that the macro is considered the strategic level (Kaplan & Anderson, 2007).

Thus, in table 2 we report the macro indicators in the first column, also referring to the responsible areas and in the second column the activities related to each indicator that allow results to be obtained at the operational level and which will then have an economic and financial consequence.

In the operational column, activities and indicators related to the LEAN Management philosophy are considered. In the left column reported are economic and financial indicators, which will be the consequence of the actions mentioned above, in order to assess the impact of Lean implementation on company results (Rother & Shook, 1999).

## Discussion

The phased implementation, with the creation and development of pilot areas, is particularly beneficial for the organization's culture, also interesting for the involvement of people and the cascading communication process.

The company's entry into "way of life" when defining long, medium- and short-term improvement cycles, in which the use of the DMAIC and PDCA cycles is important in an integrated and complementary way through the Lean tools (Basu, 2011).

According to (Kaplan & Norton, 2019) the use of the Balanced ScoreCard allows the organization the correct allocation of management indicators, thus ensuring their correct and effective follow-up against the objectives.

The improvement of the global EFQM index by 35%, going from 540 to 730 points in one year was noted.

Implementation of the corporate risk management model was based on five pillars: (i) Market risk, (ii) Credit risk, (iii) Operational Risk, (iv) Legal risk, and (v) Information Systems Risk (Kendall, 1998).

According to Cameron et al. (2014) the strength of value creation comes from the performance model and the achievement of objectives, through LEAN transformation (Rother & Shook, 1999).

Strongly active behavioural performance of top and middle management, according to (Quinn, 2011), transition from normal state to the fundamental state of leadership.

Management of skills, knowledge and talent, provides the success of teams (Cascão, 2014).

Strategy and Deployment is always associated with the business chain supported by the axes of diversity and segmentation, in marketing policies and in the established criteria, such as the distribution network in geographic terms (Kotler & Keller 2006).

Company competitiveness is supported by cost optimization of internal business processes considering the categories of: (i) Excess stocks, (ii) Rework operations, (iii) Waiting Times, in addition to the budget deviations that represented (27.9%) of the deviations in costs, this is one of the opportunities for rationalization.

Implementation of quality cost analysis is divided into four categories: (i) Prevention (35%), (ii) Evaluation (25%), (iii) Internal failures (30%), (iv) External Failures (10%).

Leadership Behaviour, according to Shook (2019), should be focused on management by example, having all people involved and committed, putting knowledge ahead of "I think that", instilling the principles of continuous

improvement, conducting tests before opting for solution to the problems or needs of the markets, creating trust in teams and people, developing mutual trust, developing people before products, as well as dealing with the day to day functions.

Analysis of the data and results of the management indicators, according to Hejazi (2015), were divided into categories: (i) Competitiveness (with changes between 40% and 80%), whether qualitative or quantitative; (ii) Operational, Economic and Financial (with changes between 3.2% and 46.7%), supported in table 3 by the competitiveness key performance indicators.

**Table 3. Competitiveness Key Performance Indicators**

<b>Indicador</b>	<b>Valor</b>
Processes Cost Reduction	45%
Reduced product and project development times	60%
Engineering capacity increase – new projects	40%
Improved customer satisfaction – NPS – Net Promoter Score	80%

Source: Company Data.

The capacity to create value and develop new management methodologies, based on the LEAN philosophy, allowed the evolution of the organization's results according to the one expected and defended in the literature, considering the implementation of a strategic and operational plan (Grant, 2019); the clear and negotiated definition of objectives is transversal to all functional areas and behavioural changes in terms of the state of leadership, with the transition from the normal state to the fundamental state of leadership (Quinn, 2004). Thus, we are able to understand the qualitative evolution provided by the results of the evolutionary evaluations of the EFQM model and the quantitative evolution understood by the evolution of the economic and financial indicators, which we were able to summarize in the improvement of the EBITDA margin to (15.6%).

## Conclusion and Future Research Lines

### Conclusion

The initial process of implementing the LEAN management philosophy in the company allowed us to understand that the main objective of the performance, in this context, would be the creation, development and application of a management model adapted and appropriate to the organization, which should be based on the LEAN system, integrating several tools and concepts that would allow it to be present at the forefront of current management (Romana, 2014).

Given the growing demand of the markets, the it would be the introduction of new and more demanding customers and the most effective approach in terms of quality.

The stronger penetration in the international area of the business, agricultural and transport units, and of course the acquisition of customers in the current business, connected with the automotive industry and markets, also created the need to evolve at all levels of activity.

With the implementation of the Management Model, which at the beginning of the journey, we had no idea that we could move forward in this direction, we concluded that the modular and systemic logic allows us to verify that:

All organizations, their teams and all people need a defined path to be motivated in the pursuit of common goals (Shook, 2019; Womack & Jones, 2012).

The fundamental tools or elements for the definition of common objectives are the definition of the strategy through the creation and development of strategic, coherent and participatory maps.

The consolidation of the strategic maps must be carried out in a management medium that is the strategic plan, based on valuation and rationality in the budget and business plans (Kaplan & Norton, 2016).

According to Grant (2019), it is essential that the strategies supported by the motivation of people and in the definition and follow-up of objectives, be

implemented by appealing to what is called successful strategies through the capacity for execution, by the functional areas.

Areas in which the priorities for action are defined, the strategies to be developed, the target areas of action, indicators for measuring progress and objectives allow the success of the implementations (Grant, 2012).

Risk Analysis and Initial Diagnosis – the involvement of the most experienced teams in this phase was crucial to define the main problems and opportunities for improvement (Rother & Shook 1999; Womack, Jones, & Roos 1991).

Organizational Change and Development Project was developed and implemented based on the following aspects: Management System – Consolidation and Sustainability (context); Implementation methodology in phases, designating pilot areas and then expanding to the entire organization; Moving forward with improvement cycles, as a form of common action across the company, allowing us to instil the spirit of continuous and permanent improvement, throughout the entire value chain; Follow-up Model – based on the “Balanced ScoreCard” tool and highlighting the four perspectives of management indicators (financial, customers, internal processes and learning and growth), allowing to raise the level of management performance, the integration between areas and the improvement of reference values; and Evolution according to the EFQM model, which allows us to measure and monitor qualitative and quantitative improvements over time, in addition to technical and behavioural aspects;

We arrived here at the Lean Model (MGG) through the program called “LEAN Transformation”, based on the implementation of the PDCA and focused on the basic triangle of performance (Purpose, Processes and People), improving management indicators by values between 25% and 50%, from productivity, material flows and information flows.

We carry out the assessment of LEAN implementation levels according to the MIT Model (LAI – LEAN Advancement Initiative), through the six parameters of the defined scale: (i) Involvement of People, (ii) Value Creation, (iii) Value Chain, (iv) Process Flow, (v) Notion of “PULL”, (vi) Perfection Index,

obtaining (66%) the level of implementation, considering the scale we will have more (34%), opportunity for improvement.

The Behavioural Performance was and is being supported in the development of the leadership capacities of all the coordinators and directors of the company and in the management of competences, knowledge and talent of all people, through “Coaching” actions that are methodologically based on the cycles of experimentation, training and the practice of processes. The “KATA Coaching” Improvement cycles, according to Rother (2009), are based on the Production Management System quadrants created for the company and on the process flow optimization tools.

Leadership – it is a subject of particular importance in this transformation process and in the specific case, through changes in the shareholder body, in the generation change, mainly by the inclusion of the professional management team. In fact, the transition from leadership status in most functional and operational teams was also promoted, as mentioned by Quinn (2011), from the normal state to the fundamental state, seeking a focus on teamwork, joint coordination and cohesion, centred on others and not on the leaders, being more oriented towards customers and flexibility to the detriment of internal focus and only in control activities. The leadership approach is considered in a value chain as a model for the management and monitoring of the evolution of the company’s processes, supported by the leadership’s action plan that concretely acts in the strategic, tactical and operational variants, always managing the flow of creation of value: (i) productive; (ii) materials; (iii) information.

As far as Strategy and Deployment is concerned, we believe that the best solution would be to address the topic according to three fundamental points of action and implementation: (i) The business chain, based on the concepts of diversity and segmentation of markets and Ansoff products described by Kotler & Keller (2006), including a geographical criterion; (ii) Competitiveness of the company, through good management of inventories, costs and waste of activities; (iii) Quality, improving Prevention and Evaluation procedures,

managing and following internal and external failures, naturally centred on customer complaints and non-conformities of processes.

Management Indicators naturally allow us to follow the evolution of results and simultaneously stimulate the setting of objectives, indicators for measuring competitiveness, both quantitative and qualitative, as well as operational, economic, and financial indicators were developed. We also changed the company's management posture here at all levels, considering the contribution of people and areas to the overall results. It reflects the strategy unfolding, embodied in its valuation and follow-up, through the integrated monitoring elements, supported by the ScoreCard model (Basu, 2008) integration of management tools.

We definitely concluded that modern management systems can adapt to century-old organizations and work in perfect co-existence with the experience demonstrated over time, considering that the critical success factors are based on the formation and transformation of leadership styles, in implementation in phases and the good communication of the programs (Mann, 2016).

## Future Research Lines

Naturally, we understand some limitations in the study, as it is a specific case in which there was a strong capacity and opportunity for improvement. Thus, we defined as future lines of research two fundamental and converging options, which would be the possibility to compare the results over time with other industrial organizations (Romana, 2016a) and apply the study methodologies to companies in non-industrial sectors, such as logistics and services (Romana, 2016b).

## References

**Basu, R. (2008).** *Implementing Six Sigma and Lean: A Practical Guide to Tools and Techniques*. Routledge.

**Basu, R. (2011).** *Fit Sigma: A Lean Approach to Building Sustainable Quality Beyond Six Sigma*. UK: John Wiley & Sons Ltd.

**Black, T., Wright, L., & Bachman, Y. (2008).** *In Search of Shareholder Value*. USA: Price Waterhouse and Financial Times.

**Cameron, K., Quinn, R., Degraff, S., & Thakor, A. V. (2014).** *Competing Values Leadership: Creating Value in Organizations (New Horizons in Management)*. Second edition. USA: Edward Elgar Publishing.

**Cascão, A. (2014).** *Competence & Talent Management Approach*. Lisbon: Silabo Publishers.

**Christ, K., & Burritt, R. (2016).** *ISO 14051: A new era for MFCA implementation and research, Rev. Contab., 19(1), 1–9.*

**Grant, R. (2012).** *Contemporary Strategy Analysis*. 2nd Edition. USA: Library Congress Publishing, USA.

**Grant, R. (2019).** *Contemporary Strategy Analysis. Text Only*. 9th Edition. USA: Library Congress Publishing.

**Guenther, E., Jasch, C., Schmidt, M., Wagner, B., & Ilg, P. (2015).** Material flow cost accounting – Looking back and ahead. *J. Clean. Prod., 108*, 1249–1254.

**Hejazi, M. (2015).** *Web based visualization of the global change assessment model.* EuroVis, 13–17. South Arabia.

**Kaplan, R., & Anderson, S. (2007).** *Time Driven Activity Based Costing, A Simpler and More Powerful Path to Higher Profits,* Brighton, MA: Harvard Business Press.

**Kaplan, R., & Norton, D. (2019).** *The Execution Premium. Linking Strategy to Operations for Competitive Advantage.* USA: Harvard Business Press.

**Kendall, P. (1998).** *Company Risk Management – Market, Finance, Operations & Information.* Brighton, MA: Harvard Business Press.

**Kotler, P., & Keller, K. R. (2006).** *Marketing Management.* Pearson.

**Kokubu, K., & Tachikawa, H. (2013).** Material Flow Cost Accounting: Significance and Practical Approach? In J. Kaufmann, K.M. Lee (eds.), *Handbook of Sustainable Engineering.* Dordrecht: Springer.

**Lopes, A. (2016).** *People Management Basics.* Lisbon: Silabo Publishers.

**Mann, S. (2016).** *The Research Interview. Reflective Practice and Reflexivity in Research Processes.* Palgrave Macmillan.

**Quinn, R. (2004).** *Building the bridge as you walk on it: a guide for leading change.* Jossey-Bass.

**Quinn, R. (2011).** *Change the World: how ordinary people can achieve extraordinary results.* San Francisco: Jossey – Bass Inc., Publishers.

**Reeves, M., Haanaes, K., & Sinja, J. (2015).** *Your Strategy Needs a Strategy: How to Choose and Execute the Right Approach.* Harvard Business Review Press.

**Romana, F. (2014).** *The Lean Manager*. Porto, Portugal: Bubok Publications (By IPAM The Marketing School).

**Romana, F. (2016a).** *Lean Marketing and Consumption*. Madrid, Spain: Bubok Publications.

**Romana, F. (2016b).** *Lean Management and Organizational Behavior*. Madrid, Spain: Bubok Publications.

**Rother, M. (2009).** *Toyota Kata*. Lean Enterprise Institute.

**Rother M., & Shook, J. (1999).** *Learning to see – Value Stream Mapping to Create Value and Eliminate Muda*. Cambridge, USA: The Lean Enterprise Institute.

**Spear, S. (2019).** *Why doesn't Lean have a Seat at the Table?*. USA: Lean Enterprise Institute.

**Sygulla, R., Bierer, A., & Götze, U. (2011).** Material Flow Cost Accounting – Proposals for Improving the Evaluation of Monetary Effects of Resource Saving Process Designs. *44th CIRP Int. Conf. Manuf. Syst., no. June*, 1–3.

**Womack, J., Jones T., & Roos, D. (1991).** *The Machine that Changed the World: The Story of Lean Production*. Harper Collins.

**Womack, J. (2007).** Moving Beyond the Tool Age. *Manufacturing Engineer*, 86.

**Womack, J., & Jones T. (2003).** *Lean Thinking. Banish Waste and Create Wealth in Your Corporation*. Free Press.

**Womack, J., & Jones T. (2012).** *Lean Thinking*. Cambridge, MA: MIT Publishers.

**Sylvia Przytuła**

Wrocław University of Economics  
and Business,

Faculty of Management,

Wrocław, Poland

s\_przytula@wp.pl

ORCID ID: 0000-0002-9602-241X

**Gabriela Strzelec**

Wrocław University of Economics,  
Wrocław, Poland

ORCID ID: 0000-0001-5672-6925

**Katarzyna  
Krysińska-Kościańska**

Wrocław University of Economics,

Wrocław, Poland

ORCID ID: 0000-0002-2679-1512

# Re-vision of Future Trends in Human Resource Management (HRM) after COVID-19

**ABSTRACT**

**Objective:** The article is an attempt to make a diagnosis about the impact of the Covid-19 pandemic on HR practices including recruitment and selection, remote working, motivating

employees, re-skilling and communicating. This theoretical study is a kind of revision and discussion with the “future trends in HR” predicted a few years ago before pandemic.

**Methodology:** The research method was a review of the most recent research findings from business practice and from scientific literature concerning the impact of the pandemic on various fields of human resource management. Due to the growing flood of media information, the authors wanted to select the most updated HR practices implemented in organizations from the reliable and acknowledgeable sources.

**Findings:** The biggest challenges for HR after COVID-19 will be: restructuring the place of work and the content of work, applying more advanced technology to recruitment, selection and performance; more interests, appreciation and motivation from managers will be needed as well as building trust, a sense of belonging among team members. The list of benefits will be revised towards enhancing mental health and well-being. The reality after the pandemic will require new competencies from managers and employees so re-skilling and re-training are the most expected approaches.

**Value Added:** This article is becoming an important voice on the impact of a pandemic on the HR practices. The emerging and current results of research on HR trends will allow targeting education systems and equipping employees with the most predictable competences which will be useful in the era after the pandemic.

**Recommendations:** The COVID-19 turmoil has changed the prepared strategic plans for development of many organizations. This external factor hardened all continents and built new reality where some tips and recommendation are highly welcome. Thus, we proposed few revisited personnel solutions which HR professionals may implement. We also invite other scholars to research the pandemic impact on many multidimensional levels: economic, political, social, technological, ethical ones.

**Key words:** COVID-19, pandemic, HR challenges, remote working, reskilling, well-being

**JEL codes:** M54

## Introduction

The dynamic changes taking place in the environment of an international organization are reflected in the labor market and clearly translate into the intra-organizational context of human resource management in the form of strategic, structural and cultural conditions shaping the HR policy and practice (Pocztowski, 2019).

The concept of volatile, uncertain, complex, and ambiguous (VUCA) is gaining significance now. Indeed, the COVID-19 pandemic has been recognized as a major exogenous shock that has altered the competitive landscape for both small and large companies (Wenzel, Stanske, & Lieberman, 2020) and as follows from business practice, 34% of employers didn't have emergency plans prior the pandemic (SHRM, 2020a). The COVID-19 pandemic has revealed extraordinary vulnerabilities arising from widespread global uncertainty. Uncertainty is no longer the context experienced by just senior multinational corporations (MNE) leaders involved in managing complex global supply chains, volatile financial markets, and unpredictable geopolitical relationships. Rather, uncertainty has become the context for numerous international employees who are working from home for the first time, experiencing job instability and financial insecurity, and worrying about their and their loved ones' health and safety (Caligiuri et al., 2020).

Ł. Sułkowski called for more research and reflection on the social, economic, organizational and cultural aspects of the Covid-19 pandemic (Sułkowski, 2020). Therefore, by reviewing and tracking the latest business and scientific research, one may get the impression that the current models and strategies for human resource management, known best practices, as well as predicted future trends (eg. Deloitte, 2017; *The Future of Workforce Development*, 2017; *Workforce of the future. The competing forces shaping 2030*, 2017; Manpower, 2017; WEC Employment Confederation, 2016; Williams, 2016) completely recapitulated. The headlines of numerous articles say: re-visioning, re-structuring, re-skilling, re-training, as if the reality we have known so far needs to be reformulated. It is not enough to adapt in a given area or to improve existing practices. It is about laying new foundations. The aim of this review article will be to show new trends practices in HRM that need to be redefined in order to actually meet business goals after COVID-19. The trends which were announced a few years ago regarding strategic competences, diversity and inclusion, demographic issues, skills gap, employee mobility and the role of technology in management should

be revised (Krysińska-Kościańska, 2017; Przytuła, 2018; Strzelec, 2019). In Deloitte Human Capital Report 2020, which has been issued BEFORE the outbreak of COVID-19, the retrospective vision of changes which re-shaped the business world since 2011 till 2019 is presented. Surprisingly, these findings perfectly suit to the world we are living in today: "The world today looks remarkably different from the one in which we launched the first Global Human Capital Trends report in 2011. The past decade has been marked by radical change, by a "newness" that has evolved at a pace that can only be described as exponential. Technology invaded the workplace at a speed that would have been unimaginable a decade prior. Workforce demographics shifted substantially, with five generations in the workforce, a decline in working-age populations in many advanced economies, and an increase in the focus on equality for all workers as it relates to pay and treatment. And as the workforce evolved, so did worker expectations – with calls for organizations to do more to help improve individuals' lives, address societal problems, mitigate technology's unintended consequences, and act equitably and ethically."

Therefore, future trends were predicted, but even the predictions from 2019 will not be fulfilled anymore and are outdated after this sudden, unexpected global pandemic. Covid-19 has fundamentally changed how businesses operate today and in the future.

Rethinking how MNEs use global teams and virtual collaboration and international assignments could constitute important elements in a re-configuration of the HRM function. There is an opportunity for HRM research to collect relevant and useful evidence to facilitate global work in the future, by examining the role of the HRM function during and after the crisis. Even large organizations with sophisticated pre-pandemic personnel policies are likely to be re-writing the rules. For example, as travel restrictions ease, employers and individuals will make decisions about whether, when, and where they feel safe to travel. HRM scholarship can offer an evidence-base for global mobility policies that will help employees to adjust to new ways of

working in teams and the inevitable stress and uncertainty of post-pandemic travel (Caligiuri et al., 2020).

## Restructuring the workplace

After a few months of remote work, many organizations realized that the physical space, offices, car parking are not needed anymore if employees decide to work from home. Those employees who will agree to work in the office will need specific circumstances to be safe, keeping distance and have possibility to open windows to ventilate. These departmental zones will form the foundation of a new “company ecosystem” — one that is more efficient, serves the unique needs of teams better and is far less costly to implement. Ultimately, this new approach will enable more effective teams and improve culture and engagement (Igloosoftware, 2020).

Remote work can be structured so that employees split their time between home and the workplace, on alternate weeks and on a rotating schedule. It can include designated times for everyone to be physically present – for instance, there might be a good reason for everyone to be on site on e.g. on Monday of every month. Or a company could choose a “work-from-anywhere model” in which employees can work remotely all the time but still be able to visit any work location anytime if they wish to do so for the purpose of affiliation (Kaufman et al., 2020). Organizations need to re-write the rules concerning content and place of work to navigate the exponential change that appeared with COVID-19. Increasing sanitation and cleaning, implementing social distancing guidelines along with operational changes like decreasing business travel and reducing the use of common spaces like kitchens or recreation areas. These tasks are predominantly assigned to HR department in which 87% of HR professionals recently reported that their work has been crucial to their organization since the pandemic began and over half of them felt their work is more appreciated than before the pandemic (SHRM, 2020b).



## More technology in recruitment & selection

According to KPMG research, in 2019 HR specialists planned to invest specifically in HR technology that enhances HR analytics and allows for further HR automation over the next two to three years. Sixty percent also agree that embracing these new technologies will require a significant change of roles within HR (KPMG 2020). Indeed, this plan has gained importance since COVID appeared, as majority of recruitment and selection practices were provided by e-bots or via ATS (application tracking system). Video interview usage went up from 22% in 2019 to 58% this year. Drug test usage in selection dropped 21%, likely due to lack of availability for in-person testing. Reference checks also went up 9%, suggesting that organizations are looking for ways to learn more about their candidates when other in-person methods are no longer available (McKinsey&Company, 2020).

Technology is a key enabler for faster, cheaper and better delivery of HR services and in some cases can have a transformational as well as unintended negative effect (Thite, 2019). The wealth of various online/mobile communication solutions is advantageous on the one hand, and can be the curse of abundance on the other. Employees are forced to change focus from one platform, app, or project to the next when a new notification comes through, threatening productivity and collaboration. The survey found that 55% of workers use at least two company approved apps just to do their jobs on a daily basis. At the same time, 57% of employees use at least one non-company approved app. Knowledge-sharing is also threatened by this collaboration tool fatigue. The percentage of employees who avoid sharing documents because they either can't find them or it would take too long to do so has increased to more than half of workers (51%) (Ilgloosoftware, 2020).

## More Intrinsic Motivation, Engagement, Sense of Belonging and Well-being Activities are Needed

The digital workplace of today is vastly different from the workplace a decade ago — due to both age-old challenges as well as some new realities. There are more tools, more flexibility in where we do our work and more communication with coworkers, whether they sit next to us or work half a world away. But the demand for a more engaged, effective remote workforce has increased exponentially. It is more important than ever to listen and take action to help employees succeed (Igloosoftware, 2020). According to Deloitte study, enhancing engagement and sense of belonging has been organizational priority for this time and those efforts will pay off in the near future. 79% of organizations say fostering a sense of belonging in the workforce is important for their success over the next 18 months (Deloitte, 2020b).

It is not only about knowing IT tools but about intrinsic motivation and engagement to work. There are for example some predictions concerning motivation of academics due to forced e-learning after COVID spread. Sułkowski, Przytuła & Kulikowski (2020) predicted that forced e-learning might lead to a decrease in motivational job characteristics (like task identity, task significance, autonomy and social dimensions of work) for academic teachers. Moreover, it might expose teachers to many e-learning disadvantages exaggerated by the extraordinary and disturbing COVID-19 situation.

Besides, the psychology literature offers substantial evidence that one of our fundamental human motivators is the need for competence. During the COVID-19 pandemic, the lack of professional stimulation while working from home is fostering more self-directed knowledge-seeking to satisfy the need to learn, grow, and demonstrate competence. At a time when employees' desire to learn, grow, and demonstrate competence is heightened, companies that offer access to, or reimburse, employees' online training achieve a clear win-win; they increase talent capability and, concurrently, foster employee motivation (Caligiuri et al., 2020).



Historically, remote workers have felt out-of-the-loop and disengaged from their coworkers, but that's changing. The survey found that organizations are making greater efforts to support their remote workforces, to listen to their opinions and include them in company culture. In fact, 93% of remote workers said their companies have made an effort to make them feel included in the company culture and 62% say their concerns are taken as seriously as their office-based coworkers' concerns. 85% of remote workers have had at least one meeting interrupted due to technology issues like lost connections (Igloosoftware, 2020).

The most important HR trends pointed by employers this year was well-being of their employees and sense of belonging. Employees' well-being is now more important than ever. Only the hierarchy of employees' needs has changed, because as a result of the new realities of work and constantly changing external factors, the staff may feel a loss of balance, increased anxiety, decreased efficiency, disturbed relationships with loved ones and colleagues, as well as reduced physical condition. 80% of companies declare that the well-being of employees will be important or very important for their success in the next 18 months, but only 10% are fully ready to implement this approach. According to Deloitte survey, 97% of respondents believe that caring for the well-being of employees is the company's responsibility, 50% of respondents notice a positive impact of well-being not only on the experience of employees, but also on other areas, and 65% of respondents admit that well-being is not part of the work model. While 97% of respondents believe companies are responsible for the well-being of their employees, it is only 40% admit that they measure the effectiveness of actions taken in this area (Deloitte, 2020a). What is more, organizational culture (pointed by 43% managers), leadership behaviors that reinforce organizational values of fairness, respect and psychological safety (33%) and also personal relationships (24%) are the biggest factors influencing an organization's ability to create belonging (Deloitte, 2020b).

## Remote working

According to Boston Consulting Group the employees worked an estimated 25% of their time remotely before the pandemic, and it believes that this figure could rise to approximately 50% or more (Kaufman et al., 2020). COVID-19 has accelerated the adoption of remote working. More than 70% respondents agree they valued digital solutions that deepened their connection with other people, and 63% believe they will rely on digital technologies more than they did prior to the pandemic even well after it subsides (*2021 Global Marketing Trends*, 2020). Survey on 12 000 employers found the pandemic has forced employers to move an unprecedented share of employees—some 40%—to remote working but more than 25% of employees will work in hybrid models that combine remote and onsite work. 60% of respondents indicate they want some flexibility in where and when they work in the future (BCG, 2020).

Because this shift has been involuntary, continues over a lengthy period, and requires entire households to be house-bound, there is more potential for employees to experience increased work hours, as well as increased work-life conflict. For employees who were globally mobile, and now find themselves working from home during the pandemic, the shift is particularly significant and borders between work and family may require re-negotiation and re-organization (Caligiuri et al., 2020).

Unfortunately, since March 2020 not so many “best practices” have been available yet and learning how to lead a remote team is not so obvious. Managing a remote workforce can be challenging because 85% of remote workers have had at least one meeting interrupted due to technology issues like lost connections (Igluosoftware, 2020). Other research reported that 93% of managers learn through trial and error, 60% answered that they read articles, newsletters, or blogs. When it comes to the future of remote work, the outlook seems to be very positive in the minds of remote managers and 87% of them believe that remote work really is the future and it will become ‘the norm’ within the space of 5 years (*The Remote Managers*, 2020). Simi-

larly, according to SHRM survey 7 in 10 employers were struggling to adapt to remote work (SHRM, 2020a).

Thus, it is a clear message to managers: to cope with virtual collaboration on a large-scale during this crisis they must develop and reward employees' virtual collaboration skills, foster perceived proximity, and design ICT, work goals, and the communication structure in a way that fosters collaboration (Caligiuri et al., 2020). As Oxford Economics predicts, remote work will be a talent magnet in coming years and must be viewed as a long-term investment (Oxford Economics, 2020).

## Re-skilling and re-training – towards new competencies and new talents

The shortage of highly skilled specialists with international and intercultural experience (e.g. expatriates) has become a big challenge for international companies for the last two decades (Brookfield Global Relocation Trends, 2016; Dickmann, 2017; Manpower, 2017; Schuler, Jackson, Tarique, 2011) and 40% of employers find it difficult to recruit workforce – which has been the biggest increase since 2008 (Manpower, 2017).

In 2020 almost 87% of respondents say they either are experiencing skill gaps now or expect them within a few years. In this situation the solution to this problem could be hiring or skill building as stated by 56% of McKinsey's respondents (McKinsey&Company, 2020).

Employers must figure out how they can adapt to rapidly changing conditions, how to find new skills for "distance economy" and companies have to learn how to match those workers to new roles and activities. It is about how leaders can reskill and upskill the workforce to deliver new business models in the post-pandemic era. Reskilling programs most often focus on building employees' skills in critical thinking and decision making, leadership and management of others, and advanced data analysis. All these are the skills that the previous research has found (Przytuła, 2018) to be in

greater demand in the coming years (McKinsey&Company, 2020). Agrawal et al. (2020) pointed that the skill building should be focused on four areas: digital, higher cognitive, social and emotional adaptability and resilience. In response to this, HR executives generally identify with the significant need to reskill the workforce and according to the *2019 Global CEO Outlook*, 44% of CEOs across major markets plan to upskill more than half of their workforces in new digital capabilities (such as advanced data visualization, ability to code, etc.) big data, artificial intelligence, and cybersecurity (KPMG, 2019). Reskilling was pointed by 75% employers as the most important HR trend in 2020 (Deloitte, 2020b) and in response employees are eager to reskill and that three-quarters of nearly 1,500 full-time employees around the world are more motivated to improve their technical or professional skills as a result of COVID-19 (Oxford Economics, 2020).

## Global and Virtual Mobility and its Mental Consequences

COVID-19 has changed not only how people work but also the basic patterns of movement and travel. These changes may require relocating activities to other countries. Companies may pick up talent locally but then will have to get new employees up to speed on their new roles-through re-skilling.

Globally mobile employees face unique challenges even during “business as usual” circumstances. In the wake of an unprecedented pandemic, which has upended daily life across the globe, these challenges are exacerbated by being in a new country. Navigating the ins and outs of an assignment abroad is already a long and potentially stressful process for globally mobile workers; during a period of uncertain health and economic outcomes, anxieties are further amplified (MetLife, 2020). During the pandemic, life has changed a lot for many who were international business travelers and globally mobile employees in MNEs; their current “grounding” may mean they are experiencing a sense of loss. Their frequent travel, hotel accommodation,

and business dinners have been replaced by stay-at-home restrictions and virtual meetings. The stress caused by the demands of virtual global work is real; many employees are experiencing long work hours to accommodate time zones and performance challenges in less than ideal remote working conditions (Caligiuri et al., 2020).

Mental health and stress are the leading sources of concern for employees working and living abroad. This was true before the start of the pandemic and has only intensified in the months after. Employees need their employers' help, and globally mobile employees need assistance from their company's well-being programs to bridge the knowledge gap as they navigate living in a new country. In the era of COVID-19, explaining health insurance, life insurance and disability benefits are paramount, particularly for inpatriates who may not be accustomed to the local healthcare system (MetLife, 2020). Meanwhile, over one third of employers were providing resources to support healthy adjustment to remote work including: mental health podcast, CDC toolkits, newsletters, books (SHRM, 2020a).

The needs have not changed significantly between the time before pandemic and the new reality. Constantly the most important need for well-being is regular physical activity (according to 67,5% respondents). Mental balance is the most important (from 35% before the pandemic to 43.9% in the new reality). While prior pandemic only 3% of employers offered benefits related to mental condition, nowadays 72,6% of employees expect benefits related to mental condition, and the most desirable forms concern coping with stress (according to 54.7% respondents) and the strategy of calmness, peace and mindfulness (51%) (Activy, 2020).

Almost two thirds of companies are allowing current mobile employees to temporarily return to their home country, 43% of companies agreed on early end of assignment, 22% did not offer any additional support, 14% agreed to temporary relocation to an alternative location and 11% of respondents were offering additional cash support to cover additional costs. As far as strategic plan is concerned, 44% of companies said they will return to business as

usual as soon as possible with the same number of moves and only 12% see the COVID-19 will have a fundamental impact on how we view workforce mobility and the need for international moves (PwC, 2020).

## Communicating and Enhancing Social Ties

An average person in 2020 will generate 200-300 contacts daily on the internet thanks to different channels providing continuous online connection (Przytuła, 2018) and "a sensor economy" will emerge, based on devices that are aware of surroundings and location, and recognizing services and communication needs. The current crisis sheds light on the challenges of social and interpersonal ties between people. 71,1% of respondents indicated that the integration of employees in the company has decreased, and 59.4% of them declare that they need integration with other employees in the new reality (Activy, 2020). For those who had not built strong working relationships before the crisis, working and managing at a distance and through virtual communication media has made it hard to maintain (Caligiuri et al., 2020).

Delivering technical infrastructure and providing software seem to be obligation of employers that follows from the psychological contract towards employees, who provide their own office equipment, electricity, online capacity to continue working in remote circumstances. But above all managers are in charge of shaping new socio-cultural patterns (Sułkowski, 2020) or new social contract. Research on managing expatriate assignments in MNEs shows that communication and support from managers is an important buffer against job stress experienced by employees. This knowledge can be applied to the pandemic situation of working from home. For some people, social isolation as well as uncertainty about their health, job, and future will have a negative impact on their mental health. Any stigma linked to mental health might prevent some employees from seeking help, and MNE senior managers should therefore communicate with empathy, encourage wellness resources, and offer practical support for employees' health and safety

(Caligiuri et al., 2020).

Research conducted by the Boston Consulting Group indicated that 75% of employees said that during the first few months of the pandemic they were able to maintain or improve productivity on their individual tasks (such as analyzing data, writing presentations, and executing administrative tasks). For collaborative tasks (including exchanges with coworkers, working in teams, and interacting with clients), the number is lower. What was surprising in this analysis that social connectivity is what enables employees to be collaboratively productive. And collaborative productivity is essential for any company looking to improve communication, increase efficiency, accelerate skill acquisition, or harness innovation (BCG, 2020).

## Conclusion

Concluding the above research and survey findings it is obvious that COVID-19 as a global, external factor made the HR business practices introduce new rules, policies, tools to adjust employees to the new situation and still to continue business purposes.

All the strategies and plans that were made even one year before pandemic, have to be revised, changed, reshaped. For several months various organizations have tested some solutions which might serve now as a benchmark for others and as a point of reference in restructuring their own HR policies. Below we presented a list of predicted changes and potential practices diagnosed by some business analysts (Table 1):

Table 1. Future trends for HR practices after COVID-19

Research/survey	Predicted changes after COVID-19
BCG (Kaufman et al, 2020)	<ul style="list-style-type: none"> <li>• the future of work will be increasingly hybrid – a blend of onsite and remote locations;</li> <li>• focusing on well-being and social connectivity to help employees to recover faster from traumatic, painful, and stressful period;</li> </ul>
(Igluosoftware, 2020)	<ul style="list-style-type: none"> <li>• make remote workers feel included in the company culture;</li> <li>• focus on how to empower, engage, and make employees productive and support them the right IT tools at their disposal;</li> </ul>
(KPMG, 2019)	<ul style="list-style-type: none"> <li>• the power of the next generation of HR is in creating a holistic and mutually reinforcing “whole system” approach to building the workforce (and organization) of the future;</li> <li>• it lies in an organization’s ability to integrate new capabilities, taking a worker-centric view while addressing cultural shifts and embracing an increasingly digital workforce;</li> </ul>
McKinsey (Agrawal et al, 2020)	<ul style="list-style-type: none"> <li>• build a skill set that will help employees in key parts of your business respond well to changes;</li> <li>• expand the ability to operate in a fully digital environment;</li> <li>• develop cognitive skills to ensure that critical players can respond to the need for redesign and innovation;</li> <li>• strengthen social and emotional skills to ensure effective collaboration;</li> <li>• build adaptability and resilience skills to thrive during an evolving business situation;</li> </ul>
(McKinsey&Company, 2020)	<ul style="list-style-type: none"> <li>• filling most gaps will require a mix of approaches, such as hiring and reskilling;</li> </ul>
(MetLife, 2020)	<ul style="list-style-type: none"> <li>• helping globally mobile employees succeed means understanding the unique challenges and stressors many of them face and offering solutions that can foster a flexible work-life integration;</li> <li>• globally mobile employees are struggling across every component of holistic well-being;</li> <li>• A holistic look at well-being includes four key components:                         <ul style="list-style-type: none"> <li>• Mental health: Condition of psychological and emotional well-being</li> <li>• Financial health: State of personal and family financial security</li> <li>• Social health: Ability to form satisfying interpersonal relationships</li> <li>• Physical health: Level of illness, injury and general lifestyle;</li> </ul> </li> </ul>
(2021 Global Marketing Trends, 2020)	<ul style="list-style-type: none"> <li>• to build trust in these turbulent times, brands should look at what people value – rather than what they look like – and ensure their promises are in sync with their competence to deliver on them;</li> </ul>

<p>BCG (Kaufman et al, 2020)</p>	<ul style="list-style-type: none"> <li>· for recruiting, HR leaders can accelerate tech-enabled recruiting methods, such as video interviewing, automated resume review, and gamified evaluations;</li> <li>· for onboarding, companies need to determine what a remote "day 1" and "onboarding week" will entail;</li> <li>· virtual coffee chats, welcome videos with greetings from current employees, and virtual networking can work wonders to foster engagement and immediate buy-in;</li> </ul>
<p>(Oxford Economics, 2020)</p>	<ul style="list-style-type: none"> <li>· respondents have acknowledged that several factors (including work/life balance, diversity and inclusion, compensation) will become more important in attracting and retaining talent due to COVID-19;</li> <li>· new ways of working demand new skills, including technical capabilities and workplace behaviors that must be learned on the fly;</li> <li>· managers need to make sure reskilling efforts do not fall by the wayside, and prioritize communication and constant contact with their workforce;</li> </ul>
<p>(Activy, 2020)</p>	<ul style="list-style-type: none"> <li>· health has become an absolute priority in every dimension – physical and mental;</li> <li>· the importance is increasing mental balance so the offer of employer's benefits should contain: mindfulness, exercises for the condition and healthy spine, learning proper breathing, facial yoga, webinars about building resilience, working remotely at home with a child.</li> </ul>

Source: own study.

## References

2021 *Global Marketing Trends* (2020). Retrieved from <https://www2.deloitte.com/pl/pl/pages/deloitte-digital/Articles/Raport-Global-Marketing-Trends-2021>. Access: 12.11.2020.

Activy (2020). *Przyszłość wellbeingu i benefitów pracowniczych*. Retrieved from <https://raport.activy.app/>. Access: 12.11.2020.

**Agrawal, S., De Smet, A., Lacroix, S., & Reich, A. (2020).** *To emerge stronger from the COVID-19 crisis, companies should start reskilling their workforces now*. New York. Retrieved from <https://www.mckinsey.com/business-functions/organization/our-insights/to-emerge-stronger-from-the-covid-19-crisis-companies-should-start-reskilling-their-workforces-now>. Access: 1.12. 2020.

BCG (2020). *What 12,000 Employees Have to Say About the Future of Remote Work*. Boston. Retrieved from <https://www.bcg.com/publications/2020/valuable-productivity-gains-covid-19>. Access: 15.11.2020.

Brookfield Global Relocation Trends (2016). *Global Mobility Trends Survey*. New York. Retrieved from <http://www.brookfieldgrs.com>. Access: 13.11.2020.

**Caligiuri, P., De Cieri, H., Minbaeva, D., Verbeke, A., & Zimmermann, A. (2020).** International HRM insights for navigating the COVID-19 pandemic: Implications for future research and practice. *Journal of International Business Studies*, 51(5), 697–713. <https://doi.org/10.1057/s41267-020-00335-9>.

Deloitte (2017). *Global Workforce Trends*. Retrieved from <https://www.forum-expat-management.com/documents/19072-global-workforce-trends-2017>. Access: 24.11.2020.

Deloitte (2020a). *Firmy odpowiedzialne w praktyce*. Retrieved from [https://www2.deloitte.com/content/dam/Deloitte/pl/Documents/Reports/2020 Global Human Capital Trends\\_DELOITTE\\_20200624.pdf](https://www2.deloitte.com/content/dam/Deloitte/pl/Documents/Reports/2020%20Global%20Human%20Capital%20Trends_DELOITTE_20200624.pdf). Access: 17.11.2020.

Deloitte (2020b). *The social enterprise at work; paradoxes as a path forward*. New York, London. Retrieved from [deloitte.com/insights](https://www.deloitte.com/insights). Access: 1.12.2020.

**Dickmann, M. (2017).** *The RES Forum Annual Report. The new normal ogf global mobility-flexibility, diversity, data mastery*. Retrieved from <https://theresforum.com/wp-content/uploads/2017/06/RES-Annual-Report-2017-Full-Report-Global-Digital.pdf>. Access: 1.12.2020.

Igloosoftware (2020). *State of the Digital Workplace*. Retrieved from <https://igloosoftware.lookbookhq.com/resourcespage>. Access: 4.12.2020.

**Kaufman, E., Lovich, D., Bailey, A., Messenbock, R., Schuler, F., & Shroff, A. (2020).** *Remote Work Works – Where Do We Go from Here?*. Retrieved from [https://image-src.bcg.com/Images/BCG-Remote-Work-Works-Where-Do-We-Go-from-Here-Jun-2020\\_tcm9-253360.pdf](https://image-src.bcg.com/Images/BCG-Remote-Work-Works-Where-Do-We-Go-from-Here-Jun-2020_tcm9-253360.pdf). Access: 29.11.2020.

KPMG (2019). *Future of HR 2020: Which path are you taking?*. Retrieved from <https://assets.kpmg/content/dam/kpmg/xx/pdf/2019/11/future-of-hr-2020.pdf>. Access: 15.11.2020

**Krysińska-Kościańska, K. (2017).** Diversity management in the context of human resource management. *Management Sciences*, 4(33).

Manpower (2017). *Talent Shortage Survey*. Retrieved from [http://www.manpowergroup.pl/wp-content/uploads/2018/08/Siri\\_Szukaj\\_Ofert\\_Pracy\\_Infografika\\_PL.pdf](http://www.manpowergroup.pl/wp-content/uploads/2018/08/Siri_Szukaj_Ofert_Pracy_Infografika_PL.pdf). Access: 18.11.2020.

McKinsey&Company (2020). *Beyond hiring: How companies are reskilling to address talent gaps*. New York. Retrieved from <https://www.mckinsey.com/~media/McKinsey/Business Functions/Organization/Our Insights/Beyond hiring How companies are reskilling to address talent gaps/Beyond-hiring-How-companies-are-reskilling.ashx>. Access: 29.11.2020.

MetLife (2020). *Rising to the Globally-Mobile Workforce Needs in the New Normal*. New York. Retrieved from MetLife. Rising to the Globally-Mobile Workforce Needs in the New Normal. Access: 2.12.2020.

Oxford Economics (2020). *The future of work arrives early*. Retrieved from <https://cdn-api.swapcard.com/public/files/9154d2fae1f34213b4bc1e0c7315d85b.pdf>. Access: 2.12.2020.

**Pocztowski, A. (2019)**. HRM Context in Practice and Scientific Research. *Human Resource Management*, 6(131), 17–134.

**Przytuła, S. (2018)**. Global labor market trends and their significance for the future employees' competences. *Journal of Intercultural Management*, 10(4), 5–38.

PwC (2020). *COVID 19: The impact for Global Mobility and the mobile workforce*. Retrieved from <https://www.pwc.co.uk/services/human-resource-services/insights/covid-19-impact-on-global-mobility-workforce.html>. Access: 15.11.2020.

**Schuler, R., Jackson, S., & Tarique, I. (2011)**. Global talent management and global talent challenges: strategic opportunities for IHRM. *Journal of World Business*, 46, 506–516.

SHRM (2020a). *COVID-19 Research. How the pandemic is challenging and changing employers*. Retrieved from <https://shrm.org/hr-today/trends-and-forecasting/research-and-surveys/Documents/SHRM%20CV19%20Research%20Presentation%20Release%202.pdf>. Access: 4.12.2020.

SHRM (2020b). *Navigating COVID-19. Returning to the workplace*. Retrieved from <https://pages.shrm.org/return-to-the-workplace>. Access: 4.12.2020.

**Strzelec, G. (2019).** Rola migrantów i ekspatriantów na międzynarodowym rynku pracy. In S. Przytuła (Ed.), *Zarządzanie różnorodnością pracowników (pp. 75–92)*. Warszawa: PWN.

**Sułkowski, Ł., Przytuła, S., & Kulikowski, K. (2020).** Performance Appraisal in Universities—Assessing the Tension in Public Service Motivation (PSM). *Education Sciences*, 10(7/174), 2–19.

**Sułkowski, Ł. (2020).** Covid-19 Pandemic; Recession, Virtual Revolution Leading to De-globalization? *Journal of Intercultural Management*, 12(1), 1–11.

*The Future of Workforce Development* (2017). Retrieved from <https://branden.biz/wp-content/uploads/2019/01/future-of-workforce-development-salesforce-research.pdf>. Access: 4.12.2020.

*The Remote Managers* (2020). Retrieved from <https://remote-how.com/special/remote-managers-report-2020/results>. Access: 12 Nov 2020.

**Thite, M. (2019).** *e-HRM: Digital approaches, directions and applications*. London: Routledge.

WEC Employment Confederation (2016). *The future of work*. Brussels. Retrieved from <https://www.weceurope.org/publication-post/the-future-of-work/>. Access: 25.11.2020.

**Wenzel, M., Stanske, S., & Lieberman, M. B. (2020).** Strategic responses to crisis. *Strategic Management Journal*, 41(7/18).

**Williams, S. (2016).** *Future skills update and literature review*. Retrieved from <https://www.iftf.org/futureskills/>. Access: 4.12.2020.

*Workforce of the future. The competing forces shaping 2030* (2017). Access: 13.11.2020.

**Mariana Bălan**

Institute for Economic Forecasting,

Romanian Academy,

Bucharest, Romania

dr.mariana.balan@gmail.com

ORCID ID: 0000-0003-4326-4826

**Svitlana Bilan**

National University of Water

and Environmental Engineering,

Rivne, Ukraine

vdovtsova@gmail.com

ORCID ID: 0000-0001-9814-5459

# Recent Dimensions of Regional Migration

**ABSTRACT**

**Objective:** The purpose of this article is to make an analysis of the size and structure of migratory flows at regional and sub-regional level.

**Methodology:** Descriptive statistical analysis was mainly used to visualize and synthesize information about the evolution of the structure and size of migratory flows in major regions of the world.

**Findings:** The importance of contemporary migration is related not only to the number of migrants, but also to the fact that the migratory phenomenon has become global and takes on more and more diverse forms. People travel for various periods of time, but shorter. They adopt

a pattern of circulatory migration, continue to maintain strong connections with where they left from or practice unregulated migration. Migration has become a defining feature of the modern global economy, and the main factors underlying its expansion are the processes of globalization, technical progress, the new economic order, etc. In 2019, the number of I migrants at world level reached 271.6 million, well above the values forecast by international bodies in recent years. In the last three decades, more developed regions have received 69 million international migrants, while less developed regions have received only 50 million. The highest migratory flows were recorded in high-income countries (98 million persons), and middle and low-income countries added only about 20 million persons to migrants' stock (17 million and 3 million, respectively).

**Value Added:** The paper presents an analysis of the size and structure of migratory flows at the regional level, providing a more detailed picture of migration, and presenting a different but complementary perspective of migrants and movements from different parts of the world. A comparative analysis of migrant flows at regional level and on large migration corridors is performed, but also of the structure by age groups and gender of regional migrants.

**Recommendations:** The analysis of data on regional migration shows significant differences in migration patterns between regions. Greater recognition of regional migration patterns, variations and complexities can help shape strategic and sustainable responses of the migration policies. It is also necessary to pay attention to the regional dimensions and variations of international migration that may have critical implications for debates and regulations, especially (but not only) globally.

**Key words:** migration, regions, destinations, vulnerabilities

**JEL codes:** F22, O15, R23

## Introduction

The contemporary era can certainly be called an era of migration. In recent years, the international migration has accounted for 3.5% of the world's population. The migratory phenomenon is characteristic, practically, of any state. The migration has become a defining feature of the modern global economy, and the main factors underlying its expansion are the processes of globalization, the technical progress, the new economic order, etc.

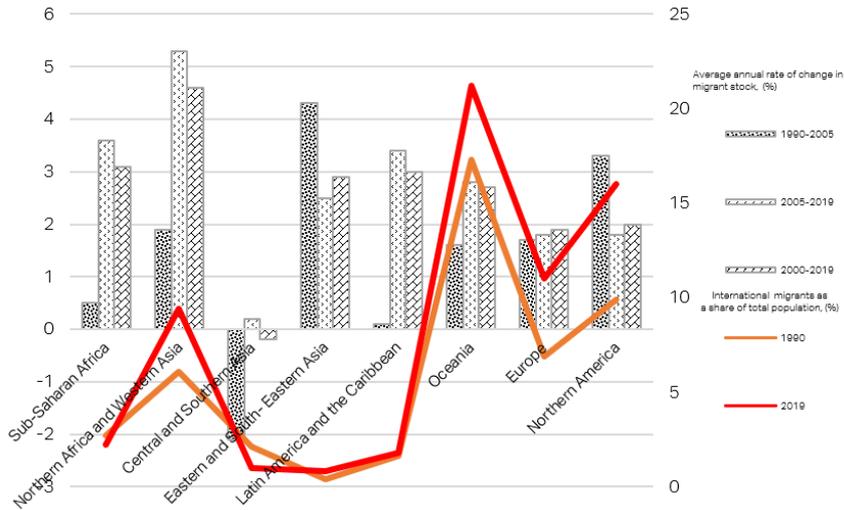
Worldwide, in 2019, the number of migrants was 271.6 million, of which almost 56% of them lived in component countries of more developed regions.

65% of them migrated to high-income countries, 30% lived in middle-income countries, and 5% were in low-income countries. If in the period 1990–2005 the average annual rate of change in the stock of migrants worldwide was 1.5%, in the period 2005–2019 it increased to 2.5%, which shows that in this last period, the size of migratory flows was larger, the number of international migrants increasing by 79.6 million people. In this context, in the last three decades, more developed regions have received 69 million migrants, while less developed regions have received only 50 million. The highest migratory flows were recorded in high-income countries (98 million people), while middle-income and low-income countries added only about 20 million people to their stock of migrants (17 million and, respectively 3 million).

## The levels and trends of regional migration

Globally, the share of migrants in the total population of the planet was relatively small, namely 3.5% in 2019, increasing compared to 1990, when they accounted for 2.9% (Figure 1) (UN DESA, 2017; UNHCR, 2019; UN, 2019).

Figure 1. Annual rate of change of migrants' stock and their share in the total population, by regions, in the period 1990–2019

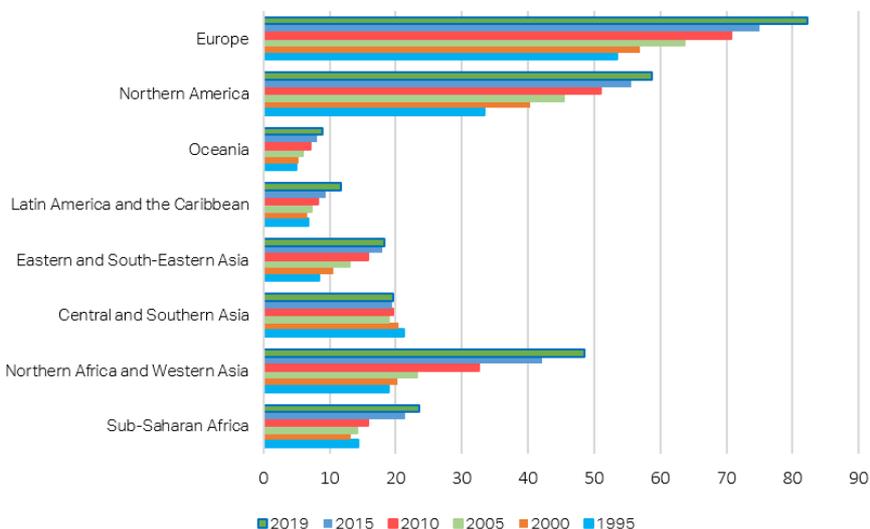


Data source: developed by the author based on UN DESA's Population Division, [www.un.org](http://www.un.org).

In the more developed regions, in 2019, international migrants accounted for 12.0% of their total population, while less developed regions accounted for 1.9% of the total population (statistics UNHCR).

In 2019, 51.9% of the world's international migrants lived in Europe and North America (30.3% in Europe and 21.6% in North America). North Africa and West Asia hosted 49 million international migrants (17.9% of global migrants) (Figure 2), followed by Sub-Saharan Africa (8.7%), Central and South Asia (7.23%) and East and South-East Asia (6.74%). Latin America and the Caribbean (11.67 million) and Oceania (8.93 million) recorded the lowest number of international migrants (Figure 2).

Figure 2. The evolution of international migrant stock at mid-year by region



Data source: Statistics UN DESA's Population Division, [www.un.org](http://www.un.org).

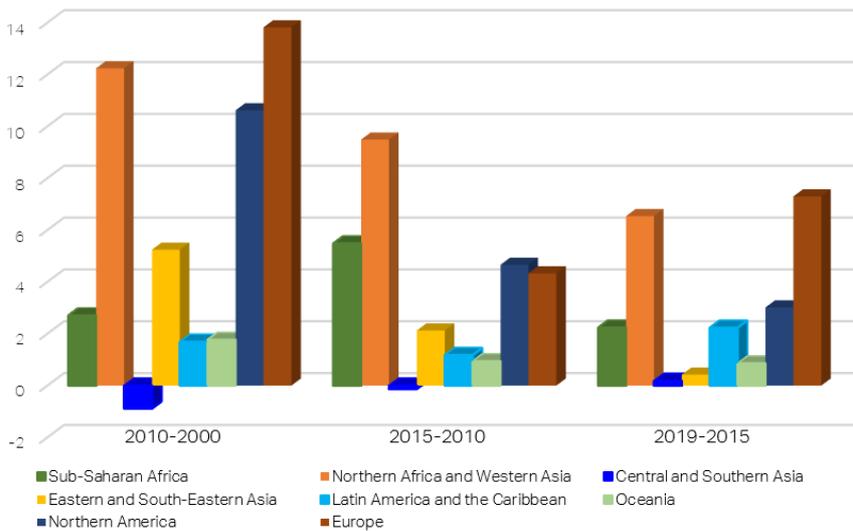
The analysis of the diagrams in Figure 2, shows that between 1995 and 2019, the international stock of migrants increased by 32.7 million in Europe, by 31.04 million in North America and by 30.98 million in North Africa and West Asia. East and South-East Asia and Sub-Saharan Africa are regions that each added about 10 million international migrants, while Latin America, the Caribbean and Oceania added about 4 million each. In contrast, the number of international migrants decreased during the period considered by 6.54 million in Central and South Asia.

Over time, the average annual change in the number of migrants has varied from one region to another. If in the first decade of the 21st century, in Europe, North Africa and West Asia and North America, the population of migrants increased by over 1 million per year, in the period 2015–2010 and as a result of the economic and financial crisis it decreased below 0.7 million / year. The exception was Sub-Saharan Africa, which in 2015–2010 has doubled its migrant population from 2000–2010 (Figure 3). By contrast, the international

stock of migrants reduced in Central and South Asia by 0.89 million between 2000 and 2010 and by 1.13 million people between 2015–2010.

The period 2015–2019 is characterized by an increase in the size of migratory flows in all regions of the world, the highest values being recorded in Europe (7.3 million people) (Bite, Szombathelyi, & Vasa, 2020), North Africa and West Asia (6.54 million people) (Figure 3).

Figure 3. Evolution of the migrant stock by destination regions, in various time periods (millions persons)



Data source: Statistics UN DESA's Population Division, [www.un.org](http://www.un.org).

In 2019, more than 124 million international migrants were registered in the five largest regional migration corridors, which represents 45.65% of the global migrant stock (IDMC, 2018, 2019). The largest regional migration corridor in the world was Europe to Europe, with 41.9 million migrants born in Europe and residing in another country in the same region (a significant share of them migrating between the countries of the eurostat Union (European Commission, 2018; Statistics Eurostat, 2019; MacGregor, 2019)). In both the first and second decades of the 21st century, the regional migration corridor

between Europe and Europe has increased by more than 5 million international migrants, an average annual increase of over half a million (Table 1).

The second largest migration corridor in 2019 was the Latin American and Caribbean corridor to North America, with a stockpile of 26.6 million migrants (Zong et al., 2019). This regional migration corridor increased by 0.9 million migrants per year in the period 1990 - 2000, but decreased in the decades of the 21st century: the number of international migrants on this corridor increasing with an average of 0.5 and respectively, 0.3 million people per year.

**Table 1. Number of international migrants by regions of destination and origin in 2019 (millions)**

Destination regions	Regions of origin							
	Sub-Saharan Africa	Northern Africa And Western Asia	Central And Southern Asia	Eastern and South -Eastern Asia	Latin America and the Caribbean	Oceania	Europe	Northern America
Sub-Saharan Africa	18.31	1.21	0.14	0.09	0.04	0.02	0.76	0.04
Northern Africa And Western Asia	2.07	18.93	18.52	4.27	0.07	0.01	2.58	0.17
Central And Southern Asia	0.00	0.33	11.69	1.97	0.02	0.00	4.49	0.05
Eastern and South -Eastern Asia	0.01	0.03	1.90	14.32	0.34	0.08	0.21	0.31
Latin America and the Caribbean	0.03	0.10	0.03	0.29	8.24	0.01	1.42	1.24
Oceania	0.48	0.43	1.16	2.30	0.20	1.06	2.89	0.23
Europe	4.94	13.05	11.20	3.60	4.98	0.40	41.86	1.10
Northern America	2.50	2.79	5.16	10.24	26.58	0.52	6.89	1.37

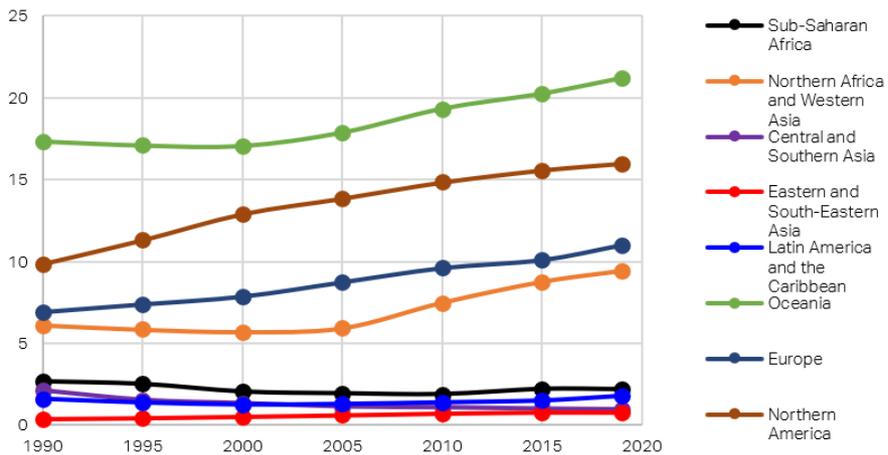
Data source: Statistics UN DESA's Population Division, [www.un.org](http://www.un.org).

In 2019, the size of migratory flows was almost equal in the regional migration corridors three, four and five: 18.93 million international migrants for North Africa and West Asia to North Africa and West Asia, with 18.52 million migrants for Central and South Asia to the same region and with 18.31 million migrants for the sub-Saharan Africa corridor to Sub-Saharan Africa (Table

1) (IOM, 2019; Srivastava & Pandey, 2018). The number of migrants from the North Africa and West Asia regional corridor increased by 7.3 million between 2010 and 2019, while the Central and South Asia corridor to North Africa and West Asia increased by 5.4 million. The number of migrants from Sub-Saharan Africa to the same region then increased by 5.4 million between 2010 and 2019.

The highest values of the weights of international migrants in the total population of the destination regions were registered in: Oceania (21.2%), North America (16%) and Europe (11%) and North Africa and West Asia (9.4%) (Figure 4). In the other regions, the migrants represented between 0.8% and 2.2% of the total population (Figure 4) (Eurasian Economic Union).

Figure 4. Share of migrants in the total population of the destination regions, (%)



Data source: Statistics UN DESA's Population Division, [www.un.org](http://www.un.org).

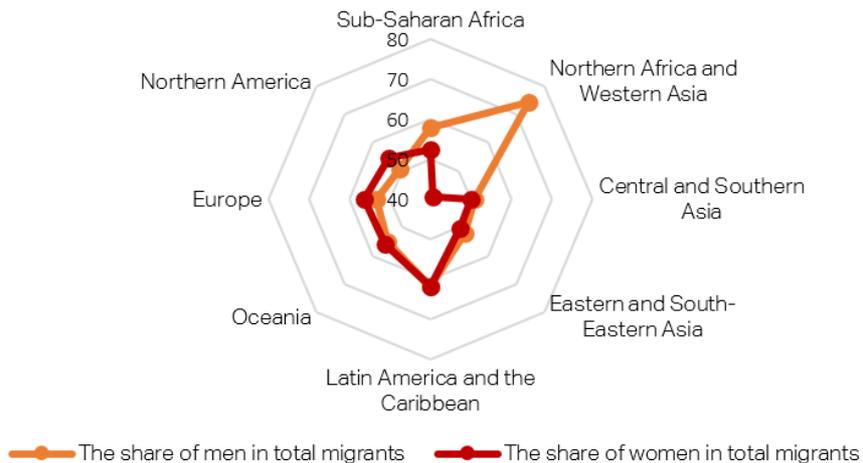
At the beginning of the 21st century, the share of the international migrants in the total population of the destination regions increased by 4.1 percentage points in Oceania, by 3.7 percentage points in North Africa and West Asia and by about 3 percentage points in Europe and North America. In the other regions, with the exception of Central and South Asia, the share of migrants in their total population increased by 0.2 to 0.5 percentage points. In Central

and South Asia, there was a 0.4 percentage point reduction in the share of international migrants in the total population, which means that the general population grew faster than the population of migrants in this region (Máté, Sarihasan, Popp, & Oláh, 2018).

## Levels and trends of regional migration by age and gender groups

If in 2019, the women accounted for 47.91% of the total migrants in major regions of the world, they exceeded the number of male migrants in more developed regions. In less developed regions, the share of migrant women represents less than half of all migrants (Figure 5).

Figure 5. Share of migrant women in total international migrants, by destination region, 2019



Data source: Statistics UN DESA's Population Division, [www.un.org](http://www.un.org).

In the period 1990–2019, the share of women in the total number of migrants, from more developed regions varied insignificantly: from 51.16% in 1990 to 51.49% in 2019. Larger variations in the share of migrant women in

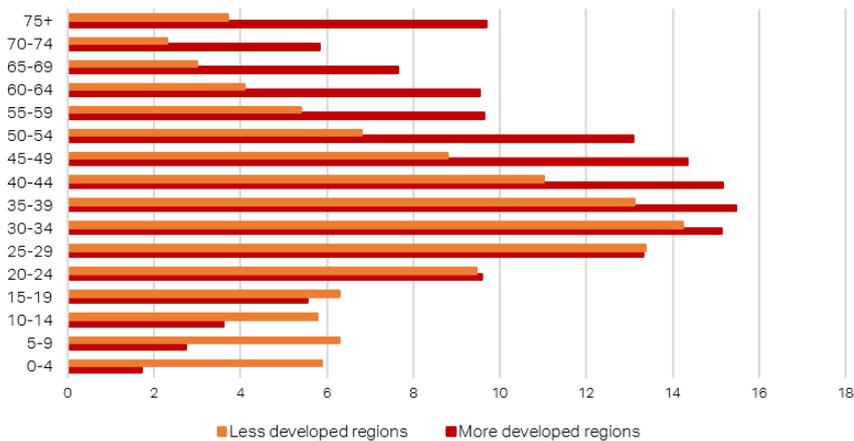
total migrants were registered in less developed regions, where this percentage decreased from 46.99 in 1990 to 43.36 in 2019. This phenomenon was due to the rapid increase in the number of male migrants in North Africa and West Asia between 2000 and 2010 as due to the high demand for migrant workers in several countries in these regions.

The regions where the share of women in total migrants was higher than men, in 2019 were Europe with 51.4% and North America with 51.8%. In the same year, women and men accounted for an almost equal share of total migrants in: Oceania (50.4%), Latin America and the Caribbean (49.9%), Central and South Asia (49.4%), and from East and Southeast Asia (49.3%). In Sub-Saharan Africa the share of migrant women was 47.5%, and North Africa and West Asia only 35.5%.

Regarding the average age of migrants worldwide, in 2019, it was 39.0 years, with significant variations between the development regions of the world. Thus, in more developed regions, the average age of migrants was 42.9 years, and in less developed regions it was 34.5 years.

By age groups, from the 202 million international migrants aged 20-64, 57% were in more developed regions and 43% in less developed regions (Figure 6). If in the period 1990-2010 the share of worldwide migrants of working age among all migrants increased from 69% to 74%, in the period 2010-2019 it did not suffer significant variations.

**Figure 6. Distribution of migrants by age groups, by development regions, 2019, (millions persons)**

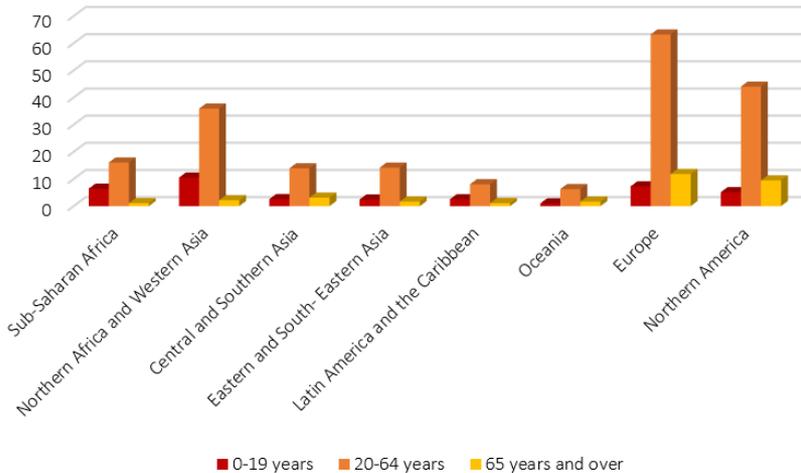


Data source: Statistics UN DESA's Population Division, [www.un.org](http://www.un.org)

Migrants under the age of 20 accounted in 2019 for 1/6 of the global migrant stock and the largest share of them lived in developed regions. The variation of this segment of migrants in the period 1990-2019 was only 5 pp (from 19% in 1990 to 14% in 2019). In all regions of the world, in 2019, there were 32 million migrants aged 65 or over. In the more developed regions they represented 15% of the migrant population in these areas, and in the less developed regions the share of this category of migrants was only 8%.

The analysis of the distribution of migrants by age groups and by large regions of the Earth, highlights the fact that in 2019, Europe and North America had the highest share of migrants in the age categories 20–64 and 65 and over (Figure 7), in while in the region of North Africa and West Asia were concentrated the most international migrants under the age of 20.

Figure 7. Migrant stock by age groups in the major regions of the world, in 2019, (millions persons)



Data source: UN DESA's Population Division, [www.un.org](http://www.un.org).

Following the increasing number of international migrants in recent years, the estimates of international organizations in the field indicates that in more developed regions, the median age will increase from 42 years in 2020 to 46.8 years in 2070, and in less developed regions the median age will increase from 29.0 years to 37.7.

At the regional level, as well as worldwide, changes in the working age population are also due to international migration (Cristea & Grabara, 2019). It is expected that in 2070, four of the eight regions will be positively affected by migration by increasing the share of the working age population (by 2.4 pp. In North America, 1.2 pp. In Oceania, 0.8 pp. in Europe and 0.5 pp. in North Africa and West Asia). For the other four regions, the impact of migration on the working age population will be insignificant (below 1 percentage point).

But with the measures introduced by governments to “flatten the curve” of infections, the COVID-19 pandemic already has a major impact on mobility and migration. In this context, the forecasts regarding the impact of regional migration on socio-economic processes and phenomena need to be reformulated.

## Conclusions

And in the coming decades, the international migration remains a real process and can vary taking into account the political and economic changes, innovative technological and social changes, growing demographic imbalances, the effects of climate change and globalization trends.

The statistics provided by various international bodies in the field indicate that, at the regional level there are clear geographical aspects of migration. The analysis of data on regional migration shows significant differences in migration patterns between regions: the migration in Africa was predominantly intraregional (migration taking place and in other regions of the world), while in Latin America and the Caribbean migration is dominated by emigration to other regions of the world, especially North America, with intraregional migration playing a more limited role.

The regional differences and complexities, as well as recent developments, provide an important perspective for understanding migration, and the migration patterns and processes are closely linked to geography and key regional characteristics developed over decades, perhaps even centuries, and it continues to play a central role in the way and place in which people migrate at international level.

A greater recognition of the regional and sub-regional migration patterns, variations and complexities can contribute to the formulation of strategic and sustainable responses to the emigration policies. It is also necessary to pay attention to the regional dimensions and variations of international migration that may have critical implications for debates and regulations, especially (but not only) at the global level.

## References

**Bite, P., Szombathelyi, M. K., & Vasa, L. (2020).** The Concept of Labour Migration from the Perspective of Central and Eastern Europe. *Economics & Sociology*, 13(1), 197–216.

**Cristea, L. A., & Grabara, J. (2019).** Fiscal impact of the migration phenomenon. *Journal of International Studies*, 12(4).

Eurasian Economic Union. General information; [www.eaeunion.org](http://www.eaeunion.org).

European Commission (2018). *Integration of immigrants in the European Union*. Special Eurobarometer 469. <https://ec.europa.eu>.

Eurostat (2019). *Migration and migrant population statistics*. <https://ec.europa.eu>.

Internal Displacement Monitoring Centre (IDMC) (2018, 2019). *Global Report on Internal Displacement*. Geneva: IDMC. [www.internaldisplacement.org](http://www.internaldisplacement.org).

International Organization for Migration (IOM) (2018). Regional Migrant Response Plan: For the Horn of Africa and Yemen 2018–20. Geneva: IOM. [www.iom.int](http://www.iom.int).

**MacGregor, M. (2019).** *Changing journeys: Migrant routes to Europe*. Info Migrants, [www.infomigrants.net](http://www.infomigrants.net).

**Máté, D., Sarihasan, I., Popp, J., & Oláh, J. (2018).** The role of regional differences in immigration: the case of OECD countries. *Economics & Sociology*, 11(3), 190–206.

**Srivastava, R., & Pandey, A. (2018).** *Internal and International Migration in South Asia: Drivers, Interlinkage and Policy Issues*. New Delhi: United Nations Educational, Scientific and Cultural Organization. <http://unesdoc.unesco.org>.



United Nations Department of Economic and Social Affairs (UN DESA) (2017). *Trends in International Migrant Stock: The 2017 Revision*. United Nations database. [www.un.org](http://www.un.org).

United Nations High Commissioner for Refugees (UNHCR) (2019). *Refugees and migrants from Venezuela top 4 million: UNHCR and IOM*. <https://www.unhcr.org>.

United Nations High Commissioner for Refugees (UNHCR), Population Statistics. Geneva: UNHCR. <https://www.unhcr.org>.

United Nations (UN) (2019). *International Migrant Stock 2019*. New York: <https://www.un.org>.

**Zong, J., Batalova, J., & Burrows, M. (2019).** *Frequently Requested Statistics on Immigrants and Immigration in the United States*. Migration Policy Institute, March. [www.migrationpolicy.org](http://www.migrationpolicy.org).

eISSN 2543-831X



SPOLECZNA AKADEMIA NAUK

