

Mirjana Radović Marković, Vesna Baltezarević,
Radoslav Baltezarević, Dušan Marković

Virtual Organisation and Motivational Business Management

Virtual Organisation
and Motivational
Business Management

Alma Mater Europaea – Evropski center, Maribor
Institute of Economic Sciences, Belgrade

**Mirjana Radović Marković, Vesna Baltezarević,
Radoslav Baltezarević, Dušan Marković**

Virtual Organisation and Motivational Business Management

Maribor & Belgrade 2014

Mirjana Radović Marković, Vesna Baltezarević,
Radoslav Baltezarević, Dušan Marković
Virtual Organisation and Motivational Business Management

Reviewers:

prof. dr. Ludvik Toplak, prof. dr. Carl Edwin Lindgren, prof. dr. Mario Plenković

Publishers:

Alma Mater Europaea – Evropski center, Maribor, Ludvik Toplak, President
Institute of Economic Sciences, Belgrade, Serbia, Dejan Erić, Director

Printed by: Štamparija Čigoja, Studentski trg 13, 11000 Beograd
Print run: 200

© 2014 Alma Mater Europaea – Evropski center, Maribor,
Institute of Economic Sciences, Belgrade, Serbia

CIP - Kataložni zapis o publikaciji
Narodna in univerzitetna knjižnica, Ljubljana

005

VIRTUAL organisation and motivational business management / Mirjana Radović
Marković ... [et al.]. - Maribor : Alma Mater Europea - Evropski center ; Beograd :
Institute of Economic Sciences, 2014

ISBN 978-961-93493-7-3 (Alma Mater Europea - Evropski center)
1. Radović-Marković, Mirjana
274297344

Mirjana Radović Marković, Vesna Baltezarević, Radoslav
Baltezarević, Dušan Marković

**VIRTUAL ORGANISATION AND MOTIVATIONAL
BUSINESS MANAGEMENT**

2014

CONTENTS

PART I. MOVEMENT FROM TRADITIONAL WORK ENVIRONMENTS TO VIRTUAL ORGANISATIONS (M. Radović Marković)

1.1. Introduction	13
1.2. Theoretical Background	14
1.3. Definition and Development of Virtual Organisations	15
1.4. Characteristics of Virtual Organisations	17
1.5. Differences between Virtual and Traditional Organisations.....	20
1.6. Types of Virtual Organisations	24
1.7. Managing People in Virtual Organisations	29
1.8. Role and Tasks of Managers in Virtual Organisations	31
1.8.1. Effective Virtual Organisation Management Practices	33
1.9. Virtual Culture in Virtual Organisations	35
Conclusion.....	37

PART II. VIRTUAL TEAMS AND SKILLS COMPETENCIES (D. Marković)

2.1. Introduction	41
2.2. Components of Employee Knowledge.....	44
2.3. An Impact of Virtual Universities on Establishing Personal Competence.....	44
2.3.1. Virtual Universities and E-learning.....	45
2.3.2. Research Methodology	46
2.3.3. Establishing personal competence.....	47
2.3.3.1 Neuron models	48
2.3.4. Collaboration Competency	52
Conclusion.....	53

**PART III.FACTORS INFLUENCING STRATEGIC
EMPLOYEE RELATIONS AND MOTIVATING EMPLOYEES
(M. Radović Marković)**

3.1. Introduction	57
3.2. Review of Literature.....	58
3.3. Motivating Employees in traditional organisations: An Evidence of Serbia	60
3.3.1. Research Methodology.....	62
3.3.2. Key Findings	65
Conclusion.....	71

**PART IV.EFFECTIVE ORGANISATIONAL
COMMUNICATION AND INFORMATION MANAGEMENT
(M. Radović Marković)**

4.1. Introduction	75
4.2. Theoretical Background	75
4.3. Communication within a Virtual Organisation	77
4.4. Major Aspects of the Implications of Electronic Communication upon Virtual Organisations	78
4.5. Communication methods.....	81
4.5.1. Using the Web's Communication Function	83
4.6. The Types of Information to Be Shared On an E-Level	84
4.7. Information Management.....	84
4.7.1. Management of Information System and Decision making	86
4.7.2. Strategies for Effective Communication in Virtual Organisations.....	87
Conclusion.....	88

**PART V. IMPACT OF VIRTUAL COMMUNICATION ON
EMPLOYEES AND THEIR CONTRIBUTION TO THE
CREATION OF INTELLECTUAL CAPITAL**

(V. Baltezarević & R. Baltezarević)

5.1. Introduction	93
5.2. Review of Literature.....	96
5.3. Communication is the characteristics of human beings.	101
5.4. Virtual communication.....	103
5.5. Knowledge management	107
5.6. Next step: Virtual organisation	112
5.7. Research Methodology.....	117
5.7.1. Key Findings	121
Conclusion.....	128

**PART VI. ARE WE READY FOR VIRTUAL BUSINESS/
COMMUNICATION COMPROMISE**

(V. Baltezarević & R. Baltezarević)

6.1. Introduction	133
6.2. Theoretical Background	140
6.2. Research Background.....	145
Conclusion.....	157

PART VII. FACING THE FUTURE-MOTIVATIONAL NEEDS

(V. Baltezarević & R. Baltezarević)

7.1. Introduction	161
7.2. New management orientation.....	162
7.2.1. The power of human's right brain	162

7.2.2. Economy of passion/Brand making.....	168
7.3. Positive thinking.....	171
Conclusion.....	174
Notes.....	177
Bibliography:	181
Index	205
About authors	207

ACKNOWLEDGEMENTS

Our appreciation goes to the reviewers - Prof. dr.Ludvik Toplak, president of Alma Mater Europaea - European Centre, Maribor, prof. dr Carl Edwin Lindgren, President, American School of Genealogy, Heraldry and Documentary Sciences and Prof. dr. Mario Plenkovic.

In addition, our thanks are due to our families and institutions, Alma Mater Europaea, and Institute of Economic Sciences, Belgrade, Serbia.

Writing the book was not possible without the help, support, and sacrifice of many around us.

*Authors,
May, 2014.*

FOREWORD

New technologies have led to a new information and knowledge-based economy. In this context, technology has changed the work environment, where organisations have become increasingly complex and competitive. Namely, the technologically induced a “virtual” environment has resulted in the adoption of new organisational structures and work skills and practices. On the one hand, the workplace increasingly requires employee to work in teams, collaborating across companies, communities, and continents. These changes and the new organisational structures have also made an impact on role of managers and their management styles, on the other hand. In line with this, the book is a very rich collection of thinking and empirical research findings on the subject. The literature review suggests researchers should approach the book topic through the lens of knowledge, motivation, and communication skills.

The chapters of the book cover the topics as: communication, motivation, organisational structure, workplace behaviors, virtual teams, organisational culture and diversity, organisational change and learning organisation, and more.

Our central finding is that, in the context of our new model dedicated to virtual teams and skills competencies measurement that a competent virtual team can be assembled. The study also includes several case studies that contribute to the quality of this publication. Therefore it deserves serious consideration by anyone interested in the future of organisations in terms of digitalization and fast changes in business environment. Furthermore, for the organisational theorists, managers, students and others, this book can serve as a reference source.

Finally we want to emphasize that this monograph is created as part of the project OI 179015 and 47009 II, funded by the Ministry of Education, Science and Technology of the Republic of Serbia.

Mirjana Radovic-Markovic

Index

- behavior 20, 30, 32, 34-36, 57, 64, 86, 99-100, 102, 105, 152, 154, 157, 144, 181, 187, 170, 175
- business needs 14
- cognitive theories 57
- culture needs 12, 15, 31, 34-36, 103-104, 106, 134, 139, 144, 171
- customer 28, 59-60, 82, 87, 111, 168, 170, 175
- displaced organisation 27
- diversity 8, 21, 31, 35, 44, 78, 177
- electronic communication 77-79, 114
- e-learning 44
- emotional intelligence 105
- employee 12, 14-15, 19-21, 29-37, 41, 43-44, 50-71, 74, 76-81, 87-88, 92, 95, 98, 101-102, 104-106, 111-112, 114, 120, 168, 170-175
- globalization 13, 16, 42, 107, 112-113, 132
- global managers 12, 21, 29-30, 34-35,
- Information management 83-84, 87
- Information 12-12, 16, 18, 21, 23, 25, 29, 40, 44-45, 48, 51, 61, 74-77, 79-88, 95, 97-98, 100-102, 104-105, 107-113, 116, 139, 141, 143, 148, 153, 156, 164, 173
- intellectual capital 92, 95-96, 106, 109, 128, 141, 176
- invisible organisation 28
- leader 36, 43, 52, 57, 59-60, 69, 127, 136, 140, 155, 161, 167-169, 174
- leadership 36, 59, 161
- learning 8, 15, 33, 44-45, 59, 71, 97, 11, 153
- managing people in virtual firms 28-29
- market 12, 14, 152, 157, 168
- mass media 98
- media 82, 108
- needs 14, 30, 33-34, 36-37, 57-58, 60, 68, 83, 85-86, 98, 100, 103, 111, 128, 133-134, 136, 140, 143-144, 149-150, 161, 167, 170-171
- networks 13-14, 16, 45-46, 48-50, 77, 124, 139-142, 145, 148, 151
- organisation 12-34, 36-37, 40-42, 44, 56-61, 64-65, 69, 74-88, 92, 95-98, 101-104, 106, 108-114, 127-129, 132-134, 139-141, 144, 147-150, 152-153, 156-157, 161, 167, 171-175
- organisation needs 33,37
- psychological capital 169, 172-173
- technological information 97
- temporary organization 14

training 29, 31, 33, 35,
46, 48, 69, 71, 87, 105, 110,
127, 172
verbal communication
87, 102

Virtual Universities 43-44

About authors:

Professor Dr. Mirjana Radovic-Markovic, FRSA, FEA, FWAAS, FEMAAS, BASA

Academician Radovic-Markovic is a full professor of Entrepreneurship .She holds B. Sc, M. Sc. and PhD Degrees in Economics, as well as Post-Doctoral Studies in Multidisciplinary Studies. After her dissertation completing, she continued her advanced studies in the Netherlands, USA and Russia.

She is elected member of the Scientific Board of European Center for business, education and Science, Bulgaria and WAIS, Stanford University, US.

Recently she is elected as an Academician of Bulgarian Academy of Arts and Sciences (2013).Furthermore, she is a Fellow of the Academia European (EA), London, Royal Society of the Arts in the UK (the RSA) and a Fellow of the World Academy of Art and Science (WAAS).In addition, she is also academician of EMAAS, Greece, academician of Serbian Royal Academy of Sciences and Arts (SKANU) and its vice - president.

She has written 34 books and more than 150 peer articles.

Vesna Baltezarević, PhD, FEASA

Vesna Baltezarević, is an assistant professor of Intellectual Property and Media Law at Megatrend University, Faculty of Culture and Media in Belgrade. During her career she held different working positions, comprising twenty years in management jobs.

She graduated from the Faculty of Law, passed the specialist exam and Bar exam, completed specialization in Public Relations; holds MA in Economy and Law (thesis: *Public Relations as a Strategic Management Function, With a Special Emphasis on Public Administration*) and a PhD in Law (in the field of Occupational Law, thesis: *Communication Channels in the Dialogue With the State. and Solving the Problem of Mobbing - the first thesis dedicated to the phenomenon of abuse at work defended in the Republic of Serbia*).

She is elected Active Member of European Academy of Sciences and Arts- class V, Social Sciences, Law and Economics (2012), and a member of the Association of Journalists of Serbia.

She was elected President of the Association of Serbian Market Communications Belgrade two times, (2002-2006) and President of the Court of Honor of the same Association (2006-2014).

During her academic engagement she has published seven books and more than seventy papers published in national and international journals and presented at scientific conferences.

Radoslav Baltezarević, PhD

Radoslav Baltezarević, PhD in Communication Sciences is an assistant professor of Marketing at the Faculty of Business Economics and Entrepreneurship, Belgrade. After his dissertation completing, he continued his Media course in Oslo, Norway. He is the author of more than twenty papers that are partly published in reputable journals, and partly presented at scientific conferences at home and abroad.

Dusan Marković, MSc.

Dusan Marković, is a mechanical engineer .He is a lecturer in the Belgrade Business School for ten years. Before that, he worked for a 17 years at The Vinča Institute of Nuclear Sciences, Belgrade, Serbia. He graduated in Mechanical Engineering, Belgrade University where he also earned a Master's degree. He is currently completing his doctoral thesis.

He has published three books and more than fifty papers published in national and international journals and presented at scientific conferences.

Price: 30 EUR, 3.500 dinara
ISBN 978-961-93493-7-3



9 789619 349373



ALMA MATER EUROPAEA



The virtual organisation is a new form of organisation which is gradually becoming a part of reality. But while the benefits accruing from virtual organisations are enormous, these can be very complex to manage.

The management of virtual organisations meets the challenges of virtual management and explores how the virtual firm can best be employed. In this context, the role of managers is to understand cultural and other diversities: the individuals composing any given group exhibit a variety of human qualities, and the diversity of their life experiences can strengthen the group if properly valued. It is important for the global manager to identify and understand these differences, and to monitor how they affect the staff's motivation, success and interaction. Within the legal environment, managers must understand the common laws and regulations, intellectual property laws, and anti-trust regulations. Furthermore, global managers can adapt their style of management to the cultural background of each country.

The authors conclude that the modern era, for all its highly productive technological discoveries, demands a shift towards the genuine human being.

The style of the book is dynamic, simple and precise. Its special value lies in its pedagogical material, instructive and professional, which provides new knowledge in a 'motivational virtual business management'. It is particularly suited to students of business studies, communication management and communications, as well as to scholars interested in the topic.