

MAIN DRIVERS OF THE ORGANIZATIONAL CHANGE AND DIGITAL TRANSFORMATION IN THE WORLD OF WORK



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Abstract. In the era of radical change in the economy, environment and technology, there is an urgent need to transform the organization in order to be modern, progressive, and competitive. What is an organizational change, what factors can force an organization to start a transformation process, and what are the key changes in the world of work that companies have to take into consideration in the relationships with their employees? In this paper, through a review of recent scientific and managerial literature, we attempt to describe the main trends both in the external and internal environment of a company in order to find the answers to the questions posed above.

Keywords: organizational change; digital transformation; world of work; drivers.

JEL codes: J01; J24; J53.

Introduction

In recent years a context of business operation has been changed significantly. Today, scientific and business communities are speaking about Fourth Industrial Revolution. Smart systems - homes, factories, farms, grids or cities, the rise of the knowledge, sharing, and on-demand economy force managers of the traditional old-economy to think about the adaptation of business to the new environment, taking into account emerging models of production, consumption and

employment. The main objective of all the companies in this new digital age is to grasp new trends and take advantage of new opportunities in order to «make the transition to more efficient business, better working lives and a healthier planet» (Maitland & Thompson, 2011).

As noted by different authors (World Economic Forum, 2016) the vast range of drivers such as technological, social, economic, demographic, geopolitical and legal changes have certainly influenced the transformation of many enterprises and their corporate cultures. The economic situation has undergone significant changes: on the one hand, the Great Recession in the current global context has strongly brought attention to the need to improve the competitiveness, productivity and innovation capacity of companies; on the other hand, the origin of the knowledge economy has impacted dramatically on the change of the work's nature and skills that the workers of the future must possess. Many researches in last few years have discussed the opportunities offered by information and communications technologies to companies – to their strategies, processes, structures and products, but also to their cultures (Ouye, 2011; Eurofound, 2015; WEF, 2016). The demographic structure and increased diversity of the current and future workforce is another element to be considered for the development of policies related to the Human Resources Management (HRM) in the modern companies. Some changes in Public policy and Law such as financial regulation, immigration policy and employee rights are leading areas for the development of new organizational policy (SHRM, 2013).

All the trends described above are considered as environmental pressure to the Organizational change and Digital Transformation of an organization – the journey which must join every organization to survive in the new business environment.

The aim of this paper is to analyze the drivers of the organizational change and digital transformation of companies in the modern business situation, highlighting specifically that environmental pressure impacted on the labour market and the world of work.

The paper is structured as follows: in the first section of the paper the definition of change and its main models will be discussed. In the second section we will describe different types of environmental pressures that companies are currently experiencing, and that are pushing managers to making decision about the beginning of the transformation of certain organizational processes. Finally, in the last section the key changes in the world of work will be discussed, the main trends in the relationships between company and its employees will be identified, as well as some emerging features related to the labour organization will be analyzed. The paper concludes by highlighting the main findings and limitations, and proposes some further research directions.

1. Definition of change

In the era of radical change in the economy, environment and technology, there is an urgent need to transform the organization in order to be modern, progressive, competitive and up to date with all innovations and trends. The generational ways of thinking, collaboration and communication tools and devices are changing, so also changes in the businesses including manufacture's, tertiary sector's enterprises and non-profit organizations started to appear.

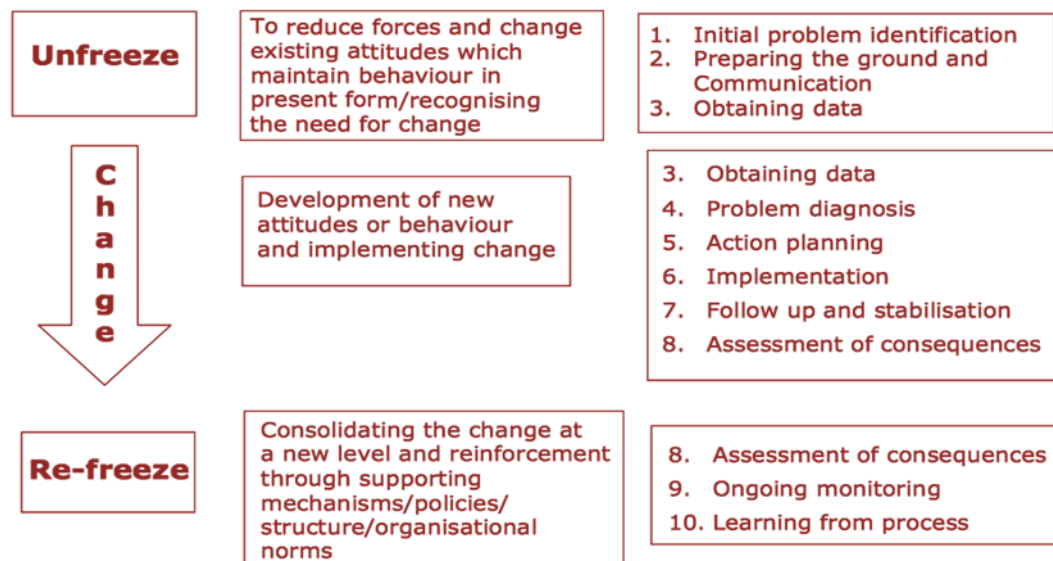
At the beginning it is worth explaining what «change» exactly means. There can be found many definitions describing this term in the scientific and managerial literature. In the framework of this study we adopted the definition of Poole & Van de Ven (2004), according to whom organizational change is a difference in form, quality or state over time in an organizational entity. The authors highlight that 3 basic factors of organizational change could be considered:

- difference – an event, resulting in the final state that is different from the initial state;
- at different temporal moments – the state of the organization in the period of time $n+1$ is different from the period of time n ;
- between states of an organizational unit or system - the change can be characterized as any significant modification of the entire organizational system or some parts within the highlighted entirety.

Therefore, the change can be defined as every transformation within the system or in its environment, which leads to a secondary position, which differs from the initial situation. Moreover, the change could respond to anticipated or ongoing transformations in the environment, having the task of raising the level of competitiveness and efficiency of the organization (Delmas & Toffel, 2008). In addition, the change is also can be considered as a feature of the system, relating to the fight against entropy and the desire to improve its position in the environment, which is both deliberate and conscious action aimed at the transition from the current state to another (different one). Whereas the scope and structure of the modifications are conditioned by the tendencies occurring in the environment (Amagoh, 2008).

The main model of planned change is that of Lewin developed in the 1950s, but still used by the modern organizations (Cummings & Worley, 2014). According to the model, the process of change starts creating the perception that a change is needed, then the movement toward the new, desired level of behavior and finally is performed, and finally, strengthening the new environment is implemented to ensure that new behaviors become the norm of the new organizational culture. The model includes three main stages (Figure 1):

Fig.1: Lewin’s Framework for Change¹



– *Unfreezing* is based on the formation of the people need to change and motivation to implement it, as well as opening up in terms of the absorption of information coming from the environment that shows the discrepancies between behaviors desired by organization members and those behaviors currently exhibited;

– *Changing* is making modification, transformation of the original state to the current conditions through the implementation of appropriate (most importantly) a resolution, with a prior course of its development and creating the conditions for its implementation. This step shifts the behavior of the organization, department or the individual to a new level. To develop the new behaviors changes in organizational processes and structures are implemented;

– *Freezing* is based on stabilization of the organization at a new state of equilibrium by using different kinds of tools to support and reinforcement this new state, such as organizational culture, structure and reward system.

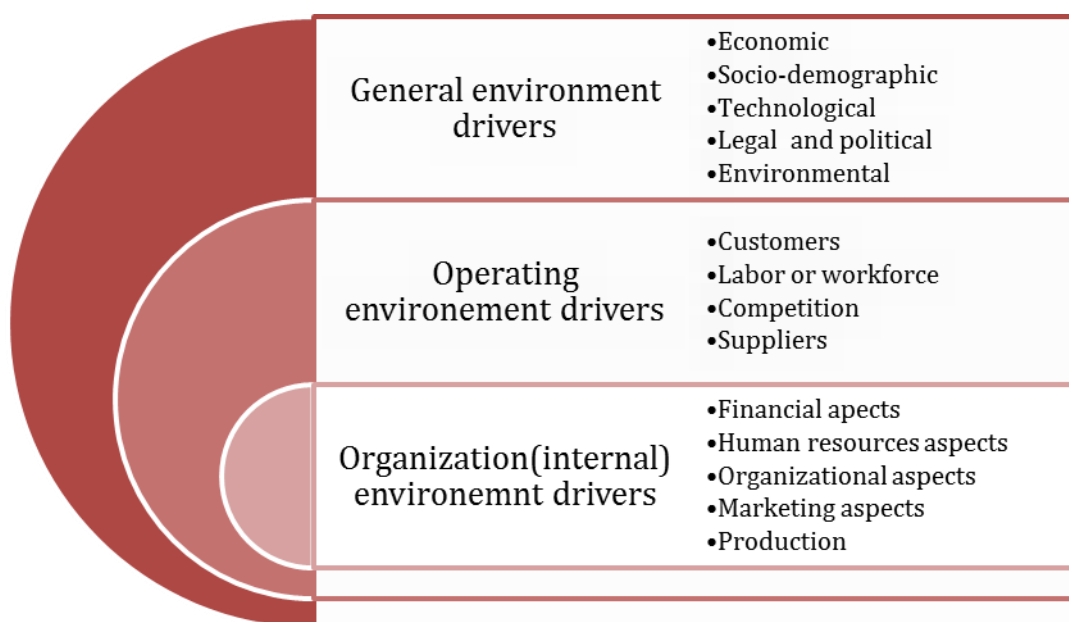
Analyzing the organizations, we deal with many types of change. They can relate to organizational structure, processes, culture, and ways of operating and working. In this study a special attention is paid to the digital transformation with a particular focus in the aspects of work organization. So in order to properly and deeply understand the transformation, and prepare to its implementation, it is important to analyze major drivers to change.

¹ Compiled by the authors (Source: NHS North West Leadership Academy)

2. Environmental pressure to change and digital transformation drivers

In this section the main environmental drivers that force an organization to change are described. According to Maitland & Thompson (2011) demographic shifts, globalization, cost-cutting and the transition to knowledge-based economy are the main trends that led to the organizational change. However, all the global trends that are currently affecting and pressuring the organization to change can be divided in three main groups (Pathak, 2011): wider external environment, immediate or operational environment, and the environment of the organization itself (internal organizational environment) that is shown on Figure 2.

Fig. 2: Environmental factors leading to change²



With regard to the economic drivers we can distinguish among the following issues:

- Globalization of markets

According to Cavusgil (1993) the globalization of markets is one of the most fascinating developments of this century. The author claims that globalization of markets involves the growing interdependence among the world's economies; multinational nature of sourcing, producing, trading, and investment activities; increasing frequency of cross-border transactions and financing; and heightened intensity of competition among a larger number of players. Moreover, globalization of markets lead a single organization to understand how to operate efficiently and effectively within a more complex framework. In fact, the globalized market requires greater organizational

² Compiled by the authors (Source: Adopted from Pathak, 2011)

flexibility, and corporate policies aimed at cost containment, technological leadership including the main process digitization, as well as rapidity and autonomy in decision-making.

- Global economic crisis

The crisis of last years was an urgent reason to move organization toward a great change (Maitland & Thompson, 2011). The crisis puts the emphasis on the slenderness of the productive systems, on the rapidity of decision making, and on the operational flexibility. Companies had to think about cost reduction and productivity increasing in order to remain competitive in the global market.

- Knowledge economy

According to Di Nicola (2015) one of the most important trends is of the appearance of the economic sector of high knowledge intensity. The need for a greater space and time flexibility in the work organization is perceived in a particular way by the employees who carry out activities which require creativity and concentration - the main characteristics of tasks performed by knowledge workers.

Regarding social and cultural drivers we should consider the following aspects:

- Distribution of work

Companies in developed industrial countries have outsourced an increasing proportion of their routine operations offshore. Developed industrial countries are concentrating on operations that require increasingly advanced competence. Economic growth in developed industrial countries has slowed down and employment rates have developed only modestly, despite extensive recovery measures. The future development of these countries is overshadowed by heavy public sector debt and an aging population. Despite rapid growth, developing countries have not been able to create enough job opportunities for all who need work. People are trying to emigrate from these countries by any means possible. But on the other hand such situation is in some sense, a huge loss of willing and knowing the region people with the negative result for local companies and local economy. And that's why the implementation of changes connected with workplace as well as general corporate strategies in local companies could be very important solution.

- Workforce restructuring

The flow of new people into the sphere of the modern economy has become the most important driver of change in the work life. When we look more generally at the population as a workforce, the majority of the four billion people in the rest of the world still lived in rural areas and had to content themselves with a modest income earned in traditional occupations. Since then,

people all over the world are moving into cities en masse, switching from traditional occupations to new sources of living.

With regard to the demographics, the changes can be caused by the factors like age, generation and gender shifts:

- Aging and shrinking of the workforce in the United States and in the most economically developed parts of Europe on the one hand, and the population that is growing and getting younger in most of Asia, the Middle East, and South America on the other hand. Moreover, an important fact to be considered in this sense is the working age expanding due to the increasing average age of the population, labor-saving tools emergence, as well as the raise of age requirements for pensions.

- While mature workers are staying in employment longer, new generations (Millennials and Gen Z) enter the labor market and become the majority of the workforce (The B Team and Virgin Unite, 2015). Four different generations co-exist in a common work environment and some sharp differences among working and soon-to-be-working «digital native» generational cohorts should be considered by the managers of the modern organizations in order to retain the aging workers and attract the young ones.

- Gender shift related to the women's economic empowerment. In recent decades, women are achieving great success in their careers and begin to occupy more influential positions in a variety of organizations.

Significant changes in society and economics are often closely followed by the legal and political changes (Voiculet et al., 2010). The analysis of these legal changes includes an overview of how the current legal environment, government regulations impact today's business decisions. One of the very important elements in this regard are increased global standards. Over the last few decades, global standards e.g. health and safety standards and level of workplace facilities changed very much in the direction of their increase and improvement. Companies have to adopt modern standards in terms of providing better workplace safety and increasing workplace condition standards. This directly benefits the employees who may have been previously working in unsafe or unsanitary conditions. While conditions still remain poor in some areas, an increase in concern over worker safety is apparent, particularly in larger companies. So in turn, such situations contribute to companies starting implementation of changes.

Technological drivers are related to a wide spectrum of the new technologies in the field of ICT and their impact on the businesses. The most obvious factor is the availability of different tools, machines, devices and systems. Nowadays computers, calculators and mobile phones are something normal and obvious. Several decades ago, companies had to implement changes and

adapt to appearing and launching technology development. Meanwhile, today online systems, applications, websites and platforms are still relatively new and continuously developing. It is inspired innovative online platforms that allow project teams to work anytime, anywhere. An empirical analysis conducted by Harvard Business School (2015) revealed that the main technologies caused the organizational change: 1) mobile, which enables new business scenarios, 2) cloud computing, which drives business agility; 3) big data, which helps companies innovate, and 4) social channels, which transform core business processes. According to Wilmot (2014) technological changes include major advances particularly in cloud computing, digital analytics, and automated manufacturing processes. In order to be effective and create organizational collective intelligence and knowledge sharing the organizations should adapt an appropriate mix of digital tools that suits best with its workforce. The B Team and Virgin Unite (2015) define the major technological developments which have changed the way we communicate, collaborate and do business such as: 1) innovative online platforms that allow project teams to work anytime and anywhere; 2) cloud computing and the growth of smart connected devices that create new ways to solve problems; 3) growth of smartphone use that blurs the boundaries between personal and professional lives; 4) automated and additive manufacturing processes – like 3D printing or artificially intelligent machines - disrupts traditional human roles, from the shop floor to the boardroom.

Automated and additive manufacturing processes – like 3D printing or artificially intelligent machines that think, hear, speak and write – will disrupt traditional human roles, from the shop floor to the boardroom. The challenge is to take productive gains from these technologies and create new jobs, provide better training and encourage entrepreneurial thinking at the same time. It means that if we want to derive profits, not damages, we should properly use these technologies with constant remembering about the importance of human workers. This in turn requires the implementation of changes in the work place and work habits. Meanwhile, it is necessary to make traditional roles more digitized, networked and automated, and what is more, new roles that call for expertise in multiple disciplines. The next generation of talent must be equipped with the digital aptitude and new skills they need to deliver.

Cloud computing, the growth of smart connected devices and digital analytics are redefining scale, and creating new ways to solve problems. Digital analytics understood as the analysis of qualitative and quantitative data from your business and the competition to drive a continual improvement of the online experience that your customers and potential customers have which translates to your desired outcomes. Meanwhile, cloud computing is a kind of Internet-based

computing that provides shared processing resources and data to computers and other devices on demand. It is a model for enabling ubiquitous, on-demand access to a shared pool of configurable computing resources. These sound great and seem to be very innovative elements of development for enterprise. So individual teams and large organisations can share ideas, collaborate and benefit from crowd intelligence. These are very good rooms for companies to manoeuvre aiming at implementing changes and thus becoming more and more attractive and competitive.

Using this technology allows companies to prepare and offer better, more innovative products or services, establish loyal and longer relationships with customers, suppliers and employees. Moreover, technology streamlines the organization of work, distribution of tasks and makes work environment more automated. Generally it has lots of advantages, but sometimes it can have a negative side, like declining number of places for work so declining number of workers. However, this is the place for smart management to introduce work changes that allow using machines, but also keeping good and well equipped workers in the company. Finally, technology and appropriate using of it enable to become more attractive and well-seen as an employer in connection with offering good work place, work surrounding and work style. These are strong factors for enterprises and organizations to change themselves and follow the technology development.

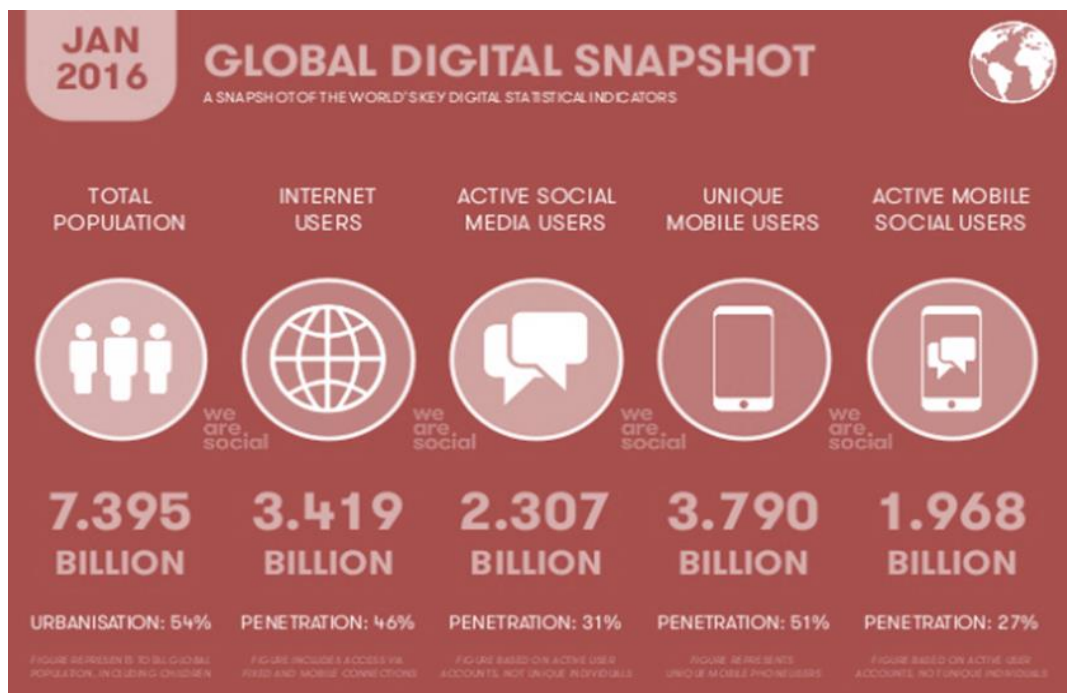
With regard to the operating environment's drivers to change we have to consider the changes of behaviors and attitudes of customers, potential workers (workforce), suppliers and competition. A significant trend in this environment is global connectivity and desire for constant updating of all the groups of stakeholders described above.

Nowadays most of the most important for business issues, events, transactions take place or have linkages with the online world. The people (different categories of stakeholders) want to keep in touch among them and with the companies not only locally but also globally. In Figure 3 some world's digital statistical indicators are presented:

According to this data it can be claimed that the customers, employees, partners of an organization are the part of so-called network or information society (Di Nicola, 2015). The culture of consumption and behaviors at workplaces of these players have been significantly changed over past decades. With regard to the demographical change of workforce, MITIE (2013) in a recent study state that the 'Millennials' or 'Generation Y' have grown up in an 'always on' environment, continually in touch with their social circles and their digital lives. From the customer's point of view, it means the increased expectations and changed demand: consumers are increasingly expecting 24/7 access to goods and services. From the workforce point of view, instead, it is

important to take in mind the fact that the new generations of workers find the idea of being stuck in one place for a fixed number of hours each day stifling.

Fig.3: Global Digital Snapshot³



Discussing organizational (internal) environment's drivers to change it is important to consider the following aspects (Future of Work Institute, 2012):

– Collaboration and innovation. It is worth mentioning that for future business, collaboration would be a key driver to success. Economists point out that as the world changes, new collaborations will emerge between governments, businesses and non-profit organizations. Cooperation with other units and institutions could bring more profits and benefits, as well as open doors for new paths to make companies more innovative and developed. However, it also includes some requirements within which the most important are changes and transformations. Experts envisage corporations transform taking a prominent role in society, considering not only their staff and workforce but also the communities in which they do business and the environment in which corporations are seen as a possible employer.

– Ethics and responsibility. Since the financial crisis and numerous environmental catastrophes, bad business practice has become more exposed. Around the world, there is pressure

³ Compiled by the authors (Source: 2016 Digital Yearbook)

on businesses to operate more responsibly. Workers are now highly aware of ethical issues, and boundaries between business and social issues have blurred. Employee engagement and attracting new talent is becoming more and more linked to an organization's purpose– as well as its contribution to society, locally and globally. What is more, there can be noticed that more future employees will take this into account and choose employers whose values they respect. The global challenges we face give organizations an opportunity to make a positive contribution to society to harness the power of business for good and, working with government and non-profits, create innovative solutions to these issues. Part of this evolution will involve companies building long-term sustainability into their business plans, rather than chasing short-term profit. This is also the reason why more and more companies are following the CSR (Corporate Social Responsibility) concept which states that being responsible does not only mean fulfilling by business organizations or enterprises of all formal and legal requirements, but in addition also increased engagement in human resources, the environment and relations with stakeholders who may have a real impact on the efficiency of economic activities of these organizations and their innovation. Relatively it is a new concept that requires changes in the functioning and workplace of companies. But so as to be modern, attractive and profitable and to create a better future, businesses must act as stakeholders in the planet – they can only succeed if resources are protected, communities flourish and changes happen.

– Transparency. Our globally connected world will massively disrupt the way employers interact with employees. The growth of social networks means people can instantly provide insights, share knowledge and shape opinions. Employees can share thoughts on their employers and campaign against bad practices. If social media can help overthrow governments and political regimes then – employers beware – bad behavior will become public. Nowadays, it is easier to disrupt an image of a company and this can negatively influence it and bring losses. So, not own created image and communication is important but also the image created by workers and partners. In result, now companies have constantly changed and improve themselves so as not to have any shortcomings and errors and not to make them public. On the other hand, this radical transparency means the best employers can become world renowned for good practice – recognized and celebrated online by their customers, employees and communities.

Taking into consideration all the aspects mentioned above and to sum up, there can be found many drivers and reasons for company's changes, especially those related to work environment, habits, place and ways of working. In the following section the key changes related to work and workplace are described in more detail.

3. Key changes in the world of work

In these section we are analyzing the preconditions, which led to the changes in the world of work, the main changes themselves, as well as the major implications for modern organizations.

In the White Paper on Transitioning to Workforce 2020, Cisco (2011) argues that there is a confluence of disruptive forces, which will transform work and working in the next 10 years. The main disruptive forced highlighted by the authors are globalization, technological breakthroughs, and demographic changes that have already been discussed in the previous section.

According to Knoll Workplace Reasearch (2011). There are 5 major trends that are dramatically changing work and the workplace:

- *The continuing distribution of organizations*

Organizations are becoming more spatially and organizationally distribute, representing a complex network of employees, suppliers, and customers allocated and dispersed around the world. The emergence of organizations of this type is the necessity to take action such as: the outsourcing of functions to service providers, the movement of work to lower cost locations, the push of responsibilities to lower organizational levels, and the ever-present imperative to lower non-direct costs.

- *The availability of enabling technologies and social collaboration tools*

Technology tools are being consolidated into easy-to-use and ubiquitous collaboration platforms that allow workers collaborate in both a synchronized and non-synchronized way that is particularly valuable for the distributed across multiple time zones teams, as well as for employees who are simultaneously employed in several teams and projects. This type of collaboration platform facilitate the sharing of formal knowledge, while Web 2.0 and social media are widespread for informal communication among colleagues and for the exchange of personal information.

- *The coming shortage of skilled workers*

The basic problem is that Knoll researches show that there will be fewer younger people to replace those of the Baby Boomer generation who will be retiring over coming years. This process of generational change will force enterprises to pay more attention at the same time to retention of older generations and attraction of new ones, considering the needs and features of each of them, and being more sensitive to the preferences of existing and potential employees.

- *The demand for more work flexibility*

As the competition for the best workers is expected, organizations will have to offer more attractive work conditions that in opinion of many workers are more flexible ways of working, which provide the opportunity to choose how, when and where to work.

– *The pressure for more sustainable organizations and workstyles*

An increased attention on environmental sustainability from consumers through «ethical consumerism», employees through «social manifestation» and government through «stringent legislation» forces companies to organize the work in more sustainable way and to review and re-think where, when and how their employees work.

The trends described above have a significant impact not only on the physical workplace, but also on the ways how people work, and the models how the organization employs the workplace and manages the employees for its own ends. In order to survive and adapt to new conditions of the new business environment, companies need not just to change its structure, but also to adopt the new management policies, work behaviors, collaborative technologies, and work spaces. As noted by Tea (2015), the Work Transformation is driven by the changes regarding employment, decision making, communication and collaboration in the labor environment. The author argues that the diffusion of new working culture follows the conditions such as pervasive technology (rapid spread of broadband infrastructures, cloud-based services), distributed ways of working, a (new) sense of space that enable people to work regardless of location, new work methods and models (neuroscience, design, and gaming), shared services that impose new modes of economic activity, a new generation of workers wishing to be connected, and a convergence of global crises (government debt, urbanization, energy and climate change).

In Table 1 the main changes in the working environment imposed by global trends are described:

In a transformation from a stable organizational environment to the environment of continuous change as that of the modern business, the main challenge is the difficulty of changing organizational culture, workplace practices and work styles, and keeping workers engaged and connected (Knoll, 2011).

Discussing about the transition from uniformity to diversity, many recent studies demonstrate that the business benefits of workforce diversity (Cisco, 2011; World Economic Forum, 2016). As a consequence of increasing globalization and demographics changes described above, diversity in the workforce will be a function of greater age distribution as well as ethnicity, gender, and skill sets. According to a research of Maitland & Thompson (2011) the organizations should rethink the way in which labor is organized and the work is performed in accordance with the fundamental shift related to the workforce composition. The first element in this perspective is the increased number of women entry in the labor market, that, on the one hand, leads to a reduction of free time of women for the care of children and elderly people, and, on the other hand, increases the

responsibility of men in front of family members and children. This shift requires, first of all, a reconsideration of the working model focused on the flexibility to meet the needs of working families. The second element is the labor force which includes representatives of at least 3 of different age groups due to the extension of working life: veterans, baby boomers, Generation X, generation Y and new entry of generation Z. Nevertheless there are many differences among working and soon-to-be-working generational cohorts (Cisco, 2011), some research claim that both the oldest representatives of workforce in pre-retirement age and the youngest ones tied to new technologies since childhood want to have choice of where, when and how perform the working activities, balancing in the best manner the work and their external lives.

Table 1 – Changes in the world of work⁴

Traditional work organization	Modern work organization
Stable organizational environment	Continuous change
Uniformity	Diversity
Life-time employment	Precarious employment
Individual work	Teamwork
External control and supervision	Self-control and self-management
Dependence on the organization	Own responsibility and accountability
Detailed job description	Job crafting
Fixed schedules and patterns	Boundarylessness (time and place)
Physical demands	Mental and emotional demands
Experience	Continuous learning
Working hard	Working smart

In the studies about the change related to the transition from life-time employment to precarious employment, the main role has been given to the process of digitization. The digitization indeed has specific effects on the employment. According to IndustriAll European Trade Union (2015) the digital transformation challenges the foundations of the employment relationship (permanent, full-time), because all functions of this relationship (including the control of the task) can be performed automatically and remotely. Consequently, workers are placed in a world-wide competition on price, and precarious work is exploding (freelancers, bogus self-employment, crowdsourcing).

The trend of transition from individual to teamwork has been described in one of the recent studies realized by a consulting society, the main shift in work was defined as the transition from «me» to «we» paradigm. The focus of most workplace change efforts is a watershed transition from

⁴ Compiled by the authors (Source: Schaufeli (2013))

planning models that emphasize individual work to an approach that supports flexibility, mobility, greater collaboration and social interaction (O’Neill, 2012).

The transition from external control and supervision to self-control and self-management also has been discussed in different scientific and managerial studies. Peper et al. (2005) argue that in the modern organizations that faced the great changes described previously, external control, obedience and mutual distrust between management and employees are being replaced by such principles as commitment, self-control and utilization of human capital. According to the Unison Public Service Union (2014) employees need to have good time management skills and be self motivated. Due to the recent changes and flexibilization of work arrangements employees feel in control of their own working results.

Over the years employees have been accustomed to following orders from the top, not participating at all in management and goals definition, thereby determining the strong dependence on the organization and its decisions. Nowadays the levels of employees’ responsibility and accountability have been significantly increased (Elnaga & Imran, 2014). In exchange for incredible flexibility and freedom, the responsibility and accountability for producing results is demanded from the workers by the organization (Godenzi, 2015).

Recently more and more researches are devoted to the study of abandonment of detailed job description by the HR managers of large enterprises, and to the origin of a new phenomenon called job crafting. Traditionally job is designed in the top-down logic. It means that the managers assign to a single worker a collection of tasks that he/she has to perform and international relationships that he/she should have in order to achieve the results required by the management. According to «Job crafting theory» (Berg et al., 2007) employees are often motivated to customize their jobs to better fit their motives, strengths, and passions. Due to job crafting the worker utilize opportunities that an enterprise gives him/her to personalize the job by actively changing the tasks and interactions with others at work. According to Berg et al. (2013) there are at least three different forms of job crafting: 1) It is possible to alter the boundaries of the job (more or fewer tasks, the scope of tasks, the ways to perform the tasks); 2) It is possible to change the relationships at work (the nature or extent of relationships with other people); 3) The job can be changed cognitively (the perception of tasks). The main benefits of job crafting are the increase of job satisfaction, engagement, resilience, and thriving at work.

Another trend widely discussed in the managerial and scientific literature is the transition from fixed schedules and patterns to boundarylessness. According to IBM report «A new way of working» (2010) work is no longer bounded by coworker proximity or time zone. Numerous studies

(Cisco, 2011; Knoll, 2011; World Economic Forum, 2016) describe how workplaces are turning into physically (satellite offices, supplier and customer locations, off-shore locations and home) and temporally (flexible working hours) dislocated collaborative environments facilitated by digital communications, how organizational boundaries are becoming increasingly blurred, and how organizations are becoming significantly more agile in the way they think about managing people's work and about the workforce as a whole. The researchers of World Economic Form (2016) claim that the new philosophy of the work organization can be defined as «work is what people do and not where they do it». According to this study businesses not only will increase the flexibility of subordinate workers within the organization, but will increasingly connect and collaborate remotely with freelancers and independent professionals through digital talent platforms. The practical examples of many organizations confirm these theoretical statements. The Unilever's «Agile working» programm assumes that the modern organizations should remove artificial boundaries around how, where and when work can be done in order to maintain competitive advantages in today's marketplace, being able to respond to rapid change of the environment. Another element linked to the lack of boundaries according to Pearson et al. (2010) is a wider range of different «workers» categories – «not just employees, suppliers and partners, but customers, free-lancers and an increasingly capable network of smart devices and interconnected systems».

Some researchers note in their recent studies the importance of the transition from demand by the organizations of physical qualities of workers to demand of mental and emotional characteristics. According to Schaufeli (2013) most of the described above changes listed in Table 1 require a substantial psychological adaptation and involvement from the part of employees and could be defines as «psychologization» of the workplace. Cisco (2011) argue that people, particularly younger generations, are accustomed to being engaged constantly in their work: they almost everywhere are expecting instant access to information and immediate responses; boundaries between work and life are continuing to dissolve.

Another emerging trend in the world of work is the changing needs of companies from the workers with extensive experience to the people able to learn continuously throughout their working career. As a global research of World Economic Forum (2016) claims, the reforming current education systems to better equip today's students to meet future skills requirements is not going to be enough to remain competitive. The companies need to provide their employees with the opportunities of lifelong learning through technology-based systems that can be continuously leveraged to up-skill and re-skill employees.

The latest trend described in the Table 1 is rejection of the principle of «working hard» and the transition to an organizational principle and a logic of labour organization as «smart working». A recent research of Pearson et al. (2010) confirm that organizations, which are significantly outperforming their industry peers, use new «smarter working practices» based on dynamic, collaborative and connected ways of working to get things done effectively within a constantly changing environment. According to the authors the 3 keywords are the main characteristics of the organization where the work are becoming smarter: 1) Dynamic – adjusting rapidly to changing business conditions; 2) Collaborative – bringing together resources, both internal and external, to share insights and solve problems; 3) Connected – enabling access to information regardless of time, distance or organizational silos. Undoubtedly, technological transformation is a major enabler that make smarter working practices viable, allowing workers to perform in smarter and more intelligent way through business activity monitoring, unified communications (i.e., voice, video, instant messaging, video conferencing), process automation and modeling, analytics and data visualization, as well as collaborative spaces and Service-oriented architecture (Cisco, 2011; Pearson et al. 2010).

Conclusion

Different authors in recent years have discussed the need to change organizational principles and entire organizations operating in the modern contest, caused by some global trends affected and pressured significantly business performance. In the first section of the paper we have described the definition of change and its main models discussed previously by some scholars. In the second section we have attempted to define the key factors of the organizational change and digital transformation that companies are experiencing in modern conditions of business operating. The different types of environmental pressure on the organizational decision to change have been described in the framework of Pathak’s model (2011), highlighting the main drivers of general, operating, and organizational (internal) environment. Finally, in the last section the key changes in the world of work have been discussed, identifying and analyzing the main trends in the relationships between company and its employees, as well as some emerging features related to the labour organization, such as continuous change, diversity, precarious employment, teamwork, self-control and self-management, responsibility and accountability, job crafting, boundarlessness of time and place, mental and emotional demands, continuous learning, and smart working.

The limitation of this paper is a descriptive nature of the study corresponding to a general literature review conducted for the purpose of this work, while the direction for a further research

can be an in-depth study of a single trend (demographic, economic, technological, or other) and an analysis of its impact on the work organization and workers of an enterprise. Moreover, it would be very interesting to explore in more detail some interesting emerging phenomena in the world of work, e.g. smart working and its implementation and development in different countries.

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