



New Age Indian Manager: Analysis Of Changed Management Dynamics And Their Ramifications

Birinderjit Singh Bhangoo

PGP Student in International Business

Management Development Institute (MDI), Gurugram, India

Abstract: There is no denial that India is becoming a hotspot for any organization planning to expand their footprint owing to the booming market up for grabs. But to gain a share of this pie is no easy feat, as managing a diverse workforce such as in India to achieve their business goals requires an able middle management. One which understands the changing work dynamics and adapts their strategy to transform into results. The onset of the post liberalization India certainly paved way for the business and management skills to get their due importance, they were predominantly focused on local periphery of sales and operations with organizational culture and other factors taking a backseat. But three decades later, today India's managerial diaspora is making a pivotal transition into a powerhouse and is now competing at global stage, displaying their calibre through leadership and senior management roles. One such major instance is the study conducted by PricewaterhouseCoopers (PwC) on how Indian-origin CEOs are making their mark on the global stage, with 10% of the CEOs in the Fortune Global 500 companies being of Indian descent. This empirical evidence showcases the significant impact this new cohort of management have in shaping the global business landscape. This number is only bound to grow as the new age Indian manager is at the forefront of this change, adapting strategies to navigate these dynamics effectively. This paper analyses the ramifications of these shifts in management practices, exploring the changes in management approaches, strategies adopted by managers, and the subsequent impacts on organizations and employees.

Keywords: Management Practices, Strategies Organizational Culture, Agile, Technologies, India

I. INTRODUCTION

Vishal Sood is a project manager in a Bengaluru based E commerce company visiting a fine dining restaurant along with his colleagues to celebrate successful completion of a major deliverable. A 2023 graduate from a prominent Tier 1 business school, he's already handling a team 16 employees varying from an age of 21 to 45 years. Vishal represents many of the examples depicting profound changes, the landscape of management in India has experienced with incoming of new age managers. The traditional hierarchical structure is giving way to more fluid, adaptive, and inclusive management styles. The manager is no more an anti-employee corporate pawn as perceived in our minds through those old televised depictions. This evolution is an amalgamation of various developments with the most popular being the steep sophistication of technological innovation, increased global trade, and changing workforce demographics. Realizing and acting upon the implications of these changes has become critical for businesses that aim to remain competitive and sustainable in this dynamic environment. Along with that are the new generation of managers entering the organizational setup with around 4,03,202 students signing up for management related courses across 3100 institutions in FY-22 alone. These incoming managers which are more competitive, younger, and aware of every management related whereabouts in this LinkedIn era. This new age Indian manager walks on the tight rope of leadership with classic management beliefs on one end and the new generation of employees having

more than just monetary expectation from their employer on the other. To tackle this conundrum, some of the management dynamics are being significantly changed by these promising managers.

II. CHANGES AND RAMIFICATIONS

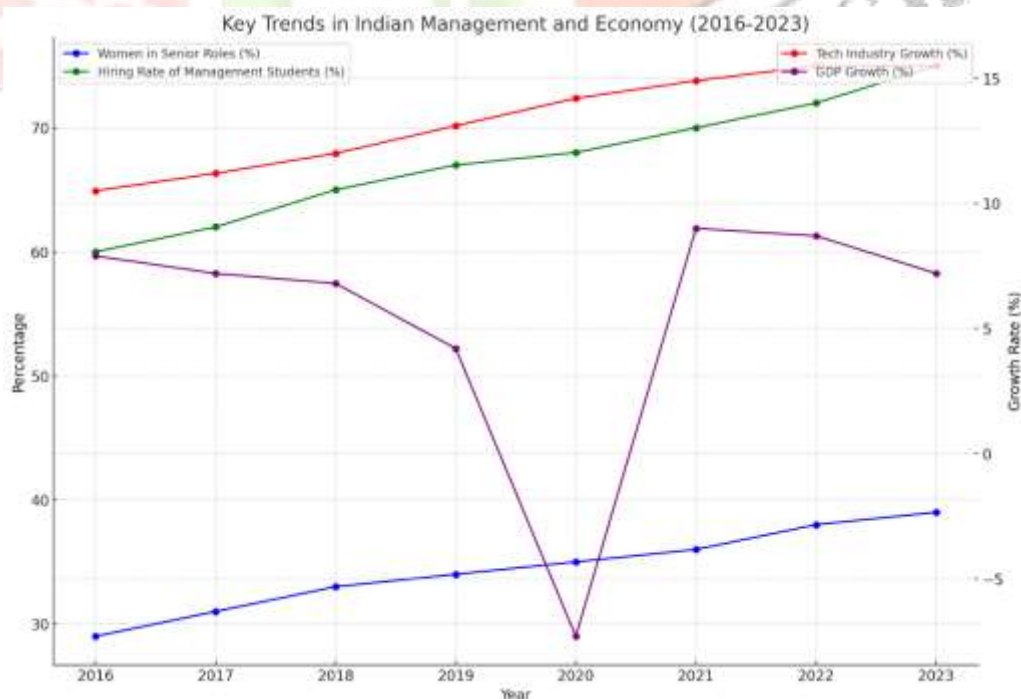
The dynamics of management has seen significant changes owing to the change in expectations of multiple stakeholders from the organization they are associated. The new age managers equipped with right tools and knowledge are recognizing it and implementing those dynamic changes. We now take a deeper look into them and the ramifications it generates.

- **Flattening of Organizational Structures:** The new managers are making a move away from rigid hierarchies towards flatter organizational structures that promote faster decision-making and greater employee empowerment. This change is visible in the rise of startups and companies consisting young C suite executives, which often adopt flat hierarchies to foster innovation and agility. The innovative concepts introduced by managers such as removing cubicles and conducting team bonding exercises depict the shift of organizational structures into an efficient and healthy setup. This results to improved organizational agility as these Agile management practices enable organizations to respond swiftly to market changes and emerging opportunities through better team coordination. As of 2020, India's IT workforce alone accounts for 4.36 million employees, so having greater organizational efficiency has become much priority for managers these days.
- **Increased Focus on Innovation:** Job role is no more just repetition of same tasks for years as managers are now fostering a culture of innovation, encouraging creativity and experimentation among their reporting employees to stay competitive in the global market. It has also started paying dividends for example, the Indian tech industry saw a record 15.5% growth in FY2022, reaching \$227 billion in revenue due to a combination of digital and innovative practices. It generates greater inclination towards innovation and competitiveness and this focus on innovation drives creativity, leading to the development of new products and services that enhance competitiveness. Addressal of this factor is of utmost importance as currently India's worker productivity is one of the lowest in the world. Contrary to popular belief this isn't due to lack of work efforts but relying on traditional work methods instead of investment into innovative and research on improving Net Domestic Product (NDP) per worker in each sector.
- **Diversity and Inclusion:** For a vast and multicultural country like India, this a critical factor to be taken into consideration. Right from the recruitment process, managers now increasingly recognize the value of diverse and inclusive workplaces which lead to better decision-making and enhanced organizational performance. Events and initiatives bringing the spotlight on diversity, equity, and inclusion (DEI) are gaining the long due boost in both private and public sectors for the under-represented communities and sections of our society. One such encouraging instance, is the hike in percentage of women in senior management roles in India that has been steadily increasing, reaching 39% in 2023, up from 29% in 2016. These steps are actually a great stride towards enhancing employee engagement and retention as these empowered and engaged employees are more likely to be satisfied and committed to their organizations, leading to lower turnover rates. DEI is particularly important in the competitive sectors, where retaining top talent is crucial and it can only be done by providing an equal and safe work environment. According to a LinkedIn survey, Indian management practices are highly valued globally for their emphasis on employee engagement and retention. On the other hand, it also increases complexity in management, since managers adopted more inclusive and participative approaches, the complexity of decision-making processes increases, necessitating advanced managerial skills. Also, resistance to change from both ends of hierarchy spectrum in organization has to be handled by managers which can often be a hurdle to implement the roadmaps created by them.
- **Technology Integration:** In today's global scenario, Indian talent pool is working at par with international counterparts to compete in business. With the highest number of technical professionals graduating each year across the world, the new Indian workforce and their managers very well understand how technology integration becomes a game changing factor for boosting

work productivity. It's now a recognized phenomenon that India is becoming a global hub for tech-driven innovation, with significant investments in technologies that will spearhead work productivity. Looking into the other side of coin, this integration of technology also brings along some challenges in change management since transitioning to new management styles involving niche technologies for the existing employee base can be challenging, requiring effective change management strategies to overcome resistance and ensure smooth implementation. The 2024 Gallup State of the Global Workplace report revealed that a staggering 86 per cent of Indians feel they are "suffering" or "struggling" at their workplace. While only a mere 14 per cent of Indians feel that they are "thriving" at their workplace, which is a visible example of the dissatisfaction that employees depict in this transition of management dynamics into technology backed decision making.

- **Sustainability and Corporate Social Responsibility (CSR):** From a recent Ministry of Corporate Affairs (MCA) data it was highlighted that CSR spending increased by 73% between 2016 and 2021. And nearly half of more than 20 000 companies mandated for CSR spending in financial year 2022 spent more than prescribed. This more than prescribed spend towards initiatives is a testament of the growing emphasis on sustainable business practices and CSR by the management of these companies. Also from business perspective, management is now serious about their goals and investments by including the CSR performance in their annual report which results in increased investor attention and confidence. A definite ramification of emphasis on this is the positive social impact created, as emphasizing CSR and sustainable practices not only enhances the company's reputation but also contributes at a large scale positively to society and the environment through their resources. This intent of management was visible in form of action as they implemented great initiatives like involving NGOs in identifying a cause, creating a strategy and collaboration with government and local authorities.

Taking into consideration the above attributes and the data corresponding to it, we observed the correlation of these changing management dynamics with the GDP growth as a key factor. Apart from the exception of FY'20 which was impacted by Covid-19, in the span of last 8 years we can see a direct proportional relation between the change in management structure and the overall GDP output. Thus, the GDP projections becoming a key consideration for managers to take into account for their impact on the hiring, retention and productivity in their organizations. Refer Table 1.1.



(Table 1.1)

III. STRATEGIES RESPONSIBLE FOR RAMIFICATIONS

- **Agile Management:** Implementation of agile oriented methodologies is being frequently opted by managers to enhance the flexibility and responsiveness of their organization to market changes. This was visible in the Covid years where the performance of Indian companies like Infosys and TCS had greatly improved in comparison to their foreign peers as they quickly adapted to new technologies and market demands. There has been significant increase in demand of project management professionals as per a PMI report, on average India alone will need more than 70K professional project managers annually in the coming decade to meet industry needs which indicates the change in management strategy of project handling.
- **Empowerment and Autonomy:** Micromanagement is one trait that has been traditionally attached with the social persona of a manager in India. This factor has been acknowledged by the new cohort of managers and is being greatly improved by empowerment of employees through delegation of authority and fostering a sense of ownership and accountability. This trend is also evident from the introduction of variable pay structures to reward high-performing individuals, in particular at financial institutions where variable pay can account for up to 25.5% of total compensation.
- **Continuous Learning and Development:** Understanding the competitiveness of job market these days, managers provide ample support the investment in employee development through continuous learning programs and upskilling initiatives. This is crucial specially in tech and innovation-driven sectors, where skills quickly become outdated. Through the recent restructuring decisions taken by major firms, the relevance increased further which shows how the new management is giving due diligence to the skills of their employees and giving ample resources towards working on it such as certification reimbursement and bootcamps.
- **Collaborative Leadership:** For a greatly diverse workforce and a business setup which is greatly driven by foreign clients, managers in India are making taking the approach of including colleagues from myriad profiles in a team which makes the collaborative spirit even stronger amongst the employees. Alongside the opportunity to work with international clients as well which gives them the necessary exposure and confidence, this was validated from the Capterra study of more than 500 employees in India out of which a staggering 91% indicated working with co-workers from other countries at least once a month. This also provides existing management to test and identify the leadership skills of new talent for nourishment into future leaders to whom they can bestow their roles and responsibilities.
- **Leveraging Technology:** The integration of AI and data analytics in business processes is transforming the metrics used by managers to make decisions. The first generation of IIM's still boast a 66% share of their batch profiles coming from engineering backgrounds which helped us understand the increased weightage given to technology adoption in the daily management decisions. While many find it as a threat to job security, but from managerial viewpoint it's makes the performance management transparent and efficient.
- **Building a Strong Organizational Culture:** Taking into account their own past experience of working as a junior employee, the new age managers in India understand value cultivating a strong organizational culture that aligns with the company's values and mission, one that fosters loyalty and commitment among employees. High-involvement work systems (HIWS), which promote collective interaction for knowledge exchange have empirically found to be enhancing innovation within firms. The new initiatives of anonymous feedback, performance-based compensation and hybrid work models are instances that depict the positive shift in organizational culture.

IV. CONCLUSION

It's worth applauding how this new age Indian manager is navigating a rapidly changing business landscape by adopting innovative strategies and more inclusive management practices. This deep analysis ventured into the domain of management research in Indian context which has suffice potential for further academic focus. These changes in management lead to numerous positive outcomes for not just shareholders but other stakeholders as well. However, they simultaneously pose challenges that require adept change management and advanced managerial skills from these promising future leaders. This is also empirically evident from the Economic Times survey, where nearly six in 10 employees in India believe their work significantly contributes to their overall happiness, and an overwhelming nine in 10 employees feel that managers hold the primary responsibility for ensuring employee happiness, emphasising the importance of leadership in fostering a positive work environment. As Indian managers continue to evolve, their ability to balance these dynamics will be crucial for the sustained success and growth of their organizations.

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