Convergent Business Environments: Debating the Need for New Business Models, Organizational Structures and Management respectively Employee Competencies

Matthias Karmasin, Sandra Diehl, and Isabell Koinig

1 Introduction and Problem Discussion: Convergence and Management Interdependencies

Even though postulated as a new concept, convergence has been around for much longer than anticipated and has been applied to the field of media and business studies approximately 30 years ago for the very first time (Micó, Masip, & Barbosa, 2009: 123). Nowadays, it is perceived as "a multidimensional process that, facilitated by the generalized implantation of digital telecommunications technologies, affects the technological, business, professional and publishing environment of the [. . .] media. This promotes an integration of previously dispersed tools, spaces, working methods and languages, with the result that journalists [organizations, as well as management and staff] produce content that is distributed through numerous platforms, using the languages corresponding to each of these" (Salaverría, García Avilés, & Masip, 2008).

In our article we define convergence as a complex phenomenon that alludes to the merging and overlapping of (media) services, features and functionalities that once belonged to different sectors/industries, taking a variety of forms: convergence of media, businesses, technologies and content (Diehl, Karmasin, Leopold, & Koinig, 2013; Jenkins, 2006).

M. Karmasin (✉) • S. Diehl • I. Koinig
Department of Media and Communications, Alpen-Adria-Universitaet, Klagenfurt, Austria
e-mail: matthias.karmasin@aau.at; sandra.diehl@aau.at; isabelle.koinig@aau.at

A. Lugmayr, C. Dal Zotto (eds.), *Media Convergence Handbook - Vol. 2*, Media Business and Innovation, DOI 10.1007/978-3-642-54487-3_4

- In the case of convergence of media, formerly distinct products and services melt into one another, bringing about new technological innovations in form of Internet TV, Internet telephony or mobile Internet.
- Convergence of businesses alludes to firms or companies crossing their original areas of economic operation and expanding into new fields of expertise. This is usually achieved by means of collaboration or cooperation, which varies in terms of objectives, time exposure, and intensiveness.
- Convergence of technologies has established itself as the most common example, easing working relationships and changing personal interactions sustainably. Two prominent cases, Unified Messaging (UM) and Unified Communications (UC), have particularly had an impact on the professional domain, with the work routine becoming less stationary and more flexible.
- Convergence of content is especially vital to media enterprises which can use different channels when targeting consumers and recipients alike. This means that content is not media-bound anymore, but needs to be adapted to changing environments of production and consumption (Karmasin & Winter, 2000).

As indicated above, convergence has had a drastic impact on the media and communication landscape, "changing the way we create, consume, learn and interact with each other" (Jenkins, 2006). Media convergence is perceived as a "process whereby new technologies are accommodated by existing media and communication industries and cultures", further referring to an "adaptation, merging together, and transitioning process" (Dwyer, 2010: 2). According to McPhillips and Merlo (2008), three main areas of effect need to be differentiated, which concern the sector's major agents: media owners, advertisers as well as consumers, who are given "the ability [. . .] to obtain multiple services on a single platform or device or obtain any given service on multiple platforms or devices" (Ofcom, 2008: 1).

Closely related to business practices is management. "Management is conceptualized as a business administration discipline that identifies and describes strategic and operational phenomena and problems in the leadership of media enterprises. At the same time, it is an applied science that is intended to provide assistance to the business practice regarding the leadership of media enterprises. [It] covers all the goal oriented activities of planning, organization and control within the framework of the creation and distribution processes for information or entertainment content in media enterprises" (Wirtz, 2011: 5–15).

Conditioned by shifts in media and technological environments, also the craft of managing companies is subject to change. Existing managerial tasks and competencies are only applicable to a varying degree anymore, and need to be expanded as well as adapted to contemporary standards. While traditional management functions centered on Planning, Organizing, Staffing, Directing/Leading and Controlling (Isaacs & McAllister, 2005; Koontz & O'Donnell, 1955; Weihrich & Koontz, 1993), this categorization proves to be insufficient in a converged surrounding. In addition, several tasks (such as Coordination and Decision-Making) need to be taken into account, which are, however, not listed separately. The same

applies to so-called "patterns" involving oral communication, networking and workplace routines (Schreyögg & Koch, 2007).

While convergence facilitates change and substantially alters existing management practices, it "is a new media ideology too: that is, a way of thinking that facilitates the operation of neoliberal global markets" (Dwyer, 2010: 2f.), often demanding businesses to rethink their established operations and strategies to fit the requirements of present-day standards. Technical innovations and technological advancements in particular drive and facilitate those far-reaching changes, leading to new working environments as to production, distribution and consumption. Thereby, sectorial or industrial convergence is to be understood as "a 'blurring' of boundaries between industries, induced by converging value propositions, technologies and markets that lead to the emergence of inter-industry segments" (Bröring, Coultier, & Leker, 2006: 487). Yet, "[c]onvergence industries and convergence products are not mere results of radically novel technologies; most importantly, they support innovative business models [and organizational structures]" (Schwarz & Gustafsson, 2013).

2 Present and Future Trends: A review

Numerous trends stir up the media industry and have a bearing on the industry itself as well as on the managerial profession and the tasks associated therewith. These include, amongst others, technological and communication trends, as well as organizational and business trends.

Technological trends are triggered by rapidly growing technical/technological infrastructures and especially concern the media and communication industries. They are brought about by increasing broadband Internet usage rates and a larger dissemination of mobile communication devices (International Delphi Study, 2009). These two aspects are of utmost importance in those media environments characterized by convergence and are dramatically transforming workplace conditions. Web 2.0 technologies have become an immanent part of contemporary business practices, revolutionizing as well as improving professional communication and collaboration (Andriole, 2010: 67).

Communication trends enable the application of new technologies across varying fields and involve the areas of customer relationship management or knowledge management, indicating that they are useful means for both internal and external communication practices (Andriole, 2010: 67). Moreover, network communication is on the rise and presupposes a connected approach to communication. Those innovations have also led communication to increase to previously unknown dimensions, with more individualistic and interactive approaches dominating (Schmutzer, 2010). When comparing old and new media, the two forms differ in that new media is technology immanent, meaning resting on technology, as it is the case with software products (Schelhowe, 2007). Hence, users are increasingly asked to become media literate (Roth-Ebner, 2012; Zorn, 2011). Media literacy is already a prerequisite in today's labor market and, according to Schachtner (2010), consists of

five dimensions: an instrumental dimension (the suitable application of new devices and technologies), an adoptive dimension (the capable usage of tools and services), a reflexive dimension (the conscious reflection on media content and processes), a contrastive dimension (an incorporation of technologies into daily routines), and a communicative, transcultural as well as co-operative dimension. The last aspect must not be left out of sight for it considers that businesses are often leaving their original fields of operation in order to operate globally, also investing in joint-projects.

Organizational trends change the way information is processed and handled within a company. As convergence has led to an information overload that is hard to tackle, organizational structures are affected by those changes and need to be adapted accordingly. With new media channels surfacing, information cannot only be distributed multiple times but can also be used on multiple platforms. As a consequence, staff members need to develop new ways of dealing with the pieces of data they are presented with. In this context, it is inevitable to filter irrelevant from relevant information in order to reduce the overall amount of information (Zorn, 2011). Moreover, collaboration is doomed to change, as project-oriented work gains in importance, which is characterized as temporary and task-oriented. This development also changes organizational structures drastically, which then have to be dismantled and restructured. Instead of hierarchical structures, either network structures or resilient structures are introduced. Network structures allow for faster communication but, at the same time, bear the danger of self-amplification. Resilient structures, which present a merger between a hierarchical and network system approach, are especially suited for present-day standards, allowing for fast reaction and flexibility in cases of change (Hernstein Institute for Management and Leadership, 2012b; Zukunftsinstitut, 2012).

Business trends need to be addressed in the age of convergence as well since industry boundaries blur or are increasingly dismantled, with firms extending their operations to prior unknown domains. These chances demand businesses to be flexible and adapt quickly to alterations in their immediate environments, which can be either of environmental, social, ecological or technical nature. One way of meeting today's requirements can be induced in form of change management. The term reckons "the coordination of a structure period of transition from situation A to situation B in order to achieve lasting change within an organization" (BNET Business Dictionary). It presents a beneficial and suitable means of bridging the transition from traditional to more open and flexible office structures, such as the divided workplace, consisting of both a home and a mobile office (International Delphi Study, 2009).

3 Methodology and Approach

In order to fully grasp the concept of convergence, the following paragraphs will outline how business environments have changed, conditioned by far reaching technical, technological as well as industrial alterations in contemporary business settings. In there, modifications to existing business models and organizational structures will be thematized, while also demonstrating to which extent present-

day professional standards call for either a renewal or dismantlement of existing modes and means of operation. By means of examples, the article tries to both draw some conclusions and derive at implications of how established organizational trends and managerial roles can be copied from some top-notch/successful enterprises since they are well-suited for implementation in related industries.

3.1 The Effects of Convergence on Business Models

As already mentioned above, previously established industry boundaries increasingly blur in the digital age and, as a consequence, firms are put under pressure when facing (and successfully managing) new challenges brought about by the convergence of industries (Hacklin, 2007; Hacklin, Klang, & Baschera, 2013; Hacklin, Marxt, & Fahrni, 2010; Lei, 2000). As "traditional models tend to induce managers on the lockout for changes to stick within their own particular industry or sector boundaries" (Hacklin et al., 2013), new, open and flexible models are demanded.

Following Chesborough and Rosenbloom (2002), business models fulfill numerous functions and serve as a way of articulating a value proposition, identifying a market segment, specifying the revenue generation, defining the value chain's structure, detailing revenue mechanisms, estimating a cost structure, describing a firm's position within a network and formulating a competitive strategy.

Hacklin et al. (2013) recommend that, in order for firms to remain competitive, they are required to adapt their business models accordingly to dramatically changing environments. For this purpose, the authors have developed several archetypical business models that are meant to provide companies with basic guidelines as how to proceed in times of uncertainty and disillusion. Hence, an established model (Johnson, Christensen, & Kagermann, 2008) is re-modeled, allowing for capturing and embracing convergence not only at the very start but also at its core.

"[W]hen industries grow together, it makes little sense to try to compete on existing knowledge, technologies, products, or services only. To be successful even after [. . .] convergence has become established, a firm needs to fundamentally rethink the four basic elements of its business model, that is, the customer value proposition, the profit formula, the key resources and processes. This requires the ability—and willingness—to think beyond the existing boundaries of one's own industry or sector, allowing future differentiation to be achieved on the basis of the business model, rather than the positioning within the old industry" (Hacklin et al., 2013).

In order to grasp the extensive transformation in the media industry and related sectors, Hacklin et al. (2013) develop some recommendations or organizational archetypes in response to the above-mentioned trends. Generally, they can take three distinct forms: (1) brokering between industries, (2) opening-up the ecosystem, and (3) attacking head-on:

(1) *Brokering between industries* presupposes an early identification of trends that, for instance, enable collaborations and cooperation between different industrial

sectors and ultimately expands a firm's existing product portfolio. These often involve third-party engagements, which accumulate some indirect sales revenue for the original company and enable them to improve as well as expand the knowledge in their original area of expertise as well as in the newly accessed field. Enterprises allocated in the information and technology field are especially prone to engage in such co-operations with telecommunication firms in order to establish themselves in the area of Unified Communications, for instance.

(2) *Opening-up the ecosystem* requires a company to leave its original field of operation in order to appeal to customer bases from different markets and industrial segments, creating a novel customer proposition. This "deliberate and targeted orchestration of ecosystems" (Hacklin et al., 2013) enables an existing business model's extension and by taking advantage of network effects and a fast-working production pipeline, consumers can be appealed by use of intensive marketing activities. Here, for example, telecommunication companies could opt to enter the entertainment market in order to offer their customers with a broader selection of content.

(3) *Attacking head-on* is a strategy brought about by increasing competition, particularly in the information and communication technology (ICT) sector. Due to the availability of almost identical services and products, an extensive as well as intensive customer relationship management becomes a core feature in building and maintaining consumer loyalty, which, in turn, is essential in tying customers to a business and its associated/connected product range. By offering complementary products, firms can supply their existing customer base and extend their former business operations at the same time, using their original infrastructure to their benefit (Hacklin et al., 2013). A very prominent example of companies attacking heads on is the on-going battle between Apple and Samsung as the companies are matching for the leadership position in the mobile communications market.

Due to numerous and lasting changes, some of these commonly used business models are not appropriate for application anymore, at least not on their own. They require a rethinking as to their functionalities and demand organizational alterations to take place at the company's core, mandating a re-definition of organizational structures.

3.2 The Effects of Convergence on Organizational Structures

Organizational structures are defined by means of three basic components, namely (formal) reporting relationships, groupings/departments as well as system designs (Daft, 2001: 86). Thereby, the last aspect is of vital importance as differences become striking in terms of the designs' objective/goal orientation: while a traditional organizational structure emphasizes vertical communication and control to achieve the highest efficiency possible, the learning organization—a more contemporary approach—centers on horizontal communication and coordination instead

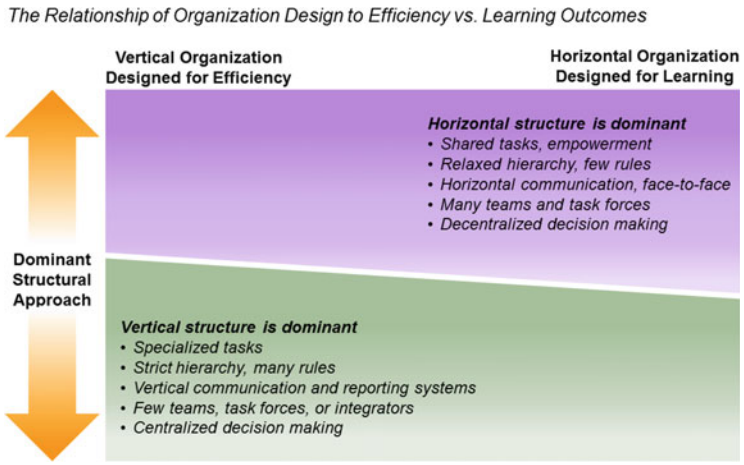


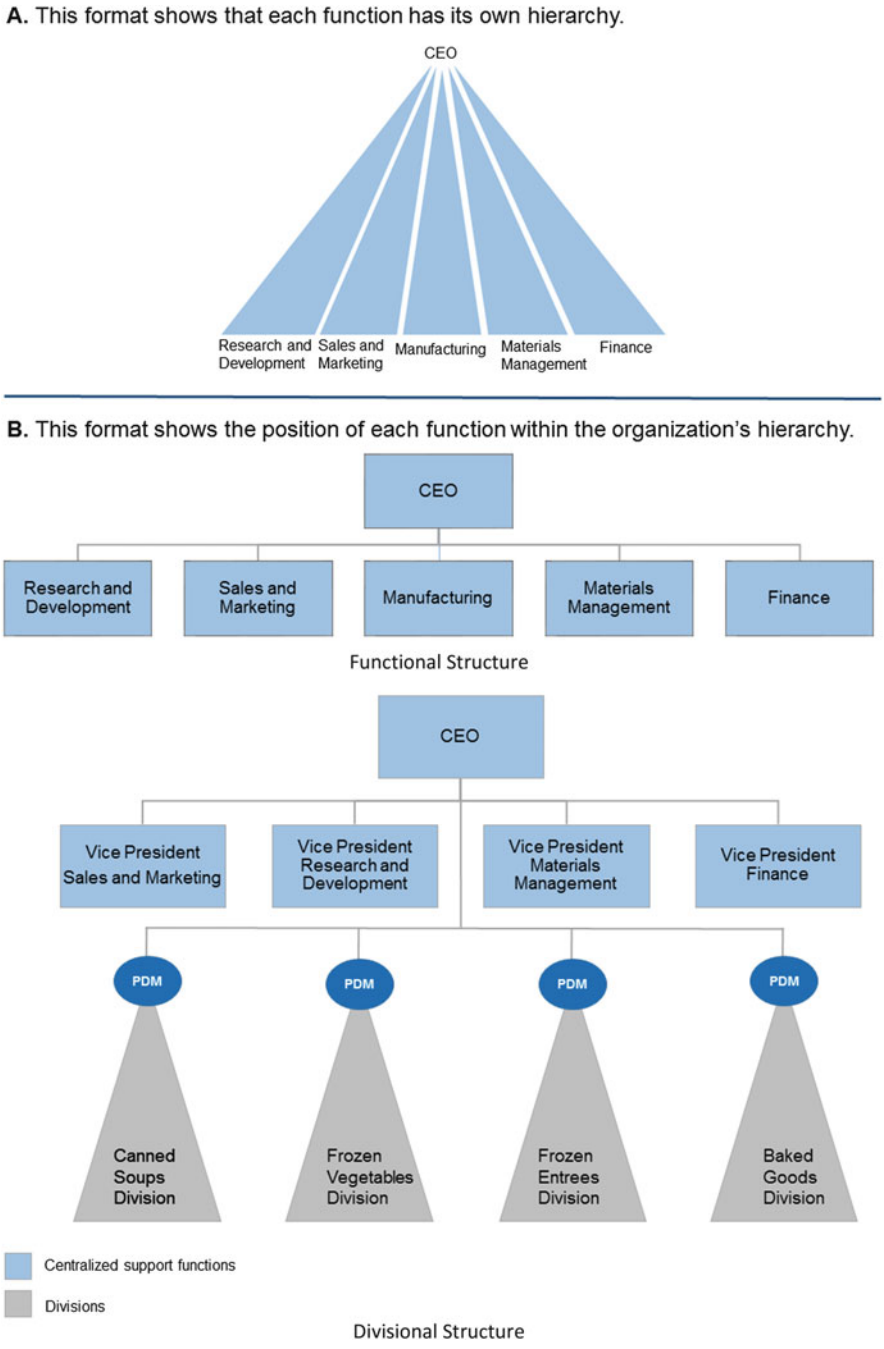
Fig. 1 Organizational design and its outcomes (adapted from Daft, 2001)

(see Fig. 1; Daft, 2001: 86). Below, the different organizational forms and their manifestations will be discussed in more detail.

(1) *Traditional Organization:* In this model, tasks originate in the top hierarchical sections, are passed down towards the bottom and with the intention to ensure the overall controllability of processes. Thereby, top-level executives have to be informed about all processes executed underneath their supervision and enforce rules and plans in hierarchical order, using predominantly formal communication and information systems, such as reports or written orders/statements (Daft, 2001; Galbraith, 1973; Galbraith, 1977). In terms of its usability, this form is quite common in family or owner-run businesses.
(2) *Learning Organization:* Whereas communication in traditional structures is very rigid and strict, the learning organization allows for communication to flow more freely both within departments and amongst employees. Coordination often requires additional mechanisms that are not directly (aka visually) integrated into the firm's structure itself, such as (cross-functional) information systems, task forces or teams (Brown, 1999; Cronin, 1997; Daft, 2001; Galbraith, 1973). An enterprise utilizing this structural form is Unilever, which has started to implement flexible open-space working environments which enable new team and project constellations and foster mutual learning and exchange.

As to organizations overall design structures, several different types with varying focal points need to be differentiated (Fig. 2):

(1) *Functional structure:* This structural type follows a "design that groups people on basis of their common expertise and experience or because they use the same resources" (Jones, 2004: 160). In organizations organized along a functional



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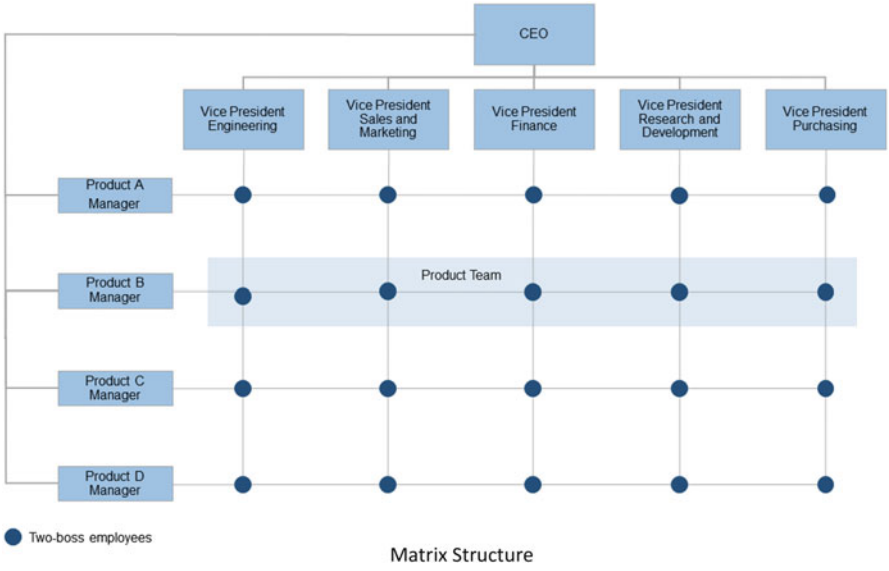


Fig. 2 Overview on organizational designs (adapted from Jones, 2004)

structure, activities are functionally grouped and located in a top-to-bottom hierarchy. As such, a particular area know-how is consolidated and especially benefits the achievement of organizational goals as well as the firm's overall efficacy. Some advantages of this structure are the potential usage of economies of scale, the development of in-depth skills and the completion of functional goals, especially when only centering on a few selected products (Daft, 2001; Duncan, 1979; Randolph & Dess, 1984). Potential disadvantages consist in slow adoption processes, response times and innovations, together with restricted views as to company objectives, poor coordination and an overwhelmed board, who is supervising and approving every decision (Daft, 2001; Duncan, 1979). A company applying this type of structure is, for instance, Microsoft or Fuji TV (Jones, 2004) (Fig. 3).

(2) *Divisional structure:* This approach has to be perceived as "a structure in which functions are grouped according to the specific demands of products, markets, or customers" (Jones, 2004: 167). The divisional structure, as opposed to the functional structure, is at times also labeled a product or strategic business unit structure, alluding to its organization in terms of business, product or task segments. Hereby, organizational design is closely related to the expected output and intends to maximize flexibility as well as change/adaptation of the departments involved. At the same time, decision making is not a centralized task anymore as authority is directed towards lower hierarchical levels (Daft, 2001; Duncan, 1979). As already indicated before, this concept's advantages involve fast adaptation, high levels of customer satisfaction due to multiple contact points, increased coordination, potential regional/local adaptations and

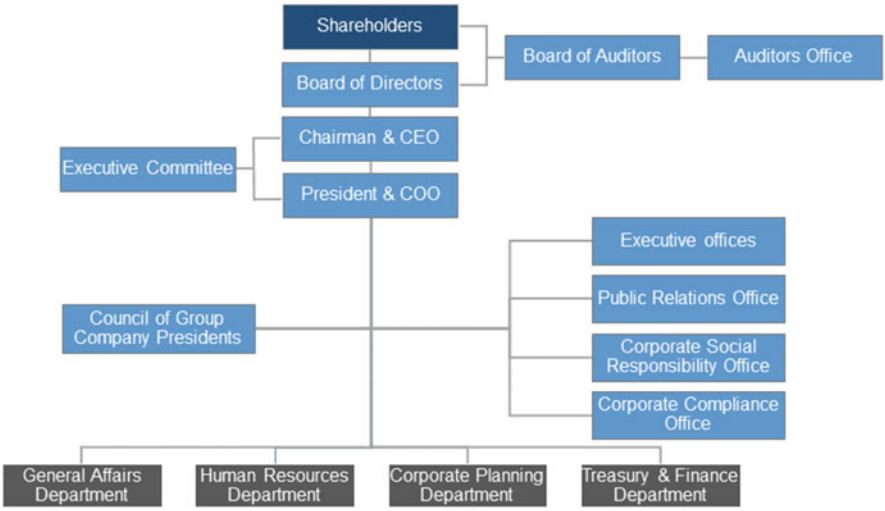


Fig. 3 Fuji's organizational chart (adapted from http://www.fujimediahd.co.jp)

decentralized decision processes. In terms of company size, it is best suited for large organizations with a substantial product variety. Yet, some disadvantages must not be left out of sight: economies of scale and in-depth competencies are eliminated, coordination across product lines suffers significantly, and a standardization of product lines is almost completely impossible (Duncan, 1979: 431). For example, General Motors, Cadillac and Disney have been successfully applying this design for years (Jones, 2004) (Fig. 4).

(3) *Matrix structure:* The matrix presents a structure designed to cope with more complex organizational environments that "can be used when both technical expertise and product innovation and change are important for meeting organizational goals" (Daft, 2001: 103). Following a rather horizontal linkage, this design manages to combine functional characteristics with (product) divisional aspects, granting each party an equal amount of authority and keeping hierarchies very flat (Jones, 2004: 183). In order for the matrix organization to work properly, several conditions need to be met: shared resources across product lines, (environment) pressure to produce in-depth knowledge as well as new products on a regular basis; and (environmental) complexities and uncertainties (Davis & Lawrence, 1977).

A matrix organization emphasizes/stresses the positive side and potentials of conflict, fostering constructive exchanges between different parties. Thereby, it intends to achieve not only an integration of competencies, but also effects of synergy, requiring the ability and willingness for both conflicts and compromises (Jones, 2004). Moreover, this structural approach is especially recommended to

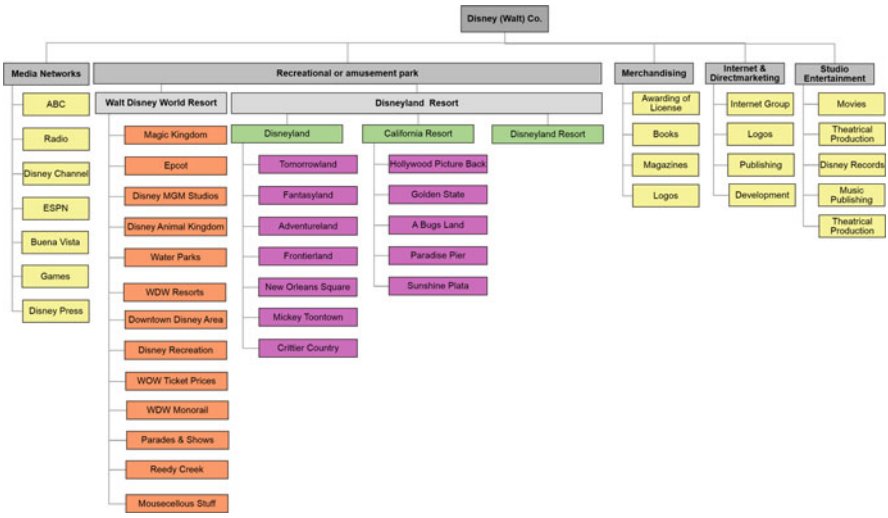


Fig. 4 Disney's organizational chart (adapted from www.disney.com)

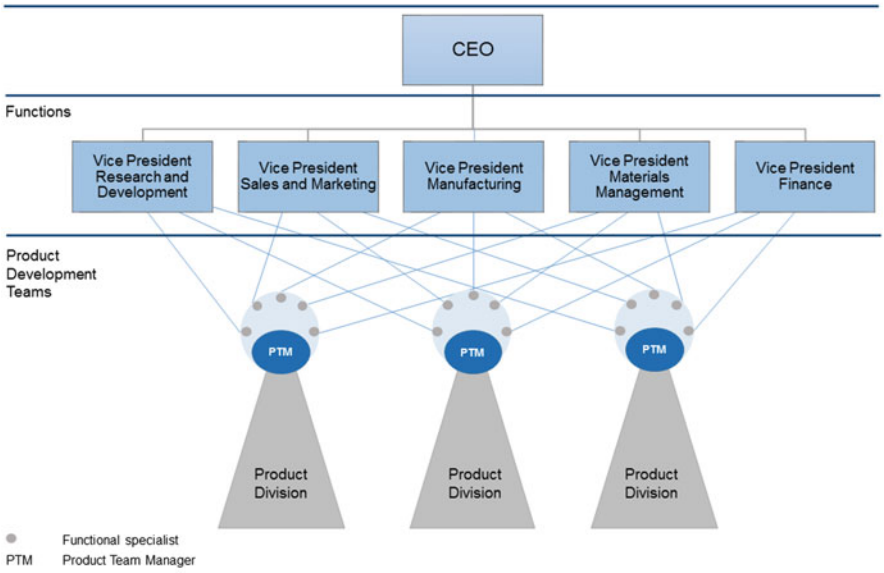
organizations with a dual focus (on both product and functional objectives) and is meant to pay tribute to fast-changing environments. Besides those two advantages, it is also ideal to deal with complex decisions in uncertain areas of operation and fits the requirements of medium sized businesses with diverse product ranges. Yet, some weaknesses must not be overlooked for it is subject to a dual chain of command, demands intensive training of staff members, and is also very time-intense. Moreover, it presupposes employees' cooperation plus collegiality and takes a lot of effort to achieve a power balance (Daft, 2001; Duncan, 1979).

3.3 New Trends in a Convergent Work Environment

Regardless of the fact that those organizational models have proven to be successful over the past decades, where they have managed to stand the winds of both time and change, some concepts can be regarded as insufficient against the background of an ever- and faster-changing business environment. Hence, organizational mechanisms are subject to modification and at times even significant alteration. In the following, two major trends—hybrid organizations as well as team- and project-work—will be briefly introduced.

3.3.1 Hybrid Organizations

With the intention of taking specific strategic needs into consideration, hybrid and resilient organizational designs were developed. This model merges elements of the abovementioned structural approaches (functional and divisional) and utilizes them to their fullest in varying business environments (Daft, 2001) (Fig. 5).



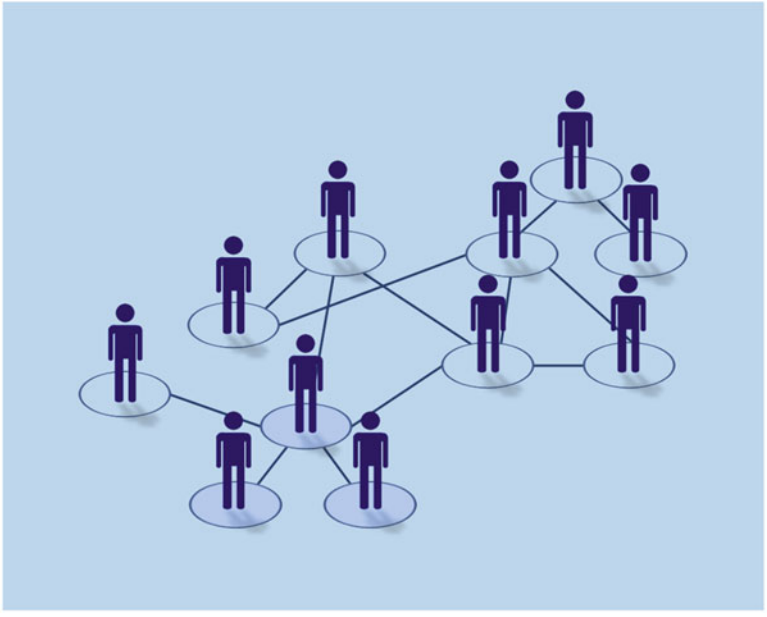


Fig. 5 Examples of hybrid organizational structures (adapted from Jones, 2004; Zukunftsinstitut, 2012)

Thereby, two major forms can be distinguished: a Network structure and a Boundaryless structure (Jones, 2004).

- A Network Structure is defined as "a cluster of different organizations whose actions are coordinated by contracts and agreements rather than through a formal hierarchy of authority" (Miles & Snow, 1992). Hereby, one organization is in the lead and enters a contract of this form to increase its effectiveness, often by means of outsourcing particular value creation processes (Jones, 2004). This leads to a reduction in production costs, fast adaptations in case of environmental changes and a quick replacement of network partners if they fail to fulfill their obligations. Yet, major drawbacks concern a considerable amount of mutual adjustment, which is difficult to achieve, coordination and control problems together with potential trust issues (Bettis, Bradley, & Hamel, 1992; Jones, 2004; Snow, Miles, & Coleman, 1992).
- Quite similar to the network organization is the Boundaryless Structure, which is "composed of people who are linked by computers, faxes, computer-aided design systems, and video teleconferencing, and who may rarely or ever see one another face to face" (Jones, 2004: 189; Fulk & Desanctis, 1995). Thus, it presents the archetype of a convergent workplace setting that is based on both technological devices and project or team work; additionally, high degrees of flexibility are achieved, while costs are reduced at the same time (Jones, 2004).

3.3.2 Increasing Team and Project Work

In convergent times and workplace environments, team work is gaining in importance, whereby a group of people presents the strongest and most powerful horizontal linkage mechanism and needs to be perceived as an enterprise's permanent task force. Usually, teams are installed as facilitators of department work and cross-functional solutions (Daft, 2001: 92), meeting the complexities of today's fragmented work processes (Clegg, Kornberger, & Pitsis, 2008: 92). They present a viable asset as teams are not only more flexible in terms of decision making, but also adapt faster and achieve a higher performance than ordinary work structures would (Clegg et al., 2008). Thereby, different types of teams can be formed to ease organizational work: Advice and Involvement Teams (Quality Control Circles or Management Decision Making Committees), Production and Service Teams (Consulting Teams or Assembly Teams), Project and Development Teams (Software Development Teams or Research Teams) and/or Action and Negotiation Teams (Trade Union Negotiation Teams; West, 2008). Due to numerous team roles [for instance, see Belbin (1993) or (2000)], individual members are constantly called upon to reflect on their own plus their team's decisions, fostering individual growth as well as group cohesiveness (Clegg et al., 2008; West, 2008).

Closely related to the previous discussion is project oriented work, which can take different forms, such as teams, core teams and workshops or conferences, with each type fulfilling different functions and purposes. While teams are mostly composed of members from different hierarchical levels and different fields of operation (Schneider and Barsoux, 2003), core teams are established within teams

themselves (divided according to tasks or functions; Kutschker & Schmid, 2008). Workshops or conferences, by contrast, present events where staff members gather in order to engage in an active exchange concerning innovative processes, presentations as well as reflections respectively (Kutschker & Schmid, 2008).

4 The Effects of Convergence on Managers and Staff: New Competencies and Skills in the Workplace

In order to meet contemporary requirements, changes in the workplace cannot remain unanswered. Rather it is up to businesses to develop and utilize appropriate ways of dealing with altered circumstances to ensure to not lose their "license to operate", while managing to remain competitive at the same time. Technological advances and industrial alterations have affected organizations at their core and mandate adaptations. These changes do not only concern established business models and organizational structures, but also managerial and employee competencies. In the workplace setting, present challenges must not be overcome by sticking to traditional competencies and skills, but these are in need to be expanded. Increasingly, workers have to broaden their horizons. For this purpose, the original managerial roles developed by Mintzberg (1980: 92; see Fig. 6) need to be amplified as some central aspects have not found consideration until now.

Convergence can be made responsible for the emergence of three new roles, which need to be added to the illustration below, namely Technological Scouts, Media Literacy Practitioners and Change Managers (see Diehl et al., 2013).

- *Technological Scouts'* major task lies in identifying potentials for innovation in numerous and diverse areas. Initially, they have to detect a need for change, followed by raising awareness amongst the workforce before ultimately

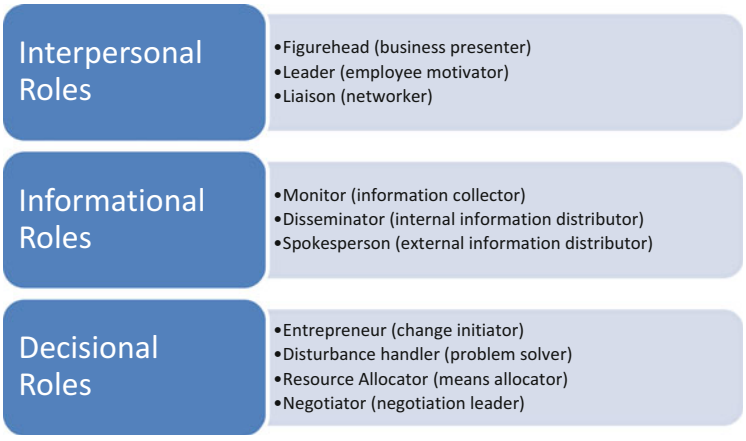


Fig. 6 Traditional management roles (adapted from Mintzberg, 1980)

stimulating the implementation of new technologies. Additionally, their duty involves accompanying, monitoring and facilitating the transition process (Rohrbeck, Heuer, & Arnold, 2006).

- *Media Literacy Practitioners (MLPs)* are the managerial roles in charge of fostering technological and content-related media usage. They somehow present a mix between Technological Scouts and Change Mangers and are responsible for accomplishing an awareness for new media services and devices, which is characterized not only by technological standards but also boundaries (Schachtner, 2010). Therefore, it is up to people holding this position to manage a challenge characteristic of convergent times: the challenge of coming up with appropriate ways of coping with convergent media platforms and environments. For instance, MLPs have to secure that shareholders are informed about companies' operations; yet, they have to filter out appropriate ways of communicating this information (Zorn, 2011).
- *Change Managers'* duties are amongst the most complex, as they operate at almost all levels of the managerial process. They are assigned "a key role in operating the centralized part of the business change process, including assessing new Requests for Change (RFCs), allocating Impact Assessors, coordinating Impact Assessment Review Meetings and keeping Quality Officers informed" (Quality Management Department, 2011). In addition, both the allocation of resources and development of new products are part of the Change Manager's responsibilities (Diehl et al., 2013).

The roles above-introduced are meant to complement the five original management functions, to which interpersonal, informal and decisional roles are assigned (Schreyögg & Koch, 2007). If, however, the complexity of present-day business relations is meant to be grasped, the three roles need to be added, whereby they are assigned to more than one management functions simultaneously (Diehl et al., 2013; see Fig. 7).

In the era of convergence, management roles are also predicted to change dramatically as "leadership has become an unnecessarily complex, confusing, and contradictory domain of interest" (Clegg et al., 2008: 128). Thus, present leadership and managerial roles are said to be transformed into "coaches" and "mentors", who leave their hierarchical positions behind to actively engage with their employees on all hierarchical levels (Schreyögg & Koch, 2007: 275f.). As the terms conjecture, managerial tasks are twofold and involve coaching as well as mentoring. While the prior alludes to strengthening an employee's knowledge and skill to improve overall job outcomes, the latter refers to managers passing on their very own expertise and knowledge, with the ultimate goal of developing qualified workers or even a protégé for the future (Clegg et al., 2008). Following Dubrin (2005), successful mentors and coaches must possess the following core competencies: trust building, empathy, active listening, influence tactics, set goals, monitor performance, feedback, encourage positive actions and discourage negative actions.

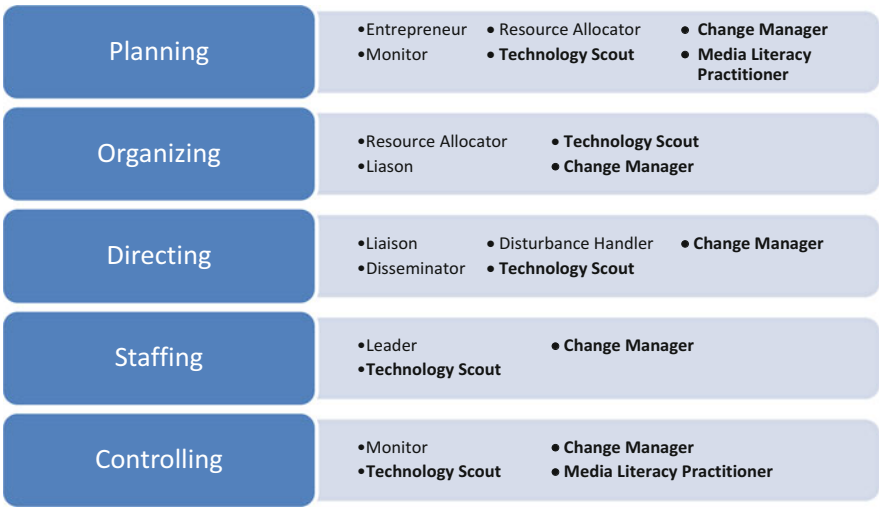


Fig. 7 Management roles on different managerial levels (see Diehl et al., 2013; Schreyögg & Koch, 2007)

5 Conclusion and Outlook

The chapter's main focus has been put on convergence, with the issue of divergence taking a backseat. "The old idea of convergence was that all devices would converge into one central device that did everything for you; [however, what] we are seeing now is the hardware diverging while the content converges" (Cheskin Research, 2002). In detail, this means that while content is used on multiple platforms and multiple times and, thus, converges, it takes more devices to display it, meaning that technology diverges. Moreover, interactivity enables divergence as consumers are eagerly trying to contribute by creating content that can at best be described as fragmented, shattered across diverse platforms (Appelgren, 2004). At the same time, skills in the workplace are mostly subject to converge, explaining the focus taken in this chapter.

The question we asked in the beginning of our chapter was: "Is there a demand for new business models, organizational structures and management/employee competencies?" and can clearly be answered with yes. This is the case as "[d]esigning organizational structure is becoming an increasingly complex management activity in today's changing world" (Jones, 2004: 190); moreover, future trends in the field of convergence have led to significant changes in business practices, organizational designs and managers' professional profiles. In these changed settings, classical and traditional management competencies proof to be insufficient when it comes to dealing with new and technologically advanced workplace situations. As a consequence, these skills need to be adapted, extended

or even overcome—meaning they need to be substituted with new competencies that fit the present and future requirements of a mediatized and converged work environment. In our article we outlined some possibilities and solutions as to how existing business models, organizational structures and management competencies can be adapted and modified with regard to both current and future needs.

The trends discussed before do not present any utopic and farfetched scenarios but are supported by future development analyses (Hernstein Institute for Management and Leadership, 2012a), which have already started to thematize and address some of the roles and competencies attributed to convergence given above (see Fig. 3), such as the emerging complexity of the managerial position, the rising importance of teamwork as well as the dismantlement of traditional organizational hierarchies (Hernstein Institute for Management and Leadership, 2012a).

Organizations fit for the media- and information society are mediated and convergent organizations. Not exclusively, but first of all, they can be found in the media industry. The future challenges indicated beforehand illustrate the need for a convergent organization and merging management competencies, which means that companies do not only have to understand the changes in society, consumer behavior and business models, but they also have to be able to react appropriately and proactively.

Yet, the above discussion is far from being complete. Since changes are often unpredicted, surprising and faster than ever anticipated this article does not present permanent but only temporary solutions which are subject to change with new (technological/technical) innovations and altered work-routines and skills. So the debate is far from being over.

Of course, there are some limitations to this present discussion. For instance, future research could conduct a real-life case study contrasting two managerial profiles and business models taken from media companies in competing industries. Moreover, since only few booklets address the issue of convergence (e.g., *The Global Skills Convergence*; KPMG International, 2008), especially in detail, a next step could involve the development of a specialized guide that is meant to aid professionals in successfully managing their enterprises and staff in an ever-changing environment.

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