

The Workplace in 2020: Three Scenarios

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HOW WILL SMART PRODUCTS, INTERCONNECTED WORKERS, AND INTELLECTUAL CAPITAL INFLUENCE EACH OTHER IN THE FUTURE? HERE ARE THREE SCENARIOS FOR THE YEAR 2020 DEVELOPED BY THE ASTD COUNCIL OF GOVERNORS.



SCENARIO #1. THE BASE CASE "THE WAVE"

Variables:

High market for smart products

High degree of connectivity

High ability of intellectual capital to attract hard capital

The big enduring corporations of the late 20th century have given way to small, agile groups that come together to capitalize on a business opportunity and then dissolve. The pioneers and heroes of this new era

in business are the people squeezed out by big businesses in the 1990s. They understand the power that high connectivity has put in people's hands no matter where they are. Nowadays organizations struggle to adapt to these quicksilver entrepreneurs. In the new workplace contract, the value provided by the organization is the questionable element.

Employees are universally known as performers since that term more accurately describes the nature of their role in the workplace. Work and learning are linked through information technologies. Their democratizing influence has smoothed out national differences in economic development, although local culture still determines the pace of advancement and the flavor of a country's engagement with the electronic marketplace. Many countries are more concerned about raising their digital literacy rates than their GNPs.

Customers have substantially more power than producers of products and services and they tend to place their loyalty in products rather than companies, even though product life-cycles have been driven almost to real time. These days, learning opportunities are built into products themselves and makers of smart products are the new business elite. A substantial portion of the learning industry has been absorbed into this prosperous sector of the economy.

The economic value of learning is a given because of its role in most business decisions and transactions. Popular methods for measuring and accounting for intellectual capital have helped at-

tract a large amount of hard capital to the learning industry, now one of the biggest in the world economy.

The learning industry has been substantially restructured since the 1990s. For a while, a few large players dominated the industry but never managed to control it. Now, when organizations form and dissolve with the speed and irregularity of flowing water, individual practitioners with good networking and collaboration skills are enjoying prosperity. Practitioners from young, emerging nations have the advantage of not being encumbered by an aging infrastructure—a factor that slowed down developed countries at the end of the 20th century.

The world market for smart products in 2020 is balanced between two spheres: the established markets in North America, Europe, and parts of Asia and emerging markets in China and India. A key economic role of the established markets is to create the infrastructure for the late information age and the coming bio-economy. The smart products industry is highly competitive and a strong attractor of capital. Players include the entertainment and mass communication industries, which have both prospered from their smart products and the high degree of connectivity around the globe. Smart products created for mass markets in China and India are sold mainly through electronic malls and catalogues.

ASTD has formed strategic alliances with entertainment and communications companies to help keep their products on the cutting edge of learning. A critical mass of ASTD members' work relates to the creation of smart products and their use to improve performance. The market for people who can train masses of middle managers dries up as most workers and work groups are now self-managed. The stand-up training market moves to China and India, drawn by the need in these countries for ways to motivate and inspire. The human development industry, still almost an underground movement, serves people's need for spiritual and emotional growth.

Schools are still the source of learning for most people until about age 20, but for the rest of a person's life as a business "performer" or a consumer, learning comes from products, services, and interactions with other people. In an age when all but the most intimate human connections are assisted by some form of technology, there has been a nostalgic revival of interpersonal skill training.

Now that the permanent work organization has all but disappeared, people look to indepen-

dent groups such as ASTD for social connections, help with their careers, and even financial support between episodes of work.

SCENARIO #2. "THE CURRENT"

Variables:

High market demand for smart products

High connectivity

Low ability of intellectual capital to attract hard capital

This scenario presumes that market-based economies continue to grow and spread throughout the world. Government regulations have had a heavy influence in shaping world trade and the permitted uses of worldwide digital communications. A worldwide communications infrastructure, similar to today's Internet, connects the globe and several permanent space stations. This net makes the exchange of text, images, and sound easy and widespread.

A universal language exists for digital communication, made up of visual images, symbols, and elements from the dominant business languages of the late 20th century — English and Japanese. The spoken language of business is English for people above a certain level, where it has been mandated off and on since the 1990s. Technology has erased some language differences in electronic communication but has also allowed

people to return to using their native languages, especially to convey special ways of thinking.

The market demand for smart products is high now but has undergone several up-and-down cycles, adjusting to consumers' digital literacy rates and the rise and fall of uselessly smart products. Negative experiences with smart products have caused periods of backlash against technology, but overall, information technology has advanced steadily in the direction of the age of the bio-economy. Most citizens live comfortably with the complexity of this era's technology in spite of its unpredictability and basic unmanageability.

Computing devices are ubiquitous due to their complete user-friendliness, their versatility, and their ability to be customized by each owner. Now they are known as connectors, since that is their main function. Aggressive marketing has created a worldwide digital culture, though not everyone has the means or the education to participate. Customer feedback is instantaneous—through products themselves—and it is rare to find products containing technology that customers do not want or use.

The largest employee group in the world economy is the single connected individual—one per-

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son with electronic access to many combinations of other people and to information-on-demand for solving performance problems. In some cultures, the basic work unit is a networked team. Virtual and often ad hoc organizations form around small cores of products and services. Workers engage with these cores depending on their interests, skills, values, and so forth. Intranets link employees, customers, and suppliers but people still meet face-to-face when emotions or feelings must be engaged. The network is the main source of learning in the workplace.

In this scenario, intellectual capital has failed to attract hard capital. One reason is that the security of intellectual capital is still at risk. No foolproof way has developed to protect intellectual property from digital pirates and saboteurs. Government restrictions in some countries against access to technology have frightened investors away. And the ability to measure the value of intellectual capital has not kept pace with its many new forms.

Because it cannot demonstrate utility and therefore cannot attract hard capital, the learning industry fails to realize the promise it showed in the 20th century. It consolidates around existing products or in new forms that are not capital-intensive. These are mainly services, not technology-based products. Almost all training is distributed electronically at the time and place of its application, and paid for by usage. Performance products are designed to get smarter with use, but the industry never masters the ability to demonstrate that value in business terms.

ASTD is an infomediary in the fields of learning and performance, and practitioners take on a new role as performance intermediaries. ASTD's position on the economic value chain moves from supplying information to adding value to information-based products and services.

SCENARIO#3. "THE WAKE"

Variables:

Low demand for smart products

High connectivity

Low ability of intellectual capital to attract hard capital

In this scenario, the market for smart products peaks in 2010 and by 2020 is saturated. The numbers of digitally literate customers are not increasing rapidly any more. The capital that briefly boosted the development of smart products has moved away in anticipation of this change in the market.

The bar is rising on the basic skills now required to take advantage of high connectivity. Only children exposed from birth to smart products, which

are now very costly, and electronic networks, which are now the building blocks of all organizations and communities, can enjoy the benefits of the late information age. All others, the new have-nots, live in poverty and ignorance as extreme as that found among those excluded from the benefits of the industrial economy. Countries with a young workforce and an emerging (i.e., not ossified) infrastructure have an advantage.

The training industry continues to advance by small increments and fails to break free from its ties to low-tech services. Other industries that foresaw that responsibility for education would pass from schools to employers and then to the makers of smart products, have drawn most of the instructional talent into their service with high wages and challenging work. New learning models evolve from the experiences of connectivity and from the use of smart products. In those models, the act of learning is practically invisible and so its perceived value decreases. This further discourages investment in learning. The change-management industry becomes fragmented and loses influence to strong external competitors.

In the business world, high connectivity has fostered many new kinds of leadership, both shared and individual. The crisis of trust between employers and employees at the end of the 20th century produced several generations of increasingly self-directed workers who pose a tough leadership challenge. Leaders and managers must be an effective presence on company intranets. This is also where corporate culture evolves and lives.

Diversity of thought, values, and behavior are part of the essential fabric of the networked world. There is a popular worldwide movement to smooth the hard edges of cultural bias.

ASTD members are mainly older practitioners, latecomers to digital fluency. Many prepared for careers training the buyers of smart products. When this market did not grow as anticipated, they revived the practice of stand-up training, executive coaching, and corporate culture repair. These are still salable commodities in parts of the world that have resisted the advances of technology and where there is a nostalgic return to people-oriented approaches to conducting business. ASTD, clearly at the end of phase II in its growth cycle, undertakes a transformational change effort, the sixth in its 75-year history.

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