

As the HRD World Churns

Trends,
forces,
and the cusp.

There is no doubt about it: The World of Work is changing.

We in HRD are part of it—as witnesses, agents, victims, scapegoats, surfers, divers, cynics, optimists, rein pullers, bronco riders, nail biters. Some of us are hunkering down, battening the hatches, and waiting for the storm to beat itself out. Others are digging in their heels, reaching backward for old success patterns, and charging full-steam ahead. At times, we look straight into the crashing surf and ride the waves we can't see—try to tame them, show them who's boss. Or we try to swim ahead. Or, like the mythic Phaethon, we fly a chariot driven by horses we can't control too close to the sun and are consumed in the heat.

No one is truly on top of what is happening. Perhaps no one ever was, but at least we thought we were. We had confidence in our models—the stock market, organizations, change management, leadership of the charismatic variety, planned control, learning, and behavior change. We taught with certainty. We asked students and protégés to recite the correct answers back, to follow the procedures, to use successful people as their models, or—better yet—to be like us.

What's happening? Where are we going? What do we prepare ourselves, others, our children for? How do we add value, succeed in, and cope with not only the new World of Work, but also the social, psychological, ecological, economic, geo-

graphic, political, and intellectual arenas with which it is inextricably connected? How do we thrive, add value in our work lives, and leave a legacy for the people who come after?

How do we think about human resource development in a time of such turbulence? HRD is an enabling force, but enabling of what? *For* what? *For whom*? And who is the customer of the workplace learning professional? The answers are found in thoughts and categories that stick to each other like spaghetti. But let's dig in anyway and make a few piles of like strands.

There are several irreversible *trends* in and around work expressed over the world. They float on and are carried by a stream of powerful *forces* driving us in new directions and causing friction at the interfaces of old and new. Think of it as the crunching, resistant activity that occurs when old and new geological plates rub against each other. As one is born, the other is reshaped and destroyed—but not without creating rubble, lava, and chemical reactions that generate new forms. Then, there's what's happening on the *cusp* of change in and around the workplace. The cusp consists of many psychological chasms we will fall into as part of our journey.

Trends

The nature of work is changing. One hundred years ago, most of the world's work was manual labor. In the post-World War II industrialized world,

IN THIS ARTICLE
HRD Trends

By Patricia A. McLagan

the balance began to shift to brain work and service work—most of it mechanized and ruled by procedures. Since computer use began to spread exponentially in the early 1980s, we've been moving with accelerated speed into the knowledge-based economy.

Think of what that has meant for us as workers. For many of us, what matters is our energy, commitment, competence, ability to observe and make judgments, and creativity. The value of the products we make and services we provide is largely knowledge value. The physical material accounts for fractions of the cost (think of a microchip). What used to be dangerous work (from shoveling to working with test tubes of deadly viruses) is now done remotely by computers and robots. Going the same way is routine work such as preparing insurance policies and payroll checks, processing claims, searching the literature, ordering a new stove, and sending mail. A sign? In the United States, union membership (unions represent primarily manual and procedure-based workers) is down from 35 percent in the 1950s to about 13 percent.

Economic pressures and demands for higher quality products and services are turning what looks like routine work into work requiring thought. We expect everyone to seek better ways of doing things, ways to make products and services better. That turns even the most menial task into knowledge work. It means that everyone has to know about the larger competitive environment and what their organizations are trying to do.

People in developed parts of the world have to be careful about generalizations. As the standard of living rises for the haves, the have-nots—who don't have the competencies to do knowledge work—demand cost-of-living wages. Their work isn't deemed worth that in the market, so the work goes to technology or labor forces in less-developed countries where wages are lower.

The pace of change is accelerating. We live in a time when many product life cycles are shorter than their development cycles. Case in point: The next version of Windows is on the drawing board as the 2000 version is introduced.

"But," you say, "we've been talking about the speed of change for years. What's really new?"

What's new is that we're just begin-

More people are using their bargaining power to break down the domination hierarchy and to influence work content and conditions.

ning to realize the impact of such rapid change on the workplace. Traditional, hierarchical decision making is too slow. Punitive, shaming controls lead to sabotage. Old-style planning loses credibility because it assumes a certainty that no longer exists. The job descriptions and organization charts that once successfully pigeonholed work gather dust while teams and individuals break out of such molds to get the real work done. Pay and other reward systems meant to control and direct people's behavior bend to meet personal needs. In fact, employees often have to disregard such systems to do the right thing for customers and the business.

People are frustrated seeing the career ladders they've been climbing for years replaced by conference circles, flattened org structures, outsourcing rungs, and their own zigzagging needs. People quake as entitlements and job-for-life guarantees disappear. Workers with good skills for making corrections, following orders, and keeping things going are being left behind. Others take learning, reframe the situation, and leap to new solutions.

What's emerging in the workplace are

- more participative decision processes
- more control through shared vision and values
- planning processes used to focus conversations
- continuous replanning.

In the new workplace, you'll find flexible work-design practices in which one's goals are one's job. You'll find share-the-wealth-with-the-whole-team pay systems, organic and individualized career paths, and portable benefits packages. Value exchanges are direct. In the past, it took a lot of middle people to accomplish a transaction. Some transactions were passthroughs for a product, service, or information from one place to another.

Many middle management jobs were like that—transfer and control points for information from top to bottom. Many warehouses, distribution centers, and retail operations were and are still like that. They provide storage and access points—useful functions once upon a time.

But technology, new communication services, express delivery, and business models of the late nineties have made it possible to bypass the middle people. We can order things directly through catalogues and on the Internet. With the proper information and accountability mindset, a direct worker can take a strategy and implement it, without management translation and intervention. That has major implications for how we think about organizational structure, work and careers, and the relationship between customers and suppliers.

As information technology enables us to bypass the former translators, many organizations are reducing the number of managers dramatically. They're also cutting staff. Management and staff work are supposed to be shifting to the people themselves. Self-managed work teams, self-managed careers, self-managed development, and self-managed employee-record updates are becoming common. That is shrinking the ratio of supervising managers at all levels to workers to 1:20 and, in some cases, 1:500. It is shrinking the ratio of HRD professionals to employees from 1:50 to 1:200. It's also changing the role of manager from boss to performance enabler, whose role is to help people achieve more contribution and responsibility.

The Web is a structural model of organization. The pyramid organization—with its cascading fragmentation of work—was based on a model that separated thinking from doing. The intention was to simplify work and make it routine for optimum efficiency. That was fine for monopolies. It was OK for what Peter Drucker calls "making and moving things." And it reflected the patriarchal authority structures of most areas of human endeavor. The pyramid hierarchy and the silo-ing of work reflected the scientific paradigm that began in the 18th century and continued until recently: If we just broke things into pieces and parts, we'd find the truth. Part of that paradigm was a belief in atomic particles as the finite, smallest bits of matter. Now

we know that matter and energy are interchangeable.

What did the domination hierarchy achieve? In the early days, it made it possible for large groups of relatively uneducated people to accomplish a lot. But, faced with new conditions and its own dotage, the domination hierarchy alienates customers, entrenches co-dependency between people at the top and the bottom, sets up we-they internal factions, and creates cost structures that can bring down entire systems, as almost happened at IBM.

The domination hierarchy is breaking down; most organizations are searching for its replacement. What's emerging is a spider-web view of organizations. Areas of the web perform specific functions but often shift roles as the larger system requires. There are hierarchy and specialization, but parts of the management function are shared: Everyone is a manager when he or she takes charge of projects or his or her own work.

The human body is a good analogy. The brain and nervous systems carry the main load of thinking (the executive function). But cognitive process is everywhere—for example, in our blood where white cells detect disease and react. Any of our cells could have become an eye, a lung, a toenail.

The new organizations are structures in which people are on many teams, in which everyone is expected to take some share of leadership responsibility, in which everyone must think in terms of the end customer and must contribute to the effective functioning of the whole. That's a lot different from the "that isn't my job" mentality of yore.

And it goes many steps further. An organization is no longer just the company, the legal corporate entity. It's the entire web of people and groups who contribute to conceptualizing, designing, making, selling, distributing, serving, and even using the products and services. Called the virtual organization, it has a range of configurations. In one place, it consists only of independent workers. In another, it consists of people on the Acme Corporation payroll. More likely, a virtual organization is made up of some core corporation people and some or many suppliers, contractors, or independents—whatever you want to call them. When allegiance is to the paying customers or end

users, synergies spark. With a we-they mentality, the costs and breakdowns are huge. That's why some companies go out of their way to treat suppliers like full team members. That's why some companies invite customers to become part of the corporate family.

A virtual organization respects the reality of what it takes to bring a product or service to life. It recognizes that businesses and people who work virtually create economic tsunamis that wash over less-efficient structures and put them out of business quickly. That's how Wal-Mart works. So do many of the new Internet companies, which take the model further by having customers set up and staff online chat rooms.

The bargaining power of the workforce is rising. This is an inevitable consequence of the shift to knowledge work. When knowledge becomes an important business resource, people become more valuable. The tools of production reside inside people. Some leaders acknowledge, "Our most important asset walks out of the door every night. We can never own them like we own materials and utilities."

When we know we're an asset, our bargaining power booms. We have something important to exchange for meaningful work, money, power, and a chance to grow. More people realize that and are using their bargaining power to break down the domination hierarchy and to influence work content and conditions.

As we bring our knowledge and creativity to the workplace, we have to bring more of ourselves. Work becomes an acknowledged, important part of our lives, and we expect it to be meaningful. That's a far cry from seeing work as work and life as life. It's also a reason that emotional intelligence and interpersonal skills are key workplace assets. Knowledge workers also expect the workplace to be fit for human habitation, a "great place to be." If it isn't, they'll take their assets elsewhere.

Forces

The trends just described appear to be irreversible. They're on the leading edge of a new paradigm that will be robust and long-lasting, for it expresses vast, powerful forces that have a strong and growing foothold in the world's psyche. We might consider them millennium forces ready to break loose as we move

into the next century.

Information everywhere, you everywhere. It wasn't long ago that NASA experienced predictable communication blackouts. Information was relayed from a ground station to space and back to the next ground station. When a space vehicle wasn't in the range of a station, there was a blackout.

Now, there are relay stations in the sky. People everywhere—even in the underdeveloped world—use email. Satellite dishes in space and fiber-optic cables in the ground transmit information 24/7 to every part of the globe. Hundreds of thousands of airplanes carry millions of passengers worldwide, taking only 42 hours of airtime to go around the world.

Europe has a newspaper that transcends national boundaries, the United States has a newspaper that transcends state boundaries, the world has news channels. There is no way to keep secrets. Raw knowledge is a commodity available everywhere at once and free to replicate (it's the applications that create advantage).

The impact? Anything that relies on secrecy or knowledge domination loses its power; anything that relies on localization of or a particular delivery mode for knowledge (such as bricks-and-mortar schools) is in jeopardy. Furthermore, the only real limits to absorbing and using knowledge are the limitations of the learners, who used to be constrained by what their sources—teachers, newspapers, television—chose to convey.

Clearly, information everywhere and access everywhere are behind all of the significant shifts in the workplace. That ubiquity is also a reason that closed-system governments such as Russia and Cuba have failed. It's a reason that Apartheid fell. Restrictive regimes rely on information control. As the Internet shows, that's no longer possible.

A drive for balance. We're beginning to recognize something that has been true for all time: When we emphasize one aspect of something and repress others, the other aspects will eventually push to express themselves. A grand correction seems to be occurring, as voices that couldn't be heard in mechanistic times scream to express themselves. That's true for conservative cultures, long-repressed ethnic groups, and the environment. Many religions and

philosophies call this a search for wholeness and oneness. That can explain a lot of what is happening.

Individuals and society seem to seek bigger and bigger integration. If we do something too long or do too much of something, other parts of our personality cry out for expression. Human beings have more than economic aspirations. Think of how many stories there are of rich but unhappy people. Even when there's synergy of work and personal fulfillment—when work is a true partner in one's life journey—ignored parts of our selves will tap us on the shoulder. That tap extends to most workers in the developed world.

Gen Xers are joining their mid-life-crisis, baby-boomer parents to question the work-as-life ethic. Eastern philosophy sheds some light: Humans strive for knowledge (the domain of science), beauty (the domain of art), social relevance (the domain of politics), and goodness (the domain of philosophy and religion) as well as for plenty (the domain of economics). When any one of those forces is out of proportion, a natural balancing will occur.

Time will tell what kind of balance various aspirations will strike. They will undoubtedly oscillate. Perhaps the ability to balance and counterbalance relates to the relative power of excesses: Science taken to excess is arrogance, art to excess is seduction, politics to excess is control, philosophy and religion to excess is fanaticism, economics to excess is greed. So far, greed has been powerful enough for economics to dominate other motives. That doesn't denigrate the drive for plenty that's behind the economic motive, but the emerging ethic is that greed out of control threatens all of us with self- and environmental destruction.

The rise of democracy and participative governance. The only viable governance form still in existence is democracy. It has many faces, some more pluralistic than others. But, as the *Economist* has pointed out many times, prosperous, stable countries are those that protect citizens' rights and give them a say in selecting leaders, creating conditions, and controlling some movement of money. Citizens in such countries can reap rewards from their initiative and actions.

That governance form is popping up in churches, schools, families, communities, and businesses. Democracy and related

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forms of participation are the tide; anything else requires swimming against the current. The open question is whether we can grow into the responsibilities of democracy and participation.

The new scientific framework. Not coincidentally, participation is also a theme in the new scientific thinking. Until recently, scientists operated from a mechanistic model of the Periodic Table—the separation of matter and energy, and a quest for formulas that would predict and, if possible, cause things to happen. This mechanistic model was based on the belief that we could find nature's formulas and use them to determine the future.

In the new framework of complexity, indeterminacy, and chaos, scientists are finding new ways to explain and describe the universe. It's not a universe that is purposefully unfolding toward a predictable end; in other words, it's not determining what it will be. It's not a universe where, once we understand the dynamics, we can harness the forces. Rather, there appears to be an infinite number of possible futures. Any little event could snowball into a shaping force. As we learn more about the universe's operating principles, we will probably get better at recognizing the general patterns (scientists call them attractors). But anything can happen to jar the universe out of any pattern—just as, theoretically, a butterfly flapping its wings could set up a chain of events to trigger a hurricane on the other side of the world.

Scientists now see that everything participates in creation. We don't really know or have control over the impact that we or anything else have. We do know that existence is a relationship thing: Nothing exists without being in relationship with something else. Relationships define us. We have weight, for example, in relationship to the Earth. A particular

shape has form only in relation to its surroundings—the things that the shape is not. I respond to you in relation to your conscious and unconscious response to me.

That all seems obvious, yet the old paradigm encouraged mainly dissection. It focused on the parts rather than their relationships. It's like saying that a person is the sum of his or her body parts. Or that the sweet taste of sugar exists in the atoms that make it up. The truth is that the whole is something more than the sum of its parts. Your performance appraisal focuses on you and not on "them" or the system, or it focuses on the system and not on you. The new science suggests that it must focus on both.

Insights from philosophy and psychology. Clearly, we can't carry our old views of life and people into an age of ubiquitous information, democracy, raised human consciousness, and nondeterministic science. The old views had a decided either-or bent: Either you were good or bad, rational or irrational, an engineer or a manager. Either-or has played out in countries as extreme nationalism, in religions as saved-damned, in relationships as perpetrator-victim. It plays out in the workplace as we-they, staff-line, management-union, customer-supplier.

The new psychology teaches us several valuable lessons about dichotomies. One, truth is in the paradox: The things we fear and disown are part of our hidden selves yearning to be understood and integrated. Two, like the universe, each person's journey is toward wholeness—not a "goody two shoes" wholeness but one that recognizes the dark and light sides of human nature. The new psychology respects how difficult it is to grow into the shoes of power—whether they're Dorothy's red shoes, the United Nations' army boots of peacekeeping, the slippers of fathers, the sturdy pumps of the family matriarch, or the well-traveled but polished shoes of an executive.

Thanks to the groundwork of Freud and Jung, thanks to mythologists such as Joseph Campbell and Clarissa Pinkola Estes, thanks to the new psychologists such as Arnold Mindell, we have the psychological foundation to help us move into an adult phase of human activity. It's adult because it's not naïve. It's tough and compassionate. It encompasses the dark

and the light. Our increasing consciousness helps us deal with the forces—repressed in the past—that used to scare us, including our own authoritarianism, victimhood, greed, and ability to destroy.

Philosophy deals with the systems of thought that affect our behavior. If we believe that the world is a great machine (can be dissected, reassembled, and controlled), then we act in a certain way—“This is your problem, not mine.” “This is your job, not mine.” “I’ll do this in my company. If it creates problems for you, that’s for you to deal with.” “Let’s control behavior by manipulating the reward systems.”

At the same time psychology is delivering new paradigms, the new philosophy presents thinking frameworks for a more open-systems (participative and co-creative) view. Henryk Skolimowski, Ken Wilbur, Fritjof Capra, and Gustav Havel are key voices. Their emphasis is shifting to these dominant themes:

- Becoming. Change as a key life principle is not excluding but incorporating stability or being. “I am a process that is unfolding, not a finished personality.”
- Humans. We are co-creators of the future, not just intellects discovering and using nature’s force.
- The universe. It is open and evolving, with many possible paths.
- A need for deeper symbols and structures. They will be a way to access the immense, unfolding mystery of life. Our rational minds, as a limited sensitivity, will never be able to comprehend and explain the universe or motivate powerful action. All living creatures have other ways of knowing, such as intuition. It’s our responsibility to be conscious of those ways of knowing so we can use them responsibly.
- Responsibility. “I participate, therefore I am.”

The shifts may seem subtle, but they are profound. School systems, governments, families, and businesses have embedded the old mechanistic, rational philosophies into their ways of operating. The old philosophy served us well in the past: It created a particular view of power that helped us begin to appreciate how destructive and creative we can be. After all, the 20th century has been the bloodiest and most polluting century, but also the most creative.

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Defensible as our philosophy may have been in the past, forces as strong as the millennium shift are exposing it as a potentially fatal flaw for the future.

ing it as a potentially fatal flaw for the future. The old philosophy lurks as a time bomb in the crevices of our institutions and psyche. We’ve learned that we possess fire. Like Prometheus in Greek mythology, we have to take the responsibility that goes with that power or we will contribute to our destruction.

It’s significant that our interest in emotional intelligence has surfaced now. That’s a sign the co-creative philosophy is working its way into the public arena and into our consciousness, forcing us to act. Higher education but lower population of the haves. This is a troubling force that faces us. As average age and education levels rise in wealthy parts of the world, the average age of people in poor areas is dropping. The economic, political, medical, and education systems in poor areas can’t handle the influx. There are serious ethical questions. Many world problems appear to be clashes of cultures and belief systems. We can rightly ask whether the Western ways that have produced the skills for economic prosperity should continue to be the model. We can rightly observe that other systems of learning (for example, the Chinese) have created a highly literate population.

What’s especially troubling is the widening gap of opportunity for children to learn. We’re becoming more aware that the human brain develops rapidly in early childhood, stimulated by learning of all kinds. Advantaged kids go to preschool, play with computers, and have access to complex machines that teach spatial, manipulative, and problem-solving skills. They’re exposed to a lot of information and stimulation. Less-advantaged children, typically, don’t have such access. Will they be doomed for life because of intellectual malnutrition in their early years? What will that do to world stability? From

an economic view, what will that do to the world’s potential for overall prosperity?

Something will happen to cause a new kind of balancing. As the world gets smaller due to advanced communication and transportation, the boundaries that once protected and isolated groups are disintegrating. Eventually, we’ll pay the price of the imbalances we have created. We’ll pay in war, famine, smaller markets, fear, stress, and environmental destruction.

Social responsibility in business is no longer a nice thing that we do; it’s a critical survival strategy for the future of any institution and for all of us.

The new economics. Until lately, the most important measures for any business were dividend size, market share, and revenue and profit growth rates. Many companies focused on those measures—creating fearful, short-term, numbers-driven cultures. That worked when companies were localized and management had more control. It worked when just a few big companies monopolized many different industries and, therefore, employment opportunities. It worked when there wasn’t as much need for creativity and the pace of change was slower. And it worked because there were no alternatives. The paradigm of management reflected a mechanistic economic model that sought clear causes and effects, or at least assumed that such deterministic models existed, though veiled. If there were better ways, few companies used them. Consequently, we didn’t have to contend with competition that behaved differently or added dramatically more value for significantly less cost. In other words, our cost models incorporated the costs of any inefficiencies of the economic paradigm.

A new generation of economic models is emerging as we enter the new century. It’s grounded in the uncertainty assumptions of the new science. The model recognizes that upstream variables such as work culture, customer satisfaction, loyalty and referrals, product and service quality, and market and industry image hold keys to success. Attend to them and have more reliable and sustained leverage. Of course, it’s not an either-or picture. As far as business dynamics go, revenue, profit, and productivity are dependent variables—that is, other things we do influence them dramatically.

Peter Drucker warned institutions years ago, “Profit is the reward for meet-

ing market needs.” It can never be a goal you pursue directly. What happens is that in the direct pursuit of profit, we often kill the goose that lays the golden egg.

Research tells us over and over again that companies that create environments of power and accountability for their people are the highest producers. And such companies are more likely to attract and keep the talent needed for the future. Because talent is the key resource in a knowledge economy, that’s a powerful source of competitive advantage. Research also tells us that companies that focus on adding value for customers and society thrive. They have significantly higher profit, revenue, and market-share growth. They have higher productivity, less absenteeism. High-talent candidates are more likely to approach, join, and stay with such companies.

That all makes intuitive sense, but old-style economic thinking still creates such a panic around quarterly numbers that even intelligent, thoughtful executives can favor short-term fixes, even when they know that the long-range effect will be disastrous. That’s not to say that a short-term focus isn’t important. But we have to do the simultaneous equivalent of breathing (a short-interval concern) and worrying about nutrition and wellness (a longer-cycle issue). As more companies focus on independent factors that generate great products and services and that create and sustain high-performance environments, the pressure will increase for everyone to move to a systemic economic mindset.

The Cusp

Paradigms don’t shift with rational precision. They rumble, bubble up lava, and break into level-4 earthquakes on the psychic Richter scale. No one escapes the tremors.

Paradigms make their presence known long before they actually break through as new ground. We feel them subtly, imperceptibly. When they first shake us, we see the return to normal as a sign that nothing is truly happening. Our current reality has won, and we continue to build our houses along the fault lines.

In the workplace, the shift from a closed system to an open system of operating has been jiggling us for a long time—for decades. For example, the first rumblings of the end of Apartheid in

South Africa occurred long before sanctions or other pressures. In the workplace, equivalent early rumblings took the form of total quality programs, the human relations movement, re-engineering and decentralization, privatization and divestiture, team-based management, increased accountability of boards for ensuring stakeholders’ needs, and new partnerships among customers, competitors, and suppliers. Some of those approaches appeared not to work. In reality, they were the first outbursts of something new. The energy wasn’t yet strong enough to eclipse the old paradigm, but each failed experiment created new cracks at the fault line and built up a bit more pressure at the cusp—the crossover point.

And we *are* on a cusp. In this crossover place, some rhetoric (*boss-subordinate*) and some practices (separation of quality control from the work) are in the old world and some in the new. Some individuals and entire organizations appear to be stuck at that in-between point. The forces at that point are extreme, if apparently in balance.

A return to the good old days. A unique set of activities happens at the cusp, and they’re occurring everywhere in the world. As we face a major turning point, it’s tempting to return to times when the old ways were less problematic. That means going back to the basics of authoritarian planning, organizing, and control. That was a viable solution as the economy ratcheted to its mass-production phase, but it doesn’t fit the current pace of change or economic reality.

Flip side of the coin. Another reaction is to make an illusory shift. That’s when we retain the old paradigm in a way that looks like there’s fundamental change. We make the customer king or queen, for example. We say that we serve people who receive our work, not the boss. In the process, we keep the authoritarian or closed-system paradigm, but shift the seat of control. The customer is now the aggressor, and the supplier is subservient and passive. Roles may move around, but as long as everyone continues to play passive-aggressive, the paradigm is still co-dependent. If we’re smart, we begin to see that authoritarianism isn’t the fault of the people in power. It’s a structure we all build and maintain. It doesn’t matter much who is on what end.

The forces are carrying us away from

that paradigm. Mobocracy (leadership by the mob) is as potentially dysfunctional as totalitarianism. It’s cut from the same cloth, is the other side of the same coin. That’s why the adversarial union-management models will never achieve anything except a recycling of who wins and who loses. Yet, like returning to the good old days, flipping the coin over bides us time.

Naïve idealism. Some of us are using the current rift as an opportunity to propagate a kind of naïve idealism based on a romantic view of people that says good will come out if there is freedom. That idealism contends that all of us are ready to be entrusted with the thunderbolts of power. It pleads for a kind of equalization of influence and pure democratic process for everything.

We have only to look into our own experience, myth, and history to see how dangerous that kind of thinking is. Power and responsibility go together; rights and responsibilities go together. Not everyone has the will or discipline to become a leader or has the social right to hold disproportionate power over resources. Part of becoming a leader is to grapple with one’s dark forces so they aren’t displaced on other people in the form of prejudice. Myth tells us that the worthy leader—the hero—does just that.

What changes in the world call on us to do is to grow up. The free lunches of dependency and position are disappearing. As human beings, we have a right to live and express ourselves, as long as we respect that right for others. As citizens of societies that have decided so, we have social rights to education, private property, and other benefits as long as we meet requirements that don’t discriminate unfairly. We do not have the right to power over other people or resources, unless we’re willing to accept the responsibilities that go along with that. We don’t have the right to the benefits of our societies or corporations unless we’re willing to be active citizen-members of those communities.

There is reciprocity. That’s the adult way. To take our place as adults in this complex world, we have to deal with our own strengths and weaknesses and our good and evil parts, and we have to look with clear eyes on a world that won’t take less than that from us. We may not face a perfectly rosy future, but we don’t have to face a hostile, adversarial one either.

Psychologists and history tell us that we must love and accept all of our selves—just as adolescents rebel against their parents at 16 and then at 30 settle into friendship or at least tolerance. When we do that, we move into the adulthood that the new millennium beckons and that the forces we've unleashed require.

So, the challenge at the fault line is to leave the good old days in the past. It's to break out of the passive-aggressive cycle that's part of the decline of authoritarian systems. It includes a willingness to give up naïve idealism, come to grips with our own complex, good-evil nature, and become a mature, responsible, integrating presence in the emerging world we're helping to create.

The Future Scenarios

Pressure is building at the fault line. Like a major geological shift, the long-term prognosis is clear: There will be dramatic change. Does that mean we're irrelevant? Some people would say *yes*, the forces are well beyond our control. Others would say, "It doesn't matter. We'll be long dead, and it will be someone else's problem." Some would try to stop the changes; others would dynamite the fault to spare us the agony of a long ratcheting.

Forces are beyond our control: the Benevolent Totalitarianism Scenario. One legacy of the decline of the rational era and its belief in humans' ability to know, name, and thus control things is a new sense of our smallness. For many of us, life is too complex, too fast. We feel like victims. Felipe Fernandez Armesto, author of *Millennium*, believes that enough people fall into that category so that totalitarianism, in which a few think and the rest follow, is likely.

The implication for the workplace could be that we educate some people for benevolent but authoritarian leadership and provide clear, inviolate rules for work. Work would still be participative. Leaders and systems would have to be enlightened and authority levels clear, however, or else there would be mass unrest, sabotage, and disastrous declines in productivity. Human consciousness has opened up too far, and communications and information are too ubiquitous, to allow a return to old forms of autocracy.

What changes in the world call on us to do is to grow up. The free lunches of dependency and position are disappearing.

But benevolent totalitarianism is a possibility. It's one way to prepare for the emerging world of work quickly.

It doesn't matter: the Laissez-Faire Scenario. We can ride the fault, shake with the quakes, build quake-proof buildings and bridges, and let our personal and group agendas carry the day, with little thought to what's happening around us. It's business as usual. When crises occur, we make adjustments, patch, and fix things as they break.

Back to the basics: the Fundamentalist Scenario. It's inevitable that the tremendous surge of economic, industrial, and scientific developments of the last century will trigger a balancing mechanism. One way to deal with that is to resurrect what seemed to work in the past. All of us do that in one way or another. Psychologists point out that we tend to remember the best and suppress the worst.

At the end of any paradigm, many aspects seem messy, uncertain, and complex. That's definitely true in and around organizations. Many areas seem to be breaking down. One solution is to try to erect the same structures as in the past, only stronger. We see managers and workers under stress retreating to old styles and practices. Even young people who weren't around when there was a simpler division of work and life, education and learning, and adulthood can be attracted to past rules and values that are (after the fact) associated with less-complicated times.

We are co-creators of the future: the Strategic Dynamite Scenario. The new science tells us that the future is potentially sensitive to everything that happens. Even a small force—at the right time and in the right place—can trigger a major shift in direction. In this scenario, we respect the complexity and magnitude of the forces driving and shaping the future, and we recognize that we're among those forces. We can strategically place dynamite in the fault line, jump up and down on it, and perhaps accelerate an event or prevent something from happening.

The die appears cast for the world as a whole: Everything does co-create, everything is interdependent. Putting our heads in the sand won't change that. It might change the outcome for the human race and Western economic system, but it won't stop nature from evolving toward more complex forms.

Right now, it appears that strategic dynamite will accelerate (and even contain) the earthquakes in an explosion of consciousness and responsibility. In the workplace, there's every evidence that more conscious, responsible involvement by everyone makes economic and personal sense—economic sense because it increases responsible productivity and personal sense because it fosters the growth of healthy, mature people.

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The HRD Tensions

In the midst of all that resisting and co-creating is the HRD profession. A snapshot shows a profession on the cusp, feeling fully the tensions of the fault line as practitioners try to sort their way into the future. There are several tensions in the field.

Segregation versus integration of people practices. The major areas of human resource in business:

- organization structuring and design
- selection and succession
- orientation
- communication
- goal setting, individual and team
- performance feedback
- career-management and individual-learning support
- OD
- job and work design
- benefits
- pay and reward systems
- HR information systems
- individual and organization assessment
- performance support.

In the past, practices in those areas reflected different philosophies. They were planned in isolation, used different languages about work (*tasks, results, outputs, outcomes, duties, key results*) and about people (*knowledge, skills, val-*

ues, attitudes, commitments, competencies, capabilities, abilities). The models used for similar jobs were often different—such that the selection, development, succession, and performance specs for the same job might be different. The segmentation was so pronounced that means to ends (for example, competency studies) became ends in themselves: “I want a competency model for this job” instead of “I want to improve the fit of people to this job.”

Pressure is increasing for a systemic, ends-focused view. Technology—with its need for a common language and interoperability—builds the pressure further and opens up integration possibilities. Integration will inevitably win. But, for now, organizations live with the job half done or struggle to get the job underway.

Closed versus open people practices. Closed practices fit the authoritarian view. Executives and staff people did the thinking and created the procedures and controls. Employees worked within those boundaries. That often meant secretive selection and career processes. The boss and HR people were in charge of and did the work of individual and team goal setting, pay systems, performance feedback, career management, and learning and assessment. Individuals played a receptive role, accepting important decisions made behind closed doors and hearing little about the rationale.

Now, in a far more transparent world, such systems are opening up. That’s largely a function of the nature of the work: Knowledge work requires active, individual participation. As workers become more aware of their negotiating power, they will demand to know the basis for decisions. They will challenge secrecy and control.

Operational and administrative versus strategic and facilitative role of HRD. David Ulrich has long pointed out that the HRD profession must spend more time in strategic and cultural work, and less in administrative and operational. He says that most HRD people have managed records and administered services. We’ve done a lot of day-to-day management handling performance problems, counseling, intervening, and policing policy.

But we’re now in a knowledge era characterized by accelerated change, in which people issues are central to orga-

nizational success. Globalization, acquisitions and divestitures, new alliances, new technologies, and shifts in business strategy require strategic thinking about human resources. In addition, something has to happen to change organizational cultures dramatically. HRD and training professionals are the logical choice for change agents, but they have to shift emphasis. They must become strategists, HR system designers, culture-change facilitators, coaches, consultants to management on performance, and researchers.

Fortunately, technology and outside sources can take over record keeping and procedural functions. It’s appropriate now to turn over day-to-day people management to managers and the people themselves. Still, the competencies and mindsets of HRD professionals don’t always fit the new work profile. In fact, the administrative skills of the past have a negative relationship with the emerging requirements.

From dependency to partnership. We’re beginning to realize that HRD practices aren’t a staff function or something managers do to or for workers. Practically speaking, that has always been true. Many years ago, Alan Tough pointed out a startling fact: Most learning activities are self-directed (he said 70 percent); 20 percent are directed or significantly supported by others who aren’t professional helpers, such as managers, colleagues, parents, and friends. Professional helpers direct only about 5 percent of our learning, and those include counselors as well as teachers. Tough pointed out that self-directed and other-directed learning were often inefficient. That—combined with a growing awareness of what it costs businesses to do a sloppy job of learning and transferring knowledge—created the need for a radical shift. Formalizing learning and coaching roles is crucial to innovation, improvement, problem identification and solving, and the rapid spread of knowledge throughout a firm.

Formalization doesn’t mean that the old boss becomes a coach. There will undoubtedly be formal coordinating and coaching roles, but everyone in a knowledge-based organization will be a coach and a learner. Neither role will be restricted to one person or job. That will also be true for other roles such as manager and strategist. In a knowledge-based

organization, such roles become embedded in the work. Hard role distinctions and domination patterns will blur and become interchangeable. The work will require such flexibility. It’s only our mindsets that prevent the shift.

The leverage and interchangeability of the learner-coach and manager-worker roles, the ascendance of partnership styles of relationship, are increasingly clear. But the challenge for HRD professionals is how to make those roles conscious and competent. Cusp dynamics make that difficult because many people, including managers, don’t have the skills or desire to play the new roles. Many HRD professionals struggle with an apparent loss of power, and they face the task of reengineering all people practices so that they’re self-managing. It’s a tall order.

Utilitarian versus a generative view of human resources. The term *human resources* is an apparent dichotomy. In the mechanistic, authoritarian view, people are resources in the sense of being optimized and even exploited. The utilitarian view, often based on behaviorism, vies with a generative view based on humanistic philosophies and psychologies. Debates rage between factions that support *performance consulting* in the sense of *performance engineering* and factions that support a learning-centered definition: “Will we do job-specific training or broadly based education?” we ask. Should the learning specialist become a performance engineer and systems consultant, or focus on unleashing the capacity of people so they can do the work themselves? Are human beings in the workplace to be treated as an effect or a cause? Is there a higher order of integration at which they’re both?

What to Do

The shifts change things for everyone, but what about HR and HRD professionals? Perhaps the distinction between *HR* and *HRD* is too fine. In a knowledge world, development is a central dynamic; virtually every HRD practice draws on it.

Regardless of the semantics, there are clear, emerging challenges for HRD people. Here are a few.

Reorient personal competencies and work. The emerging workplace scenario

requires strategic, systemic, business-savvy HRD professionals. It demands competence in integrated people-systems design, participative processes, and change facilitation. We need to be able to function fully in the information-knowledge world and use its technologies. HRD professionals, performance consultants, whatever the term must have the emotional intelligence to lead while standing on an explosive psychological fault line.

Redesign the people practices. All HRD practices must be brought into congruence with these emerging realities of work and life:

- transparency
- interoperability
- generativity
- virtual relationships and offices
- self-management
- strategic alignment
- customer focus
- flexibility
- rapid knowledge transfer
- global relevance
- simplicity
- clear added-value.

Prepare people for new roles. The new World of Work shifts the relationship paradigm from domination, adversity, and dependency to self-management and partnership. That requires new roles and orientations from everyone. HRD professionals in particular must prepare people to thrive and contribute, and teach them how to be successful with the new people systems.

Provide useful research for an expanded audience. Because everyone will share in the work of HRD as self-managers, coaches, and designers, everyone is a potential user of HRD research. For one thing, research can accelerate change at the cusp. Therefore, research has to be accessible, even brought, to everyone. Beyond that, we need research showing cause-effect connections between people practices and important dependent variables such as productivity, revenues, profitability, customer satisfaction and retention, and worker attraction and retention.

Some sample lines of inquiry are

- links to open-system practices for economic performance
- updates of information about the extent of self-managed learning, third-party (nonprofessional) assisted learning, and professionally structured learning

- the nature and effect of roles played by HRD professionals in high-performance and low-performance organizations
- factors associated with successful and unsuccessful deliberate culture-change programs
- people-practice differences between high- and average or low-performing organizations
- factors associated with how fast new HR practices are adopted
- critical success factors for HRD professionals in transforming organizations
- economic effect of authoritarian versus participative styles of managing
- percentages and key characteristics of people who successfully make the transition to the new World of Work
- ratio of managers to workers and its relationship with key measures of organizational success.

Support and drive all aspects of culture change. Institutional leaders face tremendous pressures to perform despite shifting rules. That's true in all sectors, all nations. Unfortunately, the natural and expedient reaction is to cope and go for short-term returns. There may be lip service to fundamental change—change that takes energy now but will lead to a productive future aligned with the new rules of the game. But most leaders are too absorbed in current issues to steer the large-scale changes needed to make it through the cusp safely.

HRD professionals are the de facto stewards of culture change—learning the dynamics, finding where to put the strategic dynamite, and jumping up and down to create little movements along the fault line before the forces build to catastrophic levels.

The tectonic plate of the emerging world has just begun to show itself. Most of it is underground pushing against a great fault line—the cusp of change. Great forces are at work; those of us who dare to unleash them need courage. It's not always clear when and where to jump up and down, lay the dynamite, or gauge the effects.

It is becoming clearer, though, that the fault line is just an indicator that major, inexorable forces of change are at work. So, our actions can only help accelerate and shape the inevitable. We are in a unique position to influence and use, if not control, the forces. □

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