

LDS POV

# THE FUTURE OF WORK IN THE NEXT INDUSTRIAL REVOLUTION: **2 FRAMEWORKS**

While Klaus Schwab marks our moment today as the Fourth Industrial Revolution, Jeremy Rifkin marks it as the Third Industrial Revolution. They each describe our history and future based on different tipping points. A comparison of these perspectives brings priorities for the future of work into focus.

## COMMON IDEAS ACROSS BOTH FRAMEWORKS

# KEY PRIORITIES

Regardless of how we frame our history, Schwab and Rifkin agree that we must prepare for the future in a sustainable and proactive way. We foreground what needs to happen systemically for organizations:



**Build** new business models, ways of working, and organizational structures from a “technology backbone”



**Integrate** IoT into the enterprise and design for its impact. This effort is part of a large-scale “internetization of industry” where dynamic networks will define our infrastructures and affect how we interact



**Apply** a systems leadership where every augmented worker will be empowered and responsible in equal measure

# INDUSTRIAL REVOLUTIONS: 2 FRAMEWORKS

## HISTORICAL TIMELINE

### RIFKIN'S FRAMEWORK

The Third Industrial Revolution defines our moment by the transformation of three independent technologies: energy production, mobility, and communications. Together they determine large-scale infrastructures.

#### Third Industrial Revolution (long overdue):

Renewables and IoT grid, autonomous transportation, digital communication

#### Second Industrial Revolution:

Oil, car & highway, telephone/radio/television

Communications technology surges ahead of energy innovation and transportation infrastructure

#### First Industrial Revolution:

Steam, telegraph, steam engine

### OUR MOMENT

2008 - 2018

BORROWED TIME

1969

1870 - 1910

### SCHWAB'S FRAMEWORK

The Fourth Industrial Revolution defines our moment by the new ways people create value.

#### Fourth Industrial Revolution:

Cybertechnology connecting our biological, physical, and environmental systems

#### Third Industrial Revolution:

Digital, PCs, Internet, IT systems

#### Second Industrial Revolution:

Mass production, assembly lines, electricity

#### First Industrial Revolution:

Steam and mechanical production

**WORKING TOWARDS**

# **A POST-CARBON, HUMAN-CENTERED, CREATIVE FUTURE:**

**In light of our comparison between the Third and Fourth Industrial Revolutions, we face an unprecedented opportunity to transform the ways we think and work together.**

## **CHANGE OF MINDSETS**

- > Think systems, not technologies; empowering, not determining; by design, not by default.
- > Adopt a zoom-in, zoom-out strategy (zoom in to understand specific disruptive technologies, zoom out to see the impact from larger combinatorial patterns).

## **CALLS TO ACTION**

- > Be human-led and human-centered in digital strategies and designs.
- > Build a smart connected infrastructure throughout the digital ecosystem.
- > Integrate digital ethics by adopting new methodologies, market mentality, and organizational culture.
- > Treat data like the new oil. It needs to be resourced, refined, governed, and managed properly.

# OUTCOMES FOR THE FUTURE OF WORK

## CULTURAL

- Adaptation will be agile and urgent.
- A stronger sense of citizenship will enhance onboarding and behavioral change.
- Silos and fragmented methodologies will give way to connected and smart systems, aligning practices and engaging workers.
- In a “collaborative commons,” innovation will emerge from all levels of the enterprise.
- Systems leadership will boost creativity and continuous learning.

## TECHNICAL

- Speed and alignment will increase throughout the supply chain.
- IoT and AI will pervade the enterprise ecosystem.
- The digitally-augmented worker will be more productive and valued.
- Organizational capabilities will develop exponentially in a new digital commons.

## LEARN HOW TO TRANSFORM YOUR BUSINESS

LDS helps market leaders realize their most important business and people strategies through technological innovation. [www.LDS.com](http://www.LDS.com)

Rifkin, Jeremy. The Third Industrial Revolution. St. Martin's Press. 2011.

Schwab, Klaus. Shaping the Fourth Industrial Revolution. World Economic Forum. 2018.