



FutureScape Issue 18 - 6th May 2011 - Age Old and New Age Challenges

Welcome to the latest edition of FutureScape. We took a break over the holiday period, but now we're back and hope that absence makes the reader's heart grow fonder.

In this issue we focus on the following issues:

- Future of HR highlights
- Is it that time already? The argument over retirement age
- The death of Osama Bin Laden
- The escalation of data theft and its repercussions
- The blurring of physical and digital worlds

As always, we welcome your feedback, ideas and submissions for inclusion in future issues.

Copies of previous editions of the newsletter can be downloaded [here](#)

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Watch a short video of Rohit's keynote speech on global trends [here](#)

FUTURE OF HR

Adapting to Changing Employment Models

How will companies need to adapt to get the best out of an increasingly dispersed and contingent workforce?

In the course of a recent interview with Joyce Gioia at the [Herman Group](#) we discussed her work on workforce trends and employee retention. Joyce envisages a future model for companies where:

SURVEY REMINDERS

Our surveys on the Future of Human Resource Management and Venues 2020 have garnered an excellent response so far. Thank you to everyone who has already participated. If you haven't yet completed these surveys, please share your thoughts using the following links:

[Future of HR](#)

[Venue 2020](#)

"...they will have a core nucleus of administrative staff around which will be an ever changing set of people - teams, individuals, contractors and contingent workers. These people will remain with the firm as long as it makes sense to do so, then move to another firm."

Joyce believes such a move will give firms of the future incredible manoeuvrability and flexibility but will also create challenges. Firms will have to learn how to earn the loyalty of employees quickly, displaying high levels of care and attention from the outset in return for employee's commitment and best efforts.

- *What are the implications from an HR perspective?*
- *Will the distinctions between the conditions and benefits for permanent and temporary staff begin to blur?*
- *How much will employers and their staff be willing to invest in each other if they both expect the relationship to be short lived?*

Social Media Influence Rankings

Recently a number of tools have emerged which claim to measure our social influence. Sites like [Klout](#), [PeerIndex](#), and [Empire Avenue](#) draw on a variety of factors to assess our influence rating. Key variables include things such as the size of our networks on sites like LinkedIn and Facebook, the amount of tweets we post and the extent to which we are 'retweeted'. There is already evidence that people are being recruited based on their influence ranking. Some are suggesting that in future our influence rankings will be critical to our ability to find the right opportunities. Others argue that the measures used are crude and inaccurate.

- *Are influence rankings a temporary*

- *fad or a key tool for tomorrow's recruiter?*
- *Are such measures a good indicator of those who display 'thought leadership'?*

Share your thoughts on the future of HR in our [current survey](#)

We'd also appreciate it you could forward the links to colleagues and contacts who might be interested in completing either of the surveys. We will donate \$1 for each respondent and everyone who leaves their details will receive a free copy of the relevant report.

EVENT REMINDERS

Free Future of HR Seminar - London May 10th 2011

I will be delivering a seminar on the emerging research findings of our study on the future of HR at the Hyland Europe and Africa Summit in London on May 10th 2011. Attendance is free and full details can be found [here](#).

Innotown - Business not as Usual 8 - 9 June - Aalesund, Norway

If you haven't done so already, I'd encourage you take a look at the program for this years' conference. It is a tremendous experience in spectacular surroundings. <http://innotown.com/>

Convention 2020 Case Study Competition Winners

The recent Convention 2020 student case study competition has now closed. We received a very high standard of entry from students around the world. After a careful assessment stage we have selected two winners, one each from Germany and Spain.

Full details on the winners will be released at [IMEX](#) Frankfurt which runs from May 24th to 26th.

IS IT THAT TIME ALREADY?

The Economist magazine argues retirement age should be raised to 70 - is this viable? Is it too little too late?

What are the potential psychological impacts on society and the workplace of raising retirement age to 70 or beyond? Do we have the appetite or capacity to work beyond 70?

Will societal prejudice toward older people decrease as more 'pensioners' remain in the workforce?

Given increasing life expectancy, high levels of public debt in developed economies and continued economic uncertainty, what should we do about retirement age and the associated cost of pensions system? A recent Economist front page headline read '70 or Bust!' with the sub 'Current plans to raise the retirement age are not bold enough' [1].

The Economist argues that by 2040 Europe should have a mean retirement age of 70 while '...America, with a younger population, can afford to keep it a smidgen lower'. [2] The problems are set to be even more severe in France Germany and Italy where by 2050 there will be only 1.9, 1.6 and 1.5 workers supporting each pensioner compared to 2.6 in the States. [3]

The whole notion of 'a retirement age' and the pension system is being challenged. It was Bismarck, then Prime Minister of Prussia who in 1889 first instituted the retirement age and state pension - set at 70 years old. This at a time when average Prussian male life expectancy was 46.3. [4] He clearly wasn't expecting many people to show up to collect!

Pension systems across the developed economies are now creaking as more and more people spend longer and longer in retirement. We now face the prospect of



[Image 1]

people living 20-25 years beyond retirement age. A baby born in the UK 2011 will, on average, live for more than 90 years and nine months. In the last year alone, men, who typically have shorter life spans than women, saw their average life expectancy increase by 44 days. [5]

Another pertinent issue regarding prolonging working lives is the divide between those in sedentary and manual jobs. An extra five years of office work is a world apart from five extra years at, in many cases literally, the coal face.

There is also the question of affordability - for both the individual and the state. For many in low paid jobs an extended retirement will prove to be simply unaffordable and legislation effectively ending a career could cause suffering to those still physically and mentally able to work.

For the state it is economically injudicious to forcibly remove a selection of your tax base and put their care on the state's tab. In a sign of things to come perhaps, the UK government has announced that forced retirement is to be abolished by October 2011 [6]. However, once workers reach the current state retirement age of 65 employers will no longer be required to pay pension benefits or provide private medical insurance. [7]

So what do the possible solutions look like? Firstly, we have to be honest about the situation and share the stark facts with the population at large. Secondly, we need far more education from an early age on the importance of taking personal responsibility for planning for old age.

Thirdly, our whole notion of how we structure a life needs rethinking. The concept of working until retirement needs to be replaced by a greater emphasis on regular career breaks throughout our working lives which could extend to 75, 80 or even 85. For this to work we will need a real emphasis on preventative medicine and health management to ensure people are physically and mentally able to work into their seventies and beyond.

Next, for a truly workable solution to this problem, society will have to revise its opinions of 'old' people. The result of a study conducted by Demos and Brunel University show that 'there was agreement that younger people (aged 30) are more acceptable as a boss than a 70 year old. Furthermore, people over 70 are less likely to be seen as 'making an economic contribution' compared with those in their 20s.'[8]

Finally, our attitude to and accommodation of older people in the workforce is going to have to change radically. In the workplace, we'll have to think hard about the design of tasks, team structures, communications methods, use of technology and reward mechanisms to serve the diverse needs of five or more different generations in the workplace.

- *What kinds of conversations are you having in your organisation about retirement age and individual pension provision?*
- *What steps are you taking personally to prepare for ever increasing life expectancy?*

THE DEATH OF OSAMA BIN LADEN

How will the death of Osama bin Laden influence the priorities, strategies and tactics of those involved in conducting or preventing global terrorism?

How has this affected both the short and long term risks for businesses and individual citizens from the US and the West as a whole?

What are the implications for US-Pakistan relations and the broader power dynamics in the region?

Following the US action against Osama bin Laden (OBL), questions have inevitably been raised about the timing of the attack. Following the fuss surrounding his birth certificate, the event comes at a key time for Barak Obama, potentially boosting his popularity after a challenging first term. Was the timing pure coincidence or a master stroke of political strategy in the run up to the next presidential campaign?

A number of things stood out for us in the immediate aftermath. The first of which was the spontaneous and widespread scenes of celebration and euphoria across America. This was clearly an incredibly cathartic moment for Americans given the impact of 9/11 on the US psyche. The first question is where does America go from here and how seriously should they take the [promises of retribution](#)?

Has the death of OBL dealt a serious blow to Islamic terrorism - enabling the US to reduce the level of resources it commits? Or have Al Qaeda and its affiliates already moved to a different operating model in which OBL was little more than a symbolic figure?

Think about how much business has evolved to a decentralised and networked operating model over the last decade. Is it reasonable to assume

that terror organisations have adopted a similar development path?

Has the arrival of Generations Y and Z and their differing values into the terrorist community had a similar impact to that which it is having in the business world? Is their desire for early responsibility and greater decision making authority diminishing the influence of OBL over the selection and implementation of acts of terrorism?

The next, less abstract, thought is the extent of Pakistani complicity in OBL's prolonged evasion of US forces. Far from living in cave networks or hiding out in Pakistan's tribal belt, it appears the world's most notorious terrorist was living in relative luxury 35 miles from Islamabad. America is now asking very serious questions of Pakistan and the answers could go a long way to shaping the future of the region.

It will also be interesting to see the economic fallout of this event. The death of OBL presents clear knock on risks for global business and individuals. Inevitably the spotlight is falling on the so called 'easy access high impact' targets such as airports, airlines and tourism destinations at a time when the spectre of revenge attacks is high in the global consciousness.



[Image 2]

THE ESCALATION OF DATA THEFT

How will the theft of details of 100 million user accounts from Sony affect our willingness to share data online?

What could be the implications of large scale data theft for Cloud based solutions and how will these providers satisfy customers' expectations for data security?

Sony, the global consumer electronics firm, has revealed the theft of a further 25 million user details from its PlayStation Network, following close on the heels of the 77 million losses it originally announced. [9] This is a serious blow to Sony's credibility and may blunt its competitive edge against online rivals. Elsewhere hackers broke the security of Epsilon, an online marketing firm, affecting the customers of clients such as Barclaycard and Citigroup.[10]

Sony has suffered criticism after waiting a week to inform users of the breach, and saw a 2% drop in its share price. The incident also challenges the viability of its entire enhanced networking strategy .[11] Time will tell how much customer loyalty has been eroded or if Sony can rescue opportunity from the jaws of disaster and reinvent itself as the poster child for online trust and security.

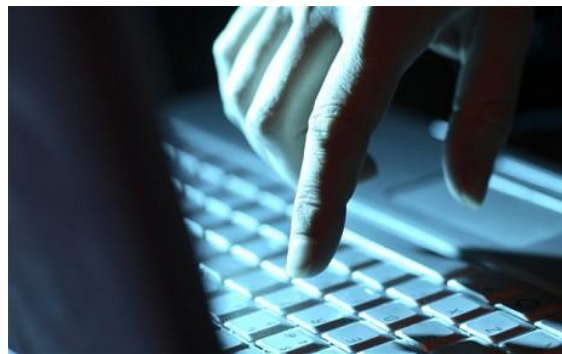
More broadly, with the growing importance of digital, online and cloud based solutions, there is an implicit assumption that our data is being held securely. In the past we have taken it for granted that global brands would hold our data securely and that as individuals we didn't need to do our own due diligence on their security provisions. These assumptions are now being challenged and could slow the rate of take up of cloud based solutions

by individuals and businesses alike.

The issue is only likely to rise in importance given the projected growth of information captured online from 0.8 Zettabytes (trillion gigabytes) in 2000 to around 35 Zettabytes by 2020.[12]

Even without the risks created by these new incidents, the problem of information security was already a very real issue. In 2010 data theft was estimated to cost large US companies \$3.8 million annually each - albeit a slight decline on 2009. At the same time, approximately 9 million Americans a year have their data stolen.[13]

The interesting question now is whether in the wake of the Sony data theft, is the strength of your online security an opportunity for competitive advantage? An alternative perspective is that the 'size of the prize' is so great and the cost of failure so immense that it requires industry wide solutions from players in sectors such as online gaming, social networks and cloud based applications.



[Image 3]

THE BLURRING OF PHYSICAL AND DIGITAL WORLDS

What are the implications of the continual blurring of boundaries between the real and virtual worlds?

Welcome to Tweetland, an online gameworld which uses the Tweeting of certain keywords to guide gameplay. Some trigger words are based on trend topics, while others are based on internet 'memes' or common events. For instance, in an in-world driving game if someone mentions 'Meteor' in a Twitter posting then a meteor will hit the road.[14]



[Image 4]

Two games are currently available - racing game *Route 140* and 'shoot-em-up' *Love City*. Take a look at the video, shown here on Wired.com.

<http://www.wired.co.uk/news/archive/2011-05/3/tweetland>

- *Are such developments simply a new form of entertainment or could they have potential applications in commerce, government and broader society?*
- *What are the most interesting examples you have seen of the blurring of boundaries between real and virtual worlds?*

ROHIT on the ROAD

In the next few months I will be delivering workshops and speeches in the following locations - London, Bristol, Brussels, Singapore, Berlin, Slovenia, Frankfurt, Adelaide, Melbourne, Sydney, Finland and Copenhagen. Please contact me at rohit@fastfuture.com if you'd like to discuss the possibility of me delivering a speech for your organisation in one of these locations. Similarly I'd be happy to meet with you to discuss your foresight, strategy and innovation research and consulting needs.

Finally, a number of people have asked to re-publish our content in their magazines, blogs, websites and newsletters. We are happy for you to do this - if you want to republish any articles, please acknowledge the source, provide a link back to our website and let us know you've done it.

Many thanks and we hope you enjoyed this latest newsletter.

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