

DO WE REALLY UNDERSTAND THE IMPACT OF THE THIRD WAVE?

That's the query Alvin Toffler, author and social critic, & Nicholas Negroponte, founder of MIT's Media Laboratory, leveled at PRSA conference attendees. Toffler, who coined the phrase, sees the changes like this:

Characteristics of the Second Wave -- Industrial Society

- standardization of products, values and lifestyles
- specialization -- assembly line
- synchronization -- emphasis on clocks & time
- concentration -- of labor, large cities, large employers
- maximization -- large units of manufacture, mass production
- centralization -- the growth of bureaucracy in business
- mass education -- at a low level
- communication -- the post office made global com'n available; advertising kept the mass media affordable to a mass audience

Characteristics of the Third Wave -- Information Society

- customization of products: examples are coffee, insurance
- market segmentation to micro markets, individual family units
- just-in-time philosophy
- off-site employees
- small units of production
- decentralization of management
- need for high level of education & constant retraining
- communication now controlled by individuals, bypassing centralization of the post office

CRITICAL DIFFERENTIATORS

- **Source of Capital:** First Wave (agricultural society), land. Second Wave, stock shares, symbolic money. Third Wave, intelligence/knowledge -- an inexhaustible resource for the first time in history.
- **Change in Organizational Structure:** Second Wave, bureaucracy organizes information by deciding who gets it. Information is directed to separate horizontal units: sales, engineering, marketing, design. Then synthesized by department heads, acting as gatekeepers, to go to the senior decisionmakers. They decide what information needs to be shared



-- even tho they may not be in a position to know. Third Wave, information is available to all units, allows individuals to decide what information they need, then make independent decisions. Empowerment of the individual or small unit is not primarily altruistic but productive in keeping up with the continual acceleration of change.

- **Communication in the Third Wave:** Heading toward an integrated electronic system with these characteristics: 1) mobility, 2) convertibility (digitalizing from one media to another), 3) ubiquity, 4) interactivity. This contrasts with the physical infrastructure of the second wave which depended on roads, railways & telephone lines.
- **Education:** Our present system is still geared to the factory model of the second wave. The challenge is to ensure people have the skills for the available jobs.

SOME CONSEQUENCES OF THE THIRD WAVE, GOOD & BAD

- **In politics**, our present centralized system cannot cope with increasing social divergence & technical change. Result, current dissatisfaction. Decisions are too complex for the present system.
- **Competitiveness.** Market leadership depends upon continuous innovation that keeps you ahead of competitors. Geography does not matter so much. But people do not create well in large groups & command-&-control systems, therefore we must alter the old authority structure.
- **Loss of privacy.**
- **Commercialism of the internet** is okay. However, interactive shopping means loss of employment in one of our largest industries that employs the most entry-level or unskilled workers, retailing.
- **In third-world countries** the internet is having a very positive effect for **ending poverty**.
- **Pollution** caused by third wave industries is less massive than that caused by the second wave industrial revolution.
- The U.S. is most vulnerable to **internet terrorism**, having the most advanced system. Decisions about encryption are difficult but possible (Negroponte disagrees). Cybertechnology offers new potential for deception, increasing levels of disbelief & distrust in what is seen and heard, e.g. morphing (pr 4/10).
- **Workers** become less a cog in the machine.
- **Organizations** must still develop their strategies, recognizing the need for them to be: a) participatory, b) continually renewed.
- **Decentralization** will make it possible for individuals to move away from the big cities and to choose whom they will associate with during working hours. In itself, however, this does not provide a solution to the **ghetto problem**.

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"WE ARE BOUND TO BEAR THE RESULTS OF OUR OWN EXAMPLE" *

By John Budd, The Omega Group (NYC), & editor of plain talk, a supplement of pr reporter.

Public relations credibility was slam-dunked recently, on the eve of Halloween.

Just minutes away from workshops on ethics & leadership, a loud, boorish claque of pr practitioners shouted down the House Speaker's videotaped message at the final plenary session of the recent national PRSA conference. What they drowned out was Newt Gingrich's challenge to "*play a decisive role in helping all of us think through a better, more positive America.*" Recognizing pr's pivotal role in creating public discourse, he urged pr professionals to reject the cultural style: "that maximizes hostility, jealousy & advances the syndrome of victimhood."

THE REAL ISSUE

Totally missed by our trade media, it was not Gingrich but the implications of the action of the noisy few who gave a black eye to our standards of decency, tolerance & respect.

"It was a wake-up call for many of us to take seriously the need to reaffirm America's values," John Beardsley, PRSA president wrote in a letter of apology to the Speaker. In a word, his feelings were shared by Howard Chase, Gold Anvil recipient, former PRSA president & one of the five founders of the society -- "embarrassing," he said. Bob Morrisey, dir, comms plng, United

Technologies -- "impolite." Bill Adams, former corp pr ofcr now assoc prof Fla Int'l -- "shocking." Ann Barkeley, PR News '95 Professional of the Year -- "dumbfounded." Luis Morales, incoming PRSA pres -- "surprised & saddened."

WHAT HAPPENED?

The very thing the Speaker urged us to combat. It reflects the growing culture of intolerance & extremism in our society.

We are becoming a rude nation. Drivers cut one another off & get the "finger." We push out of elevators like a halfback going for a first down. We don't answer our phone letting canned electronic voices protect us from interruptions. We don't answer our mail or say "thank you."

The senior senator from New York calls an administration official a "liar," a Congresswoman from California tells a colleague to "shut up." We punch out fellow workers who displease us. According to the National Safe Workplace Institute, 2 million workers were physically attacked at work between July 1992 & July 1993.

What's going on here, Dr. Willard Gaylin, former president of the Hastings Center, says is the ill effects of rampant individualism. Putting it less diplomatically, such

anti-social behavior is unacceptable if democracy is to work -- & totally unacceptable from pr pros who are supposed to set the standard of civility.

Worse, we are a failure in our own eyes, Gaylin says. We view ourselves as polluters of the environment, brutalizers of animals & potential destroyers of the planet.

He says we must rediscover community to give one another not only respect but some elbow room.

The Speaker, like him or not, speaks as an accredited historian. Civilization, he notes, is renewed one generation at a time. He worries about America's soul.

WHAT THE SPEAKER WAS SAYING

In essence, he asked for our help in reestablishing a set of values that have flourished here for generations. There's no heavy lifting involved; no political gains. It's about good manners, common courtesy.

Plato & Aristotle were the social activists of their time. Their inquiries were sharp, incisive & challenging.

But they were nonetheless conducted civilly & in good humor.

Humor, the Speaker tried to tell us, "is as effective as cynicism. Idealism & romanticism are as powerful as alienation & enmity."

It also asks of us perspective. There's a steady rumble rolling across this nation that the chronic complainers can not hear. It may not be as thunderous as their self-pleading but it is inexorable. It's teachers in Hartford, Connecticut embracing an education initiative called "character counts." It's

part of a nationwide program based on tenets of trustworthiness, respect, responsibility, fairness, caring & citizenship.

It's a high school teacher in California obliging her students to sign (& their parents to co-sign) 40 rules of conduct that clearly spell out their responsibilities as students and their conduct in the classroom, dress & behavior. It's the Governor of Connecticut ordering state employees to answer their phones & be polite. It's one out of five school districts introducing moral education curriculums, ingeniously circumventing the politics of values to teach self respect, being responsible for your actions and why cheating cheats the cheater.

"Excuse me" may not immediately substitute for "in your face" but we have to start somewhere.

We must be aware of & sensitive to these trends. These are the values we should be advocates of, not the counterculture's values of permissiveness, relativism & cynicism.

We are advocates of "listening." Are we hearing?

We seek the privilege of counseling executives on proper behavior. This demands of us maturity as well as experience.

Engraved on Wendell Willkie's tombstone are, in part, these words: "...I believe in America because we are generous with our freedom (and) share our rights with those who disagree with us...." Words to live by.

* Headline quote from Phaedrus, A.D.8

(Complete text of Gingrich's remarks to the PRSA conference from pr)

THE TECHNICAL DIMENSION IS KEY, ARGUES NEGROPONTE

It's as basic as the difference between using atoms & bits for comm.

ATOMS HAVE (analog)	BITS HAVE (digital)	EXAMPLE
a shape	no shape	Public libraries are based on atoms. Individuals have to take their atoms to get there. Taking a book home means leaving an empty space on a shelf. No one else can borrow that book at the same time.
a size	no size	
color	no color	
weight	no weight	

Cyberspace (bits) allows you to stay at home, read a book at the same time many other people are reading it without waiting for it to be returned.

- **SOCIAL ISSUES:** The internet is decentralized (originally as a U.S. defense measure to avoid an atom bomb knocking out the information system). Altho decentralized, it does work in a self-adjusting, orderly fashion. This paradigm mirrors the trend toward decentralization of corporate structure. Just as the industrial revolution concentrated employment, the digital revolution allows a person to become global using a single computer. The information age has already severely eroded the need for blue color factory workers. Its impact on the white color worker has only just begun.
- 80% of all teenagers have a computer; only 50% of black teenagers do.
- **SECURITY:** From a financial point of view, the digital world is more secure than the credit card analog system. Despite justified concern about individual privacy & the ability of the gov't, business, or hostile groups to gain or alter private information, Negroponte feels the U.S. government's proposal for encryption would not work.
- **COPYRIGHT:** Current copyright laws no longer fit the digital scene.

GUIDING TRANSFORMATION: DECISIONMAKING IN UNCHARTED WATERS

Telecommuting is giving us back what the industrial revolution took away -- the ability to live in community, anthropologist Jennifer James told conferees at a session devoted to understanding today's social turbulence.

"Internet is the wild west -- the first citizens in a western town were always gunslingers & whores. Later people get bored, settle in & bring wives and order.... People first resisted the car...but how long did it take for them to learn to make love in the back seat?"

1. **We need a cultural framework** to help us understand how to accept communications technology, she believes. "Balance is the issue. Half of the people think Wired Magazine is IT and the other half think it means the end of civilization."

2. **The global village means we are *interdependent*.** And amidst our new & expanding knowledge, we are finding new models & new heroes: Mary Tyler Moore has been replaced by Roseanne who represents a very different type of person: "She is intuitively intelligent."
3. **"We need to know how chaos is sorting itself out.** And executives need to model the vision. You need to know what you're directing people toward.... Energy comes from a vision."
4. **Civilization is based on 3 legs:** 1) open communication (no secrets); 2) maintenance of contracts; 3) non violence. "All contracts are being re-negotiated now...which ones can hold?"

OBSERVATIONS ON THE CHANGING WORLD BY A CULTURAL ANTHROPOLOGIST

- Corporate America was once like a lodge, but since the contract has been broken, people are no longer willing to keep its secrets.
- Citing a recent jury award for damage allegedly caused by breast implants, she said, "We need wretched excess like that award to produce tort reform.... Dow Corning's products are probably not guilty of causing the disease, but it acted defensively.... The minute you draw battle lines, you're in trouble. *In times of conflict, we shouldn't give in to the bunker mentality but open up.*" If you adopt the bunker mentality -- seeing yourselves on the defensive -- you will develop strategies that separate you from your communities.
- Voodoo economics is what happens when companies fail to operate with common sense. "Boeing gives \$6 million to its CEO and tries to convince striking workers their demands for higher wages cannot be met."
- Military backgrounds are becoming preferable to college degrees: "Military training assures discipline, zero tolerance for discrimination, tenacity...."
- The nerds will inherit the earth: "California superintendents want football out of schools.... Football players are no longer heroes and you cannot create prepared people while worshipping old heroes."
- Newt Gingrich is acting like a 14-year old playing combat sports.
- We can no longer humiliate people into working: "We used to tell people to leave their brains at home when they came to work. Now we want people with minds."
- Our new dictum: "When the going gets tough, the tough get sensitive."
- Talk shows are tribal conferences. If you want to know who is shopping at J.C. Penney, watch Oprah.
- The AMA has lost 50% of its membership: "There was so much writing on the wall it fell on them. Women became doctors, didn't want to work 60 hours a week & preferred working for an HMO that gives them some balance in their lives."

