Rise of the
Innovation Generation

Education is central to the expansion of global enterprise—in fact, all enterprise. But when we look at how dramatically the notion of an innovation economy will change the world, we are compelled to focus on the topic of education as I come to the end of this issue of The Delphi Journal.

If the great fire of innovation and the trend toward globalization in the twentieth century was sparked by the rise of higher education, its flames in the twenty-first century will be fanned by the revolution we are undergoing in primary and secondary grades, K–12.

I say this because of our firm belief that a seismic shift must occur in the development of a new set of foundational skills and capabilities at the level of the individual that will focus on problem-solving, creativity, and innovation.

The last two centuries saw the great democratization of learning across the globe. Education went from being a privilege to a right in most of the industrialized world. Yet the very thing that has allowed primary and secondary education to flourish in this time is also likely to be its greatest liability as we move into the next 100 years. Education, like so much of our story about the evolution of the organization, has been cast in the image of the factory. It has become a mass production engine of in-the-box learning. But in-the-box learning is the last thing that children thrust into a world of ever-increasing uncertainty need.

The very nature of the world these children inhabit is defined by on-demand and spontaneous interaction. Today’s youngsters are connected through instant messaging, informed of world events via blogs, and immersed in an always-on world of constant interruptions. Their world is shaped by armies of one, extreme personalization (from the MP3s on their iPods to their personal Web sites), and a virtually unlimited pool of information sources.

So how does the classroom education offered today help to prepare these children for the world? In simple and blunt terms, it doesn’t. Yes, of course there will be those few exceptional children who always stand out in their creativity and ability to achieve greatness in any setting. But I’m afraid that for the mass of humanity being pumped
through the current K-12 system, we are accomplishing the equivalent of teaching rocket engineers to use plowshares.

If all of this is coming across as much too harsh, I apologize for sounding the fire alarm. But don’t confuse the inconvenience of being awoken from a sound sleep with the greater threat posed by the flames at your backside.

Am I just being ridiculously pessimistic or is there something to offer here as constructive advice? We wouldn’t have gone this far in describing the problem if I didn’t have some optimism to add to the discussion. What I see are a set of new skills that are just starting to make their way into the mainstream of K-12 education. These skills are all centered on a category of learning focused on Creative Problem Solving (CPS). Originally founded by Alex F. Osborn, CPS has been around for over sixty years in professional circles and has been taught informally in a variety of venues outside of the classroom, but it is only recently that attention is being paid to it within K–12 classrooms.

CPS, in its simplest form, offers a series of formalized tools and methods for problem-solving that foster creativity and out-of-the-box thinking. If you find yourself questioning the value of this, try answering a simple question: Can you name the tools that you use to foster creative problem-solving and innovation in your own organization?

If you are coming up short or if your list does not get past brainstorming, don’t be alarmed – few people can list more than that. The fact is that most of our creative problem-solving is limited to the freeform exercise of open dialogue and brainstorming. There is nothing wrong with that other than the fact that we have all become one-trick ponies when it comes to innovation. When problems get larger we just throw more ponies at them. In our work studying the mechanics of innovation across a broad range of industries, I found that despite the high stakes involved innovation was most often more a matter of serendipity and brute force than science and planned discovery. It is not that the scientists, engineers, and knowledge workers who are involved in discovery are unable to be innovative, but rather that they have not been trained in innovation as a science.

Surprisingly enough, however, some organizations, such as the nonprofit Destination Imagination and the Creative Education Foundation, founded by Alex Osborn in 1954, have been teaching these skills to children and adults for decades. Destination Imagination has been conducting local, national, and global competitions involving millions of children from primary through university levels for the past twenty years. To observe the level of creativity and ingenuity expressed by the participants in these programs is to find new hope in the notion of an innovation economy and in a generation that may truly be able to take on the challenges of this absurdly complex new era of uncertainty.

At the risk of appearing to be parochial, our expectation is that the United States is positioned to lead the charge here and define the benchmark for innovation education in the twenty-first century by focusing on primary and secondary education and incorporating the methods of CPS into mainstream classroom learning. But the global competition will be intense and we will need to foster a new culture of creative problem-solving among children. In many ways the U.S. economy is perhaps the most susceptible to disruption because so much of our economy is based on services. Without a bridge to a leadership role in the innovation economy, we will be left in a precarious and unenviable economic predicament as we attempt to redeploy displaced workers into an already shrinking services industry.

The Counterbalance to Uncertainty

So I’ve arrived at the end of our journey. Are you prepared to take it from here? Are any of us?

The next five years will represent one of the most profound periods of change and advancement in how globalization is understood and leveraged. However, with advancement comes disruption and discomfort. But if we get through this period of tumult, the outlook is extraordinary.

Note I said, if we get through it. We are not taking for granted the precarious position that we are in as a global society or as a nation under siege by economic and political forces that can easily disrupt the playing field. Yet I feel strongly that the shift to an economy of innovation will not only deliver new products and services, but it will also deliver new strengths in how we cooperate and develop the sort of mutual reliance and reliability I talked about earlier. This gives us profound hope for the future.
However, that future begins with the challenges we face today.

What comes next may be a quiet revolution, in contrast to over-the-top fanfare that often accompanies most revolution. But it will be no less revolutionary – lasting well into the next decade and offering virtually limitless opportunities for business innovation.

We began this book with a simple question: What will define us best, the factors that separate us or those that connect us? The answers will be much simpler as historians look back at our age and ask the question, What best defined the changes of the twenty-first century? How did the actions, the technologies, and the behaviors that these citizens of a past era provide the foundation for our reality? Are we better off because of their actions or in spite of them? What did they do best?

Smartsourcing, globalization, even full employment (dare I suggest we can come close to achieving it) will not be the answer we expect. Although it may be the pinnacle of arrogance to write the history books of the future now, I feel compelled to take a stab at it, both to set a compass and to enthuse action.

So what do I see?

I see a near-term future of uncertainty beyond any of our expectations. I cannot write a script for the changes that are about to take place, nor the toll they will take on us emotionally. There will be setbacks as we struggle through microclimates of high turbulence in otherwise calm seasons of progress – like flying through clear skies with no warning of the sudden turbulence that lies ahead.

Terrorism will not go away. It will haunt us at best and enrage us at worst.

The gap in the digital and economic divide will only be mitigated in localized ways. It will otherwise grow as the population increases in underdeveloped nations and as we mobilize the many social and political systems that will need to be in place to start turning this tide of potential into kinetic economic energy.

Sounds unpleasant, doesn’t it? But we are anything but despondent, because I believe that the footnote we will leave as the legacy of globalization will be that of creating the counterbalance to the uncertainty of each of these trends.

Globalization will be the navigator that charts an unforeseen course through these challenges. I firmly believe that our time will be known as one in which we finally understood uncertainty and leveraged the power of humanity to harness it. And I have just begun to understand the full power of that statement.

Like some of the world’s greatest cities and most valuable real estate, our greatest ideas and our most profound achievements are built on the fault lines, those precarious spots on the geological, meteorological, and political precipice, where we cannot predict the future. Yet we can build to withstand it. Globalization, extended enterprise, and smartsourcing will build structures to withstand the future. And these will also create the bridges that connect us across national and corporate interests in the creation of interdependent global interests. In his classic treatise on capitalism, Adam Smith spoke of the invisible hand of commerce that shaped the many miniscule aspects the make a free market work.

We’ve always been fascinated by Adam Smith’s invisible hand – the way markets and economies are driven by these invisible forces that seem to defy the prognostications of even the smartest among us. As a leader, however, you must build organizations that can withstand and thrive in the future, even if you cannot predict it. In today’s climate of high uncertainty and global unrest, this difficult task of the manager and leader seems next to impossible. Or is it?

Economist Paul Romer once said that the difficulty we all have in predicting the future is that “opportunities do not add up, they multiply.” In these pages I’ve attempted to look at many of the factors that are involved in that multiplication effect. These are opportunities to apply sound business methods, concepts, frameworks, and technologies to the complex problems we face in our organizations and our world.

From the reshaping of commerce through the use of business service platforms to the evolution of process management tools to the emergence of social networks, there is a common momentum building in how we leverage this new era of global connections in ways that we are just beginning to perceive.