

COLLECTIVE INTELLIGENCE

Before you read

Will large companies still exist 100 years from now? Why? / Why not?

Reading

Read this article from the *Financial Times* and answer the questions.

FT

LEVEL OF DIFFICULTY ● ● ●

Looking to Wikipedia for answers

by Thomas Malone

To understand how large-scale work was organised during the past 100 years, the best models were traditional hierarchical organisations such as General Motors, IBM and Wal-Mart. But to understand how large-scale work will be organised in the future, we need to look at newer examples such as Wikipedia, eBay and Google.

In Wikipedia, for instance, thousands of people from across the globe have collectively created a large and surprisingly high-quality intellectual product – the world's largest encyclopaedia – and have done so with almost no centralised control. Anyone who wants to can change almost anything, and decisions about what changes are kept are made by a loose consensus of those who care. Wikipedia is a remarkable organisational invention that illustrates how new forms of communication, such as the Internet, are making it possible to organise work in new and innovative ways.

Of course, new ways of organising work are not desirable everywhere. In many cases, traditional hierarchies are still needed to capture economies of scale or to control risks. But in an increasing number of cases, we can have the economic benefits of large organisations without giving up the human benefits of small ones – freedom, flexibility, motivation and creativity.

These human benefits can provide decisive competitive advantages in knowledge-based and innovation-driven work. During the coming decades, we can expect to see such ideas in operation in more and more parts of the economy. These new practices have various names, but the phrase I find most useful is 'collective intelligence'.

What if we could have any number of people and computers connected to, for instance, care for patients in a hospital? Or designing cars. Or selling retail products. We might find that the best way to do a task that

today is done by five full-time people would be to use one part-time employee and a host of freelance contractors each working for a few minutes a day.

One important type of collective intelligence is 'crowd intelligence', where anyone who wants to can contribute. Sometimes, as in the case of Wikipedia or video-sharing website YouTube, people contribute their work for free because they get other benefits such as enjoyment, recognition or opportunities to socialise with others. In other cases, such as online retailer eBay, people get paid to do so.

These changes will not happen overnight, but the rate of change is accelerating, and businesspeople a hundred years from now may find the pervasive corporate hierarchies of today as quaint as we find the feudal farming system of an earlier era.

1 Look through the whole article and find:

- a) three traditional companies.
- b) four Internet companies.

2 Read paragraph 2 and decide if these statements are true or false.

Wikipedia ...

- a) entries can only be changed by the person who wrote them.
- b) has no central control at all.
- c) is the largest encyclopaedia in the world.
- d) is of high quality.
- e) copies existing ways of working.

3 Look at paragraph 3 and find:

- a) two benefits of large organisations.
- b) four benefits of small ones.

4 Now match the expressions in Exercise 3 to their definitions.

- a) when people have new ideas
- b) the ability to work 'as your own boss'
- c) to limit the effect of unexpected events
- d) when people work with enthusiasm and a sense of purpose
- e) the ability to work when and where you want to
- f) when high levels of production result in lower costs per unit produced

5 Read paragraph 4. In which areas will the benefits of small organisations be most useful?**6 Find the name the writer prefers for this new way of working in paragraph 4.****7 Which of these areas is *not* mentioned in paragraph 5 in relation to the potential application of collective intelligence?**

- a) healthcare b) wholesale c) retail d) design

8 What three benefits do people get from contributing to crowd intelligence websites, apart from money? (paragraph 6)**9 Use correct forms of expressions from paragraph 7 to complete these statements.**

- a) If something exists in a lot of different places, it is
- b) A social system with aristocrats and almost powerless farmers is
- c) If something doesn't happen immediately, it doesn't happen
- d) Something that is strange and old-fashioned is
- e) If a process speeds up, it

Over to you 1

Do you share the writer's optimism about the potential of collective intelligence? Why? / Why not?

Over to you 2

Could collective intelligence be used in your own industry, or one that you would like to work in?

INSIDERS AND OUTSIDERS

Before you read

Some organisations recruit graduates and prepare them over time for senior positions, rather than recruiting senior managers directly from outside. What are the benefits and disadvantages for organisations of this approach?

Reading

Read this article from the *Financial Times* and answer the questions.

FT

LEVEL OF DIFFICULTY ● ● ○

Graduate recruitment

by Stephen Overell

It is part of the mythology of the modern world of work that the days when it was possible to enter a big company as a graduate fresh from college and stay there for 20 years, provided one was not incompetent, are long gone and will never return. Today, the world changes too fast, it is sometimes alleged. People are more likely to hop between jobs. How reassuring, then, to learn that many big companies are still keen to catch graduates young, shape them over a long period and turn them into executives.

At AstraZeneca, the pharmaceuticals company, graduates can choose between several different specialist schemes, such as in engineering, finance and product strategy. At any one time, 15 people are on a three-year course working towards qualifications as chartered management accountants. The explicit intention, says David Powell, Audit Director for Global Operations who manages the

scheme within the company, is to 'bring people on to be future finance directors and finance vice-presidents'.

Could the company not recruit qualified management accountants on the open market? Mr Powell says it could and sometimes does. But he argues that the virtue of a formal graduate scheme is that trainees experience life in different business units during the training and acquire contacts which serve them well in the future.

Paul Farrer, Chief Executive of the Graduate Recruitment Company, a division of recruitment company PFJ, notes that graduate management trainee-schemes are heavily over-subscribed by applicants because they understand the nature of the future marked out for them if they are successful; every position has about 30 applicants. During their time on a management scheme, graduates will be rotated through various business units, get

access to high-profile people in the organisation, gain broad skills and be handed opportunities to work their way up. 'Organisations are hoping to get their CEOs of the future from these schemes,' he says. That is not to say they don't also recruit outside them, but, for people who come in from outside, there is less certainty, less of a definite future within the company.

With graduate trainees, the aim is to turn them into business unit managers in seven or eight years. Organisations differ widely in how successful they are in this aim.

At the top of the retention league are employers in the public sector, information technology and oil. At the bottom are construction and retail companies. Some employers manage to lose half their graduate intake in the first year.

1 Look through the whole article to find the names of the following.

- an employer of graduates
- someone who works there, and their job
- a recruitment organisation
- the group of which that recruitment organisation is a part
- its Chief Executive

2 Choose the alternative with the closest meaning to the expression in *italic*.

- It is part of the *mythology* of the modern world of work ... (lines 1–2)
 - ideas about ancient Greece and Rome
 - ideas that may or may not be true
 - ideas that are interesting
- ... that the days when it was possible to enter a big company as a graduate fresh from *college* and stay there for 20 years, ... (lines 2–6)
 - secondary school
 - postgraduate institution
 - university or equivalent
- ... provided one was not *incompetent*, are long gone and will never return. (lines 6–8)
 - unable to do one's job
 - skilled at doing one's job
 - overqualified for one's job
- Today, the world changes too fast, it is sometimes *alleged*. (lines 8–10)
 - accused
 - ii) claimed
 - iii) denied
- People are more likely to *hop between jobs*. (lines 10–11)
 - change jobs frequently
 - change jobs infrequently
 - never change jobs
- How *reassuring*, then, to learn that many big companies ... (lines 12–13)
 - sad to know
 - ii) good to know
 - iii) uninteresting to know
- ... *are still keen* to catch graduates young, shape them over a long period, and turn them into executives. (lines 13–16)
 - are still unwilling to
 - ii) are still undecided about
 - iii) still want to

3 Read paragraphs 2 and 3 and decide if these statements are true or false.

The three year course ...

- takes place in a company that produces drugs and medicines.
- is part of the specialist scheme in engineering.
- leads to a professional qualification that is recognised outside the company.
- is managed by someone who only deals with the UK.
- is designed to produce senior managers in the future, but this is not stated anywhere.
- produces all the senior managers that the company needs.
- gives trainees experience in working in different parts of the company.
- allows trainees to meet people whom it will be useful for them to know later.

4 Complete these statements with expressions from paragraphs 4 to 6.

- In-company programmes for graduate development are referred to here as *graduate management trainee* (1 word)
- If too many people apply to be on a programme like this, it is (1 word)
- The people who want to participate in these programmes are referred to as (1 word)
- If what you are expected to do is planned beforehand, it is for you. (2 words)
- If you are given different jobs to do, you are them. (2 words)
- If you get general abilities, useful in different parts of the organisation, you (3 words)
- If someone, thanks to their own efforts, is promoted to increasingly senior jobs in an organisation, they their way (2 words)
- People not recruited for a job from within an organisation (4 words)
- A list of companies and how good they are at keeping graduate recruits is referred to as the (2 words)
- People working for the state are in the (2 words)
- The number of people who join a company straight from college in a particular year is its (2 words)

5 Which statement best summarises the article? Choose the correct alternative.

- Companies' graduate schemes for recruiting people who will become senior managers are becoming rarer and will eventually disappear.
- Organisations often combine graduate schemes with recruitment from outside, and the outside recruits feel just as certain of their place there.
- Despite what many people think, some organisations still have graduate schemes for recruiting people who will become senior managers.

Over to you 1

How good is your organisation, or one you would like to work for, at keeping its graduate recruits?

Over to you 2

'... for people who come in from outside, there is less certainty, less of a definite future within the company.' Is this true of your organisation, or one you would like to work for?