e-Talent marketplaces: Implications for supply chains

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Starting point…scenarios on 21st century organizations

- **21st Century Initiative Scenarios Project**
  - What will organizations look like in 2015?
- **Two scenarios emerged**
  - Small firms, large networks
    - Project-based work—Film production, construction, open source software today
  - Virtual countries
    - Mega mergers lead to giant global conglomerates

  http://ccs.mit.edu/21c/21CWP001.html

E-lance economy

- **Expansion of "Small firms" scenario**
- **Features of e-lance world**
  - **Most work done by project-based e-lancers**
  - **Large firms set standards/establish culture**
 - **Management as cultivation**

  (*Harvard Business Review*, Sept-Oct 1998)
- **Speculative, provided insights into existing trends**

Trend: Move from hierarchies to markets

- **Authority pushed to lower levels**
  - **Self-directed teams supplanting hierarchies**
- **Vertical disintegration**
  - **Growing reliance on supply chains**
- **Disaggregation**
  - **Larger numbers of autonomous units**
- **Market-based incentives**
  - **Venture funding, stock options/bonuses, etc.**

Toward more market-based employment arrangements

Movement to relationships of shorter duration enabled by information technology →
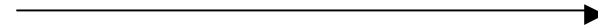
	Lifetime employment	Doctrine of employability	Free-lance work	Expert spot markets
Examples	Traditional employment contract	Today's practices	Construction, film production	Hot Dispatch, guru.com

Duration	Decades ←→	Years ←→	Months/Days ←→	Hours/Minutes
How governed	Internal firm procedures	Markets mediated by institutional rules		Spot markets

Characteristics of relationship between employer and worker

Guilds for flexible work arrangements

- **Providing what firm formerly did internally but outside /across firm**
  - **For workers**
    - **Economic security (benefits, job security)**
    - **Careers (placement, job ladders, training)**
    - **Community (water cooler, co-workers)**
  - **For firms**
    - **Ready supply of right talent when needed**
  - **http://ccs.mit.edu/papers/21cWP033.pdf**

Organizations assuming guild role

- **Occupationally-based groups**
  - **Professional societies, unions**
- **Geographically-based groups**
  - **Community organizations, local economic development authorities**
- **Brokers**
  - **Staffing firms, Web-based project sites**

Web talent sites

Web talent sites, version 1.0

- **Match skills with needs**
  - **Transparent auctions, sealed bids, other**
- **Accreditation via project performance**
  - **Multi-dimensional ratings**
    - **Buyers rates sellers, sellers rates buyers**
- **Some collaborative tools**
  - **Task Templates (asynchrony.com)**

Potential of e-Talent sites

- **B2B talent hubs that help mainstream firms get important work done**

- **Key next step**
  - **Scale up to enable large firms to complete large projects**

- **Some movement in this direction**
  - **asynchrony.com deal with Open Avenue**
  - **freeagent.com links to Opus 360**

What's missing?

- **Accreditation tools**
  - **Skill levels based on hard measures**
  - **Past performance across range of metrics**
- **Collaboration tools**
  - **Standards**
  - **Project management**
- **Knowledge capture and sharing**

Starts toward meeting the need

- **Accreditation**
  - **Broader-ranging, more sophisticated ratings**
    - **Peer-to-peer**
    - **180° project-manager-team**
    - **Project attractiveness (all asynchrony.com)**
  - **External, test-based skills testing**
    - **freelance.com agreement with IBM**

Starts toward meeting the need (continued)

- **Standards/collaboration tools**
  - **Enablers of plug-and-play interactions**
    - **"Business rules" articulated in project management tools embedded in site**
    - **Conflict resolutions rules/processes**
    - **QA processes (all asynchrony.com)**

- **Knowledge management**
  - **Best practices cycled back into collaboration tools (asynchrony.com)**

Planned research

- **Series of interviews with key constituents**
  - **Customers**
  - **E-lancers**
  - **e-Talent site founders/leaders**
- **Issues to be addressed include**
  - **Accreditation**
  - **Standards/collaboration tools**
  - **Knowledge management**

Supply chain implications

- **Same tools will be needed for talent networks as for plug-play supply chain**
- **Insights into workings of outsourced design, emerging supply chain issue**
- **New approaches for "war for talent"**
- **Baseline view of disruptive innovation**
  - **New technologies embraced first by least discerning customers, then add features...**

Our aspiration

- **E-lance research inspired entrepreneurs**
  - **At least two sites directly influenced by our past work (e-lance.com, asynchrony.com)**
- **Our hope is next round of research might help spur mainstream adoption**
  - **Tools for assembly in real-time of talent networks/supply chains**