

LIVING SYSTEM LIFE AND WORK THE NEW PATTERN FOR *SUCCESS*

A Series of Presentation/Discussions
To Explore Critical Issues
For Your Life and Your Business

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Part 1 – 6 **4 Mega-Forces – The Cataclysmic Confluence**

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Slide 2 – Mega-Force 4 – The Cataclysmic Confluences

Mega-Force 4 – The Cataclysmic Confluences

The “Double Whammy” Effect

Mega-Force 4 comes from confluence, or coming together, of the effects of the other Mega-Forces I have introduced. This confluence I believe is the source of world changes and upheavals that are properly called “Cataclysmic”.

I want to place our discussions of the Mega-Forces in the proper context. The term “Cataclysmic” is commonly considered negative, or at least frightening. I want to make clear that “Cataclysmic” – or massive change and upheaval – is *Not* necessarily frightening or negative at all. The point I am making in all my discussions is that we live and work at a very special time in history when a number of transformations are happening together. It is a time of unprecedented transcendent change as I have said.

Cataclysms can be positive if you see them coming, you understand their nature, you are aligned with their opportunities and you are prepared to act on nullify their problems before they strike. On the other hand, Cataclysms can be threatening or devastating, if you are unaware, are aligned against fundamental change and are not prepared before a crisis happens. It is axiomatic that the majority are never aware, aligned or prepared. I believe that is why “Cataclysmic” is commonly viewed as being a negative term. It is our purpose to become the leading-edge minority for the Mega-Forces and their confluences.

For example – we know *Mega-Force 1* is bringing a Human Psyche System stage transformation that is re-creating the whole pattern of successful life and work. This is marvelous for those persons who are aligned with the emerging pattern - While it is a serious threat to leaders who remain committed to the conventional pattern. The same situation applies to organizations that are not aligned with the coming pattern like General Motors, Ford, the major airline companies, the major department stores, etc., etc. A most current example is the Google vs. Microsoft story – Google aligned with a Living System like web based nodal network concept and practice and Microsoft protecting its linear system like concept and practice.

Another example – We know *Mega-Force 2* – the K-Wave Cycle means a cyclical pattern of economic, business, financial and investment market strategic change for each of its approximately 15 year long Quadrants. Being aligned with the underlying K-Wave pattern and anti-aligned with the majority offers good safety, low risk and opportunity – Being aligned with the majority and not aligned with the K-Wave offers high risk and poor operating results.

Mega-Force 3 – the Demographic Bomb is still another example. Those leaders and organizations and countries unaware of the great shortages of human talent now being masked by current K-Wave Q4 conditions will be surprised and adversely affected when the K-Wave situation reverses in the next decade. Countries not now acting to stop emigration of their best talent will suffer losses to their economic, technical and political bases.

Mega-Force 4 is the confluence of the world human transformation of ***Mega-Force 1***, the K-Wave of ***Mega-Force 2*** and the Demographic Bomb of ***Mega-Force 3*** over the next two decades. I call it the “Double Whammy” effect.

What is a “Double Whammy”? It is a slang term for a situation where you are hit in the head from one direction and just as you are absorbing that impact, you are hit from the opposite direction.

Mega-Force 4 is an economic and business beast with two threatening faces that I expect will materialize in sequence in opposite ways during the next two decades. The first whammy hits one way during the current decade of K-Wave Q4 deflation business conditions from now into about 2010 to 2012. Then its impacts will reverse in direction for both developed and developing countries to show its second whammy during the following decade of K-Wave Q1 business expansion.

Mega-Force 4 involves radical shifts in the supply of people in two ways:

- 1) For employment in general and for the supply of leadership, entrepreneurial, manufacturing and technical talent in particular, and
- 2) For the supply of permanent tax paying citizens.

Slide 3 – Mega-Force 4 – Double Whammy Effects #1

Whammy 1 –

The first face of the Double Whammy means surplus people and growing unemployment, not only for labor but also for displaced leadership, management, professional and technical talent as well during K-Wave Q4 conditions of deflation and possibly depression. For example – This situation continues today in both developed and developing countries, like the U.S. and Mexico. Almost all of us know people now underemployed. University degrees may no longer assure employment.

The great human transition of *Mega-Force 1* also continues during the next two decades. It means there is critical need to develop a new Genre of leaders using Living System Nodal Network Business concepts and practice that are inconsistent with the still dominant pattern of linear system business. Universities are not yet creating this new Genre of leaders. They continue to teach SOS – The Same Old Stuff.

The purpose of the new Genre of leaders is to create large numbers of new businesses and to transform existing businesses to provide growing employment in the new Living System pattern – Not the failing linear system pattern. These business creations and transformations should be global in concept and scope no matter what the size of the business. As Seth Godin has said, “The new big is small”.

One example of proper business transformation is the growing shift to Continuous Flow Pull Manufacturing to replace conventional Mass Production Push Manufacturing. Pull Manufacturing is inherently consistent with Living System principles. It is now beginning to be used for commercial and service businesses as well.

Conventional leaders and entrepreneurs using linear machine system methods will not be successful in trying to fix-up the current system. It must be let go of – Not re-designed, re-engineered or fixed-up. The best young talent no longer wants to work in a linear system environment, but many must because of the current lack of jobs. Unemployment will become a critical problem for both developed and developing countries as the current K-Wave Q4 conditions climax near the end of the current decade. The effects of *Mega-Force 3* – the Demographic Bomb are also present during the next two decades. This means that during the last years of the K-Wave Q4, unemployment is temporarily masking the coming shortage of workers and taxpayers.

Slide 4 – Mega-Force 4 – Double Whammy Effects #2

Whammy 2 –

During the following decade, beyond 2012-2014, the second face of the double Whammy strikes. At that time the most developed economies, especially the U.S. and Europe, will

once again be expanding according to *Mega-Force 2* and its K-Wave Q1 period. A low inflation “Real” production business expansion should begin again. The demographic bomb of *Mega-Force 3* then explodes. Critical skilled manpower shortages will no longer be masked, especially in the most developed economies.

I believe it is inevitable that advanced developing countries will be drained of their most valuable talent if they cannot keep that talent employed in their countries. I feel that the most critical loss will be those with the greatest entrepreneurial spirit. I see a new type of “Colonialism” coming – Not focused on raw material needs like in the past. I call it “Human Colonialism” based on critical human talent needs. For example – The threat of mass emigration of highly skilled leadership, operating and technical talent from countries like Mexico should be obvious.

In fact, recent documents from a number of sources, including the World Bank, are reporting the “Brain Drain” of educated and skilled humans from developing countries is already an intensifying trend. Just imagine what will happen in the next decade when highly developed country needs are greater.

The solution for both faces of the Double Whammy is significant numbers of transformed existing businesses and new businesses in the pattern of Nodal Network Business to accomplish two critical objectives aligned with the Mega-Forces:

- 1) Employ displaced people during the current decade and
- 2) Keep entrepreneurial, leadership, technical and labor talent in their native countries during the following decade.

Slide 5 – Conclusions

Let’s conclude Part 1. The 4 Mega-Forces during the next two decades generate critical needs for new economic and business development models to transform and expand existing businesses and create new ones. There is a worldwide crisis of leadership – This widening crisis is the insignia of the transformation period we live in. It cannot be fixed-

up in the current pattern. Many people and organizations will probably remain locked into trying to fix-up what is collapsing. I believe it must be addressed through a new path to success – Living System Life and Work. The choice is yours!

End Part 1-6