

Competencies Expected from Knowledge Workers in the New Economy

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Introduction

It is an undisputed fact that we have moved into the so called 'new economy' where the mass production associated with the industrial age has made way for the knowledge and information age. The new economy has changed the ways in which organisations operate as well as the way in which individuals interact on a social and technological level. These changes are driven by the massive advancement of Information and Communication Technology (ICTs), as well as the unprecedented growth in the Internet. The Internet enables interaction that was unfathomable 20 years ago and changed the whole notion of work and the way in which organisations operate. The Internet has also opened up new and exciting business opportunities for small businesses and aspiring entrepreneurs (such as web designers, business coaches, re-selling agents, online store, etc.).

Organisations cannot escape this 'technological revolution' brought about by the new economy. Castells (2010) refers to this as a 'new information paradigm' and notes that it contributed to the creation of a post-modern society. The notion of work in the post-modern society displays the following characteristics: Growth that emanates from knowledge creation, a pertinent shift in economic activity from the production of goods to the provision of services and the need for employees to have advanced information processing skills (Castells, 2010). Having advanced information processing skills is especially pertinent in an environment that requires knowledge work, creativity and problem solving.

Many of these skills are prominent in intellectual, managerial and engineering occupations that are projected to outgrow all other professions to create a new social structure. This is already evident in numerous technological developments such as artificial intelligence and nanotechnology that is re-shaping modern existence. With this in mind, it is imperative for those that want to enter the labour market to have a good understanding of the types of competencies they require in order to work in the new economy.

Knowledge workers and the new economy

Working in the new economy or the new world of work poses some significant changes compared to how things were done in previous generations. The most prominent of

these are the digitalization and virtualization of the workplace, as well as a tendency for decentralization, delegation and the implementation of work teams. These developments imply a workforce that is able, committed and flexible in adapting to the new challenges organisations face.

This is in contrast to performing work in the industrial age where workers were not expected to make inputs or contribute to the organisation. They were also generally dispensable and inadequately compensated. The situation started to change when Fredrick Taylor presented 'scientific management' in the beginning of the 20th century. Scientific management implied methods of analysing and synthesing workflow leading to greater efficiency in organisations. Taylorism, as the approach was also referred to, did not focus on the well-being of employees and whether they were motivated or satisfied in their work environment.

As the post-industrial economy began to emerge in the 1960s the term 'knowledge worker' was coined (Goncharuk, 2011). Peter Drucker, who is considered to be the founder of modern management, described knowledge workers as professionals that need to engage in problem solving and creative thinking. The capital knowledge workers possess is their knowledge and generally includes vocations such as engineers, physicians, architects, scientists, lawyers and so forth. Knowledge thus drives modern organisations and there is a significant global shift to white-collar, highly-skilled employees.

What competencies are expected from knowledge workers?

A competency involves a broader set of capabilities and/or proficiencies that can lead to success in a particular job or profession. It comprises of a combination of observable and measurable knowledge, skills, attributes and abilities that are likely to contribute to employee performance. The four components of a competency can be explained as follows:

Knowledge implies an understanding of facts, truths and principles an individual gained through formal training and experience.

Skills imply a developed proficiency (mentally or physically) that can be acquired through specialized training.

Attributes imply the characteristics and qualities individuals possess. Individual attributes are a combination of genetics and experience gained. This component is often neglected by employers as it is the most subjective. The fact however remains that specific personality traits have been linked to individual performance.

Ability implies the aptitude to perform the mental and/or physical activities that are expected from individuals that want to work in a particular profession.

With this in mind the following competencies are pertinent for working in the new economy:

Knowledge:

1. In terms of knowledge technological literacy is a main requirement as well as being able to interact and use the various forms of ICT.
2. Individuals need to have technical and specialized knowledge of their chosen profession, e.g. a potential engineer needs to have the basic knowledge of engineering.
3. Individuals need to have broad knowledge related to the industry they work or intend to work in. They should have a basic understanding of the operational requirements associated with working in a particular industry.
4. Knowledge workers should possess a basic understanding of business management.
5. Knowledge workers need to have rudimentary knowledge about human resources issues such as human behaviour, leadership and motivation.

Skills:

1. As there is an increasing demand for team work in organisations, it is imperative that individuals have good interpersonal and communication skills and be able to work as part of a team. This also implies cultural intelligence due to the fact that most workplaces have individuals from different cultural and religious groups.
2. Individuals need to have negotiation skills in order to enable them to position themselves in an organisation.
3. Knowledge workers need to have the skills to work on multiple projects. This relates to the so-called gig economy, where individuals are contracted to projects and they move on once a project is completed. It is estimated that by 2020 40% of Americans will be independent contractors. This allows lots of flexibility as workers can choose the types of projects they want to be involved in.
4. Knowledge workers also need to have the skills to interact with customers and co-workers alike.

Attributes:

1. As the new economy places an emphasis on team work, decentralized authority and decision-making more emphasis is placed on individual attributes. Attributes

like flexibility, adaptability and the openness to learn on a daily basis have become an indispensable part of knowledge work.

2. Emotional Intelligence is a key ability as this enables individuals to make appropriate decisions regarding their careers and personal lives. Emotional Intelligence requires self-knowledge and the ability to organize oneself. It necessitates an understanding of the behaviour of others and the ability to show empathy. It also implies that individuals need well-developed social skills and the ability to fit into the social structures of society, including organisations.
3. Self-efficacy is also a necessary component of individual performance as it relates the belief a person has regarding their own capabilities to perform specific tasks.
4. As life presents numerous challenges and set-backs individuals need to be resilient in order to be able to recover and move on after experiencing set-backs.

Ability:

1. Individuals need to have good understanding of their own abilities as this will affect the types of career decisions they are likely to make. This links to Emotional Intelligence, discussed above, in the sense that emotionally intelligent individuals are more likely to make more informed decisions.
2. Individuals with higher levels of intellectual ability are more likely to process information more quickly and solve problems more accurately. They are also more likely to avoid logical errors and false interpretations. This is not to say more intelligent individuals are infallible and not prone to inaccurate judgements.
3. Physical abilities refer to the capacity to perform tasks that require stamina, dexterity, strength and the like. Although the changing nature of work places more emphasis on intellectual abilities physical abilities remain important and valuable in many professions.

Summary

As the world of work continues to evolve it is imperative for employees to recognize the importance of continuously developing their competencies. This paper provided a brief reflection on the emergence of the new economy and the competencies required from knowledge workers.

References

- Goncharuk, A.G. 2011. Knowledge workers, competencies, virtuality and management. *Polish Journal of Management Studies*, 12: 67-77.
- Castells, M. 2010. *The rise of the network society*, (2nd Ed). Oxford, Wiley-Blackwell.