




A Monthly e-Newsletter From:

 Institute for Alternative Futures

January 2007

### **In This Issue:**

[NAESP Launches Vision 2021 Website](#)

#### **NAESP Launches Vision 2021 Website**

The National Association of Elementary School Principals (NAESP) has partnered with IAF to launch a dialogue about the future of schools and the principalship through its [Vision 2021](#) website. The website will also be linked to [Principal's Office](#) blog. The blog will be updated regularly with discussions on the trends, issues, forecasts and scenarios developed for [Vision 2021](#). Leading educators and the public will be invited to participate.

[IAF Sees a Second Life for Business](#)

[IAF Explores Trends Shaping the Future of America's Financial Services Industry](#)

IAF is forecasting a substantial opportunity for principals to lead their schools into a new era that prepares children to be global citizens comfortable using digital learning technologies to learn about their world. Principals will act as chief learning officers responsible for creating dynamic learning systems that recognize and respond to the unique needs, talents and interests of individual students, staff and communities.

[IAF Welcomes Natalie Ambrose](#)

In a January meeting with the NAESP Board of Directors, IAF facilitated a dialogue in which these leaders recognized how the moral purpose of education is evolving in a world that is more complex, interconnected and populated. "These leaders have moved past any angst Americans might have about whether our students will be able to compete in a global economy and are more concerned about whether they are preparing them to collaborate in creating a sustainable world," said IAF Senior Futurist Marsha Rhea

[IAF Internship Program Welcomes Brandon Leonard](#)

The NAESP Board was very interested in how technology can support the principal in their role as chief learning officers. New advances in high speed digital video communication are creating an opportunity for principals to link their schools with schools in communities and nations across the globe. Schools can be global learning portals that remove the barriers between schools and companies, organizations and communities.

### **Upcoming Events:**

"We see an emerging vision of education that is both more individualized and honors the whole child and yet is more collaborative in accelerating the capabilities of teams, communities and nations," Rhea said at the recent NAESP Board meeting.

*Preliminary Forecasts for Climate Change, Sustainability & Technology*, IAF Founder and Chairman of the Board Clem Bezold and Senior Fellow Robert Olson will speak at the [Century Commission for a Sustainable Florida in Tallahassee](#) on February 5 & 6 in Tallahassee, FL.

NAESP leaders are beginning to define what principals will need to know and do to lead over the next 15 years. For example, most schools will become minority-majority institutions where students come from a variety of backgrounds and with a variety of different educational needs. Principals will need greater cultural competencies to rise to this challenge. Also, the public's expectations for accountability and preference for school choice may have all schools striving to be schools of choice in appropriate and distinctive ways. A key challenge for principals is the squeeze on public finances due to an aging population. Education is unlikely to be an economic priority unless it is championed in the face of competing demands for public funds.

[Vision 2021](#) will assist principals in anticipating future opportunities and aligning behind a shared vision of the principalship as leaders ready to work miracles in transforming their schools. Visit the [Vision 2021](#) website in the months ahead to read IAF's overview of key trends and provocative forecasts. NAESP and IAF welcome you to join this dialogue as it unfolds through the [Vision 2021](#) website and [Principal's Office](#) blog.

*Capturing the Imagination of the Digital Native*, Futurist Craig Bettles to speak at the [Longwood Garden Graduate Program Symposium](#) on March 9<sup>th</sup>, 2007 in Kennet Square, PA.

#### **IAF Sees a Second Life for Business**

Virtual worlds have been a common trope for science fiction over the last 25 years. It is only recently that science fiction vision has become big business. Beyond just creating interesting game worlds for people to play in, virtual worlds are developing their own economies that industry wishes to tap. Leading technology companies, like IBM, see the future of the internet in the three dimensions of virtual worlds.

*Consumer Access to Advances in Biomonitoring and Health Coaching*, IAF Founder and Chairman of the Board Clem Bezold will be presenting at the conference on [Consumers Direct Access to Health and Retailization](#) on May<sup>1st</sup>, 2007 in Las Vegas, NV.

Second Life, one of these fully developed virtual worlds, was developed based on the vision of cyberpunk writer William Gibson. It has around 100,000 active users that interact together online. These virtual citizens do most of the activities of real life online such as forming relationships, building businesses, creating associations, attending classes, going to parties and forming self-help groups.

Second Life has really taken off in the last year. A number of major organizations from Toyota to the American Cancer Society have started to use Second Life as a platform for organizing, training and developing their business.

By far the largest investment has come from IBM. IBM is already one of the largest owners of virtual real estate inside Second Life. It is also planning on investing \$10 million dollars in Second Life and other virtual world projects. IBM conducts both internal and external meetings in Second Life inside its twelve corporate "islands." It is also looking to develop its own private virtual world where IBM employees and clients can discuss confidential material. It is also helping clients like Circuit City and Sears to develop virtual showcases for their products.

More impressive than the number of users is the vibrant online economy that has developed. Second Life has its own currency that can be exchanged for the world's major currencies. Second Life has a growing GDP that is estimated to be around \$220 million in U.S. dollars, which is larger than the tiny Republic of Palau and roughly the same size as the Federated States of Micronesia.

"Second Life's creator, Linden Labs, often acts like the government of a frontier state. It makes its profit by selling and taxing land and taking a small fee on exchanging currency," observes Craig Bettles, IAF Futurist. "In return it maintains the virtual world on its servers and provides software updates. Otherwise, it leaves its citizens alone to create their own societies, buildings, cars and other virtual items."

Bettles says it isn't clear if Second Life can survive the recent hype. Linden Labs software is difficult to use and their servers often crash unexpectedly. Fewer than one in six who tries Second Life is still online 30 days later. Aside from the technical problems of this early virtual world, the potential remains.

"The early days of virtual worlds look a lot like the early days of the internet" Bettles says. "If you can imagine looking back at Second Life as it today from a period ten years in the future - it will be quite different. One can see the potential in Second Life, but it will be a few years before virtual worlds become a platform for modern business."

## IAF Explores Trends Shaping the Future of America's Financial Services Industry

IAF is exploring the trends that are shaping the future of America's Financial Services Industry. In recent years, the sector has been undergoing deep transformations, with sometimes chaotic results. However, as the industry continues to evolve, several broad trends such as convergence, ethics, and next generation IT are clearly emerging.

**Convergence-** Future convergence in the U.S. will increasingly be driven by maturation processes in the industry as a whole. Since the Financial Modernization Act was passed in 1999, bringing down barriers between different financial sectors, convergence has been seen through the lens of deregulation. Yet, financial convergence is happening worldwide. America's continued convergence is now at the stage where it can best be understood as part of this global process.

**Ethics-** If the industry does not move to publicly strengthen ethical constraints, political pressure can be expected to build. The initial stages of deregulation valued new opportunities above all. However, as the industry settled, the scrutiny on financial service firms increased. Also, as Americans take on tremendous debt levels, their relationships with financial service providers have the potential to become more adversarial. Potentially adversarial relationships will require strong ethical guidelines to avoid a political backlash against even the slightest appearance of conflicts of interest. IAF has also forecast that a new business ethic will emerge which will greatly benefit businesses that adopt these standards early.

**Next Generation IT-** Information processing will be central to future financial services. The application of technologies like robust data mining, sophisticated risk management and GIS mapping provide the tools for industry players to establish significant competitive advantages. Winning business models will need to allow for both the flexibility of a dynamic industry and the powerful advantages of genuinely integrated systems. In short, the CIO's role will be critical. As these developments move forward, Information Technologies will move toward becoming Knowledge Technologies. The application of these will be fundamental to financial system infrastructure decisions.

At the customer level, virtually all large financial service firms have built a web presence. However, customer response to these options has generally been disappointing. Voice interface and full internet video capabilities, now on the horizon, represent a substantial opportunity. "Mass distribution for many financial services will be determined by appealing approaches to mass customization," says IAF Futurist Devin Fidler. "Companies that successfully innovate in this area are likely to reap tremendous benefits."

## IAF Welcomes Natalie Ambrose

IAF is proud to welcome Natalie Ambrose as a senior fellow. Ambrose joins IAF to develop her knowledge and expertise in using futures methodologies. Most recently she was director of emerging issues and strategic planning for the Council on Foundations. Before the Council, Ms. Ambrose worked in marketing for the National Academy Press (the in-house publisher for the National Research Council, the U.S. National Academy of Sciences, and the Institute of Medicine).

Natalie Ambrose has worked extensively in issues research and reporting, new product/service development and marketing as well as strategic planning. Her work has involved extensive primary and secondary research as well as environmental scanning and trend analysis. At the Council on Foundations, Ambrose was deeply involved in identifying, monitoring, and reporting on trends, research and experts concerning the future of philanthropy and other topics.

Ambrose has an MBA in International Marketing from "Thunderbird", the American Graduate School of International Management in Phoenix, Arizona and a BA in International Relations & Political Science from Duke University in Durham, North Carolina. Her professional affiliations include the Association of Professional Futurists (as a Board Member), the World Future Society, the Society of Competitive Intelligence Professionals, and the National Press Club.

## IAF Internship Program Welcomes Brandon Leonard

IAF is continuing its internship program in 2007 by welcoming Brandon Leonard. Leonard is interning under the direction of IAF Senior Futurists Marsha Rhea and Dr. William Rowley where he will conduct research on American healthcare reform and assist with a number of projects related to non-profit organizations and associations.

Leonard is currently pursuing an MA in International Development Studies at George Washington University where he is focusing on health policy. He is a 2004 graduate of the University of Virginia with a BA in Foreign Affairs and Spanish. As a Virginia Governor's Fellow in the summer of 2004, Brandon worked on the Commonwealth's Olmstead Initiative to ensure community integration for people with disabilities. He continued to work on this initiative as a policy and planning specialist for two years, contributing to the development of a strategic plan for community integration.

[back to top](#) | [about](#) | [methods](#) | [IAF futurists](#) | [search](#) | [news & events](#)

Institute for Alternative Futures, 100 North Pitt Street, Alexandria, Virginia 22314  
(703) 684-5880 Fax (703) 684-0640 [Map to IAF](#)  
© Copyright 1998-2003 Institute for Alternative Futures

*Alternative Futures* is a monthly production of The Institute for Alternative Futures.

powered by **emma**