

Modern business in the postindustrial U.S. service economy is largely a carryover from this manufacturing tradition, especially as it relates to accounting practices and corporate valuation. For example, the government, a silent partner in every business venture, recognizes the purchase price and depreciation schedule of physical assets, but not the processes or knowledge held in the minds of workers. Similarly, the manner in which employees are assigned positions in the modern corporation reflects the industrial era in which individual workers have little knowledge of—or voice in—the overall business model. It's common, for example, for large rooms crammed with cubicles to house hundreds of workers who mindlessly process printed or electronic documents. These workers manipulate and validate data, according to easily learned rules established by management. As a result, the knowledge of the overall process resides in the minds of senior management, and employees for the most part are treated as if they were easily replaceable assembly-line workers in a manufacturing plant.

At higher levels of the knowledge worker hierarchy, university degrees and certificates from various organizations or guilds provide the self-imposed labels that managers and professionals use to qualify for one of the predefined positions in the matrix of the organization. These knowledge workers have more of an overall picture of the business than lower-level front-line workers do, but there is likely duplication of mistakes in different departments since these workers may not have a process in place to share knowledge of best practices. For example, professionals in multiple departments with the organization may be experimenting with outsourcing, each discovering independently that the promised savings are far less than the popular business press suggests.

Despite the parallels in front-line employees working with data instead of textiles or iron, the reality of the modern corporate workplace also contrasts sharply with what was considered by employees and man-