THE RISE OF THE EXPERT ECONOMY

Could Sharing Wisdom Be the Next Gig?

CIVIC

Bruce Reed & Matthew Atwell
ABOUT THE AUTHORS

Bruce Reed is Co-Founder and CEO of Civic, a bipartisan policy ideas company. Reed served for 12 years as a top White House policy adviser in the Clinton and Obama administrations. As Assistant to the President and Chief of Staff to Vice President Joe Biden in the Obama White House, he worked on domestic, economic, and fiscal issues. He also served as Executive Director of the Simpson-Bowles debt reduction commission. In the 1990s he oversaw a host of domestic and social issues as President Clinton’s chief domestic policy adviser.

Reed also served as the first president of the Broad Foundation and as CEO of the Democratic Leadership Council. He began his career as chief speechwriter for Sen. Al Gore, DLC policy director for Gov. Bill Clinton, and deputy campaign manager for policy of the 1992 Clinton-Gore campaign. He has been a contributor to Slate, The Atlantic, and The New Republic and co-authored The Plan: Big Ideas for Change in America with Rahm Emanuel. He graduated from Princeton and Oxford, where he was a Rhodes Scholar.

Reed is co-chair of the Aspen Institute Future of Work Initiative, a member of the Aspen Institute Economic Strategy Group, and a member of the Working Class Group, a joint project of Opportunity America, the Brookings Institution, and the American Enterprise Institute.

Matthew Atwell has been a Research Associate at Civic since 2015. He conducts statistical and data analysis and background research on a diverse set of policy areas, including the education gap, national service, social mobility, and ocean conservation. He has co-authored numerous nationally syndicated Civic reports, including Building a Grad Nation, Hidden in Plain Sight, Our Opportunity Nation, and Closing the College Gap, and was the lead author of Civic Deserts: America’s Civic Health Challenge.

Atwell is an honors graduate of St. Joseph’s University, where he studied Political Science and Economics. He studied at Katholieke Universiteit Leuven in Belgium, where he also worked for a member of the European Parliament.

AUTHORS’ NOTE

This Civic report was made possible with support from GLG. The authors had complete editorial control over its content and take responsibility for all content presented within the report.
**The Next Great Gig**

Over the last quarter century, technology has led a democratic revolution in information, which is now cheap, immediate, boundless, and easy to search. So far, that vast universe of information has not made us much smarter in how we spend our time, choose our leaders, or solve our common problems. We’re exposed to more data than we can process, more facts than we can trust, more reality than we can verify. We share links, likes, pics, and cat videos. We use apps to share rides and spare rooms or find romantic partners. Yet by nature, we seem to share least what could help each other most: what we know best. The Information Age is by no means the Age of Wisdom.

Sharing expertise isn’t easy. Most of us think we’re smarter than we are, and many of us like to pretend we’re smarter than everyone else. Some of us would rather be lost than ask directions. Even when we think we’re working together in big groups or institutions – in businesses, social movements, social media, or governments – we too often mistake the crowd for wisdom.

What if we could share our expertise for a living? Or at the very least, what if the marketplace valued what we’ve learned and made it easier for us to share lessons with others who might profit from our experience? Technology has enabled us to monetize our homes, our cars, even our bicycles. The gig economy lets us sell our time and our physical labor. Yet for the most part, getting paid to share expertise has been largely the province of consultants, get-rich-quick seminars, and the professional class – while tech companies make billions sharing what they know about us. Most everyone has expertise to share, wisdom to impart, lessons learned in one life that could be of great value to another. Surely the knowledge in our head, the pattern recognition engine in our brain, the instincts in our gut, and the worry lines in our brow are worth at least as much as the view from our balcony, the junk in our basement, the car in our garage, the likes on our Facebook page, or the metadata in our search history.

That idea is the premise and promise of what might best be called the expert economy. As the volume of information expands and the time windows to make decisions shrinks, the value of the expertise, experience, and wisdom it takes to make sense of all that information multiplies just as quickly. No matter how rapid the spread of artificial intelligence, our economy and society will be stronger if people have the opportunity to put their own intelligence to good use. We have much to teach each other and much to learn from one another.

What’s more: for many, sharing expertise could be the next great gig.

Nearly a decade after it first emerged in the wake of the global financial crisis, the gig economy has ushered in more than its share of joys and sorrows. According to an analysis by Intuit and Emergent Research, 5.8 million Americans will work with on-demand platforms this year. Somewhere on Earth, an Uber soon will be arriving to take a customer on the company’s 10-billionth ride. On-demand platforms have given workers the flexibility to set their own schedules, the independence to be their own boss, and the chance to earn extra cash to make ends meet. Uber and Lyft attribute much of their growth to a substantial increase in the appeal of ride services. The demand for drivers, in turn, has made it easier for many with disabilities and other barriers to enter the workforce. Cutting-edge applications have given customers more choice and more control, often at lower cost. Thanks to rising demand and lower labor costs, many companies have generated rapid revenue growth and eye-popping valuations.

In other ways, the rise of the gig economy has often come up short. Since many gigs provide no employment benefits, those workers may find themselves without the traditional protections of an employer-based social contract – unemployment insurance, workers’ compensation, retirement security, health insurance. The platforms provide their workforce with little or no training or direction for fear of jeopardizing their status as independent contractors, not employees. As a result, customer satisfaction can

---

suffer, and repeat business along with it. In the halcyon early days, on-demand platforms – worried that the phrase “gig economy” was giving their sector a bad name – tried to rebrand it “the sharing economy.” The name never stuck: workers viewed gigs for what they were – a way to earn extra income – and in any case didn’t see much sharing going on.

Away from the crucible of the gig economy debate, other on-demand sectors are emerging with less heat and a different formula. While Lyft and Uber have built on-demand platforms for low-skilled workers, other companies are rapidly expanding the market for on-demand talent and expertise. Upwork and Fiverr offer digital marketplaces for skilled labor, enabling companies to engage freelancers from any place in the world to work on projects remotely. Upwork says total earnings for its freelancers exceed $1 billion a year. Just as Uber and Lyft disrupted and expanded the existing profession of providing rides, Upwork and Fiverr have expanded the reach, efficiency, and size of an already enormous pool of freelancers.

The epicenter of the expert economy is another little-known, high-growth sector, made up of networks that connect experts with companies that need them. Unlike the conventional gig economy, this expert economy pays people well for doing what they know, love, and do best. Like the gig economy, this sector has tried on many names as it matures: expert networks, professional learning, knowledge platforms, knowledge sharing, peer-to-peer business learning, on-demand expertise, learning platforms, platforms for business decisions. An executive from Gerson Lehrman Group (GLG), an early pioneer, captured the sector’s central thesis in an interview when he said: “Everyone is an expert at something – they just may not know it yet.”

This report examines the collective work of a handful of professional learning networks, including GLG, AlphaSights, Third Bridge, Guidepoint, Coleman, Capvision, and Catalant. These firms connect experts – in technology, finance, accounting, life sciences, and countless other fields from solar energy to tuna fishing – with businesses hungry for their expertise.

The expert economy can’t match the rest of the gig economy in headlines or valuations, but its ranks are rising. Analysts predict that this year the expert economy will become a billion-dollar business. You may never have heard of any of these networks. Yet together, these firms work with some 1.5 million experts. That’s about the size of the active U.S. driver pool of Uber and Lyft combined. Experts don’t work as often as drivers. Still, GLG alone has almost as many experts (600,000) as Lyft (700,000) or Uber (750,000) has active U.S. drivers.

As fast-growing technology platforms offering a high-value service, these companies may have the potential to be nearly as disruptive to the future of work as their better-known counterparts in the gig economy. On-demand expertise will have far-ranging impacts on how traditional businesses make decisions – and how they recruit, retain, and engage talent. In addition, it could open up new opportunities for people across multiple professions who may not think of themselves as experts but have accumulated a wealth of expertise others would value.

In some ways, this sector is an inverse image of the gig economy. It came into existence before the smartphone but owes its rapid ascent to the tech revolution. Artificial intelligence is dramatically reducing the time it takes to match expertise with demand, but AI will likely not replace the sector’s essential component – multitudes of highly skilled, well-paid humans – anytime soon. Unlike the land-of-unicorns version of the sharing economy, the expert economy actually is about sharing.

This report – based on interviews with executives at professional learning firms, experts who have offered up their expertise, business leaders who have retained their services, and analysts who follow the sector – sets out to answer a few basic questions. What is the expert economy, where did it come from, and why haven’t more people heard of it? What is expertise, and how do expert networks work? Why do companies need on-demand experts and how do they use them? What does it take to be an expert, and what’s it like to be one? And finally, what does the rise of the expert economy mean for the future and nature of work in the 21st century?

---

4 Some experts may only work once or twice a year, while Uber and Lyft active driver pools are by definition more active. Just as many drivers drive for both Uber and Lyft, some experts belong to more than one network – which means a portion of the aggregate in both sectors is double-counted. Even so, the numbers in both cases are quite substantial.
The Rise of the Expert Economy

In 1998, Mark Gerson and Thomas Lehrman, two young New York-based entrepreneurs, founded Gerson Lehrman Group, originally envisioning it as a publishing house to produce industry guidebooks for investors. GLG analysts would talk to a range of experts working in a particular field, then summarize their findings. They quickly found that investors seemed less interested in reading GLG’s analysis than in talking with the experts themselves. That gave Gerson, Lehrman, and Alexander Saint-Amand, who joined them shortly after the firm’s founding, an idea. Rather than producing lengthy reports, why not connect investors directly with experts who can help them learn exactly what they need to know? They set out to build the first comprehensive expert network. Saint-Amand, who became CEO of the firm in 2006, emerged as one of the industry’s chief evangelists.

Two major shifts in federal regulation of investment banks created an opening for such networks to thrive. In 2000, the Security and Exchange Commission (SEC) adopted new rules declaring that companies could no longer selectively disclose information to certain individuals before it was made available to the general public, creating a greater demand for research in investment banking. And in 2003, U.S. regulators and 10 of the world’s largest banks reached a global settlement to reduce conflicts of interest by forcing financial institutions to separate their investment banking and research departments.5 These changes meant institutional demand for research was greater than ever while in-house capacity to gather knowledge was shrinking. At the same time, technological advances enabled firms like GLG to meet that demand. Google and LinkedIn made it easier to identify potential experts; email made it cheaper to recruit talent; on-line contracts and payment systems made it faster and cheaper to retain and reimburse that talent.

A whole new industry of companies emerged. Guidepoint, a New York City firm founded in 2003, became GLG’s largest competitor. London’s ascendace as a financial capital fueled the rapid growth of two other expert networks, AlphaSights and Third Bridge. By 2008, GLG had nearly 200,000 experts in its network, $284 million in annual revenues, and a $1 billion valuation.6 By 2010, there were nearly 50 expert networks worldwide.7

Beginning in 2008, the global financial crisis led a number of hedge funds to close, costing expert networks a number of major clients. Around the same time, a broad federal crackdown on insider trading, which eventually led to dozens of convictions by the Department of Justice across the financial and banking sectors, also impacted the industry. The expert network firm Primary Global Research (PGR) shut its doors in 2011 after 10 employees, executives, and consultants were found guilty of felony charges related to insider trading. One PGR expert employed by the tech firm NVIDIA was convicted of passing inside information from her company and another chipmaker to investors at two different hedge funds.

The crackdown even touched firms that had forbidden experts from discussing sensitive information. Sidney Gilman, a pharmaceutical expert GLG had warned not to discuss an Alzheimer’s drug under development, conspired to give SAC Capital employee Mathew Martoma a tip that earned his firm $275 million.8 GLG never faced any suspicion of wrongdoing, and GLG’s compliance rules were cited during the trial as evidence that both Gilman and Martoma knew what they were doing was wrong. Gilman agreed to testify against Martoma, who was sentenced to nine years in prison and forced to forfeit a $9.3 million bonus.9 When the

---

7 “Gerson Lehrman 2.0,” Integrity Research, March 26, 2014.
dust finally settled from the financial crisis and insider trading crackdown, the number of expert networks had shrunk by more than half.

Somewhat ironically, heightened scrutiny of insider trading made the leading expert networks more sought after than ever. “A lot of firms picked up share, rebounded quickly, and came out of the whole scandal in a stronger position,” says Integrity Research principal Sanford Bragg, who has tracked the sector for more than a decade. The leading firms beefed up their compliance policies and touted higher standards of professional ethics on their websites, requiring ethics training for experts. At some firms, clients can now “chaperone” conversations between experts and employees, providing additional protections within a controlled environment. GLG alone now employs more than 50 compliance professionals, “a key selling point for the company,” according to the Financial Times.

### A Billion-Dollar Business

The expert sector has more than doubled in revenue in the past decade. According to Sanford Bragg, the sector is now a billion-dollar business. [See Table 1, “Expert Sector Reaches $1 Billion Mark.”] In an interview with Bragg this spring, AlphaSights Co-Founder and Managing Director Max Cartellieri predicted the industry will grow to “$5 billion, $10 billion or even more over time.” Cartellieri hopes the sector will “become so mainstream that the clunky term ‘expert network’ finally vanishes.”

In sheer numbers, the aggregate expansion of experts working in the sector may be even more noteworthy. The firms outlined below report nearly 1.5 million experts in their networks. [See Table 2, “Expert Sector Nears 1.5 Million Experts Worldwide”]

Gerson Lehrman Group (GLG), the oldest and largest professional learning firm, commands about half the market. Bragg estimates that GLG is “5x larger than its closest competitor.” The privately held New York company had revenues of about $500 million in 2017, according to published estimates. GLG has more than 1,600 employees in 22 offices in 12 different countries around the globe, with hubs in New York, London, and Hong Kong. By its latest count, the company engages more than 600,000 experts. It made more than 350,000 connections between clients and experts in 2017 and has facilitated more than 2.3 million consultations over its 20-year history. GLG alone has paid out well over $1 billion in expert fees. GLG works with nine of the world’s 10 largest banks, more than 30 leading global industrials, nine of the 10 largest pharmaceuticals, and eight of the top 10 American law firms. A substantial – and growing – proportion of its business is outside the financial services sector. In March of this year it recruited and installed a
new CEO from the tech world, Paul Todd, who previously worked at Google and eBay.

AlphaSights, headquartered in London and founded in 2008, is the largest European-based expertise firm by revenue. The company has 450 employees in nine offices in Europe, the Middle East, Asia, and the U.S. Its clients include major corporations, investment funds, strategy consultancies, and non-profits. In its last public filing in 2016, AlphaSights reported revenues of £66.5 million (nearly $100 million), up 40% from the previous year. Since its founding, AlphaSights has routinely made the Sunday Times and Financial Times lists of fastest-growing companies headquartered in the United Kingdom and Europe. The company does not publicize data on its experts, arguing that “instead of limiting our Advisor base to a predefined network, we act as a knowledge search firm.”

Guidpoint, established in New York City in 2003, is the second-largest expert network in the U.S. with nine offices, 400 employees, and a network of 400,000 experts in 150 industries across 200 countries. Guidpoint says it facilitates more than 2,000 interactions per week between experts and more than 1,000 clients. A quarter of its experts are in health care, with another 20 percent in technology, media, and telecom, 19 percent in energy and industrials, and 33 percent split across financial and business services and consumer goods & services. Guidpoint works for nine of the top 10 consulting firms, and according to industry analyst Sanford Bragg, aspires “to play Avis to industry leader GLG’s Hertz.”

Third Bridge (formerly known as Cognolink), founded in London in 2007 by two former Bain & Company consultants, has 700 employees across six offices from New York to Shanghai. Like AlphaSights, Third Bridge does not release the number of experts in its network. With clients primarily in the financial sector, Third Bridge has been listed as one of the fastest growing companies in the United Kingdom by the Sunday Times Fast Track 100 in both 2016 and 2017. In its most recent annual filing, Third Bridge reported $67.4 million in revenues in 2016, a 37% increase from 2015 (which was a 37% increase from 2014). The company just hired a new President, Paul Carr, from Axiom, which has upended the legal profession.

Coleman Research was founded in New York in 2003 by Kevin Coleman, who remains its CEO. The firm has four offices in the U.S. as well as offices in London and Hong Kong. Coleman says its 250,000 experts are based in 140 countries and 12,000 cities. It hosts events on topics ranging from “Latest Developments in the Mattress Foam Industry” to a recent 2018 Pet Food Industry overview.

Capvision was founded in Shanghai in 2006. It has an international headquarters in Berlin and offices in New York, London, Hong Kong, and Beijing. Capvision says it has a “knowledge network” of 150,000 experts. The company promises “unique access to the Chinese market – both in terms of our clients, and our professional network” and claims to have “more Chinese institutional investor clients than any other professional services firm in the world.” Co-Founder and CEO Kai Hong previously worked with Cisco, Siemens, and Bain & Co.

Catalant, originally known as Hourly Nerd, was founded in 2013 by Harvard Business School students who raised their seed funding through a cold email to Mark Cuban. Catalant says it has 50,000 experts. A Boston Globe headline dubbed the company "Uber for MBAs." Catalant is not shy about going after what it calls “Big Consulting.”

---

15 “Global Ten Years of AlphaSights,” Medium, March 19, 2018.
31 Scott Kirsner, “Uber for MBAs is a worrying sign,” Boston Globe, April 15, 2012.
EXPERTS, ON BEING EXPERTS

In its listing of top independent women advisors, the financial magazine Barron’s observes that “for more than 25 years, Pauline Brown has acquired, built and led global luxury brands.” Brown began her career in strategy consulting at Bain & Co. Years later, she went on to become one of the leading women in private equity as a Managing Director at The Carlyle Group. She ultimately parlayed that into the role of Chairman of North America for LVMH Moët Hennessy Louis Vuitton, where she oversaw 70 brands in five sectors including fashion and leather goods, watches and jewelry, wine and spirits, and selective retailing. While at LVMH, Brown served on the board of L Capital, a private equity fund backed by LVMH, as well as on the boards of several LVMH subsidiaries including Donna Karan, Marc Jacobs, and Fresh Cosmetics. Following LVMH, she introduced and taught a new interdisciplinary graduate course called “The Business of Aesthetics” at Harvard Business School. In 2008, Brown was named an Aspen Institute Henry Crown Fellow, and in 2013, she joined the program’s Board of Overseers. She also serves on the board of the Parsons School of Design as well as her alma mater, the Wharton School of the University of Pennsylvania.

In short, Pauline Brown is an expert at just about everything. About once a week, she shares her expertise on a 52-minute call with a GLG client. Usually, she talks to someone who is considering an investment in the beauty or luxury goods industry. When she worked in private equity, she was one of the first at The Carlyle Group to tap experts at GLG for insights and perspectives on a potential deal or information on a particular sector. Now she answers the same kinds of investor questions she asked back then. “I try to put myself in their shoes,” Brown says. She enjoys dissecting how investors’ minds work. Even when they are new to the sector, she says they’re skilled investigators: “We typically start with rudimentary analysis. Then, we go deeper. And then we end up on some arcane trail that neither of us could have anticipated.”

As a recent university professor and ongoing lecturer, Brown has what professional learning firm executives call “the teaching gene.” But she questions the comparison between experts and teachers. “Students require a lot more entertainment,” she says. “Sometimes I’m a court jester, telling stories.” By contrast, Brown considers working with clients as a more intellectual pursuit: “Clients look to me to help them frame information, apply old learnings to new situations, and stimulate new thinking.”

Gregg Walker spent most of the past decade as Senior Vice President for Corporate Development at Sony Corporation of America. Before that, he was Vice President of Mergers and Acquisitions at Viacom and a Vice President at Goldman Sachs. In 2016, he started his own private investment firm. He has a law degree. The Root named him one of the most powerful African-Americans under 40, he was chosen by Crain’s New York Business as one of New York City’s 40 Under 40 Rising Stars, and for three years he moonlighted at comedy clubs in New York City. Like Pauline Brown, the breadth of Walker’s expertise puts the rest of us to shame. He, too, finds time for client calls as a GLG expert on the media and entertainment industry. Investors seek his views on subjects he knows well and they do not. “Clients approach me the way I would have approached a business unit I didn’t understand,” he says. For example, they might ask him how best to deal with people in the corporate roles he used to play, how regulators will react to a recent development, or how he views the prospects for key industry companies or sub-sectors within media and entertainment.

Walker believes the value of expertise is the nuance Google can’t provide. “In a space you know well, you know who can help,” he explains. “In a space you don’t, you don’t know to whom you should listen and whom you should ignore.” For investors trying to assess risk, vetted experts are one less risk factor to worry about. “You wouldn’t pick a babysitter off an internet profile; you want a recommendation from someone you trust and whose qualifications have been verified,” he says.

But don’t rule out picking an investment adviser off the comedy circuit.

---

THE RISE OF THE EXPERT ECONOMY

How Expert Networks Work

In simplest terms, professional learning firms match a client who needs insight with an expert who has it. In practice, that’s not as simple as it sounds. For on-demand platforms like Uber and Lyft, matching is primarily a mapping and dispatching exercise. Location, route, and price – more than drivers’ expertise – determine which cars go where. On-demand marketplaces like Upwork, Thumbtack, and Amazon Mechanical Turk put projects out for bid. Companies or consumers list projects they need done, and through the platform, contractors agree to do the work by a certain time for a certain price. The quality of their work may be a factor, but the platform is more a marketplace than an intermediary.

Matching clients with experts is more complicated. Many clients who find themselves in need of expertise would rather not advertise what they want to find out or what they do not know. They may be uncertain what to ask or where to look. At the same time, many people with useful expertise don’t think of themselves as “experts.” Casual experts struggle to figure out where their talents might be needed or how to handle the particulars (fee, contract, etc.) if they make a match.

As a result, professional learning firms can’t simply be an Uber for expertise. They also have to serve as a Google for knowledge, a LinkedIn for background, and a DocuSign for logistics. They need to pair clients with the right experts in a timely fashion under conditions both parties can trust. Often, they must track down highly specific and sophisticated expertise. The haystack is not hard to find. Networks like LinkedIn offer a bottomless scroll of possibilities. The challenge is to find the needles: which candidates have the precise expertise, which have built the most reliable reputations, and most difficult of all, which are the experts no one else has talked to yet.

That means firms have to recruit a big enough haystack of experts to answer any question and develop tools precise enough to find the ideal expert quickly. In the beginning, that was a significant challenge. GLG executives remember having to use Federal Express to send out recruiting materials to prospective experts and deliver contracts to those who agreed. Now recruiting is faster, easier, and cheaper – accelerated by the willingness of existing experts to refer others from their own personal networks.

Firms also need to make sure their haystack keeps out the rats. The leading expert networks require that in addition to subject matter expertise, a potential expert must review their compliance policies and protocols, which are designed to protect firms, clients, and experts alike. For example, GLG’s experts must complete an online tutorial on confidentiality and insider trading and sign a non-disclosure agreement. Clients can insist on extra protection, such as asking that expert calls be “chaperoned.” Firms like GLG and AlphaSights work with their clients’ compliance professionals to design the best guardrails to meet their particular needs. These compliance protections are a core part of the intermediary role expert networks play. “We not only make it easy to exchange knowledge,” says one executive. “We make it safe to exchange knowledge, for both parties.”

Even with a roster of established experts and a clear set of compliance protections, firms still need to make the right match in a timely fashion. Typically, the client talks with the firm’s research department about the kind of expertise it seeks. At GLG, the research team will then contact a pool of potential experts. Firms winnow the number down to a handful of names and let the client choose. Some clients want to talk to as many experts as they can.

On occasion, a client requests knowledge so obscure that the firm’s database comes up empty. As one GLG executive explains, the matchmaking process sometimes requires his team to scour the globe for the one person with expertise on a subject, then convince that person she’s an expert. “Let’s say you want to do a $5 million recapitalization of a carpet manufacturer in southwest Texas,” he explains. “There’s probably not a robust list of LinkedIn profiles for assistant carpet managers in that region. Or let’s say you’re a tech executive and you want to know if there’s a market for your software in mid-sized cities in India. My job’s like being a private investigator. Even when I find the right person, they might not know what to think of me. Or they might say, ‘I’m not an expert.’” When a client wanted advice about whether to acquire a high-end European automaker, the executive asked his brother, an auto mechanic, about the brand. His brother told him how much every mechanic dreaded seeing one of those cars pull into the shop. He couldn’t convince his brother to serve as an expert, so he put the client in touch with other auto body shops.
The Rise of the Expert Economy

The dramatic growth of expert networks has made the matching process easier and more powerful. According to GLG Chief Technology Officer Will Ballard, “A CV is the most effective source for identifying a potential match. You tell us where you’ve worked and give us a bio. That’s where we start.” Research staff uses the company’s proprietary database to make most matches. But with each match, the company learns something, too. GLG now uses artificial intelligence to make 15 percent of matches. “We look like a service company on the outside,” Ballard says, “but we’re definitely a technology company.” Matches have to happen quickly. AlphaSights claims that over 90 percent of all interactions occur within 72 hours of their clients’ initial briefing. 35

Once they find the right match, professional learning firms use a variety of ways to put experts in touch with clients. Some host roundtables for multiple thought leaders and clients. Others offer businesses surveys of hundreds of experts at a time. Most connections take place by phone. These conference calls show the massive scale of the expertise-connecting enterprise. GLG alone arranges 350,000 expert-client phone calls a year. That’s about 1500 calls a day. After collecting data on millions of calls, the company found the average length to be 52 minutes.

For the experts, expertise sharing is truly a gig. “In no scenario is being an expert an actual replacement for a job,” says one executive. “Unless you have been actively employed you don’t have the necessary expertise.” What makes experts so willing to jump onto blind 52-minute phone calls with people they don’t know? To be sure, the money is good. On an hourly basis, some experts command close to what a law firm or expert witness might charge – up to $1,000 an hour for a few, the low three figures for most everyone else. 36 It’s called the high-end gig economy for a reason. For most experts, however, demand is episodic – something interesting to do now and again.

For many, the deeper appeal is the work itself. Some experts are still employed in their field, though many businesses prohibit freelancing and leading expertise firms never let an expert from a company talk with a competitor. Others are “formers” who have retired or are in between full-time positions but want to remain active by sharing a career’s worth of expertise. One expert who advises investors says the calls keep him current. Because clients expect him to be an expert, he works harder at being one. One executive who recruits experts says, “Most have the teaching gene – they’ve built a substantial expertise and like sharing it. Great teachers like having great students.” The inverse is also true: Experts who discover they’re not so great at teaching tend to walk away. But those who can, teach and do.

Like any technology platform, expert networks stand to reap considerable benefits from scale. The larger networks become, the greater their reach – allowing firms not only to tap their existing experts but to use those experts to identify others in their own personal networks. And like with any network effect business, the advantages of scale increase exponentially. This network effect provides a steady stream of new talent – GLG receives 14,000 potential referrals a month – and maintains quality by enabling members of the network to vouch for their peers.

As their networks expand, firms look for new venues to showcase expertise. Catalant posts webinars and whitepapers on the future of work. Capvision runs business tours to introduce clients from one country to management teams in another. 37 GLG puts on more than 1,000 live events a year, including invitation-only briefings on cryptocurrency and the blockchain, for example. Some prefer these group sessions with an expert. “If 8-10 clients trust you and each other, you can create a great experience,” says one executive. Certain forms of expertise are in constant demand. Fields such as accounting, medical research, and technology are perpetually interesting, hopelessly complex, and constantly changing.

Ironically, the expertise industry has grown so fast, it has even attracted its own blockchain. Expertly has developed a blockchain-based platform for video and audio calls to allow anyone to offer expertise in return for cryptocurrency. “Any influencer, professional, or expert can grant instant access to their knowledge from anywhere in the world to anyone in the world,” the company promises. “We live in a

36 Robert Cookson, “Information Matchmaker Looks Beyond Wall Street, Financial Times, June 1, 2016.
knowledge-based economy,” an Experty white paper on “Blockchain Based Human Knowledge Exchange” declares. “Combining micro knowledge exchanges and blockchain micro payments makes this feasible on a worldwide scale.” The white paper predicts likely users include lawyers, professors, medical consultants – and less innovatively, “paid one-on-one video-chats with camera models.”

The Expertise Race: Why Companies Want to Learn

The main factor behind the rise of the expert economy is companies’ unquenchable thirst for knowledge. “Brain-to-brain combination of existing knowledge has always been the driver of innovation, and it’s traditionally been physically constrained to urban agglomerations” such as Athens, Rome, and now Silicon Valley explains Max Cartellieri of AlphaSights. Today, he says, digital connectivity can overcome those physical constraints to accelerate innovation anywhere. As a GLG researcher puts it, “Why do people talk to experts? To learn something.” Over the last two decades, technology has become exponentially more complicated, global commerce intricately more connected, and regulation vastly more difficult to penetrate. The global economy leaves decision makers desperate for a native guide.

The investment field, which gave expert networks their start, has always feasted on front-line knowledge. When investment banks were forced to cut back their internal research arms, they had to rely on professional learning firms to stay competitive. After insider trading scandals rocked the financial sector, expert firms offered a walled garden for the safe, legal exchange of information.

Today a business in any sector might feel the need to get smart fast. When companies are in the market for outside advice, professional learning firms can do their shopping for them. In the same way a platform like Airbnb can remove the friction and headache of searching the world for places to stay, a platform like Guidepoint or Third Bridge can simplify and accelerate the search for experts to trust. “What we have is the capability to identify the right knowledge, to access it, to connect it with our clients’ brains,” says Max Cartellieri of AlphaSights. “Our specialization is the acquisition of any kind of knowledge around the world at any time.”

“You need a facilitator in the marketplace of knowledge,” says an executive at another expert network. “Working without us is like working without a computer.” Using Airbnb allows its customers to expand the number of places they “live” without buying new houses; using AlphaSights or GLG allows them to multiply the number of things they “know” without hiring new employees. Clients seek expertise for different reasons. In a June 2017 report, Catalant published a survey of 113 U.S.-based hiring and strategy decision makers at companies with 1,000 or more employees, asking what businesses hoped to gain from independent subject-matter experts. Sixty percent of decision makers cited “fresh thinking.” The other leading responses were “flexibility” (45 percent), “faster innovation” (30 percent), “objectivity without the influence of institutional politics” (29 percent), and “the ability to respond to changing priorities” (29 percent).39

Some businesses and investors need someone who can quickly bring them up to speed on a subject they know nothing about. Gregg Walker, a GLG expert on the media entertainment industry, says investor clients new to a sector sometimes like to start from scratch, even if it involves “asking very basic questions.” Others, he says, are just “looking for a second opinion.”

Others want to keep as current as they can and not fall behind. Keeping pace with the march of technology is a constant challenge, especially for mainline industrial companies. “The Innovator’s Dilemma has never been worse,” says Elizabeth Grausam, Head of Corporate Markets at GLG. “If you’re not constantly learning, you can literally be out of business.”

Still others are looking for ultra-specialized expertise. Those companies want to find an expert still working in the relevant field. As an example, one executive suggested that an investor or firm tracking the fishing industry might insist on talking to “a tuna fisherman who still makes his living fishing, not one who used to fish a lot but now just talks about it.” Often, exclusivity matters. That fisherman’s advice might be no use to a firm if he has shared it with the firm’s competitors.

Often, business leaders turn to professional learning firms to make up for gaps in their own ranks. Some want to bring in external points of view to improve the quality of internal decision-making. Others welcome personalized coaching on the decisions they face. Still others seek help researching their markets and finding out more about their customers. A growing number of companies are looking to fill holes in their lineups with outside talent willing to come inside.

In many ways, the most promising use of professional learning is to help companies make better decisions by increasing the diversity of information and opinion they’re exposed to. “Most firms have a myopic, internal view of the world,” says one professional learning executive lamenting how little a previous employer had understood the business environment around it. “It requires a certain humility to reach outside the company,” says another. “The goal should be to recognize we don’t know what we don’t know.” Private phone consultations with an outside expert make it easier to ask those questions in a confidential way. “Senior professionals like to learn one on one,” says a longtime executive. “That’s the most efficient way for professionals to learn.”

Ask the Experts

For expertise-connecting firms, perspective is all about sample size. “We call it Target N,” explains Ballard. “How many perspectives do you want? We can connect you with 20 different people.”

Professional learning firms obviously have self-interest in matching companies with as many experts as possible. But they may be right that the larger and more established any organization becomes, the more important – and sometimes more difficult – it becomes for those at the top to seek alternative perspectives from outside and from the front lines. “It can be a big problem to be big,” says one executive at an expert network. “At many big corporations, the decision-making process is terrible.” He says smart companies, like good journalists, talk to as many sources as possible: “Imagine if you had access to everyone. What if you could always find the best person?”

In some cases, the process can serve as a form of executive coaching. GLG created a special division called the GLG Institute, made up of 350 former C-suite executives who talk one-on-one with current executives twice a month. Former Pfizer CEO Jeff Kindler and Former UCB CEO Roch Doliveux co-chair the Institute, which includes several other ex-CEOs.

“It’s very easy when you’re an executive to get stuck in your little world,” says Giacomo Iacoangeli, Head of Strategy at GLG. “How do I structure my team? How do I manage talent? The real competitive advantage we offer is the ability to build an organization that makes faster, better decisions and implements them with more conviction.” Current executives can ask what former executives might do in their shoes and receive the kind of one-on-one advice they couldn’t glean from a CEO’s how-to-succeed-in-business memoir or TED Talk. Like hitting coaches in baseball, former executives get the chance not only to realize that lessons of their experience are still relevant, but to learn more themselves about how the game has changed.

Connecting expertise can also help businesses learn directly from the most important experts of all: their customers. Although companies already have plenty of market research firms to choose from, expert networks specialize in business-to-business research where their networks are deepest. “Companies already do lots of surveys,” says one executive. “They hire us to make sense of the surveys.” A company’s strategy team might also turn to an expert network for independent information on its current or potential customer base. According to one professional learning firm executive, a client might say, “You can help me talk to my prospective customers? I need to do that. My sales team is a pain to deal with and won’t tell me what I need to know. How do I understand user needs and wants? How do I measure my team?”

One gig can lead to another. Expert networks are becoming a source of in-house experts as well. A recent survey of professionals found that 88 percent believe specialized talent is essential to the long-term viability of their organization, while 66 percent see acquiring the right talent as the primary barrier to their long-term success. A separate study found that 71 percent of businesses have a desire to be more agile, while 64 percent see the need to find, engage, and source talent as a challenge, with 54 percent seeing critical skills gaps in their current workforces.

A recent study of Millennials found that given the choice, one in four would quit their jobs over the next year to join a new organization or do something different. That proportion jumps to 44 percent if the time frame is expanded to two years, with two-thirds of Millennials hoping to have changed jobs by 2020 and just 16 percent seeing themselves with their current employer a decade from now. Millennials are not alone in their quest for more short-term working arrangements. More and more, people of all ages are opting for flexibility rather than traditional stability and businesses are starting to take notice. A recent study found that almost half of all business leaders believe the top socio-economic driver of changes in industry is the changing nature of work or flexible work.

Firms frequently complain that they lack the right internal workforce to get projects done. Those businesses face a difficult decision: whether to hire more staff with the skills needed to complete this project. Bringing on full-time talent may diminish a firm’s ability to shift priorities quickly and take on diverse projects. According to the 2017 Catalant survey, 35 percent of companies with 1,000 or more employees are using on-demand knowledge workers to support key business initiatives, although firms with 5,000 or more employees are more likely to do so than smaller midsize firms. Three-quarters of the companies using on-demand knowledge workers are satisfied, but half struggle to find the right person and 45 percent find the cost is high.

**The Rise of Talent-on-Demand**

Professional learning firms, consulting firms, and even some major corporations are forming Talent-on-Demand divisions. Starting in 2014, recognizing an opportunity beyond one-on-one phone consultations, GLG began helping place experts on temporary assignment. The rush of top talent to technology companies has left many industrial companies with gaps. GLG has targeted the life sciences sector, among others, where talent is particularly expensive and hard to find. In a 2016 PricewaterhouseCoopers survey, more than three-quarters of pharmaceutical CEOs worried about a skills shortage.

That same year, PricewaterhouseCoopers launched its own platform called Talent Exchange, an online marketplace for highly skilled independent talent interested in working on consulting projects for and with PwC clients. “Let us help you find your next gig,” Talent Exchange promises. A recent search of the site found 198 gigs, ranging in duration from 1 week to 143 weeks. Half involved traveling at least 60 percent of the time, to

---

such exotic destinations as Suwanee, GA, and Omaha, NE. The talents in demand ranged from cybersecurity to portfolio management.\(^{46}\)

On-demand talent has the ability to allow businesses to increase their capacity to take on new projects, while remaining flexible to adapt to the ever-changing future of work as new opportunities arise. In its 2017 CEO survey, “The talent challenge: Harnessing the power of human skills in the machine age,” PwC found that 77 percent of CEOs consider the availability of key skills “the biggest threat to their business.”\(^{47}\) That demand is a boon for the high-end gig economy. A recent MavenLink report found that 56 percent of executives currently in full-time positions say they have done contract work in the past; and 63 percent say they would leave their full-time position for contract work if the opportunity arose.\(^{48}\)

According to the “State of Independence in America 2017” survey by MBO Partners, 3.2 million full-time independent workers – nearly one in five – now earn $100,000 a year or more.\(^{49}\) Harvard Business Review dubbed this new class of worker the “supertemps” – CFOs, general counsels, HR executives, and others “increasingly trusted by corporations to do mission-critical work that in the past would have been done by permanent employees or established outside firms.”\(^{50}\)

GE has taken on-demand talent one step further. Five years ago, it launched GENIUSLINK, a network of experts inside and outside the company who collaborate on projects for GE and its customers. Managing Director Dyan Finkhousen recalls, “We began building it with the hope that we could almost put the world on our team.” By GE’s count, they’re well on their way. GENIUSLINK has assembled a talent pool of 115,000 within GE and claims another 21 million experts – with 5,000 skills – around the world.\(^{51}\) Much of that global network comes by way of Upwork Enterprises, the largest freelancing site, as well as partnerships with expert networks like GLG.

Finkhousen says GENIUSLINK experts began by supporting hundreds of teams within GE, providing specialized talents the teams would otherwise have to search for externally. Over time, teams introduced GENIUSLINK experts to their outside customers. Between its in-house needs and the demands of those customers, Finkhousen’s experts have a robust pipeline of work. “My teams support the innovators and market makers,” she says. “We trip over innovation all day long.” GE’s “Expert Access System” provides experts on demand, open innovation, and crowdsourced expertise in engineering, design, marketing, and other areas. In 2016, the company created Fuse, a crowdsourcing platform for manufacturing connected to a global network of GE “microfactories.” The first GE microfactory in Chicago builds small-batch industrial prototypes.\(^{52}\)

“No one has the ability to hire all the expert resources they need or want, or the time they need,” Finkhousen says. “We’re all resource- and time-constrained and have to make tradeoffs. If you start to remove those constraints and have experts, it changes what you can accomplish.” As proof, she cites the success of GENIUSLINK’s “Additive Team,” a small squad of experts formed last year to work with GE business units to find $5 billion in productivity improvements over 10 years. The team found $5 billion in improvements in its first nine months. This expert network was “effectively a startup within GE,” Finkhousen says. “If we start to rethink how we define team and how we define work, work in a community-based model gets more engagement than in a one-job-to-one FTE model. The base unit of work in this system is one task to one skill.”

**What the Expert Economy Means for Traditional Consulting**

The emergence of the PwC Talent Exchange suggests that while the expert economy spun out of the investment research sector, it looks increasingly

---

like the on-demand economy’s answer to traditional consulting. By some estimates, business consulting is a $250 billion global business.\textsuperscript{53} The \textit{Wall Street Journal} recently reported that the Big Four auditing firms – Deloitte, PwC, EY, and KPMG – now generate more revenue from consulting and advising (up 44% since 2012) than from auditing (up only 3%).\textsuperscript{54} Management consulting firms are built on the same model that big law firms are struggling to sustain – charging partner prices for young associate labor, producing top-shelf product at shock-and-awe scale, often running the meter in weeks and months, not hours. If technology can disrupt big law firms, will consulting be next?

Clayton Christiansen, who coined the term “disruptive innovation,” co-authored a 2013 Harvard Business Review article called “Consulting on the Cusp of Disruption.” “Management consulting’s fundamental business model has not changed in more than 100 years,” he and his colleagues observe. The article points out that much of the market data gathering Christiansen had done at Boston Consulting Group in the 1980s is now often outsourced to “facilitated networks that link users with industry experts such as Gerson Lehrman Group (GLG).” “As access to knowledge is democratized,” the authors write, “clients no longer have to pay the fees of big consulting firms.”\textsuperscript{55}

Some expertise-connecting firms feel the same way. Boston-based Catalant pitches its services as the alternative to “Big Consulting.” In contrast to what it calls the “high overhead,” “inexperienced teams,” and “lack of flexibility” of traditional consulting, Catalant promises experts who “don’t need to learn on your dime because they already have developed expertise.”\textsuperscript{56} Max Cartellieri of AlphaSights told industry analyst Sanford Bragg that expertise-connecting firms “complement and substitute for” strategy consulting, business-to-business information services, and market research: “There are huge established industries right next to us, and the only question is to what extent we can deliver better, faster or cheaper solutions to clients’ problems than these traditional players can.”\textsuperscript{57}

Other professional learning firms say the expert sector is less a direct competitor to traditional consulting than a fundamentally different business. “We’re not a consulting business – not even a micro-consulting business,” says one executive. “We’re in the connection business.” Bragg points out that paradoxically, while expert networks may take away some of their market share, consulting firms are also one of their best customers.

Companies in big trouble or saddled with big problems will still turn to Big Consulting for its sweeping scale and outsized reputation. “If I’m trying to figure out how to restructure my business, I’ll probably go to McKinsey or another consulting firm,” says Bragg. “But the smaller and more defined the project, the more I might turn to an expert network.” As the corporate adage goes, “You can’t get fired for hiring McKinsey & Co.”\textsuperscript{58}

But professional learning firms can sometimes solve many of the same problems as a traditional consulting firm at a cheaper cost and faster pace. While a traditional consulting firm might analyze a business and produce a detailed report instructing them on how to fix it, an expert at an expert network might seek to help an executive expand her own skills so the company can depend less on outside help.

Whether traditional consulting firms feel pressure from expert networks or simply from customers’ bottom lines, the consulting world is changing. Through Talent Exchange, PwC has built its own expert network to make on-demand efficiency work to its advantage. “McKinsey created an expert track,” says one executive who used to work there. “Today you need to be smart and know your stuff. Experience matters.” Consulting firms are merging the role of consultant and expert, putting more emphasis on experience, not just analytic ability. “When I was in consulting, you sent in a team of consultants who knew nothing and had never implemented anything,” says this exec. “It matters whether something did or didn’t happen. Conviction is an important phase of change.”

\textsuperscript{54} Michael Rapoport, “How Did the Big Four Auditors Get $17 Billion in Revenue Growth? Not From Auditing,” Wall Street Journal, April 7, 2018.
Policy Implications of the Expert Economy

The expert economy is a subset of the larger gig economy but will undoubtedly shape the future of work and how businesses operate in the 21st century.

In 2017, more than 57 million people in the United States freelanced, up from 55 million the previous year. This represents 36 percent of the entire U.S. workforce, although many engage in freelancing on a part-time basis, often to supplement their income. The number of freelance workers has grown three times faster than the U.S. workforce since 2014. At the current growth rate, a majority of the U.S. workforce will be freelancers by 2027.

Typically, the on-demand economy is thought of as mostly comprised of low-skilled workers, performing perfunctory tasks such as driving passengers to a requested destination or grocery shopping. Yet a growing number of highly-skilled workers believe they can do better as independents. To this point, 41 percent of independent contractors have 4-year college degrees, while 19 percent hold advanced degrees, proportions that are both larger than the general population, according to Census Bureau data.

Moreover, the average income of full-time independent contractors surpassed the median household income across the United States in 2016, while the number of freelancers earning more than $100,000 annually rose for the sixth year in a row, and now represents 1 in 5 independent contractors.

The on-demand economy has also become a significant chunk of the overall U.S. economy. In 2017, freelancers contributed $1.4 trillion to the U.S. economy, an increase of 30 percent from the year before. That represents 7.2 percent of U.S. GDP in 2017.

As more people, especially younger generations of workers, seek flexible work arrangements, the on-demand talent pipeline will become increasingly important. So too will companies’ abilities to connect with and utilize contingent workforce models of employment.

Employers know how important flexible work arrangements will be. A recent study found that 61 percent of business leaders believe agility is critical to success, with 79 percent seeing leveraging contractors as a competitive advantage and 94 percent expecting their use of contractors to increase or remain the same over the next year. Another survey found 71 percent of today’s businesses desire to grow more agile, signaling more demand for contractors and freelancers. The constant evolution of technology constantly requires the skills and knowledge base of a company’s workforce to evolve along with it or risk falling irreversibly behind their competition.

The desire to tap into specialized talent in an on-demand basis is clear. Yet too few businesses have created practices that enable them to engage the contingent workforce when the opportunity presents itself or know where to turn when the need arises, even with a growing number of firms and online platforms that make it easier for them to do so.

For Employers

Adding capacity through an agile workforce or gaining knowledge through expert networks gives companies flexibility to navigate the 21st century economy. As the pace of technological change and globalization of talent quickens, businesses must adapt or be left behind. Their knowledge base and skill level must grow in stride with technology.

60 Ibid.
62 Ibid.
Nearly nine in 10 organizations agree that specialized talent is essential to the long-term viability of their organization and 66 percent believe that their primary barrier to long-term success is having the right talent. Yet, more than half of businesses currently admit to not having the right talent in their internal workforce. Companies are having difficulties finding and recruiting specialized talent. On-demand talent marketplaces like Upwork or professional learning networks could make it easier for businesses to access the skills and knowledge they need to be successful.

Obstacles remain. Most firms will have to adopt new business practices and procedures before they are ready to fully engage the agile workforce or knowledge experts. A recent study found that 69 percent of executives believe they need to make changes to better manage independent contractors, yet 77 percent did not know what changes would be required.

Another potential obstacle for firms attempting to adopt new work strategies to utilize on-demand workers and knowledge experts is entrenched reluctance within their own ranks. Nearly three in four businesses flagged organizational culture as a potential barrier to their future success if it does not allow the embrace of new work optimization strategies, including engaging on-demand talent and experts. Employers will need internal systems that help, not resist, engaging the growing pool of on-demand talent outside.

**For Policymakers**

By making it easier to connect the labor force with employment, on-demand talent has the potential to decrease unemployment, as well as underemployment. A McKinsey study found that the benefits from decreasing labor market inefficiencies (lower unemployment, increased labor force participation and productivity) could add $2.7 trillion to the world economy over a decade and increase employment by the equivalent of 72 million full-time positions. But as on-demand talent reshapes the future of work, policymakers across the globe will need to come up with solutions to new challenges that arise.

**Elements of a New Social Bargain**

One promising idea is to offer portable benefits that would not be tied to any particular job or company, but would follow workers as they transition from project to project. Each company that hires independent workers would contribute to their benefits at a fixed, pro-rated rate based on how much work is completed. While questions remain on how a system of portable benefits would be administered, it offers a glimpse of a new social bargain that provides security and flexibility. The bipartisan Aspen Future of Work Initiative has recommended a $25 million federal Benefits Innovation Fund to support innovative portable benefits.

With the rise of professional learning firms, anyone with expertise on any topic now has their own gig economy to utilize for supplementing their income. For the sake of independent workers and employers alike, systems will have to be put in place to provide workers with the means to remain financially stable while frequently transitioning between flexible working arrangements. For more than half a century, adults and families in the United States have relied on their employers to provide essential benefits such as health insurance. In the future, society will need to make sure workers have access to portable benefits they can take with them from gig to gig or job to job.

**For Employees**

Labor markets have struggled to keep pace with the modern global economy. Online talent platforms will be able to better connect the labor force, including traditional employees, with available opportunities and jobs. These platforms can create marketplaces for freelance work and serve as hubs, matching on-demand talent to available jobs, helping firms hire and manage on-demand talent. This could make it easier for the unemployed or the retired to find a job or fully take advantage of the demand for on-demand talent.
benefit concepts that can strengthen the social safety net for independent workers. Legislators in Washington state have proposed a bill to require companies that rely on independent contractors to make contributions into a portable benefits fund of up to 25% of contractors’ hourly income. New York State already provides for-hire drivers a workers compensation plan called the Black Car Fund, paid for by a 2.5% surcharge on taxi, ride-sharing, and limousine rides.

In a discussion paper for the Hamilton Project, Seth Harris and Alan Krueger proposed a third classification of worker outside the traditional employee-contractor model. Under their proposal, independent workers who worked through an online or offline intermediary would qualify for many traditional employee benefits and protections – such as the freedom to organize, civil rights protections, tax withholding, and employer payroll tax contributions – but not unemployment insurance or hours-based benefits like overtime and the minimum wage.

Financial Regulation and MiFID II
Europe has begun implementing new regulation to strengthen investor protections and improve the functioning of financial markets. In January 2018, the second version of the Markets in Financial Instruments Directive, or MiFID II, took effect across member states in the European Union. While the law is long and complex (it contains nearly 7,000 pages), one section centers on research by investment firms. MiFID II will require that investment banks charge separately for research and brokerage services. Before this law went into effect, the cost of research was included in the fees that banks would charge to execute trades. The change is expected to lead asset managers in Europe to shift spending on research from banks to other sources, perhaps to the benefit of professional learning networks.
The Beginning of Wisdom

At first blush, it is hard to imagine a more unlikely disruptive force than a simple phone call. These days we text, we tweet, we e-mail, we glare at colleagues for even thinking of taking a call in our shared workspace. On conference calls we multi-task rather than listen, convinced we can learn more from Googling than from the voice we’re half-listening to on the speakerphone. So it is quite an irony that at Big Data’s Big Bang moment, when the universe of information is expanding faster than humanity can comprehend, one of the most efficient and effective ways to gain useful, actionable knowledge is to spend an hour on the phone or face to face with someone who knows and can teach us the very thing we want to learn.

The expert economy is built on two simple yet radical principles: First, that each of us is an expert at something, even if we don’t think so; and second, that our expertise is worth sharing and has real value to someone else. As technological and economic disruption upend the old order, the notion of putting a premium on earned wisdom, hands-on experience, and deep knowledge is itself a disruptive idea – or perhaps a restorative and reassuring one. From medieval guilds and colonial apprenticeships to family businesses and schools of law and medicine, we have long learned how the world works from one another. If modern management consulting has become the way smart young people gain business experience, the expert economy provides a way for people who’ve mastered a business to share their experience.

Connecting expertise has the potential to shape the future of many better-known institutions. Management consulting will adapt, but an industry that makes billions promising cost savings and efficiencies would be wise to learn from its nimble competitors in the expertise business. Some executives think that by offering a robust marketplace of knowledge for ongoing professional learning, the industry could rattle another institution with a shaky business model: business schools themselves.

The real promise of sharing expertise, though, may not be what it disrupts but what it can foster. From business to government, leaders need to be more willing to reach outside their organizations for more real-world knowledge and different perspectives. In a complex world, it’s essential to keep learning and never a crime to ask directions.

The mesmerizing march of technology has taken us from the Information Age to the Too Much Information Age. Technologists are scrambling to perfect Artificial Intelligence to help us process all that information. But even as we note the wisdom of crowds, we should make the most of the wisdom of individuals, who remain the most effective information and pattern recognition processors ever invented. The more choices we confront, the harder our ability to discern between them will become.

The most profound aspect of the expert economy is not about business or technology. It’s the recognition that the lessons of one person’s career and life are of genuine value to others. For some, it’s a living; for most, it’s a good gig. But getting paid to share life’s lessons is a bonus. The real prize is realizing that the work it took to learn those lessons still matters, and the life lived has been a worthy gig, too.

Acknowledgments

The authors would like to thank all the executives, experts, business leaders, and analysts we interviewed about the expert economy. We are grateful to Sanford Bragg of Integrity Research for his data and insights on the industry. We would also like to thank the boundless energy and enthusiasm of the Civic team, John Bridgeland, Jennifer DePaoli, Erin Ingram, Fallon Bridgeland, and Caroline Kelm.