

What is Going on at Work?

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A paradigm shift?

Has there been a paradigm shift/transformational change in the nature of careers? Alternatively, are we simply seeing a more gradual change as a response to ongoing shifts in the structure of employment opportunities and the way work is organised? What are the implications of these changes for the skills individuals need to manage their careers effectively? What are the implications for the career professionals who might advise them?

I write this as someone who was co-author of a report, *Managing Careers in 2000 and Beyond* (Jackson *et al.*, 1996) that argued that profound changes were happening to careers. Paradigm shift may be a strong term to use but I think it is important to challenge the notion that careers have not changed very much. This does not necessarily imply that all careers have undergone radical change. The picture is more complex than that.

The argument we presented in *Managing Careers in 2000 and Beyond* was that it would be useful to reconceptualise the term 'career' in a way that made it apply to everyone and not just to some subset of the working population. This approach had implications for individuals, employers, career and education professionals as well as policy makers. So in that sense we were asking for a paradigm shift in how we think about careers but not saying that work itself has undergone a paradigm shift, although I still think that very significant changes have taken place in the way work is organised and in the structure of employment opportunities. One of the reasons for reconceptualising what we mean by career is to enable everyone to respond better to these changes. One of my main concerns is that by looking at the labour market in aggregate, it is easy to ignore both the complexity of the labour market and, in particular, the diversity of experiences that people are having within it. A second concern is that the focus on external labour markets ignores the internal labour market dimension, that is, the considerable changes that are going on *inside* organisations.

In my view it is the changes that have been taking place inside organisations that have had the greatest impact on how people feel about careers. As a consequence, changes in career behaviour are required to enable individuals to cope better with the new world of work. However, these internal changes in organisations have been driven to a large extent by economic forces and so it is sensible to

start any discussion by briefly noting some structural features of the labour market and trends that are taking place within it, both in terms of labour market supply and economic demand.

Labour market change leading to increasing diversity of experience

As is well known, there have been long-term trends in the sector balance of the UK economy. Jobs in primary industries, such as mining or agriculture have been in steady decline since at least the 1950s. Over the last 20 years in the UK, however, it is probably the decline in manufacturing employment that has been most significant, although just under 4 million workers are still employed in manufacturing industries and manufacturing still accounts for 15% of British economic activity. Nevertheless, there are more jobs available in Britain today than ever before and unemployment is lower than it has been in most people's working lifetime. This is because many new high value jobs have been created in growth sectors, such as financial and professional services, and these, in turn, have stimulated the growth of jobs in other sectors with a high labour content, such as retail and personal services.

The creative industries are frequently mentioned as an example of this change. According to Gordon Brown at the Labour Party conference (as quoted in the Guardian, 1/10/05), they now account for 8% of Britain's national income and employ one in twenty of the workforce.

The first part of my argument is that these changes in the balance and structure of the labour market have not only led to a change in the pattern of employment opportunities but also in how work is organised and what it feels like to be at work.

At the same time, there have been other significant changes going on in the labour market. In the mid 1970s, less than two million people were either self-employed or employers (Central Statistical Office, 1977). Now the number in self-employment has nearly doubled to 3.6 million. Overall, nearly a third of the workforce (9 million people) are either self-employed (3.6 million), working as solo employees (2.2 million) or in businesses employing less than four people (3.2 million).

Further evidence of the increasing diversity of the labour market is shown by the widening of the pay gap between those whose skills are in demand (e.g. knowledge workers, people working in the City) and the low skilled. We all know that the pay gap between top and bottom earnings has widened (Hill *et al.*, 2004). Some commentators (e.g. Moynagh and Worsley, 2005) talk about an 'hour glass' economy in which there has been a growth in both high paid and low paid work at the expense of middle income jobs.

Another long-term trend of great significance is the feminisation of work as more women not only enter the workplace but persist in it. There are still crucial differences in the experiences of women overall, for example, part-time working is almost the exclusive preserve of women apart from a relatively small number of men in marginal positions in the labour market, e.g. students and older workers. Elsewhere, however, there has been a gradual convergence between the employment experiences of women and men. This is reflected in such things as converging activity rates, declining occupational segregation, increasing proportion of women managers, and so on.

As more women work and more men and women find themselves in dual career couples, it is not surprising that issues such as achieving work-life balance are becoming more significant and, perhaps, intransigent. In the future, designing and implementing more flexible working arrangements is likely to be a major challenge for employers if they want to attract and retain talented women and men.

Taken all together, these changes suggest to me that it is misleading to base comments on what is happening in the labour market on the average (mean) experience of those participating in it. Instead, it is more important to be aware of the widening diversity in the experiences of different groups as they respond to changes in the labour market.

Relentless pace of change inside organisations

Although the rhetoric about the new career only dates back to the 1990s, it seems to me that changes inside organisations predate this by about 10 to 15 years. The drivers of these changes have been primarily economic – notably globalisation and new technology – and these have caused not only the structural changes in the labour market (outlined briefly above) but also a changing business culture.

It is possible to be optimistic or pessimistic about these changes. After more than 10 years of economic growth, there is a tendency to be optimistic about the future. The talk is therefore more about continuing skill shortages and problems of labour supply than about what happens to those with few skills or whose skills are no longer required.

Much of the change that most of us experience in the workplace results from the relentless pace of reorganisation that has taken place, and continues to take place, inside organisations. This leads to continuing change in the mix of jobs that exist within organisations. Nicholson and West (1988) observed that 38% of the managers in their survey had changed jobs in the 12 to 15 months between their two surveys and over half (52%) of these job moves were into newly created jobs. While some of these job changes will have resulted in employment change, the majority were internal job moves, many of which were the result of organisational restructuring. Most commentators also accept that the psychological contract has become more transactional, arguably with costs for both individuals and organisations. While there are strong arguments for organisations needing to develop and retain their workers, there is evidence of declining levels of job satisfaction and of increasing work intensification leading to decreasing employee commitment.

There is little doubt that this pressure on all organisations to change will continue. This is true as much in the public sector as in the private sector. Ironically, this often results in organisations making people redundant in one part of their business, while they hire new workers elsewhere. Some other changes that are taking place can be hard to interpret. Reports of some organisations putting in extra managerial layers may be as much to limit pay progression and to maintain control as to create more opportunities for career progression.

It sometimes appears that the left-hand does not know what the right hand is doing. However, it is probably better seen as one consequence of the complexity of the challenges that organisations face.

Both internal and external labour markets are turbulent places. There is a lot of discontinuity and change. Although many workers survive reorganisations, about half a million people are made redundant every year in the UK and my perception is that this, along with the other changes, has made many people feel the future is now less predictable than it was previously. In the present economic climate, it is possible that people are less worried by this unpredictability, but this may not last. To summarise, I would suggest that one key feature of these changes inside organisations has been to transfer risk from organisations to individuals. The widespread impact of such activities as performance-related pay, individual pay negotiations, and the decline in final salary pension schemes has meant that, along with a less predictable employment future, individuals have to face increasing financial uncertainty over the long term. This is also likely to have heightened feelings of insecurity.

New career skills

High rates of change in organisations mean that individuals will need new skills to manage their careers

successfully. Traditional onward and upward careers will continue to be available but others of us will have to pursue our careers differently. We may have periods of upward progress but, for many of us, there will be times when lateral moves, either within or across organisations, will be required.

This is not only a result of structural change within organisations but also reflects a recognition that traditional career routes that have focussed on a single career ladder, often within a particular function or part of the business, have not developed people with the breadth of experience required for senior roles. Individuals need to develop more resilient career strategies to cope with a less predictable future. Employability is a useful concept. Other researchers (e.g. Arthur *et al.*, 1999) have also argued that the concept of career needs to be changed and to focus more on individuals' actions.

Elsewhere, I have suggested (Jackson, 1996) that as well as skills for personal career management (Kidd and Killeen, 1992), individuals need to develop a set of 'working to get work' skills. Kanter (1989) also noted that 'networking and selling occupy a great deal of time'. These 'working to get work' skills are essentially a set of entrepreneurial skills that include networking, business, time and project management skills. Also required are a good understanding of how a specialised labour market operates and, in particular, how to seek and get work in it. These skills apply as much to those seeking job moves inside organisations as to those changing employers. I would argue that you don't have to believe in the radical 'Me plc' model of the future of work to accept that people require additional career skills if they are to be effective in managing their careers. Historically (and perhaps with the benefit of hindsight), the models we had were not very effective at helping people manage their careers proactively.

Many people did not think they had careers. Redefining our concept of what having a career means in a more inclusive and process-oriented way provides a rationale for new and, what I believe, will be more effective approaches to career management. This new rationale will emphasise learning and the acquisition of skills. There is an important role for career professionals in enabling this vision of career to be realised in practice.

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