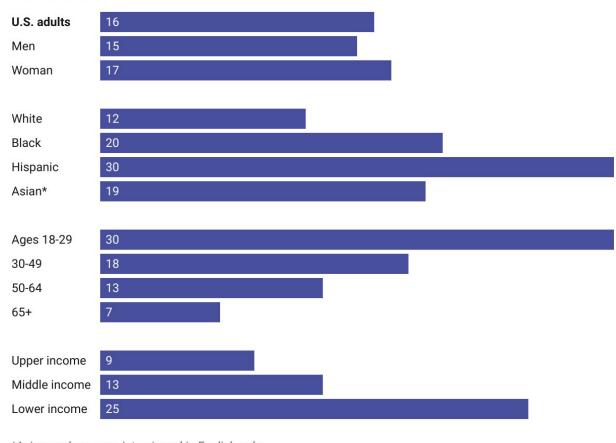


# Americans are taking more control over their work lives—because they have to

January 4 2023, by Scott Sonenshein

#### Gig work is widespread in the U.S. economy

Sixteen percent of Americans in 2021 reported earning money by using a mobile app or website that directly connects workers with people who want to hire them, or by using a personal vehicle to deliver packages for others. The percentage of gig workers ranges by demographics and income level.



<sup>\*</sup>Asian workers were interviewed in English only.

Source: Pew Research Center · Created with Datawrapper

Credit: Pew Research Center



One thing that's become clear in the past few tumultuous—and for many, traumatic—years is that it's easy to feel like there is no control in our lives. Control is a <u>basic psychological need</u> that helps people feel like they have agency, from how they live to where they work. One area where people have tried to wrestle back control is around work.

As a Rice University business school professor and <u>author</u>, I've examined through <u>my research</u>, teaching and readership the <u>complex relationships</u> between employees and their employers for nearly two decades. The aftermath of the pandemic is the latest iteration of a timeless negotiation between labor and management over control that took on added significance these past few years.

The pandemic accelerated a development that began years ago when workers realized they needed to take on more responsibility for directing their careers. This major shift reflects a potentially exciting but also unnerving reality for millions of workers.

## From lifer to independent worker

For decades, employers had the upper hand in negotiating terms with employees. People exchanged unconditional loyalty to an employer for lifetime employment and a secure retirement. That model started to erode with an increase in corporate restructuring in the 1980s and 1990s. With the prospects of a secure job and comfortable retirement more elusive, employees switched jobs to regain some control. They sought the promise of a higher salary and a better work life. In the past decade, the average tenure at an employer dropped nearly 10%.

During the pandemic, a tight labor market allowed employees to use job mobility to feel greater control over their lives. Additionally, the



freedoms afforded by remote work offset some of the losses of control caused by the pandemic. But the reality is that while changing jobs leads to a <u>short-term boost in job satisfaction</u>, that feeling is usually only <u>temporary</u>.

In a post-pandemic world, a new model is emerging that reflects concerns of a slowing economy and more <u>uncertain future</u>. Employees are increasingly rejecting the belief that a single job can satisfy all of their financial and psychological needs. Instead, people are turning to building a portfolio of simultaneous roles to create their <u>career</u>.

With "career portfolioing," employees become free agents, relying increasingly on themselves to carve out a meaningful and rewarding professional life. They put together a mosaic of positions to collectively fulfill their aspirations around income, advancement, skill development and enjoyment. They are no longer subject to a longstanding relationship with a single, lifetime employer, or dependent on a strong job market.

One sign of the rise of career portfolioing is the increase in side hustles. In 2021, 34% of Americans reported having a side hustle, and over 60 million people planned to start one. As inflation rose, side hustles provided extra income in the face of soaring prices. But people also turned to side hustles for new learning opportunities (28%) and to find more enjoyable work (38%).

In research I've been conducting on side hustles in the sharing economy, I am finding that many people take these gigs to compensate for limited control in their "traditional" jobs. Although gig work comes with its own set of challenges—lack of benefits is a key one—people feel liberated by greater control over where, when and how they work. Switching on an app shifts allegiance from one company to another. Turning off an app ends the workday in an instant. People rely on side hustles to earn additional income but also because of the freedom that comes from



being an independent worker.

Another benefit of portfolioing is hedging risk. Sudden layoffs, such as those recently <u>affecting the tech industry</u>, leave people feeling exposed to financial hardship and <u>identity loss from being involuntarily sent to the exit</u>. When facing difficult times at one job, people can turn to other parts of their career portfolio for security and stability.

## Taking action on values

During the pandemic, people's sense of mortality increased as the threat of serious illness or even death spread. Such times often prompt a deep reflection on values, including the <u>purpose of work</u>. When people took stock of their jobs, many did not like what they saw and <u>quit at record numbers</u>. Or, if they stayed, they increasingly pushed employers to align better with their values.

Historically, business organizations stayed quiet about controversial social issues, such as LGBTQ rights, racial justice and abortion—unless there was a <u>very direct profit motive</u>. That's changed dramatically as employees increasingly <u>demand clarity on company values</u> —and actions to back them up. Sixty percent of workers approve of <u>business leaders</u> speaking out on social and political issues, and one quarter of respondents to a recent survey reported turning down a job opportunity <u>because of a company's position on social issues</u>.

Employees, too, appear to be more comfortable expressing their views. At the beginning of the century, I conducted <u>one of my first research studies</u> on understanding how employees convince their workplaces to take a stance on divisive social issues. I found that employees concealed their values by framing them as economic opportunities. For example, sustainability initiatives around energy efficiency were cast as good for the bottom line.



When I recently <u>ran a similar study</u>, the dynamics had shifted. Employees were much more willing to talk about moral values and less willing to translate social issues into business issues. Such a dramatic reversal reflects employees' growing sense of empowerment to make work more aligned with their needs. It's hard to feel in control of your life if you need to suppress or even contradict deeply held values at a place where you spend most of your waking day.

#### A better future for work

Career portfolioing reflects a future in which uncertainty is too high to rely on a single institution to fulfill basic needs, and a failure of modern work organizations to deliver what employees truly value.

For employees, career portfolioing means more latitude over how their career unfolds. Instead of rising to the next rung of an often pre-defined and inflexible corporate ladder, they might instead think about the next addition to their portfolio, whether starting a new part-time job, taking a new class or pursuing a business idea. Elements of a career portfolio not only get added to produce income or personal growth, but also to support a person's values.

No doubt, there are potential obstacles. Taking responsibility for a career portfolio requires additional effort. In our book "Joy at Work," coauthor Marie Kondo and I find that it's all too easy to take on too many tasks and subsequently burn out. People get trapped into thinking the more they do, the better they'll feel. Avoiding burnout starts with anchoring a career portfolio based on values and an ideal work life.

For employers, career portfolioing means competing for the full attention of their own workforce. I believe it should prompt a deeper reflection about how to better meet the needs of employees—or else they may leave or <u>quiet quit</u>.



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