

## FROM THE EDITOR

# THE CHANGING NATURE OF WORK: CAREERS, IDENTITIES, AND WORK LIVES IN THE 21<sup>ST</sup> CENTURY

Few people would deny that the nature of work and employment has changed over the last four decades, not only in the United States but in many countries worldwide. Moreover, the nature of work is likely to continue to change as we move further into the 21<sup>st</sup> century. Consequently, it is surprising how little organization and management studies have had to say about the phenomenon. Our field's lack of attention to the ways in which work is changing is problematic because organization studies and organizational behavior grew out of industrial sociology and industrial and organizational psychology in the 1960s and 1970s. Both bodies of research were firmly rooted in the study of work in large organizations. For example, the classics of industrial sociology, such as Walker and Guest's (1952) and Chinoy's (1955) studies of automobile plants, Gouldner's (1954) study of a gypsum mine, Dalton's (1950) study of managers, and Blau's (1955) study of a social service agency were field accounts of routine work in organizations. In organizational psychology, the roots of job design lay in field surveys of workers' practices and attitudes toward their jobs (Hackman & Lawler, 1971; Hertzberg, Mausner, & Snyderman, 1959; Seeman, 1959). Together this body of work sought to elaborate Weber's theory of bureaucracy and, in the process, gave birth to modern organizational theory.

The story of how organization and management theory moved away from the study of work after industrial sociology split into the sociology of work and the sociology of organizations and how researchers in the latter turned their attention to the environment has already been told (see Barley & Kunda, 2001). However, it is worth re-emphasizing that forms of organizing, the institutional structures of employment, and the experiences of workers are intimately tied to what people do, how they do it, and to the social order that shapes and is created by work (Barley & Tolbert, 1997; Giddens, 1984). It is difficult to untangle whether the actions of the powerful who create and deploy new technologies and forms of organizing intentionally or unintentionally alter the nature of work or whether organizations and institutions morph as work changes. We suspect that both dynamics occur. Regardless of why the landscape of work and

employment has changed, the changes are real and have social consequences.

In what ways is the nature of work changing? First, and perhaps foremost, has been the demise of manufacturing and other relatively well-paying middle class jobs associated with the bureaucratic employment contract in which employees exchanged labor and loyalty for security. Many of these jobs have been offshored to countries where labor is cheaper. The outsourcing or offshoring of manufacturing has attracted considerable attention in the literature on industrial and employment relations over the last two decades (Arindrajit & Kaplan, 2010; Bhagwati & Blinder, 2009; Davis-Blake & Broschak, 2009; Hickman & Olney, 2011; Urry, 2014) and the issue certainly figured prominently in the recent election of Donald Trump to the Presidency. What is rarely discussed is that work being offshored is no longer simply blue-collar work. Firms have begun to offshore professional and technical jobs as well, a phenomenon that provides the backdrop for [Leonardi and Bailey's paper](#) in this special issue.

Equally important has been the growth of contingent work, a general term for forms of employment tied to the completion of a specific task and, hence, of relatively short duration. Contingent work covers workers in a variety of employment relationships including independent contractors who are self-employed, contractors who "pass through" staffing agencies that act as employers of record (Barley & Kunda, 2004), and temporary workers who are also placed by staffing agencies (Parker, 1994). "Temps" usually have shorter stints of work and are generally less skilled than contractors. The newest additions to the family of contingent workers are those who work in the so-called "gig economy," which has recently attracted so much attention in the popular media. Like all contingent workers, those in the gig economy participate in spot labor markets except that "gig workers" typically land their jobs through online platforms and may never meet their "employer." Gig workers can be highly skilled such as those placed through Upwork ([www.upwork.com](http://www.upwork.com)) or relatively low skilled (such as Uber drivers, and workers who take jobs through TaskRabbit [[www.taskrabbit.com](http://www.taskrabbit.com)] or Mechanical Turk [[www.mturk.com/mturk/welcome](http://www.mturk.com/mturk/welcome)]). Although the Bureau of Labor Statistics (BLS) ceased collecting

data on the number of contingent workers in 2005, Katz & Krueger (2016), using the same methods as the BLS, recently found that the number of Americans holding contingent jobs increased from 10.1 percent in 2005 (the BLS's last estimate) to 15.8 percent in late 2015. In this issue, Fisher and Connelly take on contingent work and attempt to answer a question that has rarely received empirical attention: what do contingent workers actually cost employers and what are the precise benefits of hiring these various forms of contingent workers, if any?

Given the expansion of contingent work, it is not surprising that project-based forms of organizing are spreading across employing organizations. Although once largely confined to the construction, consulting, aerospace, and defense industries, project work is now becoming a predominant form of organizing in high-tech industries, and it is spreading into banking, retail and other sectors of the economy. Yet, research on how project work affects the experiences of workers is scarce (but see Bechky, 2006; Kidder, 1981; Perlow, 1997;). Other topics of relevance to the changing nature of work include the prevalence and experience of part-time work. There is evidence that the percentage of Americans involuntarily employed as part-time workers has grown, at least since the great recession (Valletta & van der List, 2015). Holding two or more jobs simultaneously is also rarely discussed in organizational and management studies, although it is relatively common, as is alluded to in the papers in this issue by Demetry, Reilly, and Galperin.

Finally, a spate of new books by technologists and a number of economists raises questions about the effects that artificial intelligence (robots, intelligent devices, and applications of statistical learning theory) will have on the nature of work and the availability of employment opportunities (Brynjolfsson & McAfee, 2014; Ross, 2016; Susskind & Susskind, 2015). Although these technologies are still in their infancy, their development portends potentially radical changes in the status quo. To take just one example, if self-driving trucks were to become common, they would significantly threaten the employment of men in the United States. Few people recognize that truck driving is the most common occupation among men in the United States and that the median annual earnings of truck drivers in 2008 was \$40,200 (Day & Rosenthal, 2008).

The *Academy of Management Discoveries* commissioned this special issue on the Changing Nature of Work, precisely because we need to know more about how work is changing and because we believe that the study of new forms of organizing must be linked more tightly to the study of work and how new forms of work are affecting people's lives. The papers

in this volume speak to that premise. Each of the papers raises one or more issues of critical importance for organization and management scholars. Each leads us to ask whether ideas commonly held by scholars in our field are mistaken or at least outdated and in need of serious refinement. Taken as a whole, the papers raise questions that deserve debate and further study if we are to wrestle effectively with the implications of the monumental changes to the way people in our society work and live. In the remainder of this essay, we highlight some of those critical issues and themes.

The papers in this volume challenge widespread assumptions rooted in the study of systems that have been disappearing. We begin with the idea of identity. Students of organizations have long assumed that our identities are tied to the organizations for which we work. But, suppose people increasingly no longer work in organizations that offer stable jobs. How will people answer the questions: "Who am I?" and "How is what I am doing meaningful?" Identity construction without a solid organization foundation is a theme that unites a number of the papers in this issue. Galperin argues that tax preparers working for companies like H&R Block manage to develop a view of themselves as professionals despite the fact that most of the preparers are seasonally employed, are not Certified Public Accountants and have little formal training in tax law other than what is provided by brief training sessions or is encoded in the software they use. Demetry shows us that chefs who open pop-up and underground restaurants develop identities even though they do not follow the traditional pathways to becoming a chef. Reilly describes how comedians develop occupational identities based on a loosely organized and unpredictably structured series of transitions which entail crossing boundaries that are invisible to outsiders but meaningful to insiders. One interesting implication of all of these studies has to do with the persistence and creativity of people's efforts to identify with an occupational group. The construction of work-related identities and how it occurs in this new world of work strikes us as an important topic for management researchers interested in identity.

Relatedly, organizational and occupational sociology have pat answers to what it means to be a professional. Theorists argue that professionals require formal training, professional associations, and licensing. Galperin's paper on tax preparers who work for companies like H&R Block challenges the classic notion of professionalism which was originally modeled on the historical professions of law, medicine, and certified public accountants. It is worth noting that the organization of these occupations is also in flux (Scott, Ruef, Caronna, & Mendel, 2000;

Suddaby & Greenwood, 2005). The contingent, informally trained tax preparers Galperin describes lack the monopoly and autonomy power wielded by traditional professions, yet Galperin makes quite clear that such workers adopt a professional identity with respect to their clients and their work. Although part of the professional identity arises from indoctrination by the firms they work for, a more important part arises from the tax preparers' relationships with their clients. Galperin's work reminds us of a forgotten lesson championed by the Chicago School Sociologists: members of all occupations, including janitors (Gold, 1964), construct professional identities from the unique details and contextual variations in their jobs. Could it be that sociologists have misconstrued the sources and meaning of professional identities as the nature of work and the division of labor has changed (also see Barley, Bechky, & Nelsen, 2016)?

Advocates of contingent work generally argue that firms turn to contingent workers to increase flexibility or reduce employment costs. When firms hire contingent workers they do not have to pay benefits, they do not incur the costs of training workers, and they are exempt from paying employment taxes. Using simulations based on available data, Fisher and Connelly show that employing contingent workers does not always reduce employment costs. In a number of scenarios, employing contractors is more expensive than hiring full-time employees. Their paper underscores the value of simulation as an adjunct to empirical investigations, especially when empirical data are difficult to obtain. Their simulations also raise questions that require more careful empirical examination before we accept widely touted claims about the value of alternative employment relations.

Outsourcing is often portrayed as a way for organizations to rid themselves of less skilled work and to have that work done at a lower cost. Those who do the outsourced work are typically viewed as mere sources of labor who can contribute little more than the timely production of work of adequate quality. Leonardi and Bailey tell us that the automobile company they studied viewed the tasks that the company offshored to engineers in India in the same way. Of course, the Indian engineers were not unskilled. They were competent and well-trained engineers. Moreover, they were positioned in a flow of work and communication that enabled them to see more clearly than anyone else in the company which procedures and practices were more effective. Yet, the company did not understand the value and importance of the Indian engineers' structural position. Fortunately for the automobile company, the Indian engineers organized themselves in ways that not

only allowed them to identify optimal work processes, but to communicate their discoveries to the company through relationships that some of the Indian engineers had developed with engineers at the company's regional engineering centers. That the Indian engineers could help the company identify and develop effective standard work processes provided the engineers with a sense of worth. But it is important to realize that these developments were shaped by the particular work arrangements and the division of labor (teams and consultants) that evolved at the Indian center. The company did not plan these arrangements and, in fact, top managers were unaware of the division of labor and the benefits it brought. The benefits were in this sense a serendipitous, unanticipated consequence of choices that were made about the organization of work. We know from other research that Indian engineers doing outsourced work are unable to make such contributions and fail to develop a sense of self-worth based on their work roles because of how they are perceived and treated by managers and engineers located in multinational headquarters (Metiu, 2006). At the moment, we know almost nothing about how different ways of organizing outsourced work can engender different outcomes both for firms and for the workers tasked with the work.

Students of management and organizations implicitly equate entrepreneurship with the founding of high-tech companies and the promise of great riches. Entrepreneurship as it is often conceived of in the management field overlooks the idea that some people are able to turn their hobbies into paying businesses and that some businesses stay small. Demetry's paper challenges most of the literature on entrepreneurship on this front. In her paper, we encounter individuals—chefs who open pop-up or underground restaurants—who manage to turn their hobbies and labors of love into paying jobs and ongoing businesses. How common are pathways to entrepreneurship that do not involve venture capitalists or hinge on new technological marvels? What could we learn by studying our neighbor down the street who turns a love of ceramics into a business or the person whose hobby of leatherworking evolves into a craft boutique? How do we make sense of the people on Ebay who create businesses by selling items at higher prices than they paid for the items they sell? What have we missed by ignoring these hidden entrepreneurs and what do their stories have to teach us about surviving in an economy that offers fewer opportunities for secure employment?

What does a career look like in lines of work where there are no clear jobs and where work goes unrecompensed? Reilly's research on comedians provides

a number of intriguing answers. Reilly's ethnography of comedians highlights the possibility of constructing careers even under these conditions. Comedians participate in a community organized by layers of colleagues and structures through which people never fully pass: even as they advance, they return to the earlier layers for further development and experience. Reilly reminds us that not all careers are "up or out" and more importantly that careers and identities can be built around activities that are tangential to the mainstream economy, or at least our visions of it. In this regard, Reilly's work resonates with Hughes' (1958) observation that careers are not necessarily hierarchically structured nor need they be tied to paying jobs. Careers are constructed at the boundary between the individual and the social world in which the individual participates. The same can be said of Galperin's tax preparers and Demetry's pop-up chefs, who are not fixed in a single job but forge their work lives around multiple, and sometimes simultaneous, forms of work. One wonders whether there are important similarities, in terms of both costs and benefits, among comedians, tax preparers, and those who work in the gig economy, such as Uber drivers, in terms of how they think of themselves as workers.

Finally and perhaps most importantly, the papers in this volume lead us to ask how people will make enough money in a postindustrial economy to sustain a life, much less a family. Comedians, chefs who establish pop-up and underground restaurants, seasonal tax preparers, and contingent workers cannot count on a steady, sufficient income even when they manage to establish an occupational identity and situate themselves in a supportive occupational community. What are we to do when our employment institutions no longer match the nature of work that people are pursuing? In the United States at least, our tax structure, retirement funds, social safety net, and access to health care revolve around laws and institutions developed in the mid-20<sup>th</sup> century that hinged on the presumption of stable employment and full-time jobs in formal organizations that offered a regular paycheck plus benefits. The question of how to put into place institutions that match the work arrangements that we are so rapidly evolving is in the end a question of policy about which we are unlikely to be able to speak with knowledge and authority unless we again join the study of work to the study of organizing.

We proposed the idea for this special issue to the *Academy of Management Discoveries* because each of us felt that there was an urgent need for the field of Management to begin to think differently about many of the topics in our field in light of the changes

that are occurring in the nature of work, organizations, and employment relationships. Reading the research in this issue shows us some of the ways in which we need to begin to think differently about topics we thought we understood (e.g., the nature of careers, how people formulate meaningful professional identities, the nature of entrepreneurship in a world of smaller organizations). We hope the articles in this inaugural special issue of AMD encourage members of the Academy of Management to take on the challenge of trying to understand the nature of jobs and the management of organizations as they are evolving at the beginning of the 21<sup>st</sup> century and of updating and refining our ideas and theories.

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