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## Future of Careers

Mastering a New Professional Model for the 21st Century.

We are job search campaign managers. Our professional work frequently allows us to work with senior leaders who know how to wear public masks of confidence. Beneath that veneer is a profound despair.

There are two variations of this despair:

“My college roommate was able to retire at 58. I can’t afford to retire.  I feel like such a failure. What did I do wrong?”

                                                            And:

“I am looking for employment but can't find full-time work.  My neighbor flits from full time job to full time job.  The recruiters are always calling this neighbor.  But the recruiters do not return my calls.  When I was young, they pursued me. The only opportunities I get are for interim assignments.  I must be a failure.  What did I do wrong?”

This article is based on interviews with fifty senior executives who have been successful in managing their careers during difficult economic times.  Our corporate leaders learned the difficult lesson that success often involves the painful process of unlearning old frames of reference that once worked. Unlearning old ideas that have been successful in the past is far more difficult than learning new ideas.

What are some of the lessons our leaders had to unlearn on their road to eventual success?

**Short Job Tenure and Long Middle Age.**

The individual complaints with which we began this piece are but symptoms of two larger, well-known, [health](https://www.psychologytoday.com/basics/health) and economic trends impacting all who work in developed countries. The first trend is a shortening of traditional job tenure in line with the collapsing time frame for product life cycles, and corporate life cycles.

Technology has been a driver behind the "speeding up" of business cycles. What economists call “creative destruction” is taking place at a faster pace and [conscientious](https://www.psychologytoday.com/basics/conscientiousness), qualified employees are often its victims.  In other words, job tenure within jobs and tenure within companies is decreasing.

Short job tenure plays havoc on [retirement](https://www.psychologytoday.com/basics/aging) savings.  The foundation of retirement savings is based on slow and consistent contribution.

Short job tenure explodes that assumption.

At the same time life span is increasing. You can thank the same technological factors that contribute to lowering job tenure. The average life span within industrial societies has increased 12 years since social security was adopted.

It is important, however, to remember that this additional 12 years is not an additional 12 years of old age. It is an elongation of middle age.  The old career model was based on long job tenure and death within 10-15 years of retirement.  The new career model is based on short job tenure and death within 25 years of retirement.

Implication: do not be critical of yourself if you do not have enough saved for a retirement that will support you for 25 years.  It is not your fault. Unlearn your framework for retirement.

**The Free Agent Model: never valid for all.**

In the last ten years of the 20th century, economists like Robert Reich and popular business magazines like BUSINESS 2.0 began to write about “Free Agent Nation.” Under the free agent framework, executives have careers that resemble professional [sports](https://www.psychologytoday.com/basics/sport-and-competition) stars. Free Agents smoothly shift from one major league [team](https://www.psychologytoday.com/basics/teamwork) to another major league team through the work of third parties called “Agents.”

In the world of business, agents are often called retained search executives. “Once it becomes known that I am on the market, an executive recruiter will call me.”

Professional sports players represent an elite segment of the general population. Within this elite group, only the top 10-15% can count on the Free Agent model to work for them.

What happens to the other 85 percent? When their contracts with a major league team are not renewed, it is the beginning of the end of their professional sports careers.

Even for this elite 10-15%, Free Agency will cease to be valid as they age or become injured.

In other words, Free Agency as is valid for a few athletes some of the time and for no athlete all of the time.

**Free Agency as a Career Model in Business:**

Free Agency says that winners smoothly move from full time job to full time job with the help of recruiters. Like professional sports, Free Agency works for a small group of leaders some of the time.  And it works for all leaders none of them time.

Unless you unlearn Free Agency, you doom yourself to individual feelings of failure. Moving from a “good” corporate job that you were placed in by a recruiter to “Temporary Help” as a consultant or an interim executive can make you feel humiliated.

**The Case of Jack:**

The new model to replace Free Agency is traversing from full-time assignments or W-2 relationships to project assignments or 1099 relationships. And then back again.

Failure to grasp the realities of the traversing can make a complex professional life even more painful. Consider the case of Jack:

Jack was CFO of a company in a declining industry. A larger player acquired Jack’s company and he received a one-year severance agreement as part of his exit package. Jack spent the first nine months aggressively[*networking*](https://www.psychologytoday.com/basics/social-networking)for a full-time CFO job in his geographic area, while making it clear that an interim or project oriented role was beneath him.  By month ten, Jack became concerned about his family cash flow situation.  He began looking for interim assignments. Jack found his network unresponsive and the reason was obvious: he had clearly signaled early in his job search that interim assignments were second choice. Jack is now approaching month 24 without either employment assignments or project assignments.

Jack’s story is both unhappy and common. It need not have ended this way.

Jack needed to understand and accept that his career may have begun as an employee but it would most certainly end as a consultant.  And he is going to have to support himself on consulting earnings once his full time W-2 period is over.

**Should I Go Into Freelance Work?**

We tell our clients the question should not be “should I go into consulting?” The question should be “When I go into consulting, will I make enough money?”

Think of today’s leaders as managing two distinct professional lives.  One life focuses on full-time employment and the other life focuses on project assignments, also known as interim free lance, or consulting assignments.

In a world of short job tenure, even full time jobs need to be thought of as “assignments” rather than long term career slots you will occupy.

Your mission in managing your career is to manage these two professional lives so that you will be successful in both since you will be careening from one to the other over a period of years.

In the next section of this article, we will address why you need to unlearn the notion about “climbing the ladder” of success.

## The Future of Careers, Part 2

Ladder climbing vs. Ski with your edge

     In “The Future of Careers, Part 1" we discussed mid-twentieth century [cognitive](https://www.psychologytoday.com/basics/cognition) frameworks that impair success in a changed economic order.  The first cognitive framework is the assumption of having careers in one organization over a long time period.  That has been replaced by a model we call short job tenure/elongated [middle age](https://www.psychologytoday.com/conditions/mid-life).

The second framework we discussed was the Free Agent Model: the best professionals effortlessly move from company to company through the assistance of people who work in retained search.  That model will ultimately lead you to feel like you are a "loser:” free agency works for a small group of executives some of the time and for no executives all of the time.

**Climbing Corporate Ladders:**

One component of early to mid-twentieth century thinking about careers was the concept of “climbing the ladder of success.”  This framework used the corporation or institution as the economic foundation for upward mobility: success means ever increasing levels of job titles, salaries, and responsibilities within the same institution.

This ladder climbing framework may still be viable for large companies/institutions with sophisticated approaches to management development.  How many of them still exist?  What is the probability of you working for one of them?

Most of the people whose campaigns we manage will end up working for smaller companies with “Just in Time” approaches to leadership succession.

When an important leadership role opens up in the company, the CEO and the board want to find someone who can "hit the ground running." They do this by employing retained search firms to find the most qualified candidates inside or outside the company.

The higher up the organization “ladder,” the higher the [bias](https://www.psychologytoday.com/basics/bias) for hiring outside the company: given the drive for “doing more with less,” in-house employees are struggling to simply perform the jobs they were hired to do.  They lack the time and the company does not provide them with the resources to demonstrate fitness for higher level jobs.

**The Devil You Know Is at a Disadvantage:**

Under these circumstances, promoting in-house candidates to higher management roles can sometimes be perceived as much a leap of [faith](https://www.psychologytoday.com/basics/religion) as hiring an outside person.

Consider the popular term “The Peter Principle.”  This refers to promoting a highly competent employee to a level of incompetence.  For example, it would be an error to assume that the best sales professional in the company will be the best manager of sales.  It would be an error to assume that a baseball [team](https://www.psychologytoday.com/basics/teamwork)’s best pitcher will be the best coach.  As one ascends the corporate ladder, jobs increase in responsibility but they also require different skill sets.  Thus a risk for hiring an internal candidate is that the hiring authority violated the Peter Principle.

Another problem for internal candidates is that it is riskier for hiring authorities to promote internal candidates than external candidates.  The popular cliché is that “the devil you know is better than the devil you don’t know.”  That cliché breaks down in hiring.

Finding out the devil you didn’t know had problems opens the hiring authority to accusations of making bad decisions under conditions of incomplete information.  Finding out the devil you know has problems opens the hiring authority to accusations of making bad decisions under conditions of complete information.  “You know she came with ‘baggage’ and you hired her anyway???!!!”

**From Ladder Climbing to Traversing:**

The 50 successful people we interviewed did not think in terms of ladders. They thought in terms of traversing.  The skiing term “traversing” means moving in a zigzag pattern along different snow terrain. During an Alpine ski run you may traverse over ice patches, powder snow, or come up against moguls.

Moving up a ladder requires steady [discipline](https://www.psychologytoday.com/basics/self-control) and persistence in the face of obstacles.  Traversing requires discipline combined with maneuverability.

Schools are excellent in educating students about how be disciplined and persistent in the face of obstacles: from kindergarten to Ph.D. ceremony there is a hierarchy of required elective courses one must pass to get to the next hierarchy of mandatory courses.  Running through the educational system gauntlet is a demonstration of [intelligence](https://www.psychologytoday.com/basics/intelligence), discipline, and persistence.

Traditional schools are excellent in teaching students how to climb ladders that will not exist for them once they graduate. The key skill is not ladder climbing for one’s career within one company but agility in an assignment-based economy.

**Back to the Case of Jack:**

Earlier we discussed the case of Jack:

Jack needed to understand and accept that his [career](https://www.psychologytoday.com/basics/career) may have begun as an employee but it would most certainly end as a consultant. Jack’s career would not be a single career comprised of a series of corporate jobs. It is more like managing two professional lives -- one focusing on employment assignments and the other focusing on project assignments. This is what we call traversing as opposed to managing one single career. The new model may involve zig zag between full time and project work.  It involves moving from W-2 to 1099 and back to W-2.

W-2 forms are tax forms given to full time employees.  1099 forms are tax forms given to consultants or interim employees.

We have learned three lessons from our sample survey: traverse with your career edge, master affiliation needs, and traverse between provincial/cosmopolitan knowledge.

In this article we will focus on the first issue.

**Lesson #1: Traverse with Your Edge**

In traversing, you lead with the edge of your skis. Your ski edge gives you maneuverability. In career traversing, you lead with your skills edge. Your edge gives you maneuverability through different terrain. James is an example of one of our 50 executives:

*After receiving his MBA from Columbia University, James went into banking. Various assignments at Mellon Bank and Bank of America eventually led to James being hired as President/CEO of a California bank. In 2009, James’ bank was acquired and he was without employment.  There was a consolidation of banks so career continuation was impossible.  James created a one-person consulting firm, whose initial focus was on what James called “credit dependent companies.” Using his personal relationships with West Coast bank presidents, James was able to negotiate settlements so that both sides could have something of value.*

*By 2013, the recession had lifted, and one of James’ clients came to him for consulting assistance. One consulting opportunity led to an offer to become Chief Operating Officer. His assignment was to double the size of the medical products distribution company and then sell the company to a national player. This assignment was completed within eighteen months. Once again James opened his consulting practice. One of his clients was a nonprofit organization. This consulting assignment brought him exposure to new areas like fund raising and working with agencies in Washington, D.C. This assignment was completed after two years. The contacts James developed brought him to the notice of a board member of a non-profit company in his town. James was offered the position of Chief Executive Officer for a California human services organization with a budget of $265 million.*

James has been a bank president, a distribution company COO, and a nonprofit CEO.  Between these W-2 employment assignments, there has been a constant theme of 1099 project assignment work.  Each 1099 assignment led him to the next W-2 assignment.

If you view James' career from a ladder climber's perspective, James appears to have had a “hodge podge” career.

James, however, sees that he is traversing with his edge:

*“I have centered my professional life on one strong theme: I solve financial/organizational problems from a perspective of a banker. Had I identified myself as a ‘banker,’ my goose would have been cooked as the banking industry continued its consolidation. Instead I have worked with medical products, retail companies, construction companies, a giftware company, and*[*health*](https://www.psychologytoday.com/basics/health)*care products. It has been fun, a real learning experience. But my core identity remains the same. That never changes: I solve financial and organizational problems from the perspective of a banker.”*

**The Case of Ted:**

Ted began his IT career working with a variety of large corporations, beginning with EDS, the global IT outsourcing firm and Honeywell. Five years later, he moved to Monchik Weber, a consulting firm. His success as a consultant in an assignment involving ocean cargo issues led to an opportunity to become CIO for a company in the ocean freight transportation industry. Five years later, he was once again consulting. But the consulting assignment helped him gain credibility in the financial services sector. Ted is now CIO for a global financial services company.

In commenting on his professional life, Ted describes his edge as a constant while the assignments always change:

“*My skills are*[*coaching*](https://www.psychologytoday.com/basics/coaching)*and developing people in technical environments. Internal or external, I use the same tools. I just apply those tools in different ways.”*

## The Future of Careers, Part 3

How to Traverse Between Cosmopolitan and Provincial Knowledge.

To master an assignment-driven economy, stop thinking in terms of company centered ladders of success. The concept might have been appropriate in mid-twentieth century developed countries but it no longer applies.  Move your conceptual framework to skiing and having the agility to traverse between the W-2 and 1099 worlds.  Success requires using your edge.  Finding your edge that is not company or industry specific is going to be critical if you are to be a successful traverse artist who moves between W-2 to 1099 to W-2.

From a [retirement](https://www.psychologytoday.com/basics/aging) planning perspective, the traditional model of retirement planning has often been based on disciplined contributions to a company sponsored retirement plan.  That model of funding retirement breakfast no longer applies when you zig zag between W-2, 1099 and W-2 assignments: there will always be periods of unemployment between assignments.  Traditional retirement planning does not account for this.

In the final part of his series we will discuss the last two lessons learned in managing careers in a gig economy: how to master affiliation needs, and how to traverse between provincial/cosmopolitan knowledge.

In Part 1 and 2, we focused on the need for unlearning “climbing ladders” as a [cognitive](https://www.psychologytoday.com/basics/cognition) framework for [career](https://www.psychologytoday.com/basics/career) management.  A better conceptual framework revolves around the ski term “traversing” down slopes of different terrain: “ski with your edge.”

The key in successful career management in the 21st Century is not necessarily the rank on the organizational hierarchy you achieve but your ability to identify your “edge” and apply that edge in novel circumstances.

In a world of short job tenure and long middle age, "ski with your edge" is can provide more economic security than job titles.

This article will focus on managing affiliation needs through professional associations.  We will discuss traversing between provincial and cosmopolitan knowledge.  Finally we will argue that feelings of exhilaration/terror might as well be embraced because it is a sign that you are doing the right thing.

**Manage Your Affiliation Needs Through Associations:**

Affiliation is the desire to be an integral part of something larger than you.  It could be as small as being part of a work [team](https://www.psychologytoday.com/basics/teamwork) that will finish a project this month or as large as being a member of an institution whose mission will make the world a better place.

In the W-2 phase of a career, moderate degrees of Affiliation are helpful: you are part of a team.  But when you are in the 1099 phase, you are not part of a client’s team.  You are helping a team for a period of time and then your job is to leave the team.

 How do you manage your Affiliation needs when you no longer can really be part of a team?

The answer is to focus your Affiliation needs on professional associations.  Professional associations are work-related reference groups outside the corporation. These reference groups can focus on function/profession (American Psychological Association, Financial Executives International, American [Marketing](https://www.psychologytoday.com/basics/consumer-behavior) Association), industry (American Bar Association, Massachusetts Biotech Council), or geographic (Chicago Chamber of Commerce; Downtown Crossing Association of Boston).

Successful careerists take their association membership seriously as a way of meeting their affiliation needs.   This is an important but difficult statement to make, given the time pressure of work and home.  But it is important to understand how important associations are for your future.  In the 21st Century, associations have the same role that guilds played in the Middle Ages: a source of stable affiliation in an unstable project-oriented world.

The connections you make in such associations will form the core professional network to help you traverse between 1099 and W-2 roles.  It is important not to just join an association.  You need to become known within that association.  You need to be a committee member and not just someone who sometimes shows up for the occasional cocktail party.

**Traverse Between Provincial and Cosmopolitan Knowledge:**

In the W-2 phase of a career, leaders are often hired to manage the work of others. Moving up the corporate career ladder means leaving behind technical mastery of “doing” to managing others whose technical mastery allows them to do what you are unable to do.  For example, a hospital CEO may have management responsibility over a surgeon yet not know how to perform surgery.  In addition to [leadership](https://www.psychologytoday.com/basics/leadership) skills, strategic vision is increasingly of greater value as one moves up the hierarchy.  We call these "cosmopolitan skills" because strategic perspective and leadership can be of value in any industry and any organization. Lou Gerstner took over IBM without skills as an electronics engineer or even an appropriate background in IBM’s technology foundation. George Marshall moved from being a soldier to running the Department of Defense to being Secretary of State to being the President of the American Red Cross. Both were masters of the cosmopolitan skills of strategy and leadership.

In the W-2 phase of a career, on the other hand, you will be retained to help solve specific problems.  You must know how to “do.”  Your technical skills are critical.  We call this provincial knowledge because it is highly focused on specialized knowledge.

Being [wise](https://www.psychologytoday.com/basics/wisdom) in mastering cosmopolitan versus provincial knowledge is critical in effective career management in the 21st Century.

Bill Fallon was Chief Information Officer for a financial services organization.  The organization was going to be acquired and Bill was thinking about his next assignment.  He was anticipating that he would move from CIO to technical consultant:

*“I am already thinking ahead to the next move in my career. And that will probably be a consulting position. It is important to keep my technical skills sharp. I am planning to take a course in a technical area at a local community college. I'll probably be the oldest student in the class.  I don’t' care.  You’ve got to stay sharp. Taking the courses also helps shape the external perception others have of me. I want to be flexible. I am 54. It is important to build a perception that I am not stuck in a mold. Taking courses is one way to do that. Two years ago I was taking strategy courses at Harvard Business School Advanced Management Program.  It is important to do both."*

Bill understands that his current W-2 assignment will set the stage for his next 1099 assignment. He is at ease moving from a course on strategy at a world class institution of higher [education](https://www.psychologytoday.com/basics/education) to a course on the new programming language at his local community college.

**Exhilaration and Terror:**

The three sections in this series have argued for a specific mixture of flexibility and [discipline](https://www.psychologytoday.com/basics/self-control).  That mixture of flexibility and discipline is not unlike traversing down a mountain as you navigate through different snow conditions. The thrill of skiing is the simultaneous emotions of exhilaration and terror.

Managing careers in the 21st Century is about embracing exhilaration and terror while unlearning corporate ladder climbing, free agency, and comfortable (non working) retirement.

The closest thing to job security most of our clients will ever know in the 21st Century is the security of knowing know how to successful generate income under different conditions.

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Maryanne Peabody and Larry Stybel are co-founders of Stybel Peabody, an Arbora Global Company. Based in Boston, it operates out of 25 U.S. cities and 30 countries. The Stybel Peabody mission is Leadership and Career Success: retained search, leadership development, and executive outplacement.

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