

Are There Any Good Jobs Left? Career Management in the Age of the Disposable Worker

R. William Holland

PRAEGER

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*To my loving wife, Claudia, who read every word and
offered countless candid suggestions.
But always with tenderness beneath her honesty*



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PREFACE

THE GULF BETWEEN an idea and a completed book is too wide to get over in a single leap. It takes connecting across shorter distances with support from others. That is how *Are There Any Good Jobs Left?*[?] came to be.

The idea occurred to me several years ago as I observed increasing numbers of workers being displaced from their jobs. These displacements were different from those that took place during the Great Depression. There were no breadlines to feed the hungry or any public works projects to absorb idle labor. In addition, many of the displaced were members of the recently emerging white-collar labor force. These were people with college educations, experiences, and career expectations unknown a generation before. As workers became increasingly anxious about job security, corporations became more at ease with restructuring their workforces and more willing to accept the consequences of laying people off.

Conversations with friends and colleagues confirmed my sense that fundamental shifts were taking place in the American labor force. Some time later, it became clear that similar changes were taking place in other industrialized countries. What was happening to workers in America was one component of an interrelated global landscape. By this time an entire body of literature about globalization and its effects had surfaced, along with a debate about the future of jobs everywhere.

In some respects, the debate clarified the possible impact globalization would have on individual classes of workers. It has not clarified what individuals should and can do about it. This book explores the most recent evolution of jobs and the attendant methodologies for finding them. It is divided into two parts, Context (chapters 1–5) and Practical Applications (6–9).

Chapter One, “Globalization and Our Individual Career Options,” is a discussion about how globalization shapes the way in which companies behave in the global marketplace and impact the career opportunities for individuals. Chapter Two, “About You, Me, and Roy,” is a personal account of how my family and friends experienced the transition to a global economy. Our experiences demonstrate how easily one can be misled when using old paradigms to understand new phenomena. Chapter Three (“How Did We Get Here from There?”) is an overview of the changes in the post–World War II American economy and the rise of the outplacement industry. Here we begin to take a close-up look at an actual networking group and how individuals

manage transitioning from one job to another. In Chapter Four (“Are There Any Good Jobs Left?”) we focus more specifically on the changing landscape of jobs in America and the threat being posed to the American worker. Chapter Five, “Race and Gender in the Job Search Process,” begs the question about the continuing relevance of race and gender in the job search arena. While both issues are likely to fade in importance, certain vestiges of each could remain and lead to a suboptimization of the nation’s human resources.

Part II focuses on more practical applications. It begins to bridge the gap between the existence of global forces and the actions individuals can take to survive and prosper. Chapters Six, “Résumés,” and Seven, “Networking, Interviewing, and Negotiating,” focus on the inner workings of the career management process and how it needs to change in response to globalization. Chapter Eight, “The Entrepreneurial Spirit,” is a study of the issues one encounters when becoming an entrepreneur.

The final chapter, “Suggestions for Survival and Prosperity,” addresses options for survival in the new economy. Included are some straightforward suggestions about personal finances in the face of job insecurity and about personal brand management.

For those who want to learn more about the global economy, additional details about career planning, or other subjects covered here, a Resources section is provided for your assistance. Everyone should be able to use this work to gain a better understanding of the forces at play; how we got here, and the personal life strategies we can use to move forward. From time to time readers will be referred to my website, www.rwilliamhollandconsulting.com, where they will find additional resources, how to contact me, and information about my blog, *Are There Any Good Jobs Left?*² A newsletter is in the planning stages that will focus on topics of interest to the active career manager and job seeker. A special set of help aids are also available for the college audience. The need to clarify how individuals might respond to the threats and opportunities posed by globalization was the final connection to make *Are There Any Good Jobs Left?*² possible.

For helping me bridge this last gulf, I would like to thank Steve Shipley, Jane Goldfine, Don Kratz, Jan Kays, Debra Dewbray, Todd Holland, Jaime Holland, Chuck Hays, Carol Cepesdes, Jess Womack, Bob Holland, Ruth Scott, Kesha Reed-McLean, Robb Holland, Kristen Cox, Pat McGettrick, Marianne Blair, Amy Edwards, Bonnie Spark, Debra Jensen, June Stokes, and others too numerous to mention.

I would also like to thank Dan Gross, my invaluable research assistant for his dedication and insight. Special thanks to Nick Philipson and his staff at Praeger Publishers for their enthusiasm, belief in, and input on the project. Finally, thanks to my agent, Sorche Fairbank at Fairbank Literary, for providing careful guidance through territory unfamiliar to me.

PART I



Context

CHAPTER ONE



GLOBALIZATION AND OUR INDIVIDUAL CAREER OPTIONS

ACCORDING TO THE Bureau of Labor Statistics (BLS), 43 million Americans were laid off between 1979 and 1995. Between 2001 and 2003 another 5.3 million got pink slips. More than likely, the numbers would have been higher were companies not able to reduce their payrolls by offering incentives for early retirement. A few decades earlier, who would have thought it would be more profitable in the long term to give people incentives *not* to work? When did workers become so disposable? In retrospect, the popularity of early retirement incentives and massive layoffs should have been a warning that something was seriously out of kilter, and that major changes were just around the corner.

Increasingly, companies are advertising their jobs as “stints” rather than as long-term career opportunities. Pension programs are becoming little more than employee-funded retirement savings accounts portable from one company to the next. Under the protection of bankruptcy laws, an alarming number of companies are walking away from long-standing pension commitments. Smart companies are beginning to restructure their compensation programs and jobs so as to retain only selected employees for finite periods of time. Technology is making it possible to do the same work with fewer people. And the loss of jobs to technology is not confined to the United States. In fact, in 2004, China lost more manufacturing jobs to technology than any other country.¹ Much of the work being done by workers in industrialized countries can be done at less expense by other people anywhere in the world.

The largest employer in the United States is no longer General Motors. That distinction has gone to companies such as Wal-Mart and Manpower with employment rolls that have swollen to over 1.4 million and 600,000, respectively. That a retailer and a temporary employment agency are now among the largest employers is testimony to how much America has changed in the last few decades.

A WORLD OF UNCERTAINTY

As companies are rethinking how work gets done and as people continue to be downsized, outsourced, and let go, many are left wondering whether there are any good jobs left. The question has relevance for receptionists and CEOs; for college freshmen and graduating seniors; for those in midcareer and those about to retire; and certainly for those in transition. What we look for in jobs and careers and how we prepare ourselves to get them helps establish basic patterns in our lives, such as spending time and money to attend college, and providing our children with resources to do the same. We believe education is a ticket for admission to a good job—one with security of employment, health care benefits, career development, and a pension program for retirement. However, a review of the American landscape reveals that how we earn our living has changed. Furthermore, it has changed right before our eyes and seemingly in no more time than it has taken us to bat an eyelash. The magnitude of the changes and the speed at which they have come at us appear to have turned our world upside down. The price of the admission ticket to good jobs has steadily risen while what we are getting for a return is less certain than ever before. As Thomas Friedman put it in his book *The World Is Flat*, we are in the process of a great leveling of the global economic playing field.² How we prepare ourselves as a society and as individuals to deal with these changes will have a dramatic impact on the quality of our lives.

If individuals (and organizations) understand the context in which these changes are taking place, they will be better prepared to survive and prosper. But survival and prosperity in this new era require a significantly different approach and level of understanding than many of us currently use or possess. That requires us to understand the context out of which these changes have taken place.

My sense is that people, especially Americans, are confused and uncertain. Many are struggling more than ever to make sense out of everyday events in the greater workplace. College students are trying to make career choices about areas of study, hoping that jobs will be available in their fields well into the future. At one time it was possible to find employment with a company and have every expectation of spending the better part of one's working life with that organization. Now students at some of our most prestigious universities are being told to expect their first job out of college to last no more than four or five years.

People in transition are looking for jobs in companies that are here to stay. They want stability. They want to work for organizations that are not desperately trying to outsource most of what they do to others. They ask whether their next job is safe but find out, all too late, that the new companies they join lay people off as well.

There is confusion about technology and its effect on jobs, especially in manufacturing. We read every day that manufacturing jobs are on the move.

General Motors has announced it is establishing a manufacturing capability offshore and eliminating over 25,000 jobs at home. Where is home? Is it really okay for a Chinese company to buy Maytag or an American oil company? Is there not an oil shortage? Why would we let them buy our oil? Is it actually our oil they are buying?

There is also confusion about things Americans thought were sacrosanct. Most did not know that companies like United Airlines could walk away from their pension obligations, or that many private and public pension programs are seriously underfunded. Few thought fraud on the scale that existed at Enron was possible. Employees were aggressively encouraged by Enron's leaders to keep their 401K monies in Enron stock. Many did and suffered massive losses.³

People near retirement are losing their jobs and find it difficult, if not impossible, to find replacement positions with comparable incomes or social standing. This comes at a time when there is supposed to be a war for talent. There are thousands of jobs advertised on the Internet, but people apply and never hear about the disposition of their application. Some people have been outsourced, downsized, and otherwise let go three or four times and are confused about why this keeps happening. They have no choice, or so it seems, but to again try to find an employer who is worth being loyal to—one who will be loyal to them.

Since 9/11, the world is closer to America than we ever thought possible. The oceans off America's shores and friendly neighbors north and south no longer protect. Vigilante groups are actively patrolling our borders with Mexico and Canada in an effort to keep the "visigoths" at bay. The blame game is in full force. Some people blame the North American Free Trade Agreement (NAFTA) for shipping "our" jobs to Mexico. Others argue it is greedy corporations whose only allegiance is to increased profitability, and who will do anything, including destroying the American middle class, to get it.

As people lose their jobs, they also risk losing accessibility to affordable health care insurance. It is in vogue to blame the American Medical Association (AMA) for this because they have been the most effective and persistent advocate for the current system. Historically, the AMA has resisted any attempt to institute a national system of health coverage. Of course, liberals and conservatives blame each other. Since some of the best heart surgeons, for example, are in India and offer their services at a tenth of the cost of American doctors, some have even taken to blaming them.

The confusion will undoubtedly inspire public debate and eventually changes in public policy. But individuals are not in a position to wait for change to happen. Their careers and transitions hang in the balance, and relying on favorable public policy outcomes is risky business.

When futurists are done identifying the megatrends of our time, we are left with a definitive lack of clarity about the implications these trends have for

individuals and what they should/can do about them. For example, we are being told that our jobs are moving to places in the world where they can be done more cheaply and that the need to find more efficient modes of production is being driven by consumer demand. Companies that cannot keep up will cease to exist. Should Americans worry about this? While the answers are mixed, there is universal agreement there will be disruptions in the workforce. In the short run, some of us will be negatively impacted by these disruptions while others will survive and prosper. People want to know how to get on the side of survival and prosperity. They want to know whether they personally can survive the storm—whether they can find safe havens in which to have careers. But when they turn to look for answers, they are confronted with a career management industry whose tools were developed largely in the 1970s. These tools focus on things like résumé writing, interviewing, and career management, but not on things dealing with global trends and how they impact an individual's employability.

Literature supporting the career management industry is largely of the how-to variety. The link that is missing connects the macro trends with strategies that individuals can use to manage their current reality. It involves more than tools; it requires a shift in mind-set of substantial proportions. Only then can individuals begin to imagine what to do in a world in which the kinds of jobs for which they have prepared may not exist now or ever again.

ECONOMY IN TRANSITION: EXPANSION, CONTRACTION, AND GLOBALIZATION

This shift in mind-set is better understood against the backdrop of the transitions the American economy has gone through since World War II, transitions that took place in the context of a global economy.

There have been three major transitions since that war: expansion, contraction, and globalization. None has been a one-way street. That is, movement from one to another is often an ebb-and-flow, making it difficult at any one point in time to tell exactly where a company is along the continuum. Additionally, the phases are not exclusive of one another. Numerous examples of efficiency-driven contraction can be found even though we may be firmly into globalization. This is true for entire industries as well as individual companies. In 2005, General Motors announced its intention to go global with major infrastructure investments in Europe and Asia at a time when it was laying off thousands of workers elsewhere. IBM's announcement in 2004 that it would add an estimated 15,000 employees (postwar expansion) was not inconsistent with most of the hires being outside the United States (globalization).

The third transition phase is well under way and promises to create more turmoil and opportunity than the other two combined. But all three have major consequences, sometimes for the nation and at other times for the entire world—but at all times for individual employees and their families. At

one level these transitions greatly influence which and how many employees companies wish to hire and retain. At another, they influence what individuals need to do to make themselves employable.

In a fundamental sense, this is a book about change and how individuals and institutions adjust. It is about why corporate promises of employment for life have morphed into a greater likelihood of being downsized, outsourced, or let go. It is about the millions of people who have been laid off, anticipate being laid off, or know of someone looking for work. It is about the insecurity any of us feel about our jobs, careers, and retirement prospects as well as the ways in which companies adjust in response to market pressures for greater efficiencies.

This is not a “how-to” book, though there is a smidgen of that. Rather, it is a book about “why so”—why you will probably have to look for a new job sometime during your career and perhaps a new career sometime during the course of your life. It is a book written in response to the confusion people feel about what is happening to them as employees and what they can and should do about it. If individuals understand what is happening in the world of work today, they have a better chance of developing and implementing personal plans with improved chances of success.

Losing one’s job is an emotional experience that shocks the system, even though one might have seen it coming. One way to help people deal with and prepare for this experience is to put it in a larger context. That way, not only does one come to understand they are not alone (i.e., a lot of people lose their jobs these days), but just maybe they can see themselves as being more in charge than ever before. Even if the forces of change are bigger than we are, it does not mean that we are unable to exert some measure of control.

This book is written largely from the perspective of the individual, but also includes a robust discussion about the forces governing corporate behavior. The motivations behind the behavior of corporations provide the context in which individuals seek employment opportunities.

We intuitively seem to understand why corporations need blueprints (strategic plans) for managing in a competitive environment. It makes sense that these plans are used to concentrate scarce resources (mainly time and money) to complete an organization’s assigned tasks. What may not be as clear is that these blueprints invariably contain significant implications for individual employees. For example, after World War II there was a rapid expansion of the American economy along with a corresponding expansion of the need for a new kind of white-collar, professional worker. To attract these workers, companies expanded employee benefits, career opportunities, and pension programs. The corresponding blueprint adjustment made by individuals was to concentrate their time and resources by going to college to get in line for the good jobs, and Americans went to college in unprecedented numbers.⁴

By 1960, white-collar workers outnumbered their blue-collar counterparts for the first time and by 1990 had become a full majority of the workforce.⁵ White-collar work is now what most of us do; and by looking at the most

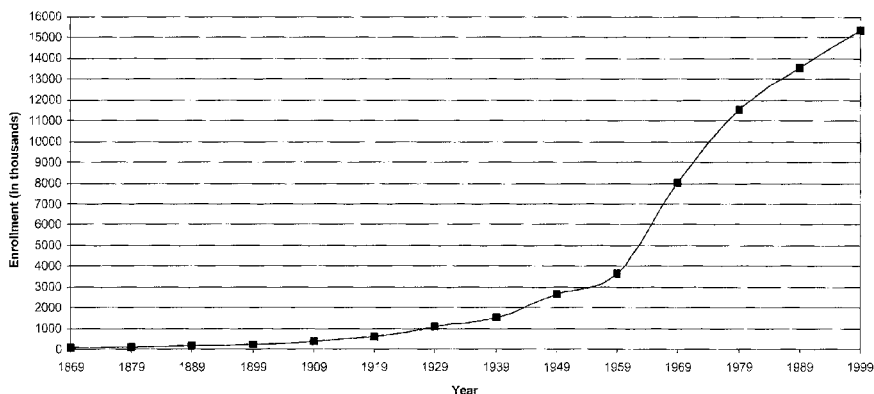


Figure 1.1 College enrollment by decade, 1869–1999.

Source: DoE, 1996.

recent past of the white-collar worker, we can see an outline of our most immediate future.

For example, as the postwar expansion leveled off, many American-based companies adjusted their methods of operation to produce goods and services more efficiently. Those that did survive (GE, IBM, and Exxon), and those that did not failed (Bendix, Collins Radio, and Curtiss-Wright). In many instances the adjustments called for smaller workforces. Consequently, what was once seen as winning the war for talent was later looked upon as unnecessary hiring and the creation of bloated staffs.

Americans, especially white-collar workers, were unaccustomed to being laid off. And even after layoffs became commonplace, the very best companies—those viewed as offering good jobs, such as IBM—had no layoff policies in place. But many of these policies were not sustainable and were eventually abandoned. The new blueprint for corporate America gave rise to a corresponding set of adjustments by individual employees who needed to manage their transitions from one company to another. In response, an entire industry, outplacement, emerged. Before 1970, outplacement firms by and large did not exist. By 1980 there were fifty. By 1988 there were more than 200 firms, complete with an industry association and an association of professionals.⁶ The notion of employment for life no longer characterized the American lifestyle. The constant restructuring of the workplace to control the cost of labor replaced it. And restructuring became the accepted way of doing business not only in America, but in Japan, Europe, Mexico, China, and anywhere companies participated in the global economy.

It now appears that the economic recovery of the first decade of this millennium may be the first jobless recovery in American history; that is, economic growth and increases in productivity are not associated with the creation of new jobs. Advances in technology are eliminating jobs not just in America but in

China, India, and all over the globe. Job elimination through technology and outsourcing is alive and well.

William Bridges offered a persuasive take on this in his book *Job Shift*. He observed that companies are rethinking the way work gets done by “dejobbing” their organizations.⁷ Among other things, they are organizing workers into self-managed teams. In this sense, no one individual has a set of activities that constitutes “their” job. Instead, activities shift among members of a team until the desired results are achieved. This allows for flatter, more efficient organizations with less managerial infrastructure. So jobs with titles of supervisor, manager, and director are giving way to “dejobbed” teams without the currently ubiquitous job descriptions.

Finally, Frances Cairncross (*The Death of Distance*) reported that our work today involves managing data more than things. And data can be managed anywhere in the world. This “death of distance” has loosened the grip of geography, and “people, some at least, will gain more freedom to live far from their employers. Some kinds of work will be organized in three shifts, to maximize the use of the world’s three main time zones: the Americas, East Asia, Australia, and Europe. Time zones and language groups, rather than mileage, will come to define distance.”⁸

The postwar contraction, along with white-collar jobs becoming fungible across national boundaries, gave rise to two new categories of white-collar workers—the “unemployed” and the “anxiously employed,” according to Barbara Ehrenreich in her book *Bait and Switch*. Members of the first group are perhaps familiar to many of us because of the frequency of mergers, acquisitions, and restructurings resulting in white-collar workers being laid off. The second group may be less familiar. As Ehrenreich noted:

The Bureau of Labor Statistics measures under-employment only in terms of one’s hours; that is, you are officially under-employed only if you are working part-time and would prefer to work full-time. In March of 2004, the unemployment rate was 5.8 percent while the under-employment rate, measured strictly as involuntary part-time work, was 10 percent. As to the proportion of people employed at low-paying jobs that make no use of their education or established skill sets, no reliable estimates are available. I found plenty of people though who had gone from unemployment to under-employment in the sense of having to work at jobs inappropriate to their skills.⁹

There is anecdotal evidence to suggest that the numbers of those anxiously employed are greater than we could imagine. Many of them work for Manpower, or Adecco (a temporary employment agency headquartered in the Netherlands and even larger than Manpower), or are self-employed as independent contractors with companies such as Mary Kay, AFLAC, or anyone of a number of others. They show up in the Bureau of Labor Statistics data as employed, even though in positions without many of the attributes we have