

The increasing career risks associated with global volatility and shifting personal desires, as well as the reduced career rewards that come from specialisation and lower social mobility, threaten an individual's financial success and happiness. No current career strategy protects the individual from all of these potential negative impacts, or leverages them to benefit the individual.

In this article, I review some common problems that afflict most people's careers, examine why current career strategies fall short and suggest a barbell career strategy as a new choice with the potential for higher rewards and lower risks.

The problem: current career strategies are not delivering success

Consider the following situation:

Don King¹ was the head of HR for Asia Pacific in a large Geneva-based multinational. He was valued by the organisation, but was unhappy with his job and career. He then found a new passion: executive coaching.

He took several courses, did numerous supervised sessions and became certified as an executive coach. During his spare time, he started to coach and soon he was able to sign up a few high-profile clients and earn lucrative fees.

The more coaching he did, the more excited he got and found himself pondering if he should just transition full-time into coaching. After all, if coaching worked out for him full-time, he would be extremely happy, while making very good money.

However, the more he thought of it, the more he worried about giving up his existing career and reputation, and the financial safety that came with it. He would be starting a new profession with no guarantee of success and quite a bit of pressure.

Don realised that the roller-coaster of an entrepreneur's life was probably not

what he was looking for. But staying as a corporate executive seemed to doom him to a grey life of selling his soul for money and security, but no growth or happiness.

What was Don to do?

A career is a central part of an individual's identity, status, search for meaning, financial security, social network, personal growth and ultimately survival and happiness. And yet few career strategies seem to deliver on these goals. As such, an improvement in an individual's career can have a great positive personal impact, and an improvement in several individuals' careers may have an even larger positive societal impact.

The diagnostics: unstable risks vs. rigid rewards

Most individuals have been trained to think of their career as a steady state within an organisation, or a linear or vertical pattern towards upward mobility, with opportunities for hierarchical advancement and specialisation. Moreover, career management and success are seen as the organisation's responsibility and an external achievement. However, given growing marketplace disruption, such passive career strategies seem to be increasingly riskier and less rewarding than they once were.



Protean Career Strategies

By Horacio Falcão

The barbell approach treats careers like an investment portfolio; a little diversification does you good.

INCREASED RISKS: UNSTABLE WORLD AND AN EVER CHANGING LIFE

Most individuals expect their careers to follow a linear path within an organisation. Most will want to stay, or will end up staying in the same organisation due to their expectations, fears, inertia or other factors. However, as the world becomes increasingly volatile, more external career ‘disasters’ such as corporate restructuring, globalisation and technological advances threaten career stability. As a result, employees find themselves forced to leave the company, or become commodities, and move away from the linear career path that traditionally leads to personal growth and financial success.

However, it is not just external threats that put jobs at risk. While our parents were content to work for salary and stability, individuals nowadays expect much more from their jobs. The new mantra is to seek jobs where one can find meaning or even fun. However, such intangibles may vary immensely for individuals, who may suddenly find themselves demotivated with their current jobs or linear career prospects. Besides, as interests and performance may not walk hand-in-hand, we may have successful individuals high in the organisational hierarchy who may be happier doing a more technical job as opposed to the more usually valued managerial responsibilities or vice-versa. As a result, such internal career misalignment can lead to an individual feeling like Don King in the situation outlined above.

REDUCED REWARDS: SOCIAL MOBILITY AND SPECIALISATION RIGIDITY

The old rewards that individuals could expect from a linear career path are also diminishing rapidly. A little under one century ago, as social mobility increased, a good education and job coupled with hard work and maybe a little bit of luck could lead to a successful career. Further, job specialisation allowed individuals to become experts within their organisations and claim higher rewards.

However, the context has been changing for the worse and true social mobility is becoming increasingly rare. Piketty & Goldhammer (2014), in their book “Capital in the Twenty-First Century” made a strong, even if very contested, argument that in many countries capital is accumulating at levels pre-World War I.² The consequence is that wealth seems to be more the result of intergenerational inheritance than of hard work and intelligence. Consistently, most countries, including equalitarian societies such as Scandinavia, are creating an ever more entrenched upper class, thus reducing overall mobility and, more specifically, the potential of linear careers to generate upward social mobility.

On the other end, while high-level job specialisation can still command above-average rewards, it does so at what is being increasingly seen as a very high price: an expert becomes stuck within his or her expertise. As such, specialisations operate as ‘golden handcuffs’ that prevent individuals from pursuing different careers. Besides, the time taken to develop world-class expertise, as opposed to local-level, is potentially a decade or more and keeps on increasing, which makes developing a second specialisation a costly or an unrealistic endeavour. In a career where one would retire in their 50s, this was less of a problem—but people are now working well into their 70s and such interest shifts are more likely to happen. Additionally, the lifecycle of specialisations is becoming shorter, that is, few areas of specialisation reap abnormal rewards for extended periods.

Specialisations operate as ‘golden handcuffs’ that prevent individuals from pursuing different careers.

The strategies: from fragile to resilient to anti-fragile

Nicholas Nassim Taleb (2012) recently coined the term anti-fragility in his book “Antifragile: How to Live in a World We Don’t Understand”.³ He argues that anti-fragility, and not robustness or resilience, is the opposite of fragility. While the fragile breaks under stress, the robust or resilient remains the same. The anti-fragile does not break or remain the same under stress, but rather becomes stronger up to a certain extent.

Taleb argues that we cannot truly measure risk. Since risk lies in the future, we cannot perfectly predict it no matter how complex our instruments or how vast our data can be. Even if we studied an event for 200 years, who is to tell if a disruptive event does not take place every 201 years? Or worse, that a Black Swan event—a term also coined by Taleb to mean an unexpected event of large magnitude—will not take place? However, he argues that we can measure fragility. A strategy can be seen to be fragile, resilient or anti-fragile depending on how it potentially reacts to Black Swan or other majorly disruptive events. Now let us apply this concept to career strategies.

FRAGILE CAREER STRATEGIES

Fragile strategies dislike volatility, since volatility means change and change means the chance that a fragile strategy may fail. And since markets and individuals have become more volatile with time, linear or vertical career strategies have now exposed their fragility

A strategy can be seen to be fragile, resilient or anti-fragile depending on how it potentially reacts to Black Swan or other majorly disruptive events.

with significant dilemmas to individuals and societies alike. A fragile career strategy cannot deliver on its prior objectives, be it financial success, psychological success, a strong sense of identity, job security, growth, flexibility, satisfaction or individual happiness.

RESILIENT CAREER STRATEGIES

By the late 1970s, scholars began to realise the drawbacks of linear career paths and started to research protean career strategies where the individual, not the organisation, manages his/her own career choices and the search for success is internalised (psychological success). As a result, protean careers tackle several linear career risks, but can be less attentive to financial success, status or other external goals which, especially under volatility, give individuals satisfaction and security. The most common protean career strategies are: self-employed, contract worker, boundary-less and portfolio career strategies.

According to the International Labour Organization, in most industrialised countries, part-time employment has grown from 25 percent to 50 percent of total employment over the last 20 years.⁴ These workers are basically one-person businesses with no employees other than the owner-operator. However, most do not choose these as career strategies, but rather pursue them as stop-gap reactions to being laid-off or fired. While similar to entrepreneurial career choices, self-employed or contract workers suffer from a negative stereotype in that they do not create a company with a long-term view and several employees.

Boundary-less careers are like serial monogamists, where individuals with a ‘free agent’ mentality break the devotion to a single organisation in favour of hopping across organisations and jobs. They may build broader networks and enhance their marketability, as well as gain new skills, more work-life balance and control over one’s own success. However, at any given time, individuals still have all their eggs in one basket and, by changing jobs often, may find it harder to build an expertise or a deeper network, engage in long-term professional projects or command a higher salary, while finding themselves in constant change, restart and redesign mode.



Individuals pursuing a portfolio career sell their skills and knowledge directly to several clients, thus creating a ‘portfolio’ of paid activities for themselves. Portfolio careers are different from other independent contractors, because they are committed to their portfolio as a long-term career choice, based on a specialised expertise and a unique identity.

While these career strategies are more resilient to volatility, they are not anti-fragile; partly because they operate as a spin-off from the linear career paradigm and thus are rooted in some of its fragile assumptions. Self-employed and contract (part-time) workers are basically a reactive response to the fragility of traditional career choices. Boundary-less workers often trade growth, depth and even financial security for diversity, while portfolio workers are experts potentially fragile to market shifts. These protean career strategies are clearly more resilient than traditional ones, yet in the presence of volatility they do not necessarily make the individual’s career ‘stronger’.

ANTI-FRAGILE CAREER STRATEGIES

Individuals cannot be expected to do the same job for 50 years and be happy. However, they can develop flow and a sense of happiness when doing something

Anti-fragile career strategies resist the temptation to predict the unpredictable, and offer rational optionality so that individuals can adjust their careers as they gather more information.

they are really good at. So the answer lies not in reducing expertise or specialisation, but in allowing multi-expertise to emerge.

How many 17- to 21-year-olds know what they would like to do in 30 years’ time? How can anyone know what will be professionally relevant or lucrative 30 years from now? Anti-fragile career strategies avoid these questions by resisting the temptation to predict the unpredictable and by offering rational optionality so that individuals can adjust their careers as they gather more information. An anti-fragile career strategy also needs upward volatility or the chance that even if just a few odd events take place this positive volatility will create large gains.

The barbell career strategy

Taleb argues that an anti-fragile strategy is a barbell strategy, which, based on the shape of a barbell, combines two extremes, one safe and one speculative. Much like a diversified investment portfolio, the barbell strategy advises investing a lot in the safe option (which will give you steady returns and create a cushion for your risks), and a little in the highly speculative option (which could deliver very high returns on rare occasions).

Under linear or even protean career strategies, the individual takes either a safe or speculative path, depending on the nature of their job and organisation. If it is a start-up, the individual is speculating on the survival and success of the venture. If it is a steady job, the individual is playing it safe with a stable salary and guaranteed pension. That is what makes them either fragile or, at most, resilient strategies.

However, a barbell career strategy would mean that the individual takes two or more jobs simultaneously, where at least one will fall on the safe extreme (‘Safebell’), and at least another on the speculative extreme (‘Specbell’). In the

example above, Don King does not need to drop his corporate career to pursue coaching exclusively with all of the romantic illusions and the very real risks such a choice entails. He can now opt for a barbell career strategy combining the mainstream corporate job, or a new one (Safebell) with a parallel, though smaller coaching practice (Specbell). Notice that the returns from coaching, or the Specbell, are not just measured in terms of financial success, but also in terms of psychological success, which can include diversity, personal growth and satisfaction.

Other hypothetical examples of barbell career choices might include that of Nur Zaidi, who as a corporate lawyer, found herself disillusioned after years of extreme hard work and personal sacrifice, just to find out that she did not make partner. After some thinking, she negotiated to stay in the firm as a senior counsel (Safebell), while being able to take three months off per year to work in a non-government organisation (Specbell) for a cause close to her heart under the pro-bono banner of the law firm. Another example is Barry Ratz, who as a banker moved into a financial services company (Safebell) and opened a bed and breakfast business (Specbell), which he subsequently grew into four establishments. Finally, Ulrike Smith, who has been a successful personal coach (Safebell) for years, recently started to write and sell customised songs (Specbell).

Choosing the right strategy: to barbell or not to barbell

With multiple career objectives, the barbell career strategy takes advantage of the potential convexity of market and individual volatility, social mobility and specialisation. For example, a barbell career choice can allow Barry Ratz to become a full time entrepreneur if his business takes off,

Much like a diversified investment portfolio, the barbell strategy advises investing a lot in the safe option (which will give you steady returns and create a cushion for your risks), and a little in the highly speculative option (which could deliver very high returns on rare occasions).

but at only a small risk in case it does not. It can also allow individuals to change one Specbell for another, return to the Safebell with renewed interest and expertise, or just enjoy the anti-fragile combination of Safebell-Specbell.

A barbell career strategy also allows for the diversity, parallel development of multi-expertise and, in many cases, synergies between both ends of the bell. For example, Don King’s new coaching expertise can help him better perform his corporate HR functions or Nur Zaidi’s pro-bono effort can improve her law firm’s image.

A Specbell can help those close to retirement maintain a sense of identity and purpose, independence, an active network, allow them to contribute to society and reduce the burden on the pension system. Similarly, a Safebell may free up individuals to become more entrepreneurial at lower cost, while opening more places at the top for youngsters to learn and grow within an organisation.

Managed well, barbell career strategies can provide a viable option in an environment of stress and volatility to make the individual’s career ‘stronger’—returning more of what the individual wants out of a career, be it financial or psychological success.

Yet the barbell strategy is not without challenges—the individual may find himself/herself juggling time between multiple jobs, incur transition costs, and create further work-life imbalances. However, individuals may in fact have more energy to do their Specbell and thus being able to find time which would be otherwise unproductive, such as TV time, to invest in it. Thus, Barbell careers can lead to increased focus and energy and make individuals happier and more productive, positively impacting their private lives.⁵

Some Safebells demand very fixed and potentially long hours or may present peak demands that make a Specbell virtually impossible during that period. In such instances, a barbell career strategy could find both jobs ‘fighting for resources’, namely the individuals’ time, commitment or ideas. Such conflicts of interest, if poorly managed, can risk jeopardising one or both jobs, or even one’s reputation.

Finally, we do agree that barbell careers are not for everyone. If you are the kind of person who either loves your job or is seeking to instil passion within your daily work routine; if your work or professional passions help to shape and define your identity; if you are someone who enjoys achievements and getting things done; if you feel fulfilled, rested, energised and satisfied because you are doing things that you like; then barbell careers may be for you. But only you can truly know, since barbell careers are all about experimenting and finding the right balance for you, and no one else!

Horacio Falcão
is a Senior Affiliate Professor of Decision Sciences at INSEAD

References

- ¹ All persons referred to in this article are fictitious.
- ² Thomas Piketty, translated by Arthur Goldhammer, “Capital in the twenty-first century”, Belknap Press, 2014.
- ³ Nassim Nicholas Taleb, “Anti-fragile: How to Live in a World We Don’t Understand”, Vol. 3, Allen Lane, 2012.
- ⁴ International Labour Office, “Conditions of work and employment”, Information Sheet No. WT-4, June 2014.
- ⁵ Tony Schwartz & Catherine McCarthy, “Manage your energy, not your time”, Harvard Business Review, 85(10), 63, 2007.