The Working Future: More Human, Not Less

It's time to change how we think about work.

BAIN & COMPANY

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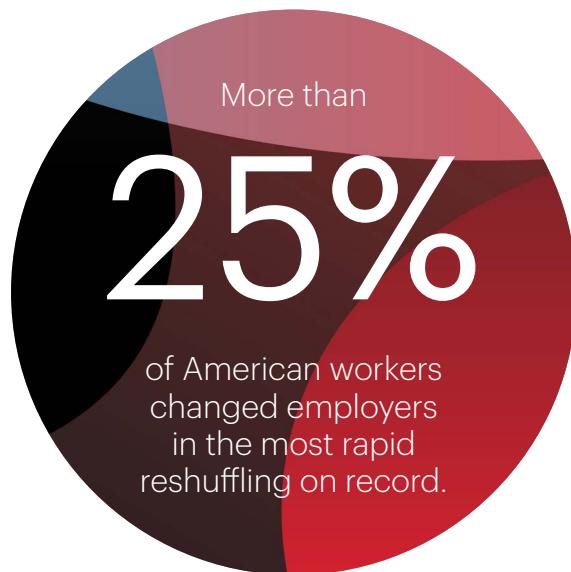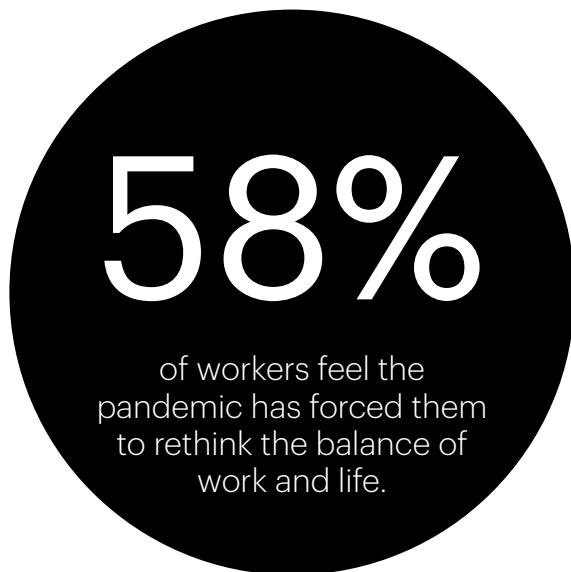
Introduction

In 1964, the RAND Corporation predicted that we would be breeding intelligent apes to perform manual labor by 2020. In 1959, the US postmaster general predicted that today's mail would be sent by rockets (email turned out to be a more cost-effective option). In 1930, John Maynard Keynes predicted that continued economic growth over the course of the coming century would reduce the workweek to 15 hours. Nikola Tesla echoed this sentiment in 1935, when he predicted that robots would replace most human labor in the next hundred years.

These and many other predictions about the future of work have not played out exactly as forecast. Yet even amid the hype about life-changing disruptions to how we work, most of us can sense that real shifts are underway.

The pandemic has undoubtedly triggered lasting changes when it comes to work. Many were part of a forced experiment in remote working that has shifted perceptions about such arrangements. Others found themselves in jobs that required them to personally confront the virus on a daily basis just to keep society running. All of us had cause to reflect on what we want our work to look like and what role we want it to play in our lives. According to a Bain & Company survey conducted by Dynata, 58% of workers across 10 major economies feel the pandemic has forced them to rethink the balance between their work and their personal lives.

But profound changes were starting to surface even before the pandemic. Concerns about the impacts of automation have surged as machine learning and related technologies have matured. The growth of

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gig work, supported by new digital platforms, has thrown the longevity of the traditional employment model into question. Flexible work arrangements have moved into the mainstream. Demands for firms to define a clear social purpose have prompted business leaders to embark on soul-searching journeys.

The relationship between workers and firms is changing radically, forcing leaders to rethink their approach to talent. And there's never been a more critical time to do so: Talent is rapidly becoming the firm's most precious resource. In prior research, we have explored the dawn of a new era of business, one in which outrunning extinction demands not just scale, but also speed and customer intimacy. We call those who achieve this balance "scale insurgents." This era of scale insurgency leaves behind the shareholder primacy era, which elevated capital as the paramount resource for business leaders to secure, steward, and reward. Now, amid decelerating labor force growth, superabundant capital, and the growing importance of intangible assets like intellectual property and customer networks, the balance of power is shifting from capital to labor.

Much of the prevailing thinking about the relationship between workers and firms was forged in a very different world than the one we live in today, where workers were viewed simply as factors of production in the machine of enterprise. Today's firm requires a new mental model, one that rehumanizes the way we think about work. More than simply inputs, workers are the atomic building blocks of the modern firm. Yet our understanding of workers—their hopes and desires, their untapped potential, their emotional state—is often superficial.

The pandemic has also brought one reality into stark relief: The war for talent is not just about cultivating a pipeline of future company executives. Between February 2020 and February 2021, more than a quarter of American workers, most of them in frontline roles, changed employers in the most rapid reshuffling on record. While much of this churn was involuntary, recent surging attrition rates suggest that many workers are using the pandemic-induced job disruption as an opportunity to reevaluate what they want from their work. As a result, many companies are struggling to fill shortages in key frontline roles, threatening their ability to return to full capacity when the crisis subsides.

Business leaders are aware that they need to change the way they think about their workforce to stay ahead of the whirlwind of technological and sociological changes. Yet they struggle to determine which actions will make a real difference.

A year of in-depth research has helped us define the broader implications of the future of work and the steps firms need to take now to get ahead in the shifting war for talent. This report is based on a Bain/Dynata survey of 20,000 workers, as well as in-depth interviews with more than 100 people from varying walks of life. We looked at 10 countries—the United States, Germany, France, Italy, Japan, China, India, Brazil, Indonesia, and Nigeria—that represent around 65% of global GDP and offer a broad perspective from different cultures around the world. Our research builds on hundreds of conversations we've had with executives since the beginning of the pandemic through our CEO Forums. It also incorporates input from a wide array of topic experts and a diverse range of literature, across economics, sociology, anthropology, psychology, and history.

From this research, we've identified five key themes that are reshaping work:

1. **Motivations for work are changing.** Gains in living standards over the past 150 years are allowing us to spend less of our time working, but are raising expectations about what a job should provide.

2. **Beliefs about what makes a "good job" are diverging.** As attitudes toward work fragment, the average worker is no longer a useful approximation. We've identified six worker archetypes, each with a different set of priorities.

3. **Automation is helping to rehumanize work.** Distinctly human advantages—around problem solving, interpersonal connection, and creativity—are growing in importance as automation eliminates routine work.

4. **Technological change is blurring the boundaries of the firm.** Remote and gig work are on the rise, but they are challenging firm cohesion.

5. **Younger generations are increasingly overwhelmed.** Young people, especially in advanced economies, are under mounting psychological strain that spills over into their work lives.

What does all of this mean for business leaders trying to stay ahead in increasingly competitive markets? First, winning firms will pivot from being talent takers to talent makers. This requires scaling investments in learning, thinking laterally about career journeys, and cultivating a growth mindset in their organization. Second, leaders will stop managing workers like machines, instead supporting them to build personal capacity and create a career that matches their individual idea of a meaningful life. As part of this, leaders will reorganize workflows to help individuals best utilize their uniquely human advantages. Finally, winning firms will build an organization that offers a sense of belonging and opportunity for its many unique workers while remaining united through a shared vision and communal values.

Motivations for Work Are Changing
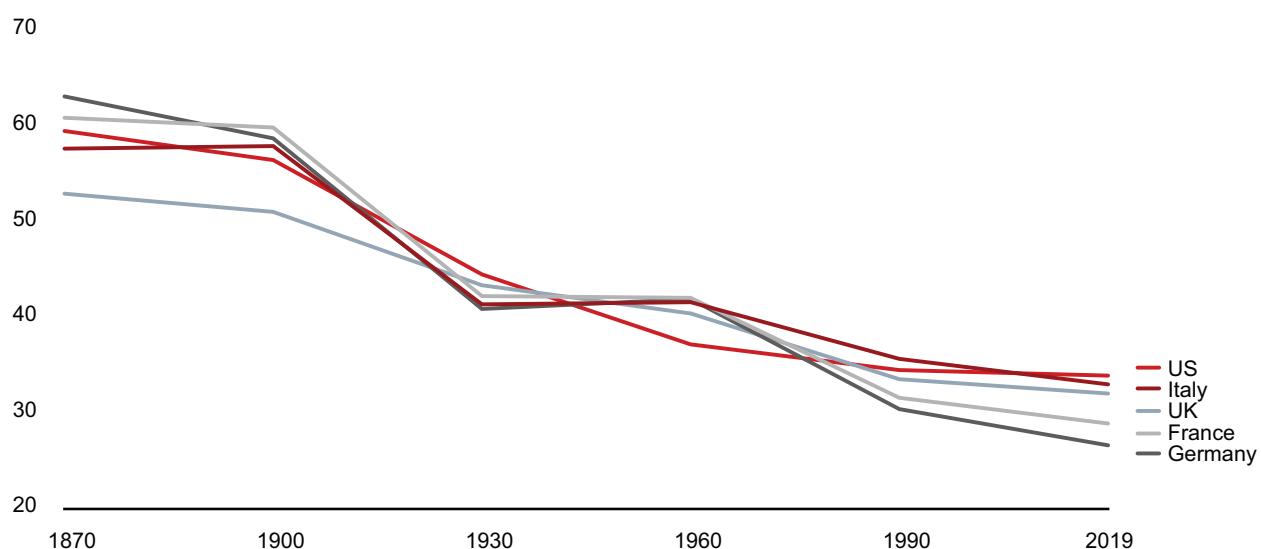
Gains in living standards allow us to spend less time working but raise expectations about what a job should provide.

It's perhaps unsurprising that Nikola Tesla and John Maynard Keynes foresaw a gradual disappearance of work when one considers what happened in the decades prior to their predictions. Between 1870 and 1930, the average weekly hours of a nonagricultural worker in the US fell by a quarter, from 59.5 to 44.5 (see Figure 1.1).

At the onset of the Industrial Revolution, the working week was as long as physically bearable. Survival was the primary motive for work for all but a fortunate few. That all began to change as industrialization brought immense advances in living standards. By the early 20th century, working hours were falling, allowing more workers to spend their time as they chose. As growth decelerated in the West in the latter part of the last century, this trend began to taper, although it persists today. For instance, one study of time use in the UK found that average weekly leisure time increased by seven hours for

Figure 1.1: Rising prosperity has reduced the time that people need to spend working

Average hours worked weekly

Notes: Weekly hours are averaged over the year, including vacations; excludes agricultural workers prior to 1960
Sources: Huberman & Minns, 2007; Penn World Tables; Bain analysis

men and five hours for women from 1961 to 2000. The average time spent caring for children also increased, by four hours a week for both men and women.
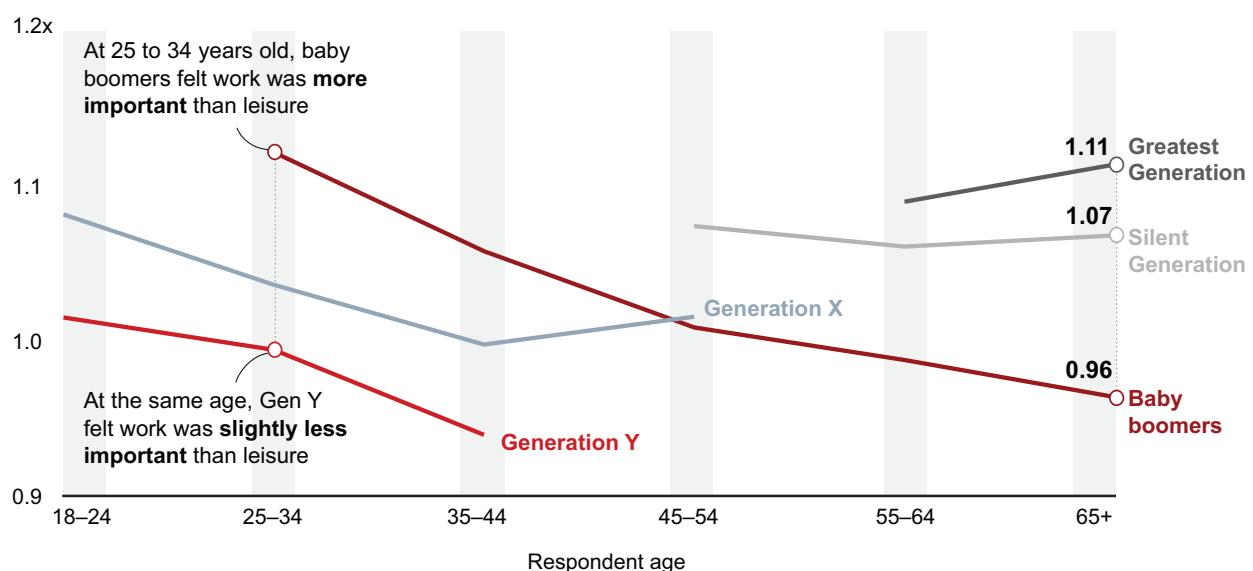
In addition, the subjective importance that we place on our jobs compared with other life factors has declined across successive generations. According to the World Values Survey, younger generations place a lower importance on work relative to leisure time compared with respondents in older generations who completed the survey at the same age (see Figure 1.2). The only outlier is Generation X—who were hit particularly hard by the 2007–09 financial crisis in terms of wealth and career prospects. We found a similar pattern in the importance of work compared with family.

This trend is not confined to the West. In general, as countries grow their GDP, workers gain greater economic freedom to spend time on other pursuits (see Figure 1.3). For instance, workers in China and India are also starting to place less importance on work relative to leisure.

Does this mean that Tesla and Keynes were simply too early in their predictions of the demise of work? We expect not. As of 2017, only 28% of Americans said they would stop working altogether if they had enough money for the rest of their lives—down from 34% in 1995. As workers have become richer, they've recognized that a job can serve more than their basic economic needs. Globally, the richer a country, the lower the share of the population that believe a job is "just a way of earning money" (see Figure 1.4).

Figure 1.2: The importance placed on work relative to leisure has declined across generations
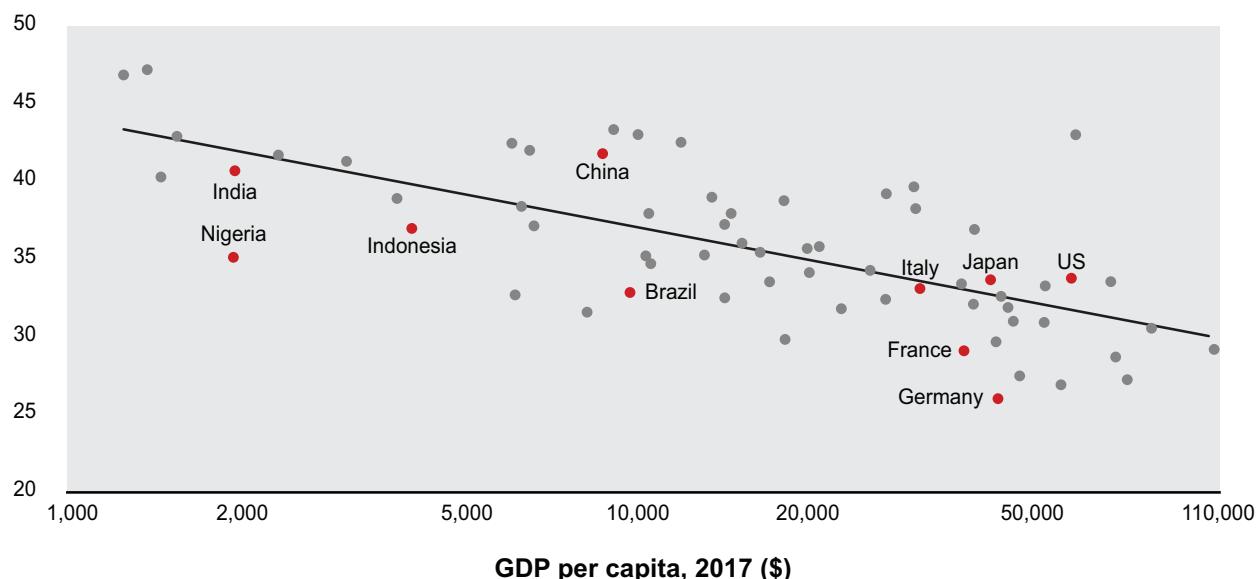
Subjective importance of work relative to leisure for US workers, by respondent age at time of survey

Notes: Generation Y are workers born 1981–96; Generation X, 1965–80; baby boomers, 1946–64; Silent Generation, 1928–45; Greatest Generation 1901–27
Sources: World Values Survey; Bain analysis

Figure 1.3: Hours worked tend to decline as countries become richer
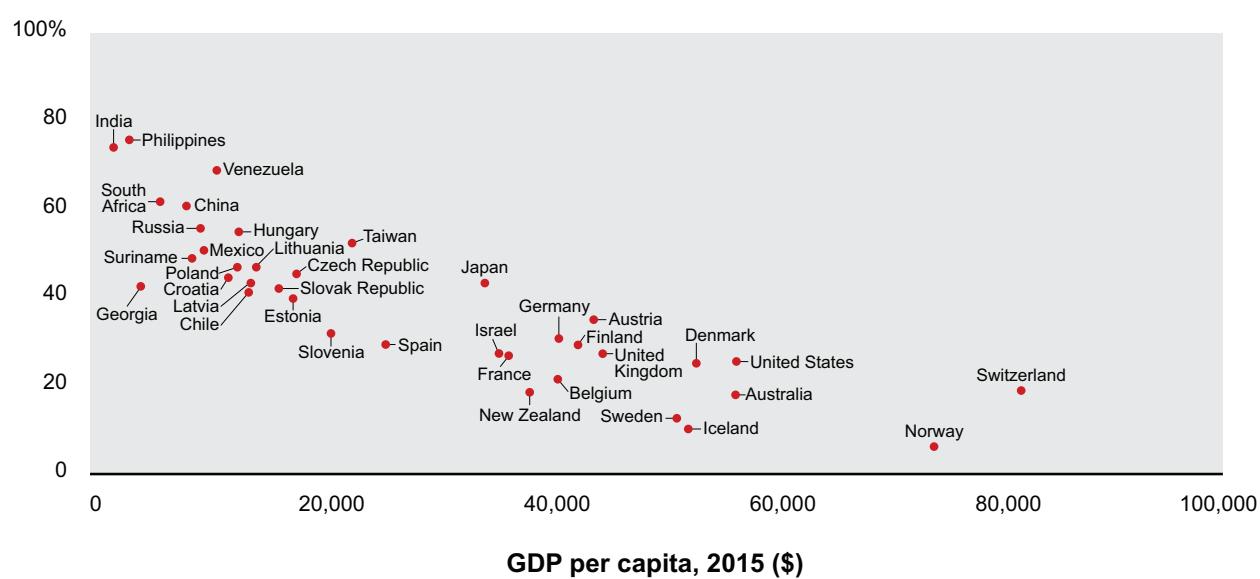
Average hours worked weekly, 2017

Notes: Logarithmic scale; weekly work hours are for the entire labor force, including full time, part time, contract workers, etc.
Sources: World Bank; National accounts data

Figure 1.4: As incomes rise, our reasons for working extend beyond money

Workers who say a job is "just a way of earning money," 2015

Sources: ISSP; World Bank; Bain analysis

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In general, as countries grow their GDP, workers gain greater economic freedom to spend time on other pursuits.

According to our survey, only 22% of workers globally rank compensation as the thing that matters most to them in a job (see Figure 1.5). This isn't to say that people will accept a job without fair pay: Compensation still ranks higher than all other job attributes, including interesting work at 15% and an inspiring company at 5%. It also ranks in the top three factors for 56% of respondents. But it's evident that a coin-operated view of workers, where firm leaders see employment as a purely financial transaction, underestimates the deeper human motivations for work. And dissatisfied workers rank compensation higher than satisfied workers, suggesting that money is more often a source of demotivation for workers who feel underpaid than it is a source of inspiration for others.
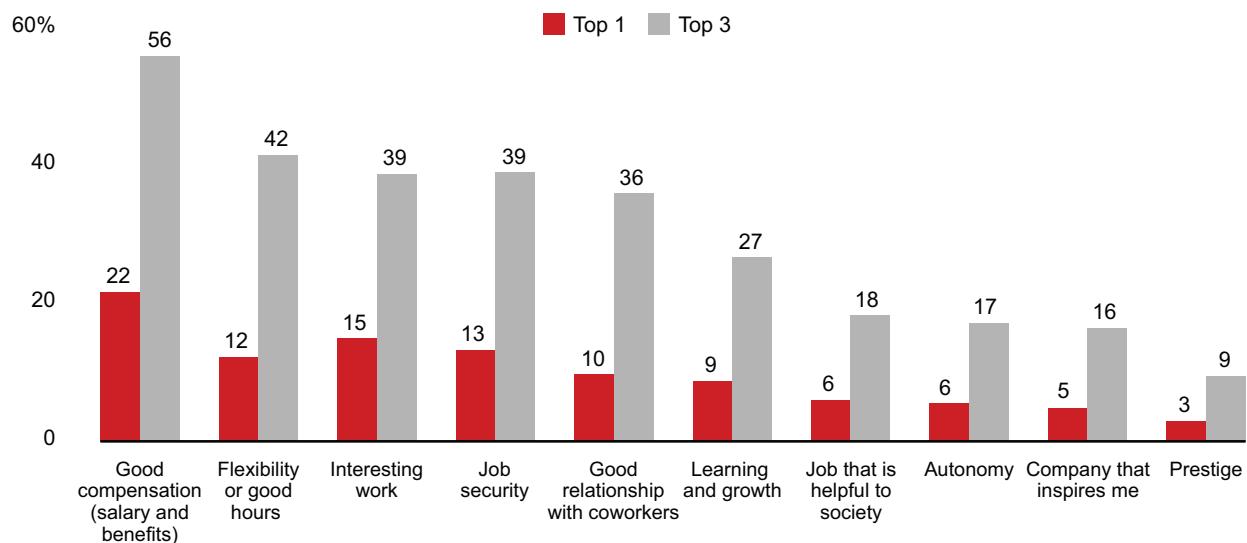
In rich countries, several social changes have likely broadened workers' expectations around the needs a job should fulfill. As community institutions, such as sports clubs and volunteer associations, have declined in prominence, work has become a more important source of social connection. Similarly, as religious observance has fallen in the US and Europe, new generations of workers may have turned to their careers to provide a sense of higher purpose.

A shift in the nature of social class, which is now primarily reflected in one's occupation, has also likely played a role in this change. Looking at the US, there's been an inversion of the relationship between income and hours worked over the past century (see Figure 1.6). Far from the idle leisure class of bygone eras, the upper echelons of today's society work the longest hours of all. Busyness is now a sign of status and importance. Those at the bottom of the income hierarchy work the least hours, as they are often unable to secure the stable full-time employment they desire (for more on this, see "Technological Change Is Blurring the Boundaries of the Firm").

As the world has become richer, workers have increasingly shifted their focus from survival to meaning, with profound implications for how we think about work. Importantly, individuals can find a sense of purpose in many places, whether in a sense of achievement and upward mobility, mastery of a skill set, directly helping others, or simply being fully present in family life (for more, see the next chapter, "Beliefs about What Makes a 'Good Job' Are Diverging).

Figure 1.5: While workers rank compensation first over any other job attribute, it's the top priority for just one in five workers
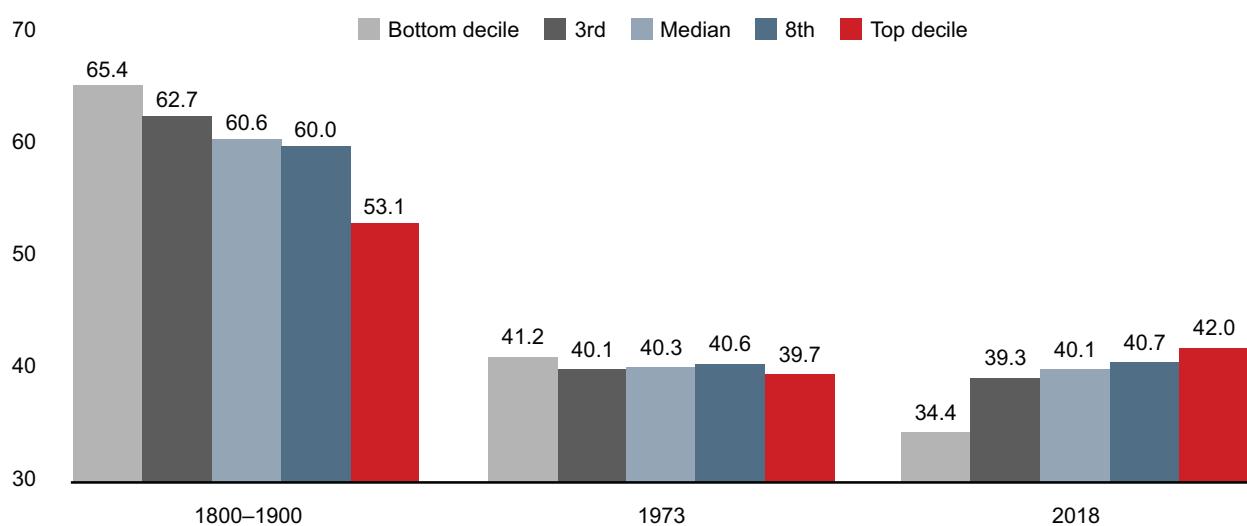
Workers who rank each job attribute as a top priority

Note: Includes US, Germany, France, Italy, Japan, Brazil, China, India, Indonesia, and Nigeria
Source: Bain/Dynata Worker Survey (n=20,000)

Figure 1.6: The relationship between income and number of working hours has flipped over the past century
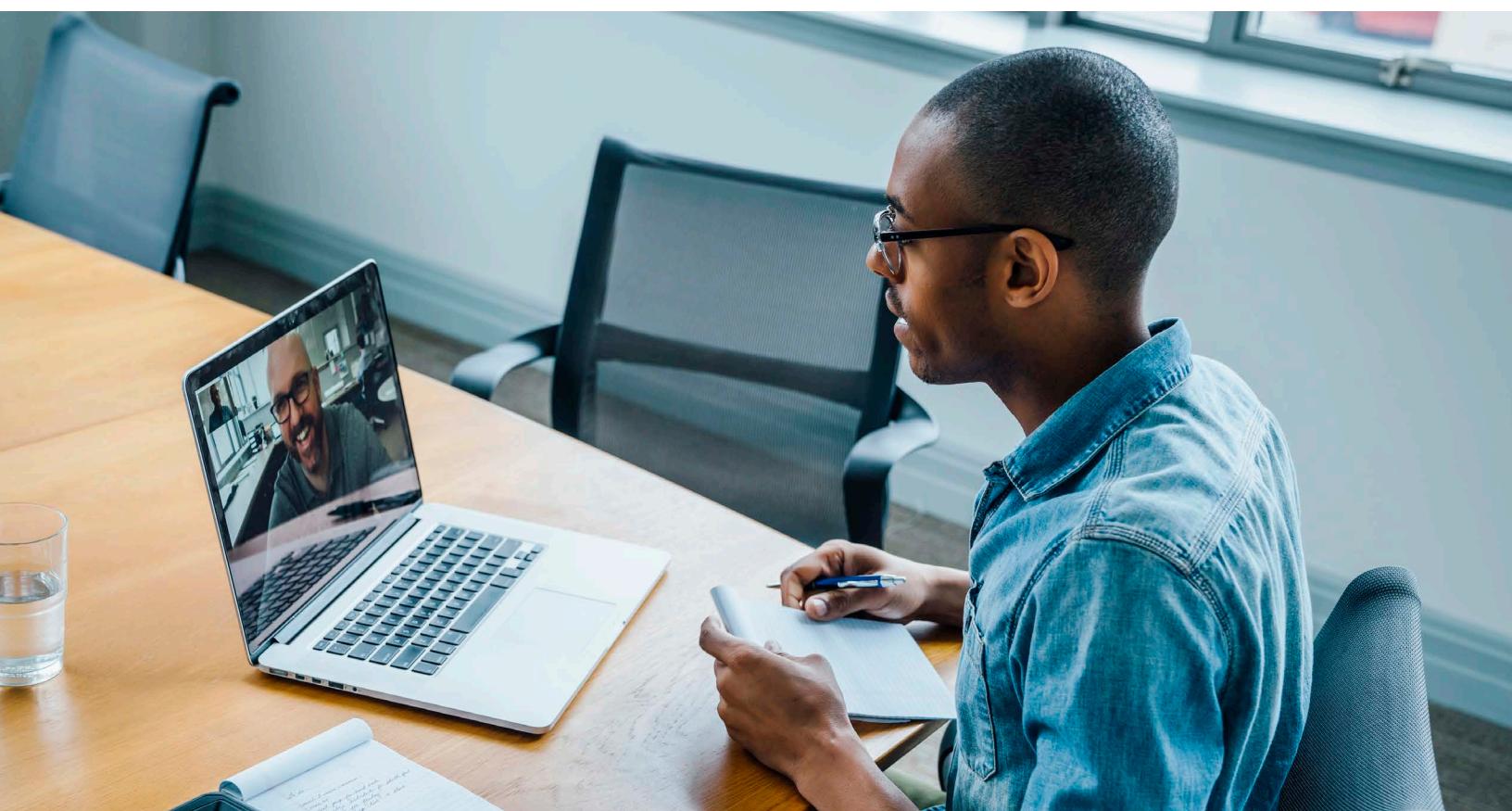
Usual weekly hours of US workers, by income deciles

Notes: Excludes vacation weeks, breaks, and overtime; weekly hours for 1800–1900 are based on a collection of surveys from the period
Sources: CPS Annual Social and Economic Supplements; *The Wage and the Length of the Work Day: From the 1890s to 1991* (Costa, 2000)

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As the world has become richer, workers have increasingly shifted their focus from survival to meaning, with profound implications for how we think about work.

Beliefs about What Makes a "Good Job" Are Diverging

As attitudes toward work have fragmented, six worker archetypes have emerged.

In the aftermath of World War II, the US Air Force began studying why American fighter pilots often lost control of their planes. They initially suspected pilot error and poor training, but soon a different culprit emerged. The cockpits of US planes had been designed based on the average of 10 physical dimensions from a sample of 4,000 pilots, covering everything from torso length to chest circumference. The problem was that this "average" pilot simply didn't exist. Instead, most men had one or more physical dimensions that differed significantly from the average. This meant their body fit awkwardly in the cockpit, making the plane difficult to control. The solution was to redesign the cockpit for the edge cases and introduce modifiable features, like adjustable seats.
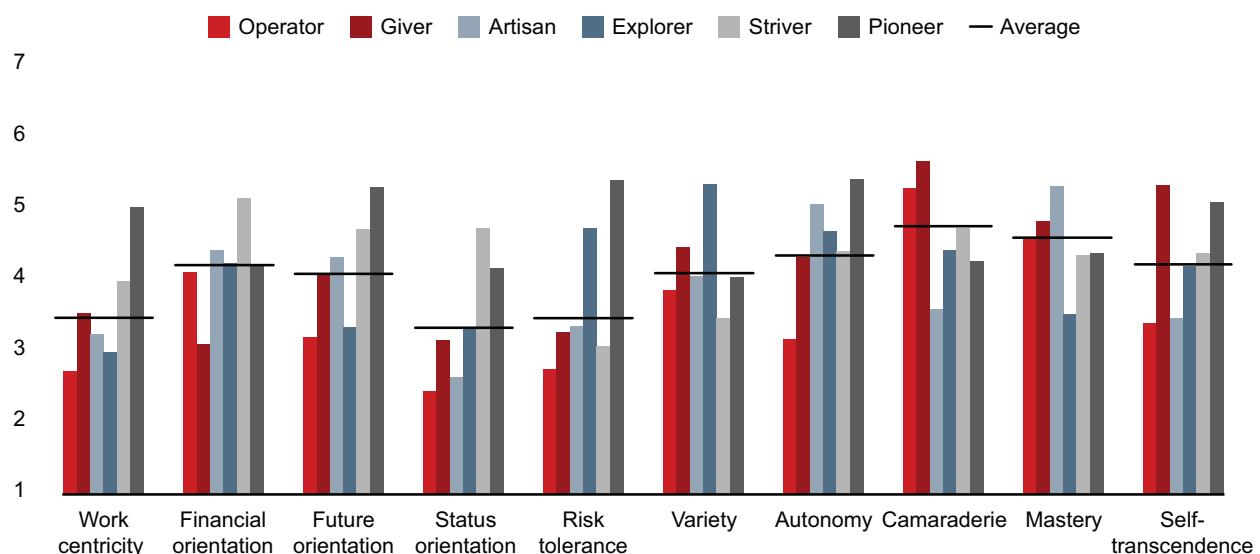
Just like our physical dimensions, our personalities are also varied—and increasingly so. In less complex societies—such as the indigenous Tsimané tribe of Bolivia—researchers have found that personality traits tend to be fairly homogeneous and convergent. However, as anthropologist Joseph Henrich has shown, the emergence of the modern economy, with its specialized divisions of labor, has caused individuals to grow into increasingly distinctive social niches over time.

As personalities have fragmented, so have attitudes toward work. To explore these differences, we constructed a 10-dimension framework of attitudes, building off the existing literature in motivational theory and psychology. The 10 dimensions are:

- **Work centricity:** How much of my identity and sense of meaning comes from work?
- **Financial orientation:** How much does my level of income impact my happiness?
- **Future orientation:** Do I prioritize investing in a better future or do I focus on living for today?
- **Status orientation:** How concerned am I about being perceived by others as successful?
- **Risk tolerance:** Am I willing to take risks to improve my life if I might end up worse off?
- **Variety:** Do I prefer change or predictability?
- **Autonomy:** How much do I value being in control of my own work?
- **Camaraderie:** Do I see work as primarily an individual or a team effort?
- **Mastery:** How much satisfaction do I find in the process of perfecting my craft?
- **Self-transcendence:** How important is it to me to make a positive difference in society?

Figure 2.1: Attitudes toward work converge around six archetypes

Average US worker score

Legend: Operator, Giver, Artisan, Explorer, Striver, Pioneer, — Average

Categories: Work centricity, Financial orientation, Future orientation, Status orientation, Risk tolerance, Variety, Autonomy, Camaraderie, Mastery, Self-transcendence
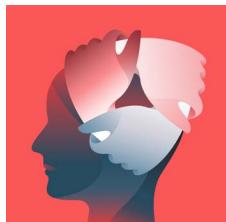
Note: Responses ranked on a 7-point scale
Source: Bain/Dynata Worker Survey (n=2,000)

Far from a normal distribution, we found significant variation in scores on all 10 dimensions in all 10 countries covered in our research. In other words, thinking about what the average worker wants from a job no longer makes sense in the modern economy.

Despite the variation in attitudes from person to person, patterns do emerge (see Figure 2.1).

We've identified six archetypes around which workers tend to converge:
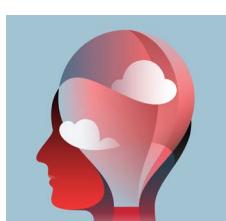
Operators find meaning and self-worth primarily outside of their jobs. When it comes down to it, they see work as a means to an end. They're not particularly motivated by status or autonomy, and generally don't seek to stand out in their workplace. They tend to prefer stability and predictability. Thus, they have less interest in investing to change their future compared with other archetypes. At the same time, Operators are one of the more team-minded archetypes, and often see many of their colleagues as friends. At their best, they are the team players that form the backbone of the organization. At their worst, they are disengaged and lack proactivity.

Givers find meaning in work that directly improves the lives of others. They are the archetype least motivated by money. They often gravitate toward caring professions such as medicine or teaching, but can also thrive in other lines of work where they can directly interact with and help others. Their empathetic nature typically translates into a strong team spirit and deep personal relationships at work. At the same time, their more cautious nature means they tend to be forward planners, who are relatively hesitant to jump on new opportunities as they arise. At their best, they are selfless, helping to build the trust every organization needs to function. At their worst, they may be impractical or naive.
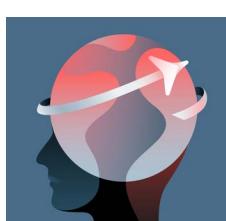
Artisans seek out work that fascinates or inspires them. They are motivated by the pursuit of mastery. They enjoy being valued for their expertise, although they are less concerned with status in the broader sense. Artisans typically desire a high degree of autonomy to practice their craft and place the least importance on camaraderie of all the archetypes. While many find a higher purpose in work, this is more about passion than altruism. At their best, they are able to solve even the most complex of challenges. At their worst, they can be aloof and lose sight of bigger objectives.

Explorers value freedom and experiences. They tend to live in the present and seek out careers that provide a high degree of variety and excitement. Explorers place a higher-than-average importance on autonomy. They are also more willing than others to trade security for flexibility. They typically don't rely on their job for a sense of identity, often exploring multiple occupations during their lifetime. Explorers tend to adopt a pragmatic approach to professional development, obtaining only the level of expertise needed. At their best, they will enthusiastically throw themselves at whatever task is required of them. At their worst, they are directionless and lack conviction.

Strivers have a strong desire to make something of themselves. They are motivated by professional success, and value status and compensation. They are forward planners who can be relatively risk averse, as they opt for well-trodden paths to success. Strivers are willing to tolerate less variety so long as it is in service of their longer-term goals. They tend to define success in relative terms, and thus can be more competitive and transactional in their relationships than most other archetypes. At their best, they are disciplined and transparent. At their worst, their competitiveness degrades trust and camaraderie within the organization.

Pioneers are on a mission to change the world. They form strong views on the way things should be and seek out the control necessary to achieve that vision. They are the most risk-tolerant and future-oriented of all the archetypes. Pioneers identify profoundly with their work. Their vision matters more than anything, and they are willing to make great personal sacrifices accordingly. Their work relationships tend to be more transactional in nature. Their vision is often at least partly altruistic, but it is distinctly their own. At their best, they mobilize their infectious energy to bring about lasting change. At their worst, they are uncompromising and imperious.

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These archetypes help us better understand what it takes for different individuals to find a sense of purpose at work.

None of these archetypes is better or worse than the others. While a company full of Operators might lack the dynamism needed to compete in the modern economy, a company full of Strivers or Pioneers would undoubtedly collapse under the weight of conflicting egos. Instead, each archetype brings its own unique contribution to build a healthy, functioning firm.

It's also important to recognize that while some workers present clear or even extreme manifestations of these archetypes, the line can be blurrier for others. Their distinctive set of attitudes may position them somewhere between two—or more—of these personas. Archetypes can also change over the course of a lifetime, as events and environments continue to shape workers throughout their careers. Business leaders should therefore view these archetypes as impressionistic rather than precise, a tool to help make sense of the messy world of individual personalities.

We can see the attitudes of each archetype come through in workers' rankings of different job attributes. Workers across all archetypes still rank compensation as their top attribute most frequently, showing that fair pay remains table stakes. But beyond pay, the story becomes more nuanced. Operators' and Strivers' lower risk tolerance means they place relatively high importance on job security. For Operators and Givers, a stronger desire for camaraderie translates into a higher ranking for good relationships with coworkers. Artisans place a relatively high importance on interesting work.

These archetypes help us better understand what it takes for different individuals to find a sense of purpose at work. For some archetypes, such as Pioneers and Givers, working in organizations with a clear social mission is often important. Strivers are more likely to find a sense of purpose in achievement, while Artisans may find it in mastery. For Explorers, it is likely to come from breadth of experience. Operators are more likely to find purpose outside of their work lives.
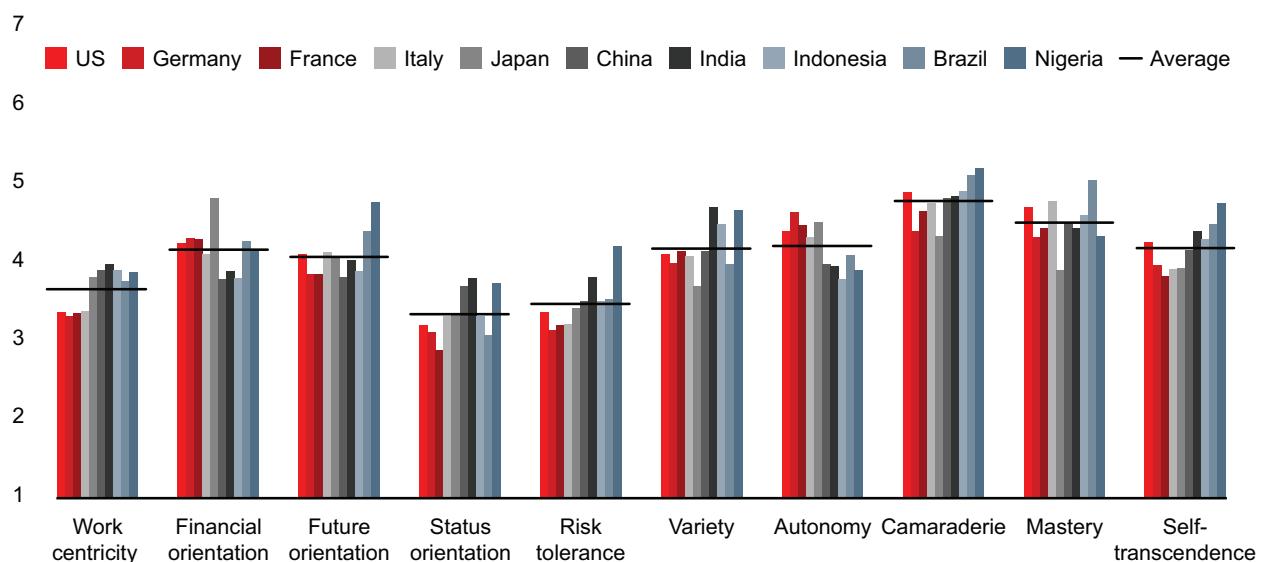
Looking globally, the six archetypes emerge across all 10 countries covered in our research. Different cultures exhibit different central tendencies across our 10 dimensions (see Figure 2.2). But the variation between countries is far less than the variation within them. That said, the patterns of scoring across countries differ enough to result in different mixes of archetypes around the world (see Figure 2.3).

While the six archetypes can also be found across all demographic segments within a country, factors such as age and socioeconomics play a role in the frequency of different archetypes (see Figure 2.4). In the US, older workers exhibit an increased emphasis on mastery and autonomy, making them more likely to be Artisans. They also place a greater importance on self-transcendence in their job, making them more likely to be Givers. On the flip side, a decreased emphasis on status means older workers are less likely to be Strivers, and a lower tolerance for risk means they are less likely to be Pioneers or Explorers.

More educated—and therefore higher-earning—workers tend to score higher on autonomy, status orientation, future orientation, and self-transcendence. This translates into a higher share of Pioneers and Strivers, and a lower share of Operators.

Figure 2.2: While differences exist in attitudes toward work between countries, they are often small
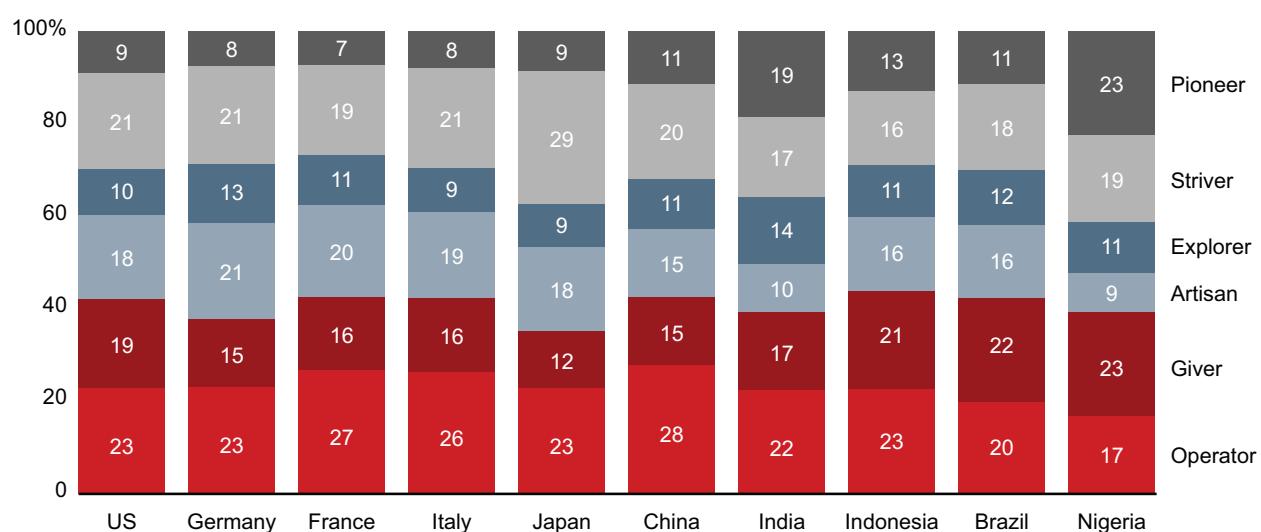
Average respondent score by country

Legend: ■ US ■ Germany ■ France ■ Italy ■ Japan ■ China ■ India ■ Indonesia ■ Brazil ■ Nigeria — Average

Note: Responses ranked on a 7-point scale
Source: Bain/Dynata Worker Survey (n=20,000)

Figure 2.3: The six archetypes surface across all countries, though with differing frequency

Archetype split by country
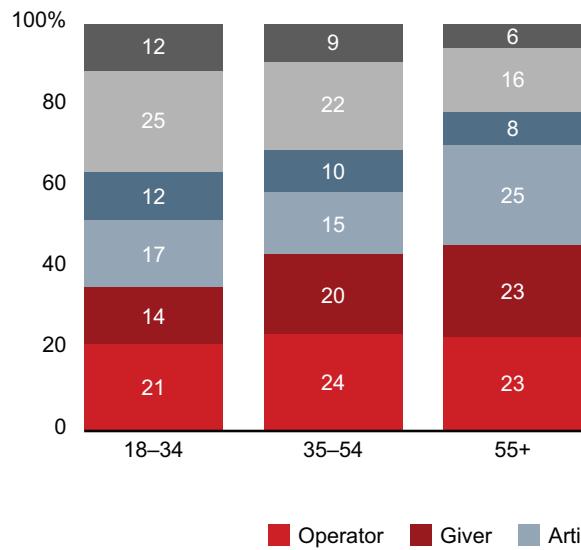
Notes: Results are only reflective of online population; results are accurate within 2% range, based on subsampling
Source: Bain/Dynata Worker Survey (n=20,000)

Figure 2.4: Demographic factors influence the likelihood of workers belonging to each archetype
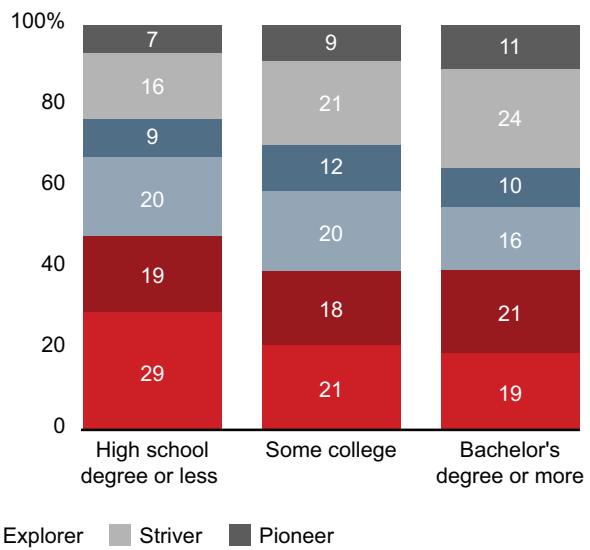
Age

Archetype split by age in US

	18–34	35–54	55+
Pioneer	12	9	6
Striver	25	22	16
Explorer	12	10	8
Artisan	17	15	25
Giver	14	20	23
Operator	21	24	23

Education

Archetype split by education in US

	High school degree or less	Some college	Bachelor's degree or more
Pioneer	7	9	11
Striver	16	21	24
Explorer	9	12	10
Artisan	20	20	16
Giver	19	18	21
Operator	29	21	19

Legend: Operator · Giver · Artisan · Explorer · Striver · Pioneer

Source: Bain/Dynata Worker Survey (n=2,000)
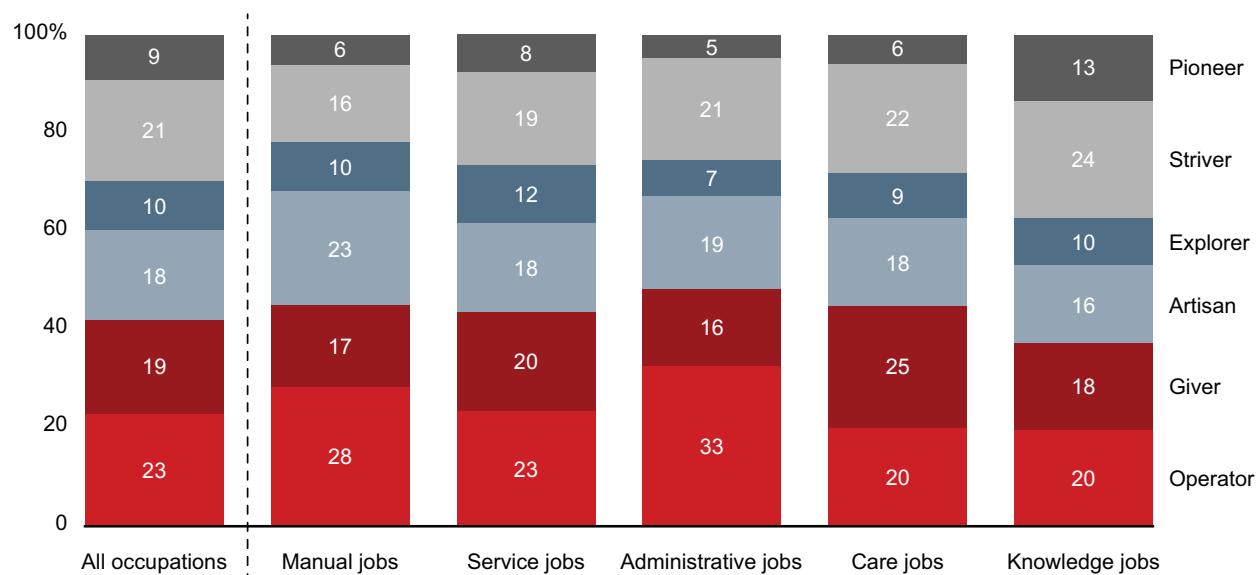
These demographic factors contribute to the different archetype mixes across markets. For example, the younger populations of India and Nigeria likely skew these countries toward risk-tolerant archetypes, like Pioneers and Explorers.

Within some countries, we also see significant geographic differences. In China, workers in Tier 1 cities score much higher on risk tolerance than the population as a whole, leading to a greater share of Pioneers. In France, financial orientation is higher in Paris than the rest of the country, increasing the share of Strivers in the city.

The archetype mix also differs across occupation types (see Figure 2.5). Manual workers, in occupations such as manufacturing, construction, maintenance, and logistics, are more likely to be Operators and Artisans. Administrative workers, in clerical and secretarial jobs, are the most likely to be Operators and least likely to be Pioneers. Care workers, in healthcare and education, are the most likely to be Givers. Explorers often gravitate toward occupations in service, such as hospitality, sales, and personal services. And Strivers and Pioneers are drawn to knowledge roles, in management, professional services, and technical occupations.

Figure 2.5: Archetypes tend to gravitate toward some occupations more than others

Occupation split by archetype in US

Source: Bain/Dynata Worker Survey (n=2,000)
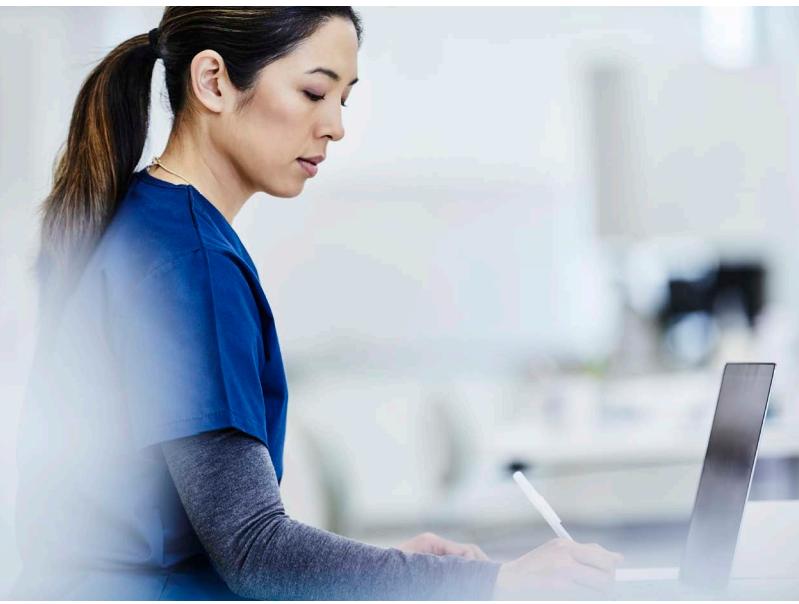
For the last group, it's worth noting that business leaders' attitudes toward work are far from representative of the population at large. For instance, 25% of US executives are Pioneers, compared with 9% of the nation's working population. Business leaders need to recognize that their personal perspective of what a good job looks like won't necessarily be shared by everyone in their organization, especially those on the front lines.

Looking at job satisfaction by archetype across occupations, we can see how different jobs tend to be better matches for some archetypes than others. Pioneers are 22% less satisfied in service jobs than they are in other jobs, on average, while Explorers are 12% less satisfied in administrative jobs than other jobs, on average.

The infrastructure for sorting workers into the right career paths has significantly improved in recent decades, from career counseling in schools to online job-searching platforms. However, the persistence of these types of mismatches suggests there is still substantial room for improvement in helping workers find jobs that will tap their full potential.

> **Business leaders need to recognize that their personal perspective of what a good job looks like won't necessarily be shared by everyone in their organization.**

Automation Is Helping to Rehumanize Work

Distinctly human advantages are growing in importance as automation eliminates routine work.

Over the past century, fears of mass joblessness from automation have come and gone in waves (see Figure 3.1). During World War II, mass labor shortages led to significant advances in the mechanization of production. Firms introduced these innovations into civilian production in the 1950s and 1960s, much to the consternation of workers. In the 1980s, a surge of interest and investment in the burgeoning field of artificial intelligence, combined with the growth of the personal computer, led to a second wave of fears around job-killing machines. The zeitgeist was reflected in blockbuster sci-fi hits including *Blade Runner*, *The Terminator*, and *Star Wars*.

More recently, a series of breakthrough advances in the field of machine learning, alongside new imagination-capturing services such as Amazon's Alexa and Apple's Siri, have triggered a fresh up-swelling of concern. As businesses ratchet up their ambitions for automation in light of the pandemic, these concerns are likely to continue growing (for more on the economic impacts of automation in the decade ahead, see the Bain Report *Labor 2030: The Collision of Demographics, Automation, and Inequality*).
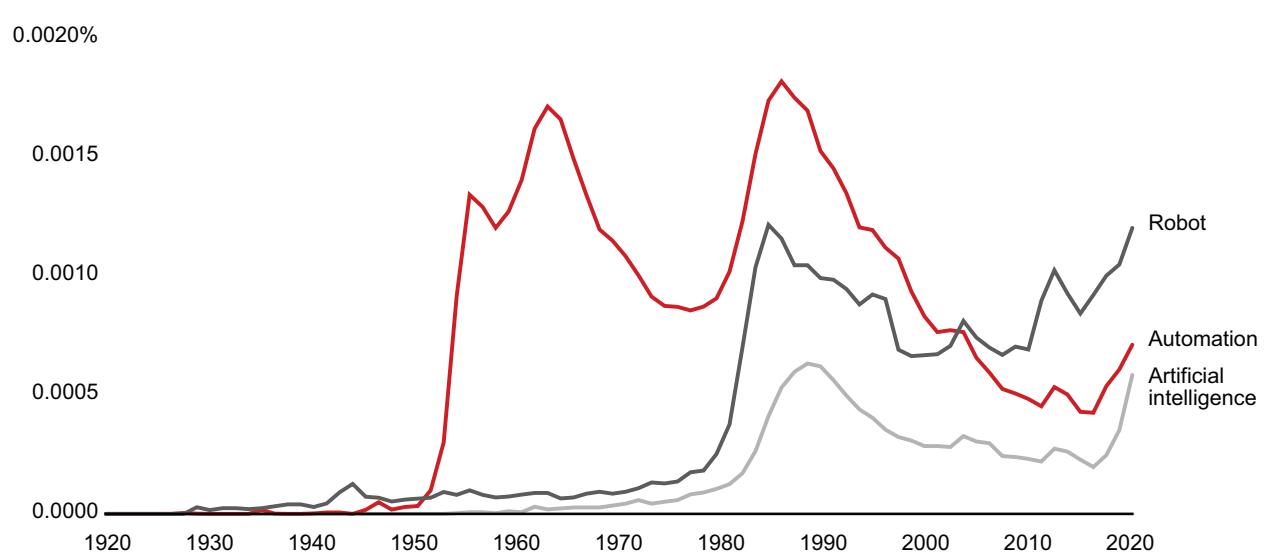
So far, at least, technological progress has not led to the end of work. But it has propelled numerous cycles of profound change in the role humans play in the economy. Over the past 150 years, technology has interacted with parallel structural forces, such as globalization, shifting consumer tastes, and demographic changes, to continuously redefine the mix of work (see Figure 3.2).

Looking ahead, it would be a gross oversimplification to imagine that the next generation of jobs will all be software engineers and data scientists. Undoubtedly, digitization will continue to propel rapid demand for these occupations, causing firms to experience labor shortages in these areas for many years to come. And increasingly, most jobs will require a basic level of digital literacy. However, growth in expert technologist roles will represent only one part of the story. This is particularly true as we head toward a world of democratized automation based around low-code and self-service solutions.

Over the next decade, a complex interplay between automation and other forces will once again dictate the pattern of rising and falling occupations. An aging population will increase the need for healthcare workers. The continued shift of domestic work into the formal economy will boost the demand for hospitality and various personal services. And the pivot to e-commerce will decrease the need for sales workers while increasing the need for transportation workers. At the same time, the automation of routine tasks will accelerate the decline of sales jobs, while keeping job growth in

**Figure 3.1:** We have entered a new wave of concern about automation
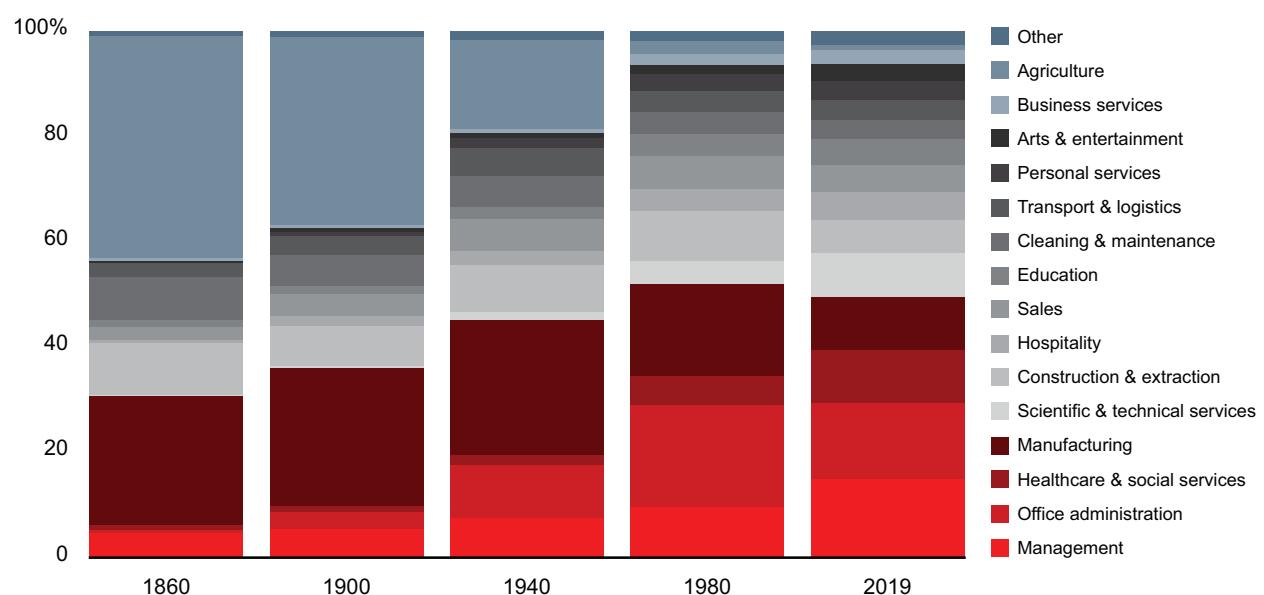
Share of all published words

Source: Google Ngram

Figure 3.2: The composition of the workforce has shifted multiple times

Occupational group share in US


Sources: IPUMS; Bain analysis
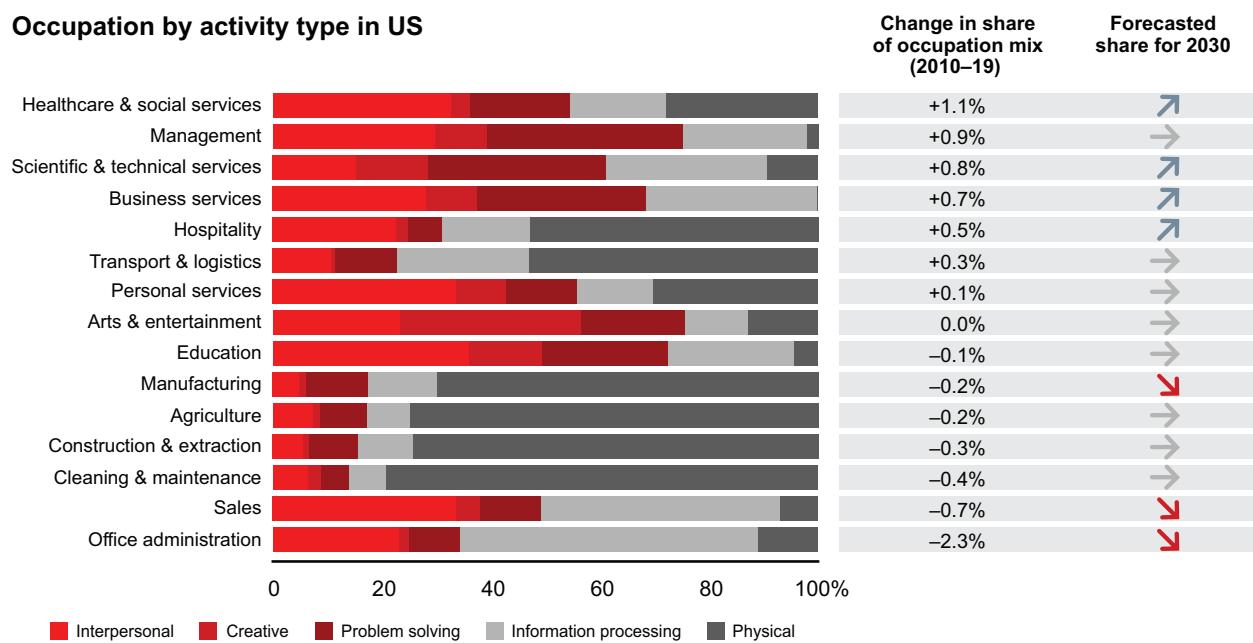
transportation and hospitality at lower levels than we would have experienced otherwise. Concurrently, the automation of manufacturing and administrative jobs will hasten the decline set off by globalization in recent decades.

These patterns are not confined to the US—a similar story is emerging across other advanced economies, with the same underlying forces at play. In emerging markets undergoing industrialization, the picture is slightly skewed by the continued movement of agricultural workers into other manual sectors, like manufacturing and construction.

To understand how this shifting occupational mix will affect the capabilities required by future workers, we classified more than 2,000 underlying activities across occupations into five categories (see Figure 3.3).

- **Physical**—work that involves directly manipulating the physical environment, such as operating machinery or preparing food.

- **Information processing**—work that centers on gathering and structuring information, such as compiling data or maintaining records.

- **Problem solving**—work that entails framing issues, assessing options, and exercising judgment, such as prescribing treatments or improving business processes.

Figure 3.3: The shifting occupational mix in developed economies favors uniquely human activities

Occupation by activity type in US

Occupation	Change in share of occupation mix (2010–19)	Forecasted share for 2030
Healthcare & social services	+1.1%	↗
Management	+0.9%	→
Scientific & technical services	+0.8%	↗
Business services	+0.7%	↗
Hospitality	+0.5%	↗
Transport & logistics	+0.3%	→
Personal services	+0.1%	→
Arts & entertainment	0.0%	→
Education	−0.1%	→
Manufacturing	−0.2%	↘
Agriculture	−0.2%	→
Construction & extraction	−0.3%	→
Cleaning & maintenance	−0.4%	→
Sales	−0.7%	↘
Office administration	−2.3%	↘

Legend: ■ Interpersonal ■ Creative ■ Problem solving ■ Information processing ■ Physical

Note: Activity mix based on scoring of 2,000 underlying activities across 900 occupations; activities are weighted based on the importance to each occupation
Sources: ONET; BLS; Bain analysis

- **Creative**—work that centers on imagining new possibilities and forming original ideas, such as designing products or developing a business strategy.

- **Interpersonal**—work that involves interacting with others to understand their needs and achieve shared objectives, such as teaching or negotiating.

While the boundaries between these activities can sometimes be blurry, the distinctions are helpful in characterizing the shifting nature of work. The more repetitive nature of most physical and information processing activities makes them prime candidates for automation. Problem solving, creative, and interpersonal activities are more variable in nature and more reliant on higher human faculties. Workers will increasingly be able to enhance their performance in these domains with AI-powered virtual assistants. But few experts believe such technologies will progress at a fast-enough pace to render human involvement obsolete anytime soon.

In the long run, we see at least one positive headline emerging from automation: The days of menial jobs that leave us feeling less like humans and more like placeholders for machines may soon be behind us.

Throughout the 20th century, popular culture often took aim at these soulless jobs. Charlie Chaplin's 1930s film *Modern Times* opens with an iconic slapstick scene in which Chaplin's character is unsuccessfully fed his lunch by a machine as he attempts to tighten screws on an ever-accelerating assembly line. The film effectively captures the zeitgeist of the era, when workers felt that industrialization was dehumanizing their once artisanal manufacturing jobs.

Over the next decade, a complex interplay between automation and other forces will once again dictate the pattern of rising and falling occupations.

The days of menial jobs that leave us feeling less like humans and more like placeholders for machines may soon be behind us.

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The big challenge ahead will be determining how to transition workers from declining occupations to jobs of the future.

Similarly, *Clerks* and *Office Space*, two offbeat comedies in the 1990s, capture the drudgery and sense of meaninglessness often associated with sales and administrative jobs, respectively. These types of jobs are being replaced by ones that require workers to engage deeply with one another, solve complex problems, and put their own unique stamp on their work.

The big challenge ahead will be determining how to transition workers from declining occupations to jobs of the future. Fortunately, the list of jobs that displaced workers in lower-skill occupations can perform, when given the right training and support, is nearly endless. The Internet has changed the economics of knowledge, giving workers in many occupations access to the information they need to do their jobs with the click of a button. In this environment, a worker's underlying capacity for problem solving, creativity, and interpersonal connection has a much greater effect on performance. So how can business leaders help workers develop these capabilities?

First, consider problem solving. The notion that intelligence is fixed from an early age, with neuro-plasticity declining over time, is outdated. The prevailing belief among scientists today is that the brain is more like a muscle, and its performance can be meaningfully enhanced throughout our lives. Research shows that equipping workers with the right set of thinking strategies—including establishing perspective, disaggregating the problem, framing, and deploying analogical reasoning—can greatly improve their decision making at work. We also know that the relationship between IQ and economic success is weak, with many higher intelligence individuals trapped in low-skill jobs that prevent them from fully exercising their potential for solving complex problems.

Second, consider creativity. While true creative genius may be rare, evidence shows that the everyday creativity required for success in jobs of the future can be taught by introducing workers to the right techniques. It is even more important, however, to create an environment that allows workers' creativity to flourish. This requires high levels of both formal and informal interpersonal interaction, as well as a clearly communicated openness to fresh ideas and tolerance of failure. In recent decades, the relentless focus on efficiency has conveyed to many workers—particularly those outside of knowledge occupations—that hard work and compliance, not creativity, are the paths to success. When we asked workers which attributes they felt their company wanted from them in their role, only 17% of US workers in manual, service, or administrative jobs ranked creativity in the top three, compared with 35% of workers in knowledge jobs. The picture is similar across other Western markets. In developing markets, however, 52% of workers across occupations ranked creativity highly, compared with an average of 30% across Western markets. The rapid pace of growth and demands for continuous adaptation in the emerging world have often fostered a culture of innovation at all levels of the firm. The focus on stable earnings growth in advanced economies typically has not.

Finally, consider interpersonal connection. Emotional intelligence is primarily determined by personality type—in particular, what psychologists call "agreeableness." Research shows a negative correlation between agreeableness and income level, which could suggest that, in recent decades, those who adopted a more aggressive approach to interpersonal interactions have achieved more professional success. However, empathy, introspection, and behavioral adaptation will be increasingly critical in the jobs of the future. And today's low-skill workers will have significant value to bring to the table in this respect. There is also ample evidence that interpersonal skills can be actively cultivated, particularly through behavioral modeling.

Technological Change Is Blurring the Boundaries of the Firm

Remote and gig work are on the rise, but they are challenging firm cohesion.

The Covid-19 pandemic has profoundly shifted the way workers interact with their firms. In the US, the amount of time Americans spent working from home jumped from 5% to 60% in the spring of 2020. While some workers are starting to return to the office, the new equilibrium is unclear. Most firms will adopt a hybrid model, but exactly what this looks like—and what it takes to succeed— remains murky.

Even before the pandemic, the traditional worker-firm relationship was morphing. The gig economy, born during the 2007–09 financial crisis, allowed workers to take on multiple piecemeal jobs to make ends meet. It surged in prominence over the last decade, as platforms such as Uber, Upwork, and Airtasker shot onto the scene.

Together, the rise of work-from-home and the gig economy have loosened the boundaries of the firm, making the ideas of a workplace and a worker more fluid. But we've seen something like this model before. In the 17th and early 18th centuries, much of the manufacturing in Western Europe relied on the domestic piece-rate (or "putting-out") system. Merchants supplied raw materials to workers, who would manufacture wares in their homes or small shared workshops in return for a payment per item produced.

This system faded with industrialization. The greater use of capital equipment for production brought workers together physically under the factory system, while a deepening division of labor, the growing scale and complexity of firms, and mounting demands for worker protections led to formalized employment.

Today, advances in communication technology and the emergence of new digital platforms are allowing firms to shift an increasing share of work outside of their traditional boundaries, reducing costs and improving flexibility.
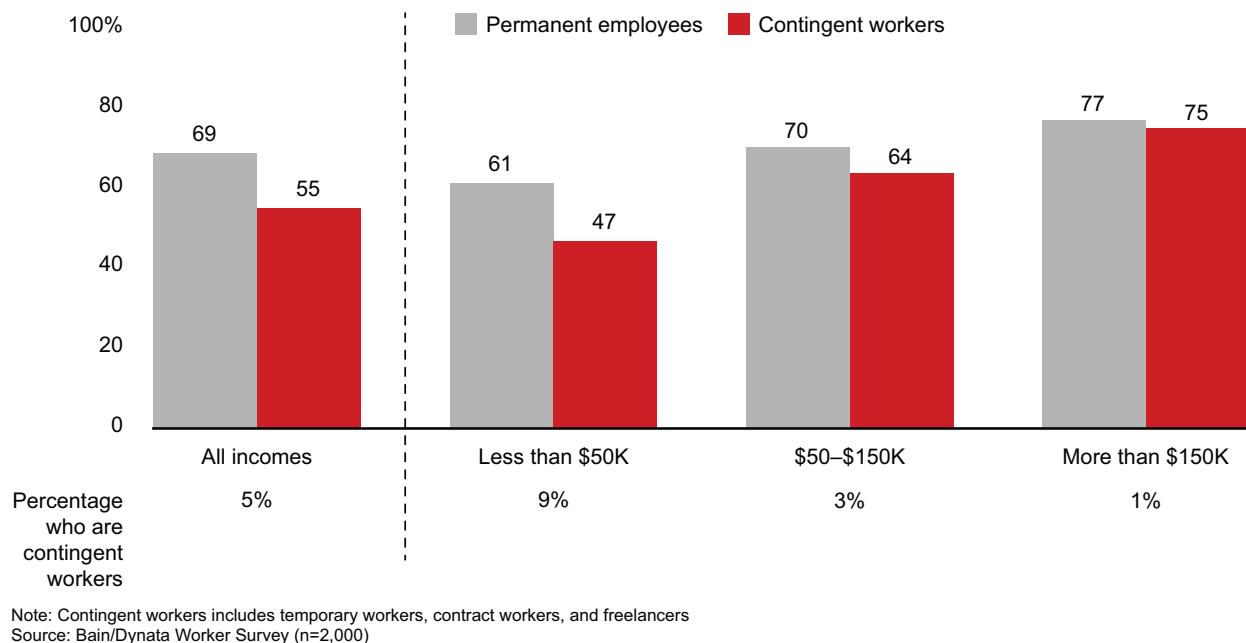
From the perspective of workers, however, these changes are a mixed blessing. The domestic piece-rate system smoothed workers' incomes across the agricultural cycle, making it a win-win for workers and firms—at least for a time. But is the emerging modern equivalent as mutually advantageous? The answer is more complex.

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Today, advances in communication technology and the emergence of new digital platforms are allowing firms to shift an increasing share of work outside of their traditional boundaries, reducing costs and improving flexibility.

Figure 4.1: Lower-skill contingent workers tend to be less satisfied than permanent employees

Job satisfaction by employment type in US

Note: Contingent workers includes temporary workers, contract workers, and freelancers
Source: Bain/Dynata Worker Survey (n=2,000)

First, consider gig work, also known as contingent labor (including temporary workers, contractors, and freelancers). In the US, 9% of workers earning less than $50,000 a year are contingent, compared with just 1% of workers earning more than $150,000. While some workers take on contingent roles out of choice, they tend to be the select few in higher-skilled, higher-paid roles. The majority are lower-skilled workers who take these roles out of necessity when permanent roles are not available. And these lower-earning contingent workers experience a meaningful gap in job satisfaction when compared with permanent employees with a similar income (see Figure 4.1).

Digging further into job satisfaction, we found that contingent workers are relatively more satisfied with their flexibility, but relatively less satisfied with their job stability and relationships with colleagues. When we consider the six archetypes of workers, gig work may therefore appeal to Explorers, but it's unlikely to be attractive to Operators, who make up the largest share of workers in most markets.

For firms, the appeal of contingent work varies based on the type of work. Higher-skill contingent workers are valuable when the firm needs access to specific expertise, and it's either too difficult to entice someone into a permanent role, or they are only needed for a specific project. Firms tend to rely on lower-skill contingent workers when there's a desire to shift to a more variable cost base, for greater responsiveness to volatile demand.

But loyalty and commitment flow both ways. The hidden cost of this strategy may be a workforce, particularly a front line, that is less inspired and less willing to invest in delighting customers or going above and beyond in their duties.
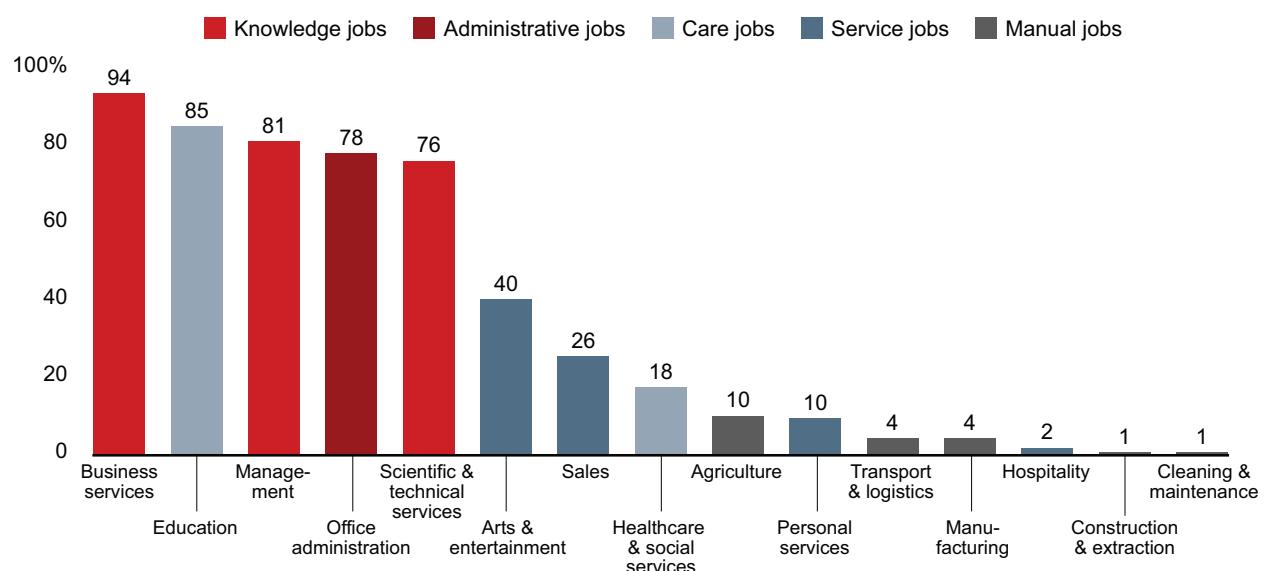
Next, consider the long-term outlook for remote work. The pandemic demonstrated that many workers can perform far more of their duties remotely than anticipated. To explore the maximum potential for continued remote work, we examined around 2,000 underlying activities across approximately 900 occupations and identified the share of tasks that could be performed from home, given the current state of technology (see Figure 4.2).

Our findings conform closely to the story of the pandemic: White-collar workers in knowledge and administrative jobs, alongside teachers, performed most of their responsibilities from home. And those in manual and service jobs, alongside healthcare workers, either continued going in as essential workers or found themselves out of work.

The long-term sustainability of remote education for school-aged children remains up for debate, as many parents struggle to juggle child supervision with work, and concerns around the possible negative impacts of remote learning persist. But for knowledge and administrative roles, remote work has a high likelihood of sticking beyond the pandemic.

Figure 4.2: The potential for remote work is primarily confined to white-collar workers

Tasks that can technically be performed remotely by occupation

Legend: Knowledge jobs | Administrative jobs | Care jobs | Service jobs | Manual jobs

Values: Business services 94, Education 85, Management 81, Office administration 78, Scientific & technical services 76, Arts & entertainment 40, Sales 26, Healthcare & social services 18, Agriculture 10, Personal services 10, Transport & logistics 4, Manufacturing 4, Hospitality 2, Construction & extraction 1, Cleaning & maintenance 1

Notes: Remote work potential based on scoring of more than 2,000 underlying activities across approximately 900 occupations; activities are weighted based on the importance to each occupation
Sources: ONET; BLS; Bain analysis

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Contingent workers are relatively more satisfied with their flexibility, but relatively less satisfied with their job stability and relationships with colleagues.
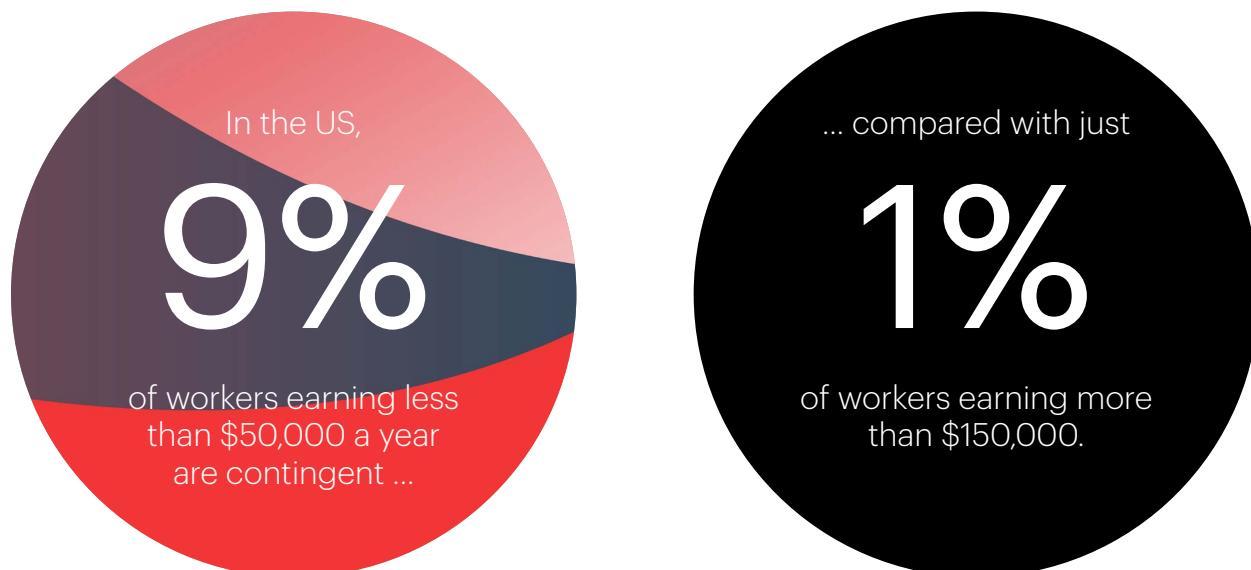
Together, these categories represent about 30% to 40% of all workers in developed economies, but only about 10% to 20% of workers in developing markets. And developing economies face several factors that likely reduce the number of remote workers even further, including slower, less reliable, and less ubiquitous Internet, as well as the challenges of multigenerational living arrangements and more children per family.

Even if the lion's share of white-collar work can be done remotely, that doesn't necessarily mean it should be. There are two factors to consider: the impact of remote work on productivity, and the desires of the workers themselves.

Whether remote work is as productive as in-person work remains to be seen. A study of 10,000 workers at an Asian technology company from April 2019 to August 2020 found that workers were putting in more hours from home, but there was no detectable increase in output. Why? Researchers found the amount of time spent in meetings increased, perhaps due to the complexities of remote coordination and supervision. Meanwhile, the time available for uninterrupted individual work fell. Data from the US Survey of Working Arrangements and Attitudes shows that 50% of workers felt their overall productivity had increased while working from home, but 71% attributed most of the gains to time saved from not commuting.

The impact of working from home on productivity also seems to vary from activity to activity. Research from prior to the pandemic suggests that activities requiring a high degree of collaboration or significant interdependence tend to be more productive when performed in person. The challenge is that these activities represent a growing share of white-collar workers' jobs.

Given this lack of clarity, leading companies are following different paths in terms of their remote work models. On the one hand, JP Morgan and Goldman Sachs called most of their US workers back

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9%

of workers earning less than $50,000 a year are contingent …

… compared with just

1%

of workers earning more than $150,000.

to offices over the summer. Netflix's co-CEO Reed Hastings has spoken out against long-term remote work. On the other hand, Dropbox and Twitter are shifting to a model of default remote work, while the list of firms offering hybrid models ranges from Apple and Google to Siemens and Prudential.
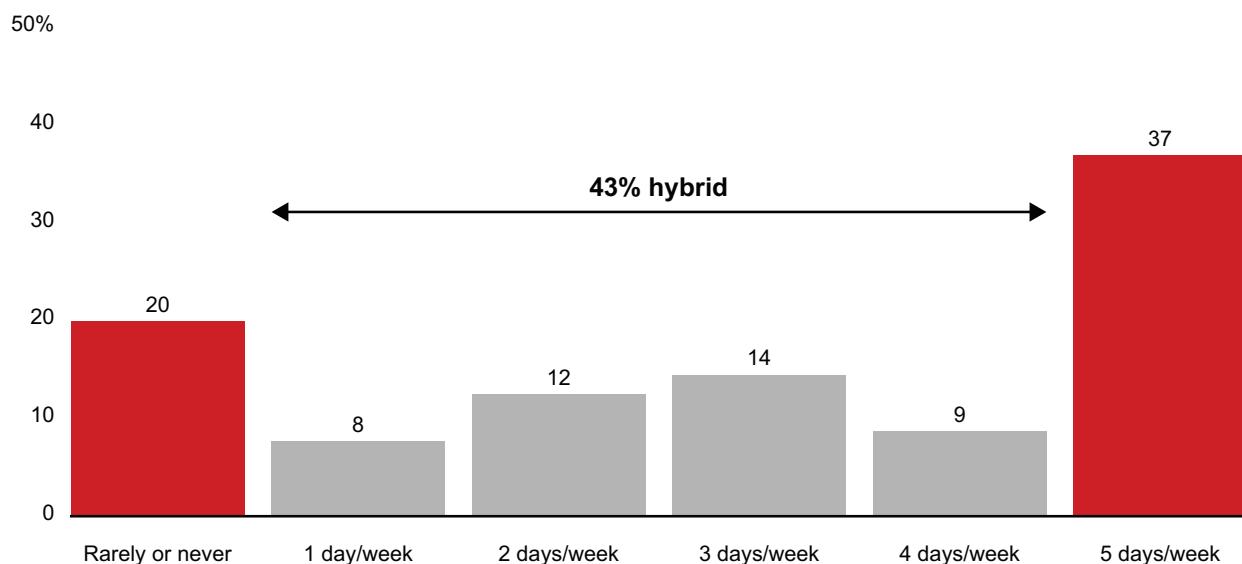
Firms also need to consider what their workers want. With no daily commute, remote work saves employees time and money. And according to the UK Time Use survey, commuting is one of the ways people least enjoy spending their time, scoring lower than domestic chores—in fact, only job hunting scored lower. Working from home also allows employees to have more time with their families and greater flexibility in how they spend their day. But there are significant downsides as well: Workers can feel cut off from their workplace social life, lack apprenticeship, and struggle to manage the boundary between work and personal time.

The net balance of these implications varies across the population. In the US, 37% of remote workers want to continue working entirely from home, indicating robust demand for remote jobs going forward (see Figure 4.3). However, 43% prefer some kind of hybrid model, while 20% want to work remotely rarely or never again.

Considering demographic factors, including age and household situation, doesn't meaningfully resolve this disagreement. Instead, these preferences primarily seem to be the result of individuals' varying attitudes toward work. More camaraderie-oriented worker archetypes, including Operators and Givers,

Figure 4.3: US workers' attitudes on working remotely postpandemic vary significantly

US worker preferences for time spent working from home postpandemic

Note: Includes only workers whose jobs can be performed at least partially at home
Source: The Survey of Working Arrangements and Attitudes, May 2020–October 2021 (n=24,000)

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Firms will need to harness significant innovation and creativity—and those that can crack the code stand to gain a significant competitive advantage.

are more likely to want to return to the office. More autonomy-oriented archetypes, including Artisans and Pioneers, are more likely to thrive in remote work conditions.

It's worth noting that US workers tend to be more inclined toward remote working than their counterparts in most other countries. For example, only 15% of workers in China and 16% of workers in France would like to work entirely from home postpandemic.
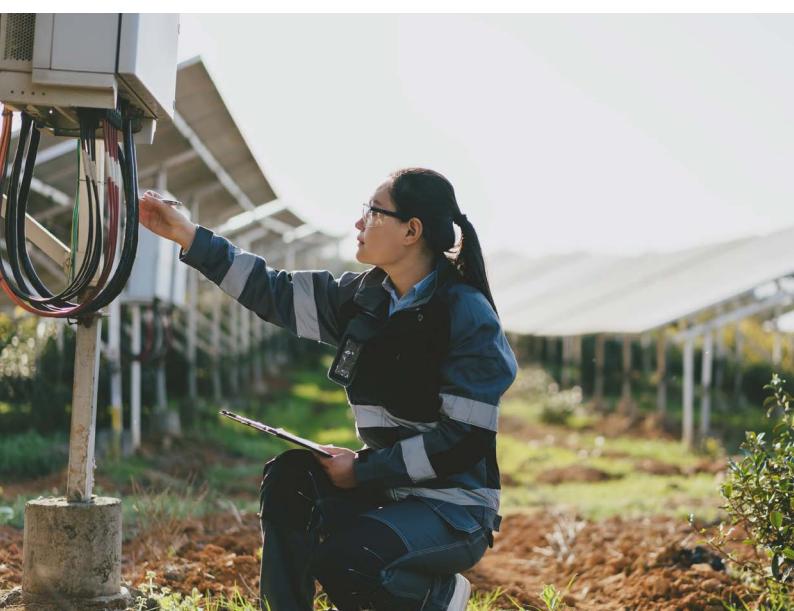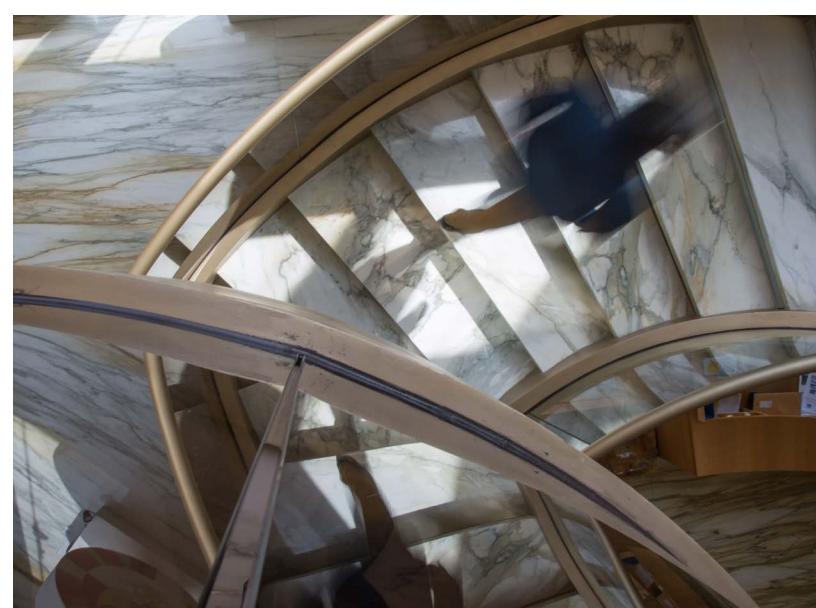
In addition, attitudes toward working from home have shifted—and likely will continue to shift—over time. There's evidence that some workers are beginning to tire of the remote model: The number of workers who say they prefer to not work remotely at all postpandemic has been rising steadily, from 16% in January 2021 to 25% in October 2021, according to the US Survey of Working Arrangements and Attitudes. The sustained sense of isolation and lack of meaningful connection with colleagues may be increasingly weighing on workers.

Our survey shows that 47% of workers globally view many of their colleagues as friends. In China, where remote work models dissipated quickly once the pandemic was under control, this figure was even higher, at 59%. This level of connection and trust is a critical ingredient for effectively operating complex businesses. The big question is whether companies can maintain connection and trust without the physical connection that offices provide.

Shared office space helps firms feel more like a community and less like an impersonal marketplace. When working remotely, it's particularly difficult to reproduce the informal and unplanned interpersonal interactions of everyday office life. For many firms, the success of remote work during the pandemic has come at the cost of the cultural capital and goodwill that colleagues have built up over the years. Over time, especially as new recruits join, maintaining culture and connection may become increasingly difficult—although there is plenty of room for experimentation in this space.

As the rise of contingent and remote work loosens the boundaries of the firm, there's a risk that workers come to view their relationship with their organizations in a purely transactional light. As a result, the bonds of trust that form the connective tissue of the firm are in jeopardy of fraying.

None of this is to say that it's impossible to maintain a strong and cohesive organization while increasingly relying on contingent and remote work. But examples of sustained success at scale are few and far between. Firms will need to harness significant innovation and creativity—and those that can crack the code stand to gain a significant competitive advantage.

Young Workers Are Increasingly Overwhelmed

Younger generations, especially in advanced economies, are under mounting stress that spills over into their work lives.

Not only has Covid-19 led to a tragic loss of life around the world, but it has also caused immense psychological strain. Individuals have coped with grief, adapted to social isolation, and reconfigured the way they work, all at the same time. The portion of American adults exhibiting signs of an anxiety disorder leaped from 8% in 2019 to a peak of 36% by December 2020. The pandemic has undoubtedly been an example of what sociologists call a "collective trauma" event.

However, stress levels have been rising for some time now, particularly for younger generations. Although longitudinal data over an extended time period is sparse, even in the last decade, the reported stress levels across generations has started to diverge. Generation X, Generation Y, also known as millennials, and Generation Z no longer experience the steady decline in stress that has historically been associated with aging (see Figure 5.1).

61%
of workers under 35 shared concerns about finances, job security, and meeting their career goals.

Only 40%
of those over 35 cited the same concerns.
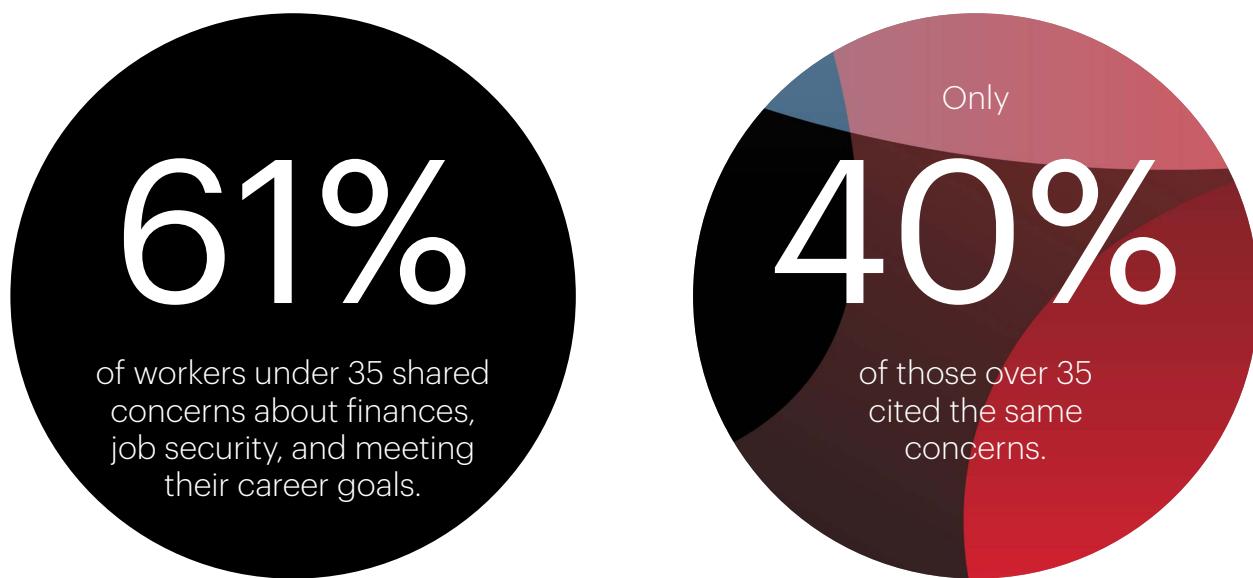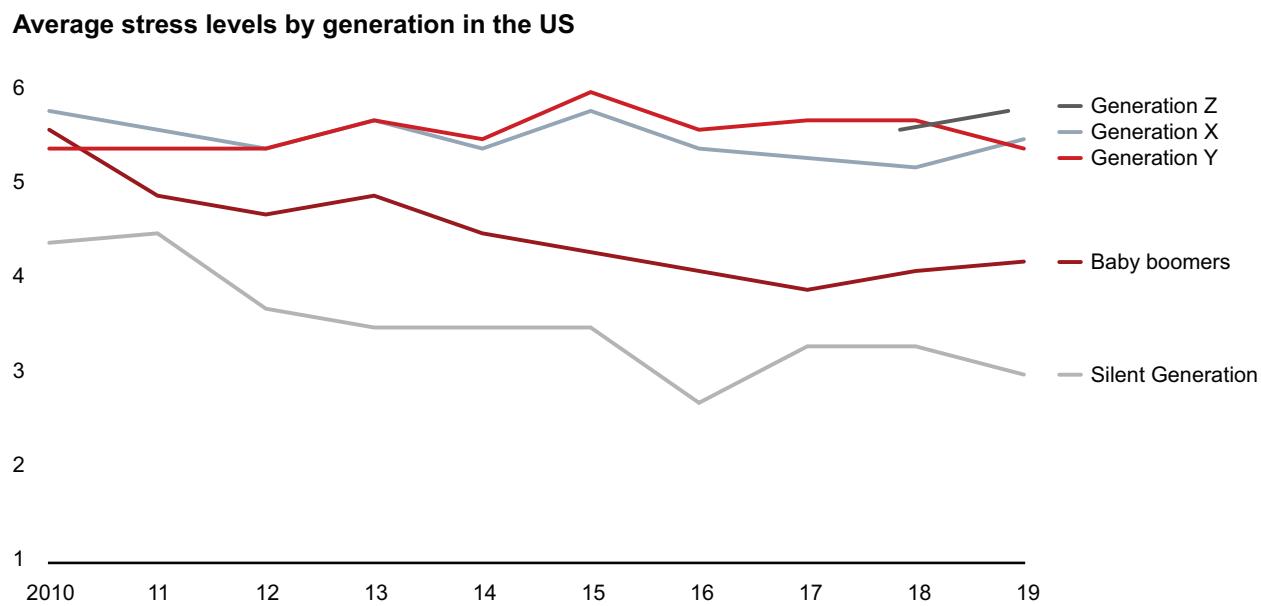
Figure 5.1: Stress levels are diverging across generations

Average stress levels by generation in the US

Notes: Generation Z are workers born 1997–2003; Generation Y, 1981–96; Generation X, 1965–80; baby boomers, 1946–64; Silent Generation, 1928–45; stress levels ranked on a scale of 1–10
Source: American Psychological Association Stress In America™ surveys

Unlike older cohorts, younger generations are grappling with a new mix of stressors. The combination of slowing economic growth, rising inequality, and declining housing affordability across the West has made it far more difficult for younger workers to attain financial stability. The dark sides of recent technological progress add to these challenges: Email blurs the lines between work and personal time, an issue only compounded by working from home. Social media pushes younger generations to constantly compare their lifestyles with those of their peers. And the acceleration of innovation cycles creates the illusion of life at twice the speed.

Younger workers have also been exposed to broader turbulence over the past decade, including greater political polarization, geopolitical tensions, and concerns about climate change, not to mention a pandemic. The lives of younger generations are characterized by a far higher degree of ambiguity and uncertainty—and they simply haven't been educated on how to cope with it.

Of all these issues, the economic stressors matter most to young workers. When we asked workers across Western markets to share their biggest concerns for the next 5 to 10 years, 61% of respondents under 35 cited financial issues, job security, or failing to meet their career goals. Only 40% of those over 35 cited the same concerns.
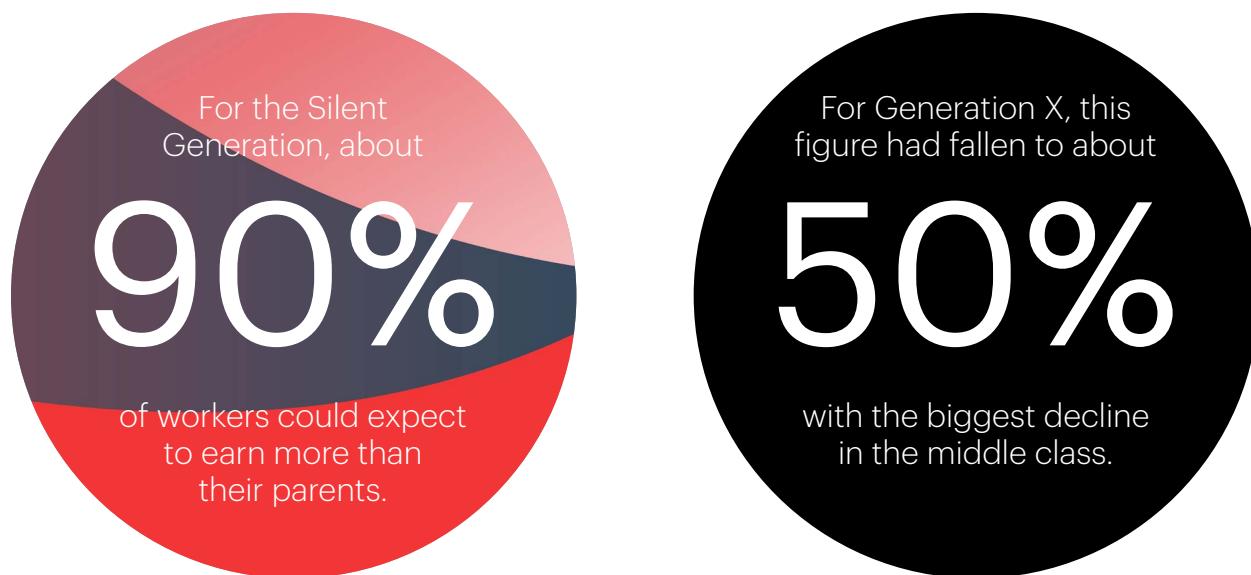
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The lives of younger generations are characterized by a far higher degree of ambiguity and uncertainty—and they simply haven't been educated on how to cope with it.

The odds of achieving absolute upward mobility—earning more than one's parents—are the lowest they have been in the US for any generation since World War II. For the Silent Generation, about 90% of workers could expect to earn more than their parents, with the figure even higher for all but the wealthiest families. For Generation X, this figure had fallen to about 50%, with the biggest decline in the middle class. The emerging data for Generation Y suggests the picture is worsening. This trend is consistent across the West, with absolute upward mobility at levels equal to or below the lowest on record, which stretches back to the beginning of the 20th century.

Two factors have contributed to the decline in absolute upward mobility: slowing growth and rising inequality. The youngest generation of workers has seen inequality skyrocket, as the earnings gap between those who enter high-skill professions and those who do not continues to widen. The growing income premium for a college degree certainly plays a role in this story. But it's now estimated that more than 40% of recent college graduates end up in jobs that don't require higher education. Today's labor markets are increasingly characterized by a winner-takes-all dynamic, where a small number of graduates capture a vast majority of the returns on education.

In places like the US, where higher education receives limited public funding, universities are also saddling workers with crippling debt. In Europe, younger workers are often spared the burden of student debt, but youth unemployment has reached crushing levels—37% in Spain, 29% in Italy, and 19% in France—as the fallout of the financial crisis more than a decade ago continues to limit opportunities.
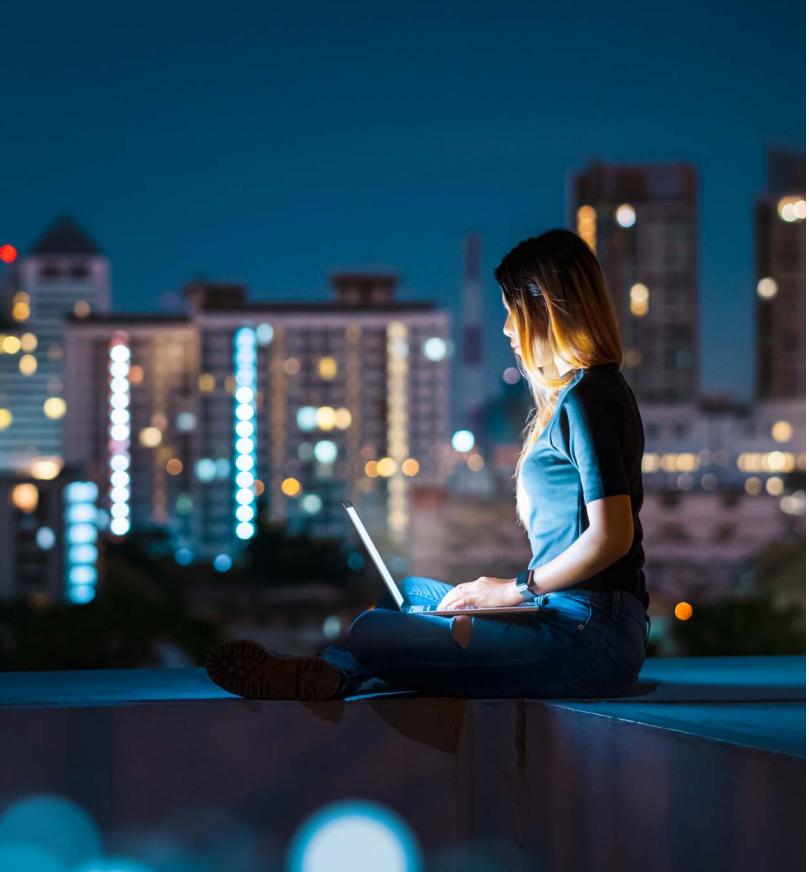
On top of everything else, younger workers will grapple with the burden of caring for an aging population. They also face the challenge of paying down public debt, which has ballooned as a result of the pandemic, at a time of slowing macroeconomic growth.

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90%

of workers could expect to earn more than their parents.

For Generation X, this figure had fallen to about

50%

with the biggest decline in the middle class.

The psychological effects of these pressures should not be underestimated. To see what could be in store for the West, one can look to Japan. In the 1990s, the term *hikikomori* was added to the lexicon to describe the growing phenomenon of young adults who had failed to secure jobs during Japan's prolonged economic slowdown known as the Lost Decade. Their feelings of shame and defeat led them to withdraw from the labor market permanently and become recluses who lived with their parents well into their adult years. Since then, the number of *hikikomori* has steadily grown to more than a million people, according to government estimates.

Given cultural differences, such a pattern may or may not emerge in the West. But it's evident that many young people have become disillusioned with the prevailing economic system and mainstream politics. As a result, some have gravitated toward radical political movements. Others are seeking change through economic, rather than democratic, processes. This includes consuming and investing based on their individual beliefs, although the impact tends to be diffuse. Many young people sense that the best way to achieve change is by encouraging their employers to take more active stances on social and political issues. In some cases, these workers are willing to vote with their feet.

Looking at the emerging economies of the world, the youngest generations have had a very different experience. In countries like China, Indonesia, and Nigeria, younger workers are experiencing less instability than their predecessors, while economic liberalization and convergence are rapidly increasing their prospects for upward income mobility. According to our survey, 81% of workers in emerging markets said they felt optimistic that their lives would be better 5 to 10 years from now, compared with only 63% in developed economies. It may be too early to say how much these diverging experiences could reshape global competitiveness in the coming decade, but it does reinforce the point that the hopes and fears of workers in the developed and developing world are distinct.

Rehumanizing Work: The Journey Ahead

To stay on top in increasingly competitive markets, forward-looking business leaders will reshape their talent strategy around three ideas.

Together, the five forces reshaping work confront us with two questions. First, what will it take in this new era for individuals to reach their full potential at work? Second, how can firms close their talent gaps and build a competitive advantage through a winning talent proposition?

These questions are two sides of the same coin. Rethinking talent strategy through the lens of the individual worker's full potential will be transformative. It will place firms ahead of their competitors as a desirable place to work, allow them to better tap into the discretionary energy of their people, and enable them to unlock hidden talent pools that already exist within the organization.

Based on our research and client discussions, three big ideas are emerging for forward-looking business leaders when it comes to their people. At the same time, we expect to see significant experimentation and innovation in this area over the coming decade, and view this as only the start of a longer journey.

From talent taker to talent maker

There is a "Great Reskilling" on the horizon. Firms' talent needs are more dynamic than ever, as a result of rapid technological change and the accelerated cut and thrust of this new era. To operate with speed at scale, many firms are also discovering that new skill sets—like the ability to scale ideas successfully—are being added to their lexicon. For many established firms, the default answer has been to look externally, hiring workers who already have the skills required, and letting go of those that don't.

The insurgent firms that are running circles around their larger competitors are taking a different approach. Their rapid growth is forcing them to take a harder look at workers' underutilized potential and offer opportunities for growth to everyone, up and down the hierarchy. And they are doing this in a way that is far more attuned to the unique strengths of individual workers. At the same time, incumbents tell us that their biggest barrier to building new businesses—a trait that defines these insurgents—is a lack of talent.

There is a "Great Reskilling" on the horizon. Firms' talent needs are more dynamic than ever, as a result of rapid technological change and the accelerated cut and thrust of this new era.

Leading firms of the future will reprioritize looking within at underutilized talent pools and reimagine their outdated models of learning and development. To do this, they will need new lenses that help them identify the right opportunities for their people. The six worker archetypes can help leaders make sense of what individuals want from their jobs. Our research on the three communities—executors, disrupters, and scalers—can also help shed light on workers' behavioral strengths. In addition, firms need to understand the specific skills and experiences of each worker, and identify creative new ways to deploy these across the company.

Firms that do this well will create a significant edge over their competitors. They will also establish themselves as responsible corporate citizens at a time when firms are under mounting social pressure to improve the outlook for workers.

Scale up investments in learning

Incumbents have a hidden asset in the war for talent: a large existing workforce. But making the most of this asset requires investment. Spending on learning was a key casualty of the shareholder primacy era, as firms shifted the burden back on workers. With the pace of change accelerating, leading firms are beginning to realize that this approach is no longer cutting it.

AT&T now invests around $250 million annually in T University, which enables existing employees to develop in-demand expertise in areas such as data science and cybersecurity. It also provides anywhere from $15 million to $34 million annually in tuition aid to support employees with learning outside of the company. Walmart has established the Walmart Academy to build frontline workers' capabilities in a wide range of areas, including customer engagement, leadership, and change management. The retailer has also recently announced that it will pay 100% of college tuition fees for associates as part of its Live Better U program.

For firms that take this seriously, learning will quickly become one of their single biggest investment items, making it a CEO-level issue. And this big investment will come with big choices:

- **Hard skills vs. soft skills:** Hard skills are the specific and measurable abilities required for a job—for example, coding software or handling accounts. Soft skills are the more transferable but less quantifiable traits that shape performance—for example, framing or empathy. While both will be essential in the jobs of the future, we expect the accelerating rate of technological change will dramatically reduce the half-life of hard skills and elevate the importance of soft skills.

- **In-house vs. partnerships:** External education partners can bring not only relevant expertise, but also greater experience in effective training. For many firms, particularly those at a scale disadvantage, such partnerships will be critical. Chipotle followed this model, establishing a partnership with Bellevue University in 2017.
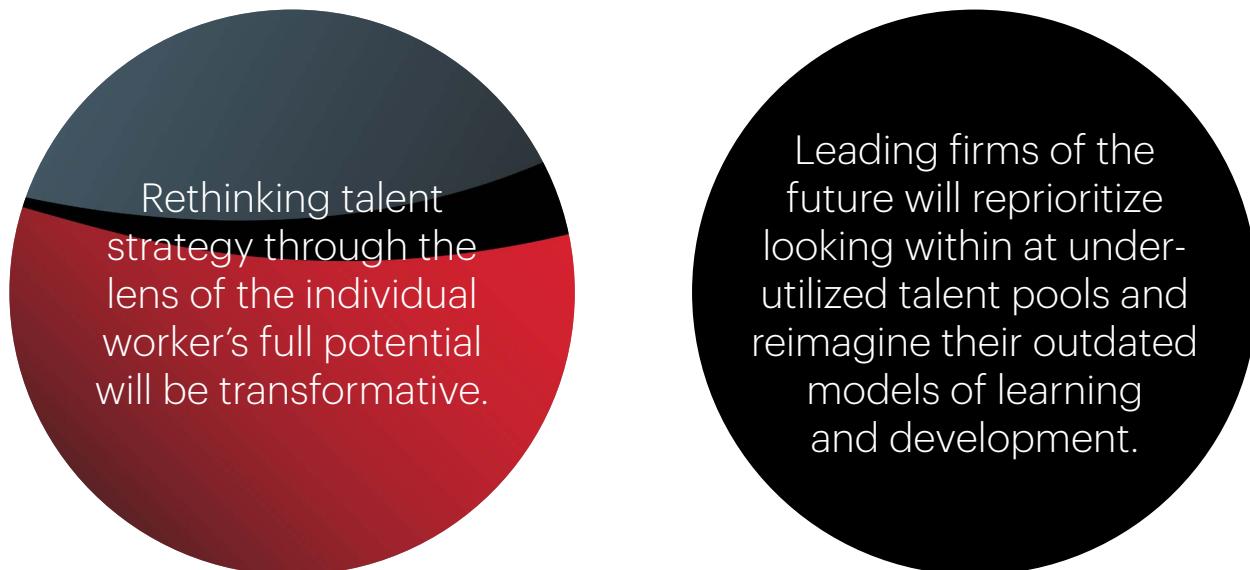
- **Concentrated training vs. ongoing apprenticeship:** While intensive bursts of training save experts' time, the true mastery of a task generally requires ongoing apprenticeship with an experienced colleague. However, firms' rapidly evolving talent needs will create challenges in establishing and maintaining these apprenticeship chains.

Think laterally about career journeys

Many firms continue to invest in "future leaders" programs that propel junior managers up the corporate hierarchy. To make the most of their workforces, however, firms will need to widen their talent funnels, by drawing on people who are neither suited to, nor necessarily interested in, general manager roles. As our survey shows, the archetype mix of executives is drastically different from that of the overall population.

The professional management system continues to cast a long shadow over how firms think about learning and development, prioritizing generalist skill sets and vertical career ladders. Instead of trying to create all-rounders, firms should cater to the diverse strengths and interests of their workforce. This requires unbundling traditional manager roles and getting creative with lateral moves.

Consider blue-collar workers in manufacturing plants. Rather than simply substituting these workers for machines, firms will need to reimagine their workflows to harness the potential of automation. And there is no one better positioned to do this than the workers themselves, particularly as we move toward self-serve automation. Tesla learned the hard way that removing humans from the production process entirely is incredibly complex. The company has since upskilled assembly line workers to help revamp processes and train and maintain robots. What is true of blue-collar workers is equally true of those working in automatable back-office roles. Of course, engaging workers in the process of automation will require them to trust that new, better roles are in their future.

Rethinking talent strategy through the lens of the individual worker's full potential will be transformative.

Leading firms of the future will reprioritize looking within at under-utilized talent pools and reimagine their outdated models of learning and development.

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Next, consider the customer-facing front line. Few of the people responsible for designing a firm's customer experiences have ever been involved in delivering those same experiences. The front line is in a privileged position when it comes to understanding customers. In fact, these workers already generate many of the best ideas for delighting customers—take Southwest Airlines' "Bags Fly Free" campaign or some of Starbucks' handcrafted beverages. Yet few businesses give customer-facing workers the training and opportunities to redesign customer journeys in a meaningful way.

And finally, consider the career of a junior manager. The Peter Principle, coined by Canadian educator Laurence J. Peter, states that workers in hierarchical structures will be promoted to the level of their incompetence. While this may overstate the problem, it's certainly true that as managers move up the ranks, their role begins to involve tasks that may not play to their strengths, particularly strategic and administrative responsibilities. Many junior managers would likely be happier in—and better suited to—a career path that allows them to focus on ensuring the healthy functioning of teams and supporting colleagues to perform at their best. For example, Buurtzorg, the pioneering Dutch home-care provider, has replaced traditional middle-management with "coaches," a role for experienced nurses that focuses on guiding and supporting self-managing frontline teams.

Cultivate a growth mindset

Traditionally, workers could expect to follow a linear learning model, in which they gain stable foundations in the first decades of life, with the workplace acting as a kind of finishing school. However, as skills become obsolete at an accelerating pace, this model is no longer working. The problem is compounded by lengthening life spans, which means many workers will go through multiple cycles of reskilling over the course of their careers.

As a result, workers will need to start viewing their current skill set as a depreciating asset. Archetypes that thrive on change, like the Explorer, will view this as an exciting opportunity to sample a broad range of career paths. Archetypes like the Artisan may be reluctant to drift too far from their current area of expertise. Firms will want to encourage a middle ground that elevates the importance of adaptability without devolving into dilettantism.

Cultivating a "growth mindset"—a term coined by psychologist Carol Dweck—can help organizations find this sweet spot. A growth mindset, in contrast to a fixed mindset, sees ability as something that is developed, not predetermined. Those with a growth mindset embrace challenges and failures as opportunities to learn, actively seek out feedback, and find inspiration in the success of others. At Microsoft, CEO Satya Nadella has championed embedding a growth mindset as a critical pillar of the firm's transformation.
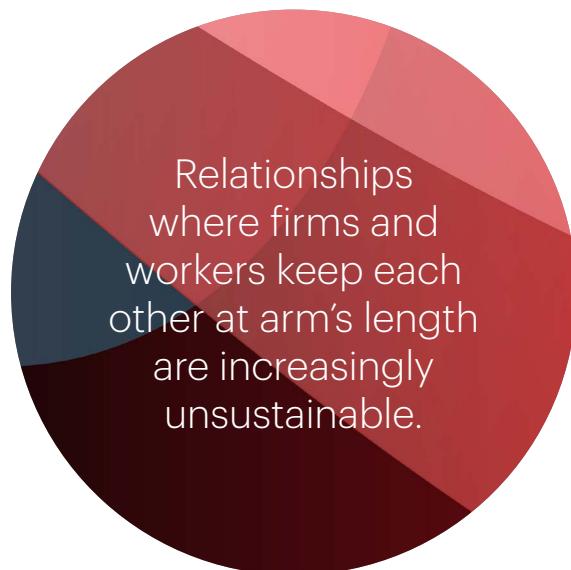
More broadly, firms need to create better visibility for themselves and their workers on their evolving talent needs. Many companies lack a meaningful understanding of what their talent requirements will be in five or more years' time, and it's unrealistic to expect staff to work this out on their own. While it's difficult to make precise headcount predictions so far out, it is possible to define the direction of travel. This will not only help firms prioritize their reskilling investments, but also reduce uncertainty for workers. Tools that help to clarify the transferability and complementarity of skills across occupations will also prove valuable to firms and workers alike.

Ultimately, workers still need to be in the driver's seat of their careers. They are responsible for the mindset they bring to the table. Firms can't force them to think about what they want from a job and where their strengths lie, nor can they force them to reskill. But they can support them with the right tools, better visibility, and an environment where these issues are actively discussed. Firms also need to recognize that more fluid careers will add to the already heavy psychological strain that many workers are currently facing.

Workers ≠ machines

Workers are not automatons. Compared with building widgets or transposing data, workers' ability to excel at the uniquely human tasks that will increasingly dominate work is far more dependent on their underlying emotional state. With human skills come human frailties, which means firms will need to take a more empathetic approach to managing workers in the decades ahead.

We know workers today are bringing far more mental baggage to their jobs, particularly the younger generations of the West. Constant reskilling and a general increase in ambiguity will only compound these issues, stretching the personal capacity of many workers to the limit. But leaders can start to alleviate some of this stress with a few steps.

With human skills come human frailties, which means firms will need to take a more empathetic approach to managing workers.

Relationships where firms and workers keep each other at arm's length are increasingly unsustainable.

Build personal capacity

Some may take the view that the overall well-being of workers isn't a firm's responsibility, arguing that a job is only one part of people's lives. We believe this is misguided. For one, technology has blurred the boundary between our work and our personal lives. Moreover, the breakdown of other civic institutions in the West has left a void, with many workers seeking new sources of support. And perhaps most importantly of all, a failure to help workers will eventually lead to widespread burnout and the firm's inability to stay afloat amid rising turbulence. As Richard Branson recently put it when discussing mental health, "No business has any more excuses not to take action."

Many firms have been investing more in wellness activities over the last couple of decades, ranging from free gym memberships and yoga classes to counseling support. However, such initiatives can feel tokenistic and rarely make a major difference for the bulk of the workforce. Workers want leaders who display honest and judgment-free empathy around their professional and personal struggles.

At many firms, green shoots of a mindset shift emerged during the pandemic, as managers became more aware of the multiple stressors affecting their teams. Many leaders recognize that mental health is a relevant issue for everyone right now, not only those suffering from mental health disorders. Companies such as Mozilla and Bumble have given staff a full week off to destress. But as we emerge from the crisis mode of the pandemic, business leaders risk snapping back to old modes of thinking.

To maintain momentum, winning firms will train leaders not only to teach their teams good mental hygiene, but also to actively model the right behaviors. Unilever, for example, conducts training for all line managers to provide practical tips for reducing their teams' stress levels. Setting and honoring clear boundaries between work and personal time is essential, particularly as working from home becomes more prevalent. The best managers will actively discourage workaholism. Leading firms will celebrate managers who act as stress reducers for their teams, rather than stress amplifiers. This won't be easy. In many cases, it will require leaders to reimagine how their teams operate.

Redesign workflows for humans

The way we organize work today not only adds to the psychological strain on workers, but also limits their ability to perform at their best. The rhythms of work aren't designed for the realities of the human brain.

The average office worker receives around 120 emails per day. As the cost of communication has effectively fallen to zero, office workers have become accustomed to shooting off messages with limited forethought. Many now use their inbox as a *de facto* system for organizing tasks.

But this model is deeply unsuitable for the jobs of the future. Cal Newport draws a helpful distinction between "deep work," where our brain is fully engaged in the task at hand, and "shallow work," where we are operating on autopilot. Deep work is exhausting, but it allows us to tap into our uniquely human advantages in a world of increasing automation.

Newport's research shows that email is the enemy of deep work—at least the way most office workers use it today. Context switching, where our brain jumps from one topic to another, prevents us from achieving the mental state needed to solve tough problems, generate new ideas, or navigate difficult conversations. It also adds to our stress. This is simply not how our brains are wired to operate. And instant messaging platforms are making the issue even worse.

One alternative is more meetings. However, in many organizations, meetings tend to be inefficiently run, with no clear decision drumbeat and too many nonessential participants. They often deplete our energy, leaving less for deep work. A more basic solution is clearer team protocols around email usage. Workers should be judged based on their results, not their responsiveness. Many firms are also embracing project management tools like Asana or Trello to create a more streamlined and curated flow of information, though few large organizations have encouraged adoption to the point of meaningfully displacing email.

If they are to get the best out of their people, business leaders will need to continue experimenting with solutions in the years ahead. The nature of the challenge shouldn't be underestimated—it will require nothing less than a complete reimagining of the workflows that underpin the knowledge economy.

Tailor jobs to support individual purpose

Over the past few years, there has been a surge in discussion around the need for firms to define a clearer corporate purpose as societal expectations shift. We believe this is a nonnegotiable for success in today's business environment. But it's not enough.

Leading firms will set an even higher bar, aspiring to help every individual worker build a career that is fully in sync with what they want from life. Individuals who can see a purpose in their work that feels meaningful to them personally will be far better equipped to respond to the inevitable strains that come with a career today.

The challenge is that different individuals find purpose in different places. While a clear social mission is important for some archetypes, like Pioneers and Givers, it's less important for others. Firms will need to look at every element of the employee value proposition and reflect on how they can use those elements to provide a greater sense of purpose for each worker archetype.

For instance, an Artisan whose role offers little autonomy to exercise her craft and limited opportunities to work on things that excite her may begin to feel as though she's wasting her life. But targeted changes to the employee value proposition can make all the difference. 3M famously allows its engineers to spend 15% of their work hours on experimental projects, exploring ideas that don't necessarily have anything to do with their job. Through a similar policy, Google has produced several breakthrough innovations—including Gmail and Google News—over the years.

Similarly, an Operator whose role prevents him from being present at key family moments may question whether his job is giving him the life he wants. Offering him greater flexibility and predictability in working hours, while protecting his time off, would likely make a substantial difference in his happiness and engagement, at little expense to the firm.

Helping individuals find purpose as they define it isn't easy. It requires tailoring employee experiences in a way that doesn't create an excessive administrative burden. It also requires fostering a company culture that actively encourages introspection and trust-based dialogues between workers and their managers.

Individuals will always have the ultimate responsibility for building the life they want. There are limits to what a company can and should do. A return to the days of Ford's paternalistic Sociological Department in 1914—which sent company investigators to workers' homes unannounced to ensure the employees were actually married, a company requirement, and living in adequate cleanliness— is a bridge too far. At the same time, however, relationships where firms and workers keep each other at arm's length are increasingly unsustainable.

Out of many, one

In the early stages of a company's life, the insurgent founder may be able to surround herself with workers who look at the world in the same way she does. However, as companies scale, this becomes increasingly difficult to sustain. One reason is the natural heterogeneity in attitudes toward work that we know exists across the population. Another is the reality that achieving the benefits of scale requires specialization, and as we showed earlier, different types of workers tend to bring different perspectives toward work.

Looking ahead, we believe successful firms of the future will only become more diverse. Part of this is demographic diversity. Firms that break down the barriers of gender, sexual orientation, ethnicity, background, and age in the workplace won't just be able to tap into historically underrepresented talent pools. They will also improve performance through, for example, reducing groupthink and unleashing the innovation that comes from incorporating multiple perspectives.

Beyond demographic factors, the imperatives of business building and reinvention require the firm of the future to draw on a widening array of skill sets. Walmart has built up a team of more than 15,000 technologists, including talent from digital native firms who led the retailer's digital transformation. In establishing its retail bank, Marcus, Goldman Sachs needed to bring in not only product managers and software engineers, but also call center workers.

However, conformity need not be the objective. Bringing dissimilar workers together under one roof allows firms to create something that is greater than the sum of its parts. Alternative perspectives and complementary expertise can unlock new sources of advantage. Making this work cohesively, however, is not an easy task.

Create a shared vision and values

Our ability to act together at scale is one of the key factors behind our success as a species. Nations rise and fall on their ability to sustain cooperation, and so do companies. While workers may be the atomic building blocks of the firm, a successful business adds up to more than just a network of individuals.

The pursuit of a common vision is an essential bonding agent for firms. Without it, trust and reciprocity atrophy, and the business begins to feel more like an impersonal marketplace. The best firms also manage to sustain a distinctive character, underpinned by a set of unifying values, across the company even as they scale.

For example, Apple's talent pool spans a broad spectrum, ranging from creative designers to hardware engineers to retail salespeople. Yet all are united by a few shared traits that make the business so distinctive: attention to detail, unrelenting optimism, going above and beyond to delight customers, and a passion for innovation, to name a few.

Establishing these unifying threads is hard. Many attempts are uninspiringly generic. And even when leaders succeed in creating a distinctive vision and values, embedding and sustaining them at scale is not easy. It requires a thoughtful combination of leadership role modeling, peer-to-peer activation, formal incentives, and a shared corporate mythology.

Achieving this will be even more difficult as remote and contingent work move into the mainstream, with the relationship between workers and firms feeling increasingly transactional. Creating opportunities for informal—and ideally, in-person—bonding will be critical for remote workers. Leaders will also need to work hard to ensure their contingent workers share the vision and values of the company, particularly when the relationship is one sustained over time.

Build tribes, not tribalism

Homophily—the tendency to gravitate toward people who seem similar to us—is part of human nature. With time, groups of like-minded individuals form a distinctive way of speaking, set of rituals, and common identity.

As firms draw on an increasingly diverse set of worker profiles, it's inevitable they will start to see the emergence of distinguishable groups. Some will be more reserved and autonomous, others more collegial. Some will celebrate technical excellence, while others will emphasize pragmatism. Some will embrace taking risks; others will focus on predictable results.

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Rehumanizing the way we think about work will be the winning talent strategy of the future.

This process should be encouraged, not feared—distinctive groups breed the sense of belonging and connection that is essential to attracting and retaining heterogeneous talent. Different workers want different work environments. Cohesion, not conformity, is the goal. For example, prior to the pandemic, Walmart's technologists had a separate headquarters in the San Francisco Bay Area, where they were surrounded by others who spoke their language.

Sometimes these groups will align neatly to organizational lines, such as a business unit or function. But as firms increasingly move toward more integrated, cross-functional teaming, the picture is likely to become more complex. Firms that want to get the best out of a diverse workforce will need to take the time to understand their organization's existing groups and how they interact with one another.

Successful businesses will celebrate and cultivate their different groups, while also working hard to ensure their organization continues to operate as a cohesive whole. Inclusive teaming will be critical to this, especially in cross-functional settings. Team leaders need to take the time to listen to each individual and acknowledge their wants and needs. From there, they should facilitate an open group dialogue to agree on a shared set of goals and negotiate ways of working. They must also model inclusive behaviors in group settings to reinforce their importance.

Business leaders that get this right will create a company in which workers feel valued by their colleagues, are connected to like-minded people, and have a sense that they are part of something bigger than themselves. History offers a lesson in what's at stake here. At the height of its power, one of ancient Rome's great strengths was the way it allowed diverse communities, with their own religions and customs, to thrive within the empire, while creating unity through a common language and allegiance to Rome. Ancient Carthage, on the other hand, was a far less inclusive society. It was based around a small citizenry that ruled harshly over its subjugated people and employed foreign mercenaries to wage its wars. In the long-running clash between these two civilizations, Rome ultimately prevailed.

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The next decade will be one of significant experimentation around work. There is still much to learn about which approaches will be effective. There's also a large blank canvas for creative new approaches. But one thing is clear: Firms that doggedly cling to old modes of thinking will struggle to stay relevant.

For workers, the coming decade will feel like one of ceaseless change and disruption. In this environment, it is more critical than ever for business leaders to try to understand the hopes and fears of their workers and invest to help them reach their full potential at work. Rehumanizing the way we think about work will be the winning talent strategy of the future.

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