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III

Creating meaning and structure for independent work

A conversation on places, routines, people and purpose

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Purpose, passion, and independent work

A conversation with Amy Wrzesniewski

Some five years ago, we recognized a shift in the thinking around talent models as alternative work arrangements began to emerge and companies started to expand their use of "off-balance-sheet" talent. Today, contractors, freelancers, and gig workers have become key players in many organizations' strategies. But as some workers move off balance sheets for flexibility or out of necessity, we now should ask: What impact does this have on organizations, as well as on the individual worker? We know from decades of psychological research that organizations play a large role in helping shape one's identity as a worker—so what happens when the organization is no longer present? We discussed this trend with Dr. Amy Wrzesniewski, Michael H. Jordan professor at Yale School of Management, whose extensive academic research has sought to provide answers to these very questions.

JEFF SCHWARTZ: Since 2013, we've been looking at the emergence of the alternative workforce. How is the landscape of work arrangements evolving?

AMY WRZESNIEWSKI: There are many new types of worker categories emerging. The way that I think of it is, you have formal employment, where you're part of the organization as an employee, on one end. Then all the way at the other end are independent workers, where you have no organization, no platform, no temporary contract or anything like that. In between those extremes, you have gradations. Closer to the traditional employment side, you have people who are long-term contractors or consultants who could have some type of membership in the organization, just more of a peripheral one. Then, more toward the independent worker side, you have people who may rely on platforms, apps, or websites to generate work opportunities or to hire out their resources, whether that's their home or their car. These are often what we refer to as "gig economy" type of jobs.

JS: At Deloitte, as we've been studying employment trends under the broad theme of *The Future of Work*, one question we've been asking is: To what end are we headed? Is alternative work a cost or transactional labor-unit play, or is there opportunity for it to provide something of greater value and meaning?

AW: If you think about the future of work, we're talking about how the relationship between organizations, employees, and society is being renegotiated. To do that, we have to better define employment and what people are seeking so that



AMY WRZESNIEWSKI

platforms and organizations know what to provide. How we end up answering this question is going to be enormously consequential.

I study the meaning people find in their work ranging from people who see their work as more of an economic exchange, to people whose work is about a career structure and moving up a defined ladder or path, all the way to people who view work as a calling and way more than a means to a financial end. So any time an organization defines the relationship between the individual and the system based on the assumption that people "Y are there for financial reasons and that's it, I think that's potentially problematic. Even if organizations say something different, they often structure employment relationships and systems as though the only reason people are there is for the money.

As we move more into the gig economy, I think it becomes a lot easier to create and perpetuate platforms built on that very powerful underlying assumption, and it puts pressure

on people who may be there for an entirely different set of reasons. If you're consistently fed a narrative-through the actions of the platform or the people who are around you-that the only reason you'd be doing any of this is for the pay, you can see how quickly that can get completely out of step with what research has shown many independent workers want. Yes, they care about money, and they worry about money, but they're not doing this just for money. In fact, money is a problem they have to solve so that they can do what's really driving them. You can see how putting these systems and drives in juxtaposition with each other could raise important and potentially problematic tensions.

KELLY MONAHAN: We've seen from the Bureau of Labor Statistics that net new employment growth is coming almost entirely from alternative work arrangements. You talked a little about the reasons people choose independent and gig work. Can you say more about what your research has shown about why so many people are choosing this type of work arrangement?

AW: In terms of benefits for people who *choose* independent work, the highs can be real, even extreme. People in our sample who had been traditionally

"Yes, they care about money, and they worry about money, but they're not doing this just for money. In fact, money is a problem they have to solve so that they can do what's really driving them." employed for a long time found stark differences between independent and formal employment. In part, this is because when you work truly independently, you're calling the shots. You decide which clients or projects you take on. And so, what we find is that independent workers typically experience the joy of doing work that feels deeply resonant and reflective of who they are and of their purpose. They see it is possible to express themselves and engage in a way they couldn't when their work was mediated by an organization.

But this upside also shades into one of the biggest challenges of independent work. When your work is that personalized, if it's not going well, it can be absolutely crushing, because it implicates people's identities immediately. If you think about a typical employee working in an organization, when they're on a terrible project and feeling frustrated or grumpy, they can park that at the feet of the organization or whoever assigned them that work. But when you're independent, you have nowhere to point to but yourself, and so the threat of feeling emotionally crushed is high.

KM: Do you find that this is the same with gig workers? Or how does it differ?

AW: When it comes to gig work, as long as people *choose* it, the biggest benefit is a true sense of control over how much, where, and when you work. It can allow you to configure what you are doing in your life and to pursue a broader set of goals, whether those are about family, a creative pursuit, a side interest, or community involvement. So when it's working well, there is this sense of a great ability to move the dosage around on how much time you spend on each of these activities and when, with the security of knowing that the platforms are there when you need work.

The downside is something that James Evans and Steve Barley have written a lot about in organization theory. Often, the sense of control can quickly flip to a reality where you're actually working all the time. Because of income realities, or even the fact that some of these platforms are designed to keep people highly engaged, the sought-after sense of control over the portfolio of one's activities can't be fully realized.

Another downside is that you never get to enjoy the benefits of real membership in an organization. You get a little of it from the reliability of the platform or network and the ability to engage with it whenever you want. But you never fully belong. And my research shows that a sense of belonging is a key driver to experiencing meaningful work.

JS: Your research findings on the need for belonging are very interesting, given this massive shift toward alternative work. Last year, our CEO, Cathy Engelbert, and Center for the Edge director John Hagel spoke with Tom Friedman, who described this shift in work by saying that work is being disconnected from jobs, and both jobs and work are being disconnected from companies, which are increasingly becoming platforms.¹ Your recent research has looked at the psychological as well as management issues involved with this. Can you tell us about what you found happens when a person's work identity is separated from the organization?

AW: Absolutely, and I think this is fascinating. On the individual's side, the major implication is that organizations have traditionally, for better or for worse, been sites of belonging. In previous generations, people would spend decades and even their entire careers embedded in the same organization. In those cases, the sense of membership buoyed both individuals' identities and their psychological health.

But what happens when that membership becomes tenuous? When contract work started becoming more common, that question inspired a lot of interesting research. Essentially, the research found that people get incredibly anxious when they feel they're on the periphery of membership. Now, in the world of gig work, we have to think about what it means for individuals when they have no membership at all. If you can no longer lean on an organizational membership or a sense of belonging to make up for deficits in how meaningful or exciting, engaging, or motivating the work itself is, it raises the bar on how meaningful that work needs to be in its design and execution.

"Organizations depend upon people not just to do what's in their job description but also to believe enough in the organization to do all the other things that are necessary to keep a place going."

On the flip side, organizations depend upon people not just to do what's in their job description but also to believe enough in the organization to do all the other things that are necessary to keep a place going—like discretionary labor and implicit knowledge transfer. At the extreme, taking away the connection people feel makes it like buying labor in units in a much more definable way. In some ways, that may give employers more of a sense of control because there's less of a sense of obligation. But I think there's also a lot lost in that.

JS: That question of "What do workers want?" is an interesting one. You've written and spoken a lot about four specific dimensions that workers need to create meaning and structure for their work life: place, routines, people, and purpose. Could you talk about what these are and how they work to create satisfaction in our work lives?

AW: Absolutely. In that research, my coauthors Gianpiero Petriglieri, Sue Ashford, and I were intrigued to find that, regardless of the type of work, there were strong patterns in terms of how people organized their work lives. These patterns fell into the categories of place, routines, people, and purpose.

The first and second categories, place and routine, are connected. Together, they help get people bound into the work that needs to be done that day. We were fascinated by just how much attention

> and care was taken to create or identify a place where the work could happen. This element was critical—there was almost an inability to work unless there was a specific place where it could happen. And right along with that were routines: the set of behaviors that led to arriving, focusing, calming, and getting into the mindset of the work day.

People did this in a wild variety of ways, but they all seemed to do it. They talked about the need to nestle in, either somewhere in their homes or a place they procured. One of the people we interviewed talked about how he had designed his work area like a cockpit where he felt like everything was in arm's reach. He could be in there and in the zone, ready to get the work done. We also talked with a writer who went to the same city's public library, to the same part of that library, for something like 30 years to write every day. These are both places and routines wrapped into one.

The other two connections that we identified, people and purpose, seemed to serve different functions. In terms of the connection to people, I had expected that it would be about relationships with others who do the same type of work, but it often wasn't. It was much more about connections to people who know you and can calm, soothe, challenge, or excite you. They helped people manage the highs and lows of independent work more effectively. These connections reminded independent workers: "No, this is not all for naught, and you're excellent. You've done

so many great things and all these other incredible projects, and that will of course happen again," and so on. This suggests that there's an important psychological need for relationships that help people keep going and stay focused on why they went in this more independent direction in their work.

And that leads into the fourth piece, was fundamental, especially for independent workers who take on so much risk by working this way. In some of our interviews, we heard that there was a stark contrast between what it felt like to be working in the peripheral space versus on a project that was absolutely aligned with their purpose for doing this type of work. They

could feel it in how energetically they were working and the quality of their work. That sense of purpose seemed critical to unleash all kinds of energy and creativity and motivation.

KM: Do you think these four dimensions are universal for all workers, or do you think that's a shift from the needs of traditional workers in more formal employment environments?

AW: I think it's more or less the same for all workers, and that's why we're recommending this to gig workers as well. For formal employment situations, in traditional organizations, the place is set-they've got a spot for you, a desk to decorate as your own. Organizations are also full of routines. You come in, you say hi to the person next to you, you grab your coffee and do what you have to do. And organizations are full of connections, both formal and informal—you may have a manager, or a mentor in the organization on the formal side, or you may also have less formal connections, maybe from another division or practice, who can give that necessary support to pursue the work in the best possible way. But often that sense of purpose and the passion that

independent workers are more likely to feel than formally employed workers can be harder to foster, or get more diluted, in large organizations. The larger the organization, the easier it may be to feel disconnected from the purpose. But, as we also said, traditional employment provides a lot of the other things to help shield them from that difficulty.

which is about the connection with **"This suggests that there's an** important psychological need for relationships that help people keep going and stay focused on why they went in this more independent direction in their work."

JS: I'd like to continue with this idea of purpose and the real sense of passion that independent workers often feel. What do you think companies can learn about the role of purpose and passion from the research that you've been doing with independent workers? What would be the takeaway for business leaders? There's something being unleashed here, so how do we bottle it or share it?

AW: I have so much to say about this. Organizations have been on a quest to try to figure this out, and it's taken multiple forms over the decades. I think it will always be a challenge to connect employees to the work that needs to get done in a way that also connects them to their passion. Part of the reason we see passion in independent workers is because they have completely freely chosen the work-but of course it can also be crushing when things aren't going well. In organizational life, there's by necessity a blunting, both on the high side and the low.

Organizations have tried to solve this challenge in many ways. Some thought that, if you just design jobs with a lot of motivating potential, people will feel a sense of engagement and purpose-but we know that what is motivating can look wildly different from person to person. So then we swing the other way and say, let's just find people who are deeply passionate, calling-oriented people, and bring them into the organization. We just need to harness them and they'll do great things with us.

The reality is people do have work that they feel a deep sense of purpose for, and organizations can have work that is potentially aligned with that purpose. But this is always a negotiation of the relationship between the individual and the work that

is embedded in the organization. And so it just ends up being incredibly thorny and difficult.

As a result, though intentions have often been good, organizations have done things that got it almost laughably wrong. I remember an example from a large company that gave its employees an exercise where they had to write down what "I don't know how much organizations and business leaders appreciate this sort of psychological or community function that organizations hold."

purposeful, meaningful things they do or love about what they do here. My sense was that there may have been plenty of people who already had a sense of purpose in their work, and they were like, "OK, fine. Just another administrative thing to do." But I think that, for plenty of other people who struggle with this, it became a consciousness-raising exercise about their *lack* of purpose—quite the opposite of what was intended. So I think there's great intention but sometimes problematic execution in trying to do this in a top-down way.

The other thing I see is organizations trying to articulate their collective purpose to help employees connect with that. "Here's why we've been here 100 years or however long, and this is why we exist." That's an easier move to make, especially if the organization really was and is there for a particular reason. But when it's an organization that has always existed to create widgets and now they're trying to articulate a sense of purpose that feels adjacent to it or inauthentic, that is dangerous because employees may see it as manipulative.

Especially now, as the relationship between some employees and organizations is becoming more tenuous, the only thing left for people at the extreme is their work. So, when organizations are trying to change how people think about themselves and why they're doing the work, if that becomes inauthentic,

> it can be problematic. But if that purpose is truly authentic and resonant with employees, it can really help.

> JS: What should business leaders take away from those extremes? Purpose is so important, but it sounds like very sensitive ground.

AW: I think the learning that comes from the

research is the idea that organizations are essentially holding environments for people. They hold people's emotional attention and ambivalence and so on in a way that helps them manage that. I don't know how much organizations and business leaders appreciate this sort of psychological or community function that organizations hold. Acknowledging it and understanding how important it is for people and how essential it is to recreate it, if it is absent, suggests that there's an opportunity for organizations to understand what they're offering people that is different than being on their own. For example, the organization is helping you build your skills, helping you make a living, and so forth. But this idea of "We're here to essentially tamp down these anxieties so that you can concentrate on and be free to do the kind of work that you most want to do" is important too.

A better understanding of this might create more degrees of freedom between employees and the organizations they're a part of to negotiate this function in a way that would benefit the organization from the point of view of engagement and employee longevity. And it would certainly be a game-changer for employees.

JS: On that note of employees—what is the individual's role in all of this? Do they have any responsibility in connecting to purpose and passion?

AW: I do think there's a lot to be said about the benefit of having people identify with the work they do, the activities that make up their working lives, and what in that space feels most meaningful to them. They need to ask how they can take that insight and use it to negotiate a space between being of value to the organization and doing what the organization needs to get done. That is a real responsibility, and I don't want to undercut it. Individuals have a role in shaping the job in a way that speaks much more to what their personally defined purpose is.

Especially in the world of alternative work, to sustain this type of purpose in a meaningful way over time, it is necessary to carefully examine what kind of work feels worthwhile and then how to pursue it while putting up the bumpers around places, routines, and people who can help you connect with that sort of purpose. But without that purpose in the first place, my argument is that the best you're left with is that it's a hustle that people are doing to pay bills, as opposed to work that at least the independent workers we've studied seem to be seeking.

KM: As we think through worker identity and what businesses and platforms offer, can these platforms create a sense of loyalty? Just thinking about transportation services, you've got multiple options, and a lot of times, drivers use multiple platforms. Do you foresee a way in which these platforms can capture the loyalty of the gig worker? Or is that the opposite of what they were set up to do?

AW: That's a great question. It likely comes down to things that feed the very basic desires and needs of individuals. One thing that could be powerful in fostering loyalty would be increasing the sense of membership. I wonder if there are ways that platform organizations could do more to try to help leverage a sense of connection, support, learning, training, building expertise, and so on. With some of these platform organizations, I've heard of shadow discussion groups where gig workers advise each other and so forth. I would argue that these groups have grown out of people's need to try to navigate what it means to work this way. I could imagine a way in which the organization could own the stewardship of that community, and say, "You work with us. You may do it in a gig type of way, but you belong to our community, and these are the ways in which we want to support you."

I also think there could be platforms that differentiate themselves by creating real transparency with people, an openness and honesty about how the platform works, and being clear about what they're doing on the business side—where the money goes, how jobs get assigned. It matters a lot that people feel they understand how it all works and that they feel fairly treated. At least right now, on a lot of these platforms, there is a sense of a lack of transparency or, at worst, a sense of potentially being manipulated by the platform, where gig workers feel the design is pushing them, but it's for the benefit of the organization, not the individual.

KM: As we wrap up our interview, what role do you foresee universities playing in helping to prepare students and, eventually, workers in the alternative workforce?

AW: Universities have a lot to grapple with already, given the rapidity with which occupations are changing shape and people's careers are moving. So

what does that mean? You're not teaching people the skills for a particular guild—that was what a lot of education was about going back many, many years. But back then, education also had a role in teaching people how to think and how to be a citizen and those kinds of things.

In the future, I see this taking a couple of forms. Over the last decade, in the Yale MBA program, we have invested a lot more in educating students to approach problems or questions that have no answer, no ready data, no baked case that goes along with them, no guidance about how to even begin to frame the problem or the question and what kind of data would be required to tackle it. We have a course about problem framing that is all about how, in an unstructured universe, you can create structure to define the problems you're trying to tackle and identify the kind of information you're going to need to tackle them.

That has led us to create what we call raw cases, where students get reams of company financial data, every press piece, and all kinds of internal documents. It's not a normal case; there's often no way they could possibly go through everything. And then they're given a general question or issue that they need to think about. So we teach them to figure out a smart approach to this universe of information that's going to yield a useful answer. Because once they're in jobs, nobody's going to come to their desk and hand them a seven-page case with five pages of tables and the answer is one of those tables. Basically, the more skilled and comfortable they get at this, the more flexible they're going to be, regardless of the industries or spaces they end up in.

Moving beyond that to think about independent workers, there will be a lot more emphasis on helping people learn how to discern what for them feels like work worth doing, and then figure out a way to get paid to do it, as opposed to just assuming they're going to slide into a set of preexisting gig structures and that the name of the game is to configure it in a way so that you can meet your financial goals. Work is a major domain that people rely on for a sense of identity, a sense of meaning, and how they define their self-identity, and that makes a purely transactional relationship with work unsustainable.

And you know, if we're able to do that, in the long run, who knows what that may do. Maybe it means that people begin to define themselves, as many used to, as something apart from what they do for a living. We may be going back to those days. It's been a while. And that's a huge, fundamental shift for society.

Endnote

1. Cathy Engelbert and John Hagel, "Radically open: Tom Friedman on jobs, learning, and the future of work," *Deloitte Review*, July 31, 2017.

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