# **Chapter 2: Trends & Changes in Career Development**

The ever-changing landscape can make navigating the career world confusing. Yet by being aware of the major trends impacting career development, you'll better understand the realities of today's world of work. The reflection questions in each assignment will help you explore how these trends might impact you and your career.

So, let's jump in! In this section, you'll learn about the psychological contract and how it has changed over the past few decades.

While most individuals are familiar with the concept and purpose of a written employment contract, many people have never heard of a psychological contract – and it's just as important!

The psychological contract is an unwritten, intangible agreement between employers and employees. It describes the informal roles, responsibilities, and expectations of each party.

#### NOTE:

Different industries are subject to unique trends, and the impacts vary between individuals, organizations, and geographical locations.

Essentially, it is the non-legal "rules" of the relationship and has implications for trust and perceived fairness between employee and employer.

The concept of the psychological contract began to surface in the early 1990's. At this time, there was an increase in pressure from the global marketplace, and organizations began searching for ways to remain competitive.

Under the old psychological contract, employees were often guaranteed lifelong employment in exchange for loyalty. During that time, if an employee chose to quit, employers could view them as disloyal or unstable. However, under the new psychological contract, employees are guaranteed employment in so far as they continue to add value to the organization.

Furthermore, either party can terminate the contract at any time if one party determines they are no longer benefitting from the relationship or when the costs outweigh the benefits. Quitting is no longer viewed as disloyal; there is an expectation that employees will come and go over time as it suits their needs.

Expectations of the old contract still influence how individuals make career decisions. This is especially true for individuals who entered the labour market under the era of the old contract (before the 2000s), or who have parents who worked under this old contract.

As many individuals and organizations are unaware of the contract's existence, numerous organizations and individuals continue to be in flux; caught in transition between the old and new paradigm. For example, many organizations encourage their employees to continue to develop and add value to the organization yet reward employees based on longevity versus performance.

Below is a summary of the key elements of the old and new contracts (Simonsen, 1997):

OLD CONTRACT	NEW CONTRACT				
Job Security	Employability				
Credentials/Degrees	Continuous Learning				
Entitlement	Adding Value				
Job Title	Portfolio of Skills				
Success = "Career Ladder"	Success = "Individually Defined"				
Reliance on the Organization	Individual Responsibility				

# If you have experienced a change from the old to new contract, what have the challenges and/or benefits been for you? How can you best prepare for working in organizations where the new employment contract is in place?

**REFLECTION:** 

#### **Globalization & Diversity**

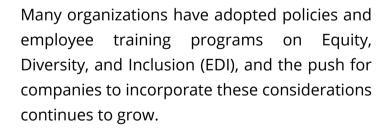
Primarily facilitated by the acceleration in technology and the ease of transportation, the world's national economies have integrated into a global economy, creating an interdependence for goods, services, and various resources between countries. This increasing connection and dependence amongst economies, governments, and populations is called **globalization**.



Due to globalization, organizations are no longer confined to competition or decision-making at the local or national level. Instead, they must continually reinvent themselves to remain competitive in the global business arena and manage complexity and change on an ongoing basis. For example, some businesses now operate 24 hours a day to stay competitive across different time zones.

Additionally, organizations now deal with more diverse stakeholders (e.g., competitors, customers, employees, governments) than ever before.

Diverse cultural values, beliefs, and practices among people can become both a source of global opportunity and strife when the ambiguity of information, misunderstanding, and conflict is involved.





#### NOTE:

Diversity includes characteristics such as culture, race, ethnicity, gender, age, sexual orientation, family status, education level, socioeconomic status, religion, and ability.

Beyond simply seeking to diversify the workplace, EDI initiatives are expanding to focus on cultivating environments where employees feel included, supported, connected to their colleagues, and valued for their uniqueness and insight. An organization's approach to EDI can play an important part in considering how well a role will fit with one's personal identity. Careers that we feel reflect and make space for our personal identity lead to an increased sense of belonging, job satisfaction, motivation, and overall sense of self (Weir, 2024; Luong et al., 2019).

It can be important to think about your identity and background, and how these contribute to your values, when considering the kind of workplace, compensation, and accommodations that you want to pursue. Not only that but, to work effectively in an increasingly globalized and diversified world, individuals will need to continuously develop skills such as managing complexity and change, understanding cultural differences, effectively leading and working on global remote teams, as well as fostering a variety of abilities and traits including self-awareness, adaptability, communication, open-mindedness, and tolerance.

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#### **REFLECTION:**

How has diversity in the workplace impacted you, your role, or your industry more generally?
What skills will you need to develop to work effectively in today's globalized and diversified workforce?

#### The Knowledge Economy

The **knowledge economy** (also referred to as the learning economy or the information economy) reflects the idea that knowledge is now viewed as a key commodity. With the exponential advancements and availability of technology, we also have quicker and more frequent access to unprecedented amounts of information.

Many roles will require employees to manage and manipulate information in order to perform the tasks of a given position. Employees will obtain much of this knowledge through a combination of experience, training, and education.



Occupations that require some form of post-secondary education or training now account for nearly two thirds of total employment. The current estimation is between 2022 and 2031, 88.8% of Canadians exiting school and entering the workforce will have some form of post-secondary education and that over this time, university graduates will be the segment with the largest growth (Statistics Canada, ESDC 2022 COPS Projections).

Healthcare, technology, finance, and logistics/supply chain are all industries experiencing growth due, in part, to the knowledge economy. Consider the many new positions created in recent years: chief information officers, product managers, learning and development specialists, freelance relationships officers, and health information specialists, to name a few.

In recent years, the technological advancement at the forefront of the knowledge economy is the incorporation of Artificial Intelligence (AI) into our careers and daily lives. Not unlike the growth experienced in various industries due to other advances in knowledge and technology, it is expected that AI integration in the workforce will create and increase job opportunities rather than "take" jobs from people.



New developments in technology have always redistribute where demand lies in the workforce, and AI is no different. In 2024, McKinsey Global Institute projected that while roles that are highly comprised of repetitive tasks, data collection and elementary-level processing may decrease, demand for technological, social, and emotional skills will rise, with a focus in critical thinking, creativity, and teaching & training. In particular, jobs in healthcare and STEM are expected to see the largest growth at up to 30%, while office support and customer service roles may see the largest decline around just under 20%.

The good news is that AI automation increases company resources and capacity, and many organizations have reported a higher interest and investment in providing training and development opportunities for employees to learn and utilize new technology, rather than outsourcing these tasks, to expand their skillsets and transition their job descriptions to complement the integration of AI.

While post-secondary graduates are and will continue to be in demand, there are also many jobs that do not require college or university education. Apprenticeships and shorter-term skills training will also be valuable for certain in-demand occupations related to the trades, labour and manufacturing, trucking, retail, and food services. These fields are all currently experiencing worker shortages.

In addition to the shifts towards a knowledge economy and the continuing rise of required postsecondary education, the digital economy is undergoing a transformation at an unprecedented speed.

This transformation results in economic activity from billions of daily online connections among people, organizations, and machines via the Internet, mobile technology, and the Internet of Things (IoT). The digital transformation is changing the conventional ways organizations are structured, how they interact, and how consumers obtain goods, services, and information.

As digital technologies enable new jobs, individuals and organizations must adopt a "life-long learning" approach and continuously learn new technology-relevant skills (e.g. web management).
These new jobs also call for soft skills (i.e. people skills) that have little to do with technology and more to do with interpersonal abilities. For example, the higher volume of digital information in organizations requires stronger leadership, teamwork, problem-solving, communication, planning, and efficiency.
REFLECTION:
The knowledge, education, and specialized skills required for many of today's careers continues to increase. Do you think you have the knowledge and skills required to begin your new career? If not, what further education and/or training are you considering?

#### **Structure of Work**

Until recently, holding more than one job was often viewed negatively by employees and employers. However, it is becoming increasingly common as the economy, labour market, and role of work continue to evolve. Simultaneously holding more than one job is referred to as **multi-tracking** and can be done in either the same or different industries.

Individuals may choose to multi-track for several reasons, including financial necessity, limited full-time opportunities, or the desire for variety. Multi-tracking can also be a strategic move, providing individuals with the chance to develop a portfolio of skills or create flexible, self-driven career opportunities.



Multi-tracking is more common today, partly as a consequence of the increase in contract work and self-employment. As it is often more economical for organizations to retain an individual's services for limited periods, contractors may find new opportunities once they have fulfilled the needs of the role.

This is referred to as the **contingent workforce** — an on-demand labour pool made up of consultants, contractors, freelancers, and seasonal/casual workers.

The various roles that comprise the contingent workforce share the elements of agility and engagement but differ in many ways.

**Consultants** are experts in their field and have either technical or knowledge-based expertise that they draw on to provide advice to companies on a temporary basis.

**Contractors** are individuals or companies that work on a designated contract to provide a specific service or job. Some contractors work as **independent contractors**. These contractors are self-employed, do not work on salary, and are responsible for managing their taxes and benefits.

**Freelancers** are individuals who work for multiple companies simultaneously or at different times rather than having one job.

**Seasonal workers** work on a temporary basis, either related to weather or the season and within an industry (such as the holiday season in retail).

The agile workforce and gig economy is comprised of the contingent workforce and contingent workers, who often are considered **portfolio careerists**. These individuals stream their income from a variety of sources rather than have one full-time job; thus, potentially combining multiple contingent work roles. For example, a portfolio careerist might be working on a part-time contract basis for a company, holding down a part-time, permanent salaried job, and taking income from a rental property.

The increase in contract type work has paved the way for the **gig economy**, a labour market characterized by the prevalence of short-term contracts or freelance work instead of full-time employment with a single employer.

#### NOTE:

The term entrepreneur has evolved to be inclusive of many different forms of innovation that reflect the complexities of our current labour market. Similar to how entertainers move from gig to gig, contractors move from contract to contract. The gig economy requires that contractors be familiar with their skill set and assume responsibility for marketing themselves and identifying leads.

This type of work requires a skillset common to **entrepreneurship**, which is similarly on the rise.

Entrepreneurial career paths allow for a high level of control and autonomy in how individuals design and carry out their work. Typically, entrepreneurs start, run, and grow their businesses or ventures, sometimes hiring contractors or employees along the way

**Intrapreneurs** behave much like entrepreneurs in that they promote inventive ideas and approaches but do so while working within an organization.



The **agile workforce** describes the ability of employees and organizations to quickly adapt and maintain productivity in the face of economic, cultural, or political change. Workforce agility is becoming more prevalent as the world of work continues to transition to a greater reliance and focus on the gig economy.

Since the beginning of the COVID-19 pandemic, the most significant shift to work structure was the rise of **remote work**. Remote work, also referred to as teleworking, flex work, work from home (WFH), distance working, and work from anywhere (WFA), involves offsite working arrangements for employees facilitated by various technological supports (e.g., e-mail, video conferencing).

This setup allows individuals to work when, where, and how they are most effective and efficient and can take place for select days each week or on a consistent basis.

While remote work was already gaining in popularity pre-pandemic, the numerous government-mandated lockdowns through 2020 and 2021 required many organizations to adapt to this flexible or hybrid way of working. In order to remain competitive in attracting and retaining employees, flexible work arrangements continue to be offered by many employers.

This shift has made the remote or hybrid workplace more common, allowing for the flexibility of not necessarily living in the same location as one's employer.

Below, are three other ways the structure of work can be adjusted:

**Job Sharing:** An alternate work schedule where two or more employees share the responsibilities, time commitment, salary, and leave of one or more positions.

**Talent Pools:** Typically formed by individuals with similar interests or complimentary skills and knowledge. Members assist each other to identify leads and/or work collaboratively on projects. Talent pools may take place when the group does not wish to enter into a full legal partnership yet benefit from shared resources and support. Other terms for a talent pool include "consortium" or "joint venture".

**Compressed Work Week:** Working more hours in a day in exchange for a regular day off. For example, an individual may work four 10-hour days as opposed to five 8-hour days.

#### **REFLECTION:**

You've read about several ways that the structure of work has shifted over time. Our goal at Canada Career Counselling isn't to position these changes as good or bad – we simply want you to be informed and aware as you move forward with your career planning and decision making.

What is your initial reaction to the idea of becoming part of the contingent workforce or

multitracking? influenced you				work	arrangements	that	may	have

How do you see remote work being a fit for you personally? What are the advantages or disadvantages?

If you are curious about how to become part of the contingent workforce or multitracking, our job search advisors can help you with finding this type of work!

#### **Dual Career Partners**

It is increasingly common for both partners in a relationship to have paid jobs outside the home. This dynamic, referred to as **dual career partners**, can either be a choice or an economic necessity and commonly sees partners having careers requiring a high degree of commitment and development over time. In these situations, one partner's career transition can impact the other partner's career (e.g., if one person's role requires relocation).

If you are a mid-career individual (approximately 35-50 years of age), you may be in the **sandwich generation**. Individuals in the sandwich generation provide care to children while simultaneously caring for one or more aging family members.

You may also have a **boomerang child**, one who has returned home after post-secondary education, the end of a relationship, or due to financial difficulty. This child may also be exploring various career opportunities and asking some of the same questions you are. In this situation, you may be part of a **multiple career family**, where more than one person in the household maintains a career or is exploring and contemplating career options.

#### **REFLECTION:**

are in a dual career relationship, how does your career impact your partner's career and vice versa?
How does your career impact your family? How do their careers impact you?

#### **Defining Career Success**

The notion of the **career ladder** still pervades common ideas about career progression and success. The term career ladder is commonly defined as vertical movement, with increasing pay and responsibility. However, organizational structures are moving from hierarchical, multi-level structures to flatter ones, which provide less opportunity to meet the traditional expectations of career advancement and promotion.



The move to flatter organizations encourages individuals to make lateral transitions or move into new roles in other industries. Additionally, with the increase in workforce diversity, there is a broader range in how individuals define career success.

The basis for the definition of career success often stems from an individual's beliefs and values.

While it is normal for you to compare yourself and your career to the experiences of others, be aware that different career experiences and values can and do exist.

When individuals believe there is only one right path for a career or one right path to success, comparisons with others can *negatively* impact self-esteem.

Brousseau and Driver (1998) suggest that how people typically view their career can be summarized by **three** fundamental differences:

- 1. Stability: Should my career change or stay the way it is? (e.g. responsibilities, employer, industry)
- 2. Direction: In what direction should my career go? (e.g. upward, lateral)
- 3. Duration: How often should I make career changes?

Based on how an individual answers the prior questions, Brousseau and Driver developed four **career concepts** to account for how people view careers. These are described on the following page:

# • EXPERT CAREER CONCEPT



This is the most common and traditional conceptualization of career.

It emphasizes the lifelong commitment to one profession, mastering knowledge and skills in a particular field (e.g. teacher, nurse, firefighter).

Individuals with this career concept often value commitment, quality, security, and specialization. It is a high-stability, upward-directed, long-duration career concept.

## • SPIRAL CAREER CONCEPT



This is much less traditional and is characterized by lateral (and potentially upward) change, typically every 5-10 years.

Individuals with this career concept tend to develop a much broader skill set. Each transition builds upon existing skills. The term spiral illustrates how career evolves, spiraling outward from a core set of knowledge, skills, and abilities, with the application of these attributes to new environments.

Individuals with this career concept typically value variety and personal growth. It is a midstability, lateral and sometimes upward-directed, mid to long-duration career concept.

### • LINEAR CAREER CONCEPT



This career emphasizes upward movement consistent with the idea of the career ladder.

This concept is characterized by an increased level of responsibility, influence and status (e.g. accountant, lawyer).

Individuals with this career concept typically value leadership, competitiveness, and achievement. The linear career concept is a low-stability, upward-directed, long-duration concept.

# • TRANSITORY CAREER CONCEPT



This is the least conventional of the concepts and is characterized by the most change.

Others may not even view this pattern as a career, as a person with this concept consistently seeks change.

Individuals with this career concept typically value variety, independence, and flexibility and often work as contractors due to these values. This career concept is mid to low-stability, lateral direction, and mid to low-duration

#### **REMEMBER:**

The trends described throughout this chapter do **not** constitute an exhaustive list of all trends affecting your career! Some industries will experience unique trends (i.e., the cyclical, "boom and bust" nature of the oil and gas industry).

Trends can come and go quickly and have profound impacts on your career, especially if you're not monitoring these shifts in the world of work.

It's important to periodically identify and monitor changes, reflecting on how they have and might impact your career.

Doing so will help you capitalize on trends and manage your career through informed decision-making. While you can't always control a particular trend, you can control your response and opportunistically position yourself once you're aware of the trend and its potential impact.

#### **REFLECTION:**

How do you define career success?

Which career concept is closest to describing your career path to date? Why?
Which of these career concepts would you like your future career to resemble? Why?