

Work in the past 50 years, and the future of work towards 2050

Lynda Gratton

Professor, London Business School

Founder, HSM Advisory

Work is central to our lives – and every worker wants to live a good working life. One in which they are happy, fit and healthy. Where they have a decent job and the opportunities to build the resources they need for a prosperous and secure lifestyle. A working life that enables them to balance the need to acquire those resources with other important aspects of their life such as families, relationships and purpose. As we consider the past and future of work, we have to consider both the behaviours of individuals and the external threats and opportunities. From an individual perspective – as people try to make the choices to achieve a good working life, they base their actions on a mix of the social role models they inherit from their peers and the past. They also make guesses as to how evolving opportunities and technologies will alter how they work going forward.

My own field of research has been examining these evolving opportunities and technologies. It is clear to me that work and workers are in the midst of a major transition. A transition from the traditions of work in the past to the possibilities of work in the future. At the centre of this transition are three major disruptive forces – people are living (and working) longer, technology innovations are creating extraordinary opportunities whilst also posing challenges, and societal values are shifting.

Take life expectancy, which is at its highest in most countries since records began. Indeed, the fastest growing age group in the world is those aged over 100. Medical science is increasingly claiming it is making progress in defeating ageing so that lifespans much greater than 120 could be a reality. Using knowledge of the human genome and Nano technology it is now possible to repair bodies and organs so people are both living for longer, and healthier for longer. Longer lives creates more time and more

opportunities to revisit traditional assumptions about work and working lives. Workers have a chance to redesign the timelines of their working life, and reconsider what type of work can be done at each age.

There is also much progress in the developments of workplace technologies. A central focus has been on Generative AI. Take ChatGPT which was released in November 2022. Within five days, more than a million people (me included) had logged on. And, if financial investments are a predictor of growth, then the \$12 billion invested in Generative AI in the first 5 months of 2023 gives a sense of the momentum. What is clear is that this is a rapidly developing technology - the investment gives a sense of this. And as senior Microsoft executive remarked to me ‘you have not seen anything yet’. Unlike previous workplace technologies, rather than substituting for routine tasks (either analytical like record keeping or repetitive customer services; or manual like picking and sorting or routine assembly), Generative AI hits at the heart of non-routine analytical work. That is knowledge work like forming hypothesis, medical diagnostics or selling. The source of this impact is its capacity to understand natural language which accounts for around 25% of the total worktime. Over the coming years this will have a significant impact on both augmenting some of the tasks humans currently perform, whilst also substituting for other tasks. The perspective, from the technology community, is that the significant substitution of human tasks like ‘coordination with multiple agents’ and ‘creativity’ will take place by 2035.

How will workers and corporations respond to the combination of longer working lives at a time of intense technological developments? What is clear is that the past traditions that defined working lives are

looking increasingly untenable. Many workers parents or grandparents probably looked forward to retiring in their early 60's; believed that one shot at education in the early stages of their life would be a sufficient investment; had the weekends and evenings to balance work with family life; believed that they knew the jobs that would be useful in the future; gained real joy from their neighbourhood community; and indeed know what a marriage was. Of course, these traditions were not set in stone and certainly not available to all – but they did create a narrative of aspiration and shared expectations.

In contrast, the view looking forward is less clear. Workers and organisations are in a place between the certainties of the past and the possibilities of the future. Work and working lives are changing. Traditional ways of being, roles and identities are beginning to shift, but new ways of working have not yet been forged. Society is in a period of 'liminality' that period between the certainties of the past and the possibilities of the future.

During this period of liminality there will be many experiments as workers and organisations together try to find ways to make a good working life. As these experiments progress, I believe that two working trends will emerge that will shape work. In terms of working lives, the transition from a three-stage to a multi-stage life. In terms of working practices, the transition from fulltime employment to greater opportunities for freelance employment.

1. The transition to a multi-stage life

The 'three-stage working life' has been one of the fundamental assumption systems that has orchestrated corporate and government policy and strategy about working lives. This assumes that most people experience three stages in their life – full-time education, full-time work and full-time retirement. As a result, a well-orchestrated system has developed around it. Schools and universities focus on the early years of life to educate, with little interest in life-long learning. Companies prefer people to make a long-term commitment to full-time work and find

it hard to manage the transitions that long lives inevitably bring. Government pension policies assume that everyone will retire around the age of 65 and not work again, with devastating impacts on the debt profiles of companies and governments.

The most obvious outcome of a longer and healthier working life is that, unless a worker has considerable savings – they will work for longer. How will they do that? In part it is about their relationship with themselves. How physically active they are, how they view their potential, their propensity to learn new skills and behaviours.

As they begin to grapple with working longer, it will become obvious that the second stage – of fulltime work – is untenable. What will emerge in its place is multi-stages, where they are able to move in and out of the workforce. They might, for example, take time off to travel the world, or learn a new skill, or start a business. By doing so they will be exploring options and taking more chances with their working life. And as technologies like Generative AI develop, they will realise they need to change the way they work. That will mean upskilling to work in an augmented way with machines or reskilling to learn a completely different job. This will put the emphasis on lifetime learning. Where learning is not a one-off experience, but rather a way of working that permeates the whole of life.

2. Greater opportunities for freelance work

The second working trend I believe will shape the future of work is the transition from constant fulltime work to a working life that embraces other ways of working. This greater flexibility is a key aspect of the multi-stage life. The likelihood is that whilst some workers will want to be freelancers much of their life, there will be many who value the opportunity to switch into freelance working at various periods of their working life.

This trend to new ways of working is already apparent in the way that organisations are thinking about resourcing. Historically, when a leadership team looked to bring talented workers into the company they could 'build' or

‘buy’. They built talent within the organisation through promotion, mentoring and developmental programs. This internal talent could then be supplemented by the ‘buy’ option. In this resourcing option, workers are brought in from the external labour market at various times in their career. Yet for many newly developed skills like digital skills – the time to develop these skills internally is too slow. And the ‘buy’ option can be challenging as highly talented people are just as likely to move to another company.

What companies are exploring is not simply a one-off response to an immediate talent shortage – but rather a whole new way of operating that will secure the talent they need to compete. This is the option to ‘rent’ workers for a fixed period and for a specific piece of work. This third option is being supercharged by changes in attitudes and in technology.

Increasingly, talent is seeing freelance work as a preferred option. In the US for example, already 36% of workers are independent. This includes full-time freelancers as well as workers with “side hustles.” Looking forward, this is likely to increase as younger people join work and want more flexibility. As freelancers, they have the opportunity for autonomy and flexibility in ways they cannot find in traditional employment arrangements. Reversing the traditional model, they want work to fit into the lives they are looking to lead. Unlike previous generations, they are not willing to build a life around a traditional career. Instead, disenchanted with the traditions of corporate life, they are seeking autonomy, flexibility, and control over their work assignments.

This move to more flexible ways of working is being made possible through the emergence of talent platforms which efficiently address many of the previous obstacles to contract work. These platforms enable workers to find meaningful work and make a reliable income, and they enable companies to reliably hire high-quality talent on-demand. Workers are engaging with a range of platforms and tools like professional social networks; supply/demand matching (Uber-like) platforms; transparency tools and clearing houses; e-commerce; virtual fractional support

staff; ChatGPT and Work From Home tools. Together their experience is these platforms are taking the friction out of independent work.

3. The crucial role of organisations, the state, and society

What will be the trajectory and speed of these innovations in work? The trends I have highlighted – from a three-stage to a multi-stage life, and the increasing opportunities for more flexible ways of working, will not be a straightforward path of evolution. Many institutions evolved in the 20th century with the goal to support a stable and successful life. During that time, many key provisions to support a working life were made. In most developed countries, this included the emergence of an educational launch pad that would be sufficient to last a lifetime; the creation of a job with an embedded relationship with a firm that provided benefits; the creation of retirement and the five-day working week and state pensions; and the provision of unemployment benefits for those not blessed with an income or a job.

And, looking forward, it is likely that whilst individual workers are often able to adapt their assumptions and behaviour to the implications of a longer life, corporate practice and government policy is likely to lag behind.

From a corporate perspective – one challenge will be the attitude to older people. This is the first time in the history of the mankind when there are more people over the age of 65 than under the age of five. This demographic fact has laid bare a great confusion about the concept of age. What this means is that 65 is no longer ‘old’. What really matters is health - and the two are not the same. This has created a real need to focus on how individuals and governments invest in healthy ageing so that the economy is not damaged by the health concerns of an ageing society.

The cornerstone of our response should be heightened anticipation created through knowledge and knowing. We hold onto old assumptions, and institutions support outdated practices and processes in part because we don’t know what

opportunities are and will be available to us. Yet new ways of living a long working life are emerging.

There is much that is possible. New ways that optimize opportunities of longer lives and better technology; organisations that offer a balance between financial success and broader measures of well-being; new working practices that offer the opportunity of variety and change whilst still providing security; people who are responding to the failings of old ways by being innovative and starting their own companies or pioneering new activities; new learning opportunities that make lifelong learning a reality. A peek into the future shows how we can use these exciting opportunities and better understand the choices we have going forward.

We stand at a moment in time when several forces are interacting to change work and working lives. The forces of longevity and technology combined with an increasing focus on wellbeing and happiness are all demanding change. That people change the social norms and role models that have been inherited from the industrial revolution and a period of shorter life expectancy. All these will force a re-structuring of our lives, our education and career. All of us – individuals, companies and governments – need to do things differently and emerge from this great transition with new practices and patterns of behaviour.

These required changes are not trivial. For many people the traditional ways of conducting lives – their education, career, finances and relationships – are no longer fit for purpose. And the extent of these changes also means that traditional institutions such as companies, the welfare state, pension systems, universities and health systems, can no longer, in their current guise, provide the security and support that we could wish for or expect.

What is crucial is that the technology and longevity innovations of the modern world become the sources of enjoyment and happiness rather than of anxiety and mistrust.

Author Introduction



Lynda Gratton

*Professor, London Business School
Founder, HSM Advisory*

Lynda Gratton is one of the foremost global thought-leaders on the future of work, named by 'Business Thinkers 50' as one of the top fifteen business thinkers and described as a 'rock star' teacher. Lynda is Professor of Management Practice at London Business School, where she received the 'teacher of the year' award and designed and directs 'the future of work' elective, one of the school's most popular electives. Her research on hybrid work was featured as the cover article for Harvard Business Review in May 2021 and she explores issues of work in her MIT Sloan column. Over a decade ago Lynda founded HSM-Advisory, which has supported more than ninety companies around the world to future-proof their business strategy. Her eleven books, including Redesigning Work and The 100-Year Life, have sold over a million copies and been translated into more than fifteen languages.

Lynda serves as a Fellow of the World Economic Forum and co-chairs the WEF Council on Work, Wages and Job Creation. Lynda has sat on the advisory board of Japan's Prime Minister Abe and serves on the advisory board of a number of global companies.