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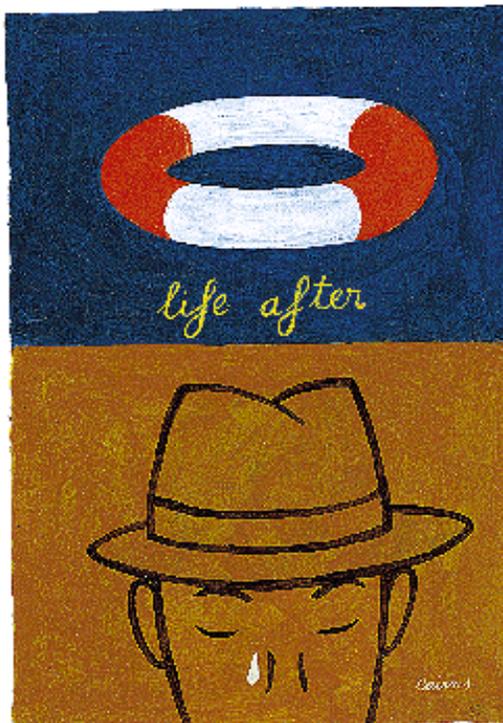


## The False Security of 'Employability'

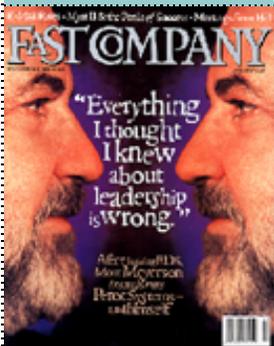
In the era of massive layoffs, 'employability' has emerged as a consoling notion. Don't believe it -- there's no easy answer to job loss.

by **Richard Pascale**  
 illustrations by **Brian Cairns**  
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A new social contract based on "employability" is the sound of one hand clapping. Its impetus is wishful thinking masquerading as a concept -- a lived happily ever after" ending to replace the broken psychological contract of the past. The hard truth is, there is no painless remedy. In fact, the death of job security, like any death, means that we have to learn to relate to the pain, not escape from it. Once upon a time, corporations were like ocean liners. Anyone fortunate enough to secure a berth cruised through a career and disembarked at retirement age. A clear agreement charted the voyage: in return for loyalty, sacrifice, bureaucratic aggravation, and the occasional demanding boss, you received job security for life.



In the last decade, ocean liners have started heaving their crews overboard. In the United States alone, economist Robert Topel estimates that more than 12.2 million white-collar workers lost their jobs between 1989 and 1991 and another 3 million since then; of these, only 6.3 million found jobs -- which, on the average, earned 30% less than before. The corporations, on the other hand, saw aggregate profits rise to near-record levels -- a 10% increase in 1994 after a 13% increase in 1993.



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In theory, "employability" aims to restore the quid pro quo between the ocean liner and its crew. Instead of a lifelong voyage, companies take smaller excursions with crew members who understand that they might change boats after any trip. In exchange for employees making dedicated efforts during these shorter engagements, the company agrees to pay somewhat higher wages and to invest in the employees' development. This makes them more marketable when it comes time to move on.

## The Cosmic Drama

It's not that easy. There is a fundamental flaw with this convenient new arrangement: philosophically, employability is a slick palliative that sidesteps the need to confront our essential humanness. There are three interlocking elements to the problem. First, job loss and employment insecurity is an inherently painful experience that triggers a loss of self-esteem and social identity. Second, corporations and those who work for them cannot resolve these issues by themselves. Third, a new social context is needed to legitimize and deal with the grief associated with the experiences of loss and betrayal in our working lives.

Corporations have become the dominant institution of our time, occupying the position of the church of the Middle Ages and the nation-state of the past two centuries. But corporations did not seek this role, nor has society acknowledged it. Observers may comment on the overarching power of corporations; but those at the helm see themselves in a much narrower light -- simply striving to stay ahead of committed rivals.

Modern organizations seek to bind people together in emotionally powerful ways to achieve excellence in certain kinds of activities. These collective activities are more intense than ever in a downsized world -- tight deadlines, significant competitive consequences from success or failure, heightened aspirations for performance. Cast in a very personal metaphor, the modern corporation must master the art of "marrying" individuals to accomplish common goals. And consistent with this matrimonial metaphor, interpersonal trust, investment of self, shared meaning, and commitment are all needed to pull it off. Numerous accounts -- from Tracy Kidder's *The Soul of a New Machine* to descriptions of how Ford Motor Company built the Taurus -- testify to the compelling force exerted by these emotional factors.

But the orchestration of these "marriages" to accomplish work does not spare the contemporary corporation from competitive realities. Sometimes even the most dedicated collective effort fails to overcome a company's disadvantages in technology or cost position. When this happens, the company must put its own survival ahead of continued employment for its people. The corporation must not only master the art of orchestrating marriages but also muster the will to decree mass "divorces" -- layoffs. In the aftermath, committed employees often experience intense loss, a feeling of being betrayed, and grief, the kind that we legitimize in our private lives but seldom acknowledge in our professional ones.

Few have looked at the fallout of this paradox in greater depth than David Noer, author of *Healing the Wounds: Overcoming the Trauma of Layoffs and Revitalizing Downsized Organizations*. Noer writes: "It begins with a deeper sense of violation. It often ends with anger, sadness and depression." Leavers feel discarded and betrayed. Survivors are consumed with their attempts to tough it out in jobs that have lost their joy, spontaneity, and personal relevancy.

There is an inherent bind between two of the protagonists of our drama. The corporation requires ever-greater levels of intensity and commitment from the

individual. The employee, to perform well at these tasks, must invest deeply and personally. These preconditions trigger near-irresistible reflexes in the hardwiring of our human nature -- evoking pride in task, personal bonds, and group identity. This heightened commitment to task will inevitably generate some measure of loss -- and yes, even grief -- when work relationships are disbanded. In Noer's words, "The more trust ( and commitment ), the greater sense of violation."

So far, the drama has featured two of the protagonists -- the individual and the corporation -- but said little about the third element, society. But society's background role is a big part of the problem. Why? Because the dilemma facing the individual and the corporation that arises from the loss of employment security cannot be dealt with effectively without a shift in social awareness and values. Norms of society suppress or legitimize human sentiments. And societal awareness has not yet evolved to honor the grief and loss associated with work life as among the most painful of human experiences -- ranking alongside divorce and the death of a loved one.

These issues are exacerbated in the United States, where the other life domains in which individuals traditionally anchor themselves in society have been weakened. Ray Oldenburg, author of *The Great Good Place*, asserts that a healthy and balanced social identity has historically relied on three factors -- family, work, and "a third place." The Third Place is the pub in England, the sidewalk cafe and bistro in France, the coffee bar in Italy, and Biergarten in Germany. In Japan, it is the after-hours private bars or cocktail clubs.

Oldenburg describes the essential requirements of this Third Place: it must be neutral ground; rank is forgotten there; conversation, rather than music or video games, is the central source of entertainment; it is frequented by a core group of regulars; and it fosters playful interpersonal exchange. In other words, it is the bar setting in the TV series "Cheers." The Third Place provides its guests with novelty, perspective on life, a spiritual tonic ( Oldenburg's phrase ), and friends by the set -- that is, friendships with an open and inclusive group that are more important than any one relationship between specific individuals.

The problem in America is that the Third Place ( once provided by the church, community groups, and the tavern ) has largely vanished. Concludes Oldenburg, "Without the Third Place, a society fails to nourish the kinds of relationships and the diversity of human contact that are essential to a psychologically balanced life." And here's the rub. For most North Americans, work consumes more of us than ever before. At the same time, not only is there no Third Place, but also family and community have lost potency as counterbalances to our lives. Thus, society has left a void that exacerbates the dilemmas confronted by the corporation and the individual.

## **Beyond Gridlock**

The three protagonists in our drama are trapped in a classic Western gridlock that stems from our tendency to look for solutions that are rational and tangible -- "employability" -- rather than spiritual. More useful than traditional organizational theorists is the research of Elisabeth Kubler-Ross and Stephen Levine into human experience with terminal illness. Kubler-Ross identifies five stages: denial, anger ( including resentment ), bargaining, depression ( which includes sadness, pessimism, guilt, and feelings of worthlessness ), and acceptance ( which is not equated with happiness ).

The journey to the other side of grief and loss isn't happiness, but acceptance. Based on decades of work with the terminally ill, Stephen Levine observes that the effective way to metabolize pain isn't by repressing it or "putting it behind you." Rather, it must be integrated into one's understanding of life.

Life's difficulties are spurs to spiritual and emotional maturity. There are no short cuts or easy outs. Just "living," states Levine, "is the ultimate danger sport."

The remedy to the hazards of less-secure work environments will not be found in a new "contract" to replace the old one. We cannot render arms-length and transactional that which is ultimately personal and emotional. Knowledge-based competition will demand more of us, not less; the requirements of committed involvement in work will increase in parallel with the insecurity associated with it.

Rather than teach ourselves to care less, imagining that we can somehow shield ourselves from the bonding and self-identification that committed work inevitably entails, we must face a harder and more demanding truth: namely, that healthy resolution lies in inner wisdom, not external arrangements. As Stephen Levine observes: "We can learn to relate to the pain, not from the pain." Supportive norms in society will also aid the evolution of the inner life of those who brave the hazards of work. Societal awareness must shift to legitimize the hardships associated with work and dignify the human struggle to deal with them.

Richard Pascale was a member of the faculty of Stanford Business School for 20 years, and is now an associate fellow of Oxford University. Based in San Francisco, he is a well-known author, lecturer, and consultant on corporate change and transformation.

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