

## The social contract is dead

Not so long ago white and blue collar workers alike enjoyed a contract with their employers that was rarely written. It was a tacit 'social contract' that offered both parties security and comfort. The social contract is dead – well and truly buried. Here's what its demise means to you.

### The nature of the (old) social contract

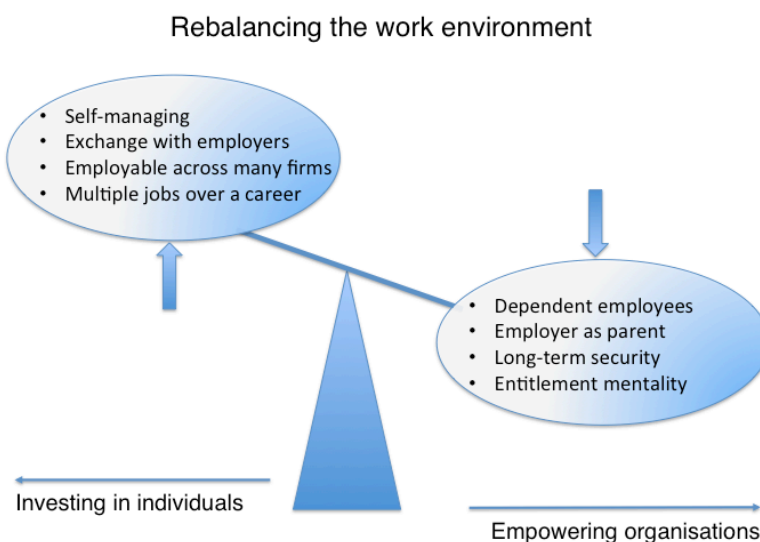
The commonly understood social contract between employer and employees was characterised by unwritten, assured, life-long security of employment and career advancement. Staff felt an entitlement to their jobs as long as they performed, and conformed. In particular, this entitlement mentality included career development and advancement, and benefits and perks. The weight of responsibility rested with the employer in this way of being.

The passing of the industrial era and the ascendancy of knowledge-based industries in the last decades of the 20<sup>th</sup> century saw a new form of contract. One of which most people today, perhaps somewhat surprisingly, are only just becoming aware. One quite different from that their parents and role models experienced. One that requires a complete paradigm shift for employers and especially for employees.

### The (new) relationship based on exchange

The new way is quite different. Instead of expecting long-term stability, employment relationships are now more transitory. Entitlement has shifted to shared responsibility, and with this employees are now

stakeholders in the organisation, not factors of production. The employer is no longer the 'head of the family', rather a leader in an environment of shared responsibility. Another way of seeing this change is: [1] the employment relationship is based on an exchange of skills and effort (from the employee) for opportunity and income (from the employer), [2] responsibilities have shifted from the employer to the employee to be self-managing, and [3] the idea of a career with one organisation has been redefined to be one of being 'employable' with many organisations.



### You are in charge of your career

The benefits of the new way to individuals are mainly those of being

much more self-directed and self-reliant, and therefore being in control and responsible for your career. Those attracted to entrepreneurial and risk-taking career moves have many more opportunities. And high performers can take fast tracks of their own shaping, rather than waiting for others to move on and make room for them.

In turn, this means organisations are more fluid with individuals being able and willing to move around from one role to another, and one location to another. Organisations are supportive, not resentful, of individuals moving on.

The flip-side means that marginal performers are more readily removed and the growth of variable cost workforces is accelerating.

So, think and act like this...

- Do **not** assume your job or career path is secure
- Plan and look after your own self-improvement – draw on, but do not rely on, what your employer offers
- Learn to be flexible and adaptable – embrace novelty and dislocation as normal
- Welcome – indeed seek out – opportunities for learning new skills and adjusting to new situations
- Carpe diem – it's your life and career. Take charge. No one else will.

### **Related posts and further reading**

You may want to delve into other aspects of this topic:

- + [You are no longer a person; you are a brand](#)
- + [If you keep on going the way you are, you will miss the road to your future](#)
- + [The Career Is Dead—Long Live The Career](#) by Douglas T. Hall, the great author on careers

*This post was written by [Dr Margaret Beaton](#), a director of [Beaton Executive Coaching](#) and [Beaton Research + Consulting](#). You can connect with Margaret on [LinkedIn](#).*