

What is the future of work?



The Xpragmatic View #91
October 20, 2007
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The economy is doing rather well over here in Europe, but organisations are facing growing problems while looking for additional resources. Are people no longer interested in work?

While examining the evolution of organisations, one of the major challenges that we observe today is the growing unbalance between the relative importance of employees versus the importance of shareholders.

Over the past years, we have seen numerous examples of reorganisations that were driven by the shareholders' demand for higher profits. The net outcome were often massive layoffs and the higher profits, well, we'll see... Did the remaining employees get any better?

While this might be seen as a regular expression of our current capitalistic economy, reality forces us to raise some concerns.

Indeed, having such unbalance is perfectly acceptable as long as the advantages for the shareholders are balanced by a higher level of contribution, risk taking or scarcity. However, here it is quite obvious that there is a reverse unbalance of risks and rewards for the parties involved.

As for the shareholders, there is the promise of higher returns, which are balanced by their investment and the associated risk in the specific stock. Nevertheless, as the saying goes, you only invest money that you are comfortable with of loosing.

However, as for the regular employee, things are quite different. Here, there is no aspect of being comfortable with loosing some stock. Here, when you have bad luck, you loose your future. However, when you are lucky, the potential gains are not for you.

A confirmation of this observation is the fact that over the past years, the net profit growth of organisations has clearly outpaced the salary increase of their employees.

Now, some will argue that things such as stock options will give some protection or advantage to the regular employee. This is correct, as long as things go well. Once you arrive at the moment that shareholders are claiming their money, this no longer holds true.

As an employee, you are facing the harsh reality that you have the highest involvement, the highest commitment, the highest risk, yet, you do not get the reward.

Today, we are already living the outcome of this dichotomy. Employees understand that organisations are no longer there to financially support them during their entire career. Organisations are only temporary staying points on our road to whatever. The net result are vacancies for positions that never get filled. First, for the low end positions, then...


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About the author




Marc Buyens is analyst, management consultant and owner of Xpragma. Marc started Xpragma in 1999 after a 20+ years career in the IT sector. Today, he provides advice, training and mentoring services focusing on the intersection of technological evolution, organisational change and business strategy: a messy world of unfulfilled promises.

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