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Bringing Work to Life

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Welcome

Welcome to the latest quarterly issue of Bringing Work to Life. We are glad that our new book, *How to Build a Nontraditional Career Path: Embracing Economic Disruption*, has just been published by Praeger. Our book describes when and how to create an inspiring and practical nontraditional career path from more than one source of income: <http://www.abc-clio.com/product.aspx?isbn=9781440831584>

It complements our three existing books:

Business Behaving Well: Social Responsibility, from Learning to Doing, (Potomac Books, Inc., 2013) that provides a rationale and roadmap for organizations to incorporate socially responsible practices, building on principles of social justice:

<http://www.potomacbooksinc.com/Books/BookDetail.aspx?productID=293765>

Building Workforce Strength: Creating Value through Workforce and Career Development (Praeger, 2010) that describes the application of workforce and career development principles and practices to strengthen organizations:

<http://www.abc-clio.com/ABC-CLIOCorporate/product.aspx?pc=C3236C>

and *Affiliation in the Workplace: Value Creation in the New Organization* (Praeger, 2003) that describes leadership approaches to integrate the needs of the individual with the needs of the organization for the benefit of both:

<http://www.abc-clio.com/product.aspx?isbn=9781567204360>

This newsletter contains two articles: How to Build a Nontraditional Career Path, and Workforce and Societal Trends.

How to Build a Nontraditional Career Path

It looked cold out there. After all why wear face masks otherwise? This was our



Ron Elsdon, Ph.D., is founder of *Elsdon Organizational Renewal* (a division of *Elsdon, Inc.*), which focuses on supporting organizations enhance effectiveness through revitalized workforce relationships and leadership practices. Prior to establishing his practice, Ron held senior leadership positions at diverse organizations. Ron is also co-founder of *New Beginnings Career and College Guidance*, which provides caring and personalized help to individuals and families in career guidance, coaching and college planning.

Ron is author of *How to Build a Nontraditional Career Path: Embracing Economic Disruption*, which describes when and how to create an inspiring and practical nontraditional career path from more than one source of income; editor of *Business Behaving Well: Social Responsibility, from Learning to Doing*, which provides a rationale and roadmap for

first taste of a Chicago winter, looking out of the plane window as it taxied across O'Hare airport. We had come from London one January day to live in Chicago. Airport staff were walking around outside the plane, wisely wearing face masks. Then several winters later, I found myself one night in Joliet, Illinois, not far from Chicago, seconded from working in research to the firm's chemical plant there. I was alternately in the sheltered control room and then outside climbing towering equipment for samples in searing cold with snow and ice glistening and wisps of steam wafting through starkly lit facilities. For me this was a brief encounter at the plant repeated sporadically over about a year and a half. For many working at the chemical plant, just as with the airport staff, this was permanent. In winter the job meant working outside in biting cold much of the time. It was hard, relentless work. It required resolute courage to get up each day and do it. Why do it? Well, at that time it offered reasonable compensation and some stability. It may have been the least, worst option. Is it possible to create other, better options? Our book *How to Build a Nontraditional Career Path: Embracing Economic Disruption* explores what such options might look like and how to find them.

What does a nontraditional career path mean? Broadly it can be anything that does not just involve conventional employment with one organization. In conventional employment someone else frequently defines the responsibilities of the position and the longevity of the relationship. Our focus in the book, on the other hand, is on a nontraditional career path that is tailored to each person's individual needs and consists of more than one source of income.

The book is designed for those seeking to inspire their work life through an alternative to conventional employment. It can be helpful at any career stage, whether entry, mid-career or at a mature stage. It speaks to the aspirations of those entering the workforce wishing to take charge of their career path, the aspirations of those in mid-career or at later stages seeking work/life transformation, or those whose previous career paths have been disrupted by an external event such as job loss. We hope that our book will also be useful to institutions equipping people to enter or re-enter the workforce, such as college career centers, public sector agencies, and outplacement organizations. Furthermore, it will likely be valuable to professionals in the career field, such as career counselors, and can complement educational curricula in that discipline.

Our book is a guide to understanding what a nontraditional career path looks like and the benefits and challenges that it presents. We connect the approach with personal meaning and values, and examine strategic issues to help in assessing whether and how such a path might fit and unfold. Some strategic issues are content related, such as what career components should be included and to what extent should they be connected; some are timing related, for example what is an appropriate pace of entry. Other strategic issues are introspective such as understanding skills and attributes needed for success, either developed individually or acquired through partnering. Some aspects that we explore are practical, nuts and bolts implementation issues such as what form of business structure to use at different stages of development, what forms of employment relationship to consider when engaging others, and how to handle infrastructure issues like accounting and payroll practices. We include key questions to consider at various stages when developing a nontraditional approach. In exploring this subject we seek to blend thoughts and feelings about personal purpose and meaning, with analysis of the

organizations to incorporate socially responsible practices, building on real-world examples from contributing authors, and principles of social justice; editor of *Building Workforce Strength: Creating Value through Workforce and Career Development*, a book that describes the application of workforce and career development principles and practices to strengthen organizations; and author of *Affiliation in the Workplace: Value Creation in the New Organization*, a book describing leadership approaches to integrate the needs of the individual with the needs of the organization for the benefit of both. Ron holds a Ph.D. from Cambridge University in chemical engineering, an M.A. from John F. Kennedy University in career development and a first class honors degree from Leeds University in chemical engineering. With his co-author he was awarded the Walker Prize by the Human Resource Planning Society for the paper that best advances state-of-the-art thinking or practices in human resources.

world of business and organizations, and considerations of our contributions to a broader community.

The book is structured as follow:

- Part I builds a foundation for a nontraditional career, the what and why, the benefits and challenges, including examples of people describing their nontraditional careers.
- Part II addresses six key strategic issues
 - Whether or not to connect the components, finding differentiation, balancing the components, pace of entry, building needed skills, and partnering
- Part III examines practical steps, such as the nuts and bolts of creating an infrastructure, and the path forward, including key questions to address.

As a result of reading this book we hope that the reader will be able to:

- Describe what a nontraditional career with more than one source of income looks like
- Understand how such a career fits into a world of work where disruption is the norm
- Understand how such an approach can work well at different life stages
- Assess the benefits and drawbacks of a nontraditional career
- Learn how to craft a successful career in this form
- Know the key strategic factors to consider and how to address them
- Understand what the start-up process looks like and how to pace entry
- Know what skills are needed to be successful
- Create a fulfilling path forward

It has been a pleasure speaking about this topic to many groups in recent years. I am grateful to participants in these sessions. These participants provided continued affirmation through many examples, of how nontraditional careers are alive and well, and how they are meeting individual needs, sometimes in unexpected ways. These connections caused me to reflect again on the beauty, creativity and ingenuity that we bring to our work. The approaches in our book are offered as options to stimulate thinking about new possibilities. It is my hope that this will help readers discern if a nontraditional career path is the right path, and, if so, how to take that path.

Parts of this article are extracted from *How to Build a Nontraditional Career Path: Embracing Economic Disruption*, by Ron Elsdon (Praeger, 2014).

Workforce and Societal Trends

It is encouraging to see the U.S. unemployment rate show a downward trend, though we still have a long way to go to reach full employment, generally considered to occur when the unemployment rate is below about 4%.

Chart 1. Unemployment rate, seasonally adjusted, July 2012 – July 2014

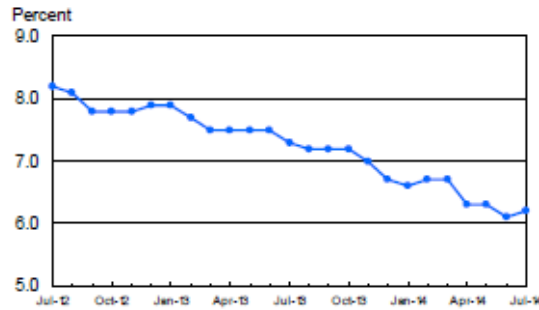
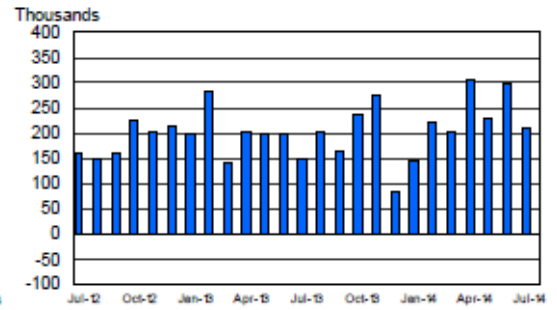


Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, July 2012 – July 2014



Source: BLS News Release, The Employment Situation – July 2014

The job openings rate has increased, since recovering from the drop during the recession:

Chart 1. Job openings rate, seasonally adjusted, July 2011 - June 2014

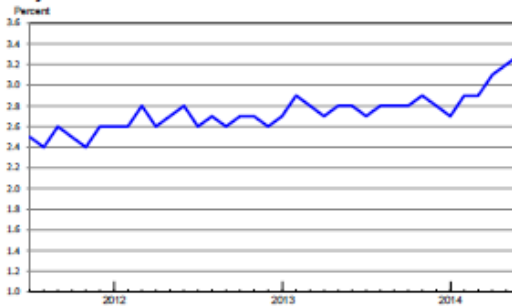
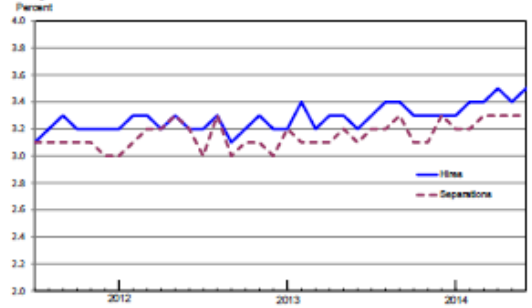


Chart 2. Hires and separations rates, seasonally adjusted, July 2011 - June 2014

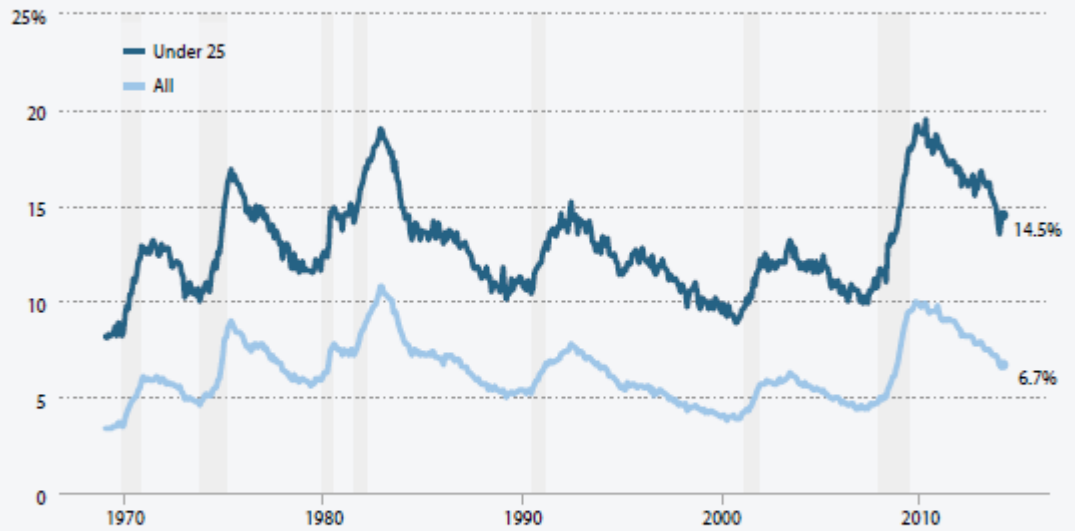


Source: BLS News Release: Job Openings and Labor Turnover – June 2014

Though we can see that those new to the workforce experience particular challenges with much higher unemployment rates:

FIGURE A [VIEW INTERACTIVE on epi.org](#)

Unemployment rate of workers under age 25 and all workers, 1969–2014



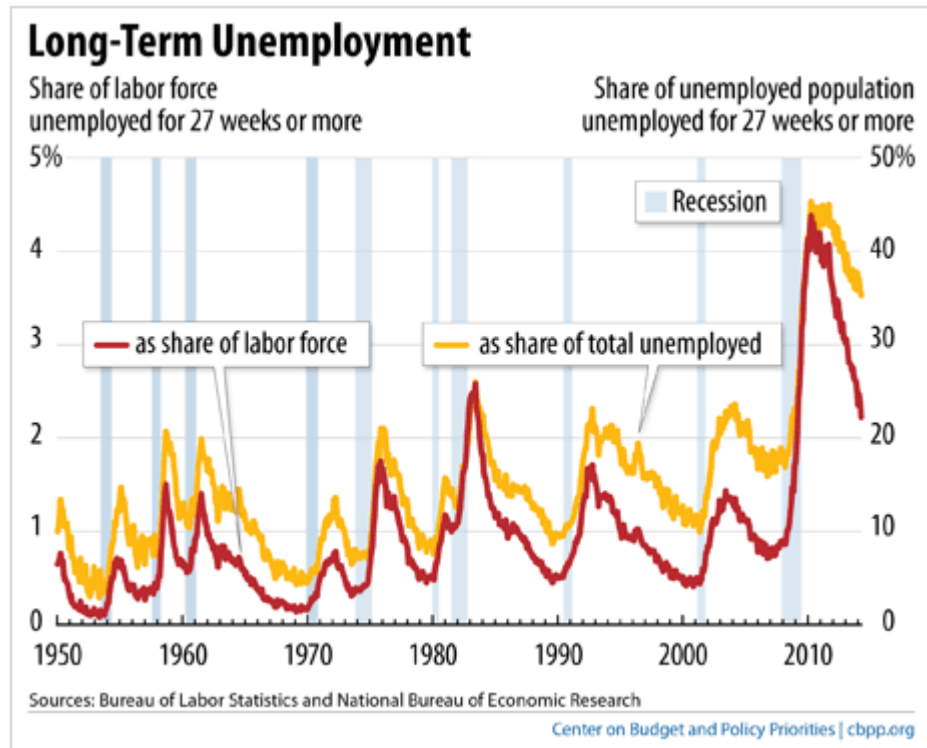
Note: Shaded areas denote recessions. Data are seasonally adjusted.

Source: Authors' analysis of Bureau of Labor Statistics Current Population Survey public data series

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Source: Economic Policy Institute Briefing Paper #377, The Class of 2014, May 1, 2014

And long term unemployment (27 weeks or more) is now a major challenge:

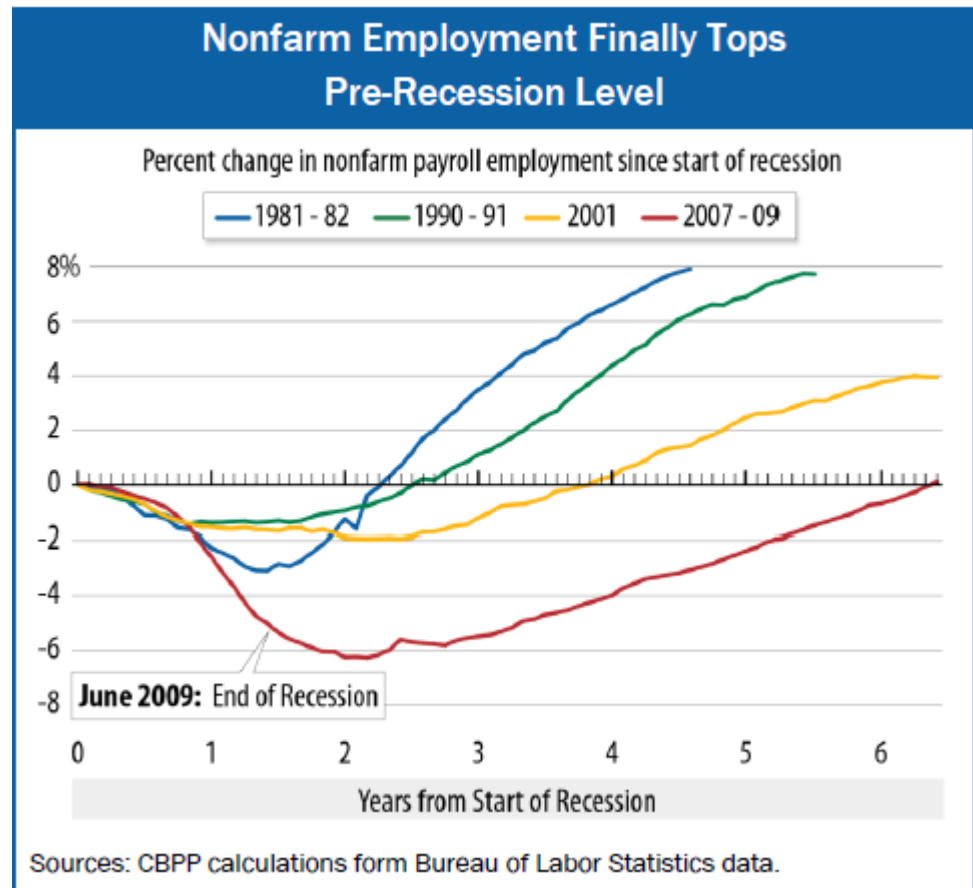


Sources: Bureau of Labor Statistics and National Bureau of Economic Research

Center on Budget and Policy Priorities | cbpp.org

Source: Center on Budget and Policy Priorities, Chart Book, The Legacy of the Great Recession, May 9, 2014.

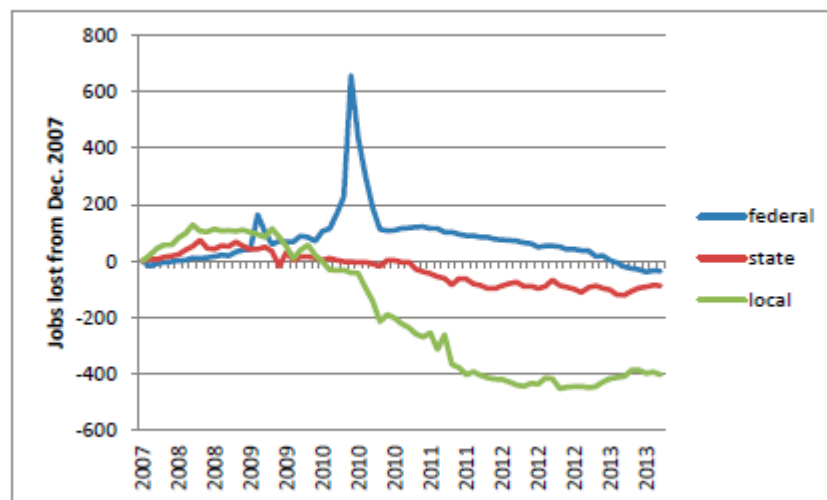
Indeed employment recovery has been much slower than in past recessions:



Source: Center on Budget and Policy Priorities, Statement by Chad Stone, Chief Economist, on the May Employment Report, June 6, 2014.

This slow recovery in employment is in part due to reductions in the public sector after an increase that followed the American Recovery and Reinvestment Act of 2009. By the end of 2013 there were 527,000 fewer government employees than at the previous peak of December 2007:

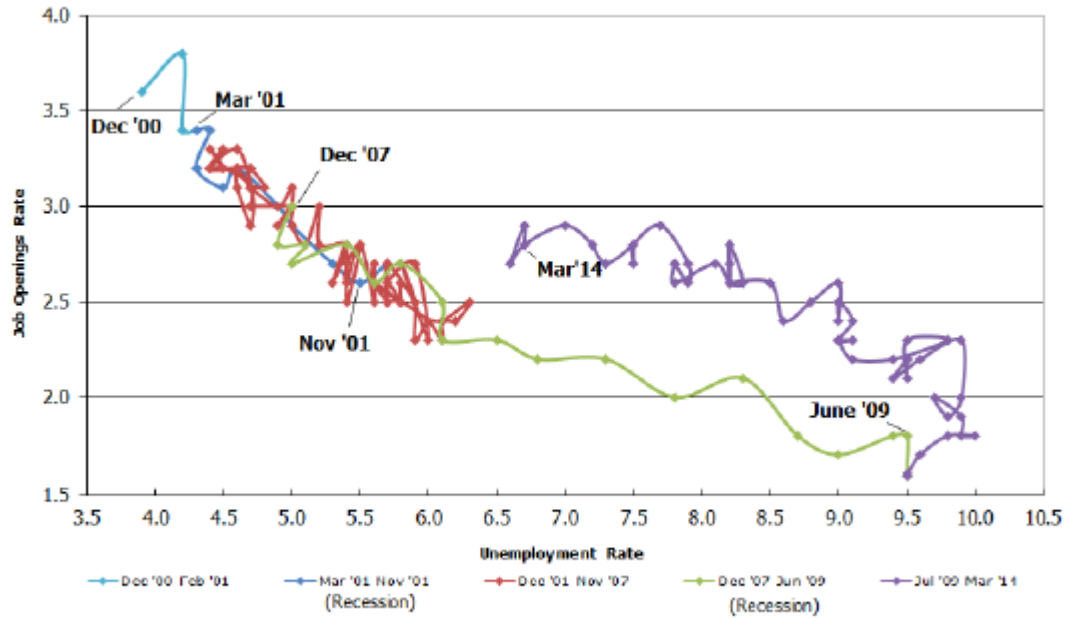
Figure 1: Change in Government Employment Relative to December 2007



Source: Eberts, Randall W. 2014. "U.S. Employment Outlook for 2014: Can the U.S. Economy Stand on Its Own?" International Labor Brief 12 (2) (February): 5-16. Upjohn Institute. English prepublication version. <http://research.upjohn.org/perarticles/35>

There is some evidence of structural changes in the workforce from the Beveridge Curve that links the job openings rate and the unemployment rate:

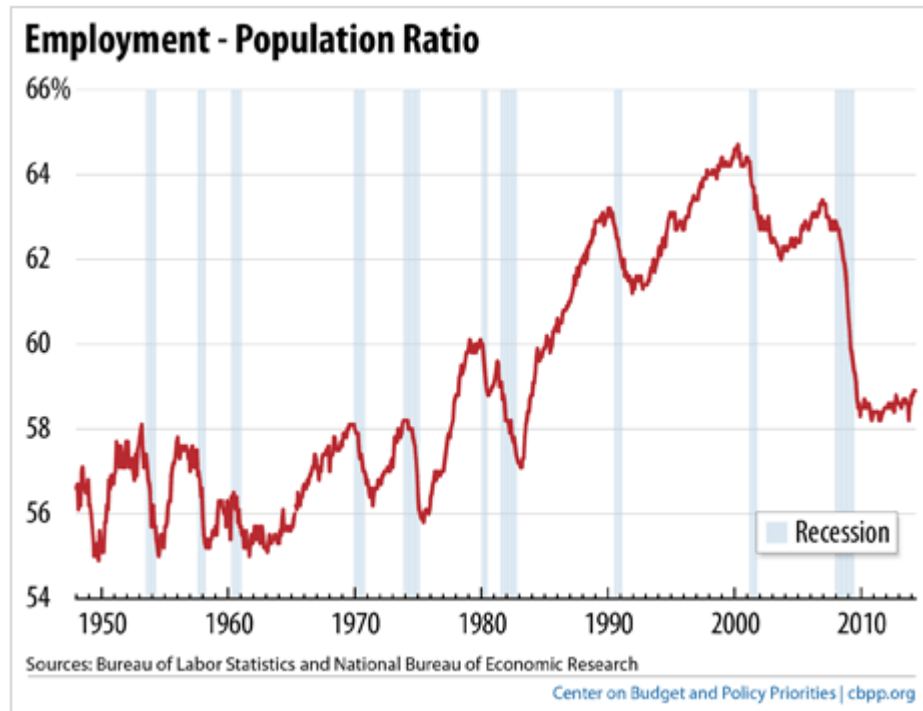
Chart 4. The Beveridge Curve (job openings vs. unemployment rate)
Seasonally adjusted



Source: Bureau of Labor Statistics, Current Population Survey and Job Openings and Labor Turnover Survey, May 9, 2014.

The unemployment rate is now disproportionately high for a given job openings rate when compared with the situation prior to the last recession.

Coincident with these trends, the employment to population ratio has declined precipitously:



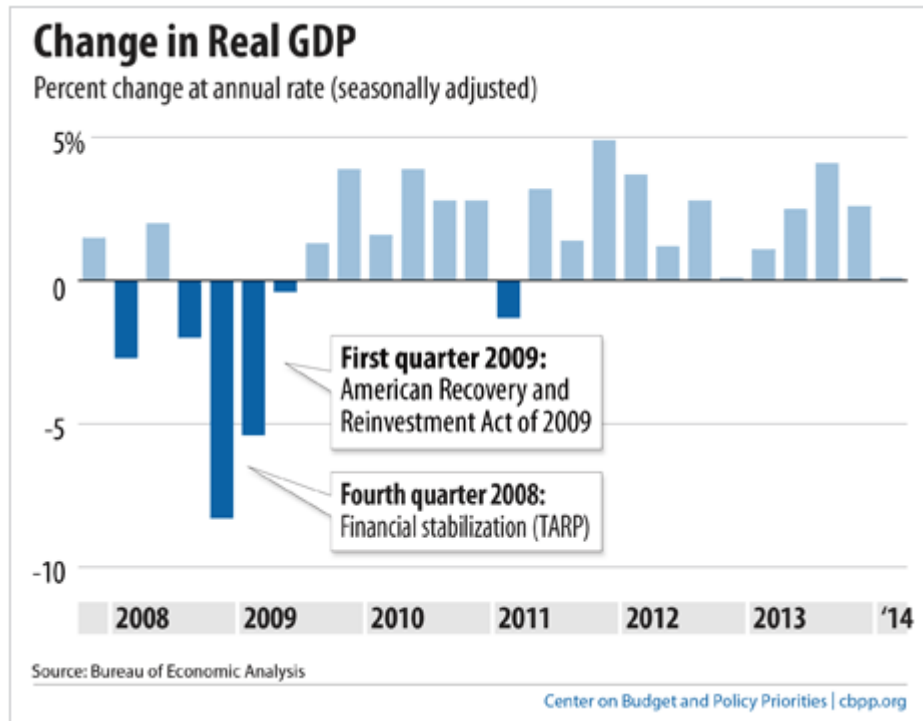
Source: Center on Budget and Policy Priorities, Chart Book, The Legacy of the Great Recession, May 9, 2014.

It is encouraging to see that the ratio of unemployed workers to job openings has declined substantially from a high during the recession:



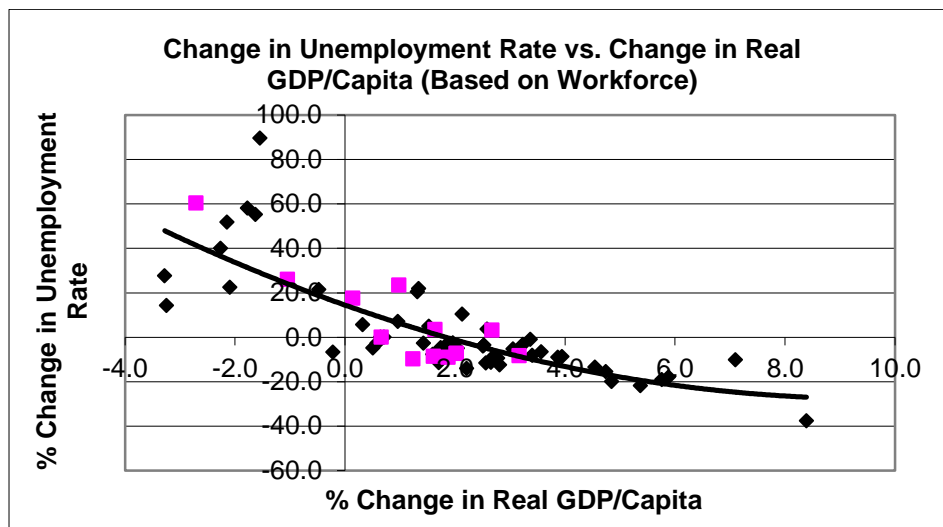
Source: Center on Budget and Policy Priorities, Chart Book, The Legacy of the Great Recession, May 9, 2014.

This decline was driven by continued economic growth, which was stimulated initially by the American Recovery and Reinvestment Act of 2009:



Source: Center on Budget and Policy Priorities, Chart Book, The Legacy of the Great Recession, May 9, 2014.

The relationship between changing unemployment rate and changes in GDP per capita, which we first observed in *Affiliation in the Workplace* (pages 109-111) for the period from 1947 to 2000 in the United States, has continued to hold. The following figure shows that more recent 2001 to 2013 data (the square, purple data points using real GDP expressed in 2009 dollars) follow the same trend as the original 1947 to 2000 data (the diamond, black data points with the associated trend line, also using real GDP now expressed in 2009 dollars).



As GDP growth rate strengthens the change in unemployment rate shifts from an increase to a decrease. In 2014 we have seen varying patterns of GDP growth - a

contraction in the first quarter and strong growth in the second quarter. This points to uncertainty about the pattern of economic growth, and therefore employment growth, in the coming months.

As we have pointed out in previous newsletters, economic growth is not shared equally across our society, with the wealthiest among us benefitting excessively. This trend of growing inequality began in earnest with the regressive taxation policies of the 1980s, and further accelerated with tax cuts favoring the wealthy in the early 2000s. Not surprisingly this has resulted in a continuously falling standard of living relative to other developed countries for many in our society. This happened first for those at lower income levels and it now reaches up to the median level. While those at the top in the United States continue to prosper, others in the United States suffer. The following chart shows which country had the highest after-tax income in each income level since 1980. The income percentile means for example that at the 40th percentile level, 40% of the population had an income at or below that level.

Which country had the highest after-tax income in each income level since 1980

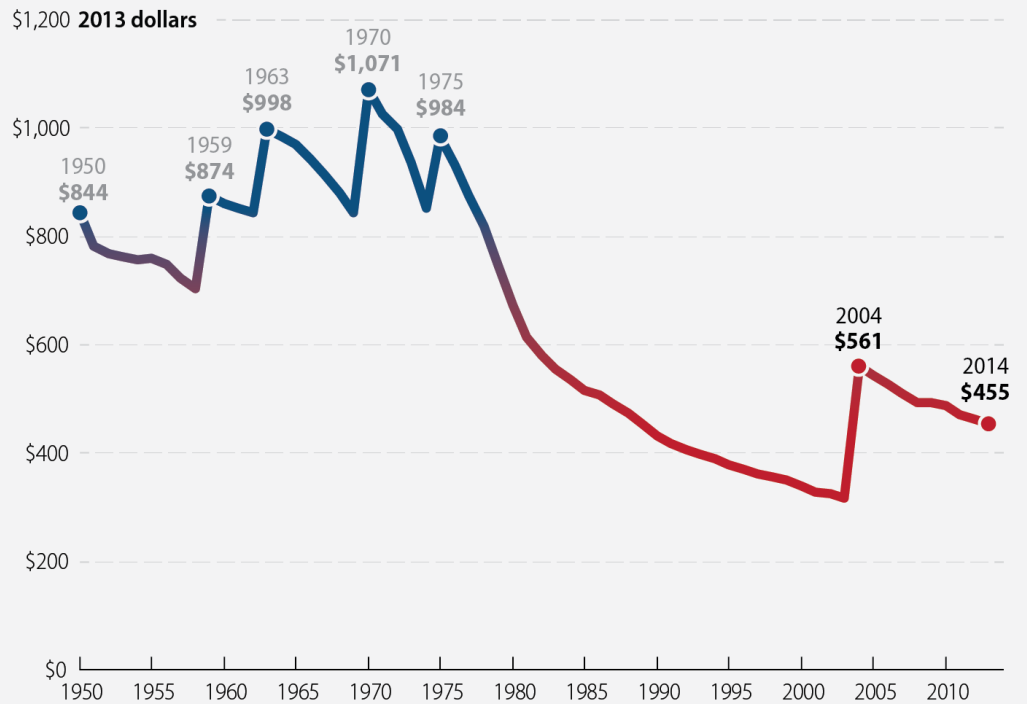
Percentile	1980	1984	1988	1992	1996	2000	2004	2008	2010
95th	United States	United States	United States	United States	United States	United States	United States	United States	United States
90th	United States	United States	United States	United States	United States	United States	United States	United States	United States
80th	United States	United States	United States	United States	United States	United States	United States	United States	United States
70th	United States	United States	United States	United States	United States	United States	United States	United States	United States
60th	United States	United States	United States	United States	United States	United States	United States	United States	United States
Median	United States	United States	United States	United States	United States	United States	United States	United States	U.S./Canada
40th	United States	United States	United States	United States	United States	United States	Norway	Canada	Canada
30th	United States	United States	Austria	Austria	Norway	Norway	Norway	Canada	Canada
20th	United States	Canada	Austria	Denmark	Denmark	Norway	Norway	Netherlands	Netherlands
10th	United States	Norway	Austria	Norway	Denmark	Norway	Norway	Netherlands	Netherlands
5th	Norway	Norway	Austria	Norway	Denmark	Norway	Norway	Netherlands	Netherlands

Source: New York Times, April 22, 2014, this simple table summarizes our story on American living standards.

This is fueled by regressive taxation policies, excessive compensation at senior management levels, a declining real minimum wage, and for example by the eroding right to overtime pay:

The eroding right to overtime pay

The weekly salary threshold for overtime, adjusted for inflation, 1950-2014

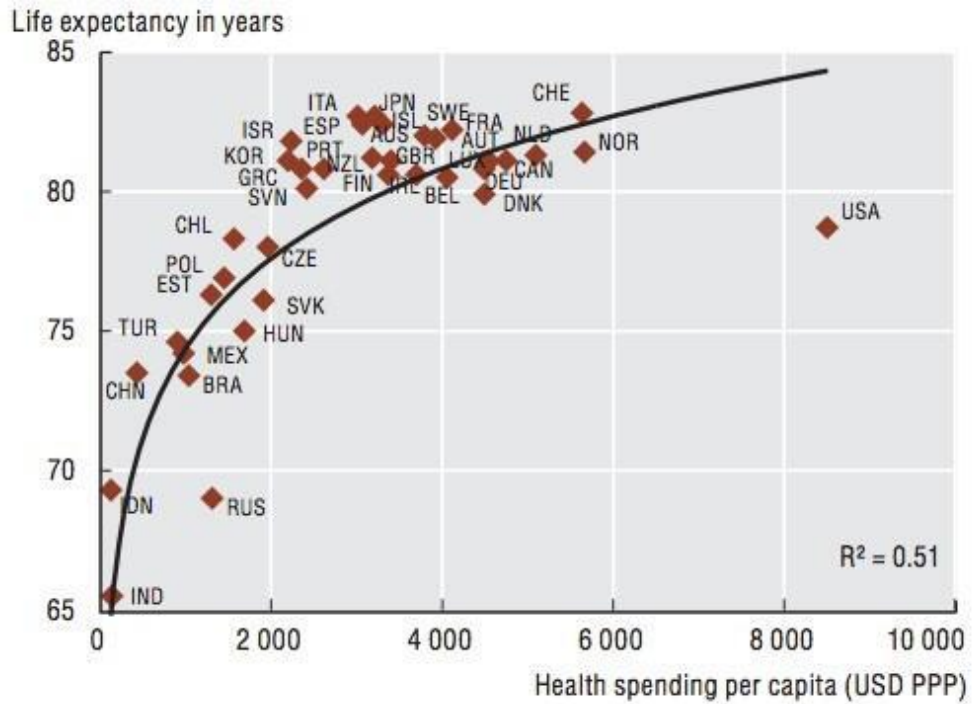


Source: Economic Policy Institute analysis Linder (2004) using FLSA weekly short salary test, Eisenbrey (2014) and Bureau of Labor Statistics Inflation and Prices public data series

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Source: Economic Policy Institute Snapshot, March 19, 2014, The Overtime Threshold Has Eroded 57.5% from its Peak Value.

And it is exacerbated by an ineffective and inefficient past approach to health care that consumes an ever growing portion of GDP, delivering worse outcomes, at much higher cost than in other developed countries. For example we have shorter life expectancy than in most other developed countries, in spite of our per capita healthcare costs being more than 50% higher than in any other developed country:



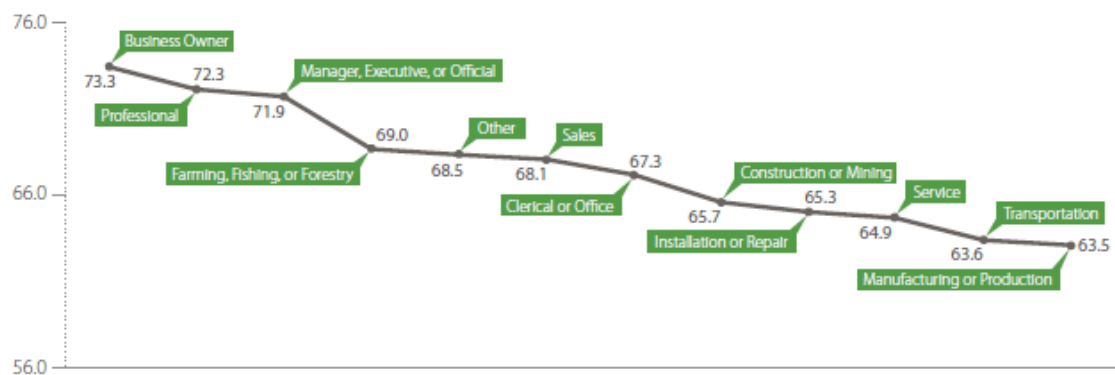
Source: OECD Health Statistics 2013, <http://dx.doi.org/10.1787/health-data-en>; World Bank for non-OECD countries.

StatLink <http://dx.doi.org/10.1787/888932916040>

Implementation of the Affordable Care Act is beginning to address this issue, though it will require a Medicare-for-All, single payer system, such as Vermont is implementing, to solve this problem properly.

On an individual level, when we look at our perception of well-being as a composite of six aspects - life evaluation, emotional health, work environment, physical health, healthy behavior, and basic access - gaining greater control of our own work/life direction, for example by taking a nontraditional path, results in a significantly higher sense of well-being:

AVERAGE WELL-BEING SCORE BY OCCUPATION, 2008–2013



Source: Gallup-Healthways Well-Being Index, State of American Well-Being, 2013 State, Community, and Congressional District Analysis, 2014.

By taking such individual control and enhancing our sense of well-being, and by supporting public policies that honor and value all in our society, we can create both a more fulfilling personal path forward and stronger, more compassionate, and more vibrant communities.

Quote

“The day will come when, after harnessing space, the winds, the tides, and gravitation we shall harness for God the energies of love. And, on that day, for the second time in the history of the world, we shall have discovered fire.”

Pierre Teilhard de Chardin