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# THE VIRTUAL JOB

BY LAURA L. NASH

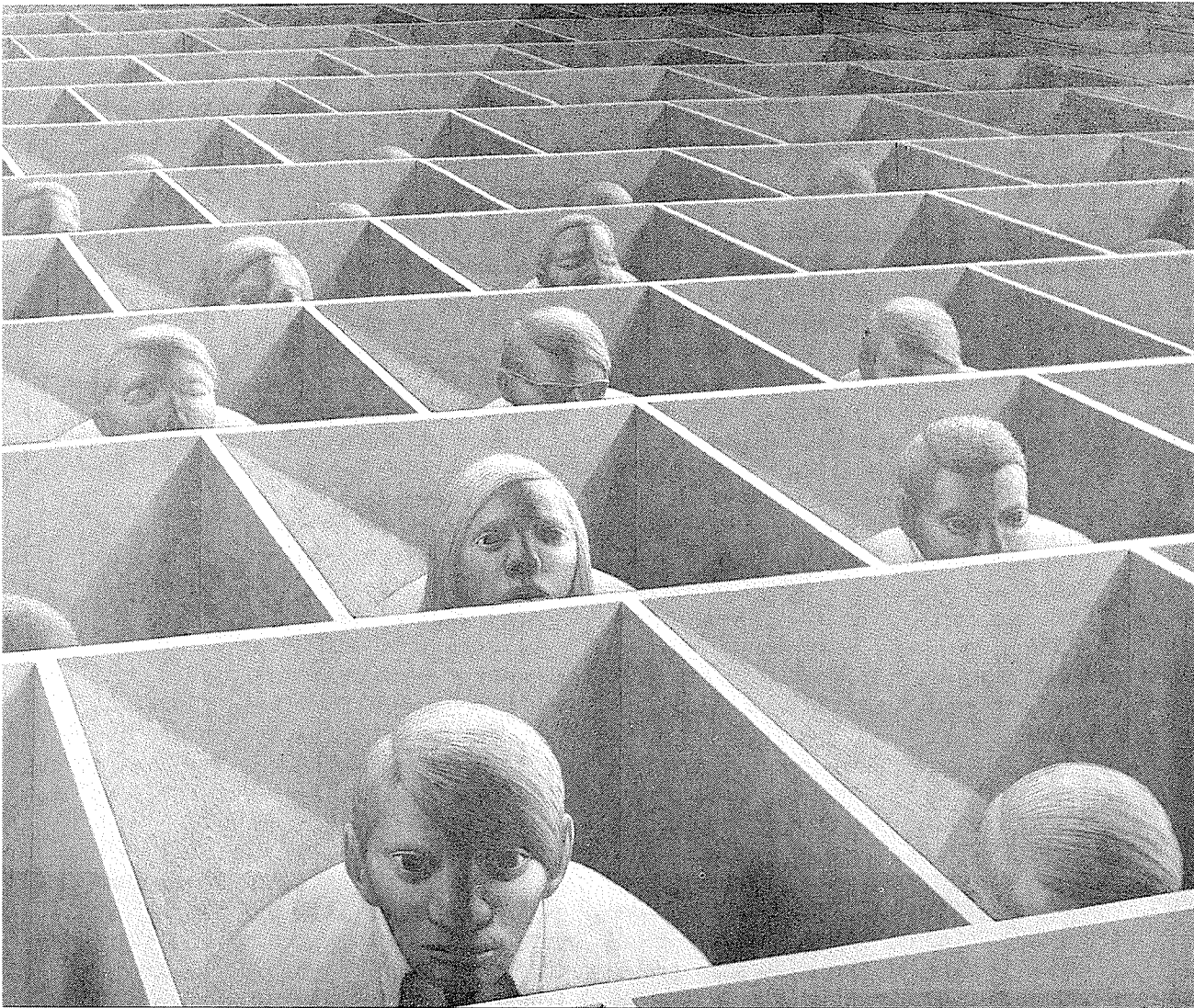
Something very odd is going on in the American corporate workplace. Employees are being told to prepare for a radical new condition of permanent insecurity, a future full of sporadic layoffs, endless efforts to upgrade job skills, and perpetually recombining work teams of insiders and "outsourcers." Continuous corporate "rightsizing" will dictate a "portfolio career" strategy: Since workers will no longer spend their careers with one or two employers, accumulating a portfolio of portable skills will be essential. Yet even as the corporation encourages "hard" qualities such as self-reliance and adaptability, it is also rushing headlong toward a supposedly kinder, gentler ethos. Large firms in particular are providing a growing variety of programs and social supports for those who remain under the corporate umbrella—however long that may be. The new formula might be described as a "love the one you're with" approach.

The turmoil in the workplace is being presented as stimulating and exciting, an opportunity for personal and professional growth. The modern corporation will supply precious training and experience, *Fortune* said recently in describing the "new deal" between employers and employees, and workers in turn will be expected to act like entrepreneurs (or "intrapreneurs,") within the corporation: Find a way to "add value to the organization" and you get a new job. Fail and you look for a job elsewhere. But that is not so bad. "If the old arrangement sounded like binding nuptial vows," says *Fortune*, "the new one suggests a series of casual,

thrilling—if often temporary—encounters."

One might almost be tempted to conclude that a new age of self-actualizing individualism is dawning. Released from the paternalistic and hierarchical strictures of the old corporation, the new employee will be free to blaze his or her own professional trail while the corporation stands by to help tend to personal needs that might impair performance, from child care to treatment for alcoholism. At the same time, it is also possible to see these developments as disturbing signs of an emerging form of corporatism in which areas of life once thought to be strictly private are increasingly regulated by a supposedly beneficent corporation. Those without ties to such a large institution will be spared such intrusions, of course, but may also be forced to go without many of the benefits accompanying it. Despite its simultaneous appeal to humanism and good economic sense, this new corporatism may not be kinder and gentler at all, and it may not even be all that good for business.

Even as it downsizes and rightsizes, the large American corporation is increasingly assuming the role of a nanny. In 1992, benefits accounted for 32 percent of employee pay and were the fastest-growing element of compensation. Benefits include not only the traditional health insurance and pensions but a broad array of other goodies, ranging from those of the sensible-shoes variety (job training and tuition reimbursements at \$35 billion annually) to more exotic offerings. Employer-provided legal services, for example,



Landscape with Figures (1966), by George Tooker

have increased sevenfold in the last decade. The corporate reach increasingly extends into what was once considered private life. Employer-sponsored health maintenance organizations, with their sometimes intrusive in-house “wellness” programs (Stop smoking! Lose weight!) are becoming part of the corporate way of life. Child-care programs of various kinds are proliferating, and among forward-looking people in the business world there is talk of the need to transform child care into “dependent care” programs providing various benefits to employees with elderly parents.

It is not unusual for today’s large corporation to offer fitness programs, marriage counseling, substance-abuse detection and treatment, AIDS counseling, diversity training, creative-thinking seminars, treatment of

depression, diet and nutrition oversight, yoga instruction, interpersonal-relations counseling, and personal financial planning. One well-known company, EDS, even has on-site car care.

Many of these offerings involve things that were formerly considered personal or domestic responsibilities, frequently managed by a wife who held no paying job. Now, as a demonstration of its newfound concern with employees’ sense of well-being—and an undisguised desire to mitigate any condition that might detract from employee performance and the corporate bottom line—the corporation offers to take care of these matters. One might call this new, kinder and gentler approach to the employer-employee contract the “feminization” of the corporation.

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Accompanying the trend is a growing emphasis on "softer" management skills as the key to getting ahead in the managerial world. High on the list of qualities thought necessary for executive effectiveness in the 1990s are interpersonal skills, an ability to work with others in teams, and various kinds of "soft" abilities, such as intuitive reasoning, "people skills," and "creative thinking." Physical self-improvement is also in, and mental health is a major area of focus. Company-sponsored meditation programs and wilderness experiences designed to build trust and foster team spirit are becoming the vogue in corporate America. Now there are even humor consultants to help make fun and profit work together.

**D**espite its soft face and seemingly benign motivations, there is a distinctively hard edge to the new corporate humanism. Employees who are showered with benefits may pay a price in the loss of personal choice. Formerly private decisions about lifestyle and even personality may now be restricted by the company in the name of boosting personal performance and cutting costs. Today's well-bred manager may find, for example, that the powers that be in the personnel department regard his or her high cholesterol count as an indication of selfish disregard for the corporate team or a sign of insufficient self-discipline. The employee who insists on taking time off to care for a sick child despite the first-rate day-care services offered by the company may find his or her dedication to the job questioned a little more closely.

The corporation is not solely responsible for what is happening. Indeed, the corporation itself appears to be in danger of being vic-

timized by the kinder, gentler ethos. Rising expectations keep upping the ante for what is considered a "responsible" commitment by a caring corporation. It is as if the entire corporate society had fallen under the spell of a medical-therapeutic imperative: Whatever alleviates employees' stress or might contribute to their "wellness" is now considered a potential, and sometimes essential, corporate investment.

**T**he rise of the nanny corporation represents a profound shift in corporate beliefs about managerial effectiveness. This change is partly a product of American cultural and economic insecurity in the face of powerful global competition. It is also a response to real problems faced by employees. But in large part it can be traced to the rise of the so-called "new class" of highly educated knowledge workers—from personnel experts to advertising copywriters to attorneys—whose numbers and power have been growing in the information economy. Once the very embodiment of anti-capitalistic, anticorporate attitudes, the new class is now the predominant cultural force within the American corporation, supplying its consultants, academic advisers, and theorists, and even much of its staff. It is from this group that the corporation gets its belief in the power of holistic, self-actualizing, therapeutic, and knowledge-expanding exercises. The emergence of the nanny corporation reflects just how deeply some of the values of the 1960s and early 1970s have been assimilated into the economic logic of the 1990s. We see a new corporate culture developing based on knowledge, therapy, self-actualization, tolerance, individualism, and holistic, preventive approaches to basic

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*Laura L. Nash is senior research coordinator at the Institute for the Study of Economic Culture at Boston University and teaches business ethics at the university's School of Management. She is the author of Good Intentions Aside: A Manager's Guide to Resolving Ethical Problems (1990) and co-editor with Frank Heuberger of A Fatal Embrace? Assessing Holistic Trends in Human Resource Programs (1994). Copyright © 1994 by Laura L. Nash.*

human problems.

The nanny corporation is an unfortunate but predictable perversion of the remedies business gurus have prescribed for corporate America since the late 1970s. The new management theories were fundamentally sensible enough, but their implications could be—and were—played out in a variety of different ways. From Peter Drucker to Peter Senge, American management theorists have generally agreed that only a radical change in mental approach would prepare managers to cope with the competitive challenges facing business in the late 20th century. Lulled by its decades of supremacy at home and abroad after World War II, the American corporation had ossified, the theorists said. Management had become top-heavy, market-insensitive, and excessively bureaucratic.

Beginning with the prescriptive classic by Tom Peters and Robert Waterman, Jr., *In Search of Excellence: Lessons from America's Best-Run Companies* (1982), there developed a series of management theories that held up a new ideal of self-motivated, entrepreneurial performance by employees at all levels of business. As the understanding of managerial expertise shifted, so did the essentials of employee motivation and development. Peters and Waterman, drawing on the notion of "transforming leadership" popularized by political scientist James MacGregor Burns, stressed the need for business executives to take a holistic approach to management instead of relying on ever more narrowly focused specialized expertise.



*The office of the future? Stress management is taken seriously at this Dallas firm, where a professional masseuse visits every month.*

The new manager would build business success by recognizing the importance of a hitherto unappreciated set of skills: the ability to transcend daily affairs, to "create meaning" for others in the organization, to make use of nonrational modes of thought, and to build good "relationships" with customers and employee teams.

Rosabeth Moss Kanter of Harvard Business School, another prominent management theorist, emphasizes that the management of change and innovation requires the "empowerment" of employees, the creation

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## Take This Job . . .

*Why do so many Americans throw so much into their work? One surprising reason, writes sociologist Seymour Martin Lipset, a Wilson Center Senior Scholar, in The Public Interest (Winter 1990), is that they like their jobs.*

**B**eliefs about the work ethic vary over time and place. There is, however, a general inclination for older people to believe that things were better—or at least more moral, more decent—when they were young. As Adriano Tilgher, a historian of work, wrote in 1931, “Every country responds to the lament that the workforce does not burn in the younger generation, the post-war generation.”

The affluent generally complain that their subordinates, the less privileged, do not work hard and have lost the work ethic. A survey of members of the American Management Association found that 79 percent agreed that “the nation’s productivity is suffering because the traditional American work ethic has eroded.” But this is an old story. Harold Wilensky notes that in 1495 the English Parliament passed a statute on working hours and justified it in the following preamble: “Diverse artificers and labourers . . . waste much part of the day . . . in late

coming unto their work, early departing therefrom, long sitting at breakfast, at their dinner and noon meal, and long time of sleep in afternoon.”

The idea that people should work hard—because doing so is virtuous, because it advances the common good, or even because it lets them accumulate wealth—is, in historical terms, a relatively recent one. Since work is difficult, the question is not why people goof off, but rather why—in the absence of compulsion—they work hard. . . .

While I have few doubts that the work ethic is less prominent now than it was in the 19th century, the available facts do not justify bad-mouthing it. As the March 1989 issue of *Psychology Today* notes, in the 1950s a number of sociologists predicted that Americans would increasingly choose to emphasize leisure and to abandon work—and were proven entirely wrong. To quote George Harris and Robert Trotter: “Work has become our intoxicant and Americans are working harder than

of networks of supportive peers, and the education of first-level employees. Peter Senge’s *Fifth Discipline* (1990) brilliantly outlines the need for what he calls systems thinking. Corporations, says Senge, must become “learning organizations,” realigning themselves in order to maximize their ability to absorb and act on information. Managers must enlarge their personal capacity to deal with factors that lie outside normal planning processes: complexity, delay, and setbacks. Most recently, a series of books on socially friendly values has captured the managerial imagination. Tom Chappell’s *The Soul of a Business: Managing for Profit and the Common Good* (1993) is one of the most

popular works in this genre. Written by a successful entrepreneur who took a sabbatical from work to get a degree at Harvard Divinity School, *The Soul of a Business* is filled with inspirational anecdotes about Chappell and his wife and managers bucking conventional market wisdom and relying instead on their intuition about the desires of the ecologically concerned consumer to make money at the same time that they made a better world.

**A**ll of these best-selling books share a few key themes concerning managerial motivation and skills. They all emphasize a change of mental models, directing the

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ever before. In the past 15 years, the typical adult's leisure time has shrunk by 40 percent—down from 26.6 to 16.6 hours a week. And the work week, after decades of getting shorter, is suddenly 15 percent longer." They note that "the average adult now pumps 46.8 hours per week into school, work, and commuting—way above the 40.6 hours logged in 1973." It is true that people worked 53 hours per week in 1900, whereas they now average around 39, but this number has remained fairly constant since 1945.

One reason that more Americans have not substituted leisure for work may be that most of us like our jobs. In a 1973 Roper survey, 85 percent of the respondents said that they were satisfied with their field of work, whereas only 14 percent were dissatisfied. The corresponding figures for 1980 and 1985 show virtually no change. The National Opinion Research Center (NORC) reports almost identical results in response to the question: "How satisfied are you with the work you do?" The same average percentage was up a bit in 1988, when 87 percent gave this answer. NORC has also posed a tougher question: "If you were to get enough money to live as comfortably as you like for the rest of your life, would you continue to work or

would you stop working?" On average, 70 percent of the respondents questioned during the 1972–1982 period claimed that they would continue to work; the figure for 1983–1987 rose to 74 percent, and in 1988 it jumped to 85 percent. Daniel Yankelovich reports similar results.

Almost all surveys indicate that the vast majority of Americans—over 80 percent—are satisfied with their jobs. There has been no significant change in these figures over time. Many people, of course, do object to specific aspects of their jobs, complaining about boredom, pay, opportunity for advancement, the way that work is organized, and so forth.

Yankelovich reports that almost 90 percent of all American workers say that it is important to work hard; 78 percent indicate an inner need to do their very best. His research also suggests that the motives driving people to work have changed; the proportion saying that they work primarily or solely for money has declined, while the younger and better educated emphasize the expressive side of work. To summarize Yankelovich, such workers increasingly believe that work, rather than leisure, can give them what they are looking for: an outlet for self-expression as well as material rewards.

managerial mind toward concepts such as teamwork, empowerment, values, culture, intuitive thinking, and holistic viewpoints. Once seen chiefly as a technical discipline involving the hard-nosed analysis of information and the giving and receiving of orders, management now is presented as something more akin to an art—*Leadership is an Art* declares management guru Max DePree in the title of his 1989 best seller. Entrepreneurial skills are no longer to be found chiefly in the mastery of information but in the deeper recesses of the self, in the psyche and the spirit. Management is a form of self-actualization.

The definitive new element in this trend is the coupling of these culture-friendly, in-

dividualistic values with medical-therapeutic approaches to problem solving. Peter Senge, for example, suggests that organizations need to overcome a "learning disability." While none of these theories specifically calls for the kind of social-welfare therapy occurring in many large companies today, they unwittingly laid the groundwork for a therapeutic model of corporate behavior and for open-ended "human asset development."

Two other elements complete the rationale for the current corporatist approach: stress and the movement toward what is called the virtual corporation. The perception of omnipresent stress—itself a therapeutic metaphor—is becoming a major force

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behind the new human-resource programs. Many of the new corporate nanny programs are justified on the grounds that employee stress caused by tensions on and off the job is rising. New York University Medical Center, for example, reports a 70 percent jump since 1990 in the number of managers and professionals complaining of job-related stress. Many of the corporate social-welfare programs are fill-the-gap responses to stress resulting from a wholesale breakdown of private, domestic support systems. Thus a corporate investment in child-care or mental-health services appears to make economic sense: The stressed-out worker is a less productive worker. One study in a leading journal for human-resource managers estimates that diminished productivity caused by employee stress costs business more than \$60 billion annually.

Less prominently advertised are the causes of stress that are created by the conditions of the marketplace itself. Blue-collar workers, who have since the 1970s faced the omnipresent threat of becoming obsolete and expendable, are now being joined in their state of perpetual insecurity by middle managers and others, whose ranks are steadily being thinned by corporate "re-engineering" and "rightsizing."

**D**eep organizational changes are exacerbating instability. Business is moving inexorably toward a new model of operation, the "virtual corporation." As management specialists describe it, the virtual corporation will be a legal-financial entity whose physical plant is scattered across the globe and whose people-parts are almost as interchangeable as chips in a computer motherboard. Goods and services will be produced by a movable feast of temporary global teams. Geographically limited only by the reach of a telecommunications satellite, a team of "intrapreneurs" and outsiders will be patched together for a particular project and then disbanded when their work is through. Employees will then recombine

into new teams for the next venture. A new product may be funded in Hong Kong, researched in Chicago and Japan, manufactured in Singapore, and marketed throughout the world. Economic factors being what they are (rotten and uncertain), the smart corporation will reduce its capital investment by farming out to smaller independent firms many of the functions it used to support in house, from manufacturing products to billing customers.

These trends contribute to individual uncertainty and promote a new individualism. In a flexible, unforgiving marketplace, people will need greater adaptive skills and self-confidence. The new training programs of the virtual corporation may offer a softer and more humane visage to its employees, but it will not offer any soft jobs. The successful future employee will be the person with transferable skills, high self-motivation—and no demands on the company pension plan. This is the "new deal."

The rise of nannyism, seemingly the antithesis of all that is implied by this trend toward a sink-or-swim workplace, is often justified as a rational response to the virtual corporation. Loyalty ("some degree of commitment to company purpose and community for as long as the employee works there," as Robert Waterman describes it in a recent article with two co-authors) remains important to the virtual corporation, and indeed may be at a greater premium than before. Well-educated and well-trained employees are vital to its success, and training new employees is costlier than retraining old ones. The virtual corporation cannot offer job security, but it can offer another kind of security that comes from knowing that some of one's needs will be taken care of. This response, however, is more likely to foster *dependency* among employees than self-reliance.

**I**t is far from clear that even the economic rationale for the helping programs offered by the nanny corporation makes sense. Success stories have become a staple of an ever-expanding busi-

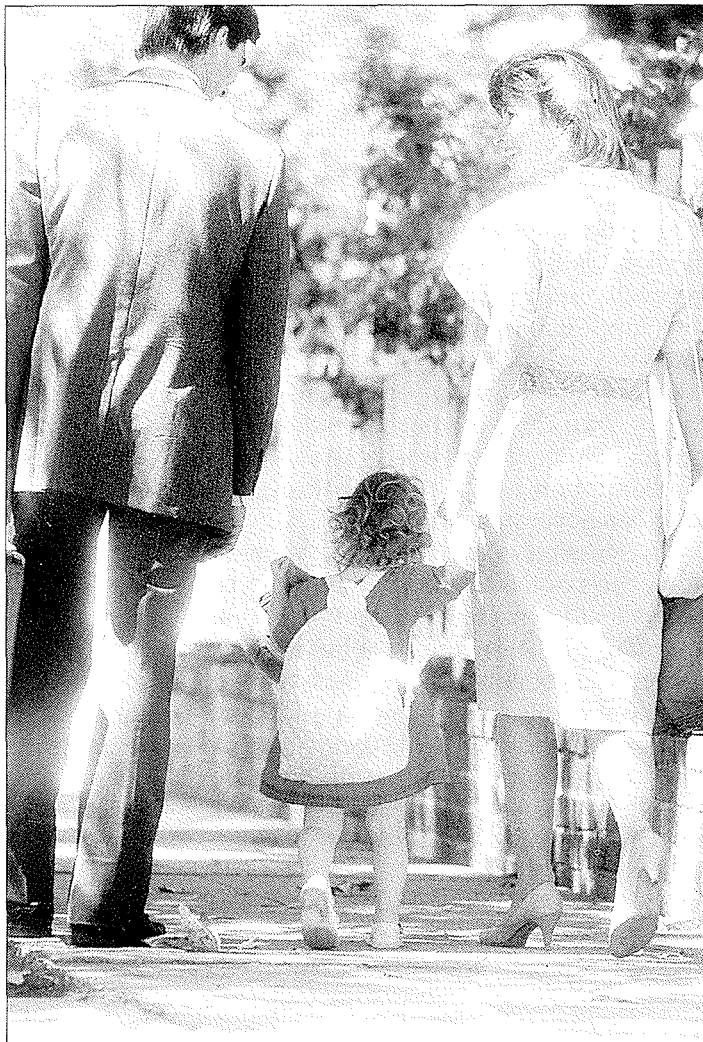
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ness press eager for sexy copy. More than once, however, journalists have quoted authorities singing the praises of such a program while neglecting to mention that the speaker served as a consultant setting it up. An extensive survey by Richard Beinecke for Boston University's Institute for the Study of Economic Culture reveals that there are far fewer demonstrated economic payoffs from these programs than is often suggested. Claims of increased productivity, for example, are often based on subjective reports by employees themselves or on crude measurements, such as changes in employee absenteeism. Workers who show up because their sick child is at the company infirmary, or who stay loyal to the company because they simply cannot find any other decent and affordable child care in town, are not necessarily the strongest employees.

And what are the costs down the road of subsidizing a seemingly endless expansion of benefits? Forget California, where already some lawyers seeking to drum up business now offer potential clients stress tests that can then be used in legal proceedings against employers. Today, more than half of the *Fortune* 1,000 companies are paying for mental-health "gatekeepers" whose job it is to put a lid on employee insurance claims for mental-health care. As child care is transformed into dependent care and the list of benefits and therapies available lengthens, the sense that there are limits to what the corporation can and should do for its employees seems,

in some quarters, in danger of disappearing altogether. After hearing a luncheon speech on the health benefits of drinking water recently, one well-intentioned manager promptly purchased 2,000 water carafes to be placed on the desks of the corporate clerical staff.

**C**ompany-subsidized programs may also carry hidden costs for the rest of society. As corporations put more and more money into child-care programs for their employees, what will



*Off to work we go? Corporate day care subsidies are common; on-site care is rare.*



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happen to the quality of the services available to others? Will the corporate programs sop up the best labor, for example, leaving second-rate child-care workers to tend the children of those outside the charmed corporate circle? Or consider an in-house fitness center, many of whose basic costs (such as space) can be easily and nearly invisibly subsidized through balance sheet complexities. Will the private health club that serves all comers be able to compete?

Most disturbing of all is the distant specter of a society in which many people receive important social benefits from their companies and thus see no need to provide for the have-nots through publicly funded programs or voluntaristic means. Or perhaps people who have reoriented their private lives toward the corporation will find the duties and demands of citizenship in the larger community beside the point. Today's health-care debate suggests that such concerns are not completely far-fetched. Opinion polls consistently show broad but shallow support for change, in large part because those already insured (disproportionately employees of large organizations) are happy with their own arrangements. For better or worse, the expected groundswell of public support needed to push through reform has never materialized.

Discussion of such real and potential downsides of the new corporate nannyism are generally considered taboo. But there are alternatives. All of the new benefits cost money—for example, money that comes directly out of salaries. Why not consider paying employees more, giving them the means (and the freedom) to decide on their own how to deal with their personal problems and challenges?

**E**very juncture of the new flexible work force and the new caring corporation is a tension point of contradictory expectations. The first is the tension between job insecurity and stress relief. Many features of the new humanism

in employee relations stem from a perception that stress is rising, not only among employees but in the institutions of public and private life. But a good deal of that stress is caused by the corporation itself, particularly in its inchoate vision of the temporary employee contract and its continued celebration of macho (male and female) workaholics who constantly sacrifice their personal and family lives to the demands of the job.

**T**he ministrations of the nanny corporation can inadvertently worsen the very problems they seek to address. The in-house child-care program, rationalized as a means to relieve stress, promote diversity, and retain employees, may provide an excuse to work managers even longer. After all, now there is no need to worry about the children. Meanwhile, with family life reduced to a few hours of private time a week, other forms of social stress begin to emerge. Where else but to the humane corporation would a dependent employee turn for help? Down the road, the parent of older children finds that he or she has made career decisions that require a commitment of time that leaves no room for attending to the many needs of, say, preteens who are too old for child-care but too young to drive themselves to music lessons or soccer practice. What is the corporation going to do now?

The second tension springs from the dismemberment of existing communities inside (and outside) the corporation and the attempt to create a virtual corporation. Interchangeable gypsy job teams and portfolio careers will continue to undercut a sense of community in companies. The future corporation is said to depend on teamwork. The employer-employee contract, however, encourages self-aggrandizing career strategies. Nomadic managers, with no home in a single corporation, will have little motivation to compromise or sacrifice unless there is a negotiated, guaranteed payback in ad-

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vance for Number One. Even their duties as citizens will have to be regulated by the corporation. Many communities today, for example, increasingly rely on help from public-private partnerships spearheaded by managers who "volunteer" their time for the public good only after the company guarantees in advance that their service will bring them later career benefits.

The third tension is the nearly utopian promotion of individualism, self-actualization, and empowerment at the same time that teamwork, tolerance, and communication are emphasized. This tension will only be exacerbated if boundaries between private and corporate life continue to blur. As employees' personal identity, family life, and physical habits are increasingly "commodified" into performance issues, and as growing numbers of employees are regarded as permanently impermanent in the organization, calls for a new humaneness and self-actualization will ring more and more hollow. Widespread cynicism and disloyalty are likely results—a particularly volatile combination when mixed with the

hyper-individualism of the virtual corporation.

Ultimately, the issues raised by the emergence of the new corporatism are questions of personal and collective character. The danger is that what seems a rational response to genuine problems in our society may in the end only raise those problems to a new pitch of urgency. New management doctrines that seek to make a virtue out of constant instability and insecurity will put the cynical, self-aggrandizing, hyper-individualistic character type that afflicts us today on a new footing and promote its spread. Meanwhile, the nanny corporation's protective cocoon for the chosen can only reduce our already diminished sense of citizenship and public responsibility. Historically, democratic capitalism has promoted a sense of mutuality, trust, and self-restraint among individuals, and it relies on these qualities for its continued survival. If the corporation now adds to the forces undermining them, these virtues may not hold.