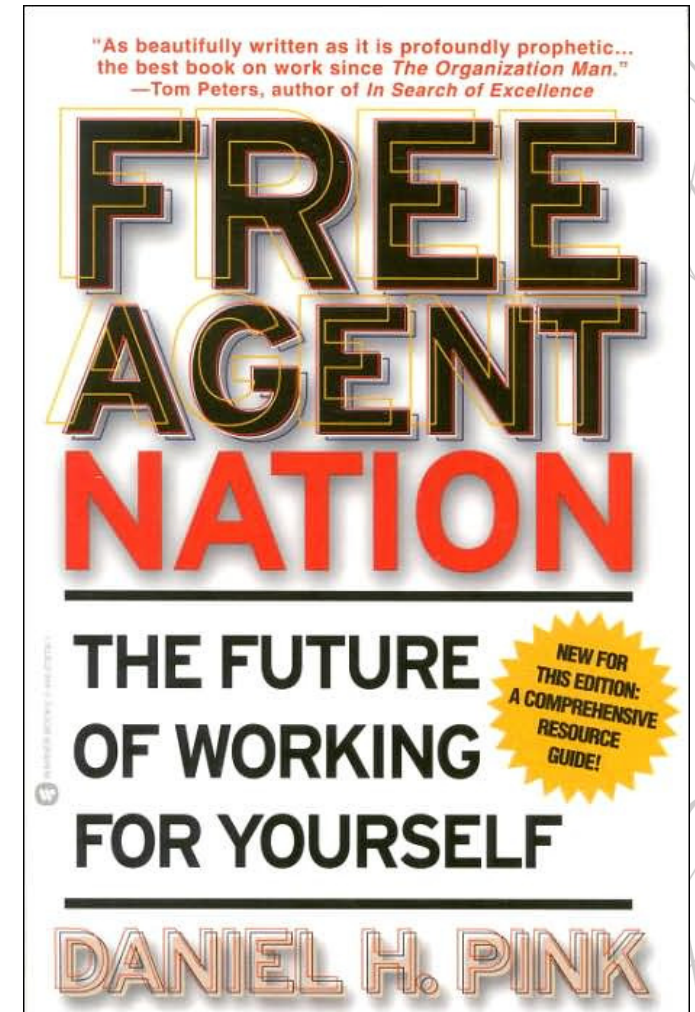


Free Agent Nation: The future of working for yourself, Daniel H. Pink © 2001

Daniel Pink's sociological study of the new independent worker, may prove to be an important sequel to William Whyte's 1956 landmark study The Organizational Man. Pink proposes that the US [*and Australia?*] is in the middle of a transition as big as was leaving the farm for the factory. About 30 million talented professionals through to "perma-temps" have voluntarily, or otherwise, abandoned their Industrial Revolution job and become self-employed knowledge workers, freelancers, contractors, micro-preneurs, soloists, interim executives, home based business operators, [franchisees] ...

It is a well written book by US Vice President, Al Gore's former speech writer, who spent a year travelling the US with his family researching this phenomenon. This work may help you discover a better career model for "blending" (not balancing) work and life, for earning while raising a family, for transitioning before fully retiring, or for accomplishing all your Generation Y ambitions.



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Factors driving free agency

1. Means of production changing from “big and expensive” to “one person and cheap”
 - *“workers can now own the means of production” (eg. via eBay)*
2. Crumbling social contract when work equalled security
3. Prosperity allowing people to make a meaning not just money
4. Individuals outliving the shrinking half-life of organisations

These factors apply to varying extent also in Australia

Mistaken premises about free agency

Loyalty is dead

Instead of up & down, free agents practice side-to-side loyalty with clients, collaborators; loyalty is stronger

Workforce is adrift

Employment contracts replaced by bargained for opportunity

Success = growth

Free agents believe staying small is better

Work is less secure

Security is higher through having a diversified portfolio of clients, customers, projects

Work & life must be balanced

Boundary between work and life is erased. Family and work needs are blended throughout the day, esp. at home workers

Free agency is lonely

Voluntary (not forced) networks thrive on like-interests

It's a man's game

Women are a driving force behind free agency

Social fabric is fraying

Commuting communities repaired by stay at home workers

In summary (I)

The New Work Ethic

- Protestant ethic replaced by credo composed of 1) having freedom, 2) being authentic, 3) putting yourself on the line and 4) defining success on your own terms
 - “In the Organization Man economy, the higher you climbed, the more successful you were. Each spot above you on the org chart was like a mechanical bunny at a greyhound track, prodding you to race faster to attain it”

The New Employment Contract

- Free agent provides talent (product, services, advice) in exchange for opportunity (money, learning and connection)
- Diversification by spreading risk across a portfolio of projects, clients, skills and customers is the best hedging strategy
 - “free agents have figured out that you’re foolish *investing* all your human *capital* in a single employer”

The New Time Clock

- Free agents apportion work hours as they see fit, blurring the boundaries between the workweek and weekend, turning a nine to five to “now-to-then” day

New networks support free agency

- Clusters of free agents who meet to exchange advice and support, informal work collaborations, “entreprenetworks” for brainstorming, alumni of ex-employees

In summary (II)

New Organisation and “operating system” of trust

- Relationships changed from: vertically to horizontally structured, centrally to self-organised, inherited to created, fixed to fluid, strong to weak, Taylorism to Tailorism
- Essential feature is reciprocity: I’ll help you, sometime you’ll help me; those who don’t are ruthlessly eliminated from networks

Self-organised Infrastructure

- Coffee shops, executive suites, internet enabled home office, copy and print shops, office supply superstores, postal service centres and overnight delivery, bookstores

Free agent families

- The industrial economy separated work and family. Free agents are rejoining them. Free agent “couplehood” is not new. Before the industrial economy, spouses often worked together (eg. as shopkeepers living above the store)
- Two kinds of workers: segmentors, who lay down inviolable boundaries between work and home, and integrators, who don’t
 - Sociologist Christena Nippert-Eng says you can identify who people are by looking at persons calendar and keys.
 - Segmentators have two calendars (one for work, one for home) and two key rings (one for work doors/desk and one for home and car keys)

In summary (III)

Roadblocks to free agent nationhood

- **Zoning laws against home offices, tax systems designed for employment, benefits linked to employment (esp. health insurance in the US)**

“Temp slaves”, “Permatemps”, “Tempons”

- **Free agency isn’t uniformly positive, esp. for those lacking skills. While some choose to be temporary workers, many can be on a “never ending treadmill of low pay, no benefits, no security and no respect”.**
 - **US’ largest employer is no longer GM, it is Manpower (temp agency)**

Free agency as a new retirement model

- **In the industrial economy, retirement was created as an aging back was a liability. Now an experienced brain is an asset. Retirement “may go down as a historical blip”**

Location, location ... vocation

- **Home offices are an essential feature of free agent nation. Homes are “being reconfigured as a place that’s not a respite from work, but the central location for it”**
 - **“Only after the industrial revolution did most Americans begin living in one place and earning a living in another”**

Education

- **Compulsory mass schooling is an historical aberration– a preparation for the Organization Man economy. Free agency may rock education as it has organization.**

Tips for getting started as a free agent

Take a free agent to lunch

Make a list (i) of 5 things you are good at ...

... and (ii) 5 things you love to do

... see where your lists overlap (iii)

... then (iv) ask yourself “will anyone pay me to do these things?”

Make a budget (income comes in waves, not on a conveyor belt)

Talk to your spouse/partner and your support network

Consider “dipping your toe in” (eg. moonlighting)

Send out an announcement postcard to everyone you know

See also Daniel Pink's 101 Survival Tips

About Professional Wealth and these summaries

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We are an independent personal wealth advisory business serving clients in Sydney and Melbourne

Our focus is on individuals in professional service, executives and small business owners

We strive to set a new level of professionalism, by

- providing unbiased high quality advice
- being free to recommend a broad range of investment and insurance solutions
- being remunerated only by our clients, refusing all commissions and rebates
- making education an important part of our offer

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We regularly review interesting writing on wealth topics that we think our clients will find useful

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