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[Community Site](#)



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[About SoL](#)

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What is a Learning
Organization? How do I find
out more about Learning
Organizations?

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never trivial!

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Books of members. Other
recommended books and
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[About this Site.](#)

Career Anchors Revisited: Implications for Career Development in the 21st Century

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Table of Contents

[Abstract](#)

[Career Anchors: Some Speculations on their Evolution](#)

[Shifts in the Content and Structure of Career Anchors](#)

[Security/stability](#)

[Autonomy/independence](#)

[Life Style](#)

[Technical-functional competence](#)

[General Managerial Competence](#)

[Entrepreneurial Creativity](#)

[Service or Dedication to a Cause](#)

[Pure Challenge](#)

[The MIT 21st Century Scenarios and Career Anchors](#)

[Job/role Planning as the Key to Future Career Matching](#)

[References](#)

Organizations are today undergoing a metamorphosis. Whether one thinks of it as "downsizing," "rightsizing," "flattening," becoming a "learning organization," or simply as "transformations" into something as yet unknown, no one would challenge the fact that profound changes are occurring worldwide. These changes in the occupational environment have implications for career development in the future. Will there even be such a concept as an "organizational career" or will careers become a more fragmented set of jobs held together far more by what I have labeled the "internal career." By the concept of internal career I mean the subjective sense of where one is going in one's work life, as contrasted with the "external career," the formal stages and roles that are defined by organizational policies and societal concepts of what an individual can expect in the occupational structure (Schein, 1978, 1990a)? In studying careers longitudinally it became evident that most people form a strong self-concept which holds their internal career together even as they experience dramatic changes in their external career. I called this self-concept a "career anchor" and found that an understanding of it helped to illuminate how people made career choices. But will the concept of "career anchor" still be applicable in this rapidly changing world and what are the implications for career development as we look at several future scenarios of how the world might evolve further in the 21st Century (Malone & Scott-Morton, 1995)?

[\[Back to Table of Contents\]](#)

Career Anchors: Some Speculations on their Evolution

A person's career anchor is his or her self-concept consisting of 1) self-perceived talents and abilities, 2) basic values, and, most important, 3) the evolved sense of motives and needs as they pertain to the career. Career anchors only evolve as one gains occupational and life experience. However, once the self-concept has been formed, it functions as a stabilizing force, hence the metaphor of "anchor," and can be thought of as the values and motives that the person will not give up if forced to make a choice. Most of us are not aware of our career anchors until we are forced to make choices pertaining to self-development, family, or career. Yet it is important to become aware of our anchors so that we can choose wisely when choices have to be made.

My original research in the mid-1970's showed that most people's self-concepts revolved around five categories reflecting basic values, motives and needs:

1. Autonomy/independence
2. Security/stability
3. Technical-functional competence
4. General Managerial Competence
5. Entrepreneurial Creativity. Follow-up studies with a wider range of occupations in the 1980's revealed three additional anchor categories--
6. Service or Dedication to a Cause
7. Pure Challenge
8. Life Style.

These categories and brief descriptions of what each implies are shown in Table 1. Additional research has not as yet revealed any other anchor categories.

As careers and lives evolve most people discover that one of these eight categories is *the anchor*, the thing the person will not give up, but most careers also permit the fulfilling of several of the needs that underlie different anchors. For example, as a professor I can fulfill my need for autonomy, for security, for technical/functional competence, and service. I was not able to discover that my anchor was autonomy until I had to assess how I felt about being a department chairman and whether or not to become a candidate for a deanship. It is when we face a job shift through being promoted, fired, moved geographically or functionally that we confront our self-image and become aware of our career anchors.

For most of the 1970's and 1980's when we administered the career anchor self-analysis exercise we obtained fairly consistent results with roughly 25 percent of our populations anchored in "general management," another 25 percent in "technical/functional competence," 10 percent each in "autonomy" and "security" and the rest spread across the remaining anchors. (Schein, 1990b). We found a broad distribution of anchors in every occupation even though one might imagine that some occupations would be highly biased toward a given anchor. Even management students who might be expected to have primarily a general management anchor are spread across the whole spectrum with only about 25 percent in that category. And even with middle managers and senior executives it rarely goes above 50 percent.

The concept of career anchor becomes especially applicable in today's turbulent world as more and more people are laid off in the frenzy of down-sizing and are having to figure out what to do next in their lives. One might also expect that the content of the anchor will have shifted in the 1990's and will continue to shift as we speculate about the 21st century. What will those shifts be, and do we see evidence of such shifts already occurring? Are we already getting different results from our basic populations such as the various management students that attend the MIT's Masters, Sloan Fellows, Management of Technology, and Senior Executive Programs?

[\[Back to Table of Contents\]](#)

Shifts in the Content and Structure of Career Anchors

Participants who analyze their career anchors still find the exercise meaningful and consider it very important to complete, but there has been a marked shift in what they identify their anchors to be. The results reported below are of necessity somewhat impressionistic but they allow one to examine each anchor category and report both what changes have already become visible and what changes might be anticipated as we look ahead to the 21st century. We begin with those anchor categories that have shown the most dramatic shifts in structure and content.

[\[Back to Table of Contents\]](#)

Security/Stability

Individuals anchored in security/stability experience the most severe problems because of the shift in organizational policies from guaranteeing "employment security" to touting "employability security." This shift implies that the only thing the career occupant can really expect of an organization is the opportunity to learn and gain experience, which presumably makes him or her more employable in some other organization. What this means internally to the career occupant is that the base of security and stability has to shift from dependence on an organization to dependence on oneself.

Self-reliance and self-management are becoming dominant requirements for future career management. Therefore, individuals who oriented themselves initially to finding a good employer and staying with that employer for the duration of their careers have to develop a new way of thinking about themselves and locate new external or internal structures on which to become dependent. Symbolically what most reinforces this new image is the breaking up of "Ma Bell" into dynamic baby bells and ultimately even staid AT&T breaking up into three units, laying off thousands of people as part of that process. Similarly, the government bureaucracy as a life time employer can no longer be relied upon as pressures mount toward decentralization, reducing the size of government, and making government more efficient. It is not at all clear where the security anchored person of today can find his or her niche.

[\[Back to Table of Contents\]](#)

Autonomy/Independence

Individuals anchored in autonomy find the occupational world an easier place to navigate. The autonomy anchor is aligned, at least for the present, with most organizational policies of promising only employability. The self-reliance that may be needed in the future is already part of the psychological make-up of this group of people. They may well become the role models for future career incumbents. In tracking our various populations it is also evident that for many people, as they age, their autonomy needs increase, leading to fantasies of opening up their own businesses, becoming a consultant, working part-time, and, in other ways, reducing their dependency on any particular organization or job.

What is not clear is whether the ability to be autonomous depends upon a baseline of security that we take for granted. The retiree with a good pension can afford to think creatively about next career steps, but the laid off mid-life worker or manager without adequate life savings or a well endowed retirement program may continue to seek secure positions even though his or her anchor is autonomy. The members of this group who have already built autonomous careers will be well adapted to the future, but those who have depended upon secure jobs while planning to break out may be highly vulnerable to the current restructuring of the labor market even though their anchor is in line with future options.

[\[Back to Table of Contents\]](#)

Life Style

It is this anchor which has shown the most change since the original research of the 1960's and 1970's. In the original research the security anchor was broken into two components: economic security and/or geographic stability. Most people in this anchor group thought of economic security but a few talked of stabilizing their life pattern by settling into a given region and refusing to be moved by their company every few years. In the various follow up studies done in the 1970's it became evident that these two components were really different anchors. There were still those who defined their career in terms of economic security. But there was a growing number who were in dual career situations and who therefore defined their career as being part of a larger "life system." They had to integrate two careers and two sets of personal and family concerns into a coherent overall pattern, best described as a particular life style. As the number of dual careers increased we also saw social values in the U.S. shifting toward more autonomy and concern for self resulting in pre-occupation with life style in most career occupants. For example, whereas our executive students would have been primarily technical/functional or general managerial in the 1960's and early 1970's, we sometimes had classes in the 1980's and thereafter in which as many as 50 percent of the executives considered their career anchor to be life style. They were impatient with the restrictions of their organizational careers and were looking for ways to break out.

The trend toward autonomy and life style as anchors is, of course, a healthy development given the way the world is going. As noted above, the occupational structure is increasingly moving toward a different concept of the employment contract in which organizations owe their career occupants less and less. Organizational position and advancement is increasingly defined in terms of what one knows and what skills one possesses and based less and less on seniority or loyalty. But knowledge workers are also more mobile and able to be autonomous. To retain their best employees organizations must therefore be able challenge them and meet their needs. No longer is it desirable or feasible to use golden handcuffs or promises of life time security. Both the organization and the individual are gradually getting adjusted to the notion that they have to look out for themselves, which means that organizations will become less paternalistic and individuals will become more self-reliant. To the extent that more and more individuals will be in dual career situations, they will think, plan, and act more as a social unit and organizations will have to consider how to maintain support systems for such units in the form of child care, job sharing opportunities, part-time work, sabbaticals, and other adaptive modifications of the traditional 9 to 5 job. Even the way work is defined will gradually change as the boundaries between jobs, between organizations, and between work and family become more fluid and ambiguous (Bailyn, 1995?)

[\[Back to Table of Contents\]](#)

Technical/Functional Competence

This group is gradually becoming aware of the increasing importance of knowledge and skill but is confused because it is not entirely acceptable in today's world to settle for that as one's publicly announced anchor. Hence most of the people who will admit privately that they enjoy being "somebody" because their competence is valued, nevertheless espouse publicly that they want to get into management and "climb the ladder" because that is where the big rewards are perceived to be. At the same time this group is of necessity also worried because knowledge and skill become rapidly obsolete in a dynamically changing technological world and it is not clear who will guarantee continued education and retraining.

The world will always need craftsmen and experts in specific functions and, as technological complexity increases, the need for technical experts will increase. But, as technologies in all the functions themselves change more and more rapidly, experts will become obsolete more and more rapidly. In other words, to remain technically/functionally competent will require constant updating and relearning in an organizational world that will not bear the costs in terms of money and time for this up-dating process. Will individual career occupants have to plan and budget for their own learning, or will private and/or public organizations take on some of this burden because it will ultimately be to their advantage as organizations?

We may also see an acceleration of the process of outplacing obsolete people and replacing them with younger more up to date talent. The burden of re-learning will then fall more and more on the individual career occupant but as that becomes less and less feasible financially, we may see the growth of industry consortia who will share the burden of retraining with universities. Supplemental funds may well come from government, creating alliances between several sectors of the society as was the case with the retraining of the engineers from the big aerospace layoffs in the 1970's. It is easy to predict that the organization of the future will be a knowledge based organization. It is another matter to design such an organization and figure out how knowledge based careers will work out in a rapidly changing technological environment.

[\[Back to Table of Contents\]](#)

General Managerial Competence

This anchor category continues to attract its share of career occupants who understand what is really involved. It is also a category that is publicly espoused because of the great rewards that are presumed to go with high level general management jobs, but increasingly the technical/functionally anchored person recognizes that the skill set and emotional make-up that is needed for such jobs is fundamentally different. One must be highly motivated to exist in the increasingly political environment, one must have analytical and financial skills, high levels of interpersonal competence to function in teams and in negotiations, and, most important of all, one must have the emotional make-up to make highly consequential decisions with only partial information.

The need for general management will unquestionably increase and will be pushed to lower levels in the organization. As work becomes more technically complex it requires greater coordination and integration at lower and lower levels. As we can see in today's organizations, whole layers of management are being cut out and organizations are being flattened and re-designed around multiple shifting project teams. Often those teams are described as self-managed, implying that centralized controls will be reduced to fewer and fewer functions. The skills of general management, i.e. analytical, inter-personal, and emotional competence, will therefore be needed at lower and lower levels. Team managers, project managers, and program managers will have to have general management and leadership skills above and beyond their technical understanding of the tasks at hand. Whereas in many organizations today one does not become a general manager until one is at department or division level, and promotion to general management implies a big status jump on the organizational ladder, in the future those skills will have to be present so much lower in the organization that the status of general management will become much more variable. Managerial ladders as such may become much fuzzier and status will be defined more by the number of skills a given manager has than by position in a hierarchy.

General management, like leadership, may cease to be a role or a position, and become more of a process skill that will be needed in all kinds of roles and positions. From being a noun, it will become a verb, and the skills may come to be distributed among the members of a group or team rather than residing in a single individual. Everyone will be expected to become somewhat competent at management and leadership. The career occupant with a general management anchor will be forced to examine once again what he or she is really after--power, glory, responsibility, accomplishment of a task, the ability to build and manage a team, or various combinations of these.

[\[Back to Table of Contents\]](#)

Entrepreneurial Creativity

More and more people are drawn to the idea that they can develop their own business and, as the world becomes more dynamic and complex, the opportunities for individuals with this anchor will

increase dramatically. The need for new products and services deriving from information technology, bio-technology, and as yet unknown new technologies will continue to increase. The increasing mobility that is available in the world today will make it more and more feasible for the entrepreneur to go to whatever part of the world is most hospitable to his or her ideas. The dynamic complexity of industry will put a premium on creativity, and it is creativity that is at the core of this anchor.

It is the new companies created by this group that will be the major source of new jobs for the other anchor groups. Maintaining an economic, political, and cultural environment that is friendly and encouraging to entrepreneurship therefore becomes a major issue for society. For example, one can imagine that the political issues around tax reform should be analyzed primarily from the point of view of *not* destroying the economic incentive for entrepreneurs. At the same time, business and management schools should recognize the importance of training people for both entrepreneurship and more autonomous careers.

[\[Back to Table of Contents\]](#)

Service/Dedication to a Cause

The number of people showing up with this anchor is increasing. More and more young people as well as mid-life career occupants report that they are feeling the need not only to maintain an adequate income, but to do something meaningful in a larger context. As the world becomes more conscious of large scale problems such as the environment, the growing gap between the developed and the underdeveloped world, the problems of race and religion, product safety, privacy, overpopulation, and social responsibility issues around health and welfare, new kinds of organizations and careers are being created to address these issues. The information technology explosion has made all of the world's problems highly visible and thus drawn the attention of the more service oriented. The service anchor combined with the entrepreneurial anchor is already creating new organizations devoted to recycling, to privatizing health care and welfare, to managing the environmental problems through products that use less energy, to waste management and so on. Such organizations will, in turn, absorb a lot of the technologically unemployed as well as attracting some of the best and brightest of the new generations.

[\[Back to Table of Contents\]](#)

Pure Challenge

There has always been a small group who defined their career in terms of overcoming impossible odds, solving the unsolved problems, and winning out over one's competitors. It is my impression that this group is growing in number but it is not clear whether more people are entering the labor force with this predisposition or whether it is an adaptation to the growing challenges that the world is presenting to us. In any case, there will not be a shortage of challenges to be met, so long as this group is willing to become active learners as well since the nature of these challenges will itself evolve rapidly with technological change.

In summary, what we have seen so far is that each of the anchor categories still attracts a set of people, but that the working out of a given anchor can become problematic as the world of work and organizational structure becomes more turbulent. The main effect is that people will have to become more self-reliant and figure out where their particular anchor best fits into the emerging occupational structure. The ability to analyze oneself as well as the ability to figure out what kind of job is available and how that job will evolve become crucial skills.

[\[Back to Table of Contents\]](#)

The MIT 21st Century Scenarios and Career Anchors

In thinking about the 21st Century, a group of MIT researchers concerned with organization design has developed some possible scenarios as a way of identifying some of the primary issues that may face organizations (Malone, Scott-Morton, et al, 1995). These scenarios are not meant to be predictions of what will happen. Rather, they are designed to focus thinking on some of the critical dimensions which may determine the future evolution of organizations. A group of faculty worked for over a year identifying the dimensions and thinking through their implications. Organizational size and degree of centralization emerged as two such critical dimensions leading to the following scenarios. In one scenario one can imagine the world becoming more and more dominated by a small number of very large organizations who will centralize a few key functions and develop broad policies toward careers and employment that will cover very large numbers of people. Such global organizations could then be joined as a life time proposition and one's basic career identity would be defined by the global super-unit, but the actual career moves would still allow for a lot of variety because the organization would have many sub-units doing different things.

The other major scenario is that the world will increasingly break up into smaller and more varied kinds of organizations that will constantly change their shape, their personnel, and maybe even their missions and primary tasks. One would join such organizations on a temporary and perhaps part-time basis and would never define one's career in terms of any one of these organizations. There would be no common policies regarding pay and benefits, and individuals would manage their economic affairs themselves. Externally defined careers would become rarer and rarer, and the need for clear internal career definitions would become psychologically more and more important.

A third possibility is that both of the above scenarios will materialize, that there will be a few super-organizations operating on a global scale and a great number of smaller organizations many of whom would operate as sub-contractors to the large units. The individual career occupant would have to make choices early in the career as to whether to link to the large global organizations or move among the smaller and temporary systems that will evolve.

The large units clearly offer a new basis for career security so long as the person is willing to maintain the skill levels needed and be willing to be moved in response to the organization's needs. Managerial ladders will, of necessity, continue to exist in these organizations though with many fewer rungs. Technically/functionally anchored careerists will find broad opportunities in such organizations but may get stuck either in jobs that do not remain challenging or, alternatively, in jobs in which learning new skills will be a perpetual requirement. The career occupants with entrepreneurial, autonomy, service, pure challenge or life style anchors will find the smaller organizational sets more receptive to the kind of work they want to do. In each of the scenarios there are opportunities for all of anchor types, but the sorting out and matching process will be more difficult and will require more self-management of the career. In all three scenarios another major implication is the need to develop more skills in analyzing and designing the work itself.

[\[Back to Table of Contents\]](#)

Job/role Planning as the Key to Future Career Matching

In my original analysis of organizational career systems I asserted that

1. individuals needed to do a better job of analyzing their careers--hence the development of the career anchor exercise, and
2. organizations needed to do a better job of analyzing and designing the work that they asked job incumbents to take on--hence the development of the job/role planning exercise (Schein, 1978, 1993).

Job/role planning adapts the general model of open-systems planning to a given organizational

role or job. If, for example, one takes the job of plant manager as the focus, one would analyze

1. who the stakeholders are for that job,
2. what those stakeholders expect of a plant manager,
3. how the environment will change the priorities for those stakeholders as one looks ahead for a few years,
4. how, as a consequence, their expectations for the plant manager will change, and
5. what the implications of those changed expectations are for developing future plant managers.

Jobs are increasingly becoming dynamic rather than static, so job descriptions are relatively useless unless they become a regular part of a dynamic job/role planning process.

In reviewing the trends cited above, it should become clear that job/role planning will become an ever more critical task for everyone. As technologies change, as organizations attempt to become more competitive, as information technology makes new organizational forms possible, and as social values shift priorities, it is becoming more and more difficult to discern what a given job should consist of and how one should hire and train people for the ambiguous and changing roles that will emerge.

Organizational design will be the design of work and coordination will be the meshing of different tasks into coherent outputs. Hiring and training people will be primarily a matter of communicating this complexity so that the job occupants can manage for themselves how to communicate with each other and coordinate their activities. The jobs will be too complex for any given individual in a managerial role to encompass all the elements, but a perpetual process of planning and reviewing leading to learning will become an essential organizational activity (Michael, 1993 ; Senge, 1990). In fact, one could speculate that the essence of what we are today calling "organizational learning" will really be learning to redesign work and coordination systems to deal with changing complexities.

The implications for career development from the individual point of view have been spelled out above. But what are the implications for organizations? What will the socialization and career development processes look like in these scenarios? One major implication will be that employees will need more than technical skills to do a job. They will also need the previously mentioned managerial, coordination and leadership skills. They will need the emotional make-up to function in a more fluid, turbulent social structure in which boundaries will shift and become more permeable. They will need to be more self-reliant, responsible, and self-monitoring, especially as work is done more at home and "in motion." And, most important, they will need the capacity to learn from their own experience and the experience of others. Organizational learning will not occur without individual learning skills and capacities at all levels.

Management and employee development will become much more a process of initial selection based on competency profiles that will have been built up from actual work histories. Socialization and training will fall much more on the individual and will be designed as learning exercises rather than teaching or training programs. Organizational culture will be acquired by self-socialization, observation, mentoring and coaching. Career pathing and career development will become a more negotiated process between the individual and members of project teams rather than a corporate centralized activity. Corporate functions of all sorts, even human resource policies, pay systems, and other regular routines may become more decentralized with only the most general policies coming from the center.

And, in conclusion, if our past experience of the past several decades is any indication, we will find that most of the above predictions are naive and will be proved to be wrong. The only reliable prediction is that we will have to become perpetual learners, more self-reliant, and more capable than ever in dealing with surprises of all sorts. It should be a field day for those anchored in pure challenge!!!

[\[Back to Table of Contents\]](#)

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