Harvard
Business
Review

Business And Society

4 Forces That Are Fundamentally Changing How We Work

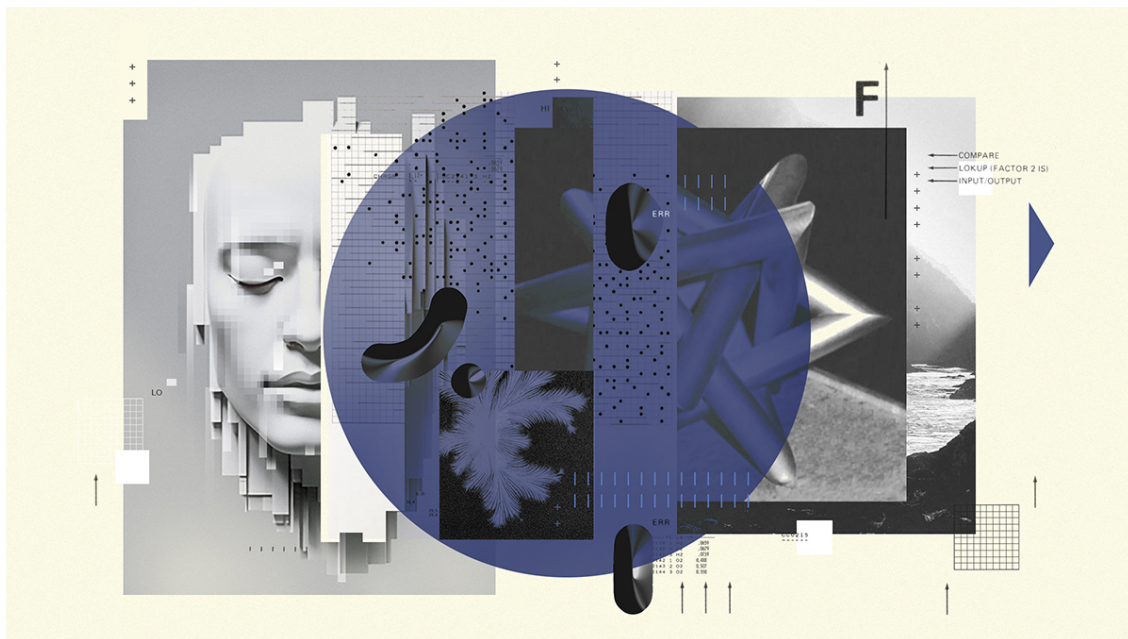by Deborah Perry Piscione and Josh Drean

October 16, 2023

Illustration by Skizzomat

Summary. We're experiencing a seismic transformation in the way we work — an evolution shaped by technological advancements and changing societal norms. In this next phase, work will be defined by its adaptability, technological integration, flexibility, and collaborative... **more**

The traditional boundaries of work that have confined many of us — cubicles, set schedules, and geographic limitations, to name a few — have essentially been shattered by the pandemic, by forces

of globalization, and by the rising gig economy, all while work is being augmented by Web3 and generative AI (GenAI) technologies. These seismic shifts are fueling a new work model — a 24/7, boundaryless ecosystem of collaboration that spans continents, time zones, and cultures.

Whether it's a software developer in Sao Paulo working with a designer in Singapore, or a data analyst in London working with an illustrator in Nairobi, they can now all come together in real-time to create and innovate. This shift toward decentralized, project-based roles is poised to turbocharge the gig economy and democratize economic opportunities globally. Blockchain-based technologies can offer a backbone to support these new models, offering tamper-proof work histories, which will serve as the new resumes showcasing a worker's skills, achievements, and work history, enhancing trust and employability. What's more, novel payment methods like digital tokens will push us toward an even more decentralized workforce.

This work era's momentous transformation rests on four pillars: 1) the acceleration of productivity through artificial intelligence; 2) the introduction of Web3 business models; 3) an upcoming generation of workers who blur the lines between real and digital worlds; and 4) a societal shift in how we all perceive work.

GenAI: The Domain of Cognitive Work

The impact of GenAI on the future of work, the future of the labor market, and the future of office professionals is going to be profound. While AI will certainly replace some repetitive tasks and jobs for humans, the real promise lies in how AI and humans will work together. A recent study conducted by the International Labour Organization, a part of the United Nations, has indicated that AI is more likely to enhance job roles than eliminate

them. IBM CEO, Arvind Krishna, said during an interview with CNBC that AI is "absolutely not displacing – it's augmenting" white-collar jobs.

Yet, there are those who think otherwise. Edo Segal, the founder of Touchcast, a startup that reimagines the future of the Generative Web, told us: "We have never had a scenario where AI replaces the domain of a cognitive practice at this scale. Automation was originally intended to replace manual labor, but now it's possible to scale the automation of cognitive roles. We had narrow AI for narrow use cases, but not broad solutions like the ones emerging now that can replace entire professions like programmers, certain types of lawyers, and management consultants."

Recent research by Goldman Sachs supports Segal's claims and reveals that AI could replace the equivalent of 300 million full-time jobs in the next 15 years, impacting office jobs that were once considered untouchable. As with any technological evolution, there are winners and losers. AI also has the ability to create 69 million new jobs in the next five years. Over the longer-term, AI could eventually raise global GDP by 7%, if Goldman Sachs Research's AI growth projections are fully realized. And, with AI investment forecasted to approach $200 billion globally by 2025, the technology could support humans in ways never before imagined.

For now, most experts believe that AI will have a positive impact on the future of work, making companies more profitable and productive. But this shift is also coming at a time when the traditional business model will be spun on its head by Web3 applications.

New Business Models

The emerging decentralized work model hinges on the distribution of authority and tasks, which promises to make work more responsive to individual needs and collective goals. These technologies, often referred to as Web3, aren't just marginal upgrades; they're the very bedrock of a groundbreaking shift in our relationship with work. Our forthcoming book, titled *Employment Is Dead* (Harvard Business Review Press), illustrates that the old work models are rapidly unraveling, while the advent of Web3 technologies offers us a toolkit to redefine what a workplace can be, where workers — not employees — will move beyond the centralized frameworks that are now the limitation of modern corporations.

Web3 is introducing a range of novel business models, thanks to technologies such as blockchain, decentralized protocols (digital systems that operate without a central authority), and user ownership of data. The gig economy is evolving into a global talent marketplace, where individual, independent workers — not employees — will have more power and control over their earnings and livelihoods. And, with proper adoption, Web3 technologies will have the ability to solve a range of businesses problems and worker frustrations, such as the removal of intermediaries/managers, thus allowing people to work more directly with the client/customer; allowing for fairer compensation (smart contracts on blockchain can automate and ensure fair compensation for work and can reduce disputes, ensuring timely payments); and allowing for ownership of one's work (workers could have true ownership of their digital creations, such as art, music, and content, through blockchain and NFTs, providing more control and fair compensation).

Web3 companies, for example, are forming into decentralized autonomous organizations (DAOs), where decision-making is distributed among contributors, or token holders. DAOs enable community-driven projects, allowing stakeholders to vote on

proposals, investments, and governance matters. DAOs are like a digital democracy where you're not just a customer, but a co-creator in the project.

Along with the rise of DAOs comes the transition of employees from mere cogs in the corporate machine to empowered contributors who have a tangible stake in their work. Through the use of governance tokens, members of a DAO can have a direct say in decision-making processes, from resource allocation to strategic direction. This not only democratizes the workplace but also allows employees to retain much more of the value they generate. In this system, every task completed, every idea contributed, and every project led can be directly attributed to an individual, who can then be fairly compensated and recognized. Unlike traditional setups where the fruits of your labor are largely harvested by the organization, DAOs ensure that value flows back to the people who create it. In essence, DAOs foster a culture centered around verifiable, transparent, and equitable ownership, fundamentally reshaping what it means to truly engage with one's work. It is plausible, however, that even within a DAO framework, concerns related to individual recognition and fair compensation may emerge, such as laying claim to credit and compensation for work. Like any emerging technology or novel organizational structure, the practical implementation of DAO principles may encounter intricacies that require thoughtful navigation to ensure their full realization.

With nearly 2 billion people around the world who are not part of the traditional banking system, DeFi (decentralized finance) offers a financial revolution without intermediaries — no banks, no brokers – just smart contracts facilitating transactions between buyers and sellers. You can lend your cryptocurrency to earn interest, trade assets 24/7, and operate in one global currency. This will democratize access to financial products and enable anyone with a smartphone to participate in global finance, bypassing traditional gatekeepers.

And who is best poised to evangelize and utilize these Web3 applications? Gen-Z — a new generation of workers who are already indoctrinated into digital technologies, decentralized systems, and a mindset of innovation and social consciousness.

Youthquake: A New Generation of Workers

The term "youthquake," originally coined by *Vogue* magazine in the 1960s to describe the era's fashion and cultural shifts, has made a comeback to embody Gen-Z's impact in the workplace for two key reasons: 1) their size and 2) their innate digital fluency. Given that approximately 52% of the global population is under age 30, according to the U.S. Census Bureau, this digitally native generation has had a digital device in their hands since they were toddlers, which has profoundly shaped their values, interests, and worldview. Gen-Z often blends reality with the digital realm, sometimes even preferring to live, create, and work in the latter.

Consider Roblox, the gaming platform that allows users to play dozens of user-created games, which has amassed a staggering 66.1 million daily users who actively engage in buying, selling, designing, and innovating within its virtual universe. Many of these users, who have been actively playing open-source games for almost two decades now, already believe they have a viable job because of the value they produce to earn the virtual currency awarded in these games, which they can even exchange for "real" money on the Roblox Developer Exchange Program (DevEx). In that vein, if you were to offer the youth today the option of flipping burgers, or becoming a social influencer, the majority would take the latter option.

According to a recent Earth Web poll, 75% of kids ages 6 to 17 now aspire to be YouTubers, rather than traditional professionals, such as doctors or firefighters. This trend highlights the rising impact of the $250 billion influencer economy, where creative freedom often outweighs the appeal of traditional corporate jobs. As we

look ahead, it's crucial to consider what work will look like for a generation that has come of age with artificial intelligence, blockchain, and decentralization. The youthquake brings a fresh, unapologetically critical perspective to how work should be organized, compensated, and valued.

A Societal Shift in the Way We View Work

The Covid-19 pandemic has forever altered our relationship with work. We proved that work is doable beyond the traditional office setting, with home productivity up by 47% in 2020 according to a study by Prodoscore. Another report by Prithwiraj Choudhury, an associate professor in the Technology and Operations Management Unit at Harvard Business School, and fellow researchers suggested that remote workers were, on average, 4.4% more productive than their in-office counterparts due to quieter work environments, fewer interruptions from colleagues, and the ability to structure the workday to suit individuals when they are most productive.

What's more, the gig economy — freelancing, temporary contracts, and project-based work — is becoming more prevalent, offering individuals greater flexibility in choosing their engagements, and in choosing when, where, and how they want to make a sustainable living.

And perhaps most importantly, we've also seen a major mindset shift in terms of what we're willing to tolerate in our work lives going forward, as we place more emphasis on our well-being and purpose, in addition to environmental and social considerations for the world we inhabit.

The next iteration of workplaces will have an increased emphasis on employee well-being, mental health, and sense of purpose. Given that the summer of 2023 recorded the hottest temperatures on record, we can't divorce workplaces from the responsibilities

of environmental sustainability and social responsibility. Businesses now understand that having motivated and content employees significantly boosts productivity and sparks innovation. Today, there are established work practices that were once unconventional but are widely accepted. For instance, the use of Zoom meetings for remote collaboration, the flexibility to work from home during one's most productive hours, and even relaxed dress codes — all of which were met with resistance before the Covid-19 pandemic and growing climate concerns, but which are now acceptable, normal practices.

As co-founders of the Work3 Institute, a research and advisory firm specializing in the intersection of AI, Web3 technologies, and workplace strategies, we assist large enterprises in the transition to a new work paradigm tailored for the era of Web3 and AI, which we call Work3 — an evolution shaped by technological advancements and changing societal norms. In this next phase, work will be defined by its adaptability, technological integration, flexibility, and collaborative spirit. Moreover, it will take a holistic view, considering not just productivity, but also the well-being of individuals and the broader societal impact of the work we're doing.

By embracing the technologies and innovations of today and tomorrow, we feel confident that we will have a better future of work — from virtual reality meetings that dissolve distance, to better work/life balance, to artificial intelligence algorithms that amplify human ingenuity. However, it's essential to use these tools intelligently and responsibly, as their misuse could potentially worsen the work experience for everyone.

Buckle up, because the world of work is on the verge of a seismic transformation. The 20th century norms that still govern our professional lives are about to be shaken to their core. Those who

harness these forces will unlock new realms of productivity and creativity, while those who resist will risk becoming relics of a bygone era.

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