The Secret Ingredient For a Successful Career Change

By Winnie Jiang, INSEAD

Why some people seamlessly switch occupations while others struggle to reinvent their careers.

A stable job offers more than just a pay cheque; it provides a sense of belonging, self-worth and purpose. However, job stability is increasingly at risk. Technological advancements and economic shifts are challenging established roles, compelling workers to acquire new skills, change occupations or even re-evaluate their career paths to stay relevant.

By 2030, a significant portion of the global workforce – ranging from 3 to 14 percent, equivalent to 75 to 375 million workers – will need to switch occupations and learn new skills, according to a McKinsey report. In advanced economies like the United States and Japan, this figure rises significantly to 32 percent and 46 percent, respectively.

Navigating career disruption can be particularly difficult for individuals who strongly identify with their profession and consider it a fundamental part of who they are. In contrast, research suggests that those who hold “multiple identities” are more resilient in the face of job loss, as they can use other
identities as a protective buffer. In other words, when their work identity is threatened after being laid off, they can draw on other identities, like being a parent or community member, to derive a sense of self-worth and successfully change careers.

However, my recent research with Amy Wrzesniewski from The Wharton School reveals a different pattern. We focused on the field of journalism, which has experienced widespread job cuts and closures. Although all former journalists in our study considered their profession as central to their identity, there was a notable difference in their responses to losing their job. Some found it challenging to recover, while others quickly rebounded and reinvented their careers.

What set them apart was their perception of the meaning derived from their work. This shaped their ability to bounce back and discover purpose in a new occupation.

**How meaning shapes responses to job loss**

Through extensive interviews with 72 unemployed or former newspaper journalists and additional discussions with 22 others, we discovered a clear divide in responses to the upheaval of the industry and resulting job loss.

A first group of journalists, who were laid off or involuntarily left their jobs, found the situation devastating and irrecoverable. They endeavoured to persist in journalism, holding on to the hope of the industry’s recovery. These journalists viewed themselves as watchdogs for the public, committed to representing their readers' interests despite limited financial rewards. They remained trapped in the belief that the meaning they derived from their job, such as contributing positively to society, was unique to journalism.

However, a second group perceived the meaning derived from their journalism work as transferable to different contexts and sought to reshape their careers. This group believed the aspects of their job that were fulfilling – such as writing, interviewing and making a positive societal impact – could be found in other occupations. They accepted the fact that journalism had become an unsustainable career choice and embraced the opportunity to explore new paths.

All the journalists we spoke to expressed feelings of despair and sadness about the decline of journalism. However, the intensity and nature of these
emotions were significantly influenced by their individual interpretations of the meaning behind their work. Those strongly attached to their job experienced heightened negative emotions about their career, whereas those who saw the potential to apply their skills and find meaning elsewhere were able to overcome these emotions and foster hope for the future.

Drawing from this, we suggest that how individuals perceive the meaning of their past job, whether as fixed or flexible, explains why they respond differently to job loss. Those who ascribe fixed meaning to their work find it challenging to envision their skills outside of their current role and fear career change, whereas those with flexible meaning recognise how their skills are applicable in other fields and consider diverse career options.

**A journey towards flexible meaning**

People find a wide range of meaning in their work, from pride and self-esteem to providing for their families. For instance, during the Covid-19 crisis, some workers happily *shifted from the airline industry to delivery jobs* as they derived similar satisfaction from both occupations. However, others felt the new job lacked the same significance.

Even if individuals possess the necessary transferrable skills, they often resist changing professions if they don’t perceive the same meaning in the new job. For example, after the collapse of Lehman Brothers, some bankers changed careers and became plumbers. While some found fulfilment and good pay, others chose not to make the switch because they believed that plumbing lacked the status they had associated with banking.

Meaning can also diminish when workers are promoted. *A recent study* of Parisian subway drivers found that those who were promoted to managerial roles as their subway trains became automated experienced “managerial blues”. Despite the ostensibly attractive promotion, they realised that they valued personal, direct contact with passengers – a feature of working as drivers, not managers.

While flexible meaning can explain why certain people effortlessly shift to new careers, having fixed meaning isn’t necessarily a bad thing. Some individuals may happily choose to persist in a profession, holding on to the fulfilment they desire from their work.
However, those who are forced to change jobs must explore ways to rediscover this meaning in a different occupation or work context. This involves identifying the most valued and significant aspects of their previous job and searching for similar fulfilment in another occupation.

Managers should also ask employees what they found important in their previous roles and assess how fixed this meaning was. This can help managers better understand their employees' needs, expectations and adaptability. If meaning is not effectively transferred, it could hamper employee satisfaction and performance.

Managers, career counsellors and HR professionals can facilitate smooth job transitions by helping individuals not only apply their existing skillsets, but also recognise and align the perceived meaning between old and new jobs. By focusing on this, anyone can navigate through even the most drastic career change and find fulfilment and purpose in their new path.

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About the research
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