

## **How To Be A Rock Star In The Elite Expert Segment Of The Gig Economy**

**NEW YORK (October 5, 2018)** – “It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us.” This was written by Charles Dickens in *A Tale of Two Cities* in 1859. Today many full-time employees, entrepreneurs, and independent workers would agree that this famous quote, written about the Age of Enlightenment, easily applies to their own careers.

The business world of the early 21<sup>st</sup> century, even for the most successful companies and executives, is filled with paradoxes, great extremes, and contradictions. And, change is coming at a faster, more tumultuous rate. All workers are gig economy workers now. According to an analysis by recruiting firm Korn Ferry, the average tenure for a C-suite executive is 5.3 years. The average employee retention rate among top tech companies, which includes workers at all levels, is 1.8 years. A software engineer at Apple lasts about 2 years. And those average rates are skewed upward by the minority of workers who remain in companies far longer than the average.

In some ways, it is the worst of times. Today, full-time executive employees face several clear and present career dangers. First, the economy is making it easy and compelling for corporations to hollow out their ranks to a few essential core team members, and outsource many high-level projects to independent experts. Businesses are already outsourcing almost all non-essential commodity jobs. David Autor, professor of economics at MIT, has said that while the gig economy may be “the most fundamental shift in how employers engage with workers since the 1980s, it is mostly leveraged by firms to shift fixed labor costs to variable costs.”

Today, the more tenure a professional has the more the human resources department is trying to figure out how to eliminate the job or offer an early retirement package. Importantly, just as with elite Chess and Go players, artificial intelligence is rapidly replacing most of the extremely difficult, rote data processing and analysis tasks that companies used to admire and respect in high-performing humans. Further, it is safe to say that a large percentage of today’s workforce has expired experience. Unless a professional has made the rigorous, sustained effort to stay current, and has executed continuous projects that are at the leading edge with measurable results, their resume contains some irrelevant experience. Finally, there is no safety net. Even full-time employees are seeing their benefits reduced over time. While individuals can currently

acquire health insurance independently, the current system is hanging by a thread and getting more expensive by the day. In the gig economy, any other benefits are nonexistent. Individuals will have to make those benefits up in pure incremental income. While it is extremely difficult to confront that brutal reality, it is the only way out of professional irrelevance.

In sharp contrast, for people with unique, expert skills that are, and will continue to be, in high demand, it is the best of times. For elite experts, it has never been cheaper, and easier, to get a full-time job, to start a company, or to procure angel, crowd, or venture funding. Whether an individual chooses to be a full-time employee, or an independent expert, it has never been easier to market and sell expert skills across the entire planet. With a tremendous skills brain drain occurring in business as baby boomers have started to retire, leaving in their wake an army of novice millennials to take over in the cockpit, literally, elite experts are in high demand. And as the data shows, even expert millennials are not willing to stick around for very long at most jobs, so their learning curves are often much steeper. They are a generation with “gig” work and life values. That is scary to organizations trying to gain traction in an endless race to success. Just ask any airline or hospital CEO.

The major outcome of these trends is that the demand for freelance expertise across all business functions, that cannot be replaced by A.I., is growing exponentially. The data shows that firms are increasing the use of on-demand, elite experts for critical projects. Today there exist several specialized expert platforms, such as Luxury Institute’s Global Luxury Expert Network (GLEN), where individuals with elite expert skills, whether they are currently employed full-time, are between jobs, or have chosen to be independent, can join the network and be selected for zero-conflict, on-demand projects. Companies view elite experts as an extension of their business model to turbo-charge creativity and innovation. Even if they have a full staff of employees, smart and adaptive enterprises know that they need to deploy on-demand, independent, agile talent, especially where their internal teams lack critical skills. Elite experts today are increasingly able to take control of their lives, gain ownership of their work, and manage their time according to their values and priorities. These highly sought-after pros have earned the freedom and privilege to work on projects they are passionate about, with people whom they admire, respect, and enjoy, while earning a high income. For elite experts, it is the best of times.

According to John McAfee, “The gig economy is empowerment. This new business paradigm empowers individuals to better shape their own destiny and leverage their existing assets to their benefit.” Fiona Murray, professor of entrepreneurship at MIT Sloan, says that the gig economy works for “superstar” workers, such as tech stars, but not for all workers. MIT’s David Autor puts it more succinctly when he says that, over time, if someone is a rock star in the gig economy, they will see their market value magnified by going solo rather than being employed. This is simply because they have the ability to

sell their expertise to the highest bidders. Similar to fields such as professional sports and entertainment, and now high technology and e-sports, the gig economy will ensure that elite business experts benefit from what economists call a “power law distribution,” where the top achievers earn a highly disproportionate amount of the revenue. Someday soon, elite experts will be members of exclusive networks and may have agents who represent them.

Whether an individual chooses full-time employment, is between jobs, or chooses to be an independent worker, how can he, or she, prepare themselves to be a rock star in the elite expert economy? Below are three imperatives that Luxury Institute is recommending to members of the Global Luxury Expert Network (GLEN). Luxury Institute’s recommendations are based on empirical research conducted over 16 years working with thousands of employees and independent workers at more than 1,000 luxury and premium goods and services brands.

### ***1. Rewire the brain into an agile entrepreneurial mindset***

Most working people have wired their brains to expect and follow explicit instructions from leaders and bosses since early childhood. The Industrial Age, machine-like, engineering metaphor of life is far too rigid, and impotent, to serve as a model for successfully navigating today’s fluid gig economy.

The elite expert segment of the gig economy requires individuals to rewire their mental models in order to take full responsibility for their seamlessly integrated personal and professional lives. True entrepreneurship means deeply understanding that careers are complex adaptive systems and unpredictable journeys where luck matters, but, the most important factor is what individuals do every day, every hour, and minute to minute to proactively influence the vectors of their profession. That entrepreneurial mindset is a major factor that drives success through rapid adaptation.

Skill at executing test-and-learn, safe-to-fail, career enhancing moves can create massive positive effects on an individual’s career over time. Individuals who focus on creating a strong positive impact on their ecosystem of employers, colleagues, clients, and network partners will receive reciprocity that drives their success to higher and higher levels over time.

### ***2. Sharpen and maintain specialized state-of-the-art professional skills***

If the career path a professional worker takes today does not require mastery of extremely difficult, highly-demanding skills, then that professional will have zero chance of becoming an elite expert. Instead, they will become yet another average worker subject to the

turbulence and commoditization of the gig economy. To become a highly sought after, highly compensated elite expert with extremely limited competition, an individual must select a profession that demands collaboration with artificial intelligence at the absolutely most demanding levels of professional performance.

After selecting their career with surgical precision, individuals must stay on top of developing their domain skills daily. They must discover what accelerated practice means in their chosen domain, and practice daily to leave their competition behind. The myth of artificial intelligence is that it will render many of today's jobs obsolete. The reality is that any top-tier professional, whether a doctor, lawyer, marketer, coder, sales professional, or venture capitalist must now master much more critical knowledge within their profession than ever before. They must also master working seamlessly with the emerging technology tools that affect their profession. Elite experts must reach the level where they can use refined critical judgment to discern patterns, connections, and insights that enable them to creatively develop solutions in their field of work that algorithms and other experts cannot. Don't be fooled by the college degree, online course, or the three-day workshop with a fancy certificate. Badges that anyone can earn help somewhat, but, by no means make an expert.

Deep expertise takes years of apprenticeship with recognized skilled mentors and coaches who teach the individual self-mastery techniques such as self-awareness, self-measurement, self-coaching, and self-correcting. Elite experts figure out a way to participate as employees, or independent team members, on the most challenging projects with the best brands. They also take on outlier projects that entail completely new concepts and business models. And these experts crave candid, sometimes painful, external feedback and confront the reality of their performance daily. It is said that the most skilled Eskimos can discern many types of weather patterns, and survive and thrive in challenging terrains, where others blindly see only white space, and fail to survive. That level of skill, in a nutshell, is required for elite experts to be recognized as masters of their craft. Like an elite entertainer, or athlete, an elite expert in business is only as good as their last gig.

### ***3. Build deep emotional intelligence skills to nurture lasting relationships***

Today neuroscience, performance science, and complexity science are combining to help human workers understand that it is not only individual talent or skill that drives success. Since humans are hardwired to be social creatures, it is the relationships and connections between humans that matter most in determining career success or failure. While there are no recipes or formulas in systems that involve complex and ever-changing human relationships, there are some clear principles that dramatically improve the probability of success. These key principles, outlined by Milton Pedraza in a recent white paper entitled

*Artificial Intelligence Demands the Emergence of the Platinum Collar Worker, are useful to keep in mind.*

Elite experts live their life “on purpose.” First, they identify their core values and what gives their own life true meaning. Elites determine to live their work lives as missionaries, not mercenaries. It starts with committing to first doing no harm, and focusing on doing good, much like the Hippocratic oath that doctors take. Elite experts meticulously figure out what anchors them to humanity, so they can always tell if their work actions are "on purpose", or off, and get back on track. They live with integrity, even if the short-term price is high. They know that in the transparent, reputation-driven gig economy the long-term pay-off of living their good morals and values today is even higher in emotional and economic terms.

Second, elite experts embrace humility. Recognizing fully and fearlessly how highly imperfect they are, elite experts are not threatened by their flaws or mistakes. They understand that fragile egos tend to blame others for failure, fail to take responsibility, and sabotage continuous learning and improvement. Instead elite experts exhibit a strong growth-mindset, which fosters confronting the reality of their environment and their performance with objective self-compassion in order to adapt quickly to achieve their purpose. Even when they achieve high performance, they keep natural narcissistic tendencies in check. They are happy to give credit to good fortune, and to others, knowing that no professional succeeds alone. Elites exhibit none of the false modesty that is so popular in social media. They are confident, not in their greatness, but in their ability to learn how to learn, transform great mental states into mental traits, and adapt in real time.

Third, elite experts learn to conquer their fears. Neuroscience has chronicled how humans are wired to avoid threats first, and secondarily seek rewards and pleasure. Humans dramatically overstate threats and undervalue opportunities. That mindset worked well in the early stages of human development because it guaranteed physical survival. Today, deeply insecure workers who continue to operate from fear states become predators, or prey, and render themselves ineffective. Instead, elite experts wire themselves to confidently dominate their irrational fears by using them as a tool to energize themselves, similar to extreme athletes who use fear as a way to get into positive states. Elite experts understand that the fear of failure, the fear of rejection, and the fear of change can do far more harm than good, especially in the relatively safe world of work. They prefer to risk creating value for others and themselves ethically, and fail, even if they lose their job, as long as they maintain their human identity and integrity. Paradoxically, this approach dramatically improves the probability that they will achieve far more success, far more often, while creating the conditions for far more future success.

Fourth, elite experts know they must continuously develop the skills of connecting emotionally with others to create positive results. They focus on the four pillars of

emotional intelligence that Milton Pedraza, working with neuroscience experts, has identified through empirical research in Luxury Institute's Luxcelerate System. The four pillars make up 20% of the traits that account for 90% of the effectiveness in any human engagement. The pillars are: expertise, deep empathy, trustworthiness and generosity. Inject these four elements of emotional intelligence ethically and creatively into any business interaction consistently, and the probability of achieving success will increase dramatically.

Because elite experts have a mentality of abundance, rather than scarcity, they are what University of Pennsylvania professor Adam Grant calls "enlightened givers." That is, they help members of their ecosystem to achieve value by coaching, mentoring, referring, and recommending them generously. They are constantly meeting with others to exchange ideas. They join professional networks to share, contribute, and learn freely. Consequently, elite experts don't have to advertise their skills heavily, or market themselves aggressively like most other workers do. These individuals are provided an abundance of work through unsolicited referrals, recommendations, and testimonials by their vast network of clients, peers, and colleagues who deeply value the relationship.

Some professionals find the gig economy terrifying, while others find it liberating. This is a natural continuum of reactions to career disruption and tumultuous change. Whether an individual becomes a rock star, or merely survives in the gig economy, will depend almost entirely on how quickly and effectively they choose to cultivate their entrepreneurial, professional domain, and emotional intelligence skills. The payoff is a life of freedom and abundance as an elite expert.

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## **About Milton Pedraza, Luxury Institute and EIX CEO**

Milton Pedraza is the CEO of the [Luxury Institute](http://www.LuxuryInstitute.com) and [EIX](http://www.EIX.com). Over the past 16 years, Milton has established the Luxury Institute, first and foremost, as a high-performance client relationship consulting firm while serving more than 1,000 luxury and premium goods and services brands across dozens of categories. The Luxcelerate System, which applies the mastery of emotional intelligence skills in building client relationships, has helped dozens of brands to significantly improve client data collection, conversion, retention and referral rates. The Luxury Institute has conducted more qualitative and quantitative research with affluent consumers than any other entity in the world.

Milton advises and coaches luxury CEOs and advises and serves on the boards of top-tier luxury and premium brands, as well as luxury and premium startups. He is a sought-after speaker worldwide for his practical, innovative and humanistic insights and

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recommendations on luxury and high performance and is the most quoted global luxury industry expert in leading media and publications.

Milton is also an authority on customer relationship management, artificial intelligence technologies, predictive and consumer behavior analytics, and Big Data. Prior to founding the Luxury Institute, his successful career at Fortune 100 companies included executive roles at Altria, PepsiCo, Colgate, Citigroup and Wyndham Worldwide. Milton is a frequent guest speaker at Columbia University and has presented at Harvard Business School. He has been recognized as a top Latin Entrepreneur by Stanford Business School.

Milton was born in Colombia, raised in the United States, and has lived in several countries. He has conducted business in more than 100 countries and speaks several languages.