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What Hollywood Can Teach Us About the Future of Work

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Photo



Credit Illustration by Andrew Rae

By ADAM DAVIDSON

Recently I visited a movie set. It was the first day of production, and I arrived just as the sun was coming up, but already, around 150 people were busy setting up that day's shot in an abandoned office building. Crew members were laying electric cables and hanging lights. The cinematographer was in one corner with his team, discussing how the sun's rays filtered through the window blinds. Carpenters were putting the finishing touches on a convincing prop elevator — I pushed the call button and waited, until I finally realized it was a fake.

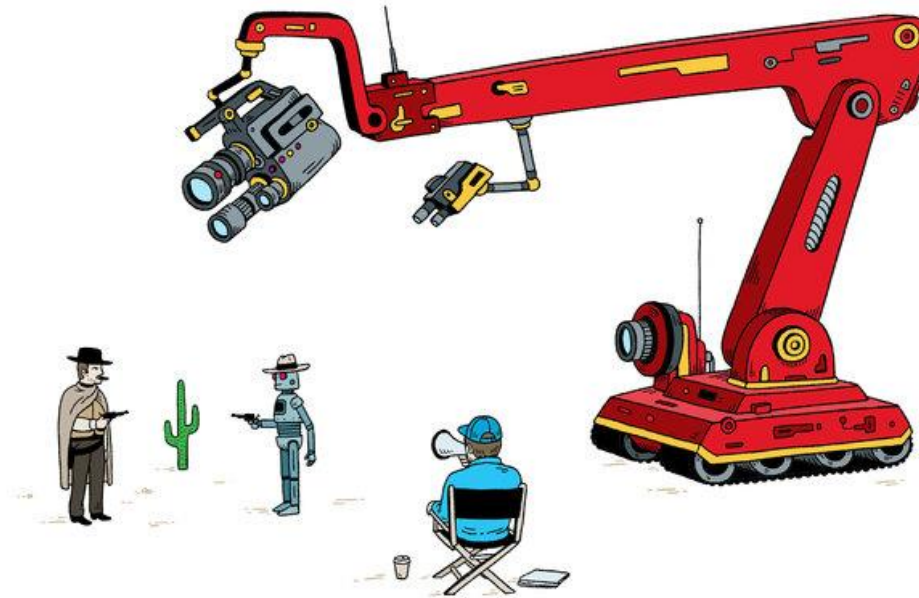
I was there as a “technical adviser”: The movie involved some financial events that I've reported on, and the filmmakers wanted to ask me questions as they set up their scenes. But I spent much of the day asking questions of my own, trying to figure out something that mystified me as the day went on: Why was this process so smooth? The team had never worked together before, and the scenes they were shooting that day required many different complex tasks to happen in harmony: lighting, makeup, hair, costumes, sets, props, acting. And yet there was no transition time; everybody worked together seamlessly, instantly. The set designer told me about the shade of off-white that he chose for the walls, how it supported the feel of the scene. The costume designer had agonized over precisely which sandals the lead actor should wear. They told me all this, but they didn't need to tell one another. They just got to work, and somehow it all fit together.

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This approach to business is sometimes called the “Hollywood model.” A project is identified; a team is assembled; it works together for precisely as long as is needed to complete the task; then the team disbands. This short-term, project-based business structure is an alternative to the corporate model, in which capital is spent up front to build a business, which then hires workers for long-term, open-ended jobs that can last for years, even a lifetime. It's also distinct from the Uber-style “gig economy,” which is designed to take care of extremely short-term tasks, manageable by one person, typically in less than a day.

With the Hollywood model, ad hoc teams carry out projects that are large and complex, requiring many different people with complementary skills. The Hollywood model is now used to build bridges, design apps or start restaurants. Many cosmetics companies assemble a temporary team of aestheticians and technical experts to develop new products, then hand off the actual production to a factory, which does have long-term employees. (The big studios, actually, work the same way: While the production of the movie is done by temps, marketing and distribution are typically handled by professionals with long-term jobs.)

Our economy is in the midst of a grand shift toward the Hollywood model. More of us will see our working lives structured around short-term, project-based teams rather than long-term, open-ended jobs. There are many reasons this change is happening right now, but perhaps the best way to understand it is that we have reached the end of a hundred-year fluke, an odd moment in economic history that was dominated by big businesses offering essentially identical products. Competition came largely by focusing on the cost side, through making production cheaper and more efficient; this process required businesses to invest tremendous amounts in physical capital — machines and factories — and then to populate those factories with workers who performed routine activities. Nonmanufacturing corporations followed a similar model: Think of all those office towers filled with clerical staff or accountants or lawyers. That system began to fray in the United States during the 1960s, first in manufacturing, with the economic rise of Germany and Japan. It was then ripped apart by Chinese competition during the 2000s. Enter the Hollywood model, which is far more adaptable. Each new team can be assembled based on the specific needs of that moment and with a limited financial commitment.



CreditIllustration by Andrew Rae

Obviously this is good news for management and the owners of capital. But as I saw on set, it's a surprisingly good system for many workers too, in particular those with highly-sought-after skills. Ask Hollywood producers, and they'll confirm that there are only a limited number of proven, reliable craftspeople for any given task. Projects tend to come together quickly, with strict deadlines, so those important workers are in a relatively strong negotiating position. Wages among, say, makeup and hair professionals on shoots are much higher than among their counterparts at high-end salons. Similarly, set builders make more than carpenters and electricians working on more traditional construction sites. It helps that, despite the work's fleeting nature, Hollywood is strongly unionized, which keeps wages high. According to the rate card of the International Alliance of Theatrical Stage Employees Local 728, which represents union film-lighting crews in Los Angeles, even entry-level electricians on a major film set make more than \$35 an hour — i.e., more than 40 percent higher than the national average for electricians — and make that wage over 12-hour days.

The Hollywood system offers another advantage for workers: Every weekend's box-office results provide new information about which skills in their field are valuable. I spoke with one makeup artist about the sudden explosion of zombies on TV and in the movies. One result, she explained, is that a handful of zombie-makeup specialists have profited, and others have begun to study the art. This continual signaling can be upsetting, of course; every year, some workers in the system learn that they have no marketable skills. But on the whole, it is surely kinder than the factory system, in which workers are able to assess their market value only occasionally: when they first start working, when they switch jobs, when they ask for a raise or — worst of all — when they are fired, often en masse.

Automation has long been central to Hollywood, too, but it has less of a disruptive impact because of Hollywood's project-based model. Some projects, like the CGI-laden work of James Cameron, begin with the sort of large capital outlay in new technology that we normally associate with manufacturing. But most films use technology incrementally, as individual craftspeople in each subfield decide to adopt these innovations.

I spoke with one cinematographer recently who said he was quite worried about the latest Hollywood technology: cameras operated by robots. The movie "Gravity," for example, used cameras mounted on intelligent robotic arms, which laid the groundwork for the film's

dizzily realistic rendering of outer space. But that robot didn't so much eliminate the need for a traditional cinematographer as clarify what it is, precisely, that cinematographers are able to do. If a cinematographer's entire skill set was the ability to operate a camera, he surely would struggle to find work in an age of robotic camera operators. But a cinematographer's value lies in his eye, the deep understanding about how an image moves or thrills an audience. (Grips, the workers who help move the camera through complex shots, might have cause for concern.)

Across the economy as a whole, we're ending one era of robots and automation — the era of giant, clunky, expensive machines that require enormous technical training to operate — and entering a new era of the human-robot partnership, in which robots can be told what to do without the use of difficult programming languages but with fairly straightforward gestures and commands. The challenge will not be learning how to operate robots; it will be figuring out what, exactly, needs to be done and then using the robot to achieve that.

It's probably not coincidental that the Hollywood model is ascendant at a time when telling stories, broadly speaking, is at the heart of American business. Because of automation, as well as the expansion of trade with so many low-wage nations, it is all but impossible to make a healthy profit in the United States by simply competing as the low-cost provider of a commoditized product or service. Profits need to come from that extra something that only your company can give, something for which customers are willing to pay a premium. I recently visited a cement factory where I was told a well-practiced story about how this quarry-and-kiln operation was part of the green revolution. Creating and communicating added value comes from many of the same skills that go into a movie: making sure that all of the elements of a product are harmonious, that they communicate the same values.

The Hollywood model isn't good news for everybody. It clearly rewards education and cultural fluency, which are not distributed evenly throughout the population. But the Hollywood model does suggest that the winners in the new economy will be much greater than just some tiny 1 percent. It will be tens of millions of Americans, many of whom won't have advanced degrees in engineering, but will have curiosity, creativity and more tools available to help them connect with their audience, whoever that may be.