

Chapter 4

Theoretical framework

Career development and the psychological career contract

This chapter consists of three components. In 4.1. we will characterise managers' career development. Nowadays, it is widely acknowledged that development activities not only have to lead to performance improvement and optimisation, career development is now a major goal of HRD as well. The expectations employees and employers have, operating as they are in modern times and meeting modern careers, are addressed by the psychological contract concept (4.2.).

In this chapter the central research question (what is the significance of learning in a manager's career) will be approached from an evaluative perspective, in contrast to the descriptive perspective of the former chapters. The evaluative nature stems from the fact that management learning is linked to certain career outcomes. We will demonstrate that a relevant outcome of learning in modern careers is the manager's perspective on mobility. The aim of this chapter is to develop a conceptual research model (see section 4.3.) to be tested in later chapters.

4.1. Career development: a dynamic approach

"Career development is an organized, planned effort comprised of structured activities or processes that result in a mutual career plotting effort between employees and the organization" (Gilley & Egglund, 1989). Apparently, both the organisation and employees have a responsibility with respect to career development. The individual responsibility is generally referred to as career planning, while the organisation's responsibility is often named career management (Gutteridge & Otte, 1983, p. 7). In our study we focus on the individual responsibility for career development, which in the ideal situation is supported by organisations.

A major distinction can be made between descriptive and dynamic definitions of career development (Kuijpers, 2001, p. 309; Van de Loo, 1992). The descriptive definition of career development refers to the way in which a career develops over time (consecutive jobs and education). By following courses, executing one's job, etc. a career unfolds itself. Even when an individual does not actively pursue a career, one can still speak of career development. As Hall (1996) states: "If we think of the career as a series of lifelong work-related experiences and personal learnings (Hall, 1976), it will never die" (p. 1). In contrast, we will regard career development as a process in which a person is *actively* involved. We use the dynamic definition of career development, which refers to activities to intentionally and purposefully influence one's career path (Kuijpers, 2001, p. 309). Hall (1996, p. 6) stresses the importance of active involvement of individuals in the so-called protean career, that is when people are able to be continuous learners and to redirect their lives and careers. The distinction between descriptive and dynamic definitions of a career is largely similar with the historical development of the career concept. Whereas careers used to be orchestrated by organisations (no strong need for individual pro-activity), careers are now more driven by the individual (Hall, 1996), which makes a (pro-) active attitude of individual employees necessary.

Our view on career development closely relates to what Kuijpers (2000) refers to as "career actualisation". This is "a continuous process of evaluation, direction and execution of activities aimed at self-fulfilment through one's career" (p. 6). As a consequence of this relatively new approach of career development, several issues get more and more attention: for instance, employability as the new career goal, combining work and non-work as an essential career competence, self-management

as a modern career attitude and the sharing of responsibilities between employees and organisations (or, the psychological career contract; see further section 4.2.). Our definition of career development is “*the continuous process of active engagement in self-managed career development activities aimed at optimising one’s career mobility perspective*”.

We will now discuss these topics, which are particularly relevant in the study of career development. Throughout this section several hypotheses will be generated which will be summarised at the end of section 4.3. First, the shift from traditional to modern careers will be described. This includes a description of some major theories on career development (4.1.1.). The new career competences needed as a consequence of the new career will be described in 4.1.2. Self-management is a central value of modern careers and will be dealt with in section 4.1.3. The concepts of employability and mobility as the new career goals will be described in 4.1.4. Next, we will describe the consequences that ideas about modern careers have for mobility perspectives of managers (4.1.5.) and for the nature of their HRD-activities (4.1.6.). Background factors influencing HRD-patterns and mobility perspectives will be central in 4.1.7. We will finish with a conclusion about modern career development in section 4.1.8.

4.1.1. The shift from traditional to modern career development

A broad base of theory has been evolving for nearly a century (Carnevale *et al.*, 1990a, p. 260). A career was once primarily related to initial job choice; it is now widely accepted as a central feature in employment arrangements (Arthur *et al.*, 1989, p. 7).

Early theorists (e.g. Parsons (1909) as cited in Carnevale *et al.*, 1990a) approached the career as a point-in-time event; new theories broadened the perspective and view career development and career choices as the result of a process. Others claimed a match between individual characteristics and career choice. Moreover, models were developed identifying a series of phases through which a person progresses over a lifetime.

An example of this latter approach is the ‘hierarchy of career adjustment’ developed by the National Alliance of Business (as cited in Carnevale *et al.*, 1990a). This represents the (employability progression, or) career development progression as a series of stages or levels through which a person moves to reach self-actualisation. The four stages are career acquisition, career maintenance, career advancement and career enhancement. Whereas traditionally the first two stages were seen as the central elements of a career, nowadays adult career development is mainly concerned with the latter two stages: career advancement and career enhancement. Career progress is valued more than loyalty to a certain job or organisation.

A key idea in recent career theories is the necessity of a match between organisational expectations and individual employees’ expectations. The clearer both parties are about their expectations, the greater the satisfaction will be on both sides (Carnevale *et al.*, 1990a, p. 263). Gutteridge and Otte (1983) emphasise the dual perspective on careers as well. They describe organisational career development as an outcome of individual career planning and institutional career management. It refers to the results occurring through dual career processes and focuses on the *joint* relationships between individuals and their work environment.

An important characteristic of this latter approach of careers is that they are seen as contracts employers have with their employees. Similarly we can speak of a shift from traditional to modern career contracts.

Terms used to refer to this new approach are the new social contract (Altman & Post, 1996), new deals (Herriot & Pemberton, 1995), the new psychological contract (Rousseau, 1995), the boundaryless career (Arthur & Rousseau, 1996) and the protean career (Hall, 1996). The

boundaryless career concept and the protean career concept are further discussed below, while the “career as a contract” will be addressed in section 4.2.

The boundaryless career

Career paths may involve sequences of job opportunities that go beyond the boundaries of single employment settings (Defillippi & Arthur, 1994, p. 307). These paths are called “boundaryless careers” and can be seen as the opposite of an organisational career. Within an organisational career, career steps are taken according to a determined organisation-internal career ladder. This is a career conceived to unfold in a single employment setting (Arthur & Rousseau, 1996, p. 6). In his book *The career is dead*, Hall (1996) points at the end of the organisational career. The boundaryless career is seen as the new employment principle for a new organisational era. The number of people with so-called “boundaryless careers” is growing (Arthur & Rousseau, 1996).

Mobility certainly does not always imply organisation-external mobility. People often move between business units *within* organisations. This will especially happen in large organisations with a division structure and which operate as loosely coupled systems. This kind of mobility results in a “hidden boundaryless career effect” (Arthur & Rousseau, 1996). This effect does certainly not always come to the fore, since in many studies organisation-internal mobility is not taken into account.

People working in boundaryless organisations are expected to move seamlessly across levels and functions, through different kinds of jobs, and even from company to company (Mirvis & Hall, 1994, p. 366). Building networks of contacts and establishing and maintaining one’s employability are especially important. Therefore, people need to be flexible and self-managing their career development.

Career development in boundaryless careers may be more cyclical, involving period cycles of reskilling, than career development in traditional careers, which emphasised career stages and ladders and a lifetime career with one employer. Moreover, flattening of organisations makes a career according to the conventional meaning of the word, upward organisation-internal mobility, less likely. Therefore, new ways have to be found to retain and motivate staff. Modern career development will be marked by more lateral movement and culminate in a phased retirement (Mirvis & Hall, 1994, p. 368). As a consequence people will have to adjust their expectations about continuous upward mobility and career progress (Mirvis & Hall, 1994, p. 368).

The protean career

Hall (1996) explicitly focuses on the nature of careers as an element of the new employment relationship. He too emphasises the role of flexibility by introducing the term *protean* career (p. 1). The word “protean” has been derived from the name of the Greek sea god Proteus, who could transform himself at any moment into any creature he wished (Gerritsen van der Hoop & Thijssen, 1999, p. 190); protean stands for flexibility, which is so strongly needed for organisations and individuals. Flexibility of the workforce enables organisations to respond to opportunities and threats and to deal with fluctuating demand and supply. From the employee’s perspective it provides a better career prospect.

In his definition of a career, Hall assigns a central position to learning: “it is a series of lifelong work-related experiences and personal *learnings*” (1996, p. 1). Clearly a career is not only a series of steps taken, but encompasses more. Learning, then, is an important element of today’s career.

The protean career is a process which the person, not the organisation, is managing. Or, as Hall and Moss (1998, p. 24) put it: “If the old contract was with the organisation, the protean contract is with the self and one’s work”. It consists of all of the person’s varied experiences in education, training, work in several organisations, changes in occupational field, etc. The protean person’s own personal career

choices and search for self-fulfilment are the unifying or integrative elements in his or her life. The criterion of success is internal (psychological success), not external. Table 4.1. summarises the terms of the new contract based on the protean career.

Table 4.1. *The new protean career contract (Hall & Moss, 1998).*

1. The career is managed by the person, not the organisation;
2. The career is a lifelong series of experiences, skills, learnings, transitions, and identity changes (career age counts, not chronological age);
3. Development is continuous learning, self-directed, relational, and is found in work challenges;
4. Development is not (necessarily) formal training, retraining, or upward mobility;
5. The ingredients for success change from know-how to learn-how, job security to employability, organisational careers to protean careers, and "work self" to "whole self";
6. The organisation provides challenging assignments, developmental relationships, information and other developmental resources;
7. The goal is psychological success.

With Sullivan (1999, p. 477) we agree that it makes more sense to use the term 'protean' career to emphasise the individual's adaptability and self-direction when examining new career patterns. The term 'boundaryless' can better be used when examining careers from an organisational perspective.

Ball (1997), too, reports on changing assumptions about work and career development. The shift from traditional to emerging assumptions which Ball reports is compatible with the former descriptions of the shift from traditional to modern views on careers, and is partly overlapping. Ball adds some new assumptions (see Table 4.2.).

Table 4.2. *Traditional versus emerging assumptions about work (Ball, 1997, p. 75).*

Traditional assumption	Emerging assumption
Full employment is sustainable	Full employment is not likely to return in the foreseeable future
Most people follow a stable, straight-line career path to retirement	Career paths are increasingly going to be diverted and interrupted
Career development means upward mobility	Career development can be facilitated by lateral and downward moves
Only new or young employees can be developed	Learning and change can occur at any age and career stage
Career development relates primarily to work experience and can take place only in one's job	Career development is influenced by family, personal and community roles, and can be facilitated by work outside paid employment

New in this overview is the fact that family, personal and community roles are emphasised as well. Being able to find a balance between work and non-work is typically a career competence that is expected from the modern employee. Finally, we present the insightful overview of changes between traditional and boundaryless (or protean) careers by Sullivan (1999) in Table 4.3.

Table 4.3. *Traditional and boundaryless careers (Sullivan, 1999, p. 458).*

	Traditional	Boundaryless / modern
Employment relationship	Job security for loyalty	Employability for performance and flexibility
Boundaries	One or two firms	Multiple firms
Skills	Firm-specific	Transferable
Success measured by	Pay, promotion, status	Psychologically meaningful work
Responsibility for career management	Organisation	Individual
Training	Formal programmes	On the job
Milestones	Age-related	Learning-related

Sullivan (1999) explicates some major changes in HRD-related topics, such as the increased emphasis on transferable skills and on on-the-job training. Moreover, milestones have become learning-related, which matches the approach of Hall who also places learning central in the modern career. The conclusion that the responsibility for career management has shifted from the organisation to the individual is a crucial one in our study. The locus of career development responsibility will shift even more so to the individual in part because boundaryless organisations will not be able to meaningfully plan an employee's career (Mirvis & Hall, 1994, p. 369). Individuals will be truly on their own in developing a career.

Furthermore, he mentions the changed nature of employment relationships. While the traditional career is characterised by loyalty of the employee in exchange for job security offered by the employer, the new career is characterised by an exchange of performance and flexibility for continuing development opportunities and 'marketability' (Sullivan, 1999, p. 458).

Similar to Sullivan's observation, Herriot and Pemberton (1995) observe that the "old deal" has gone forever (p. 19) and has been replaced by "new deals". In the old deal employees offered loyalty, conformity, commitment and trust to the organisation in return for security of employment, promotion prospects, training and development and care in trouble. The new deal exchanges long hours, added responsibility, broader skills and tolerance of change and ambiguity for high pay, rewards for performance and a job.

These new employment relationships imply changed expectations of employees and employers. Individuals will have questions about how to further their career, and how to secure their future employment. Employers will ask themselves how to make sure that their workforce remains committed to their work and the organisation. The changed mutual expectations are included in the new psychological career contract, which will be further addressed in section 4.2.2.

Conclusion

The modern approach of careers is largely a result of changes in the labour market. Trends such as the availability of temporary contracts, quickly changing skill requirements, team-working, working as an independent contractor and working at home, have changed the nature of careers (Arnold, 1997, p. 447). Accordingly, demands placed on the flexibility of workers have increased.

The protean view of careers has both advantages and disadvantages (Mirvis & Hall, 1994). The first advantage is that it opens up new ways of thinking about work over time (p. 369). Careers may also bloom later and may be developed by moving between different (types of) jobs. A second advantage is what they call the enlargement of career space. Work and non-work may fluently merge when working at home is concerned. A third advantage is that the protean view is a new way to think about the relationship between employers and employees.

Disadvantages of a boundaryless career are the material and psychological costs. For example switching jobs may lead to less overall lifetime earnings. Moreover, costs of retraining and redeployment and the value of lost earnings have to be taken into account (Mirvis & Hall, 1994).

Moreover, new deals are not without problems since a discrepancy exists between the employer's stereotype of the "new employee" (containing ideas such as individualistic, not closely tied to the employer, job hoppers, etc.) and the "real new employee" (consider working relationship to be important, aim for security, etc.) (De Korte & Bolweg, 1994).

We conclude that when studying the significance of learning in new careers, it is important to pay attention to:

- competences needed in modern careers, the so-called modern career competences (4.1.2.);
- the level of career self-management (4.1.3.);
- employability as the new career goal and related concepts such as mobility and flexibility (4.1.4.);

- the changed meaning of mobility (4.1.5.);
- the value of transferable skills, or, in other words the generic value of HRD-activities (4.1.6.).

4.1.2. Modern career competences and activities

From time to time we have emphasised that employees need to take greater control of their own personal and career development. The question remains what this means more precisely. What are activities that people may undertake to develop their careers?

Several authors formulated sets of career competences. Mirvis and Hall (1994, p. 368), for example, argue that people's know-how, self-direction, and learn-how are core competencies for navigating within boundaryless career. Defillippi and Arthur (1994) distinguished between three career competencies: know-how (knowledge and skills), know-why (beliefs and identities) and know-whom (networks of relationships and contacts). These three career competencies are believed to be interrelated and to be different in nature in bounded and boundaryless careers. In bounded careers know-why is employer-dependent, know-how is largely specialised and know-whom is intra-organisational, hierarchic and prescribed. Boundaryless careers imply employer-independent know-why, flexible know-how and inter-organisation, non-hierarchic and emergent know-whom (Defillippi & Arthur, 1994, p. 317). When all career competencies are boundaryless, it is likely to result in inter-firm mobility. However, if one of them is bounded it may finally prevent a boundaryless career from unfolding.

Hall and Moss (1998) stress that in pursuing a protean career two meta-competencies are needed: adaptability and self-awareness. Adaptability is needed for people to react on changed demands in the environment. Without self-awareness adaptation would be only reactive and could be inconsistent with employees' personal values and goals. It is, however, not easy for employees to learn how to handle the autonomy of the protean career. It takes time and effort to develop these new (meta-) competencies related to the management of self and career.

Partly similar to the career competences mentioned above are the three types of work competences and employability skills Thijssen and Lankhuijzen describe (2000, p. 141):

- General working competences, which refer to the actual variety of jobs that people may fulfil with current qualifications (without additional schooling);
- Learning competences, which refer to someone's abilities to enlarge one's actual working competences;
- Career-related competences, which refer to someone's ability to actually use working competencies at the labour market. These include e.g. knowledge of the labour market, career planning skills and the ability to use job application techniques. Kuijpers (2001) describes self-reflection, work exploration, career control and self-presentation as important career development competencies.

The latter two types of competences (learning and career-related competences) are generally referred to as employability skills.

Related to the above competences are different employability strategies organisations may use. Three strategies can be distinguished which vary to the extent that competences are consumed, broadened or sold. They are respectively called the consuming strategy, the broadening strategy and the selling strategy (Thijssen, 2000; Lankhuijzen & Thijssen, 2000).

Organisations using the first strategy do not invest in training or education. They use the human potential and run the risk that one day the potential will be outdated. Mobility is primarily achieved by recruitment and selection. When organisations use the broadening strategy, they create conditions for employees to broaden and secure their employability opportunities. These organisations generally

offer a lot of specific and generic education and have large budgets and time available for the development of employability. Thirdly, a selling strategy is used by organisations that emphasise mobility. Resources are available for marketing of employees' actual available working competences. Note that it will almost never be the case that one single strategy is used. A mix of actions belonging to different strategies might be used as well, especially when a distinction is made between labour market segments. Furthermore, it is optimistic to think that organisations consciously plan such a strategy. A fourth "strategy" might therefore be an unplanned strategy, which is to defeat incidents (Lankhuijzen & Thijssen, 2000, p. 282).

Similarly, individual employees can employ the employability strategies organisations use. Employees, then, are consumers, broadeners or vendors of their own employability. Of course, both employers and employees have expectations about which strategy the other party will use. These expectations about the strategies that organisations and individuals choose to apply are part of the psychological contract.

Ball (1997) developed a model of career competences derived from the individual perspective (Figure 4.1.). It is relevant to those with boundaryless careers as well as to those with organisational careers. Such a model may serve as a starting point for people who want to take greater ownership of their career development.

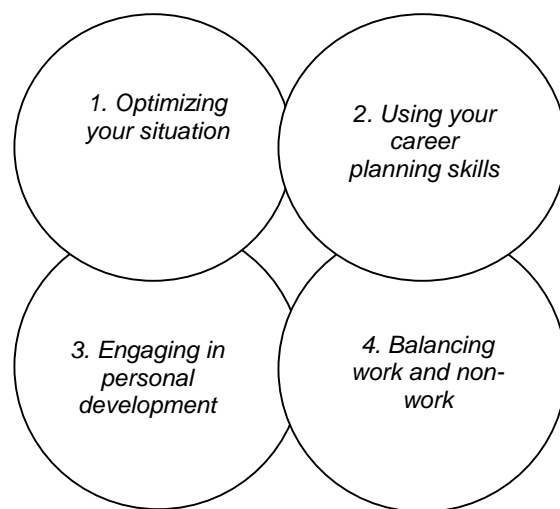


Figure 4.1. Four overlapping career competences (Ball, 1997, p. 76).

Below a description of the four distinguished domains of career development activities is given.

1. Optimizing the situation: The propensity of individuals to improve their lot, to find work which has greater interest, is better paid or more in accordance with their personal values. The question is how individuals can create the right set of circumstances to further their careers in the absence of career ladders and opportunities for upward career progression. It involves the ability to envision future opportunities and to create your own chances.

Examples: external networks, making use of mentors, projecting a positive self-image.

Delf and Smith (1978) describe the establishment of personal contacts as one of the individual strategies for self-development. It involves things such as getting your boss to let you represent him at top level meetings, joining key social groups and activities and "chatting up" the managing director's secretary (p. 496). This competence is largely parallel with Kuijpers' (2001) career competence self-presentation.

2. *Using career planning skills*: The process of career review and decision-making a cyclical, iterative process that we visit at frequent stages in our lives rather than a long-range plan. Career planning should help individuals to take ownership and management of their own career development. Examples: Reviewing needed skills, knowledge etc. for current job, identifying development needs, learn from experience and anticipating future changes.

3. *Engaging in personal development*¹: Many ways exist to work on one's personal development, ranging from on-the-job training, external secondments in a client company to participation in mentoring and coaching, resulting in greater job satisfaction and marketability for the internal and external labour market.

Examples: all kinds of activities on or off the job, mentoring, secondments, job rotation.

4. *Balancing work and non-work*: A new activity receiving much attention lately (Van Hoof, 2001). The ultimate goal is not only to balance personal and professional life, but also to integrate individual needs, family and career. It includes reflection upon current position and job satisfaction in the light of personal values. A clear parallel exists with Schein's career anchor "lifestyle" (1987).

Examples: child care or taking care of elderly person in combination with performing one's job, preventing stress at work to influence family life.

It is necessary for companies to respond to work/family issues. Examples are offering flextime, work-at-home options, part-time employment, job sharing and career breaks.

According to Mirvis and Hall (1994, p. 366) working people are struggling to manage the boundaries between work and other parts of their lives. Especially dual-career families face problems such as increased pressure on time allocation, the difficulty of finding time for family activities, and the sharing of household tasks (Isaacson & Brown, 1997, p. 65). Mastering the competence of combining work and non-work is therefore so important.

But, at the same time, trying to balance work and family responsibilities may have a negative influence on reputation, advancement potential and income. A family supportive policy of employers is therefore a key consideration in job choice (Mirvis & Hall, 1994, p. 372).

Moreover, in everyday life this attention can be clearly noticed. Both from government campaigns, conferences and from discussions in the newspapers, it becomes clear that this is an essential aspect to manage in order to develop one's career accordingly. For example, it is reported in a newspaper article (*Trouw*, 7 September 2000, p. 17) that personal care for work and private life is an essential element of organisations' personnel policies and in particular its HRD-policies. This aspect is closely related to people's personal values and norms and it refers to normative and ethic matters, which may well counterbalance the prevailing short-term focus of economy.

Depending on the orientation that people have towards career success, more or less emphasis will be laid on these four career competences. Derr (1986) describes five orientations: 1. Getting ahead (upward mobility), 2. Seeking security, 3. Being free or autonomous, 4. Getting high (seeking challenge and stimulation) and 5. Getting balanced (combining personal and family life with career achievement). These orientations may change over the course of the years.

Furthermore, across these domains of career development the extent to which managers accept responsibility and take own initiative will vary. Individuals with rather traditional views on careers will have another approach to these activities than individuals who see their career through the eyes of a

¹ The term "personal development" is sometimes viewed as not labour-related development (e.g. following piano lessons). However, as a career competence we regard personal development as directly related to work. In order to prevent confusion we will rename this competence into "shaping learning opportunities" (see section 5.3.3.2.).

so-called post-modern nomad (Van der Zee, 1994). In the next section we will further address the meaning of self-management in modern careers.

4.1.3. Individual self-management and organisational support

We will first address the concept of self-management and the individual's actions (4.1.3.1.) and then we will focus our attention on the organisational responsibility for supplying support for career self-management of their employees (4.1.3.2.).

4.1.3.1. Individual career self-management

Earlier we concluded that self-management is an important attitude in modern careers. Competitive pressures are clearly leading organisations to place greater demands on employees for "increased commitment, initiative, and flexibility (Schor as cited in McLean Parks & Kidder, 1994, p. 112). Moreover, organisations will not be able to manage and plan their employees' careers. Apparently, an employee-centered approach replaced the traditional employer-centered approach towards career management. The role of the employer is to provide opportunities and (people) resources in order for employees to develop their adaptability and their identity (Hall & Moss, 1998).

Apparently, the division of responsibilities, and the roles according to them, have drastically changed with the introduction of modern careers. The emphasis has shifted from organisational career management to individual career planning (Gutteridge & Otte, 1983; Hall, 1986; Thijssen, 1995). Organisations used to direct employees, send them to courses on a regular basis and plan their career path. Obviously, there was little room for self-regulation by individual employees. Now, these are typical responsibilities for employees themselves.

Meggison (1996), too, detected "a progressive move in the locus of responsibility for careers": from the HRD-department, via the line manager and the mentor, towards the learners (or employees) themselves (p. 413).

Especially managers are expected to take control of their own careers, instead of waiting for the organisation to manage their careers. In general, managers score higher on these traits (such as self-management and initiative) than non-managers (Durr *et al.*, 1996).

The ultimate goal for employees is to be in charge of their own careers, which places great demands on their motivation. Fortunately most employees seem to be willing to adjust their career expectations from "the organisation should provide for my career" to "the organisation should provide for circumstances in which I can work on my own employability", if the employer indeed provides possibilities in this respect (Schalk & Freese, 1997, p. 120). Initiative is important for employability (Van Dam, 1999). This autonomous, self-started and proactive posture and behaviour is found to relate positively to employees' employability behaviour. People with more initiative are more inclined to act and make the necessary moves than people with less initiative.

Hall remarks that "just as employees have become more self-directed and empowered in their work, so too are they becoming more autonomous as agents of their own career development" (Hall, 1996, p. 335). These are positive sounds. A new reality of career management has emerged.

Self-management applied to management development is often referred to as management self-development. It is often advocated as an appropriate form of management development (Beardwell & Holden, 1994), it may lead to positive results for both individuals and the organisations they work for.

Delf and Smith (1978, p. 495) define self-development as "the process by which individuals identify their personal development goals, consciously take responsibility for planning and taking appropriate action to reach these goals, develop and use methods of monitoring progress and assess outcomes and re-assess goals in the light of new experiences".

Other actions individuals can take are self-assessment, understanding one's learning style, gathering information (e.g. about what is going on in the organisation), establishing personal contacts and seeking feedback on personal behaviour and effectiveness (p. 496). All these actions aim to benefit self-development. The self-developer not only wants to master skills but also to explore and play; he or she seeks knowledge but also balance between work and other life pursuits (Rousseau, 1995, p. 216).

The strength of a self-development approach is that self-developers can also survive under unsympathetic conditions. It seems that individuals who know what they want and how to get it will always do better than those who do not, even when the latter are provided with better opportunities (Delf & Smith, 1978, p. 495). It is likely that through self-development career prospects and performance are improved and that managers achieve their full potential. Moreover, the promotion of a strategy of self-development results in greater organisational flexibility and better cost effectiveness (Beardwell & Holden, 1994).

Although self-management has been emphasised especially recently, authors were already promoting strategies for self-development (Delf & Smith, 1978) in the Seventies, which denotes both "of self" and "by self" types of learning (Pedler as cited in Beardwell & Holden, 1994).

There is also a danger in the concept of self-development because different perceptions of employee responsibility exist. Self-development may refer to the responsibility of all to learn and develop themselves, without making the division of responsibilities between different parties explicit. But it may as well refer to self-development as a total responsibility of the learner, thus freeing the organisation from any responsibility and investment (Hall & Moss, 1998; Herriot & Pemberton, 1995). Recipients of self-development policies could well perceive this development as "removal of what little training they get" (Herriot & Pemberton, 1995, p. 10). It is difficult for individuals to do everything on their own (Mirvis & Hall, 1994). Consequently, it is important for others to be around for support. Fortunately, many employers see a responsibility for providing the resources and opportunities for (core) employees to grow and develop in their careers.

To conclude, it needs effort from both individual employees and organisations (including staff departments such as Training & Development) for self-development to take place.

These individual and organisational efforts may be directed at career competences and activities as described in section 4.1.2. Hanemaaijer (2000) specifically focused on self-management as a *learning* attitude. We choose a broader focus: self-management with regard to all kinds of career development activities, which we indicate as career self-management, like Van Tiem & West (1997) do. Consequently, individuals are assumed to take responsibility for activities such as optimising the situation, career planning, personal development and balancing work and non-work. Beside actions that individuals may take, organisations should accept an active role in the promotion of career self-management by their employees. When employees' self-management is supported by the organisation, it will thus have most successful results when a mutual approach is chosen (Maris, 1994). The organisation, then, is supposed to support employees' self-management with regard to these career domains.

4.1.3.2. *Organisational support for individual career self-management*

Hall and Moss (1998) hold it to be the employer's role to "provide opportunities for continuous learning, which will result in the creation of employability (and thus a degree of security) for the employee".

Organisational support may be more or less materialistic. We will discuss several kinds of support that employers may give, both mentally and in terms of concrete facilities.

It is especially the manager, as a representative of the organisation, who can directly influence the career development of employees and their views on career-related issues. In section 4.2.5. we explicitly address the relation between manager and subordinate. Here we will make more general remarks about how an organisation may handle their responsibility with regard to their employees' career development.

Hall and Moss (1998) list a number of interventions that can be undertaken to accelerate the process towards a protean view of a career and to facilitate employees' career development. These interventions vary largely to the extent to which they represent vague notions or concrete facilities.

They recommend to start with the recognition that the individual "owns" the career. Consequently, organisations should encourage their managers to take more responsibility and control of their own development. Furthermore, they stress to recognise that career development is a relational process in which the organisation and career practitioners play a "broker" role and to favour the "learner identity" over job mastery. These are all rather vague recommendations. More concrete recommendations are to create information and support for the individual's own efforts at development, to provide expertise on career information and assessment technology, integrated with career coaching and consulting, to provide excellent communication with employees about career services and the new career contract and to promote learning through relationships and work.

Some of these interventions refer to a kind of needed culture change. It goes without saying that in order to actually reach effect, quite some effort and time is needed.

By offering development opportunities employers try to retain and motivate staff (Ball, 1997, p. 77). It serves as a compensation for the decreased amount of vertical career opportunities and the absence of lifetime employment. Development opportunities may consist of new work challenges (e.g. by job rotation programmes) and relationships that foster growth (Hall & Moss, 1998). Relationships are excellent drivers for learning. In the contacts with people from different parts of the organisation and from lower to higher echelons, precious resources can be found for continuous learning. For example, co-workers, older employees, bosses, subordinates and customers may serve as key learning resources. Other examples of support by others are counselling, mentoring and coaching as assisted self-development. Experienced managers may operate as "self-development ambassadors" and share the personal strategies and tactics they themselves have adopted. Teaching and training less fit this approach; the emphasis will shift towards (self-directed) learning (Delf & Smith, 1978, p. 499). In addition, supportive instruments for self-development are networking, team structures, analysing changes in the organisation as departure for self-development, establishing a good learning climate, actually give managers freedom and room to develop and taking away obstacles that are in the way. It is advocated to have a staff position fulfilled by a development adviser who can play the role of integrator of top management's self-development initiatives and individual managers' initiatives (Delf & Smith, 1978). Jackson (as cited in Ball, 1997) adds various strategies that employers may adopt, such as career workshops, development centres and succession planning.

Just as employees are assumed to take initiative and responsibilities with regard to career competences and activities, organisations should provide mental support and facilities with regard to the same career competences and activities. Support for optimising the employee's situation could contain the introduction by superiors to important network contacts; a workshop on career planning can support career planning; budget and coaching with regard to training stands for support for personal development; finally, support for combining work and non-work could for example consist of the opportunity to work part-time and facilities for child care.

In sum, career self-management by employees has become an important theme in the field of HRD. Self-management skills of employees are emphasised, especially with regard to career development. A self-management attitude appears from the fact that people take responsibility and show initiative with regard to their career development. Related terms such as self-direction, self-management and initiative will be used as synonyms. The organisation plays an important role in the stimulation of employees' career self-management by the provision of all kinds of facilities.

We will now shift our attention to employability as the new career goal and to employability-related concepts such as mobility and flexibility.

4.1.4. Employability, mobility and flexibility

Employability, mobility and flexibility are closely related concepts. Organisations' need for flexibility is apparent. In order for organisations to operate flexibly, they need "flexibility of work" and/or "flexibility of workers" (Van der Zwaan, 1993; Van Hoof in De Jong, *et al.*, 1990). Flexibility usually refers to the degree of latitude available in the organisation (with regard to allocation of products, machines and workplaces), while mobility refers to the flow of individuals along sequences of jobs (Rosenbaum, 1984, p. 38), or as Van der Zwaan (1993) describes it, the moves that workers make from one function or task to another, or from one hierarchical position to another.

In his description of the flexible firm, Atkinson (1984) makes a distinction between different labour market segments. Each segment is directed at another type of flexibility. Core workers (the primary segment) provide organisations with functional flexibility (ability to change functions, jobs, etc.). In general, organisations invest most in the development of the primary segment. In this way they make core workers broadly employable and at the same time they try to tie them to the organisation. Investments in the core segment are intended to result in organisation-internal mobility. Periphery workers (the secondary segment) contribute to the organisation's numerical flexibility. This group of workers have part-time contracts and are more loosely linked to the organisation. It concerns a more flexible labour relation. The third segment consists of external workers (freelancers and agency workers) which provide economic flexibility to the organisation. Depending on the need for personnel, organisations may quickly hire and fire personnel. Organisations may reach optimal flexibility when they make use of these three segments.

Mobility can be seen as a function of flexibility (functional and numerical). In this study, we are especially interested in the functional flexibility of workers, which especially innovative organisations need (Herriot & Pemberton, 1995). Conceptually, flexibility and employability are largely similar. Individual employability and flexibility are needed for personnel mobility and thus organisational flexibility.

Employability is of high importance in careers of today. "Notions of cradle-to-grave job security have been shattered" (Mirvis & Hall, 1994). Consequently, the idea of "life time employment" has been replaced by "life time employability" (Lankhuijzen & Thijssen, 2000; Versloot, Glaudé & Thijssen, 1998). Employability constitutes the context within which people learn and develop; it is the new career goal (Altman & Post, 1996, p. 3). The crucial importance of employability for employees under the new contract of today appears from one of the possible scenarios that when employees develop themselves insufficiently, they are expected to leave the organisation (Gaspersz & Ott, 1996).

Employability can be defined in a narrow or a broad sense (Lankhuijzen & Thijssen, 2000). The core of almost all employability definitions is "the whole of actually available personal qualities to adequately carry out a diversity of (paid) tasks and jobs at internal and external labour markets".

Personal competences and potential are the key elements in this narrower definition. Broader definitions of employability also include personal opportunities to extend one's qualifications or competences for the labour market. The broadest definitions may even include contextual factors, organisation-internal and external, that may influence personnel deployment. The danger of using a narrower definition of employability is that organisations might see the maintenance and development of employment as an exclusive responsibility of their employees. Only limited facilities or no facilities at all will then be offered for employees' career development.

Employability is particularly important because of its influence on employment in the future (Gerritsen Van der Hoop & Thijssen, 1999). Employment can be defined at the level of society, of organisations and of the individual (Thijssen, 1997b)². Versloot, Glauvé and Thijssen (1998) found that during the last three decades attention has shifted from employment at the societal, via the organisational to the individual level. They characterise the Nineties as the years of 'flexibility of workers' (Versloot *et al.*, 1998). Like them, more authors stress the central role of the individual in career development (e.g. Hall, 1996; Lankhuijzen, 2000a; Megginson, 1996; Sullivan, 1999; Van Tiem & West, 1997). Individual employees are held responsible for finding or keeping an attractive job. Although the roles of the government and organisations have decreased, they still need to make efforts to reach the appealing situation of flexible employment (e.g. the society needs to take care of a fair juridical system and organisations need to stimulate employee mobility). The greatest effort, however, has to come from employees themselves.

Employable workers are characterised by the willingness to be educated and by qualitative and quantitative flexibility and geographical mobility readiness (Thijssen, 1995). More precisely, they are willing to continuously learn new things and broaden their skills and knowledge for example by following courses and carrying out self-directed learning activities. The qualitative flexibility refers to the ability to carry out jobs within a broad range of jobs within a certain domain (e.g. financial jobs). Quantitative flexibility refers to the willingness to have flexible working hours, meaning that availability during evenings and weekends can be desired. Employable employees are able to be mobile whenever necessary or desired. It is a normal thing for employable employees to be prepared to regularly change jobs.

Hall (1996) assumes that personal and contextual background factors may influence someone's employability opportunities. Educational activities may enlarge the range of jobs for which one is ready to be employed. Thus, employee flexibility is something that can be developed. This idea is represented as well in the employability link model (Thijssen, 1997b; 1998b). This model organises several employability(-related) aspects. The model includes employability predictors (such as ascriptive, dispositional and experiential characteristics), current employability (tasks that can be fulfilled adequately with current competences), conditions for employability broadening and employability consumption (personal and contextual influences on broadening and consumption of employability) and future employment (consequences for employment at the individual, organisational and societal level).

² At the societal level employment refers to "full" employment, a job for everyone. Viewed from an organisational perspective, employment refers to the allocation of people over jobs in an attempt to balance demand and supply.

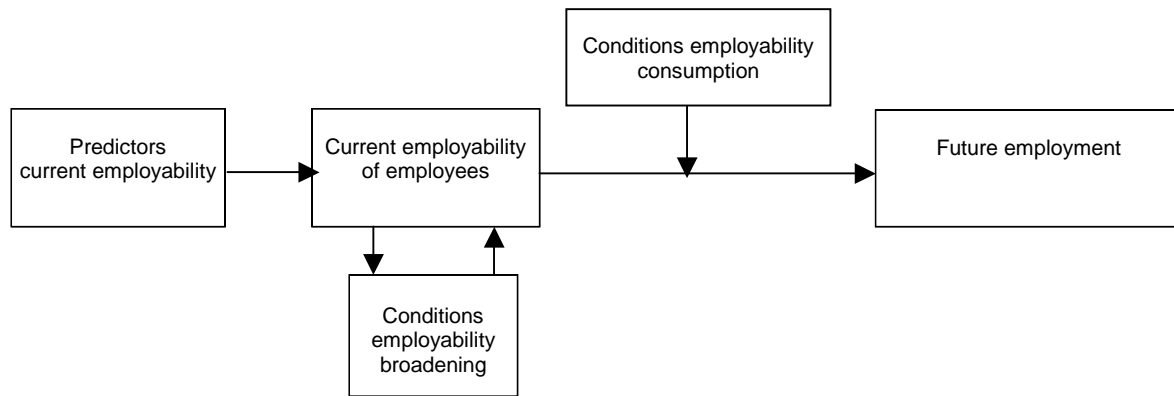


Figure 4.2. Employability link model (Thijssen, 1998b).

In our study we do not include all aspects of individual employability (such as geographical mobility readiness and quantitative flexibility). It is therefore not appropriate to use the term employability. Instead, it is rather the qualitative flexibility we put central. We chose to further refer to this kind of flexibility as the employee's "mobility perspective". A good of favourable mobility perspective stands for a realistic chance that actual mobility will take place, based on ability and willingness of an individual to be mobile. In the next section we will further address the mobility perspective issue (4.1.5.).

4.1.5. Implications of modern careers for mobility perspective

In the former section we addressed the employability concept and argued that this is closely related to concepts such as flexibility and mobility. In our study, the perspective that people have on mobility (= mobility perspective) is seen as a major outcome of career-related activities. We therefore first need to explain what mobility is.

Several kinds of mobility have been distinguished in literature. Personnel mobility may both refer to turnover or organisation-external mobility and to organisation-internal mobility. These types of mobility refer to a change of position. Based on the hierarchical levels of the initial and new position towards which mobility takes place, Schoemaker and Geerdink (1991, p. 59) distinguish between vertical, horizontal, diagonal and radial mobility. Vertical mobility is a move towards a job on a higher hierarchical level. Horizontal mobility refers to another job at the same hierarchical level (DiPrete, 1987). Whereas traditional personnel management was focused at vertical mobility, more modern personnel management takes into account various forms of mobility. Diagonal mobility is a combination of vertical and horizontal mobility. Finally, radial mobility is the consequence of task enrichment and/or task deepening. Apparently, mobility does not always refer to a change of position but can also mean a change of tasks and thus refer to flexibilisation and employability.

Van der Zwaan (1993) presents a limited and a broader definition of the mobility concept. Mobility in the limited sense refers to the moves workers make inside the firm, e.g. the transfer of individuals (or groups) from one function or task to another, or from one hierarchical position to another. The broader definition refers to mobility in the sense of inter-professional or inter-vocational, inter-firm transfers (migration) between sectors and/or geographical areas, or from working to non-working life, and vice versa. Clearly, the broader definition of mobility better fits a modern view on careers. Furthermore, mobility may refer to operational (changing tasks and jobs), positional (changing positions) and structural moves (mobility of collectivities out of the workforce). Our focus will be on the positional mobility.

Carnevale *et al.* (1990a) predict that a person will change jobs on average five to seven times during his or her work life (p. 273). Obviously, this is an average number, because patterns of career change vary from person to person (Bronte, 1997). Bronte describes three groups of people, the

homesteaders, the transformers and the explorers. The first make no career changes during their career lives, the second make one major change at some point in time and the third change careers frequently at varying intervals. Especially this latter group of people seem to have a modern type of career. They enter a job, come to mastery and then move on to another job to seek a new challenge. Under the new career contract, ideas about career progress have altered. It is not so much vertical mobility that makes a career to a success. Fulfilment in one's job, psychological success, can well be reached by horizontal mobility. Therefore, lateral moves are increasingly valued. Of course, these moves may concern organisation-internal and external career steps.

What, then, is the perspective that one can have on mobility? In general a "perspective" entails a certain future orientation and refers to a likelihood that something will happen. Likewise, we define mobility perspective as the possibility that a transition towards another job will take place within a certain period of time. That is towards another job at the same or another level, both within or outside the current department (business unit) or organisation.

From an individual point of view, the question remains what employees need in order to have a chance of mobility. Two components are important: willingness and ability (Van der Velde & Van den Berg, 1999). According to expectancy theory (Vroom, 1964) both being able and willing are necessary to be motivated to take a certain action. The existence of one of both is not sufficient for mobility to occur.

The ability component refers to the employee's ability to fulfil another job inside or outside the department or organisation at the same or at a higher level with his/her current competences. In this respect, skills, knowledge and attitudes are important indicators for the range of jobs that somebody would be able to fulfil adequately. The level of competence limits the range of jobs. We will further refer to this ability component as the "*mobility scope*".

A distinction can be made between vertical and horizontal mobility scope and between organisation-internal and external mobility scope. There are no explicit expectations about the interrelations of the various kinds of mobility scope.

The willingness component refers to the employee's motivation or readiness to fulfil another job inside or outside the department or organisation at the same or at a higher level. This willingness component will be further referred to as the "*pursuit of mobility*"³.

A distinction can be made between willingness to be mobile towards another job inside or outside the current organisation. Reasons behind pursuing organisation-internal or external mobility are diverse. External mobility may for example be looked for as a result of dissatisfaction with the current job, department or organisation (push factors), or because of the availability of a very attractive job outside the organisation (pull factors). In literature contradictory assumptions have been described about the relation between these two types of pursuit of mobility.

Boom and Metselaar (1993) expected the pursuit of internal mobility to be negatively related to the pursuit of external mobility. It is supposed that the pursuit of mobility of employees is rather specific. One is willing to be either internally or externally mobile. This hypothesis, however, was only partly confirmed. In contrast, Wit *et al.* (1993) demonstrated a strong positive correlation between internal and external mobility plans (Pearson's $r=.63$). We will study this relationship rather exploratively, although we intuitively assume that people may possess a general attitude representing a need to be mobile, whether internal or external. In our view, these two kinds of pursuit of mobility may well be positively related. We do, however, not explicitly formulate a hypothesis with regard to this interrelationship.

³ The term "pursuit" represents an active attitude of employees in the light of job mobility.

Beside the distinction between organisation-internal and organisation-external pursuit of mobility, pursuit may be distinguished according to the extent to which it is directed at positions at the same or at higher hierarchical levels. This is further referred to as the “verticality of pursuit”. Since vertical mobility is not the only relevant direction for a modern career move (horizontal mobility is equally important) the verticality of pursuit will be analysed, though it will not be emphasised. Furthermore, it is not part of the mobility perspective. As such, verticality of pursuit is addressed for exploratory purposes only.

4.1.5.1. *The relation between mobility scope and pursuit of mobility*

A positive relation is assumed between the ability and the willingness to become mobile. Whether the ability influences the motivation or the other way around or whether they mutually affect each other is not yet clear and will be studied.

Several authors have written about the influence ability has on willingness. Mensink and Schoemakers (1995) found that a large employability leads to new mobility behaviour. The broader the scope of job opportunities in terms of capabilities, the more roads are open to travel on. Accordingly, Wit *et al.* (1993) state that perceived career opportunities inside and outside the organisation influence people’s plans or intentions with regard to mobility, next to other things such as dissatisfaction and organisational commitment. More specifically, Boom and Metselaar (2001) found a positive relation between internal employability (= ability) and intention for internal job mobility. Accordingly, not being capable of fulfilling another job within the organisation (low ability) is related to a higher organisation-external turnover intention. The general idea behind this relation seems to be that when people possess certain abilities, they are eager to utilise them. This counts even more for people who judge themselves largely capable of fulfilling jobs at a higher level. They will strive for higher job positions. Then, a positive relation is expected between vertical mobility scope and verticality of pursuit. In an opposite situation with only restricted possibilities with the current employer, this may well be reason for an externally focused mobility intention (Evers, 1996).

Fewer reasons can be found to propose hypotheses with regard to an influence of willingness on ability.

Boom and Metselaar (2001, p. 24) found partial support for the hypothesis that a larger mobility willingness relates to a larger internal deployment. We assume that a high motivation for mobility could lead only to a higher mobility ability, by gaining new information about one's capabilities. This could work for example because people who are motivated to find another job will be inclined to search for information on the internal and external labour market and are likely to be engaged in all kinds of (self-)assessment, through which they could become conscious of the fact that their potential is larger than they initially thought. Since we did not find support for this line of reasoning in literature, we will exploratively study this relationship. We will not formulate a hypothesis with regard to this influence.

4.1.6. Implications of modern careers for learning

Because of the recent emphasis on employability and the changed expectations within the *new* psychological career contract, certain types of HRD-activities are valued more than others.

In section 4.1.1. we concluded that beside the fact that career milestones have become learning-related instead of age-related, we also saw that transferable skills in contrast with job and organisation-specific skills are increasingly valued. The learning processes and activities needed, then, have changed too. Today, success depends not only on the specific knowledge, but rather on the ability to quickly adopt and generate new knowledge and developments and to handle changing circumstances (Kolb, 1976). As a consequence, generic HRD-activities, contributing to transferable

skills and knowledge have become crucial because they bring forth the so much needed flexibility of the workforce. Inclusion of this dimension in employability research is required.

Secondly, the career of the future is a continuous learning process (Hall & Moss, 1998). And continuously learning employees are essential for an organisation to be a continuously improving business (p. 31). Learning becomes an everyday activity increasingly integrated into work. We may assume that the *frequency* of HRD-activities⁴ is also an essential dimension.

Thirdly, HRD-activities carried out in the light of one's career development at least need a certain level of *planning*. HRD-activities need to be adjusted to set career goals. One cannot afford to leave one's development up to chance. We therefore assume that planning is a third important dimension of new learning. The assumption is that consciously planned HRD-activities will have more effect on desired career development than HRD-activities coincidentally met on the job. Moreover, modern employees will not wait for the organisation to manage their careers and therefore they will plan their HRD-activities themselves.

In sum, important dimensions of modern HRD-activities are level of generic value, frequency and planning. These three dimensions of new learning together will be referred to as the *broader HRD-pattern*. We will first explain the importance of the dimension generic value of HRD-activities, which we view as the key dimension of learning in a modern career. This dimension will be referred to as the *narrower HRD-pattern* (see chapter 5 for further details).

4.1.6.1. *Generic value of HRD-activities*

Several authors within the field of HRD, both with academic and practical backgrounds, conclude that it is especially the generic value of education and learning that positively influences employability (Jelsma, 1989; Thijssen, 1997a; Wolf, Fotheringham & Grey, 1990). Other arguments in favour of more generic HRD-activities argue that it makes employees more mobile and consequently less restricted to a small occupational domain, and that general skills are supposed to become more and more valuable due to the flexibilisation of the labour market (De Wolf, 2000, p. 151).

Specific and generic learning cannot be easily distinguished. Rather, they are extremes of one continuum. Whereas specific HRD-activities refer to knowledge and skills to be applied in only one specific situation, generic HRD-activities apply to broadly applicable knowledge and skills that can be used independently to deal with new problems in a wider range of tasks, jobs and organisations.

The model of the spinning-top (see Figure 4.3.) illustrates the value of generic learning over specific learning (Thijssen, 1988; 1997a). Generic learning is directed at productive skills with emphasis on far transfer. Specific learning is directed at reproductive skills and emphasises near transfer.

⁴ The extent to which time and energy is spent on HRD-activities.

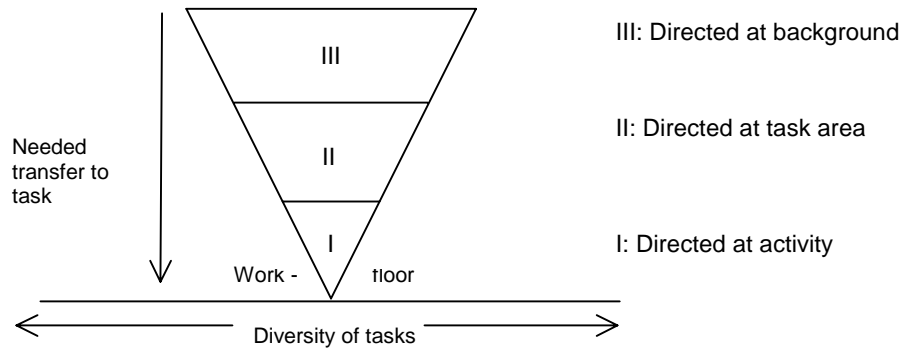


Figure 4.3. Spinning-top (Thijssen, 1988, p. 125).

The metaphor of a spinning-top on the work floor is used to show people's available know-how. The know-how specifically related to the current work context is situated at the bottom of the spinning-top; the more general know-how, applicable in various (future) work contexts, is situated in the upper part of the top. From the figure it can be seen that the transfer of generic education is larger, but at the same time it has a much broader domain for application (high risk / high return). In contrast, it is easier to use specific know-how in the workplace, but the applicability is restricted to a smaller, domain (low risk / low return) (Thijssen, 1997a, p. 27).

The generic value of HRD-activities thus indicates the extent to which these activities have meaning for future job opportunities. An exception to the rule that generic HRD-activities lead to better career prospects than specific HRD-activities is, of course, when one has a specific future job in mind for which certain specific technical skills are required. Then, specific learning will most likely lead to an entry into the desired job. For managers, striving for other management jobs, generic competences give best career opportunities.

Economists have long argued that the *returns on general education* are higher than those on specific training, because education is *transferable* whereas many skills tend to be job-specific (Bishop, 1998). The advantage of generic over specific education, however, is based on false premises, one of which is the assumption that academic skills are good substitutes for occupation-specific skills. Even though specific HRD-activities are expected to have a relatively small contribution to employability, it does not mean that specific education is redundant. It is better to state that at least generic education is *also* needed in case employability is strived for (Thijssen, 1997a, p. 28).

Especially for organisations and employees who choose to follow a broadening employability strategy (see section 4.1.4.) generic HRD-activities are emphasised. Through the adaptation of a broadening strategy, organisations externalise their employees (that is, make them less embedded in the organisation, or a specific business unit) by investing in skills and knowledge that are general and applicable in multiple settings/organisations (Rousseau, 1995, p. 104). These employees become outsiders. When they are only bound to the organisation for a short term, they are typically independent contractors. The opposite type, employees who are bound to the organisation for a long term and who are insiders (possessing organisation-specific skills and knowledge) are the core workers.

In Figure 4.4. types of workers are identified on the basis of the level of internalisation and externalisation and short and long-term relationships.

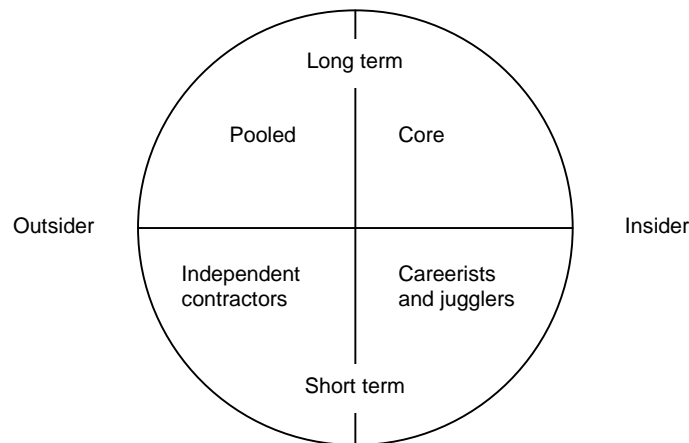


Figure 4.4. Attachment map (Rousseau, 1995, p. 105).

According to the human capital theory, organisations will especially invest in training when it will increase productivity. When making training investment decisions, employers are comparing the costs they incur to the increase in productivity (net of resulting wage increases) of the workers expected to remain at the firm. Benefits received by other employers (risk of poaching) or the worker will have zero weight in their calculation. The result inevitably is under-investment (from society's point of view) in employer training that develops general skills (Bishop, 1998, p. 31). Organisations are inclined to invest primarily in organisation and job-specific training. Since generic education is of high importance for organisation-internal mobility, organisations meet a dilemma usually referred to as the prisoners' dilemma (Gerritsen Van der Hoop & Thijssen, 1999).

The preference for investments in specific training primarily comes from line managers focused on short-term production for which a specifically educated and highly productive workforce is required. Top management usually prefers an employable workforce for which generic education is required and which shows results in the long term (Thijssen, 1997a, p. 29; Leenders & Van Esch, 1995). Other factors that play a role in this are e.g. line managers' fear of poaching (to lose good employees to other departments or even other companies), the risk that the transfer of generic education to application in the workplace cannot be made, and the long period of time needed to see results of investments in generic training (Thijssen, 1990).

Effects of educational specialisation on labour market success (e.g. mobility and flexibility) were studied by De Wolf (2000). She concludes that field specialists (relatively broadly developed) as opposed to vocational specialists (relatively specifically developed) estimate to be more mobile and flexible. Field specialists think they can still move to all sides and are able to quickly settle into another job; they expect to be broadly employable in the forthcoming years and to change profession, job and employer more often.

It seems that especially in the section of the labour market for which no specific qualifications (such as with regard to medical and law-related professions) or knowledge about a certain field (e.g. health care or minorities) is required, generic qualifications and personal characteristics are important for selection and labour market success. This goes for our study in which managers are involved. In this general segment of the labour market generic competencies are highly valuable. Moreover, compared to the vocational and field-specific segments, the flexibility is assumed to be highest. This is also called the flexibility hypothesis (De Wolf, 2000, p. 38).

4.1.7. Background characteristics

First we will describe the expectations we have about the relation between individual background factors and the HRD-pattern (4.1.7.1.). Secondly, the hypotheses with regard to the relation between background factors and the mobility perspective will be described (4.1.7.2.).

4.1.7.1. Background characteristics and HRD-pattern

In chapter 2 we addressed the relation between background characteristics and learning. We focused on the frequency of formal and informal HRD-activities in particular. In this chapter we argued that it is not only frequency, but also generic value and planning of HRD-activities that are major dimensions of learning in modern careers. We will therefore add hypotheses to the new dimensions and will partly refer to chapter 2 for already formulated hypotheses (section 2.3).

We will now describe hypotheses on: a) Age, b) Educational level, c) management level, and d) job expiration. We will conclude with some comments on the relation between gender and HRD-pattern.

Ad a. Age and HRD-pattern

With regard to generic value of HRD-activities, it is expected that younger people learn in a more generic way than older people. Younger employees will have to develop their careers and will try to enlarge their chances for other jobs as much as they can. They will work on their employability security by learning broadly, since job security under the new contract no longer exists.

In addition, the experience concentration theory says that with the years there is an increasing amount of experience and a decreasing variability of these experiences (Thijssen, 1992c). As a result, when time goes by employees master a narrower domain at which they feel more and more at ease. The positive effect is that they can easily carry out their job in a routine way. The negative side of this is that in times in which changes occur on a daily basis and at a rapid pace, it becomes increasingly difficult to master new domains outside the domain one is so familiar with. Concentration of experience limits individual flexibility.

Younger people are likely to plan their HRD-activities to a larger extent than older people. Since younger people are still at the beginning of their career, there is still a relatively long period of time available to reach career goals. Especially younger employees will have to plan their development activities, thus enlarging their chances of actually reaching their goals. In sum, we expect a negative relation between planning of HRD-activities and age.

Ad b. Educational level and HRD-pattern

A positive relation is expected between educational level and generic value of HRD-activities. Academic people are used to be educated broadly. It is likely for them to follow this habit to learn broadly when employed in an organisation. This is in contrast with people who are specifically educated for a certain profession, who will be inclined to even more specialise in their job.

Educational level is also expected to relate positively to planning of HRD-activities. An argument in favour of this expectation is that higher educated people are usually more prepared to actively pursue a certain career path. Overall they have a clearer picture of future career goals and are prepared to put effort in planned HRD-activities.

Ad c. Management level and HRD-pattern

Managerial jobs increase in breadth, complexity, visibility and amount of external interfaces as one moves up the hierarchy (McCauley, 1994, p. 547). Not surprisingly, the position that somebody holds has a significant relation with development activity (e.g. Kozlowski & Farr, 1988; McEnrue, 1989; Noe & Wilk, 1993). The explanation for this relation is sought in the influence of management level on employees' opportunities to participate in development opportunities (Noe & Wilk, 1993, p. 292).

Employees at higher levels have more opportunities to learn, as a consequence of the nature of their work (degrees of freedom, task variety and stimulating networks) (e.g. Tuijnman, 1989; Thijssen, 1996) than employees at lower, operational, levels. This goes for both formal and informal HRD-activities (Thijssen, 1996, p. 62). The working climate at lower job levels is suggested to offer fewer opportunities to informally acquire new qualifications (Thijssen, 1996, p. 47).

Several authors found the level of responsibility to be a major factor in triggering learning opportunities (e.g. Kelleher *et al.*, 1986; McCall *et al.*, 1988). McCauley *et al.* (1994) put forward that level of responsibility, as a task-related characteristic, forms a developmental component of a managerial job. We therefore expect that management level is positively related to learning, especially with regard to *frequency* of HRD-activities. Additionally, since higher management levels make broadly applicable competences necessary, we also expect a positive relation with generic value of HRD-activities. The relation with planning of HRD-activities is less clear.

Ad d. Job expiration and HRD-pattern

A positive relation is expected between job expiration and the use of HRD-activities. Managers who expect that their job will expire within a certain period of time are expected to use more HRD-activities than managers who do not expect a job loss in the near future. Moreover, these HRD-activities are likely to be more generic and planned, since they are intended to prepare for a next job. In this way the chance of finding a new job is enlarged.

Gender and HRD-pattern

In most HRD-researches gender is included since it is supposed to have a certain effect on expertise development (Van der Heijden & Rietdijk, 1996). It is, however, not evident how HRD-activities are affected by gender. Some findings are, for example, that women (between the ages 35 and 44) plan more than men of the same age (Megginson, 1996, p. 422). Moreover, differences are found between men and women with regard to their learning preferences. For example, women seem to learn more from the demands they face (Ohlott, Ruderman & McCauley as cited in Baldwin & Padgett, 1994, p. 287), and they learn from a greater variety of sources than men. Furthermore, it seems that especially for men after retirement age a fall-off in participation in schooling occurs (McGivney, 1993, p. 14). It remains, however, a hazardous thing to formulate expectations such as that women learn more or less frequently, more or less broadly and plan to a higher or lesser extent than men. We will therefore not formulate hypotheses on the relation between gender and the nature of HRD-activities.

4.1.7.2. Background characteristics and mobility perspective

On the basis of literature we formulate some hypotheses with regard to the relation between individual background characteristics and mobility perspective. These background characteristics are: a) Age, b) Educational level, c) mobility opportunities, and d) job expiration. Some final remarks will be made on the relation between gender and mobility.

Ad a. Age and other time and experience-related factors and mobility perspective

Age has a large importance for job mobility (Tijdens, 1993). Age and tenure are negatively related to career-related activities, mobility behaviour and employability willingness (Tijdens, 1993; Van Dam, 1999; Van Dam & Thierry, 2000, p. 38; Wit, Van Breukelen & Gagliardi, 1993). Age and tenure are both time-related concepts. They do, however, represent distinct career processes. While age is related to the individual work career, tenure is related to the organisational career.

In a study on internal and external mobility (Wit, Van Breukelen & Gagliardi, 1993), age is said to play a key role in the extent to which employees have mobility ambitions and plans. The mobility ambitions of younger and higher educated people with a low organisational tenure are higher than for older

employees with a longer history with the same organisation. Especially the external mobility declines with age and job tenure. Tijdens (1993) argues that especially job tenure is very important for the relation with turnover intention. In addition, if individuals hold the same position for a long period of time, they become less willing or prepared to acquire new skills (Thijssen, 1992c). Similar to the expectations we have with regard to age and tenure, we expect that other experience-related indicators, such as number of job changes and number of management jobs, are negatively related to pursuit of mobility as well. In sum, a negative relation is expected between several time and experience-related factors (age, job and organisational tenure, number of job changes, and number of managerial jobs) and pursuit of mobility.

The relation of these time-related factors with mobility scope is a little more complex. Over time one's career experiences progress and it is therefore expected that one's mobility scope develops accordingly. It is therefore plausible to expect a positive relation between time and experience-related factors (age, job and organisational tenure, number of job changes and number of management jobs) and mobility scope. The experience concentration theory (Thijssen, 1992c), however, refines our expectations. This theory says that as age increases, the total of experiences will normally increase and the diversity of experiences will normally decrease (p. 10). This means that while growing older, employees are better able to fulfil jobs in a narrower area of specialism. Consequently, the job flexibility of older employees decreases. This means that while initially one's mobility scope increases with age, in a later phase the mobility scope is likely to decrease again. To conclude, the relation between time and experience-related background factors and mobility scope is more complex than initially appears. It will therefore be studied exploratively.

Ad b. Educational level and mobility perspective

Educational level is important for job mobility, although it is less important than age (Tijdens, 1993). Van Dam and Thierry (2000) state that educational level is related to employability orientation and positively influence the organisation-internal mobility. Wit *et al.* (1993, p. 27) found that higher educated employees have the highest *voluntary* organisation-external job mobility. This is related to the fact that higher educated people have higher mobility ambitions. Since higher educated people generally have more generic skills and knowledge at their disposal than lower educated people, it is expected that the mobility scope of higher educated people is larger than the scope of lower educated people. This means that higher educated people are more employable than lower educated people. In sum, a positive relation is expected between educational level and both mobility scope and pursuit of external mobility.

Ad c. Vertical and horizontal job position and mobility perspective

The internal labour market plays an important role in internal mobility. The presence of other jobs determines the possibilities for internal mobility (Wit *et al.*, 1993, p. 30). Absence of possibilities for internal mobility will lead to a low internal mobility rate. People aware of lacking possibilities for internal mobility will develop a higher pursuit of external mobility. The combination of horizontal and vertical job position makes up the possibilities for internal mobility. It will influence the nature of managers' pursuit of mobility. We expect that managers at positions with few possibilities for internal mobility will have a higher pursuit of external mobility.

Ad d. Job expiration and mobility perspective

It seems a logical consequence of expected job expiration that managers will develop a higher pursuit of mobility. Depending on other factors, this pursuit will be directed towards new jobs inside or outside

the organisation. We will therefore include this variable in our study. To illustrate, Tijdens (1993) concludes that the *subjective* perception of career perspectives is important for mobility tendency.

Gender and mobility perspective

Gender plays a less important role in job mobility than age does (Tijdens, 1993). No indications were found for a relation between gender and mobility perspective. Common sense tells us that women who lay more priority on family life than on career progress may have a less advantageous mobility perspective than women with high career priorities. But the same goes for men with varying levels of priorities for respectively their families and their careers. No hypotheses were formulated.

An overview of hypotheses with regard to the relation between background characteristics and respectively the HRD-pattern and mobility perspective are summarised in section 4.3.4.

4.1.8. Conclusion modern career development

In this study, career development is given a dynamic meaning. In our view career development is the continuous process of active engagement in self-managed career development activities aimed at optimising one's career mobility perspective.

A career develops as a result of active involvement of the individual. In these new labour relationships emphasis is put on career self-management, which implies that development is *the* central element of a career, and the primary responsibility for development lies with the 'self', the employee.

This career self-management attitude appears from the responsibility and initiative individuals take with regard to their own learning and for other career development activities, such as the combination of working and private life. Other important career development activities are career planning, personal development and networking. Especially in the light of mobility, concepts such as self-management, self-directedness and initiative are important since nowadays people are supposed to change jobs more frequently. Particularly when somebody enters a new job position, initiative is an important trait to experience developmental experiences (Davies & Easterby-Smith, 1984).

The organisation shares the responsibility for employees' career development by supplying facilities. Career development is thus a mutual responsibility of organisations and employees. Expectations that employees have about their career development and about what they expect from their employers are part of the so-called psychological career contract. Later (in section 4.2. and chapter 5) we will explain what the psychological contract is and we will explicitly generate hypotheses on the effects that the nature of the psychological career contract has on a manager's learning behaviour and mobility perspective.

Employability has become the new career goal. Accordingly, employability-related concepts such as flexibility and mobility have evolved, too. The traditional idea of career development as upward progression (Rosenbaum, 1984) has made way for more emphasis on lateral moves and growth in one's job. More emphasis is put on generic value of HRD-activities, which result in a higher level of employability and thus more mobility within and between organisations. We will therefore include both organisation-internal and external mobility in this study. We do not attach greater meaning to one of both.

Furthermore, frequency and planning of HRD-activities are important learning dimensions in the modern career. These three learning dimensions together will be referred to as the *broader* HRD-pattern⁵.

⁵ As opposed to the *narrower* HRD-pattern which is the summarising characterisation of the variety in *generic value* of various learning activities used by managers; see for further details on this topic section 5.3.3.1.

4.2. The psychological career contract

In this section, our focus is on the psychological career contract. We will first address the historical development of the psychological contract⁶ concept and present several definitions (4.2.1.). Next, we will set out that psychological contracts may refer to different domains. The term “psychological *career* contract” is introduced as a particular form of contract in which career development is the central domain (4.2.2.). Section 4.2.3. will describe measurement issues that arise in studying the psychological contract. The evaluation of the contract and its consequences will be central in 4.2.4. It will be explained that the level of balance of the psychological contract is important in this respect. Psychological contracts always refer to an exchange relationship between different parties. In 4.2.5. we will focus on one in particular, the relation between manager and subordinate. Background characteristics related to the psychological contract will be reported on in 4.2.6. We will end this section on the psychological contract with a summary of our conclusions from the literature review (4.2.7.).

4.2.1. History and definitions

The psychological contract is an unwritten contract focusing on employee perceptions of mutual obligations between employee and employer (Rousseau, 1989, 1990; Rousseau & Parks, 1993; McFarlane Shore & Tetrick, 1994). Most research on psychological contracts focuses on obligations in the context of the employment relationship (Rousseau, 2000, p. 2).

The concept of the psychological contract was introduced in the Sixties by Argyris (1960) who addressed the relationship between employees and foremen. Levinson *et al.* (1962) and Schein (1965) further developed the concept. During the last decades, especially Rousseau (1989; 1990; 1995) and Herriot (1995) did a great deal of work on the theory of the psychological contract, which led to a remarkable revival of the concept (Van den Brande, 1999, p. 65).

Rousseau (1995) clearly describes the psychological contract by distinguishing it from other types of contracts based on two dimensions: 1) whether the contract applies to an individual or to a group, and 2) whether the contract is perceived by a contract party or by others (non-contractual parties). The psychological contract, then, refers to *individual* beliefs of employees as *party in* the contract. Three other contract types are *normative* contracts (shared psychological contract by group members holding common beliefs), *implied* contracts (beliefs of others about one specific contract) and *social* contracts (broad beliefs in obligations associated with a society's culture).

In Table 4.4. we give an overview of widely used definitions of the psychological contract by major authors who worked on the development of the concept.

⁶ The terms psychological contract and exchange relationships are largely similar. In our study we choose the term psychological contract.

Table 4.4. *Overview of definitions of the psychological contract.*

Definition	Author
An implicit agreement to respect each other's norms	Argyris (1960)
A product of mutual expectations that are largely implicit and unspoken and which frequently antedates the relationship between person and company	Levinson, Price, Munden, Mandl & Solley (1962)
An unwritten set of expectations operating at all times between every member of an organisation and the various managers and others in that organisation	Schein (1965)
Individual beliefs, shaped by the organisation, with regard to terms of an exchange agreement between individuals and their organisation	Rousseau (1995)
The perception of both parties (employer and employee) of their relationship and the things they offer each other in this relationship	Herriot & Pemberton (1995)

4.2.1.1. *Features of the psychological contract*

Three common aspects can be recognised in the definitions of the psychological contract (Table 4.4.): implicitness, mutuality and terms such as expectations and obligations. Some further explanation is required.

First, in contrast with formal legal contracts, which contain explicit and agreements in writing, psychological contracts are *implicit* and unspoken. The obligations making up the psychological contract for the most part exist in the minds of people. Still, they do exist; perceptions are real (Herriot & Pemberton, 1995, p. 17). Moreover, they are only infrequently discussed, which does not mean, of course, that when the psychological contract is subject to discussion it ceases to exist (Anderson & Schalk, 1998, p. 640). The word "psychological" also refers to the implicit nature of this type of contract. In spite of the hidden nature of the psychological contract, there seems to be consensus between psychological contract researchers that it is an important determinant of behaviour and attitudes of employees (e.g. Schein, 1965; Anderson & Schalk, 1998).

Secondly, *mutuality* of expectations is emphasised in most definitions. This is not surprising since per definition a contract contains at least two parties. Schein (1965) refers to this mutuality by referring to two levels: the individual and the organisational.

Mutuality can be approached more or less literally. Some maintain that agreement between the different parties in order for a psychological contract to exist is necessary. It contains a process of negotiation and re-negotiation to find a match between the individual and the organisation (Schein, 1965).

Rousseau has another opinion and stresses that there is no need for agreement of expectations in order for a psychological contract to exist. Mutuality lies in the fact that the employee has beliefs with regard to the organisation's obligations to them as well as their own obligations to the organisation (Rousseau, 1989). It is the perception of mutuality, not necessarily mutuality in fact, which is at the heart of the psychological contract (Rousseau, 1998a, p. 666). The psychological contract is based on *perceived* promises by the organisation to the employee (McFarlane Shore & Tetrick, 1994, p. 92). The individual's reality is the point of departure, not reality *per se*.

While the individual employee believes in the existence of a particular psychological contract, or reciprocal exchange agreement, this does not necessarily mean that the supervisor or other organisational members agree with or have the same understanding of the contract (Rousseau & Parks, 1993). The psychological contract is an inherently subjective phenomenon, in part due to individual cognitive and perceptual limits.

Thirdly, in all definitions terms such as *expectation* or obligation with regard to the exchange relationship are used. Other terms used are e.g. perceptions, beliefs and promises. In general, this

distinction does not seem so crucial since the same meaning is attached to those words (Van den Brande, 1999). However, the different terms imply different levels of psychological engagement (Conway as cited in Guest, 1998, p. 651). The failure to meet an obligation is more destructive than the failure to meet an expectation or hope. A continuum from compulsory to not-compulsory underlies these terms. Obligations are mostly written down in formal contracts. Because psychological contracts are largely implicit the term expectation seems to be more appropriate.

Another characteristic of the psychological contract largely recognised by psychological-contract researchers is the dynamic nature of the contract, which changes over the years and one's career (Rousseau, 1995; Schein, 1965, 1980; Levinson *et al.*, 1962). One of the studies that supported the dynamic nature of the psychological contract is the study by Robinson, Kraatz and Rousseau (1994)⁷. Moreover, Herriot and Pemberton (1995) say that the organisation's and the individual's wants and offers may change over time (p. 139). Depending on which of these elements change or remain equal, the balance or unbalance will change, too.

4.2.1.2. *Types of psychological contracts*

One way of describing the psychological contract is by type of contract. In literature the relational and transactional contract type are often mentioned (MacNeil, 1985).

Relational contracts are based on long-term satisfying relationships, while the transactional contract refers to short-term exchange of benefits and contributions. With the increased rise of modern careers, a trend is observed from emphasis on relational contracts towards an emphasis on transactional contracts. Herriot and Pemberton (1995) state that new relationships in essence are no longer relational. Instead, "they are strictly transactional; you give me this and I'll give you that" (p. 20).

Under the transactional contract, the locus of responsibility is squarely on individuals: they are employed on the basis of their current value to the organisation. "People can attribute continued employment to their own effort and achievement" (Mirvis & Hall, 1994, p. 375).

Rousseau (1995) distinguishes four types of psychological contracts based on two dimensions (see Table 4.5.). Two of the types are the relational and the transactional type. Two other types are: transitional and balanced contracts. McFarlane Shore & Tetrick (1994) add that while transactional contracts are linked to economic exchange, relational contracts are linked to social exchange.

Table 4.5. *Types of psychological contracts (Rousseau, 1995, p. 98).*

	Specified	Not specified
Short term	Transactional	Transitional
Long term	Balanced	Relational

These dimensions, however, are not the only two relevant dimensions according to which types of contract may be described. Contracts may also vary according to the focus of the contract, time frame, stability, scope and tangibility (Rousseau & McLean-Parks, 1993), particularism, multiple agency and volition (McLean Parks *et al.*, 1994; 1998).

4.2.1.3. *Relevance of the psychological contract*

So far the question about the function, or the usefulness, of the psychological contract has been left unaddressed. Several authors have written about this issue.

First of all, with the shift from traditional to modern personnel management, the emphasis is increasingly put on the psychological contract instead of on the formal contract (Storey, 1992).

⁷ The trend suggests that employees' perceived obligations to their employers decline over time, while the obligations they attribute to their employers increase (p. 147).

Secondly, the psychological contract has effects on employee's (work) behaviour, attitudes and intentions (e.g. Anderson & Schalk, 1998; Freese *et al.*, 1999; Rousseau, 1990; Schein, 1965, 1980; Schalk, Freese & Van den Bosch, 1995).

From McFarlane Shore and Tetrick's (1994, p. 93) description of three functions of the psychological contract, the relevance of the concept becomes clear. The primary function of the psychological contract, according to them, is the reduction of uncertainty. By establishing agreed upon conditions of employment, psychological contracts compensate for the fact that it is impossible to work out all aspects of employment (in formal contracts). The second function of the psychological contract is to direct employee behaviour without necessarily requiring managerial surveillance. This function is largely supported by others (e.g. Anderson & Schalk, 1998). Employees monitor their own behaviour on the basis of the belief that this will lead to certain rewards. The third function of the psychological contract is to give employees an influential role. Employees are party to a contract, which means that they are (feeling to be) able to influence their destiny in the organisation.

An implicit assumption in the functions of the psychological contract described above, is that they are generally valid, that is both in traditional and modern contracts. However, the extent to which employees get room for self-direction and for influencing their situation seems to be larger under the new contract in which employees operate as architects of their own careers. The latter functions therefore are especially relevant for modern psychological contracts.

4.2.2. The psychological career contract: Career self-management expectations

The content of the psychological contracts refers to the terms and elements which comprise the contract (e.g. specific obligations such as job security, or general types of obligations such as relational and transactional) (Rousseau, 2000, p. 3). In several empirical studies attention was paid to aspects of Human Resource Management (e.g. remuneration, training & development, recruitment & selection, etc.). Rousseau (1990) formulated specific employee and employer-focused obligations. Examples of employee-focused obligations are working extra hours, loyalty and willingness to accept a transfer. Examples of employer-focused obligations are promotion, high pay, pay based on current level of performance and career development (p. 394). In her instrument, Freese included nature of work, personal learning and developmental opportunities, social aspects, HRM-policy and rewards (see Freese *et al.*, 1999).

Our main interest is in studying the significance of managers' learning behaviour and the reasons behind this behaviour. It is a logical consequence to focus on expectations with regard to career development. The term 'psychological *career* contract' will be used whenever we talk about career-related aspects of the psychological contract (Lankhuijzen *et al.*, 2001).

As a result of profoundly changed circumstances of work, expectations of both employers and employees have altered. Consequently, *new* psychological contracts emerge. The specific nature of the *new* psychological career contract will now be explained. In section 4.1.1. we already addressed the modern nature of careers and concluded that one of the major shifts that has recently taken place concerns the locus of responsibility for career management. This responsibility has shifted from the employer to the employee. The assumption is that it is a feature of the modern employee to self-manage his or her career development. People who do not take control of their own careers are viewed as more traditional careerists. We view the level of self-management with regard to career development as *the* significant dimension along which careers may vary. We will further refer to this concept as the *level of career self-management as part of the psychological career contract*. More specifically, expectations about the division of responsibilities and initiative with regard to learning and career development make up the psychological career contract.

In section 4.1. about career development we described the new roles with regard to self-development (or career self-management) individuals and organisations *should* take. Obviously we have to deal with the expectations of two parties that may converge or diverge. Even though we are considered to live in an era of modern careers, it remains to be seen whether employers and employees actually think according to this new career concept. It is not realistic to assume that everyone views the management of his career development as his own responsibility. Managers may for example choose the modern approach and show eagerness to take control of their own careers. The question remains whether the organisation is willing to give the required amount of freedom and autonomy, which would represent a modern attitude of the organisation. Delf and Smith (1978) address this area of tension as follows: "It is risk taking for the organisation in giving such freedom and also an investment in managers for which pay-offs will be uncertain and not immediate. In essence it is the organisation *contracting* with managers for their self-development" (p. 498). It is worth exploring the idea of a contract with career self-management expectations as its main element.

In sum, expectations about career self-management may vary from person to person and from organisation to organisation on a continuum from traditional to modern. A high level of career self-management is part of a modern career contract, while a low level of career self-management refers to a traditional career contract.

The term contract refers to the existence of different perspectives. Applied to the psychological career contract, it means that the individual's and the organisation's perspective on career self-management are compared. We will further refer to this as "individual⁸ commitment to career self-management" and "organisational support for career self-management".

This mutual perspective on career development was described in section 4.1., where we explicated that modern career development is a shared responsibility of individuals and organisations.

Among other studies, we can particularly build on research that has been done by Rousseau (1995), who studied the psychological contract from an individual perspective, and by Hall (1996), who focused on the "protean career".

4.2.3. Measurement of the psychological contract

The measurement of the psychological contract involves several complex points. First, *mutual* obligations are the central issue in the relationship between employer and employee (Anderson & Schalk, 1998, p. 637); in essence, the psychological contract is an exchange relationship. By definition several parties are involved and, as a consequence, expectations of different levels have to be compared, which is immediately problematic (Anderson & Schalk, 1998, p. 639), or as Guest (1998) calls it, "an analytic nightmare".

The perspectives from which the psychological career contract can be measured are the organisation's, the employee's, or both simultaneously (Rousseau & Tijoriwala, 1998, p. 685). Examples of all possibilities can be found in literature. For example, Tsui *et al.* (1997) measured the psychological contract from an employer's perspective. Rousseau (1995) chose the perspective of the individual. A study in which both the employer's and the employee's perspective were measured is the one by Porter, Pearce, Tripoli and Lewis (1998).

Secondly, there is the problem of *who* the organisation is, or by whom it is represented. This is often unclear (Freese, Heinen & Schalk, 1999; Guest, 1998) and in that case the question remains whose perceptions are compared with whose.

⁸ Individual can be replaced by "employee" or "manager".

Rousseau (1995) argues that *the* organisation does not exist, but is represented by individual agents. Line managers, personnel directors and chief executives are just some examples of these organisational representatives (Herriot & Pemberton, 1995). In the study by Porter *et al.* (1998), for example, a set of high-level executives was chosen to “speak” for the organisation (Porter *et al.*, 1998, p. 771). Because of this multitude of possible representatives, organisations can hardly be considered to be a uniform set of expectations (Schalk & Freese, 1993). It rather is “a multiple collective of diverse and differing expectations held by a whole set of actors” (Anderson & Schalk, 1998, p. 639).

In order to deal with this problematic issue, Rousseau (1990) introduced a narrower definition of the psychological contract. She conceives the psychological contract to be a mental model of *individual* perceptions (p. 390). More precisely, it is individual's beliefs about mutual obligations, in the context of the relationship between employer and employee (Rousseau, 1990, p. 391). By using this definition the perspective shifts from a bilateral relationship between two parties at different levels (individual and organisational) to the unilateral, singular level of the individual. The psychological contract in this view is a subjective, individual perception of obligations of the employee towards the organisation and of the obligations of the employer towards the employee (Schalk & Freese, 1993). According to this approach it is possible to study the psychological contract by mapping employees' individual perceptions only.

It is the perception of reality, not any so-called “objective” reality that shapes expectations, attitudes and behaviours. Consequently, to understand employee attitudes and behaviours, it is necessary to understand their perceptions, their reality (McLean Parks, Kidder & Gallagher, 1998, p. 697; Verweel, 2000).

Rousseau and Tijoriwala (1998) draw the conclusion that subjective measures (self-report) are the most direct sources of information with regard to nature and content of the psychological contract.

This approach is criticised by some authors (e.g. Guest, 1998; Herriot, 1995; Levinson *et al.*, 1962; Schein, 1965), who maintain that it is necessary to measure expectations of the different parties in order to assess the nature of the psychological contract. A psychological contract, according to them, concerns the aspects on which agreement (of different parties) exists. Guest (1998) is rather discontented with measuring employee perceptions only, either. He argues that the richness of the contract concept might thus be lost. Yet, this unilateral approach of the psychological contract is followed by many researchers.

Thirdly, when measuring the psychological contract a choice has to be made for an emphasis on idiosyncratic or on generalisable aspects (or on both) of the contract. This will depend on the focus of the study and on the stability of the context in which the contract exists.

An approach in which the focus is on local and idiosyncratic content is also called an emic approach. Emic frameworks are generated by the respondents who provide specific information themselves and are attempts to reflect individuals' mental models. In this approach qualitative methodologies are used. In contrast, etic frameworks assess general constructs meaningful to individuals across a variety of settings (Rousseau & Tijoriwala, 1998, p. 682) and are used in research focused on generalisability and theory testing. Here, normally quantitative methodologies are used, which are particularly appropriate in a stable environment. In addition, they argue that “in contexts of radical change, standardized measures should be supplemented by qualitative assessment” (Rousseau & Tijoriwala, 1998).

Fourthly, since psychological contracts develop over time, it is important to decide about the point in time when measurement of the psychological contract is appropriate. Guest (1998) describes the remaining “conceptual problem of establishing at what point in time a relationship between an individual and an organisation a psychological contract can be said to exist” (p. 651). It seems logical

that at least a certain amount of time should pass in order for a relationship between employer and employee to grow and accordingly for a psychological contract to develop. Thomas and Anderson (1998) agree that because of its dynamic and evolving character, for a psychological contract needs time to develop⁹. They add that newcomers' contracts reach relative stability as early as four months into job tenure (p. 749). To conclude, for measuring the psychological contract, it seems appropriate to take as a criterion a minimum stay in one's job of six months.

Fifthly, Guest (1998) argues that the psychological contract is hard to test because of its implicit nature. The test of the psychological contract often is too explicit; the question, then, is whether we can still speak of a psychological contract (Guest, 1998).

Finally, it is necessary to decide on the orientation of the psychological contract assessment. This can take three forms: content-oriented, feature-oriented and evaluation-oriented measures.

First, content measures address the terms and reciprocal obligations that characterise the individual's psychological contract. They vary to the extent to which they focus on parts of the psychological contract or on broader wholes. The quantitative measures of content can be by the use of specific terms (e.g. salary or job security), composites of terms (broad patterns of the contract, e.g. over-obligation relationship) or by nominal classification (e.g. relational or transactional) (Rousseau & Tijoriwala, 1998). Secondly, feature measures compare the contract to some attribute or dimension, such as explicit/implicit, stable/unstable, etc. Evaluation-oriented measures employ comparative judgements with regard to the individual's actual experience relative to an existing psychological contract (Rousseau & Tijoriwala, 1998, p. 690). Evaluation-oriented assessment addresses issues such as the degree of fulfilment of the psychological contract and change or violation of the contract.

In our study we use both content-oriented and evaluation-oriented measures for the psychological contract. The content-orientation derives from the focus on composites of terms with regard to employees' and employers' career self-management expectations.

In order to deal with the reciprocal nature of the contract, we assess the level of perceived balance between expectations. This balance issue refers to an evaluation orientation. As a result of a (mis) match of career self-management expectations, consequences for HRD-patterns and mobility perspectives are expected. Rousseau and Tijoriwala (1998, p. 688) call this approach "indexing", which was also used by Barksdale and Shore (1997). The balance approach focuses on the interrelations between employee and employer obligations and represents an attempt to grasp the complex dynamics of contracting.

Several instruments have been developed to measure the psychological contract. Rousseau developed the Psychological Contract Inventory (PCI) to assess the generalisable content of the psychological contract for use in organisational research and as a self-scoring assessment to support executive and professional education (Rousseau, 1998b; 2000¹⁰). Dutch psychological contract instruments have also been developed. Freese, Heinen and Schalk (1999) used the TPC (Tilburg Psychological Contract questionnaire) which, for instance, measures the fulfilment of employers' and employees' obligations and the evaluation of them, affective involvement and intention to quit.

Respondents were asked to indicate whether a certain aspect is sufficiently available within the organisation and whether they see it as a task of the organisation to offer it (p. 311).

Another example is the psychological contract questionnaire developed at Work and Organisational Psychology Department at the Free University of Amsterdam (see Ten Brink *et al.*, 1999). This

⁹ Employees show an upward re-appraisal of what their employer should provide, especially during early organisational socialisation (Thomas & Anderson, 1998, p. 764).

¹⁰ This instrument was developed throughout the Nineties.

questionnaire contains questions about the extent to which employees have expectations of the organisation and to what extent employees judge these expectations to be fulfilled. These items regard the following aspects: tasks, developmental opportunities, identification, participation, autonomy in one's job, stable labour relationship, functional mobility, combining work and private life, and information supply.

4.2.4. Evaluation of the psychological contract: Balance, unbalance and effects

The theory on the psychological contract has been extended by several authors who studied the level of balance of the contract (Shore & Barksdale, 1998; Tsui *et al.*, 1997; Schalk & Freese, 1997). In this section the following issues will be addressed: balance (between which parties, about what), the importance of balance and organisational and individual reactions as a result of balanced and unbalanced situations. Furthermore, our typology of balance relationships will be given.

4.2.4.1. What is contract balance?

As we described in 4.2.1. mutuality is one of the central elements of the psychological contract, which concerns an exchange relationship between the individual and the organisation. This implies that it involves the perceptions and expectations of at least two parties.

Two assumptions underlie these exchange relationships: reciprocity (or mutuality) and balance.

Reciprocity means that both parties expect to give to and take from each other. Some authors maintain that there must be actual reciprocity (e.g. Schein, 1965, Levinson, *et al.*, 1962), while others (e.g. Rousseau, 1995) maintain that it is the perception and experience of reciprocity that matters, not reality (see also 4.2.1.1.).

Although a perception of reciprocity may exist, it still remains uncertain *to what extent* expectations of the parties are fulfilled. Balance exists when parties give and receive favours to an equal extent. It is, however, difficult to reach a state of perfect balance. It is Blau's (1964) opinion that this is not necessary and possible. Herriot (1995), too, argues that balance is not indispensable in order for a relationship to survive. Therefore, it seems a more fruitful approach to study *the extent to which* balance exists. Balance, then, becomes a matter of degree.

In order to understand exchange relationships between employer and employee, several authors use Blau's social exchange theory (1964). Social exchange entails *unspecified* obligations and must be distinguished from strictly economic exchange. Consequently, the obligations which individuals and organisations incur in social exchange are defined only in general, somewhat diffuse terms (p. 95).

In social exchange, it is assumed that people look for balanced relationships. An individual who supplies rewarding services or favours to another obligates him. To discharge this obligation, the second person must furnish benefits to the first in turn (Blau, 1964, p. 89). Similarly, equity theory says that individuals compare their input/output ratio with others. If the ratios are not equal the individual is motivated to restore equity in some way (Adams as cited in Paul *et al.*, 2000).

It is impossible to measure exactly how much approval a certain favour is worth. Consequently, there is no way to assure an appropriate return for a favour in social exchange. Taking into account the fact that exchange may concern rather vague things such as personality and values (Herriot & Pemberton, 1996, p. 776), this difficulty becomes even more clear. Therefore, it requires trusting others to discharge their obligations (p. 94), especially since a binding contract is absent (Blau, 1964).

To illustrate, when organisations offer good employment (for example high job security or support for career development) to employees, employees will feel obliged to give something in return, for example good performance or a certain level of affective and normative commitment (Ten Brink *et al.*, 1999, p. 245) thus resulting in a low need for organisation-external mobility. In the opposite case in

which organisations do not fulfil their side of the contract, for example by offering only short-term and unclear expectations, employees will be inclined to perform less than optimally and to find a job elsewhere.

In that case, employees will perceive unbalance or violation of the psychological contract. A discrepancy is experienced between the actual fulfilment of obligations by the organisation and the promises previously made with regard to these obligations. The degree of experienced violation depends on the type of violation, the degree of discrepancy, and whether the organisation is held responsible for the violations (McFarlane Shore & Tetrick, 1994).

When the psychological career contract is concerned, balance of career self-management expectations is the issue. Organisations (and their representatives) will have to adjust their support for career self-management to the needs of individuals, which will vary from person to person. To illustrate, a person who is able and willing to self-manage and self-direct his or her career development will need more autonomy and less direction from the organisation than a person who is not capable of self-managing his career. The implication is that the organisation cannot do with offering one type of contract only (Verweij & Stoker, 2000).

In sum, it is our assumption that in general employees strive for balance in their psychological contract. The hypothesis is that balanced contracts lead to positive outcomes and unbalanced contracts will lead to negative outcomes for both employee and organisation. Furthermore, it is possible to talk about a contract when personal *values* are concerned, e.g. career self-management perceptions.

4.2.4.2. *The existence of unbalance*

Blau's social exchange theory (1964) suggests that balance in exchange is both expected and preferred. The prediction therefore is that balanced contracts occur most, which was supported by the studies of Shore and Barksdale (1998) and Tsui *et al.* (1997). However, in both studies it is maintained that beside balanced situations, over-obligation and under-obligation relationships, or unbalanced relationships, exist as well. Tsui *et al.* (1997) found 36% of the relationships to be unbalanced (in the eyes of the employer). Furthermore, the study by Robinson, Kraatz and Rousseau (1994) suggests that individuals may indeed perceive a lack of balance in the exchange.

What is important, though, is that although employees may have unbalance exchange relationships they are likely to seek balance in exchange relationships over time.

There are many sources of violation and ways in which contract violation occurs (Rousseau, 1995). When managers are concerned, the violation may consist of "saying one thing, and doing another". Co-workers can violate the contract by failing to provide support.

The contract with regard to for instance career paths may be unbalanced because the promotion schedule turns out to be different than promised. Furthermore, old agreements with regard to one's career may be broken when another manager comes into play. Contracts with regard to training may not be fulfilled when the emphasis is too much on specific competences instead of on promised personnel development or when training is totally absent. It is also important to know that people may experience contract violation when they are given less responsibility than they were promised.

Finally, it is important to note that, according to Robinson and Rousseau (1994), contract fulfilment and contract violation (or balance and unbalance) may occur simultaneously. While certain aspects of the contract may be violated, other aspects of the contract may be generally fulfilled.

4.2.4.3 *Effects of the psychological contract*

According to Herriot and Pemberton (1995) "the psychological contract needs to be kept an eye on". Since the psychological contract is a two-sided deal, both parties need to evaluate the balance of the contract. That is, while organisations check up on performance and budget targets, employees should appraise the organisation as well. The importance of taking into account the level of balance becomes clear from the consequences on individual and organisational behaviour and attitudes. Balanced contracts in general give rise to positive consequences. But, when contracts are violated, that is, when unbalance exists, it is likely that negative outcomes arise.

In search of a model of the psychological contract, Guest (1998) describes several consequences of the contract, which, according to him, have not been given enough weight. He stresses the importance of having a clear picture of the range of possible consequences for both the individual and the organisation. Depending on the type and nature of the contract (relational, transactional, balanced, unbalanced, etc.) different organisational and individual outcomes can be expected. It must be noted that most of the research is focused on effects at the individual level (Herriot & Pemberton, 1996).

We expect that in case of unbalance, employers and employees will alter their behaviour, expectations and/or attitudes, in order to compensate for the negative consequences of unbalance. The appearance of these alterations may vary from organisation to organisation and from individual to individual and can be positive or negative. Most of the negative consequences described are based on research on violation of the contract and is primarily focused on the individual perspective.

According to Rousseau (1995) contract violation may take three forms: inadvertent, disruption and renegeing or breach of contract. An inadvertent violation occurs when both parties are willing and able to comply with contract terms, but divergent interpretations lead to a violation of the contract. A disruption of the contract is the consequence of the inability to fulfil the contract, e.g. because of a bankruptcy and the consequence of not being able to offer work. In the case of a breach of contract, one or both of the parties are not willing to comply with the contract terms even though they would be able to do so.

Roe & Schalk (as cited in Schalk & Freese, 1997) describe that an evaluation of the contract, by comparing the behaviour of oneself and the organisation with initial expectations, may lead to contract fulfilment, contract change or contract violation. A contract is fulfilled when expectations are met or at least when the deviation of expectations stays within the boundaries of acceptance. The psychological contract will not be changed. When reality deviates from the expectations of the individual employee, the current contract may be changed or broken. Whether contract change or contract violation (break) results depends on basic values of the individual employee and acceptance and tolerance limits of the psychological contract (Roe & Schalk as cited in Schalk & Freese, 1997).

When the deviation from initial expectations falls within the tolerance boundaries the contract may be revised. A revision may succeed when employees feel that new demands are imposed by the employer, but that they also get something in return that fulfils their needs (Schalk & Freese, 1997, p. 117). Contract change often occurs after critical moments such as training, performance review, etc. (Roe & Schalk, 1996). When the boundaries of tolerance are crossed the contract is violated. The labour relation will often end and the psychological contract will be abandoned.

Which behaviours, attitudes and intentions are affected by the balance or unbalance of the contract?

We will first mention the range of possible reactions organisations may give. Then, we will turn to individual reactions. In our study we will emphasise the individual employee's reactions.

4.2.4.3.1. *Organisational reactions*

When the contract is under discussion, organisations may give several reactions. McFarlane Shore and Tetrick (1994) describe contract maintenance, refusal to maintain contract, contract revision and refusal to revise contract as possible reactions. These reactions involve management of employee perceptions.

There are some activities that organisations may undertake to manage employee perceptions (Paul *et al.*, 2000, p. 479), for example by managing the contract formation process by presenting new employees with an accurate preview of the job and of the employer. Explicitly discussing mutual expectations with regard to career self-management is surely crucial. Attention should be paid to mutual wishes, obligations and facilities with regard to career development as soon as the moment of personnel selection; later misunderstandings can thus be prevented. A job start based on sound and realistic mutual expectations is likely to grow into a successful and satisfying labour relationship. A key role in maintaining balance between the needs of the organisation and the individual can be played by a development adviser (Delf & Smith, 1978, p. 500).

Other personnel instruments that can be used for the purpose of establishing and maintaining sound mutual expectations are, for example, self-assessment instruments, workshops on career planning, counselling, conducting periodic employee opinion surveys, establishing focus or discussion groups, and responding to dissatisfaction. These activities seem necessary in order to prevent a situation in which employers may not be able to satisfy their employees (Robinson, Kraatz & Roussau, 1994). This undesirable situation can evolve because it is human cognitive tendency when self-evaluation is used that individuals overestimate their contributions and underestimate other's contributions. In other words, an employee tends to believe that he/she has fulfilled his/her side of the bargain to a greater degree than the employer (Paul *et al.*, 2000, p. 478). It partly depends on the situation on the labour market, of course, whether employers are willing to fulfil employees' expectations.

When there is unbalance of the contract, it may be an option for organisations to alter their attitude and behaviour towards expectations employees have about career development. Especially in times of shortages on the labour market, it is crucial for organisations to be as attractive as possible for employees. Developmental opportunities may serve as an appealing employment condition. It may very well be a strategic choice of an employer to support their employees' career development, even though employers may thus run the risk of losing employees to another company because of their increased employability.

It would be too optimistic to think that there is always a solution in the sense of an opportunity to change and/or to keep the deal. When one or both parties are unwilling and/or unable to make adjustments to their expectations, it is very well possible that employees will become mobile towards another unit or another organisation. This can then be a voluntary choice of the individual or a forced choice by the organisation when the employee is fired.

4.2.4.3.2. *Individual reactions*

McLean Parks and Kidder (1994), taking the employee's perspective, describe types of behaviour that employees may show as a result of the nature of their relationship with the organisation. The range of behaviours may be from pro-role or role-enhancing behaviours (e.g. working through lunch) to compliance to role-detracting behaviour (e.g. theft and violence), a continuum of varying intensity, commitment and alienation (p. 131). We will now further describe positive and negative outcomes of the nature of the contract.

Pro-role behaviour refers to the positive outcomes of the contract. A positive psychological contract is generally associated with individual outcomes such as pay satisfaction, job satisfaction, career

satisfaction, higher organisational commitment, trust in the organisation, higher reported motivation and a positive evaluation of employment relations, as well as lower intention to quit (Guest, 1998; Herriot & Pemberton, 1996; Schalk, Freese & Van den Bosch, 1995; Portwood & Miller, 1976; Robinson & Rousseau, 1994). Other consequences Guest (1998) describes are sense of security and organisational citizenship (compliance, conscientiousness, sportsmanship, civic virtue, altruism and absence). "Research has consistently shown that perceptions of fairness and justice are important predictors of these organisational citizenship behaviours and are quite important in determining employee reactions to employer actions" (McLean Parks & Kidder, 1994, p. 125). Moreover, a beneficial contract is likely to result in higher production (which can be observed or measured to a certain extent) and lower grievances (Argyris, 1960, p. 96).

Several authors describe types of employee responses to contract violation (Rousseau, 1995; McFarlane Shore & Tetrick, 1994). A distinction is made between action-oriented and state-oriented responses. An action response is referred to as "voice". Voice involves actions individuals may take to protest against the violation, for example by explicit negotiation (Herriot & Pemberton, 1996).

This explicit negotiation may lead to an adjustment of expectations on the individual's side. An example is that employees may make re-evaluations downwards of what they owe the organisation relative to what it owes them (Anderson & Schalk, 1998, p. 644). The behavioural consequence is that they make adjustments of own investment (Herriot & Pemberton, 1996). When expectations are lowered, the risk of a fall of motivation is big. Of course, the opposite is possible as well, *viz.* that the employee finds out that he can expect more from the organisation than he used to do.

Other responses are state responses, which in essence mean that individuals accept the violation and are not taking action to restore or change the contract. Examples of state responses are "loyalty / silence", which is a form of non-response and serves to perpetuate the relationship, and "neglect / destruction", which entails passive or active destruction of the labour relationship. The most radical state response is "exit", which concerns the voluntary termination of the relationship. Herriot and Pemberton (1996) also see "quitting the job" as one of the possible reactions. By withdrawing from the situation (looking for another job within or outside the organisation) and thus taking control of the situation in turn might lead to either positive or negative feelings. Extreme negative outcomes of contract violation, or anti-role behaviours, are overt damage, harassment / threats, theft, negativism, shirking / negligence and mere compliance (McLean Parks & Kidder, 1994, p. 117).

Beside observable reactions and behaviours, which people may show as a response to the nature of the contract, the psychological contract has consequences for more hidden feelings, emotions and attitudes. Especially, strong reactions may be expected when the contract is violated or not positive in nature (e.g. because the organisation is not able or willing to fulfil expectations and obligations), because psychological contracts are formed on the basis of trust. In Table 4.6. an overview is given of reactions that may result from negative, unbalanced or violated contracts.

Table 4.6. *Overview of individual reactions to contract violation or unbalance.*

Outcome of contract violation	Authors
Feelings of betrayal	Schalk & Freese (1993); Robinson & Rousseau (1994); Rousseau & Parks (1993)
Higher turnover	Guzzo <i>et al.</i> (1994, in Rousseau (1995)); Robinson & Rousseau (1994)
Higher intention to quit	Schalk, Freese & Van de Bosch (1995); Van den Brande (1999)
Lower trust	Anderson & Schalk (1998)
More tension	Van den Brande (1999)
Demotivation and decrease of job satisfaction	Robinson & Rousseau (1994); Porter, Pearce, Tripoli & Lewis (1998)
Decrease of commitment to the organisation	Schalk, Freese & Van den Bosch (1995)
Lower organisational involvement and identification with the organisation	Schalk, Freese & Van den Bosch (1995); Kessler & Undy (1996) in Schalk & Freese (1997)
Less organisational citizenship behaviour	Anderson & Schalk (1998); Robinson, Kraatz & Rousseau (1994)
Contract shift towards more transactional ones	Herriot & Pemberton (1995)
Lower performance	Van den Brande (1999)

Moreover, Porter *et al.* (1998) report that in research on the psychological contract the assumption generally is that “anything other than a ‘match’ in perceptions can lead to dissatisfaction” (p. 780). From their analyses, however, it appears that this is not the case for many employees. For several inducements they found positive gaps, meaning that employees perceived to receive more than their employers perceived to offer to them.

4.2.4.4. *Level of unbalance*

Several authors stress that the size of discrepancy (McFarlane Shore & Tetrick, 1994) or level of unbalance (Shore & Barksdale, 1998) will influence employee reactions.

Reference is made to action control theory (Kernan & Lord, 1990; Kuhl & Atkinson, 1986), which suggests that individuals attempt to reduce discrepancy (between performance and initial goal) through cognitive or behavioural means. Large discrepancies will have the greatest potential to increase effort and performance. However, when the discrepancy is too large, motivation to exert extra effort could be missing because of an unrealistic goal.

We expect that the same mechanism works when expectations of contract parties are unbalanced. One or both of the parties will try to reduce this discrepancy. Small discrepancies are expected to generate an action orientation which in the case of the psychological contract would lead to employee attempts to restore the contract. Large discrepancies, on the other hand, would be expected to induce a state orientation which would result in the individual focusing on the emotional effects of the violation of the contract (McFarlane Shore & Tetrick, 1994, p. 104). Then, individuals may not exercise “voice” regardless of type of contract but would be more likely to exercise silence, retreat, destruction or exit (McFarlane Shore & Tetrick, 1994). As we have already described above, when deviations are large, the chance that they cross the boundaries of tolerance are bigger. The abandonment of the contract is likely to result.

Shore and Barksdale (1998) demonstrate that exchange relationship with a high level of balance and which contain high employee obligations have the best scores on perceived organisational support, career future, affective commitment, and the lowest scores on intention to quit.

Apparently, it is important to include both the extent to which obligations deviate (state of balance) and the extent to which individuals feel committed or obliged to contract terms.

4.2.4.5. *Types of balance*

Balance has been studied from different perspectives. Shore and Barksdale (1998) approached balance from an employee’s perspective, thus adding to Tsui *et al.*’s (1997) study, who approached balance from an employer’s perspective. Porter *et al.* (1998) simultaneously included both perspectives in their study and constructed the variable “psychological-contract gap”. They conclude that gaps in perceptions of what the organisation offers as inducements to employees do matter; it contributes to understanding employees’ satisfaction with their organisation (p. 779).

For our study, Shore and Barksdale’s (1998) study is particularly relevant since, like them, we are interested in perceptions at the individual level. Shore and Barksdale describe four exchange relationships according to two dimensions: the degree of balance in employee and employer obligations and the level of obligation (see Figure 4.5.).

		Employer Obligations	
		High	Moderate to low
Employee Obligations	High	Mutual High Obligations <i>(mutual investment)</i>	Employee Over-obligation <i>(employer under-investment)</i>
	Moderate to low	Employee Under-obligation <i>(employer over-investment)</i>	Mutual Low Obligations <i>(quasi-spot)</i>

Figure 4.5. Four types of exchange relationships (Shore & Barksdale, 1998). (Note that the terms in italics are the ones used by Tsui *et al.* (1997)).

The mutual high obligations relationship means that the employee feels that the organisation is highly obligated to them and that they themselves owe a great deal to the organisation in return. All other cells can be interpreted similarly. The two shaded cells refer to unbalanced relationships in which one of both parties’ perceived obligations are low compared to the other’s.

Shore and Barksdale’s typology largely resembles the one by Tsui *et al.* (1997). The difference is that the latter typology is constructed from the employer’s point of view. The four relationships that Tsui *et al.* (1997) describe are quasi-spot, mutual investment, under-investment and over-investment (from the employer’s perspective!) relationships¹¹. The first two types are balanced, the other two are unbalanced.

The quasi-spot contract refers to a relatively short-term and closed economic exchange (specified activities for set compensation) for both parties. The mutual investment employee-organisation

¹¹ An amusing alternative description of the labour relationship is the one by Herriot and Pemberton (1995, p. 127) who describe the information exchange between parties in romantic terms, which results in four types: hitched, reluctant suitor, unrequited lover and just good friends.

relationship involves economic and social exchange. It concerns a more open-ended and long-term investment in each other by both parties. In an under-investment relationship, the organisation offers only short-term and specified rewards to employees undertaking broad and open-ended obligations. The opposite is true in an over-investment relationship: employers offer long-term and broad-ranging rewards to employees performing a restricted set of well-specified job-focused activities.

On the basis of these typologies, four clusters of individuals with similar patterns of employee and employer obligations are assumed to exist. In both studies the question was posed whether the four types of employees show differences in employee performance and attitudes.

Two assumptions are formulated by Shore and Barksdale (1998) that serve as starting point for hypothesis generation. Assumptions are that it is important that: 1) relationships are balanced, because this would bring most positive outcomes for organisations, and 2) that the level of employee obligation is high because of the expected positive relation with attitudes and behaviours supportive of organisational goals (p. 735). Consequently, the outcomes of the mutual investment relationships will be most positive (e.g. lowest turnover intentions), while the outcomes of the under-investment relationship are expected to be worst (e.g. highest turnover intentions)¹².

Tsui et al. (1997) expect almost the same order for the four relationships with regard to intentions to stay with the organisation. The only exception is that they expect the employer over-investment relationship group to have lower turnover intentions than the mutual investment relationship. Thus, they expect the following order (from lowest to highest turnover intentions): over-investment, mutual investment, quasi-spot and finally the under-investment relationship (Tsui *et al.*, 1997, p. 1096). The explanation for the fact that the intention to stay is expected to be highest for the over-investment group and not for the mutual investment group, is that employees working in an over-investment relationship have a favourable deal: the employer gives relatively more than it expects from their employees, which is "too good to be true". Therefore, these employees are least likely to leave. A mutual investment contract is good as well and it is therefore expected not to lead to employees' turnover intentions. In contrast, the quasi-spot and especially the under-investment relationship are not so positive for the employee's career; therefore they will have highest turnover intentions.

Shore and Barksdale's (1998) most important finding is that compared to all other types of exchange relationships, the mutual high obligations relationship, in which both the employee and the employer obligations were consistently perceived to be high, showed much higher levels of perceived organisational support, career future, and affective commitment, and lower levels of turnover intention than all other types of exchange relationships (p. 731). In contrast, as expected because of unbalance and low employee obligations, the under-obligation contract had most negative consequences on employee behaviour and attitudes.

Shore and Barksdale (1998) found that the mutual high obligations group had the lowest intentions to turnover. The results of the study by Tsui *et al.* (1997) were similar. They found that it was not the employer over-investment group who showed the lowest levels of turnover intentions, but the mutual investment group showed lowest turnover intentions. Apparently, the existence of balance in the mutual high obligations group, or mutual investment group, was the decisive factor. Furthermore, these studies imply that beside the fact that it is important to measure the level of balance, it is important to take into account the level of individual obligation because it makes a difference for outcome variables whether an employee under-obligation or over-obligation (or employer over-investment or under-investment) is the case. Employees perceiving to work in an employer under-

¹² Interestingly, they view mobility as a negative effect, while according to us, especially in a modern career context, this does not at all have to be the case. On the contrary, mobility will often be desired.

investment relationship produced the worst results on attitude and performance variables, such as absence, performance on core tasks and citizenship behaviour (Martin *et al.*, 1999, p. 204).

4.2.4.5.1. *Typology of psychological career contracts and consequences for our study*

In our study we use a similar typology of four types of psychological career contracts. On the basis of the commitment and the support dimensions we distinguish between the modern (high/high), the traditional (low/low), the push-related (low/high) and the pull-related type (high/low), consecutively. Here, the first positions refers to commitment and the second one to support.

The terms “push-related” and “pull-related” need some additional explanation (similar terms are used in management literature as well). When commitment of managers is high and the support is low, we call this a pull-related situation. The effects of this type of contract (pull-related) on behaviour originate from the manager's internal drive or motivation. The motivation for career self-management is the driver of, for example, learning behaviour. However, when commitment is low and support is high, the resulting behaviour does not come from an internal drive or motivation but is the effect of efforts of the organisation. The manager has to be more or less forced or pushed to show certain behaviour, in particular learning behaviour. See Figure 4.6. for our typology of psychological career contracts.

		Commitment to career self-management	
		Low	High
Support for career self- management	High	Push-related unbalance (low / high)	Modern balance (High/high)
	Low	Traditional balance (low / low)	Pull-related unbalance (high / low)

Figure 4.6. Four types of psychological career contracts.

We will study how these types of psychological career contracts relate to outcomes in terms of managers' HRD-patterns and their mobility perspectives. In section 4.3. we will further explain the precise expectations that we have with regard to the relation between the psychological career contract and managers' HRD-patterns and mobility perspectives, consecutively.

4.2.5. Relation manager subordinate

Psychological contracts involve relationships between different parties. A special relationship is the one between managers and their subordinates. We will discuss this theme by addressing the role of managers for their subordinates' (career) development. Moreover, some factors influencing this relationship are discussed, in particular the fulfilment of the manager's HR-role.

Questions arise about the relationship between managers' own psychological career contracts and the extent to which they provide support for their subordinates' career development. Furthermore, the question remains to what extent managers' and subordinates' learning behaviour are similar/congruent. Are subordinates inclined to copy their managers' learning behaviour? And does the way managers carry out their HR-tasks (the fulfilment of the HR-role) influence subordinates' learning behaviour? These questions will be addressed by using theory on the new psychological contract as a framework to compare managers' and subordinates' perceptions and behaviour.

The work environment of employees affects their (career) development. In this respect the role of support by peers, co-workers, mentors and supervisors is stressed (Maurer & Tarulli, 1994; Baldwin & Padgett, 1984). Especially, managers play a crucial role in the career development of their subordinates (Lindholm, 1990, p. 173; London, 1986; McCauley *et al.*, 1994; Van Dam, 1999). They are expected to engage in career coaching activities directed at helping their employees' career to develop (Hall *et al.*, 1986; Isaacson & Brown, 1997) The extent to which training and learning get off the ground in a given department will strongly depend on the presence of a stimulating supervisor (Onstenk & Voncken, 1996, p. 62). Hall's (1976) description of the manager as career developer underlines the significance of this role. Not all leadership behaviour, however, is equally supportive to employee development, which is emphasised in the literature on leadership (see also chapter 2). To illustrate this, the transformational¹³ and inspirational style are assumed to be more supportive than the directive and transactional style (Den Hartog *et al.*, 1994; Ten Brink *et al.*, 1999).

The responsibility of managers to promote continuous learning and development increases (Hall & Moss, 1998, p. 30). Managers execute HRD-tasks more and more actively (Mulder, 1992, p. 4). This is partly the consequence of the general decentralisation tendency which has taken place in organisations and which can be seen as one of the major HRD-themes of the last decade (Thijssen, 1998a, p. 23). The responsibility for Human Resource Management and personnel development (or HRD) has shifted away from central staff departments to decentral and autonomic line departments or business units (De Jong, Leenders & Thijssen, 1999; Mulder, 1992; Thijssen, 1998a; Warmerdam & Van den Berg, 1992). As a consequence, individual line managers have become primarily responsible for the development of their people¹⁴.

Managers are expected to facilitate, encourage, and support participation in the learning and development options offered by the company (Maurer & Tarulli, 1994, p. 4). Managerial support for development is an important determinant of people's interest and participation in updating activities (Kozlowski & Farr, 1988; Noe & Wilk, 1993).

By communicating to employees that development activities are valuable experiences and helping employees to develop their skills, managers may positively influence employees' learning attitudes, their perceptions with regard to the benefits that can be obtained from participation in development activities, and their understanding of skills strengths and weaknesses (Leibowitz, Farren & Kaye, 1986). Moreover, supervisors can enhance their subordinates' career motivation (Noe, Noe, & Bachhuber, 1990), encourage growth, and support career planning and development activities as well as involvement in work (Maurer & Tarulli, 1994, p. 11).

So far we have discussed responsibilities for the (career) development of subordinates in rather vague terms. What do these responsibilities entail more precisely?

De Jong, *et al.* (1999) describe various HRD-tasks containing various interventions, ranging from preparatory activities (e.g. needs assessment, formulating learning objectives) via activities during the (training-) programme (e.g. such as creating a positive learning climate and acting as a role model) to follow up activities (such as evaluating the programme and supporting transfer actions). In their study, De Jong, *et al.* (1999) observe three distinct HRD-roles of first level managers: an analytic role, a supportive role and a trainer role. Each of those roles emphasise different HRD-tasks. Roles Noe *et al.* (1990) measured are those of adviser, referral agent, and appraiser, which have been suggested as necessary to facilitate employee development (Noe, 1996, p. 126).

¹³ Transformational leadership contains subdimensions such as charisma, intellectual stimulation, individual attention and contingent rewards.

¹⁴ This means that besides things such as social support, they will also have to reserve budget for these development activities (Mulder, 1992, p. 3).

Lindholm (1990) mentions several insightful examples of career and psychosocial functions managers may fulfil as mentors: 1) discuss subordinates' work: discussions of the subordinate's performance and promotion opportunities, 2) personal sharing: more personal in nature, not related to work, 3) provide exposure: activities providing opportunities for the subordinate to make contacts that may be useful to his or her career, and 4) discuss manager's work: both work-related and personally revealing on the part of the manager.

Furthermore, managers may stimulate people who are working in the same job for a long period to seriously consider looking for another position within or outside the organisation. The opposite might happen as well, when managers might try to bind young and higher educated employees (whose career prospects are good) by offering good career perspectives within the organisation (Wit *et al.*, 1993).

HR-role

The way in which managers handle their HR(D)-responsibilities directly influences the relationship with their subordinates. It is our assumption that when managers fulfil their HR-role well (that is by valuing these HRD-tasks, regularly executing them and being competent with regard to these tasks), it is likely that subordinates perceive their manager to be supportive. Moreover, it is supposed that when employees have a good relation with their managers, they will view their manager as a role model. As a consequence, they will be more inclined to copy their managers. Therefore, we expect behaviour of managers and subordinates to be rather similar and to be positively correlated. Likewise, we expect that this would go too for learning and development behaviour. In a study by Davies and Easterby-Smith (1984, p. 173) it was argued that it was generally advisable for managers to learn from the way their superiors did their jobs and thus to copy or imitate them. The function of role models must obviously not be underestimated. The responsibility for their own development makes them carry out all kinds of career development activities, which they have to stimulate their subordinates to undertake too. To illustrate this, a manager who regards generic HRD-activities as very important for his or her own employability is likely to stimulate his or her employees to broadly develop themselves as well. A similarity or congruence is to be expected between the HRD-pattern of this manager and his or her subordinate. This will count especially in case of a good relationship between manager and subordinate. Furthermore, we expect that the more managers are engaged in HR-tasks (directing subordinates with regard to learning and career), the more they will pay attention to their own development as well. A positive relation is hypothesised between the fulfilment of managers' HR-roles and their HRD-patterns.

Perceptions of different parties

Managers find themselves in a special situation, which makes them simultaneously super-ordinates and subordinates. As managers they supervise their subordinates and at the same time they are in the position of subordinate to their superiors. So, there is a double bottom in the managers' position. Applied to the field of HRD, managers are both subject and object of HRD-policies (Thijssen, 1998a). As object they are liable to management development policies and simultaneously as subjects they create conditions for the development of their subordinates. This double role makes line managers fulfil a key position in a decentralised HRD-policy (Thijssen, 1998a, p. 24).

The implication is that in order for managers to conduct a supportive role, in which they particularly create favourable conditions for learning, they should be facilitated, too. De Jong, *et al.* (1999) argue that "just as first-level managers should be expected to show interest in their subordinates' developmental activities on a daily basis, first-level managers themselves should experience a continuous interest and support by their superiors in their attempts to improve their skills" (p. 182).

From a study by Stoker and De Korte (2001) it seems that there is a large difference between middle and higher levels of management with regard to HRM-activities. Middle managers get much less attention from higher management than they are expected to give to their subordinates.

Moreover, it seems that perceptions vary largely between the different levels in the organisation. Middle managers regard themselves more competent than their bosses and subordinates do. Moreover, it seems that middle managers themselves perceive to be largely engaged in people management, while their subordinates perceive differently (to a lower extent).

The incongruence between expectations of various management levels was first addressed by Miles¹⁵ (1974) in his classic article "Human relations or human resources?" in which he proposed two models of participation. He demonstrated that "there is reason to believe that managers have adopted two different theories or models of participation one for themselves and one for their subordinates" (p. 229). The human relations model is the one managers appear to apply to their subordinates, while at the same time managers would like their superiors to follow the human resources model.

Both the human relations and the human resources model contain assumptions about people's values and capabilities, prescriptions with regard to participative policies and practices and expectations with respect to effects of participation on subordinate morale and performance. A crucial difference between the two models lies in the difference in levels of self-direction allowed to subordinates. According to the human relations model the manager allows only as much participation, self-direction and self-control as is required to obtain co-operation and reduce resistance to formal authority, while according to the human resources model, the manager develops and encourages a continually expanding degree of responsible participation, self-direction and self-control of their subordinates (p. 239). The question is how managers can desire one type of authority and control relationship with their superiors and at the same time advocate another type with their subordinates? An explanation can be found in human nature; managers tend to think more highly of themselves than of their subordinates, and they tend to want more than they are willing to give (p. 237). This goes for managerial traits such as responsibility and initiative as well (p. 235). Managers view themselves as capable of greater self-direction and self-control, but apparently do not attribute such abilities to their subordinates (p. 238).

In Figure 4.7. the arrows symbolise the level of self-management managers expect from their superiors and the level of self-management they are prepared to supply to their subordinates.

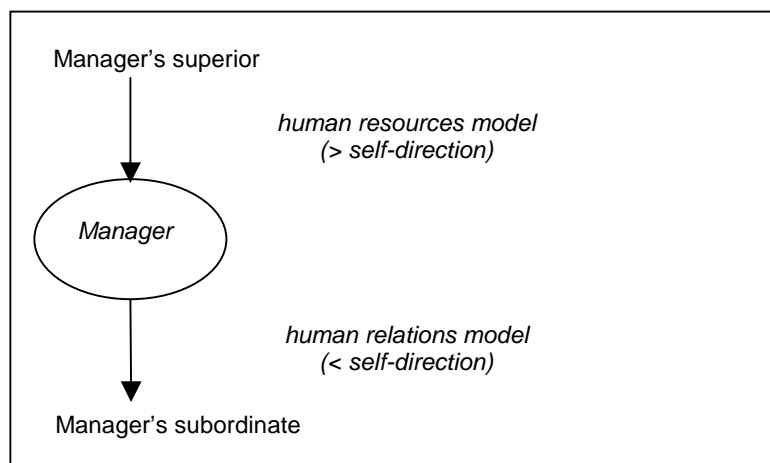


Figure 4.7. Managerial self-management expectations according to two models of participation.

Based on Miles' assumption that the managers' supervisors apply the human relations model to them, while they expect them to use the human resources model, we expect that manager's commitment to

¹⁵ We refer to Miles' text of 1974, which was reprinted from the original "classical" text of 1965.

career self-management will be higher than the level of support for career self-management they perceive to get from their superiors. Moreover, the managers' commitment to career self-management will be higher than the level of support they give to career self-management by their subordinates.

The theory on the psychological contract comes into play here since perceptions of different parties are involved. Several authors emphasise the role of the immediate supervisor for the development of the psychological contract (e.g. Farh, Podsakoff & Organ, 1990; McFarlane Shore & Tetrick, 1994; Wayne, Shore & Liden, 1997; Ten Brink *et al.*, 1999).

The individual will have to depend on the immediate supervisor to carry out many of the contract terms. Therefore, the employee is likely to view the supervisor as the chief agent for establishing and maintaining the psychological contract (McFarlane Shore & Tetrick, 1994, p. 101). Moreover, the direct supervisor normally distributes important information and therefore influences the way the psychological contract is developed. A high-quality relationship with one's supervisor will often be sufficient for an individual to feel obliged to stay with the organisation.

Managers' increased HRD-responsibility implies higher expectations with regard to their support for subordinates' development. This support may concern the development of subordinates' responsibility for (career) self-management and the use of all kinds of HRD-activities, which may lead to performance improvement and increased employability.

Here lies an opportunity to stimulate subordinates' self-regulation, also with regard to their careers. "Any manager, on whatever level in the organisation, can use his or her power to promote learning. [...] Good management starts off as self management" (De Jong, Leenders & Thijssen, 1999, p. 183).

In sum, we expect that managers who themselves are supported by their immediate supervisors and thus experience benefits, will in turn feel obligated to supply as much support to their subordinates. This means that a positive relationship is expected between career self-management perceptions at different levels: the manager's perception of supervisor support for career self-management, their own commitment to career self-management and the support for career self-management they provide to their subordinates.

Finally

In this section it has become clear that managers are held increasingly responsible for the development of their subordinates. A lot of pressure is thus exerted on managers, since failure to direct and support subordinates' careers is a severe threat for subordinates' mobility and employability (Van der Heijden, 2000, p. 19).

It would be unfair to expect managers to fulfil their part of the new psychological contract without explicitly paying attention to the development of new skills and attitudes required in order to satisfactorily fulfil these new obligations. Managers have to be thoroughly prepared for and coached in their HRD-responsibility (De Jong, Leenders & Thijssen, 1999, p. 177). Noe (1996, p. 131) adds that to facilitate development behaviour, organisations might best use their resources to train managers in skills needed to support employee development (advising, referral, and feedback skills). Harrison (1992) stresses the idea to train at appraisal, assessment, counselling and coaching skills (p. 130). Furthermore, the advice is that there is more coaching and attention from the side of higher management levels who should fulfil a role model as well (Stoker & De Korte, 2001).

In this study we aim to study the similarity between managers' and subordinates' HRD-patterns and the relation between management perceptions of support obligations in an exploratory way, that is, based only on the mutuality of support perceptions.

4.2.6. Factors influencing the psychological contract

With regard to the individual background characteristics age (a) and educational level (b), we formulate expectations with regard to their relation with the psychological contract.

Ad b. Age and the psychological career contract

In modern times, where a trend towards a more individualistic society can be observed, people are raised as responsible and self-reliant persons. Self-management is thought of as a necessary and typical modern attitude people have to have at their disposal.

In the educational system, this kind of ideas has also found entry and has become common. The new generations are therefore more and more able to take responsibility for their own life, in particular for their professional life. Self-management of one's career is therefore a natural topic for younger people. We therefore expect younger employees to score higher on commitment to career self-management. Older employees are supposed to have more traditional ideas about the division of responsibilities between employer and employee with regard to career development.

With regard to support for career self-management it is more difficult to have clear expectations. Organisations might be inclined to put ample effort in the development of young potential in order to benefit optimally from them and trying to keep them inside the organisation as long as possible, at the same time paying insufficient attention to the career development of older employees. From a human capital perspective, organisations gain benefits from older employees' development during a shorter time-frame. Based on this line of reasoning, support for career self-management of older employees might have a negative relation with age as well, although the importance of a well-developed work force, including the older employee, has recently been more and more emphasised. This goes especially in times of a shortage of labour supply at the labour market.

Having hypothesised on the relation between age and commitment to career self-management and support for career self-management, consecutively, it is a logical result that we expect the psychological contract as a whole (that is the sum of commitment to and support for career self-management) to be different for younger and older employees as well.

According to Herriot (as cited in Anderson & Schalk, 1998, p. 641) older employees have different psychological contracts than younger employees, independent on the type of organisation they work for.

Ad b. Educational level and the psychological career contract

It may be assumed that higher educated employees show initiatives for career development to a high extent, while lower educated employees will show less career development initiatives (Lankhuijzen & Thijssen, 2000, p. 282). In higher levels of education a higher level of self-directed efforts is expected from students. We expect that this will go for corporate settings as well. Higher educated people will have taken this self-directed approach as a natural attitude.

It is of course doubtful that all students are capable of self-managing their learning efforts, let alone of self-managing their careers in later stages of their life. It is, however, likely that higher educated people will more easily self-direct their careers than lower educated people.

Beside our expectation that educational level is positively related to commitment to career self-management, we also expect that organisations will especially direct their support towards the same group of higher educated employees. From them the highest returns on investment in career-related career efforts are expected. In other words we expect a positive relation between educational level and the psychological career contract as a whole as well.

The hypotheses with regard to background characteristics and the psychological career contract will be summarised in section 4.3.4.

4.2.7. Conclusion and discussion: The psychological career contract

We conclude this section about the psychological career contract with a summary of the main points we made throughout the text. We will make some additional remarks with regard to the concept of the psychological contract, its relevance and our specific approach to this concept (the particular focus on career self-management expectations).

The main reason for us to measure the psychological career contract is the fact that the nature of the psychological career contract is expected to have consequences for behaviour and attitudes in our study for learning behaviour and mobility perspectives of managers. As a starting point for our study on the psychological career contract, we chose the work of Rousseau (1990, 1995, 1998a), Hall (1996, 1998) and Shore and Barksdale (1998).

First, by choosing an individual perspective, we follow Rousseau (1995). With her we agree that it is the individual perception of the contract that will influence the behaviour and motivation of people.

The psychological career contract, then, concerns employee's perceptions of mutual expectations that employees and employers have about individual career self-management commitment and organisational career self-management support. We use *expectations* terminology¹⁶, since this has consistently been employed in research and makes sense to respondents (Thomas & Anderson, 1998, p. 753). Moreover, because psychological contracts are largely implicit the term expectation seems appropriate. Beside the theoretical reason for applying the individual perspective, there is also a pragmatic reason for this approach. It seems extremely difficult to attain complete data and matching couples of managers and their managers within one organisation. Furthermore, respondents might find it scary to openly report on each other's behaviour and expectations. In our study we choose an etic approach in order to study psychological contracts across multiple settings and to generalise across them. In this approach, standardised methods are used to test hypotheses. Furthermore, we chose to take as the representative of the organisation the direct supervisor of the managers concerned. We thus want to make sure that a close relationship exists between employer and employee and that it is clear whose expectations are being compared. The relationship between manager and subordinate was explicitly addressed as a special kind of relationship. We expect similarities between their HRD-patterns and their psychological contracts, depending on certain factors such as the HR-role the manager fulfils.

Secondly, for the focus on career expectations we can largely use Hall's (1996, 1998) ideas about the protean career. Hall emphasises the role of both the individual and the organisation in career development. We fully agree with this role division. We therefore measure both the individual commitment to career self-management and the level to which this individual responsibility is perceived to be supported through organisational (mental) support. This contract thus does not concern an instrumental contract. The concrete facilities for career development that organisations may offer to stimulate their employees' career development are more instrumental in nature.

Thirdly, we follow Shore and Barksdale's (1998) assumption that it is important to study the level of balance of the contract. We expect the level to which balance exists between the individual's commitment to career self-management and the support for career self-management provided by the organisation to matter in the light of the development of managers and their mobility perspectives. We do not approach balance as a dichotomous construct, but rather as a continuum, meaning that the psychological contract can be more or less balanced. Different typologies based on the state of balance of the relationship were developed. We proposed our own typology of psychological career

¹⁶ Unlike Rousseau (1995), who refers to the "stronger" promises and obligations.

contracts, containing the modern type, the traditional type, the push-related type and the pull-related type (see Figure 4.6.).

Furthermore, we found some indications of the period of time needed for a psychological contract to develop and to reach relative stability. A period of six months in one's current job seems a justified amount of time to measure the nature of the psychological contract. The final topic we described was the relation between several background characteristics and the psychological career contract. A negative relation is expected between age and the psychological career contract. Educational level is expected to be positively related to the psychological career contract.

At the end of this chapter, we have to make some final remarks about the value of the concept and the use of the term psychological contract. In a critical text, Legge (1996) maintains that with the new approach of HRM (soft HRM) we are *all* managers, since employees become "responsibly autonomous" in their work (p. 55). If that were so, the psychological career contract containing perspectives of employees and supervisors (both being managers!) would not be valuable anymore. This sounds like an exaggeration. Full autonomy by employees at all levels does not match reality, not in the future, either. It is more likely that self-management obligations with regard to work and careers will be subject to discussion and negotiation. Depending on the level to which different parties are given room for self-management, different kinds of psychological career contracts will arise.

Moreover, Guest (1998) wrote an article titled "Is the psychological contract worth taking seriously?" and concludes that despite many problems "there is a case for taking the psychological contract seriously" (p. 659). He then mentions three reasons for this. First, the psychological contract might serve to make sense of and explore new employment relationship. Secondly, it explicitly addresses the distribution of power. Individuals may be better protected against large powerful organisations by making the contracts explicit. The third reason concerns the possibility to integrate key organisational concepts. Rousseau (1998a) adds that psychological contract research has built theory that helps explain phenomena that were previously unknown or not understood (p. 669).

Several authors (Shore & Barksdale, 1998; Tsui *et al.*, 1997) argue that the psychological contract is different than an employee-organisation relationship or an exchange relationship. While the psychological contract includes contract terms, exchange relationships are described in terms of e.g. level of balance. These terms, however, are closely related. In our study we choose the term psychological contract, although arguments in favour of another term could be given. The core is that we deal with employee's perceptions of mutual expectations. The fact that we include only the employee's perspective does in our view not make it impossible to speak of a psychological contract. Furthermore, Guest (1998) raises some questions about whether the metaphor of a contract is legal (since a large part of subjectivity exists within the psychological contract) and the seemingly easy way in which the principle of agreement is dealt with. In a reaction Rousseau (1998a) considers this latter line of criticism a misconception by Guest. It is the *perception* of mutuality, not necessarily mutuality in fact that is at the heart of the psychological contract.

The final remark concerns our focus on the career. Guest (1998, p. 654) states that we should be cautious in assuming that career concerns are particularly salient as content of the psychological contract. In spite of this warning we want to study this phenomenon on its impact on learning behaviour. One of the main reasons is that this was not studied before.

4.3. Research model

Central in the final part of this chapter is the research model as a whole (4.3.1.), which will be taken as the starting point for the empirical study described in the next chapters. Next, the relations of the model will be addressed. In 4.3.2. the relationship between the psychological career contract and the HRD-pattern will be described. In 4.3.3. influences on mobility perspective will be reported. We will finish this chapter with an overview of hypotheses (4.3.4.), which will includes a summary of hypotheses on background variables as well.

4.3.1. Explanation of the research model

The basic research model is given in Figure 4.8.

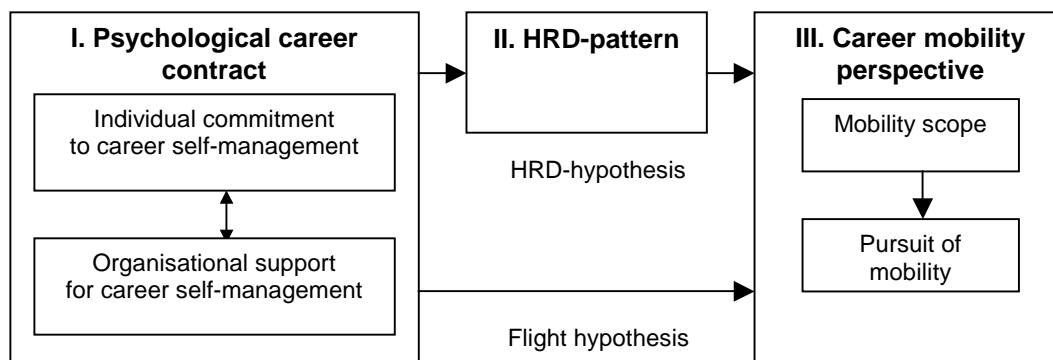


Figure 4.8. Conceptual research model.

The model contains several theoretical concepts, which are formulated at different levels of human (mental) activity. The psychological career contract represents an *attitude*, more precisely, the self-management attitude with regard to career development. This self-management attitude will influence career development *behaviour*. The HRD-pattern represents managers' behaviour. It is a pattern of various HRD-activities varying along the dimensions frequency, generic value and planning. The constellation of these activities represents the manager's learning behaviour. Mobility perspective stands for a future *intention* or mobility potential. Based on the experiences with the psychological career contract (perceptions) and with (learning) behaviour, a certain future orientation develops. Hence, we do not measure the actual mobility behaviour of employees, but rather the chance on mobility in the future. An argument in favour of this choice is made by Herriot and Pemberton (1996, p. 777) who state that the likelihood of perceptions of ability is a more powerful predictor of promotion than measures of ability. Moreover, this choice can be founded by the theory of reasoned action (Fishbein & Ajzen, 1975) and the theory of planned behaviour (Ajzen & Madden, 1986)¹⁷. These theories state that behaviour can well be predicted from people's intentions. With regard to the mobility issue, Wit *et al.* (1993) hold that mobility is well predictable based on employees' intentions with regard to mobility. Moreover, psychological research has illustrated that behavioural intentions are good predictors of actual behaviour (Mobley, Griffeth, Hand & Meglino, 1979).

Figure 4.8. shows two paths. The upper path is called the HRD- or learning path. According to this path the psychological career contract indirectly influences the mobility perspective via the learning behaviour of managers. The lower path represents a direct relation between the psychological career

¹⁷ Recently, discussions are being held about whether intentions predict behaviour or whether it is the other way around. Crombag (2001) states that "regrettably, nothing predicts the future as good as the past".

contract and the mobility perspective. This is called the flight hypothesis. These hypotheses will be further addressed below.

Level of modernity and level of balance

Before we can describe our hypotheses with regard to the psychological career contract, we need to give some further explanation of approaches of the psychological contract. We assume that there are two relevant ways of approaching the psychological contract. First, the whole of career self-management commitment and career self-management support represents the “*level of modernity*” of the contract. In other words, the higher the score on these dimensions together, the higher the level of modernity of the psychological career contract. We assume that the modernity of the contract is positively related to learning behaviour (HRD-pattern) and mobility perspective. To explain, we suppose that the more modern the nature of the psychological career contract as a whole, the more positive the influence on future-oriented HRD-activities will be. That is, modern psychological career contracts are expected to result in richer HRD-patterns. In turn, these richer HRD-patterns are expected to broaden the range of jobs that managers are capable to fulfil. In sum, the path between modern career perceptions and mobility perspective goes via the HRD-pattern, which we will further call the HRD-path.

Secondly, a more complex approach of the commitment and the support scores is according to a balance perspective. Then, the scores on both dimensions separately have meaning. By subtracting the support score from the commitment score, we get a balance score. The assumption is that balance is to be preferred. Unbalance of the contract is expected to have negative consequences for the commitment employees have to their business unit or organisation and is thus likely to result in (organisation-external) pursuit of mobility. Therefore this path is indicated as the flight-path.

We will now continue this section with addressing the relations of the research model. First, the relation between the psychological career contract and the HRD-pattern is described (4.3.1.). After that, relations with mobility perspective will be described. The influence of both the psychological career contract and the HRD-pattern on mobility perspective will be discussed (4.3.2.). From literature we generated hypotheses with regard to these relations.

4.3.2. The relationship between the psychological career contract and the HRD-pattern

Important elements of the psychological contract are: 1) commitment to career self-management, 2) support for career self-management, 3) level of modernity of the psychological career contract, 4) level of balance of the psychological career contract, and 5) types of the psychological career contract. Hypotheses have been formulated on the basis of these five elements.

Managers who are eager to take ownership of their career development are expected to learn in another way than managers with more traditional views of their career. To illustrate this, in traditional labour relations one could survive by learning new tasks, coincidentally met on the job. Then, being passive and leaving initiatives to the organisation was not problematic. In contrast, nowadays merely specific development and unplanned HRD-strategies are not sufficient. We therefore expect that commitment to career self-management is positively related to HRD-pattern (frequency, generic value and planning of HRD-activities).

The same is expected when managers are supported for taking ownership of their own career development (regardless the level of commitment they themselves express). In other words, we expect a positive unique effect of support for career self-management on HRD-pattern. However, we do assume that the individual responsibility for career self-management has a larger impact on HRD-pattern than support alone will have.

The higher the scores on both commitment and support, the richer the HRD-pattern is expected to be. Level of modernity is therefore expected to relate positively to HRD-pattern. This expectation is explicated in several studies on the expectations of employer and employee about *development* (Baldwin, Magjuka & Loher, 1991; Granrose & Portwood, 1987; Noe & Wilk, 1993). These studies have demonstrated that the congruence between employee and organisational perceptions of development needs influences, among various other things, the motivation to learn.

In section 4.2.4. we have already concluded that in general an unbalanced contract has negative effects. We therefore expect that the larger the level of unbalance of the contract, the poorer the HRD-pattern of managers will be.

Finally, by making use of the above assumptions, it is possible to formulate expectations about the order of effects that the different types of psychological career contracts will have on the HRD-patterns of managers. According to a modernity approach, we expect that the modern contract leads to the richest HRD-patterns, and the traditional contracts to the poorest.

Likewise, according to a balance approach¹⁸, we expect that the balanced contracts lead to the richest HRD-patterns, and the unbalanced contracts to the poorest.

Furthermore, we are interested whether the relation between the psychological career contract at the mental level and the richness of the HRD-pattern is moderated by the level of perceived (concrete) facilities for career development. We assume that at least a certain level of facilities is required from the organisation, in order for managers to be able to self-manage their career development and to use HRD-activities in particular.

4.3.3. Influences on mobility perspective

First, we will generate hypotheses with regard to the relation between the HRD-pattern and mobility perspective (4.3.3.1.). In 4.3.3.2. the central relation will be the one between the psychological career contract and the mobility perspective of managers.

The mobility perspective contains various aspects: mobility scope (horizontal and vertical) and pursuit of mobility (organisation-internal and external) (see section 4.1.4.).

4.3.3.1. HRD-pattern and the mobility perspective

In section 4.1.6. we explained that three learning dimensions are especially important for modern career development: frequency, generic value and planning. These three dimensions together make up the *broader* HRD-pattern. HRD-activities which occur frequently, have a broad applicability and are directed towards career goals, represent a rich HRD-pattern. A rich pattern is thought to have the strongest effect on the mobility scope, or employability, of individuals. We therefore expect that the HRD-pattern as a whole is positively related to mobility scope. Moreover, we assume that it is especially the generic value of HRD-activities that will influence the size of the mobility scope, that is, we expect the relation of generic value of HRD-activities to be stronger correlated to mobility scope than frequency and planning of HRD-activities.

Furthermore, we expect that through the effect that mobility scope may have on the pursuit of mobility, HRD-activities will positively influence the pursuit of mobility indirectly. As such, the mobility perspective as a whole is assumed to be related to HRD-pattern in a positive way.

4.3.3.2. The psychological career contract and mobility perspective

Beside the effect that HRD-patterns have on mobility perspectives, we assume that the mobility perspective (mobility scope and pursuit of mobility) partly depends on the nature of the psychological

¹⁸ Both the terms approach and perspective will be used to refer to modernity and balance notions.

career contract. Individual expectations managers have about career development may be more or less modern. According to modern views on careers, it is more common to pursue mobility and therefore to work on one's opportunities to become mobile. As we stated before, the broadening of one's mobility scope is essential, which can be accomplished by using (generic) HRD-activities. Furthermore, it is likely that managers holding modern career expectations, which are supported by the organisation, will be more inclined to strive for mobility than managers with traditional thoughts about careers.

We expect that both commitment to and support for career self-management have a positive effect on pursuit of mobility. The explanation is that according to modern career conceptions it is more common to strive for mobility and to work on one's mobility opportunities.

The relation between the psychological career contract and mobility scope is expected to be mediated by the HRD-pattern. HRD-activities are used to enhance one's employability security. The relation between the psychological career contract and pursuit of mobility is expected to be a direct one.

This direct relation can be explained by two different approaches. Based on a modernity approach, we expect that managers holding modern ideas with regard to careers will overall be more inclined to strive for mobility. Based on a balance approach this pursuit of mobility can also be explained but this concerns a totally different line of argumentation. Now, it is not the modern career attitude that leads to a focus on mobility, rather it is the level of satisfaction that is supposed to determine the extent to which managers want to become mobile. The direction of the pursuit will depend on the relation they have with their current employer, unit, or direct supervisor. We expect that the larger the level of unbalance, the stronger the manager's reaction will be. This corresponds with a higher pursuit of mobility, both organisation-internally and organisation-externally. The pursuit of external mobility as a result of large unbalance of the contract represents a response that McFarlane Shore and Tetrick (1994) call "exit", or withdrawal from the situation. This hypothesis was earlier supported in the study of Larwood *et al.* (1998) who found a negative relation between fit of the psychological contract and intention to turnover.

In accordance with Shore and Barksdale's (1998) assumption that contracts containing mutual high expectations lead to the lowest intention to turnover, we expect that managers with balanced contracts will strive for *internal* mobility. The satisfactorily balanced relationship makes managers want to stay with the organisation. Simultaneously, their modern career attitude leads to an internal motivation to strive for mobility.

Expectations with regard to the types of psychological career contracts and their relation with mobility perspective can be formulated similarly. A major assumption is that unbalance leads to pursuit of external mobility, especially when the commitment to career self-management is high. To explain, individual career self-management itself will have a stronger effect on e.g. career-related outcomes than organisational support for career self-management alone. Without the commitment of the individual, organisational support will not have that much effect. Managers holding contract types with high unbalance in combination with high commitment are supposed to have the largest score on pursuit of mobility; managers holding balanced contracts with low levels of career self-management commitment are expected to have the lowest level of pursuit of mobility. Because this hypothesis is based on a combination of both the modernity and the balance perspective, we will call this the combination hypothesis¹⁹. This hypothesis is not a main hypothesis, but will be addressed.

In sum, as an alternative for the HRD-hypothesis (the upper path in the model), we propose the "flight hypothesis" (the lower path in the model) which is based on the balance approach. It describes the

¹⁹ This hypothesis is no main hypothesis and is therefore not included in the overviews. In chapter 7 it will be addressed as an alternative hypothesis.

possibility to leave the organisation by pursuing (organisation-external) mobility when the level of unbalance is high. The HRD-hypothesis and the flight hypothesis will both be tested. It will be determined which of both hypotheses and hypotheses is more plausible.

4.3.4. Overview of hypotheses

In the main study several main research questions will be addressed. The first questions focus on the characterisation of managers' HRD-patterns, their psychological career contracts and their mobility perspective and the relation with several background characteristics. The most important research question is how these three research questions are interrelated. We will test our research model in which these relations have been presented. In table 4.7. we provide an overview of hypotheses with regard to the research model as a whole. These hypotheses will be tested in the chapters 6 and 7. Moreover, we will explicate some extra hypotheses. These regard the relation between managers' psychological career contracts and the support they give to their subordinates' career self-management in turn.

Table 4.7. *Overview of hypotheses regarding relations between the psychological career contract, HRD-pattern and mobility-perspective²⁰.*

Research-model	Hypotheses ²¹	To be tested in:
Question: What is the relation between managers' psychological career contracts, HRD-patterns and mobility-perspectives?	I. Psychological career contract and HRD-pattern (section 4.3.2.)	Chapter 6
	<ul style="list-style-type: none"> a. CSM-commitment as a whole has a positive effect on HRD-pattern; b. CSM-support as a whole has a positive effect on HRD-pattern; c. CSM-commitment has a stronger effect on HRD-pattern than CSM-support; d. Level of modernity of the psychological career contract positively influences the HRD-pattern e. Level of unbalance of the psychological career contract negatively influences the HRD-pattern. 	
	II. HRD-pattern and mobility-perspective (section 4.3.3.1.)	Chapter 7
	<ul style="list-style-type: none"> a. HRD-pattern (frequency, generic value and planning) has a positive effect on mobility-perspective as a whole and on mobility-scope. Generic value will have the strongest effect; b. Mobility-scope fulfils an intermediary function between HRD-pattern (frequency, generic value and planning) and pursuit of mobility. 	
	III. Psychological career contract and mobility-perspective (4.3.3.2.)	Chapter 7
	<ul style="list-style-type: none"> a. CSM-commitment as a whole has a positive effect on pursuit of mobility; b. CSM-support as a whole has a positive effect on pursuit of mobility. c. Level of modernity of the psychological career contract positively influences the pursuit of mobility. d. Level of unbalance of the psychological career contract positively influences the pursuit of mobility e. The relation between CSM-commitment as a whole and mobility-scope is mediated by HRD-pattern. f. The relation between CSM-support as a whole and mobility-scope is mediated by HRD-pattern. g. The relation between level of modernity of the psychological career contract and mobility-scope is mediated by the HRD-pattern. 	

²⁰ CSM is the abbreviated term for "career self-management".

²¹ In between brackets it is indicated in which section the particular hypothesis has been described.

Extra hypotheses	<i>IV. Relation manager-subordinate (section 4.2.5.)</i>	Chapter 6
<i>Question:</i> What is the relation between managers' and subordinates' psychological career contracts and HRD-patterns?	<ul style="list-style-type: none"> a. A positive relation exists between fulfilment of the HR-role and subordinate support as part of the psychological career contract. b. The fulfilment of the HR-role relates positively to the HRD-pattern of managers themselves. c. Managers' CSM-commitment is higher than their perception of supervisor support for career self-management. d. Managers' CSM-commitment is higher than their support for subordinates' career self-management. e. A positive relation exists between supervisor-support, commitment and subordinate support for career self-management. 	

Table 4.8. below gives an overview of hypotheses belonging to the research question how do background characteristics relate to managers' HRD-patterns, psychological career contracts and mobility perspectives, consecutively. These hypotheses have been introduced in sections 4.1.7. and 4.2.6. and will be tested in chapters 6 and 7.

Table 4.8. *Overview of hypotheses regarding background-characteristics*

Background-characteristics	HRD-pattern (section 4.1.7.1.) (tested in chapter 6)	Dependent variables	
		Psychological career contract (section 4.2.6.) (tested in chapter 6)	Mobility-perspective (section 4.1.7.2.) (tested in chapter 7)
Age ²²	- (frequency, generic value, planning, and HRD-pattern as a whole) (Va)	- (commitment, support, contract as a whole) (Ve)	+ mobility-scope (Vg1) - pursuit of mobility ²³ (Vg2)
Educational level	+ (frequency, generic value, planning, and HRD-pattern as a whole) (Vb)	+ (commitment, support, contract as a whole) (Vf)	+ mobility-scope (Vh1) + pursuit of mobility (Vh2)
Management-level	+ (frequency, generic value, planning ²⁴ and HRD-pattern as a whole) (Vc)	No hypothesis	No hypothesis
Mobility-opportunities (existing vertical and horizontal positions)	No hypothesis	No hypothesis	- pursuit of external mobility (Vi)
Job expiration	+ (frequency, generic value, planning and HRD-pattern as a whole) (Vd)	No hypothesis	+ pursuit of mobility ²⁵ (Vj)

Explanation: an expectation of a negative relation is indicated with "-"; an expectation of a positive relation is indicated with "+". In parentheses the number of the hypothesis is given.

Finally

Mobility perspectives are expected to be influenced by a complex of factors. The nature of the psychological career contract, the richness of HRD-patterns and several background characteristics are all thought to be related to this concept.

²² and other time- and experience related factors such as job- and organisational tenure, years of working experience, number of job changes and number of management-jobs.

²³ The negative relation with organisation-external pursuit of mobility is expected to be stronger than with organisation-internal pursuit of mobility.

²⁴ The relation with planning is however not that transparent.

²⁵ Meaning that the sooner job expiration is expected the larger the pursuit of mobility.

We wonder which of the two described paths gets more support, the HRD-path or the flight path. The HRD-path is characterised by a proactive attitude of modern employees to further their careers. Through carrying out all kinds of HRD-activities managers enhance their mobility perspective and thus their chance of a job elsewhere. The flight path is characterised by a certain level of dissatisfaction based on an unbalanced psychological career contract and makes managers strive for (external) mobility. Both paths will be studied in the next chapters in which an empirical study in six organisations will be described, aimed at testing the research model and according hypotheses.

In chapter 5, we will first describe the development of the instrument to be used in the main study. Furthermore, the methods of the main study will be described (such as selection of participants, procedure, etc.).