

Psychological contracts and boundaryless and protean careers management essay



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Introduction

The way in which academics are treating careers has evolved greatly over the last 30 - 40 years. In a traditional career model a workers portfolio generally consisted of one, maximum two firms and progression within these was expected to be linear (Levinson, 1978; Super, 1957). Achievement was awarded internally within the organisation and was generally measured in upward promotion and salary payments. (Hall, 1996). The premise of the psychological contract between an organisation and its employee has often been used as a means of analysing changes in the employment relationship (Sturges 2005). The psychological contract has been defined as “ an individual’s beliefs, shaped by the organization, regarding terms of an implicit agreement between the individual and the organization” (Sturges 2005)

One of the most frequent arguments is that the traditional ideology of job security in return for job effort, or an organizational career in return for loyalty and hard work, has been diminished due to changes in organisations structure such as downsizing, de-layering and outsourcing (Guest, 1998). Miles & Snow (1996) also noted that “ the tall, multi-layer, functionally organized structures characteristic of many large companies have changed” Academics and practitioners have noted the importance of re-evaluating the nature of career attitudes (Arthur & Rousseau, 1996; Hall, 1976) in a hope to create better understanding and models to map its progression (Sullivan 1999)

Relevant literature heralds two new paradigms for the use in examining careers. The Boundaryless career (Arthur & Rousseau, 1996) and the protean career (Hall, 1976, 2002). As a result of the changing environmental conditions it is theorised that employers can no longer offer lifetime employment (Sullivan, 1999). Therefore these models offer an alternative way to look at careers, careers that become self managed and self influenced and are not bound by any one organisation or indeed industry (Arthur & Rousseau, 1996; Hall, 1976)

In this work I will begin by looking at the changing nature of the psychological contract looking at employees perceived obligations towards them and how these effect the employer/employee relationship. I will then examine how the changing nature of this relationship has led to the rise of the new Boundaryless and Protean career. I then intend to look at the relationship between the two paradigms before continuing on to look at the limitation regarding current work in the field

Discussion

Early work on the nature of careers and psychological contracts began in the late 50's and was heavily influenced by the adult development work such as that by Donald Super (1957) and Daniel Levinson (1978). It is argued that the psychological contract between and employee and the employer which contains the perceived terms and conditions that are not noted in the written employment contract (Rousseau, 1989), has undergone major changes. As a result employers and employees are now looking at new forms of career relationships. Levinson (1978) saw the psychological contract as ' a series of mutual expectations of which the parties to the relationship may not

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themselves be dimly aware but which nonetheless govern their relationship to each other'. Working by the traditional psychological contract, employees were seen to exchange loyalty and commitment for long term or lifetime employment from their employer. However under the newly theorised contract, employees exchange their good performance for marketable skills and personal development (Rousseau & Wade-Benzoni, 1995).

Part of the problem in analysing the changing nature of psychological contracts as identified by Guest (1998) is that by their very nature these contracts are "perceptions, expectations, beliefs, promises and obligations" A view supported by Rousseau, (1995) who described the psychological contract as "a promise made and a consideration offered in exchange for it, binding the parties to some set of reciprocal obligation" One problem as identified by Guest (1998) is that the terms expectations and beliefs hold different values to the term obligations. As Guest states failure to meet expectations is rather different than failing to meet obligations as expectations and beliefs are derived from social norms whereas obligations are perceived promises and entitlement. Sturges et al (2002) theorised that over time an employee feels that they are owed more from an organisation due to the time they have invested into staying with them and therefore the perceived employer obligations grow whilst the employee perceives their obligations as diminishing.

A further problem when looking at work relating to the psychological contract is that, as identified by Arthur and Rousseau (1996), who note that only three recent works have approached the subject of the changing in nature of the traditional organizational career boundaries. One of these <https://assignbuster.com/psychological-contracts-and-boundaryless-and-protean-careers-management-essay/>

limited few studies was conducted by Altman and Post (1996) who investigated 25 Fortune 500 executives to examine their perceptions on the altering work relationships. The findings showed that executives recognised the phasing out of the traditional style contract and recognized a new form of contract (Sullivan, 1999) which built on employability and employee responsibility, as opposed to security and a paternalistic style. Despite the enthusiasm by some for the new form of relationship some studies have shown that employees do still expect to receive some form of career support from their management (Sturges, Conway & Makenzie., 2002). This theory is also supported in work by Robinson, Kraatz & Rousseau (1994), who suggested that the level of an employee's commitment to an organisation, was a result of the " employees' perceptions of their obligations to organizations and the degree to which they are reciprocated rather than from attachment, loyalty, or satisfaction, as has been most frequently suggested" (Robinson et al 1994). Sturges et al (2002) and Robinson et al (1994), also agree that perceived violations of employer obligations leads to a decrease in the importance an employee places on their obligations.

A further problem to the psychological contract notion is that a contract breach is a very subjective matter (Robinson 1994, Rousseau and Wade-Benzoni 1995). Robinson (1994) identifies that it is not important if an actual breach took place but rather if an employee perceives a breach to have occurred. A widely mentioned term in literature relating to psychological contract is " trust" (Robinson et al, 1994). Robinson notes that ' trust' can have a great significance on how a person perceives the actions of his employer and states that breaches in trust relate to " judgments of integrity

and beliefs in benevolence-that in turn reduce employees' contributions.

However other than Robinsons limited survey there is little to no empirical evidence in relation to the trust relationships between employees and employer.

Critics of the psychological contract model contest the usefulness of current literature claiming it adds little to the field (Guest 1998, Robinson et al 1994). Some literature states that the effects of psychological contract breach can be treated as unmet expectations (Guest 1998). Should this assumption be true psychological contract breach research merely mimics prior research relating to unmet expectations (Robinson et al 1994).

However, those that support the psychological contract paradigm suggest that differing from unmet expectations a breach of this contract will lead to "erosion of trust and the foundation of the relationship between the two parties" (Robinson et al 1994) this view is also supported by Rousseau (1996) and Sturges et al (2002). Unfortunately research on psychological contract breach is still itself relatively new and again there is little empirical evidence. What evidence there is will be fairly modern and there is now way to analyse a change over a longer period of time making it difficult to comment on past trends.

As stated above the apparent change in psychological contracts has great significance in new career patterns and organizational commitment.

Employees are now viewed as a less adaptable resource for organisations and "more active investors of their personal human capital" (Gratton & Ghoshal, 2003 as in Fernandez et al 2008). They will also gain responsibility for some level of career management including the seizure of opportunities
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and advanced learning with the aim to improve their future marketability (Sturges et al 2002).

The changing nature of the business environment, including the globalisation, de-layering and highly competitive markets (as mentioned in my introduction) led to the appearance of new models for the modern career and organisations; The Boundaryless career (Arthur & Rousseau, 1996) the protean career (Hall, 1976, 2002) as well as the Boundaryless organisation. Handy (1989) theorises one such configuration in the three leaf clover. The first leaf (the most important for survival) is core staff consisting of managers, professionals and technical staff. These staff are expected to invest personally in the organisation and have high commitment levels. The second leaf is contractors consisting of specialist companies who can normally do jobs such as distribution much more quickly and efficiently than in house. The third leaf is made up of the contingent labour force such as part time workers and temporary staff who act as a buffer for the core workers. The benefit of looking to examine an organisation in this way is that it enables managers to get a broader picture of the business environment and to be more flexible (Mirvis & Hall 1994). Workers can be re-arranged and re-assigned and would “ hit the floor running” (Mirvis & Hall 1994)

Extrapolating from the Boundaryless organisation these new career models aim to reflect the changing nature of the organisational relationship and psychological contract. Whilst the traditional career was seen as a paternalistic culture of vertical linear progression within just one or two organizations and measured by promotions and pay rises(Levinson, 1978; Super, 1957); the Boundaryless and protean models highlight the need for <https://assignbuster.com/psychological-contracts-and-boundaryless-and-protean-careers-management-essay/>

the individual to actively manage their own career, learning and psychological success.

Workers who have protean career attitudes have been described as being “ intent upon using their own values (versus organizational values for example) to guide their career (“ values-driven”) and take an independent role in managing their vocational behaviour (“ self-directed”)” (Fernandez et al 2008). In contrast, a worker who did not hold protean career attitudes would be more likely to be influenced by external values and would be more likely to look for external guidance and direction in their career choices as instead of being more “ proactive and independent” (Mirvis & Hall 1994, Hall 2002, Fernandez et al 2008) . Whilst those that show signs of leading a protean valued career style might show signs of greater openness to the idea of mobility and continuous learning, some theorists suggest that mobility and learning may be “ correlates of a protean career, but not necessary components of it” (Fernandez et al 2008).

It has been said that a worker considered to be following the Boundaryless career model “ navigates the changing work landscape by enacting a career characterized by different levels of physical and psychological movement” (Sullivan & Arthur, 2006). While there may be some complementary features of the two models, many treat protean and Boundaryless career models as separate but related ideas. That is, a person could display protean rationales, making self directed and motivated career decisions, yet not follow a boundary crossing path. However, a person could hold a Boundaryless mindset but chose one organization to paternalistically guide their career (Fernandez et al 2008, Hall 2002)

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A Boundaryless career is viewed as “ independent from, rather than dependent on, traditional career arrangements” (Arthur & Rousseau, 1996), as it goes beyond the boundaries of an individual employment setting, involving both physical and psychological (objective vs. subjective) areas of mobility (Briscoe & Hall 2005). The Boundaryless career is conceived by assuming that organizations are no longer capable of giving workers the ‘ traditional’ career path including stability and progression in exchange for commitment and hard work (Arthur, 1994; Arthur and Rousseau, 1996). As a consequence academics have identified the end of the traditional career where a person aims to progress through a company gaining power, notability and financial reward and predict workers following a more individualistic approach to goal setting and personal assessment (Arthur and Rousseau, 1996).

The Boundryless career has been said to be the opposite of the Organisational Career (Arthur and Rousseau, 1996; Rodrigues and Guest, 2010). Arthur (1994) described in his original work 6 potential aspects of permeability and mobility across organisations:

The most prominent [meaning] is when a career, like the stereotypical Silicon Valley career, moves across the boundaries of separate employers. A second meaning is when a career, like that of an academic or a carpenter, draws validation - and marketability - from outside the present employer. A third meaning is when a career, like that of a real estate agent, is sustained by extra-organizational networks or information. A fourth meaning occurs when traditional organizational career boundaries, notably hierarchical reporting and advancement principles, are broken. A fifth meaning occurs <https://assignbuster.com/psychological-contracts-and-boundaryless-and-protean-careers-management-essay/>

when a person rejects existing career opportunities for personal reasons.

Perhaps a sixth meaning depends on the interpretation of the career actor, who may perceive a Boundaryless future regardless of structural constraints. A common theme to all these meanings is one of independence from, rather than dependence on, traditional organizational principles. (Arthur, 1994).

One limitation of the idea that Boundaryless careers are the opposite to Organisational careers, is that it oversimplifies the changes in modern career patterns (Rodrigues and Guest, 2010). Moreover as identified by Rodrigues and Guest, (2010) Arthur places great emphasis on the notion of movement across organisational boundaries. Whilst transitioning across organisational boundaries is the defining feature of the new Boundaryless model, works such as Arnold and Cohen (2008) note that this organisational movement is not 'incompatible' with the more traditional model of careers (Sullivan 1999). Sullivan (1999) also notes that there is evidence to support the idea that this kind of mobility in the boundaryless model is already present in America, and was empirically documented in a period perceived to be dominated by the traditional career style. Another study covering areas of career mobility looked at a selection of workers between 1957 and 1972, Topel and Ward (1992 as in Sullivan 1999) who conducted the study demonstrated that during this period the workers followed (who were based in the states) had held an average of 10 jobs during their careers. Sullivan (1999) also identified a similar study by Hashimoto and Raisian (1985 as in Sullivan 1999) conducted in Japan, (an area often associated with the traditional one company career) found that workers there also had multiple employers over their careers. When Arthur & Sullivan (2006) sought to further clarify the

concept, and said career mobility can include the physical and/or psychological mobility, they also stated that mobility can be across many levels such as “ occupational, organisational and cultural”(2006). However as noted by (Rodrigues and Guest, 2010) this amendment means that unless there is “ complete career immobility it is difficult not to classify any career as potentially Boundaryless.” (Rodrigues and Guest, 2010)

Baker and Aldrich (1996) constructed a measure for the Boundaryless career, they claim that for a career to be truly Boundaryless it would have to rank highly along three career dimensions. These dimensions consist of; number of employers, extent of knowledge accumulation, and the role of personal identity. This model places high value on marketable skills and a high personal identity which are rated just as highly as an employee’s mobility, ratings on these factors can help to determine whether a person is truly acting on the Boundaryless career. Along a similar line DeFillippi and Arthur (1996) derived a competency model, stating that those following a Boundaryless career build a portfolio of career competencies, this can be achieved by using DeFillippi and Arthur’s knowing-why, knowing-whom and knowing how model of career enhancement. Eby et al. (2003) later built on DeFillippi and Arthur’s (1996) work and sought to provide empirical evidence supporting it. Eby et al (2003) found that the knowing-why, knowing-whom and knowing-how competencies are important indicators of success of one’s Boundaryless career. There have also been calls from writers such as Bird (1996) AND Fernandez et al, (2008) for a rethink and re-modelling of career ideas based on knowledge economies and personal knowledge obtainment.

While some authors and their work have chosen to look at Boundaryless careers solely examining the physical re-arrangement of the working environment (Fernandez et al 2008) Sullivan and Arthur (2006) advocate the viewing of mobility across two planes, the physical and psychological when conducting research into careers. In her wide ranging literature review on the subject of careers Sullivan (1999) and later Sullivan & Arthur (2006) look at what empirical evidence currently exists. Sullivan found that “ only sixteen studies examined mobility across physical boundaries, whereas only three studies focussed on the relationships across these boundaries” (Sullivan & Arthur, 2006). Similar findings to that of Sullivan are noted in the work of Briscoe et. al. (2006) who gave empirical evidence for the implementation of both the Boundaryless mindset and organizational mobility preference.

Under the new form of psychological contract workers are said to display low levels of both loyalty to an organization and low levels of organizational commitment, what loyalty and commitment that does exist is under the condition that the organisation provides them with opportunities to advance their marketability through training and development (Rousseau & Wade-Benzoni, 1995). Gunz (2000 as in Rodrigues & Guest 2010) also noted how in a study by Zabusky and Barley (1996) of technicians, they found that the technicians placed greater value on growth and challenging work than they did on promotions. The companies who employed the technicians however had no systems in place to offer this to them. As Sullivan (1999) identified, the study shows how individual career strategies must be considered within an organizational business strategies. The study also noted the problems of

transforming from a culture of advancement (traditional career model) to a culture of achievement (Boundaryless career model) (Sullivan 1999). Large volumes of work centred around the changing psychological contract and the Boundaryless career model often gives great prominence to the positive aspects, “ such as increased opportunities for growth and job challenge” (Sullivan (1999). Comparatively lesser amounts (Hirsch & Shanley, 1996 as in Sullivan 1999) have been focused on the downsides of the model, such as the problems underemployment and the possible reduction in organizational learning and personal development (Sullivan, 1999). One such piece on the negative aspects suggested that Workers who transfer into unrelated occupations often suffer from lowered status and reduced earnings (Markey & Parks 1989).

As previously mentioned some researchers like to separate the notions of the Protean and Boundaryless careers, However others such as Hall, (1976, 2002) note that those who follow a Boundaryless career approach often have Protean attitudes that help them navigate the organisational landscape. Hall notes that a Protean approach represents a self driven and self motivated approach to managing a personal career, which also builds on values such as freedom and adaptability (Hall, 1976, 2002). Baruch (2004)(as in Fernandez et al 2008) noted that the protean career was: “ a contract with oneself, rather than with the organization”, as individuals “ take responsibility for transforming their career path, in taking responsibility for their career”. Hall (2004) and Hall and Chandler (2005) concluded that the staple parts of the Protean orientation paradigm are: “ freedom, growth, professional

commitment, and the attainment of psychological success, through the pursuit of meaningful work” Fernandez et al (2008)

Briscoe & Hall (2006) identify the potential psychological implications of being highly Protean career driven in their work, they define someone truly Protean driven as on a “ quest to define meaning and success through the career” (Briscoe & Hall, 2006)

In further research relating to personal Protean career management King (2004) found that being personally in control of one’s own career and growth can lead to favourable psychological satisfaction, improved self-efficiency and personal well-being , if ones career goals are met. Further more in the work of Fernandez et al (2008) they identify that Seibert et al. (2001) and Crant (2000) (Both found in Fernandez et al 2008) also support the work of King (2004), as their findings suggest that individuals who have a “ proactive disposition achieve extrinsic career progression and internal satisfaction with their careers” Fernandez et al (2008). Arthur (2009) too notes the importance of factoring into work environments and relationships the ability to meet personal goals which would “ generate both greater productivity and greater career satisfaction for the workers involved”

As a result of the work on Protean careers further work by Wrzesniewski and Dutton (2001) and Wrzesniewski et. al. (1997) (found in Fernandez et al, 2008) created the idea of career management though “ job crafting”, this notion involves treating employees as “ creative identity builders” (Fernandez et al, 2008) who use personal networks and support from others to achieve own career milestones. Whilst there are high levels of work

relating to the potential for workers with protean attitudes, like the work on the Boundaryless model there appears to be little amounts of research relating to the downsides of the protean model, such as the effects of failing to meet personal goals and setting realistic personal goals.

As the burden of one's career shifts away from the organisation and falls into the hands of the individual, networking plays an important role in the life of a self driven career (Arthur Rousseau, 1996, Sullivan 1999). The ability to form personal networks aids and supports the process of job mobility and accelerates personal development and job learning (Sullivan 1999).

Networking as a tool allows an individual to extend their presence into wide ranging social circles and thus potentially increase job opportunities (Forret and Dougherty, 2004). Sullivan (1999) identifies that existing organisational structures do not support networking activities, therefore individuals forced out of a traditional organisational structure may experience problems in adapting to the new form of career paths. While networking abilities vary from person to person, it has been found through research (Forret and Dougherty, 2004) that networking benefits men more than it does women due to men's perceived ability to more effectively influence social groups.

Sullivan (1999) also covers in her work the problem and limitations in research relating to women in the changing nature of employment. The high levels of women in part time work and work that is not classed as " core workers" could be creating an imbalance in research relating to Boundaryless and protean careers. Future research could look into if the increased family commitments of women effect their progress through the two forms of career.

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Whilst there is much literature being produced relating to the Boundaryless career not everyone is convinced of the evidence supporting it. As Gunz et al write: "the trouble with the Boundaryless hypothesis is that it is still just that, a hypothesis" (2000). They also note that while some authors advocate that organisational boundaries are diminishing it might just be that the nature of the boundaries are shifting/altering. Gunz et al note that boundaries, rather than disappearing, are becoming more complex and multifaceted. In fact they claim that boundaries of some sort are inevitable. Arthur (2006) also notes that the much on the subject of Boundaryless careers often focuses on intra-organizational as opposed to inter-organizational changes.

A further lack of research has been done on what Arthur (2009) identifies as the lack of legal status and protection mobile workers have under present employment law. Also as identified by Defillippi & Arthur 1994 most research has been conducted on what they refer to as "core workers" and there is little empirical or theoretical work on non-core workers such as part-time and seasonal staff and their employment and career paths.

Sullivan 1999 also notes that there has been very few empirical studies relating to the choices made by workers other than new graduates (such as in the work of Arthur and Rousseau (1996)). Although younger workers may provide greater data sets, as the most frequent movement across occupations occurs during the earliest years of a person's working life (Mergenhagen 1991 as in Defillippi & Arthur, 1994) The reason for this early career movement is suggested to be because younger workers have made fewer career specific investments and therefore feel less committed

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(Defillippi & Arthur, 1994). Whilst explaining why much research is conducted on younger workers this argument from Defillippi & Arthur also support the earlier theories of Sturges et al (2002) as mentioned above regarding employees increased commitment over time. If the theories regarding younger mobility hold true then as the world's workforce ages and in Asian areas such as china where there is already and aged population trends of increased job tenure would be expected. This is one area of future possible research.

The lack of research conducted during adulthood, despite evidence that adults are making occupational choices throughout their lifetimes (Arthur & Rousseau, 1996); proves to be a problem, as relatively little is known as to what motivates these cross organisational movements (Sullivan 1999). Whilst the concept of Boundaryless careers centres on the idea of workers easily moving between various organisations statistical data from Robinson (1997) shows no dramatic increase over the past 20 years in either job movement or job loss. A view supported in the work of Guest (1998) who found that time spent in organizations and in jobs has reduced only marginally, if at all, in the past 20 years, however he does speculate that a reduction in male workers tenure could be hidden by a rise in that of female workers. Rodrigues & Guest (2010) also note that research into job stability trends has also been hampered by the " variation in non-response rates and changes in the wording of the questions" thus making it difficult for long term trends to be identified.

Briscoe et al (2006) notes a further problem in current research where some employees display strong attitudes of Boundaryless and protean models, yet <https://assignbuster.com/psychological-contracts-and-boundaryless-and-protean-careers-management-essay/>

they have no desire for physical mobility. This occurrence identifies a potential flaw in the way the two paradigms are defined and emphasises the need for greater care in outlining the premise. Failure to accurately define the notions could lead to problems in the adaptability of the model. Furthermore, lack of accurate definition could affect the relevance for researchers if the models cannot accurately put to use on real life situations. (Briscoe & Hall, 2005, Fernandez et al, 2008)

Fernandez et al, 2008 have also described what they see as “ researchers’ inability to fully explain their empirical findings with the protean and Boundaryless metaphors” as already happening, which according to Briscoe & Hall (2005) is causing a slight rumbling and backlash against the two paradigms.

Conclusion

As demonstrated in this work there are large and ever increasing amounts of work relating to the changing nature of employment relationships and career patterns. In the past decade the field of careers has produced much work to support the understanding of managers and employees regarding the employment and career relationships. No doubt thanks to recent global economic problems we can expect to see yet more work released over the coming few years.

As discussed the changing nature of the relationships between employees and their employer has had significant coverage, however I identify 2 areas where there is potential for future research. The first of which was in the “ trust relationships” between employees and employer. Further research on <https://assignbuster.com/psychological-contracts-and-boundaryless-and-protean-careers-management-essay/>

this area can help to further the psychological contract understanding and its values. A second area of research concerns the perceived value of contract breach. Whilst there is work concerning this matter as noted there is little empirical evidence of the consequences and frequency of this breach.

Within the model of the Boundaryless career there is room for further research regarding the nature of people changes. Current work is focused from an organisational point of view and much research is quantitative. As a result there are few studies relating to what motivates people to make changes and whether the motivator affects the magnitude of change. Furthermore varying and dilute definitions of the Boundaryless career have been noted as a potential problem for future researchers, a re-conceptualisation of the definition may make it more adaptable in future.

Whilst work on the protean career gives good explanation of its potential benefits, like the work on the Boundaryless career, little evidence has been published of potential problems and downsides of the model. An area for future research could include work on the consequences of failing to meet personally set objectives or how effective/inhibitive self critique may be for an individual. A further area to look into that is currently under represented in the literature is that of the "non core" workers, such as part time and temporary staff. This group is made up also of a disproportionate amount of women which would need to be taken into account when analysing the findings. The final area of identified research relates to the current abundance of empirical evidence relating to young, often newly graduate workers and their career mobility choices. Whilst I have mentioned that this group is most prevalent to making cross-organisational career movements <https://assignbuster.com/psychological-contracts-and-boundaryless-and-protean-careers-management-essay/>

they are over represented in the literature meaning there are few studies on older workers. This has consequences for geographical and industry areas with an ageing population as career trends may be different to that of younger organisation or region.

To summarise there is much useful and thought provoking work relating to the changing nature of careers and its applicability to nearly the whole of the population and all business' makes it a fascinating area for reading and research. The continuing environmental changes and ever increasing literature means that changes and progression in the subject are likely to be fast paced and wide ranging.

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