

**Zsuzsanna HORVÁTH**

## **Recent Issues of Employability and Career Management**

### **Introduction**

This paper provides a background setting comprising of elements impacting on the career decision-making landscape. In the changing world of working, many, formerly stable and given conditions and underlying structures came to be either redundant, restructured or otherwise altered which young people have to factor in when making career-related choices and decisions. It will outline and briefly touch upon the socio-economic drivers that will necessitate the adaptation of new work skills. An additional source of uncertainty is that today, one may not be entirely sure about the nature and characteristics of future jobs as they may not be even invented (Friedman, 2013). In addition to the drivers of work skills, the work value system of the young generations will be addressed as their attitude and approach to working will also impact their career choices.

Due to changes in the nature of careers over the past three decades, people are increasingly responsible for the successful management of their careers (Hall, 2004). This development has increased the need to be engaged in proactive career behaviours for objective and subjective career success. Assessing this general degree of engagement in career behaviours seems promising because career development theories and research often do not distinguish between specific behaviours when asserting the importance of proactivity in career development (Hirschi, Freund, & Herrmann, n.d.).

Given the rise of assignments and jobless work, vocational psychology must now focus attention on employability rather than employment (Fugate, Kinicki, & Ashforth, 2004). When assignments replace jobs the change in the social reorganization of work produces a new psychological contract between organizations and its members. This is because employment differs from employability. The psychological contract of employment involves a long-term relationship; employability involves a short-term transaction. Employment in a traditional job depends upon mastering some uniform body of occupational knowledge with specialized skills. Employability depends on mastering, for recurrent use, the general skills of getting, keeping, and doing an assignment. Employability requires basic skills and higher order skills such as decision-making and problem-solving, and affective skills such as conscientiousness and honesty (Savickas, 2011). For careers in the 21st century that idea of unfolding an essential self could be replaced with the postmodern idea that an essential self does not exist a priori; instead, constructing a self is a life project. The social constructionist paradigm for the self and career makes available new core constructs for the study and management of 21st century work lives. Vocational psychology and career counselling's innovative responses to the important questions raised by people living in information

societies will continue the discipline's tradition of helping individuals link their lives to the economic circumstances that surround them.

### **Employability in the 21st Century**

Fast-paced changes in the world result in a wholly new environment of growing economic disparity and inequality with uncertain future. As a reaction to this volatile and unpredictable work environment, where individuals are compelled to mind their own careers and stable long-term employment is not granted for anyone, vocational psychology, educational institutions and educators are urged to address the issues of employability.

The 21st century requires young adults who enter the world of work to be work-ready, employable and to sustain their employability (Marock, 2008; Pool & Sewell, 2007). Their employability constitutes a sense of self-directedness or personal agency in retaining or securing a job or form of employment. This uses a set of personal career-related attributes that employers and researchers generally promote as an alternative to job security in an uncertain employment context as its basis (Bezuidenhout, 2011; Fugate, Kinicki & Ashforth, 2004; Rothwell, Jewell & Hardie, 2009; Schreuder & Coetzee, 2011).

### **Employability attributes.**

Employability influences the adaptation requirements delineated by Ashford and Taylor (1990): opportunity identification, individual attributes and alternatives. Regarding the first requirement, the identification and realization of opportunities necessitates that employable individuals acquire information on the environment and one's personal qualifications (feedback) (Fugate et al., 2004), because people attend to and act on information that is relevant to salient career identities (Ashforth & Fugate, 2001; Berzonsky, 1990, 1992). As for the second requirement, employable people, by definition, possess a collection of individual attributes necessary for effective adaptation—career identity, personal adaptability, and social and human capital (each described later)—some of which subsume individual characteristics suggested by Ashford and Taylor (1990). For employable people, however, career identities cognitively cohere these elements while providing energy and direction to their influence. Pertaining to the third requirement, employability enhances alternatives, and facilitates personal change and job changes. Employable people consider and pursue alternatives consistent with their salient career identities (cf. Ashforth & Fugate, 2001), and are predisposed to personal change (personal adaptability).

Fugate, Kinicki and Ashforth (2004) depict the dimensions of employability as concentric circles integrating a synergistic combination of salient components such as career identity, personal adaptability, and social and human capital. They argue that employability captures the aspects of each of the three dimensions that facilitate the identification and realization of career opportunities within and between organizations (Fugate et al., 2004). The

component dimensions may have differential influence or impact for a given individual, depending on the salient factors of a particular situation.

In this regard, employability is a psychosocial construct that represents the career-related attributes that promote adaptive cognition, behaviour and affect, and increase one's suitability for appropriate and sustained employment opportunities (Fugate et al., 2004; Potgieter & Coetzee, 2013). It embodies individual characteristics that foster adaptive cognition, behaviour, and affect, and enhance the individual-work interface. This person-centred emphasis coincides with the major shift in responsibility for career management and development from employers to employees (e.g., Hall & Mirvis, 1995). In short, the onus is on employees to acquire the knowledge, skills, abilities, and other characteristics (KSAOs) valued by current and prospective employers. Accordingly, the component dimensions comprising the construct of employability predispose individuals to improve their situations (pro) actively, and to be malleable over time—"changeable"—in order to meet the demands of the environment (Fugate et al., 2004).

Employability presupposes pro-active career behaviours and capacities that help people to fulfil, acquire or create work through the optimal use of both occupation-related and career meta-competencies (Potgieter & Coetzee, 2013). In the wake of globalization and the subsequent adjustments in the world of working, individuals need to have a set of skills that are globally known or accepted. These came to be known as global employability skills and they refer to individuals', attributes and personality preferences – because these relate to the proactive management of their career development (Potgieter & Coetzee, 2013). The presence of these skills is especially important in the case of graduates as their employability constitutes a sense of self-directedness or personal agency in retaining or securing a job or form of employment globally. This uses a set of personal career-related attributes that employers and researchers generally promote as an alternative to job security in an uncertain employment context as its basis.

Youth aspiring to take up global careers must verify that they possess, past the technical and/or discipline-specific knowledge interpersonal and civic competencies, called global citizenship competencies (Archer & Davison, 2008; Riebe & Jackson, 2014; Walmsley, Thomas, & Jameson, 2006; Brown, McGrath, & Morgan, 2009). These comprise intellectual and social competencies associated with citizenship or civic-mindedness enabling active participation in a democratic society (Osler & Starkey, 2004). Value creation, management competencies, and global corporate citizenship can contribute significantly to global leadership and, thus, albeit indirectly, to global problem-solving (Pies, Beckmann, & Hielscher, 2010; Jensen & Arnett, 2012) .

The institutional embeddedness of these competencies varies across different cultures and one of its manifestations is in the United States, where the *enGauge 21st-century Skills report* (NCREL, 2001) defined student competence in personal, social and civic responsibility as a basic skill (Print, 2007). This report highlighted civic competence and civic literacy in its list of essential 21st-century subjects and topics. The European Union's Turing Project sets out a framework of general competencies designed to shape educational reform. Interpersonal competencies, which play a key role in civic competence as such (González & Wagenaar, 2003), are the most highly rated by academics, employers and university graduates. In addition, in the *Recommendation of Key Competencies for Lifelong Learning* (Official Journal of the European Union, 2006), the European Parliament and the Council of Europe define eight key competencies, one of which is social and civic competence (Lange et al., 2013).

### **Emerging career models.**

Recently, there have been a number of emerging perspectives attempting to grasp the altering career development process in conjunction with the changing work environment and relations, and linked them to the new psychological contract. These nascent perspectives or career types can be clustered together as they share a number of common traits and fundamental assumptions such as increased self-directedness, flexibility, and the aim of subjective career success (Herrmann, Hirschi, & Baruch, 2015). Oftentimes, these careers are portrayed as the career decision results by autonomous, unfettered, satisfied and self-actualised individuals exercising volition in their decision, however, they have arisen largely in response to organizational and lifestyle and life-work balance expectation changes. With the significant changes recently occurring in the world of work and the growing rate of individuals compelled to engage in autonomous economic activities as self-employed, it is worth while taking a closer look at the individual career models. These models will exert great impact on the individual's career decision-making preparations. Before the discussion of the forms and ensuing characteristics of the career models, the phenomenon of self-employment is worth presenting. Especially in emerging economies, such as the case of Hungary, self-employment would be the solution to unemployment which is exceptionally high among youth: 20.9 % among those aged 15-24 years was (still below the EU average of 21.7 percent) (MFA, 2015). The section below will look at the macro-economic implications of self-employment as an emerging career option.

### **Self-employment.**

Individuals' strive to maintain their socio-economic status and viability in the altering world of work, and 'risk society', has induced a rise in the ratio of self-employment in the total employment. Self-employment can be perceived as a type of 'survival' career shift of people made redundant in the process of organizational restructuring, a career option of young people or graduates at the beginning of their professional life, or people returning to work following a shorter or longer break caused by life changes. In Eastern Europe, deficiencies in

systemic change and transformation resulted in the rise of 1 000 000 self-employed 'necessity entrepreneurs' (Laki, 2010; Futó, 2011) at the beginning of the 1990's. These new forms of self-employment came into being as a reaction to the deep crisis accompanying the transformation and was serving the immediate consumption needs of the entrepreneur and his/her family. Wide social groups have escaped from unemployment into self-employment, and typically, the small firms only offered employment to the owner, family members on full-, or part-time basis (Futó, 2011). Most small firms were unable to separate the budget of the household from that of the business and lacked any ambition to grow.

Self-employment is a type of career self-management requiring a wider set of knowledge, skills, abilities, and other characteristics (KSAOs) (Brown & Lent, 2004; Fugate & Kinicki, 2008). Propensity of being self-employed can change across physical boundaries and time space and is affected by variables such as variations in the socio-demographic characteristics of the population (age, gender, and education), economic environment and changing attitudes toward entrepreneurship.

#### *Self-employment and flourishing.*

There is a growing body of literature focusing on the connection between self-employment and subjective well-being, or flourishing (Huppert & So, 2013; Arthur, Khapova, & Wilderom, 2005; Binder, 2013; Diener & Chan, 2011; Doenges, 2011) . These authors see locus of control, individual agency and proactive attitude as prerequisites of the state of flourishing. They state that an individual's subjective well-being depends on a complex vector of factors, ranging from individual determinants (e.g., self-esteem, optimism or other personality traits) to socio-demographic (such as gender, age, education, or marital status), economic (such as income, status, or unemployment), situational (such as health, social relationships), and even institutional factors. Measures of subjective well-being are an alternative to the more indirect measures of welfare used in economic policy making.

#### *Protean careers.*

The protean career seems an ideal umbrella term for the new definitions of the career concept. Established views of organizational career development have tended to construe the organisation's requirements as the central element in the process and the employee's needs as secondary. A protean career orientation is positively related to active engagement in proactive career behaviours and career satisfaction (Herrmann et al., 2015). From the protean perspective, the individual is the central element whereas the organization merely provides a medium in which to pursue one's personal aspirations. The protean career centers on Hall's, 1976, 1996, 2002 conception of *psychological success* resulting from individual career management, as opposed to career development by the organization. A protean career has been characterized as (Hall, 2004) involving greater mobility, a more whole-life perspective, and a developmental progression, driven by individual values and success is measured by psychological success, satisfaction and *wellbeing* are the faces of that

success (Hall, 2004; Hall and Chandler, 2005; Heslin, 2005). Briscoe and Hall (2002) have characterized it as involving both a values-driven attitude and a self-directed attitude toward career management.

One criticism against this career view it neglects to tackle the role of the organisation, leaving every aspect of career development to the individual. It is, however, important to recognise that careers are still enacted within organisational boundaries (Baruch, 2004). Issues such as the availability of jobs as well as personal constraints could limit an individual's ability to achieve career success as defined by them (Steele, 2009) Other critiques (Hall & Mirvis, 1995) mention suggest that this is likely to be most difficult for the older worker. However, it could be argued that this will create problems for all workers, as they will need support to navigate their careers and build an individual identity.

#### *Boundaryless careers.*

Contemporary employment contexts call for careers to be more 'boundaryless' (Arthur & Rousseau, 1996), to reflect a 'new deal' that has the career actor more concerned with independent rather than organizational goals (Cappelli, 1999), and to involve the kind of 'metacompetencies' that allow for easier mobility between successive employers (Hall, 2002). Boundaryless career opportunities transcend any single employment setting and can be perceived as both psychological and physical (Briscoe et al., 2006). Boundaryless careers can be understood from both psychological and physical perspective: boundaryless workers operate as independent agents moving freely between organizations and careers. It does not represent a specific career form, but a "range of career forms defying traditional career assumptions" (Arthur & Rousseau, 1996, p.6). A career may consist of lateral moves, periods of disengagement from the workforce for family or reskilling reasons, and radical career move (p.223). The boundaryless career is portrayed as an empowering process with the rationale being that workers are afforded greater freedom of choice, flexibility and control over the choice of their careers.

Arthur (1994) suggested that individuals, in order to cope with this phenomenon of boundarylessness, needed to exhibit certain skills and behaviours to improve their ability to navigate in these new career realities. The intelligent career model is based around what Arthur (1994) termed career competencies. These competencies describe the skills he believed were necessary for individuals to develop and cope with the boundaryless career.

#### *Portfolio careers.*

In Handy's (1994) view, organizational structures have become sequestered into three concentric circles, each comprising a set of workers distinguished by their employment status and links to the firm. They are depicted as the senior, middle managers and having defined skillsets and mainly contributing to the organization and deriving a sense of identity from their employment and contribution. The outer circle comprises a contingent labour

force, largely unskilled, interchangeable and therefore disposable. The middle sector has only recently emerged and Handy (1994) predicts their future exponential increase. They are the contractors and specialists fulfilling a variety of the organisation's needs and they are named 'portfolio workers' by Handy to connote the construction of career as an amalgam of discrete and diverse pieces of work. In order to survive this harsh environment, these workers need to assemble a portfolio of skills, knowledge and experiences, which is readily transferable to a variety of contexts.

### **Psychology of Working**

Within the past 20 years, there has been a paradigm shift that calls for a return to social justice agenda, evoking a revitalisation and development of new perspectives of career development and learning that are geared toward a broader understanding of the meaning and role of work in people's lives (Blustein, 2006). Blustein's (2006) agenda is interpreted and operationalized as a rationale to investigate the meaning of work in people's lives.

Prilleltensky (1997) suggested a categorization of the practice of psychology into four broad approaches: traditional, empowering, postmodern, and emancipatory communitarian (EC). He described each approach with respect to five values, assumptions, and aspects of practice: self-determination, caring and compassion, collaboration and democratic participation, human diversity, and distributive justice. An EC approach defines the self primarily from an interpersonal and socio-political frame of reference. As such, the targets of intervention are both individual problems as well as problems residing in social systems (Blustein, McWhirter, & Perry, 2005). The EC approach to vocational psychology is a vision of values and assumptions to guide our thinking and to critique and enhance our work.

Global recession has provided a unique opportunity for vocational psychologists to demonstrate the importance of work in people's lives. Savickas (2007) has maintained that vocational psychology is fundamentally a part of a common definition of counselling psychology from an international perspective; that is, "that counselling psychology concentrates on the daily life adjustment issues faced by reasonably well-adjusted people, particularly as they cope with career transitions and personal development" (pp. 184–5).

Vocational psychology also addresses the impact of globalization on workers both in their own work needs and in international work structures as implied by the meaning of work in other countries. Blustein et al. (2012) call this localized knowledge and global knowledge because of the importance of understanding work from indigenous perspectives. An important addition to the areas of opportunity for vocational psychologists is the development of a greater understanding of contextual factors that influence work-related decisions. Recently, Blustein et al. (2012) call for vocational psychologists to get engaged in informing policy-makers in a range of areas around work, including school to work transitions, job training, unemployment policies, and affirmative action.

The psychology-of-working perspective proposes that the individual's understanding of the world is historically and culturally embedded (Blustein, Schultheiss & Flum, 2004) with work being a social and cultural construction (Fouad & Byars-Winston, 2005); signifying that the work experience of people across the world differs, depending on the social, political, economic and cultural context. While recognizing the uniqueness of each individual's work experience in today's world, this perspective proposes three basic needs that work fulfils in people's lives: work as a means for survival and power, work as means of social connection and work as a means of self-determination (Blustein, 2006).

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