

How Does Career Shock Moderate the Employee Career Establishment Process?

Evi Yulia¹, Budhi Haryanto², Ratna Handayati³

Universitas Sebelas Maret, Surakarta, 57126, Indonesia^{1,2}

Universitas Islam Lamongan, Lamongan, 62211, Indonesia³

Corresponding Email: eviyulia170290@student.uns.ac.id

ARTICLE INFORMATION

Publication information

Research article

HOW TO CITE

Yulia, E., Haryanto, B., Handayati, R. (2022). How Does Career Shock Moderate the Employee Career Establishment Process? *Journal of International Conference Proceedings*, 5(40), 408-414.

DOI:

<https://doi.org/10.32535/ijcp.v5i1.1477>

Copyright©2022 owned by Author(s).
Published by JICP



This is an open-access article.

License: Attribution-Noncommercial-Share Alike (CC BY-NC-SA)

Received: 08 April 2022

Accepted: 23 April 2022

Published: 14 May 2022

ABSTRACT

The purpose of this study is to predict the role of employee organization relationships in mediating the effects of competence development, empowering leadership on career success and role of career shock in moderating these relationships. Based on the results of the literature review, it is indicated that employee organization relationships mediate the positive influence of competence development, empowering leadership on career success. This means that the employee organization relationship is an effective stimulus to improve employee career formation. This study also indicates that These relationships will be stronger with increasing levels of positive career shock and weaker with increasing levels of negative career shock. The implication of this study is that career shock encourages employees to reflect critically on future career opportunities. Employees who invest in competence development and receive organizational support tend to have better long-term career prospects but career shock can increase or decrease their role in career success. Eventually, future research should be able to explore the concept of career shock and test it empirically because this concept is relatively new in career research.

Keywords: competence development, empowering leadership, EOR, career shock, and career success

INTRODUCTION

Career as a factor of fate that must be planned and fought for, but the facts that occur in the field of employee career mechanisms are not in accordance with the desired expectations, causing unrest and demotivation among employees. This happens because of crucial issues and strategic issues that hinder industrial growth in Indonesia. The causes of these two issues are that there is no standard set of incentives that are strong enough to motivate employees to develop their careers in the company and the political power of KNEKS which is still weak to provide significant influential power in the banking in Indonesia (Yuniarti, 2021).

Therefore, this study offers a moderating model of career shock in moderating the effects of competence development, empowering leadership and career success. Recent studies have shown that career shock plays an important role in the process of forming employee careers, career shock acts as a moderator in shaping and building perceptions of employability through competence development and career success (Akkermans *et al.*, 2021). However, there are no relevant studies to measure how much career shock is needed to change employee careers and there is no clarity on how positive and negative career shocks are related to career success because this concept is a new concept in career research (Blokker *et al.*, 2019).

This research offers a model of competence development and empowering leadership. Competence development is needed by management as a benchmark for work accountability and career development, competency will produce a framework that can be used to design education, training, knowledge and skills (Udoh *et al.*, 2021). In addition to competence development, this research also offers a model of empowering leadership. Previous studies have shown that empowering leadership can change environmental situations, strengthen self-management and develop skills in organizations (Thomas & Velthouse, 1990). However, this opinion is not supported by Cheong *et al.* (2016) which states that empowering leadership is just a bad concept. This means that empowerment does not always have an impact on the expected results (Forrest, 2000).

Due to inconsistencies in previous studies, we propose an employee-organization relationship (EOR) mediation model to explain different perspectives on these relationships. So, this study aims (1) to predict the role of EOR in mediating the effect of competence development, empowering leadership on career success. (2) to predict the role of career shock in moderating the effect of competence development, empowering leadership on career success through EOR.

LITERATURE REVIEW

The relationship between competence development, EOR, and career success

Competence development refers to activities carried out by organizations and employees to improve effective professional performance and career advancement such as training, knowledge, learning and specific skills (Vos *et al.*, 2011) Previous research has shown that employees who are committed to competency development will improve their relationship with the organization to achieve a high level of career success (see Ng & Feldman, 2014). Employees who have close relationships with the organization are willing to consider organizational problems as their own problems (Kim & Rhee, 2011) they perceive the organization as part of themselves. Those who have good relationships tend to support and defend the organization when problems arise. Those with bad relationships tend to criticize and attack the organization. Several studies have shown that EOR mediates a positive relationship between competence development and career success (Vos *et al.*, 2011; Lei *et al.*, 2021).

Studies related to competence development and EOR have been conducted by (See Lei *et al.*, 2021) with the model concept that was built successfully applied in Chinese hospitality. This study shows that EOR positively and significantly mediates the relationship between competence development and career success. This shows that competence development is able to increase career success, through good interaction between employees and the organization. Although the literature related to EOR is limited, the relationship between workers and organizations has received considerable attention (Gruman & Saks, 2011) this is because, the key to achieving high career success is through EOR, employees must have a high commitment to develop their competencies in order to achieve the desired career (Lei *et al.*, 2021).

P1 Competence development has a positive effect on EOR

P2 EOR mediates the positive effect of competence development on career success

P3 competence development has a positive influence on career success

The relationship between empowering leadership, EOR and career success

Empowering leadership is an interaction relationship between employees and the organization which is characterized by trust, open communication and the exchange of ideas (Huning *et al.*, 2019). One-way organizations can improve efficiency and performance is by empowering their employees. Empowering leadership pays special attention to the growth and career development of subordinates, facilitating follower career skills, inspiring, motivating and increasing follower autonomy (Liden *et al.*, 2014). This means empowering leadership has an impact on workplace outcomes. Several studies have also shown positive results between Empowering leadership and career success (Greenhaus, Parasuraman, & Wormley, 1990; Yu, 2011; Peng *et al.*, 2019).

Several other researchers also found a positive and significant impact on empowering leadership (Kundu *et al.*, 2018) psychological well-being of employees (Rieke *et al.*, 2008), work results (Zia *et al.*, 2021) and career success (Lie *et al.*, 2021). The positive relationship between empowering leadership and EOR has been well documented in previous research ((Thun & Bakker, 2018;). Previous studies explored the mediating role of EOR in enhancing the relationship between empowering leadership and career success (See Lei *et al.*, 2021). This finding shows that EOR mediates a positive and significant relationship between empowering leadership and career success and that EOR has a positive influence on career success. This relationship increases self-confidence, enthusiasm and motivation to tackle career challenges and opportunities. This relationship also enhances good relations between employees and leaders.

P4 empowering leadership has a positive influence on EOR

P5 EOR mediates the positive influence between empowering leadership on career success

P6 Empowering leadership has a positive influence on career success

P7 EOR has a positive influence on career success

Career shock moderation role

Career shock is considered an extraordinary event whose control and predictability can be assessed positively or negatively by individuals (Akkremans *et al.*, 2018). Based on the literature on career events, individuals who experience unplanned situational events in the organization will have an impact on one's career transition and change. (Salomon & Slaney, 1982). Situational events such as career shock will shape a person's career and the way they work (Akkermans *et al.*, 2021). Employees who receive positive career shocks such as getting bonuses, promotions, salary increases and transfers tend to increase their ability to achieve the expected career. While negative career shock is associated with demotion, transfer, death

of a colleague and termination of employment contract, tends to get a negative response (Baruch & Lavi, 2015)

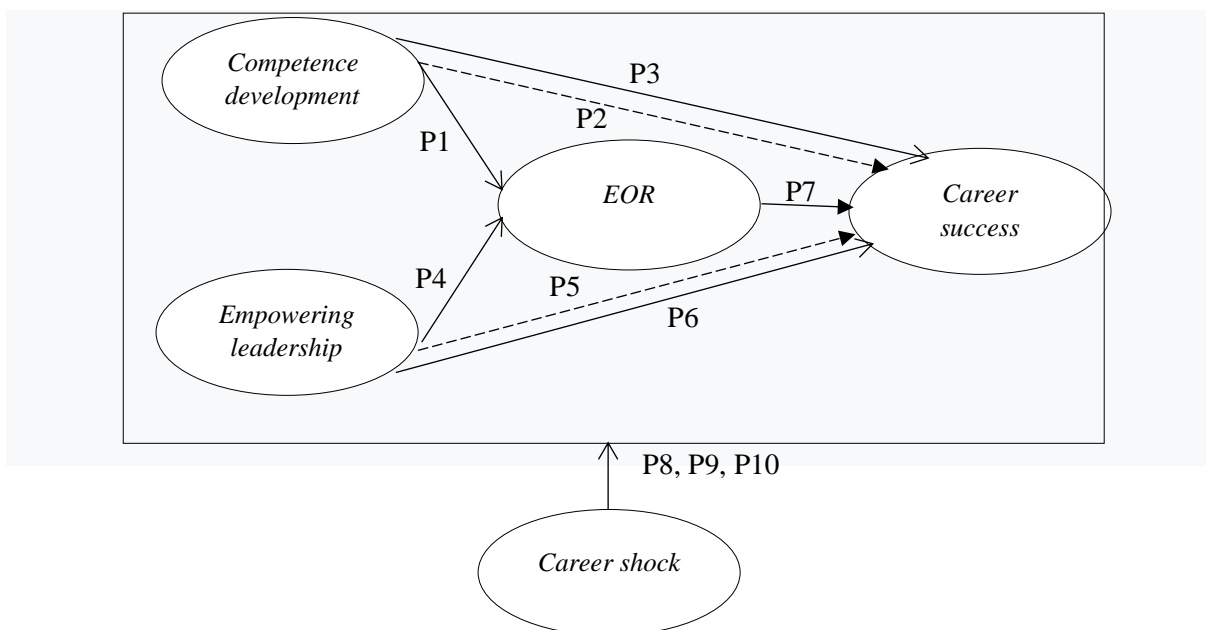
Previous studies, explains that career shock tends to moderate the indirect relationship between competence and perceived work ability through career success (Savickas, 2005). Another study also shows that the indirect relationship between competence and perceived employability through career success will be stronger when positive career shock is high, conversely the relationship becomes weaker when negative career shock level is high (Blokker *et al.*, 2019). It can be explained that these relationships depend on career shock.

Previous studies have also show that the competencies possessed by young professionals are career resources that they can use to achieve career success. In this case, competence is directly related to employability through career success, but career shock can weaken or even strengthen employee career development (Arthur, Khapova, & Wilderom, 2005). Meanwhile, the leader's behavior in providing inspiration, support, attention and motivation when employees experience unexpected events can increase career prospects. Organizational support to employees will have an impact on work results and desired targets. So that the role of empowering leadership and EOR can strengthen individuals in achieving the desired career prospects. However, positive and negative career shocks can strengthen or weaken this relationship.

P8 career shock moderates the relationship between competency development and career success

P9 career shock moderates the relationship between empowering leadership and career success

P10 career shock moderates the relationship between EOR and career success



Framework 1.1 Conceptual model

CONCLUSION

This study underscores that EOR is an effective stimulus to increase career success. Previously it was explained (See Cheong *et al.*, 2016) that empowering leadership is an ambivalent concept. It turns out that the stimulus will be effective if it goes through EOR first. EOR mediates the positive influence of competency development, empowering leadership on career success. In addition, this study also underlines that these relationships depend on career shock. This shows that the career shock variable fully moderates the influence of competency development, empowering leadership, EOR on career success. This means that the higher the positive career shock, the stronger the relationships of competence development, empowering leadership, and EOR on career success. On the other hand, if the negative career shock is high, the relationship will be weaker

IMPLICATIONS

Theoretically, this research contributes to the field of organizational behavior, especially the theory of social interaction which explains the relationship between one individual and another that influences each other so that there is a reciprocal relationship. In this study, the model was developed specifically to explain the moderating role of career shock and the mediating role of EOR. Career shock has an important role in the process of forming an employee's career. Career shock encourages employees to reflect critically on future career opportunities. Employees who have good relations with the organization tend to have better career prospects.

Practically, this research contributes to practitioners about the strategies that should be done to increase career success. Employees who invest in self-competency development and get support from leaders have better career prospects in increasing career success. However, it should be noted that career shock can increase and decrease their role in career success. Positive career shock can strengthen this relationship and negative career shock can weaken this relationship.

Eventually, this research provides an opportunity for further research. This research is a conceptual model that requires an empirical explanation in the future, besides that career shock is also a new concept that requires evidence that can be justified empirically. Future research should explore the concept of career shock and empirically examine the effect of career shock in terms of (quantity, frequency and intensity).

REFERENCES

- Ahearne, M., Mathieu, J., & Rapp, A. (2005). To empower or not to empower your sales force? An empirical examination of the influence of leadership empowerment behavior on customer satisfaction and performance. *Journal of Applied Psychology*, 90, 945–955. <http://dx.doi.org/10.1037/0021-9010.90.5.945>
- Akkermans, J., Brenninkmeijer, V., Huibers, M., & Blonk, R. W. B. (2013). Competencies for the contemporary career: Development and preliminary validation of the Career Competencies Questionnaire. *Journal of Career Development*, 40(3), 245-267. doi:10.1177/0894845312467501
- Akkermans, J., Richardson, J., & Kraimer, M. L. (2020). The Covid-19 crisis as a career shock: Implications for careers and vocational behavior. *Journal of Vocational Behavior*, 119, 103434. <https://doi.org/10.1016/j.jvb.2020.103434>.
- Akkermans, J., Seibert, S. E., & Mol, S. T. (2018). Tales of the unexpected: Integrating career shocks in the contemporary careers literature. *SA Journal of Industrial Psychology*, 44, Article e1503. <https://doi.org/10.4102/sajip.v44i0.1503>.

- Arthur, M. M. and Rousseau, D. (1996). *The Boundryless Career*. New York: Oxford University Press.
- Blokker, Rowena; Akkermans, Jos; Tims, Maria; Jansen, Paul; Khapova, Svetlana (2019). Building a sustainable start: The role of career competencies, career success, and career shocks in young professionals' employability. *Journal of Vocational Behavior*, 112(), 172–184. doi:10.1016/j.jvb.2019.02.013
- Cheong, M., Yammarino, F. J., Dionne, S. D., Spain, S. M., & Tsai, C.-Y. (2019). A review of the effectiveness of empowering leadership. *The Leadership Quarterly*, 30(1), 34–58.
- Daewook Kim. (2017) "Examining effects of internal public relations practices on organizational social capital in the Korean context: mediating roles of employee-organization relationships", *Corporate Communications: An International Journal*, <https://doi.org/10.1108/CCIJ-01-2017-0002>
- De Vos, A., De Hauw, S., & Van der Heijden, B. I. J. M. (2011). Competency development and career success: The mediating role of employability. *Journal of Vocational Behavior*, 79(2), 438–447.
- De Vos, A., De Hauw, S., & Willemse, I. (2015). An integrative model for competency development in organisations: The Flemish case. *International Journal of Human Resource Management*, 26(20), 2543–2568.
- De Vos, A., Van der Heijden, B. I. J. M., & Akkermans, J. (2020). Sustainable careers: Towards a conceptual model. *Journal of Vocational Behavior*, 117, Article 103196. <https://doi.org/10.1016/j.jvb.2018.06.011>.
- Eng, Z., Gao, B., & Zhao, H. (2019). Coaching leadership and subordinates' career success: The mediating role of leader–member exchange. *Social Behavior and Personality: International Journal*, 47(11), 1–8
- Forrier, A., Sels, L., & Stynen, D. (2009). Career mobility at the intersection between agent and structure: A conceptual model. *Journal of Occupational and Organizational Psychology*, 82, 739–759
- Greenhaus, J. H., Parasuraman, S., & Wormley, W. M. (1990). Effects of race on organizational experiences, job performance evaluations, and career outcomes. *Academy of Management Journal*, 33(1), 64–86.
- Gruman, J. A., & Saks, A. M. (2011). Performance management and employee engagement. *Human Resource Management Review*, 21(2), 123–136.
- Honold, L. (1997). A review of the literature on follower empowerment. *Empowerment in Organizations*, 5, 202–212. <http://dx.doi.org/10.1108/14634449710195471>
- <https://mediaindonesia.com/ekonomi/387107/isu-krusial-perbankan-syariah-harus-selesai-dalam-rp2si>
- <https://www.ojk.go.id/id/kanal/syariah/tentang-syariah/Pages/Kebijakan-Pengembangan-dan-Roadmap-.aspx>
- Huning, T. M., Hurt, K. J., & Frieder, R. E. (2020). The effect of servant leadership, perceived organizational support, job satisfaction and job embeddedness on turnover intentions. *Evidence-Based HRM: a Global Forum for Empirical Scholarship*, 8(2), 177–194. doi:10.1108/ebhrm-06-2019-0049
- Kim, M., Beehr, T. A., & Prewett, M. S. (2018). Employee responses to empowering leadership: A meta-analysis. *Journal of Leadership & Organizational Studies*, 25(3), 257–276.
- Lei, C., Hossain, M. S., Mostafiz, M. I., & Khalifa, G. S. A. (2021). Factors determining employee career success in the Chinese hotel industry: A perspective of Job-Demand Resources theory. *Journal of Hospitality and Tourism Management*, 48, 301–311. doi:10.1016/j.jhtm.2021.07.001
- Liden, R.C., Wayne, S.J., Liao, C. and Meuser, J.D. (2014), "Servant leadership and serving culture: influence on individual and unit performance", *Academy of Management Journal*, Vol. 57 No. 5, pp. 1434-1452.

- Ng, T.W.H. and Feldman, D.C. (2007), "Organizational embeddedness and occupational embeddedness across career stages", *Journal of Vocational Behavior*, Vol. 70 No. 2, pp. 336-351
- Salomone, P. R., & Slaney, R. B. (1981). The influence of chance and contingency factors on the vocational choice process of nonprofessional workers. *Journal of Vocational Behavior*, 19(1), 25–35. [https://doi.org/10.1016/0001-8791\(81\)90046-4](https://doi.org/10.1016/0001-8791(81)90046-4).
- Savickas, M. L. (2002). Career construction: A developmental theory of vocational behavior. In *Career choice and development* (4 ed., pp. 205). San Francisco: Jossey-Bass.
- Savickas, M. L., Nota, L., Rossier, J., Dauwalder, J. P., Duarte, M. E., Guichard, J., & Van Vianen, A. E. (2009). Life designing: A paradigm for career construction in the 21st century. *Journal of Vocational Behavior*, 75(3), 239–250. <https://doi.org/10.1016/j.jvb.2009.04.004>
- Thomas, K.W., & Velthouse, B.A. (1990). Cognitive elements of empowerment: An "interpretive" model of intrinsic task motivation. *Academy of Management Review*, 15, 666–681. <http://dx.doi.org/10.5465/AMR.1990.4310926>.
- Thun, S., & Bakker, A. B. (2018). Empowering leadership and job crafting: The role of employee optimism. *Stress and Health*, 34(4), 573–581
- Udoh, A., Bruno-Tomé, A., Ernawati, D. K., Galbraith, K., & Bates, I. (2021). The effectiveness and impact on performance of pharmacy-related competency development frameworks: A systematic review and meta-analysis. *Research in Social and Administrative Pharmacy*, 17(10), 1685–1696. doi:10.1016/j.sapharm.2021.02.008
- Vecchio, R.P., Justin, J.E., & Pearce, C.L. (2010). Empowering leadership: An examination of mediating mechanisms within a hierarchical structure. *The Leadership Quarterly*, 21, 530–542. <http://dx.doi.org/10.1016/j.leaqua.2010.03.014>
- Yu, C. (2011). Chinese knowledge employees' career values, perceived organisational support and career success.