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LINKING COMPETENCY DEVELOPMENT TO CAREER SUCCESS: EXPLORING THE MEDIATING ROLE OF EMPLOYABILITY

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ABSTRACT

The present study aims to unravel the relationship between competency development, employability and career success. To do so, we test a model in which we specify associations between employees' participation in competency development initiatives, perceived support for competency development, employability, career satisfaction and marketability. A survey was conducted among a sample of 561 employees in a large financial organization. The results support the idea that participation in competency development initiatives as well as perceived support for competency development enhances employability. Moreover, employability was found to positively influence perceived career success, measured in terms of career satisfaction and marketability. A test of the mediating role of employability showed a full mediation effect for the relationship between participation in competency development and career success, and a partial mediation effect for the relationship between perceived support for competency development and career success. The implications of these findings for understanding the process through which organizations and individuals can affect career success are discussed.

Key words: competency development, perceived support for competency development, employability, career satisfaction, marketability

LINKING COMPETENCY DEVELOPMENT TO CAREER SUCCESS:

EXPLORING THE MEDIATING ROLE OF EMPLOYABILITY

Over the years there has been extensive writing on the changing career environment. While traditional careers tended to be defined in terms of advancement within a limited number of organizations, contemporary careers are viewed as boundaryless and characterized by uncertainty and unpredictability (Arthur, Khapova, & Wilderom, 2005; Eby, Butts, & Lockwood, 2003; Fugate, Kinicki, & Ashforth, 2004). Employability has become a core part of the so-called "new deal" between employer and employee, in which the promise of employment security is said to be replaced by employability (e.g. Fugate & Kinicki, 2008; Hallier, 2009). This evolution is accompanied by a major shift in responsibility for career development from employers to employees. Employees are considered responsible for acquiring knowledge, skills, abilities, and other characteristics valued by current and prospective employers (Fugate & Kinicki, 2008; Fugate, et al., 2004; Van der Heijde & Van der Heijden, 2006). For individuals this implies a broader meaning of career success by pursuing lifetime employability (Forrier & Sels, 2003), i.e. the continuous fulfilling, acquiring or creating of work through the optimal use of one's competencies (Van der Heijde & Van der Heijden, 2006). Employability can hence be regarded as an important factor in understanding career success in the contemporary career era (Hall, 2002). In the past decade, considerable research efforts have identified and described the factors that affect career success. However, even though many scholars in the career field underscore the importance of using a broader view on career success, most studies still focus on traditional indicators of objective or subjective success (e.g. promotion ratio or career satisfaction) (Heslin, 2005), with limited attention for employability.

Parallel to the numerous studies on career management and career success, in the past decade a growing body of studies have been published addressing the employability concept, including its antecedents and outcomes. Employability has been studied both from a contextual perspective (e.g. Nauta, Van Vianen, van der Heijden, Van Dam, & Willemsen, 2009; Scholarios, et al., 2008) and from an individual perspective (e.g. Forrier & Sels, 2003; Fugate & Kinicki, 2008; van der Heijden, Boon, van der klink, & Meijs, 2009). These studies show that employability is related to important work-related outcomes but there is a lack of insight into the organizational initiatives affecting individuals' employability and into how employability relates to career success. The relevance of the employability concept for understanding career success is twofold. First, employability can be seen as a factor

affecting employees' (perceptions of their) career success. Second, individuals' perceptions of their marketability has been studied as an indicator of contemporary career success in addition to the more traditional career satisfaction measures (De Vos & Soens, 2008; Eby, et al., 2003). In this paper we address employability both as an indicator of career success and as a factor mediating the relationship between competency development and career success.

Several studies have consistently concluded that career success is a function of individual agency and of contextual features surrounding the employee (e.g. Bozionelos, 2004; Eby, et al., 2003; Sturges, Conway, Guest, & Liefooghe, 2005). With the growing emphasis on individual agency in the study of careers, the interest in the role of organizational initiatives has been somewhat diminished. This is surprising considering the fact that the organization is still an important factor in understanding careers as organizations form the context within which careers unfold. As organizations are increasingly focussing on managing employability instead of employment security and steady career advancement, there is a need for further elaborating the link between employability-enhancing initiatives, employees' employability, and career success. New career concepts suggest that employability and career success depend on continuous learning and being adaptable to new job demands or shifts in expertise (Scholarios, et al., 2008). For employers this means that interventions are needed enabling employees to acquire these qualities. The competency-based view on employability (e.g. Van der Heijde & Van der Heijden, 2006) offers a relevant perspective for studying this relationship. In this study we therefore focus on organizational support for competency development, employees' use of these initiatives, and their relationship with employability and career success. In other words we address career success from the perspective of competency development and employability.

In summary, it is the aim of this paper to add to the literature on career success and employability by integrating insights from both research streams. More specifically, we develop and test an empirical model in which we relate organizational support for competency development and employees' participation in competency development initiatives to employability and to individuals' perceptions of their marketability and career satisfaction. As to date, to our knowledge, no studies have been published that address these issues. From a practitioner perspective, the study findings add valuable insights into the role of organizational initiatives in enhancing employees' employability. As organizations increasingly depend on the competencies of their workers in building competitive advantage, understanding how competency development relates to career success can form valuable input for working out effective competency development initiatives.

THEORY AND HYPOTHESES

Employability

The rise of the new career in the 1990s has focused researchers' attention to employability (Forrier & Sels, 2003) leading to an abundance of definitions of the concept (e.g. Forrier & Sels, 2003; Fugate, et al., 2004; McArdle, Waters, Briscoe, & Hall, 2007; Van der Heijde & Van der Heijden, 2006). Nauta, et al. (2009) distinguish between three different perspectives on employability, i.e. a socioeconomic perspective, an organizational perspective and an individual perspective. According to Finn (2000), the socio-economic perspective on employability refers to the ability of different labour force groups to gain and maintain employment. The organizational perspective refers to the HR practices optimizing the deployment of staff in order to increase the organization's flexibility and competitive advantage (Nauta, et al., 2009). The individual perspective focuses on individual dispositions and behaviours (Fugate, et al., 2004). In the present study, we focus on the latter (e.g. Forrier & Sels, 2003; Fugate & Kinicki, 2008).

Different definitions have been proposed to describe an individual's employability. For example, Fugate, et al. (2004) define employability as " a form of work-specific active adaptability that enables workers to identify and realize career opportunities", while Van der Heijde and Van der Heijden (2006) define employability as "the continuous fulfilling, acquiring or creating of work through the optimal use of competencies." Disregarding the differences between these employability definitions, they all refer to the employee's ability to make positive labor market transitions (De Cuyper, Bernhard-Oettel, Berntson, De Witte, & Alarco, 2008). This ability results from the employee's know-how, skills and adaptability (De Cuyper, et al., 2008; De Vries, Gründemann, & Van Vuuren, 2001; Fugate, et al., 2004; Van Dam, 2004). Consequently, following previous conceptualizations of employability (e.g. Fugate, et al., 2004), we underline two important facets of this concept, namely an individual's capital (i.e. all knowledge, skills and abilities needed to perform various tasks and responsibilities of a job) and an individual's adaptability (i.e. the ease of adapting to changes in the internal and external labor market).

Competency development and Employability

As mentioned in the definition by Van der Heijde and Van der Heijden (2006), competency development is an important means for enhancing employability. Several authors (e.g. De Cuyper, et al., 2008; Forrier & Sels, 2003) underscore the importance of including competency development in the

study of employability. Scholarios, et al. (2008), for example, postulate that employability depends on continuous learning, being adaptable to new job demands or shifts in expertise, and the ability to acquire skills through lateral rather than upward career moves in varied organizational contexts. Following Forrier and Sels (2003) as well as De Vos and De Hauw (2009), we opt for a broad definition of competency development as "all activities carried out by the organization and the employee to maintain or enhance the employee's functional, learning and career competencies". As such, competency development encompasses (1) more traditional forms of training, (2) initiatives to enhance on-the-job learning, and (3) career development initiatives, the essence being an integrative approach on developmental activities enhancing employees' employability (Van der Heijde & Van der Heijden, 2006).

The present study identifies two aspects of competency development. First, participation in competency development initiatives refers to how employees develop their competencies by engaging in different types of developmental activities offered by their organization, i.e. training, on-the-job learning and career development. Previous research indicates that both formal learning (i.e. training) as well as informal learning (i.e. on-the-job learning) enhances an individual's employability (van der Heijden, et al., 2009). Moreover, both forms of developmental activities even reinforce each other underlining the importance of an integrated approach on competency development (van der Heijden, et al., 2009). Earlier research on organizational career management also suggests that participation in career management practices affects individual-level variables such as self-management, which are a central element in the conceptualization of employability (De Vos, Dewettinck, & Buyens, 2009; Verbruggen, Forrier, Sels, & Bollen, 2008). We therefore expect that individuals engaging in competency development initiatives offered by their employer will report higher levels of employability.

Hypothesis 1a: Participation in competency development initiatives will be positively associated with employability.

Second, the perceived support for competency development refers to employees' perceptions of the organizational support provided for the development of one's competencies. As suggested by Schneider, Brief and Guzzo (1996), perceived organizational support for development may enhance an individual's employability and flexibility. A recent empirical study by Nauta, et al. (2009) confirms this statement. According to these authors, an organizational culture that strongly supports individual development has a positive effect on employability. In line with earlier research, it is thus suggested that perceived support for competency development will enhance employability.

Hypothesis 1b: Perceived support for competency development will be positively associated with employability.

Employability and Career success

Within the new career era, employability is defined as a critical condition for career success (Forrier & Sels, 2003; Hall, 2002; Van der Heijde & Van der Heijden, 2006). Career success refers to "the accomplishment of desirable work-related outcomes at any point in a person's work experiences over time" (Arthur, et al., 2005). Traditionally, career researchers focused on objective indicators of career success, such as promotion or salary growth (Arthur, et al., 2005; Ng, Eby, Sorensen, & Feldman, 2005). In the context of boundaryless careers, characterized by inter-firm mobility and unpredictability (Arthur & Rousseau, 1996), researchers increasingly emphasize the personal meaning of career success, i.e. subjective career success (Arthur, et al., 2005; Hall, 2002; Ng, et al., 2005). Subjective career success thereby refers to "feelings of satisfaction and accomplishment regarding one's career" (Seibert, Crant, & Kraimer, 1999).

Following De Vos and Soens (2008) as well as Eby, et al. (2003), we focus on two main indicators of career success: career satisfaction and perceived marketability. First, career satisfaction is widely used as one of the most relevant indicators of subjective career success (Eby, et al., 2003; Heslin, 2005). According to Eby, et al. (2003), career satisfaction can be described as " a feeling of pride and personal accomplishment that comes from knowing that one has done one's personal best" (Hall, 1996). Despite the central role of career satisfaction in defining career success and the well-established claim that employability enhances career success, empirical research on the relationship between employability and career satisfaction is lacking. Nevertheless, authors investigating the relationship between employability and turnover have theorized that highly employable individuals are more likely to quit a non-satisfying job (Pfeffer, 1998; Trevor, 2001). This may suggest a positive relationship between employability and career satisfaction.

Hypothesis 2a: Employability will be positively associated with career satisfaction.

Second, we address perceived marketability (Arthur & Rousseau, 1996; De Vos & Soens, 2008; Eby, et al., 2003). Eby, et al. (2003) describe marketability as "the beliefs that one is valuable to the current or other employers". In the context of boundaryless careers, characterized by instability and uncertainty, individuals need to create their own job security (Forrier & Sels, 2003). Hence, the extent to

which individuals believe that they add value to their present employer and believe to be seen as marketable by future employers is a relevant indicator of contemporary career success (Bird, 1994; De Vos & Soens, 2008; Eby, et al., 2003; Sullivan, Carden, & Martin, 1998). However, as to date, empirical research examining the relationship between employability and marketability is scarce. Researchers have mainly focused on the impact of employability on feelings of job security, which can be conceived as an indicator closely related to but conceptually distinct from marketability. As argued by De Cuyper, et al. (2008) as well as Berntson and Marklund (2007), employability reduces an individual's feelings of job insecurity. We believe that employability will also contribute to feelings of marketability, i.e. the perception that one is a valuable employee for the current and possible other employers.

Hypothesis 2b: Employability will be positively associated with marketability.

Relationship between Competency Development, Employability and Career Success

In the present study, we hypothesize that employability will mediate the relationship between competency development and career success. More specifically, we predict a mediating effect of employability on the relationship between the antecedents, participation in competency development initiatives and perceived support for competency development, and the outcomes, career satisfaction and marketability, leading to the following hypotheses.

Hypothesis 3a: Employability mediates the relationship between participation in competency development and career satisfaction

Hypothesis 3b: Employability mediates the relationship between participation in competency development and marketability

Hypothesis 4a: Employability mediates the relationship between perceived support for competency development and career satisfaction

Hypothesis 4b: Employability mediates the relationship between perceived support for competency development and marketability

The model we have developed to this point describes the impact of competency development on career success as being fully mediated by employability. Although this full mediation is possible, earlier studies in the domain of career management and training and development suggest that participation in competency development (e.g. Burke & McKeen, 1994; De Vos, et al., 2009) as well as perceived support for competency development (e.g. Bailout, 2007) also has a direct impact on career success. On the basis of this thinking, we also assess the plausibility of partial mediation.

METHOD

Sample and Procedure

A survey was conducted among 561 Belgian employees working in a large financial service organization. After receiving formal approval from this organization, three departments were selected to participate in the study, i.e. headquarters, ICT-department and branch offices. In cooperation with the HR department, we used simple random sampling (Cooper & Schindler, 2008) to assign 350 employees of each department to be involved in the study. Hence, we invited a total of 1050 employees to participate by participating in an online survey about competency development, employability and career success. To minimize biases due to social desirability, we stressed the confidential treatment of all answers and guaranteed total anonymity when presenting the results of our study to the organization. In total, 651 employees filled in the questionnaire, i.e. a response rate of 62%. For the analyses, 90 employees were excluded because they had more than 10% of missing values. Hence, the final sample comprised 561 employees (58.5% male and 41.5% female), with a mean age of 41 years (SD = 9.10). The majority of the respondents held a bachelor degree (58.8%). 31.4% held a Masters degree and 14.8% held a high school degree. Furthermore, respondents' organizational tenure was, on average, 17 years (SD = 10.4) and most of them (73.8%) worked fulltime. 33.5% of respondents was employed at the headquarters, 34.6% was employed at the ICT department and 31.7% was employed at the branch offices.

Participation in competency development initiatives (α = .82) was measured by a scale developed for this research. We selected 12 items that assess the extent to which respondents participate in a diverse set of competency development initiatives (e.g. mentoring, training, career discussions, etc.). Exemplary items are "training devoted to the improvement of your technical skills" or "career discussions with your manager". Respondents had to indicate on a 5-point Likert scale (1 = never; 5 = always) to what extent they make use of these initiatives. Results from exploratory factor analysis, using principal component analysis with a varimax rotation, suggest that three factors were represented in the data corresponding to training practices (e.g. "training devoted to the improvement of general skills, such as communication"), on-the-job learning (e.g. "a coach who guides you in your personal development") and career management practices (e.g. "career discussions with an internal career counsellor"). The basis for this scale was an earlier case study in 22 organizations, conducted by the authors, on competency development practices installed by organizations. A paper on this research is currently under review and is available from the authors on request. For the purpose of this study all items were collapsed into one global scale.

Perceived support for competency development (α = .82) was also measured by a newly developed scale, based on the same qualitative study referred to earlier. Based on the interviews with organizational representatives (HR-professionals and general managers) as part of this study, 12 items were selected that assess the extent to which respondents feel supported in their competency development (e.g. "My manager gives me regular feedback on my performance"). Thereby, respondents had to indicate to what extent they agree with these statements using a 5-point Likert scale (1 = totally disagree; 5 = totally agree). Results from exploratory factor analysis, using principal component analysis with a varimax rotation, indicate that our data represent two factors corresponding to supervisor and colleague support (e.g. "My manager makes sure that I can develop the competencies I need for my career") and organizational support (e.g. "My organization offers new and creative training courses"). For the purpose of this study all items were collapsed into one global scale.

Employability (α = .85) was measured using 11 items adopted from Van der Heijde and Van der Heijden (2006). In line with previous conceptualizations of employability (e.g. De Cuyper, et al., 2008; Fugate, et al., 2004), we stress two main dimensions of employability, namely capital and adaptability. To assess an individual's capital, we used eight items from the 'occupational expertise' subscale developed by Van der Heijde and Van der Heijden (2006). Respondents had to indicate on a 5-point Likert scale to which extent they believed to have the necessary capabilities and expertise to adequately

perform various tasks and responsibilities of a job (e.g. "I consider myself competent to provide information on my work in a way that is comprehensible"). To assess adaptability, we measured three items from the 'personal flexibility' subscale (Van der Heijde & Van der Heijden, 2006). Respondents had to indicate on a 5-point Likert scale to which extent they believe to have the capacity to easily adapt to changes in the internal and external labour market (e.g. "I can easily adapt to changes in my workplace"). For the purpose of this study, and because the correlation between both dimensions was high, all items were collapsed into one global employability scale.

Career satisfaction (α = .85) was assessed via four items from Greenhaus, Parasuraman and Wormley (1990). Respondents had to indicate on a 5-point Likert scale to which extent they were satisfied with their career successes, career progress, income and development progress (e.g. "I am satisfied with the success I have achieved in my career").

Marketability (α = .79) was assessed using the six items from the perceived internal and external marketability scales as adapted by Eby, et al. (2003). Respondents had to indicate on a 5-point Likert scale to which extent they believed to add value to their current or future employer (e.g. "My company views me as an asset to the organization").

<u>Control variables.</u> In our analyses we statistically controlled for age, organizational tenure and number of promotions. These variables were all measured on a scale level.

Analytical strategy

We tested the hypothesized model and paths via structural equation modeling. The indicators and constructs were formed as follows. For constructs with a higher order factor structure (participation in competency development, perceived support for competency development, employability and marketability), we reduced the number of parameters to be estimated following the partial aggregation method (Bagozzi & Edwards, 1998; Little, Cunningham, & Shahar, 2002). This procedure involves averaging the responses of subsets of items measuring a construct. Based on exploratory factor analyses, we formed three indicators for participation in competency development and two indicators for perceived support for competency development, employability and marketability. Because career satisfaction was a uni-dimensional construct we followed the procedure recommended by Little, et al. (2002) to create two parcels of randomly selected items to serve as indicators for these variables.

RESULTS

Table 1 shows the descriptive statistics, alpha reliabilities and intercorrelations between all variables included in the study. Overall, these correlations provide preliminary evidence for the proposed model. Both participation in competency development and perceived support for competency development relate significantly to employability, marketability and career satisfaction. Employability is related significantly to marketability and career satisfaction.

Insert Table 1 about here

Assessment of the structural model

To test our conceptual model, we followed the procedure described by Bagozzi and Bergami (2000). Specifically, we compared a fully mediated model to a number of alternative models. The chisquare test for this baseline model (Figure 1) was significant and thus indicated poor fit (χ^2 = 386.31, df = 47, p < .001), a result frequently found with large samples. The other fit indices also indicated a rather poor fit of this model to our data (GFI = .98; CFI = .81; RMSEA = .11). In a next step, we compared this baseline model to a number of alternative models. Table 2 reports the results from these analyses. First, we compared the baseline model to our hypothesized model, i.e., a partially mediated model. We added four additional paths to the baseline model: two direct paths from participation in competency development to marketability and career satisfaction and two direct paths from perceived support for competency development to marketability and career satisfaction. This saturated model fitted our data significantly better (χ^2 = 186.65, df = 43, p < .001; GFI = .95; CFI = .94; RMSEA = .07; $\Delta \chi^2$ (4) = 199.66, p < .001), but only the path coefficients from perceived support for competency development to marketability and to career satisfaction were significant (β = .52, p < .001, and β = .57, p < .001, respectively). The path coefficients from participation in competency development to both outcomes were not significant (β = .05, p > .05, and β = .03, p > .05).

Insert Table 2 about here

Given that we found non-significant paths from participation in competency development to marketability and career satisfaction in the hypothesized partial mediation model, we compared the baseline model to a second alternative model in which we fixed the path coefficients from participation in competency development to both outcomes to zero (i.e., alternative model 2 in Table 2). This model significantly reduced our chi-square statistic compared to baseline model, whilst the chi-square statistic did not differ significantly from the partial mediation model, suggesting partial mediation for the relationship between perceived support for competency development and career success and full mediation for the relationship between participation in competency development and career success ($\chi^2 = 187.94$, df = 45, p < .001; GFI = .95; CFI = .94; RMSEA = .07; $\Delta \chi^2$ (2) = 198.38, p < .001).

Finally, to assess whether an even more parsimonious model would fit our data equally well, we dropped the paths from the independent variables to employability. This resulted in a significant decrease in the chi-square statistic but the other fit indices suggested a poor fit of this third alternative model to the data (χ^2 = 232,73, df = 45, p < .001; GFI = .90; CFI = .89; RMSEA = .10; $\Delta \chi^2$ (2) = 153.58, p < .001), indicating that this model was not sufficiently comprehensive. In summary the results of our structural equation analysis show that both participation in competency development and perceived support for competency development affect employees' employability and that employability mediates the relationship between competency development and career success, but suggests partial mediation for perceived support for competency development and full mediation for participation in competency development.

Based on these analyses and comparisons of model fit, alternative model 2 was retained as the final model. The pathways for this model are represented in Figure 1. Providing support for Hypothesis 1a and 1b, perceived support for competency development and participation in competency development were positively associated with employability (β = .24, p < .001 and β = .15, p < .01, respectively). Employability was positively associated with marketability (β =.55, p < .001) and with career satisfaction (β =.17, p < .001), supporting Hypothesis 2a and 2b. Together, the significant associations in our model support our hypothesis that employability mediates the relationship between competency development and career outcomes (Hypothesis 3a & 3b and 4a & 4b).

Insert Figure 1 about here

DISCUSSION

The present study aimed to contribute to the career literature by unraveling the relationship between competency development, employability and career success. Evidence was provided for direct as well as indirect effects.

First, our results reveal that participation in competency development as well as perceived support for competency development increase employees' employability. As such, empirical support is provided for the general theoretical claim that competency development is an important means for enhancing employability (e.g. Scholarios, et al., 2008; Van der Heijde & Van der Heijden, 2006). Thereby, our findings add to the scarce body of research examining either the relationship between learning and employability (van der Heijden, et al., 2009) or the relationship between career management and employability (Verbruggen, et al., 2008) by taking an integrative approach on competency development (De Vos & De Hauw, 2009). In addition, our findings indicate a dual effect of competency development in organizations. By including perceived support for competency development as well as participation in competency development, the present study shows that it is not sufficient for organizations to just provide a series of training, on-the-job learning and career development practices of which employees can make use. On the contrary, it is equally important to create a stimulating learning environment in which competency development is supported by managers, colleagues and organization (Athey & Orth, 1999).

Second, evidence is provided for the effect of employability on career satisfaction and marketability, providing empirical support for the theoretical claim that employability is a critical requirement to obtain career success (Forrier & Sels, 2003; Hall, 2002; Van der Heijde & Van der Heijden, 2006). To date, no research has tapped into the effect of employability on career success. Hence, our study adds value to the career literature by providing empirical evidence for this relationship. More specifically, our study shows that a higher degree of employability leads to a higher level of career satisfaction as well as a higher level of perceived marketability. These findings underscore the importance of employability as a key success factor for individuals in the new work environment. In addition, as to date only a limited number of studies have included perceived marketability as an indicator of career success, and have addressed its antecedents (De Vos & Soens, 2008; Eby, et al., 2003). As such, our study adds to the literature on career success by including a broader operationalization of this concept that is in line with the theoretical claims about the changing nature of career success (Heslin, 2005).

Finally, our results provide support for the mediating role of employability in the relationship between competency development and career success. More specifically, a full mediation effect of employability is found for the relationship between participation in competency development and career success, while a partial mediation effect is found for the relationship between perceived support for competency development and career success. Hence, these findings underscore the importance of differentiating between the two dimensions of competency development. The full mediation effect of employability in the relationship between participation in competency development initiatives and career success indicates that developing expertise and flexibility (the two indicators of employability addressed in this study) by engaging in competency development is an important mechanism through which individuals can attain career success. This finding adds to the employability literature and supports the conceptualization of employability as an individual-level construct consisting of behavioral, attitudinal and cognitive elements. In general the observation of an indirect link between competency development and career success via employability adds to our understanding of careers by a further integration of the career literature with employability. The direct link between support for competency development and career success is consistent with the literature on perceived organizational support and implies that a supportive context encourages employability (Nauta, et al., 2009). Finally these results shed new light on how organizations can affect the career success of their employees in different ways, i.e. by focusing on competency development, compared to the focus on more traditional initiatives like offering career perspectives, security, or opportunities for advantage as suggested in earlier studies on career management (e.g. Ng, et al., 2005).

Limitations and Suggestions for Future Research

Our study did have some limitations. First, all data were cross-sectional. This means that we cannot unequivocally determine the direction of relationships found. Further research using a longitudinal design is needed to further unravel the causal relationships between participation in and support for competency development, employability and outcomes. Second, as this study took place in only one organization, further study is needed to assess the generalizability of our findings. Third, an interesting avenue for future (longitudinal) research would be to include objective indicators of employability. Given the relationship between objective and subjective career success found in many studies, it would further add to our insight into the role of competency development and employability of individuals across time and across organizations. Moreover, including objective measures of

employability would overcome the limitations inherent in studies using only self-perception data. Although self-perceptions important in understanding how individuals perceive and evaluate their organization's policies and their own career, the use of only self-perception measures holds the risk of common method bias. Furthermore, although the internal consistency of our competency development scales was high and although our measures were developed based on an earlier qualitative study, the fact that we used two self-constructed scales to assess participation in competency development and perceived support for competency development is a constrain to our study. Fourth, it might add to our understanding of competency development and employability not only to ask respondents to report on these factors, but to relate this to the opinion of other parties (e.g. employees' direct supervisors) or to use a cross-level research design in which objective measures of organizational competency development are related to employability and career success.

Implications

Despite these limitations, this study has some important implications for practitioners who are interested in ways to stimulate workers' employability and who want to capitalize on the benefits of employability for both the organization and the individual. First, our findings underscore the importance for organizations of actively investing in the development of competencies among their employees. This investment involves both the creation of a supportive environment for developing competencies and stimulating individuals to actively make use of the opportunities for competency development present within the organization. The benefit of doing this for the organization is clear: our findings suggest that it relates to enhanced expertise and flexibility, i.e. competencies that are generally considered as critical for sustained competitive advantage. Second, for individuals, participating in competency development initiatives offered by their organization is important for enhancing their employability and via this link also for their feelings of career success. Moreover, the direct relationship between organizational support for development and career success implies that by actively working on the sustainable development of their employees, organizations not only serve themselves but also express a form of caring for their employees' careers. From a societal perspective, this means that, especially in times when it has become painfully clear that organizational success and employment security should never be taken for granted, both organizations and individuals should be actively encouraged to take up their responsibility for their employability as a leverage for sustainable employment.

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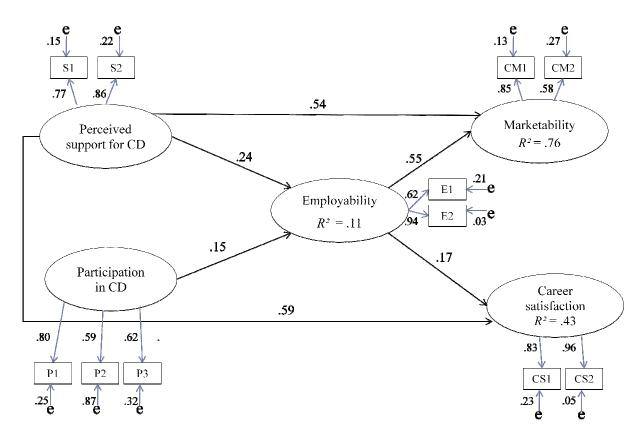
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FIGURE 1
Final Model



The path coefficients represent the standardized parameter estimates for the final model (alternative model 2 in Table 2) tested in SEM. All path coefficients are significant at the p < .01 level.

CD = Competency development

TABLE 1

Means, Standard Deviations, Reliabilities and Correlations

	-	-	-	:		:	4	ļ	Ī
			S						
	ean	D							
1. Participation in CD			•	•					
	.33	73	82						
Support for CD		:							
	.24	68	14**	82					
3. Employability		:							
	.96	47	17**	22**	85				
4. Marketability		:		•	•	•			
	.48	58	21**	47**	55**	85			
Career satisfaction		:					•	•	
	.50	79	09*	55**	24**	47**	79		
6. Organization tenure		4	9		•		•	•	•
	1.17	.10	.18**	.13**	.11	.25**	.01		
7. Age		:	1						•
	7.02	0.36	.22**	.11*	.10	.24**	03	87**	
8. Promotions			2						
	.79	.19	.02	13**	18**	19**	31**	34**	47**

Note. N = 561. Alphas are on the diagonal. * p < .05. ** p < .01.

TABLE 2
Fit Statistics of Tested Structural Models

	χ²	df	χ^2/df	$\Delta\chi^2$	GFI	CFI	RMSEA
Baseline model: full mediation	386.31**	47	4.34		.89	.81	.11
Alternative model 1: Hypothesized partial mediation model	186.65**	43	8.22	199.66**	.95	.94	.08
Alternative model 2: Alternative model 1 participation in CD \rightarrow marketability and participation in CD \rightarrow career satisfaction fixed to zero	187.94**	45	4.18	198.38**	.95	.94	.07
Alternative model 3: Alternative model 1 participation in CD \rightarrow employability and support for CD \rightarrow employability fixed to zero	232.73**	45	5.17	153.58**	.90	.89	.10

Note. N = 289. GFI = Goodness of Fit Index; CFI = comparative fit index; RMSEA = root-mean-square error of approximation. Dashes represent data that were not applicable.