



Antecedents of perceived intra- and extra-organisational alternatives

The case of low-educated supermarket employees in Central European transition countries

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Abstract

Purpose – The purpose of this paper is to explore antecedents of perceived intra- and extra-organisational alternatives among employees in the Czech Republic, Poland and the Slovak Republic.

Design/methodology/approach – Data were collected from 9,068 low-educated supermarket employees at 360 supermarkets. LISREL analysis was employed.

Findings – Age, job autonomy and organisation size predict both forms of perceived alternatives. Tenure appears to influence both forms of perceived alternatives positively. Job challenge and sex only predict perceived extra-organisational alternatives. Unexpectedly, despite relatively high unemployment rates, the respondents perceive extra-organisational alternatives.

Research limitations/implications – Some of the antecedents of perceived alternatives identified in research among workers in Western societies seem to have a different or no impact on the perceived alternatives of employees in these countries. The study comprises only cross-sectional data. In order to test causality a longitudinal design is needed.

Practical implications – Managers should offer development and promotion opportunities in order to prevent turnover and to enhance internal flexibility as well as reflect on inducements for female and older workers.

Originality/value – This is one of the few studies exploring employee perceptions in Central European transition countries. Moreover, in general, research on the perceived alternatives of low-educated employees is very scarce. Therefore, this research also contributes to knowledge about their labour market perceptions.

Keywords Supermarkets, Education, Jobs, Czech Republic, Poland, Slovakia

Paper type Research paper

Introduction

With the introduction of political and, consequently, economic reforms in the former Warsaw Pact countries in the 1990s, changing working arrangements have been altering the former uniformity of extremely stable (often lifelong) employment relationships. In contrast to the era of planned economy in Central and Eastern European countries, jobs have become more precarious in terms of job security, remuneration and working conditions (Kwiatkowski *et al.*, 2001; Vecernik, 2001). Firms



in these transition countries have to compete within a market-oriented economy and pursue economic efficiency: a key factor in such companies' sustainability is labour flexibility, which can be defined as the ability of management to adjust the use of labour to changes in production requirements, as well as according to the nature of that activity itself (Atkinson, 1984, 1985; Blyton and Morris, 1992). When aiming for efficiency, firms should be able to manage both forms simultaneously (Carvalho and Cabral-Cardoso, 2008).

In general, labour flexibility constrains employees to become more maneuverable within and between companies (Martin *et al.*, 1998). For employees in transition countries as well, the employment relationship seems to be shifting away from lifelong employment towards a novel set of pressures well captured by the expression life-time employability. Fugate *et al.* (2007, p. 14) define employability as "a host of person-centred constructs needed to deal effectively with the career-related changes occurring in today's economy". In this view employees now have to adequately respond to changing employer demands in order to secure their own sustained usability.

Employability depends strongly on employees' perceived alternatives, and these are preconditions for adapting smoothly to changing employer demands, as well as self-initiated change (Griffeth *et al.*, 2005; Mano-Negrin and Tzafrir, 2004). In this paper, we focus on employees' perceived intra- and extra-organisational alternatives as dependent variables: the experienced opportunities to obtain a different job within the internal labour market (i.e. the current employer) and the external labour market (i.e. another employer) (e.g. Kalleberg, 2001; Kalleberg, 2003; Kalleberg and Sorensen, 1979).

We conducted commitment research among all the Central European employees of a multinational retail company. Perceived alternatives are a sub-dimension of calculative or continuance commitment (e.g. McGee and Ford, 1987; Meyer *et al.*, 1990). A total of 9,068 low-educated employees (i.e. cashiers, shop assistants, and stock clerks) at 360 supermarkets in the Czech Republic, Poland and the Slovak Republic participated in the study. We aim to contribute to knowledge on perceived alternatives in two ways. First, there has been very little (e.g. Felfe *et al.*, 2008; Fey and Denison, 2003; Frese *et al.*, 1996; Kahancová and van der Meer, 2006; Schyns *et al.*, 2007) research on employees attitudes and perceptions in the former Soviet satellite states. Moreover, there are no reports of research on perceived alternatives. Our study also provides knowledge on the extent to which findings and theory developed within and about Western societies are transferable to this social context.

Second, most of the current perceived alternatives research focuses exclusively on highly educated white collar workers, leaving in doubt the generalisability of these findings to low-educated workers. However, there are two further practical reasons for demanding far more insight into the perceived alternatives of this employee group, and especially into the factors that direct their perceptions. First, low-educated individuals are more vulnerable on the labour market than those highly educated (e.g. DiPrete, 2005; Nickell, 1997; Russell and O'Connell, 2001). Low-educated employees could strengthen their position if they were to become aware of the factors underlying perceived alternatives, and, consequently actual employability. Indirectly, they could profit if policy makers and consultants would integrate this knowledge in decision-making and counselling. Second, labour market experts are now predicting

that there will soon be labour shortages in these three countries (see next section). This means that firms' opportunities to attract new employees will decline, and that care must be taken to prevent turnover from becoming too high. Thus, the analysis of the factors at work in the lives of workers in these central European countries in current can help managers identify turnover risks, and may equally serve as a guideline to improve the flexibility of the workforce.

We explore several antecedents of intra- and extra-organisational perceived alternatives by using psychological and human resource management literature on turnover, commitment and employability, as well as sociological labour market theory. Three major antecedent categories can be identified and are fundamental in our study: individual characteristics (i.e. age, sex and company tenure), organisational features (i.e. autonomy, challenge and organisational size) and macro-economic circumstances (i.e. labour market situation) (e.g. Armenakis *et al.*, 2000; Griffeth *et al.*, 2005; Mano-Negrin and Tzafirir, 2004; McDonald and Siegall, 1992).

We start by presenting our theoretical framework and hypotheses. After introducing the sample and method, the results will be shown. Finally, we discuss the findings and highlight limitations and future research directions as well as management implications. The conclusion emphasises that national as well as individual differences should be included in any study on perceived alternatives.

Perceived intra- and extra-organisational alternatives: theoretical framework and hypotheses development

Employee perceptions of alternatives represent a central construct in theories of turnover (e.g. Beehr *et al.*, 1980; Gerhart, 1990). Turnover can be defined as employees' voluntary choice to change jobs or companies (e.g. Griffeth *et al.*, 2005; Mano-Negrin and Tzafirir, 2004). In the last decade there has been a growing recognition that turnover theory and research significantly overlaps with several research traditions, and can be linked to literature on employability (Fugate *et al.*, 2007) and related constructs such as personal initiative (Frese, 2001; Frese *et al.*, 1997), career adaptability (Ito and Brotheridge, 2005) and preparedness for change (Schyns, 2001; Schyns *et al.*, 2007), as well as to sociological research and theories on internal and external labour markets (e.g. Althuser, 1989; Grimshaw and Rubery, 1998; Kalleberg and Sorensen, 1979). In addition, notions of turnover also play a critical role in research on employee commitment: highly committed employees wish to remain with the object of their commitment (e.g. Griffeth *et al.*, 2000; Meyer *et al.*, 2002). Moreover, next to side bets, (low) perceived alternatives are a sub-dimension of continuance commitment (e.g. McGee and Ford, 1987; Meyer *et al.*, 1990). We will keep in mind how this construct interplays with the issues raised in the larger literature as we next turn to elaborating the three antecedent categories essential for understanding perceived alternatives:

- (1) individual characteristics;
- (2) organisational features; and
- (3) macro-economic circumstances.

Individual characteristics and perceived alternatives

The most basic individual characteristics seem to have a strong relevance for perceived alternatives. Age as well as job and organisational tenure seem to correlate negatively

with perceived alternatives to obtain a job at a different employer (e.g. Meyer *et al.*, 1989). Thus, older employees and those with long job and organisational membership experience fewer external alternatives. Furthermore, in the Czech Republic, Poland and the Slovak Republic, women have experienced rising unemployment which is at a higher rate than men's (Kwiatkowski *et al.*, 2001; Vecernik, 2001). Therefore, we can formulate the following hypothesis:

- H1.* Age, tenure and gender (being female) are negatively related to perceived alternatives to obtain a job at another employer.

It is not at all surprising that researchers have found that age, organisational tenure and gender also predict perceived alternatives with the current employer. Age and organisational tenure have been found to negatively relate to attitudes towards employability within a current employer (e.g. Campion *et al.*, 1994; Cordery *et al.*, 1993; Kreckler, 1994; Van Dam, 2004). There is also evidence compiled over a long number of years of discrimination against women in promotion opportunities and in the assignment of challenging tasks (e.g. Mai-Dalton and Sullivan, 1981; Olson and Becker, 1983). For example, in The Netherlands, women still seem to experience fewer opportunities on internal labour markets than men (Goudswaard, 2003). We can thus formulate our next hypothesis:

- H2.* Age, tenure and gender (being a woman) will be negatively related to perceived alternatives to obtain a different job at the current employer.

Organisational features and perceived alternatives

Perceived alternatives seem to profit from job experiences. According to Kalleberg (2003), a person's position on both the internal *and* external labour market is highly dependent on their degree of control over skills. The focus here is on two variables – autonomy and challenge – that can predict occupational self-efficacy (Schyns and von Collani, 2002, p. 227) which can be defined as “one's belief in one's own ability and competence to perform successfully and effectively in situations and across different tasks in a job”. Implicit in this formulation there is a dynamic notion of flexibility, suggesting individuals holding high occupational self-efficacy beliefs tend to initiate change as they feel competent enough to manage new tasks (Schyns *et al.*, 2007). In other words: autonomy and challenge can be seen as preconditions for actual internal and external change. We capture this assumption in hypothesis 3:

- H3.* The higher autonomy and challenge are, the higher the perceived intra- and extra-organisational alternatives.

In a Dutch study Goudswaard *et al.* (2000) found that organisations with more than 100 employees offer significantly more opportunities for internal functional flexibility (job broadening, job enrichment, job rotation) than smaller companies. As mentioned previously, the mastery of firm-specific tasks also broadens the domain of opportunities to obtain a more attractive job at a different, but comparable employer. Therefore, we formulate hypothesis 4 as follows:

- H4.* The larger the organisation the more intra- and extra-organisational alternatives employees perceive.

Macro-economic circumstances and perceived alternatives

The perceived quantity and quality of extra-organisational alternatives play an important role for employees' turnover intentions (e.g. Griffeth *et al.*, 2005; Mano-Negrin and Tzafrir, 2004) and actual alternatives seem to influence perceived alternatives: Gerhart (1990) and Iverson and Buttigieg (1999) found that the total unemployment rate strongly influences perceived external alternatives. Additionally, Russell and O'Connell's (2001) research shows that education has a strong effect on employment opportunities. Thus, the unemployment rate may be particularly influential in determining low-educated employees' perceived and actual alternatives. This background will allow us to describe the labour market situation in the three countries in our study.

Unemployment is high in all three countries, but, due to rapid economic growth, current labour market shortages or those expected very soon are already an issue. We collected the data in 2004. Therefore, we will show the development in the unemployment rates for the period 2004-2009. The unemployment rate for Poland was 19.0 per cent in 2004, but the OECD (2008b) expects an unemployment rate of 7.1 per cent in 2009. Employers are already experiencing increasing difficulties in recruiting staff, and this seems to include lower-educated and unskilled personnel (Dempsey, 2006; Ratajczyk, 2007). In the Slovak Republic, the OECD (2008c) expects a decrease in the unemployment rate from 18.1 per cent in 2004 to 9.4 per cent in 2009. The Czech Republic Labour and Social Affairs Ministry estimates that there are currently in the Czech Republic some 50,000 unfilled vacancies for skilled workers, and predicts that the figure will rise to 400,000 in 25 years (Czech Republic Economy Watch, 2007). The situation in the Czech Republic contrasts to Poland and the Slovak Republic. The expected decline in the unemployment rate is less dramatic, from 8.3 per cent in 2004 to 5.2 per cent in 2009 (OECD, 2008a). It was once expected that the change in political regime, the opening of markets, artificial over-employment, low qualification levels, and the inefficient use of labour would cause mass unemployment within all post-socialist societies. This did not happen in the Czech Republic (Vecernik, 2001, p. 2). Soulsby and Clark (2006, p. 1397) remain critical of the so-called "Czech employment miracle" and point toward evidence suggesting that enterprises restructured their work forces in different ways (e.g. resignations from working pensioners, mass retirement, decrease in women's participation), making the search for uniform antecedents of macro (un)employment data very misleading and heavily biased. However, since we can assume that employees shape their perceptions based on actual figures (e.g. Gerhart, 1990; Iverson and Buttigieg, 1999), hypothesis 5 states:

- H5.* From the perspective of the employee, the higher the unemployment rate in a country, the lower the perceived alternatives on the external labour market. Therefore, Polish and Slovak employees will perceive fewer alternatives on the external labour market than Czech employees.

There is also evidence that the actual employment rate influences management practices, and that these in turn indirectly influences the perceived alternatives in the internal labour market. It has been argued by scholars such as Althusser (1989), rimshaw and Rubery (1998) and Kalleberg and Sorensen (1979) that the external labour market seems to influence management's decision making concerning the internal labour market: high unemployment influences the internal labour market negatively;

and low unemployment positively. This is not surprising given that it is more difficult for employers to attract new employees in times of labour market shortages than in times of labour surplus. In the first situation, employers have to rely on their actual workforce to get the work done. Therefore, we formulated hypothesis 6 as follows:

- H6.* From the employee perspective, the higher the unemployment rate in a country, the lower the perceived alternatives on the internal labour market. Consequently, Czech employees will perceive more alternatives on the internal labour market than Polish and Slovak employees.

Research design

In 2003, a retail company operating in Western and Central Europe as well as the United States approached us about doing commitment research among all their employees in Central Europe: the Czech Republic, Poland, and the Slovak Republic. The company wanted to gain new and specific insight into the antecedents, correlates and consequences of commitment in Central Europe. They found Western European research inconclusive, questioning if employees in Central Europe would react the same way to circumstances that employees do in Western Europe and the USA. As mentioned before, perceived alternatives are a sub-dimension of calculative or continuance commitment (e.g. McGee and Ford, 1987; Meyer *et al.*, 1990). Because of the large number of employees in these countries (17,426 employees in 360 stores) and management's preference for comprehensive participation, we decided the most effective methodology would be questionnaire research. We will now briefly review the data collection procedure, sampling, and measures and analysis technique.

Data collection procedure

The questionnaires were translated from English into Polish and Czech by native speakers in the company translated, and other native speakers translated the questionnaires back into English. The original translation and the back-translation were both checked by university colleagues who came from each of the three countries but were now working at our university. They found the translation to be adequate. In order to guarantee clarity and consistency of the items, we conducted a pilot study among supermarket employees in each country; we learned the questions were clear and relevant.

Before the data collection the members of the research team held several meetings in the Czech Republic. The first meeting was for the top management, the second for all the HR managers from the three countries. Our goal was to inform management about the content and importance of the research and to answer questions concerning the utility of the questionnaire, confidentiality, and logistics. Two weeks prior to the distribution of the questionnaires, all personnel were informed using the company newsletter. Questionnaires were then delivered to the supermarket management which they distributed to all employees. In order to match responses from employees to stores, the surveys were coded. Absolute confidentiality of the completed surveys was explicitly guaranteed for all respondents. Sealed envelopes containing filled out questionnaires were returned to a locked box in the store and collected by area managers or head office HR field personnel.

Sample

The retail company owns a total of 360 small supermarkets and large hypermarkets. In the Slovak Republic, the multinational owns only hypermarkets:

- *The Czech Republic*: 148 supermarkets and 35 hypermarkets;
- *Poland*: 141 supermarkets and 21 hypermarkets; and
- *The Slovak Republic*: 15 hypermarkets.

In the Czech Republic, the average hypermarket employs 88, in Poland 192, and in the Slovak Republic 152. In the Czech Republic, the average supermarket employs 27 and in Poland 34. Altogether, the company employs 17,426 people in the hyper- and supermarkets. In the Czech Republic, the company employs 7,093 people, in Poland 8,789 and in the Slovak Republic 1,544. An overall response rate of 56.6 per cent (9,863 respondents) was achieved. For this article, we included only the low-educated employees (i.e. grammar school, secondary vocational and secondary technical) in our sample, a total of 9,068 respondents.

In the final data set, from 65 to 100 per cent of the respondents from the Czech Republic supermarkets were female, as were from 44 to 100 per cent of the respondents from Poland and from 60 to 85 per cent of the respondents from the Slovak Republic. This is a good representation of the actual male-female ratio in the supermarkets. Of the respondents, 25 per cent were 25 or younger, 41.6 per cent were between 26 and 40, and 29.9 per cent were older than 40, 55.1 per cent of the respondents had a permanent contract while 40.5 per cent had a temporary contract. 30.6 per cent had worked less than a year in the supermarket, while 13 per cent had worked longer than five years in the supermarket and 52.1 per cent had worked more than 1 but less than five years.

Measures

The hypotheses called for two dependent variables (perceived intra-organisational alternatives in terms of obtaining a different job at the current employer and perceived extra-organisational alternatives in terms of obtaining a job at a different employer) and several independent variables (autonomy, challenge, organisation size, age, gender, tenure). For all items, responses were recorded on five-point scales, from 1 "Strongly disagree" to 5 "Strongly agree".

We measured both forms of perceived alternatives with one item: "I can easily get a different job at this supermarket" (perceived intra-organisational alternatives) and "I can easily get another job elsewhere" (perceived extra-organisational alternatives).

We measured autonomy with one item: "I organise my own work". To measure *challenge*, we used three adapted items from Hall and Lawler's (1970) measure: "I have to deal with problems I have not met before", "I have to handle unexpected situations" and "I have to deal with problems that are difficult to solve" (Recoded: 0 = Strongly disagree; 1 = Strongly agree). The Cronbach alpha was sufficient, at 0.89.

We included age in categories (1 = less than 20 years of age, 2 = between 20 and 25 years of age, 3 = between 26 and 30 years of age, 4 = between 31 and 40 years of age, 5 = older than 40 years of age); sex (0 = female, 1 = male); and number of years working within the supermarket (tenure) (1 = less than three months, 2 = between three and less than six months, 3 = between six months and less than one year, 4 = between one year and less than three years, 5 = between three and five years, 6 = more than five years). We also looked at the extent to which the country's

unemployment level plays a role by using a dummy for country (reference category: the Czech Republic).

Analysis technique

Structural Equation Modeling (LISREL 8.3; Jöreskog and Sörbom, 1996) was used because we were testing a theoretical model with two dependent variables. We estimated the complete model for each country separately and tested to see the degree to which the results matched. In all analyses, the covariance matrix was analyzed, using the maximum likelihood method.

Results

Means and standard deviations, along with correlations between study variables, are reported in Table I at the individual level.

Table I indicates that perceived alternatives on the external labour market are related to challenge ($r = 0.06$), autonomy ($r = 0.12$), organisation size ($r = 0.02$), tenure ($r = 0.07$), sex ($r = -0.05$) and age ($r = -0.02$). Perceived alternatives on the internal labour market are related to challenge ($r = 0.04$), autonomy ($r = 0.13$), organisation size ($r = 0.06$), tenure ($r = 0.06$), and age ($r = -0.03$), but not to sex ($r = -0.01$). Compared to Czech employees, Polish employees do not perceive fewer internal alternatives ($r = 0.01$), but do indeed perceive fewer external alternatives ($r = -0.08$). Compared to Czech employees, Slovak employees perceive fewer internal ($r = -0.03$) and external alternatives ($r = -0.02$). Finally, Table I also indicates that perceived alternatives on the internal and external labour market are positively related to each other ($r = 0.36$). Perceived internal and external alternatives are quite high (perceived intra-organisational alternatives: $M = 3.26$, $SD = 0.90$; perceived extra-organisational alternatives: $M = 3.35$, $SD = 0.89$).

The regression-coefficients and t -values among all measures are contained in Table II. The explained variance for the perceived alternatives with the current employer was 11 per cent, and for the perceived alternatives with a different employer 12 per cent.

Individual characteristics

Contrary to our $H1$ and $H2$, tenure had a positive impact on both forms of perceived alternatives (PA current employer: $B = 0.02$, $t = 2.90$; PA other employer: $B = 0.03$, $t = 3.42$). As expected ($H1$), women perceive fewer alternatives on the external labour market than men ($B = -0.11$, $t = -4.77$), but, unexpectedly ($H2$), they do not seem to experience fewer intra-organisational alternatives with their current employer than men do. Finally, as predicted ($H1$ and $H2$), age has a negative impact on both perceived alternatives (PA current employer: $B = -0.03$, $t = -4.40$; PA other employer: $B = -0.03$, $t = -4.23$). Based on these results, we can only partially confirm $H1$ and $H2$.

Organisational features

Organisational features are important predictors of perceived intra-organisational alternatives (autonomy: $B = 0.10$, $t = 10.92$; organisation size: $B = 0.08$, $t = 2.90$; challenge was not significant here) and perceived extra-organisational alternatives (challenge: $B = 0.15$, $t = 3.64$; autonomy: $B = 0.07$, $t = 7.91$; organisation size:

Variables	M	SD	1	2	3	4	5	6	7	8	9	10
1. PA ^a current employer	3.26	0.90	1									
2. PA ^a other employer	3.33	0.88	0.36	1								
3. Challenge	0.62	0.23	0.04	0.06	1							
4. Autonomy	3.85	0.20	0.13	0.12	0.12	1						
5. Organization size	1.54	0.50	0.06	0.02	-0.03	0.07	1					
6. Tenure	3.86	1.42	0.06	0.07	0.14	0.08	0.19	1				
7. Sex	1.82	0.39	-0.01	-0.05	-0.04	-0.06	-0.12	0.07	1			
8 Age	3.59	1.21	-0.03	-0.02	-0.03	-0.06	0.04	0.30	0.15	1		
9. Country ^b	0.32	0.47	0.01	-0.08	0.02	0.04	0.25	-0.01	-0.06	-0.16	1	
10. Country ^c	0.10	0.30	-0.03	-0.02	-0.03	-0.11	-0.37	-0.12	-0.03	-0.02	-0.23	1

Notes: All correlations above 0.02 are significant. ^aPA = Perceived alternatives. ^bCountry = Dummy Poland, ^cCountry = Dummy Slovakia Republic

Table I.
Means, standard
deviations and
correlations between
study variables
(*n* = 9,068)

$B = 0.09, t = 3.42$). Based on the results, we can only partly confirm *H3*. Organisational size has a positive impact on both perceived internal and external alternatives: Small organisation membership corresponds with low perceived alternatives and large organisation membership with high perceived alternatives. Therefore, we can confirm *H4*.

Macro-economic circumstances

When using the Czech Republic as the reference category, macro-economic circumstances appear only to predict fewer perceived extra-organisational alternatives for Polish supermarket employees ($B = -0.19, t = -9.74$). Based on the results, we can confirm *H5* only in part. Moreover, in these countries, the relative unemployment rate does not seem to be a good predictor of perceived intra-organisational alternatives. Therefore, we cannot confirm *H6*. Finally, perceived intra- and extra-organisational alternatives show a strong positive correlation ($B = 0.18, t = 37.23$). Thus, high perceived internal alternatives correspond with high perceived opportunities to change employers.

Discussion and conclusion

The aim of this paper was to explore antecedents of perceived intra- and extra-organisational alternatives (well-known from research in Western societies) among a sample of 9,068 lower-educated supermarket employees' in Central European countries: the Czech Republic, Poland and the Slovak Republic. Some results were expected, others challenge current ideas and outcomes. As expected, age relates negatively (e.g. Meyer *et al.*, 1989), while job autonomy (e.g. Schyns and von Collani, 2002; Schyns *et al.*, 2007) as well as organisation size influence perceived internal and external alternatives positively (e.g. Goudswaard *et al.*, 2000). Thus, concerning these issues, we provide evidence for the reliable transferability of several "Western" research findings to Central European countries.

However, unexpectedly, we found that tenure appears to influence both forms of perceived alternatives positively, and challenge and sex only predict perceived

Table II.
LISREL
(regression-coefficients
and *t*-values) for
perceived alternatives
with the current employer
and perceived
alternatives in terms of
obtaining a job with a
different employer

Variables	PA1 current employer		PA1 other employer	
	<i>B</i>	<i>t</i>	<i>B</i>	<i>t</i>
Intercept	2.11	25.38	2.42	29.82
Challenge	0.06	1.430	0.15	3.64
Autonomy	0.10	10.92	0.07	7.91
Organization size	0.08	2.90	0.09	3.42
Tenure	0.02	3.20	0.03	5.43
Sex	0.02	0.92	-0.11	-4.77
Age	-0.03	-4.40	-0.03	-4.23
Dummy Poland	-0.00	-0.03	-0.19	-9.74
Dummy Slovak Republic	0.00	0.7	-0.02	-0.53
PA current employer			0.18	37.23
PA other employer	0.18	37.23		
<i>R</i> ²	0.11		0.12	

Notes: PA = Perceived alternatives; $t > 1.96$ = significant; DF = 0

extra-organisational alternatives and, despite their low education level and high unemployment rates, in general, the participants perceive relatively high alternatives on the internal and external labour market. How can we explain these seeming anomalous results? In contrast to what low alternative commitment (e.g. Meyer *et al.*, 1989) and employability research (e.g. Van Dam, 2004; Campion *et al.*, 1994; Krecker, 1994) predicts, seniority seems to play an important role for the perceived alternatives among these Central European respondents. The correlation analysis shows that organisational tenure significantly relates positively to two antecedents of occupational self-efficacy: autonomy and challenge (Schyns and von Collani, 2002). Thus, we might here speculate in a grounded way and assume that the length of employment positively influences work experiences, and thus that both these employees (perceived) ability and competence are valid predictors of internal and external staffing decisions (Gordon and Johnson, 1982).

Challenge describes the extent to which an employee can deal with unexpected, new situations. It may be that managers' decision-making concerning job changes within these organisations depends less on an employee's skill in handling rather rare situations than on an employee's level of mastery of more routine tasks. This might explain why challenge does not predict perceived internal alternatives. However, changing employers is more or less a jump into the unknown and experiences with these kinds of situations, as is the case of challenging tasks, may help to deal with new situations such as changing employers.

Pascall and Manning (2000) scrutinised the then recent changes in the countries in Central and Eastern Europe and the former Soviet Union, and concluded that although the ideal of equal rights at work and the belief in women's need for paid employment still exist as remnants from the Soviet era, the gap between rights and practices continues to widen. According to this study, this seems to be true only for the external labour market. Yet in our large cross-cultural sample it was found that women do not perceive fewer intra-organisational alternatives than their male colleagues. In other words, the achieved equal rights of women still seem to be effective and influence management's decision-making on the work floor. Measures to secure the "emancipation" of women in the Soviet Union were already embodied in resolutions of the 1920 Congress of the Comintern, and later in other states. These covered issues of paid employment (e.g. equal opportunities and pay), motherhood, and the liberalisation of laws on marriage and the family (Molyneux, 1990, p. 25). We referred above to Goudswaard *et al.* (2000) investigations in The Netherlands which found that Dutch women still experience fewer opportunities for intra-organisational alternatives than men. Women are still underrepresented in the conservative Dutch labour market (Gornick, 1999), and mothers of young children are less than half as likely as their husbands to work for pay. Dutch women report the highest rates of part-time employment in the European Union (59 per cent) and command less than 30 per cent of their countries' labour market earnings. We have to conclude that the experiences of Dutch women and women in other societies with a conservative labour market are not necessarily a valid reference point for women in transition countries.

In our study it became progressively evident that relatively high unemployment rates had very little impact on our respondents' perceived internal alternatives. Although the Polish participants perceive fewer external alternatives than the Czech participants, respondents from all three countries perceive substantial external

alternatives. These clear outcomes are a rather striking challenge to the research findings of Gerhart (1990) and Iverson and Buttigieg (1999) on the relationship between the unemployment rate and perceived external alternatives, as well as the arguments of labour market sociologists who tend to merely assume macro-economic circumstances influence manager's decision-making on internal labour markets (e.g. Althuser, 1989; Grimshaw and Rubery, 1998). The first challenge may be explained by the co-existence of formal and informal labour markets: in the Czech Republic 12.9 per cent, Poland 21.3 per cent and in the Slovak Republic 17.1 per cent of the working age population participates in the shadow economy labour force (Schneider and Burger, 2005). When doing research on employees in countries with substantial shadow labour markets one must therefore remain somewhat sceptical about official unemployment rates, and simply acknowledge they might be a bad predictor for perceived and actual external alternatives. Furthermore, as stated in different studies (Kwiatkowski *et al.*, 2001; Vecernik, 2001), in transition countries and perhaps others it is indisputable that local regions strongly significantly differ concerning their unemployment rates, and therefore as well in the perceived employment alternatives outside the current employer. In other words, the regional unemployment rate may well in fact be a better predictor of perceived alternatives than the national unemployment rate. Finally, all of the data reported here were collected five years ago, in 2004. Compared to other European countries, unemployment was then high in the three transition countries, but labour market shortages were already predicted and published in mass media. Therefore, not just managers, but low-educated subordinates as well may have had a "strategic", future-oriented perception of their alternatives. The second challenge, that macro-economic circumstances do not appear to predict management decision-making concerning the internal labour market, may be explained by the "seniority principle" or the necessity of firm-specific skills for internal horizontal as well as vertical mobility.

Limitations and future research directions

As with all studies, our study has limitations that warrant attention. First, we conducted research at one retail company among low-educated employees in the Czech Republic, Poland and the Slovak Republic, but we are not able to generalise our findings to other countries, sectors, companies and employee groups. Furthermore, at present we can not tell if the findings that challenge current research should be attributed to national differences or occupational differences, or a combination thereof. Future research should overcome these shortcomings. For example, in order to clarify whether occupational differences are more important than country differences we suggest replicating this study among supermarket employees in both low and high positions in different countries. Second, the study is comprised of only cross-sectional data; to genuinely measure and interpret a causal model of the relevant domain it is clear a longitudinal design is needed. Third, this study found that the national unemployment rate does not seem to influence employees' perceived intra- and extra-organisational alternatives. There is thus now a void in our understanding of the operative variables, and future research must now take seriously the likely scenario in which it is rather regional labour market data that strongly influence employees' mind-sets. Fourth, we included several but not all possible antecedents of perceived internal and external alternatives, and future research should include and concentrate on identifying alternative indicators. Since we can assume that even within

occupational groups differences exist, we encourage including personal characteristics such as occupational self-efficacy (Schyns and von Collani, 2002) and personal initiative (Frese, 2001; Frese *et al.*, 1997) as well as more situational factors such as (satisfaction or perceived justice with) pay, employee influence and Leader-Member Exchange (LMX) (e.g. Graen and Uhl-Bien, 1995). Concerning the latter, research shows that LMX is negatively related to turnover intention (e.g. Gerstner and Day, 1997; Griffeth *et al.*, 2000) and positively to the perceived quality of HRM within the current employer (e.g. Graen and Cashman, 1975; Schyns *et al.*, 2005; Yukl and Fu, 1999). Finally, next to the internal and formal or official labour market, informal or shadow labour markets clearly do exist and play a role (Schneider and Burger, 2005). Since perceived and actual alternatives concerning the informal labour market may influence perceptions and real opportunities on the formal internal and external labour market, future research should include this variable.

Management implications

For the worker, perceived alternatives with the current employer enhance perceived alternatives on the external labour market. From an employer's perspective, this outcome points to the "danger" of investing in employees' internal flexibility and mobility – they may leave the organisation. However, Benson (2006) found that the turnover intention strongly depends on management's career and development policies and practices. It was found that while on-the-job training was positively related to (affective) organisational commitment and negatively related to turnover intention, participation in activities that provide more general or marketable skills were positively related to turnover, but turnover intention was reduced if employees were subsequently promoted. The inference to be drawn is that the actual turnover of these employees can be seen as a reaction to a lack of internal opportunities. Consequently, in general, managers aiming to prevent undesired turnover should reflect critically on the opportunities they offer to employees. In countries with expected labour market shortages such as the Czech Republic, Poland and the Slovak Republic they have to identify and employ "untapped resources". Our research identifies – and this is in line with results from other countries – two very large populations that could help to get the work done in the future: women and older employees. Management should actively attract these potential employees, as well as carefully analyse if they should offer inducements such as work-life balance, e.g. flex-time, which might well match their special needs.

Conclusion

In this article, we explored antecedents of perceived intra- and extra-organisational alternatives among low-educated supermarket employees in the Czech Republic, Poland and the Slovak Republic. For developing hypotheses, since research on perceived alternatives in Central European transition countries is in short supply, we used "Western" knowledge from the fields of commitment, employability, HRM, turnover and sociological labour market theory. Employees in Central European transition countries have some things in common with employees in Western countries: age influences their perceived internal and external alternatives negatively, job autonomy influences both perceived alternatives positively and small organisation membership seems to have a negative impact on the perceived career opportunities,

both within as well as between employers. As a consequence, it appears that these antecedents of perceived internal and external alternatives are important across cultures. However, other results challenge the transferability to a different context of the Western knowledge we used: tenure influences both forms of perceived alternatives positively, challenge and sex only predict perceived extra-organisational alternatives and, despite their low education level and high unemployment rates, in general, the participants perceive relatively high alternatives on the internal and external labour market. One might assume that country or national differences explain these unexpected outcomes. Nevertheless, we suggest that such a conclusion would be too easy and even wrong: before ascribing contrasting findings to “national culture” (see for criticism on this concept for example, Etzioni, 1968; Freeman, 1983; McSweeney, 2000) one has to control for issues we did not control for: different sectors, companies and occupational groups. In other words, for example, it might be that a replication of this research among low-educated supermarket employees in the Netherlands would yield the same results and this would refer to a pre-dominance of occupational culture above national culture.

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