What price career success?

Introduction

Over the last several months of 2001 and throughout 2002, daily news reports provided ever-fresher insight into the financial collapse of the Enron Corporation. Enron, once the USA’s seventh largest corporation, filed for bankruptcy on December 2, 2001. Startling revelations about the illegal behaviors that led to Enron’s bankruptcy became known through the subpoenaing of company documents, disclosures from Enron’s auditors, the results of congressional hearings, and interviews with Enron executives. These revelations on the scandal covered a wide array of activities, including accounting irregularities, the defrauding of investors and employees, and the attempted cover-up, which involved the destruction of documents and the deletion of computer files.

Perhaps the most interesting of all the revelations was that Enron executives and lower-level managers kept silent about the company’s illegal and economically questionable activities out of concern for their career success. News reports disclosed how Enron’s “rank and yank” culture, wherein one’s relative ranking within the company determined whether they would maintain employment, became intolerant of dissent or a questioning of the decisions of those in power (Schwartz, 2002). In essence, employees believed that any disagreement with the company’s activities or direction could jeopardize one’s career. And Enron was not an isolated case. News reports on several other high profile scandals broke throughout 2002 with similar descriptions of middle and higher-level executives knowingly violating ethical and legal standards in the name of career success (Labaton, 2002). These scandals involved such high profile US-based companies as WorldCom, AOL, Tyco, and several others.

For someone involved in research on careers, this revelation presents a number of interesting questions:

- How can a company’s culture and internal control systems be so influential that they induce employees to willingly violate ethical and legal standards in the name of career success? How can an individual’s career goals and strategies be so rigid as to allow one to compromise personal integrity and face the repercussions of illegal behaviors? Are there ways for individuals to manage their careers to avoid the traps of an influential corporate culture? In order to answer these questions, it is first necessary to understand how career success is presently defined from an individual and an organizational standpoint and how this definition can be at odds with the realities of organizational culture and internal control systems.

Understanding career success

Over the past several years a number of researchers have examined career success, paying particular attention to the individual and organizational factors that have an influence on the construct (Boudreau et al., 2001; Greenhaus, 2003; Judge and Bretz, 1994; Judge et al., 1995; Judge and Higgins, 1999; Kirchmeyer, 1998; Seibert et al., 1999, 2001).

Career success has been defined as “positive psychological or work related outcomes or achievements that the individual accumulates as a result of work experiences” (Seibert et al., 1999, p. 417).

Further, the construct has been viewed as having objective and subjective components. Objective indicators of career success include such factors as total compensation, number of promotions, and other tangible...
trappings of accomplishment. From the subjective side, career success is viewed as a function of the individual’s perception of satisfaction with the job and with career progress. Empirical research on career success has tended to use the objective measures, although there are studies that utilize both objective and subjective assessments (Greenhaus, 2003; Poole and Langan-Fox, 1993).

As this definition and the measurement approaches imply, researchers have viewed career success primarily from the perspective of the individual employee. More precisely, career success has been assessed either using the individual’s past, tangible accomplishments or the individual’s own perceptions of satisfaction with his or her progress. However, in neither case does the measurement of career success take into account the organization’s perspective on the individual. Career success in the eyes of the organization can be, and oftentimes is, significantly different from the assessment of career success based on past individual achievement or perceptions of satisfaction. It should not be presumed, as it is with the present approach to measuring career success, that an individual’s history of salary increases and promotions is the only indicator of career success in the present sense.

As the Enron case illustrates, career success as seen by the organization is precarious and is based on one’s ability to perform in a present sense while adhering to the dictates of the organization’s culture and internal control systems. This “what have you done for me lately” ranking of performance is in direct contrast to the consideration of past performance as an indicator of career success.

As opposed to the existing objective and subjective measures of career success, to many individuals within large corporations the true measure of career success is whether one can maintain employment by staying in the “good graces” of the organization. In other words, it is not the achievement of a high status position or salary that determines career success, but rather whether the individual is able to hold onto that position and stay on track to achieve even higher-level positions. The Enron case shows that current executives, and those striving for the executive ranks, were consumed with the need to adhere to the demands of an aggressive culture in order to maintain employment and the attendant rewards. The relevance of one’s ability to maintain employment as an indication of career success is more pronounced in the present time given the waves of layoffs and downsizeings that occurred throughout the 1980s and 1990s. For executives who witnessed or experienced layoffs during this period, maintaining employment became an overriding concern and, by extension, a more reasonable barometer of career success.

Prior research has also looked at a variety of individual and macro organizational factors that are theorized to have an influence on career success. While thorough reviews of these factors are available elsewhere (Greenhaus, 2003; Judge et al., 1995; Seibert et al., 1999), prior research identifies three general categories of variables: demographic and human capital characteristics, personal traits, and organizational variables. With regard to demographic factors, it has generally been found that age has a positive association with career success, especially the objective form; married individuals achieve a comparatively higher level of career success; and white male managers show a higher degree of career success than their minority and female counterparts (Judge et al., 1995). Past research has also found that such human capital characteristics as the level of education, quality of education, length of job tenure, and breadth of job experiences all had a positive association with career success (Judge et al., 1995).

A number of individual personality variables have been assessed for their influence on career success (Boudreau et al., 2001; Judge and Higgins, 1999; Seibert and Kraimer, 2001). For example, work motivation, as evidenced by number of hours worked and degree of centrality of work to the individual, has been linked with career success (Judge et al., 1995). More recently, significant research has looked at the relationship between proactive personality and career success (Crant, 2000; Seibert et al., 1999). People with a proactive personality are relatively unconstrained by situational forces, effect environmental change, identify opportunities and act on them, show initiative, take action, and persevere until meaningful change occurs (Crant, 2000). Researchers have found a link between proactive personality and both objective and subjective career success (Seibert et al., 1999). It is believed that a proactive personality and the associated action-oriented behaviors allow individuals to be agents of change who work to transform their organizations.

Theoretically, people with proactive personalities who display a bias toward action and change should be viewed favorably by their organizations, which should result in greater career success. However, real life examples like Enron once
Organizational culture and career success

Organizational culture is defined as the set of key values, beliefs, understandings, and norms shared by members of the organization that identify appropriate attitudes and expected behaviors (Daft, 2003; Detert et al., 2000; O’Reilly and Chatman, 1996). It represents the unwritten organizational rules and assumptions that dictate how individuals should act and how things are to be done within the organization. Culture is viewed as a product of senior leaders’ “ideal conceptions” of what roles subordinates should play and what actions they should take (deRoche, 1998). Senior organizational leaders also play a direct role in determining the type of culture their company adopts, especially in terms of expectations regarding ethical behavior (Sims and Brinkmann, 2002).

Career success, as indicated by ascendancy to middle and senior level positions, is a function of one’s willingness to adhere to the rules as dictated by the corporate culture (Jackall, 1983). Individuals who fail to abide by the cultural rules are likely to face a career plateau at best, and outright dismissal at worst. Indeed, the performance appraisal and reward systems within organizations can exact swift punishment on those who violate cultural expectations. The corporate scandals of 2002 produced several examples of high-level personnel being sanctioned or dismissed for failing to comply with expected behaviors. In one instance, a former senior executive at Dynegy Corporation filed a lawsuit claiming he was fired for failing to support a plan to manipulate company profits (Barboza, 2002). In another, a research analyst at Merrill Lynch was replaced when it was learned that his less-than-favorable ratings of Enron stock had “angered” Enron executives and thus jeopardized Merrill Lynch’s ability to garner additional business from Enron (Oppel, 2002).

These real-life examples underscore the pervasive influence that organizational culture and internal control systems exert over individual career progress. In essence, large, bureaucratic organizations like Enron demand that individuals conform to the expected behaviors as given by the organizational culture. Those who choose to ignore the expected behaviors run the risk of being labeled, through the performance evaluation process, as “not being a team player,” (Jackall, 1983). The underlying meaning of this label is that the individual refuses to conform and instead questions the decisions made by those in higher-level positions.

To achieve team player status, individuals must adopt a “go along to get along” mentality wherein the individual subjugates his or her own belief system in favor of the
company’s direction. From the news reports on Enron, many middle and senior level employees chose to adopt this mentality primarily out of fear of the negative career ramifications if they questioned the company’s direction (Schwartz, 2002).

In addition to being a team player, organizations also expect those in middle and senior level positions to show self-control and restraint (Jackall, 1983). Aggressive, emotional, or vociferous reactions to plans that are presented or decisions that are made are seen as a character weakness. Although large, bureaucratic organizations might publicly state that they encourage dissent and disagreement as tools for creativity, innovation, and progress, the reality is that they expect blind loyalty to the decisions that are made regardless of the ethical, moral, or legal consequences. Research evidence supports the view that individuals who are relatively higher in self-monitoring capability show greater success in terms of promotions (Kilduff and Day, 1994). High self-monitors are attuned to social cues and are able to control their emotional expressions and alter their behaviors based on the potential outcomes, positive or negative, of their actions. In a similar vein, other researchers have noted how political skill, as evidenced by an astute awareness of social situations, is linked with career success (Judge and Bretz, 1994).

As this research indicates, organizations reward individuals who are able to control their emotions and their behaviors in line with a corporate culture that discourages dissent, frowns upon outspokenness, and expects a blind acceptance of senior decisions. For example, even though Enron is viewed as having an “unethical culture” (Ferrell, 2002), the financial scandal was only made possible by the fact that large numbers of professional staff bought into or blindly accepted the improper decisions that were made.

---

**Career management and career success**

As this discussion shows, organizational culture and internal control systems have a significant influence on individual attitudes and behaviors. Yet even with this strong influence, it is still up to the individual to go along with any unethical or illegal activities of the company. As was stated in the introduction, this leads to a critical question. How can an individual’s concerns over career success lead to career goals and strategies that are so rigid as to allow one to compromise personal integrity and face legal repercussions?

In order to answer this question, it is necessary to understand the basis by which individuals view their relationship with their employers. For several years, career theorists have been pointing to a fundamental shift in the way all levels of employees manage their careers (Callanan and Greenhaus, 1999; Littleton et al., 2000). The belief is that the traditional organizational career, wherein one is tied, symbiotically, to one or two organizations for an entire career, is being replaced by non-traditional, protean, or “boundaryless” careers where one possesses a portable set of skills and is able to fluidly move to new jobs and employers in pursuit of more personally-fulfilling work (Arthur, 1994; Arthur and Rousseau, 1996; Arthur et al., 1999; Hall, 1996; Littleton et al., 2000; Weick, 1996).

This theorized shift in the way individuals view career management is based on the changing nature of the employment relationship, or psychological contract, that exists between organizations and employees. The psychological contract embodies perceptions and beliefs regarding the reciprocal obligations that exist between employers and employees (Shore and Tetrick, 1994). A number of researchers have noted that this implicit psychological bond between employers and employees is shifting from a relational contract to a transactional one (Callanan and Greenhaus, 1999), based on the corresponding belief that psychological contracts have changed with the emergence of the new economy from relational to transactional (Hall and Mirvis, 1995).

The traditional view of careers assumes a relational contract between employer and employee. A relational contract is normally longer-term and involves a high degree of commitment on the part of the employee in exchange for a promise of job security on the part of the employer (Robinson et al., 1994; Rousseau and Wade-Benzoni, 1995). Boundaryless careers on the other hand are based on a transactional contract (Sullivan, 1999), which is usually shorter-term and involves performance-based pay, lower levels of commitment by both parties, and an allowance for easy exit from the agreement (Callanan and Greenhaus, 1999). In theory, the presence of a transactional psychological contract or violations of a perceived relational one, results in relatively lower commitment on the part of the employee to any one organization (Freese and Schalk, 1996; Greenhaus, 2003).

The underlying meaning of the boundaryless career is that employees are
ready and willing to change employers based on personal needs or to exit from a negative employment relationship. However, Enron, WorldCom, and other recent cases seem to contradict this view. In these examples, middle and senior level personnel remained in their jobs even when confronted with corporate behaviors that were clearly wrong. One possible explanation for this seeming contradiction is that the shift from a relational to a transactional psychological contract is not occurring as extensively as predicted.

Recent empirical research has found that those in executive jobs tended to show a relational orientation in their attitudes toward, and commitment to, their organizations (Millward and Hopkins, 1998). This research also found that job and organizational tenure were positively correlated with a relational orientation (Millward and Hopkins, 1998). Another stream of research has examined the concept of job embeddedness as a variable that is predictive of an individual’s intention to remain with their organization (Mitchell et al., 2001). Job embeddedness means that individuals are willing to stay in an existing job because of a variety of factors, including social links to other people or groups within the organization, positive perceptions of their fit with the job, the company, or the community, and a consideration of what they would have to sacrifice if they left their position (Mitchell et al., 2001).

One suggestion from these research findings is that a boundaryless attitude toward career management does not necessarily extend to middle level and senior executives who have invested a number of years in their job and their organization. For these individuals, a strong commitment to a particular organization is a function of such factors as age, salary, a lack of transportable skills, and other constraints that prevent them from seriously considering the adoption of a boundaryless career orientation. Accordingly, these individuals are inextricably tied to their organization, regardless of the organization’s philosophies or behaviors.

Another explanation for the willingness of middle managers and executives to remain in unfavorable employment situations is loyalty to a superior or superiors within the organization. Loyalty to a superior, and the associated commitment to a particular organization, can result from a number of influences. One source of loyalty is that the superior serves as patron to the subordinate (Jackall, 1983). In this sense, the fealty of the subordinate is a function of the superior’s ability to oversee the advancement and the career success of the subordinate. In a similar vein, the commitment of lower level staff could be based on a quid pro quo sense of loyalty to current or former mentors within the upper echelons of the organization who have assisted in the career progress of protégés throughout the company.

Regardless of the reasons, concerns over career success can cause individuals to stay in unfavorable work situations, even in cases where the actions of the corporation are illegal. To break out of this trap, individuals need to take a more active and rational approach to career management.

To thine ownself be true

In Shakespeare’s *Hamlet* (New Folger Library Shakespeare, 1992), Lord Polonius gives sage career advice to his son Laertes when he tells him “to thine ownself be true.” Lord Polonius is encouraging his son to be true to his values and beliefs or risk having an unfulfilling life. Although *Hamlet* was first published over 400 years ago, Lord Polonius’ advice is at the heart of models of career management of the twenty-first century (Greenhaus et al., 2000). In today’s world, the key to successful career management is the development of a clear self-identity, and then the setting of career goals and the pursuit of career strategies that are consistent with that identity. Put a different way, career management theory posits that career success and satisfaction accrue to those who remain true to their interests, values, talents, and life-style preferences (Greenhaus et al., 2000).

Unfortunately, as this article has discussed, staying true to oneself in the current business environment is difficult given the demands, pressures, and behavioral expectations that organizations and their cultures present. The Enron case shows that career success might very well require individual career strategies and behaviors that go against the grain of one’s values and beliefs. In this situation, career management becomes exceedingly difficult because the individual is presented with a paradox. Is the price of career success, as dictated by the expectations of the organization, worth the sacrifice of personal integrity and values?

Individuals have various options for dealing with this paradox. First, they can recognize, as a number of researchers have, that the traditional, organizational career has ended because organizations, not their employees, see it as economically
unsustainable (Callanan and Greenhaus, 1999; Capelli, 1999). Once this recognition is made, it should allow employees at all levels of the organization to shift to a boundaryless perspective on their careers. As indicated earlier, the boundaryless perspective means that individuals are unbound to any one organization and are able to pursue psychologically meaningful work with a number of employers throughout their careers, not just one or two (Arthur et al., 1999; Sullivan, 1999). It also means, given the business environment at the start of the twenty-first century, that individuals need to be proactive and self-assertive in how they approach the management of their careers (Callanan and Greenhaus, 1999).

Another approach to making sense of this paradox is to take a broader view of career success. Too often, professional staff in large corporations see career success strictly in objective terms, where the speed of progression up the corporate ladder becomes an obsession. This narrow view of success leads to career goals and strategies that can be inconsistent with personal values and beliefs. Further, many highly successful managers and executives can experience feelings of personal failure, reflecting the regret over having sacrificed family relationships and other affiliations in the ambitious pursuit of the objective form of career success (Korman, 1998).

In contrast, when career success is seen in subjective terms, the focus is on individual satisfaction with the career and how well it has met personal goals and expectations. The subjective view of career success can also be expanded to include such dimensions as the balance between one’s work and personal lives or the ability to establish close interpersonal relationships (Friedman and Greenhaus, 2000; Greenhaus, 2003). Adopting a broader meaning of career success can take some of the pressure off upwardly striving middle managers and executives, since the focus of career goals and strategies is no longer exclusively on advancement, but encompasses various aspects of personal fulfillment.

Looking to the future, if individuals can take a boundaryless philosophy toward their careers and if they can accept a broader definition of the meaning of career success then they would have a much better chance of managing their careers so that they are able to stay true to their beliefs and values. First, it would be particularly useful to develop a more balanced understanding and measurement of career success. Present definitions and assessment approaches view career success strictly in terms of the individual employee and do not consider the perspective of the employing organization. The organization’s assessment of the employee, as given by the performance appraisal process, would provide additional, objective, and current insight into individual career success. As noted earlier, the organization’s contemporary view of career success could be at odds with non-contemporary measures that use past promotions and salary increases as the indicators of career success.

A second area of future research concerns the influence of different types of organizational cultures on individual career management strategies. The Enron case and others provide strong non-empirical evidence that an organization’s culture can have a direct influence on the career strategies and actions individuals are willing to take in the name of career success, even when those actions are illegal. Empirical assessment of the influence of organizational culture on individual career decisions could prove insightful, both for researchers and for practitioners who must deal with the sources and consequences of unethical actions.

Another area for continued study concerns the adoption of the boundaryless career philosophy among managers and professionals who have long tenures invested in a single organization or others who might be reluctant or afraid to change career paths because of past experiences with corporate layoffs and downsizings. As discussed earlier, a number of researchers have heralded the widespread adoption of a boundaryless philosophy in the way individuals manage their careers, with the belief that the boundaryless philosophy is comparatively more consistent with the contemporary economic environment (Arthur, 1994; Arthur and Rousseau, 1996; Arthur et al., 1999; Greenhaus, 2003; Littleton et al., 2000). However, the real-life business cases discussed in this article and other current research (Millward and Hopkins, 1998; Mitchell et al., 2001) seem to indicate that the widespread adoption of a boundaryless orientation might not be occurring as quickly as projected. Additional empirical research is needed to assess the degree to which the boundaryless philosophy is being adopted as well as the individual and organizational factors that influence its adoption.
Finally, it would be interesting to know whether the observed influence of corporate culture on the use of unethical and illegal behaviors in the pursuit of career success is strictly a product of the USA’s national culture and economy, or whether this influence occurs in other geographic sectors around the world. Given that the recent financial scandals were concentrated in the USA, it could be assumed that the widespread improprieties, and the underlying conditions that led to them, are uniquely American. Future research on the influence of corporate culture on career behaviors should take a cross-national perspective to determine whether the observed influence that is prevalent within large US organizations holds true for organizations in other geographic sectors. A model for this type of cross-national assessment is Rousseau and Schalk’s (2000) examination of the psychological contract in employment from the perspectives of 13 different industrialized countries. Applying this type of assessment could indicate whether the underlying conditions that led to widespread corporate malfeasance in the USA are present in other industrialized countries throughout the world.

Conclusions

The corporate financial scandals that occurred in the USA during 2002 have shown that organizations continue to wield tremendous power over the behaviors and decisions of individuals in middle and senior level positions. In turn, this organizational power influences the career management actions that individuals take as they strive for the tangible indicators of career success. But, as the title of this article implies, when these actions cross the line into morally and ethically questionable territory then the price of career success becomes far too high. Even though changes have been mandated in the ways US-based corporations are governed, it is unlikely that the results-at-any-cost cultures of large capitalistic organizations will change any time soon. Accordingly, individuals must be more diligent than ever in managing their careers so that the successes they achieve in the short run do not lead to guilty consciences, or jail sentences, in the long run.

References


---

**Gerard A. Callanan**

What price career success?

*Career Development International* 8/3 [2003] 126-133