

## RESEARCH REPORTS

# The Outcomes and Correlates of Job Search Objectives: Searching to Leave or Searching for Leverage?

Wendy R. Boswell  
Texas A&M University

John W. Boudreau and Benjamin B. Dunford  
Cornell University

The authors investigate a previously overlooked yet important objective for employee job search—seeking leverage against the current employer. They explore the outcomes and correlates of leverage-seeking search and how it may differ from the more traditional objective for engaging in job search—to change jobs. Results show that leverage-seeking and separation-seeking search objectives associate with different outcomes. The authors also find that characteristics of the work situation and individual differences associate with leverage-seeking search and relate differently with the 2 job search objectives. Implications for practice and the advancement of job search research are discussed.

Individuals engage in job search activities for many reasons other than to find their next job after deciding they wish to leave. The popular press and practitioner literature is replete with anecdotal stories showing that employees often do (or perhaps should) seek outside offers as bargaining leverage to enhance their present employment situations (e.g., *Business Week*, 1986; Steen, 1999). The premise is that if an individual has a better opportunity elsewhere, the current employer should be compelled to try and keep the employee by making a counteroffer. In fact, reports generally indicate that the majority of employers would or do make counteroffers when confronted by a good employee with an outside offer (“When calling quits,” 1986; Messmer, 2000).

Theorists and researchers on job search often proceed by assuming that individuals search as a way of identifying a new job. Indeed, Schwab, Rynes, and Aldag’s (1987) influential review of the job search literature is specifically limited to search subsequent to the decision to seek new employment, and Hom and Griffeth (1995) state that the “positive expected utility of withdrawal stimulates job seeking” (p. 110). Yet empirical evidence suggests that job search is a far richer and more complex phenomenon. For

example, search does not always lead to turnover (Bretz, Boudreau, & Judge, 1994). Of course, not everyone who desires and searches for an alternative job can find available opportunities; however, prior research indicates that human capital (a proxy for the capacity to find alternatives) does not significantly moderate the effect of job search on turnover (Bretz et al., 1994). Some research has found a positive relation between search and retention (Hom & Griffeth, 1991), suggesting that employees may become more attached to an organization after searching elsewhere. Though more recent work (e.g., Griffeth, Hom, & Gaertner, 2000) has failed to replicate this finding, at the very least, these mixed results suggest that job search is complex and worthy of deeper investigation.

### Searching to Obtain Leverage Against Employer

Prior work has focused on the determinants and outcomes of job search activity (e.g., Boudreau, Boswell, Judge, & Bretz, 2001; Kanfer, Wanberg, & Kantrowitz, 2001), and yet there is little understanding of an individual’s goals or objectives for engaging in job search. In the present article, we address the motive(s) underlying an individual’s job search activity by exploring the differential behaviors and predictive information provided when prominent search goals are explicitly measured within a model of job search and turnover. To be specific, in this research, we investigate a previously overlooked yet important job search objective—seeking alternative employment to obtain leverage against the current employer. An understanding of this issue is important to both the organization that currently employs the searcher as well as to the organizations whose offers are used as leverage. For the current employer, the time and energy employees spend searching may be at the expense of task performance (March & Simon, 1958). There are also costs of making a counteroffer, both tangible (e.g., pay raise) and intangible (e.g., personal relations). For organizations used as leverage, time and money are spent on recruiting individuals who are not even intending to leave

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Wendy R. Boswell, Department of Management, Mays Business School, Texas A&M University; John W. Boudreau and Benjamin B. Dunford, Department of Human Resource Studies, School of Industrial and Labor Relations, Cornell University.

John W. Boudreau is now at the Marshall School of Business, University of Southern California. Benjamin B. Dunford is now at the Krannert School of Management, Purdue University.

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Correspondence concerning this article should be addressed to Wendy R. Boswell, Department of Management, Mays Business School, Texas A&M University, College Station, TX 77843-4221. E-mail: wboswell@tamu.edu

their present employer. Some companies are actively seeking strategies to gauge whether job seekers are serious or simply “tire kicking” (Voros, 2001).

Prior research has revealed that obtaining additional job offers to use as leverage against a prospective employer generally helps to enhance one’s employment offer (e.g., Gault, Redington, & Schlager, 2000). Likewise, an individual may seek an offer of higher pay or status in the external market to enhance the current employer’s estimate of the employee’s value. That is, obtaining alternative job offers serves as a signal to the employer of the value of one’s human capital in the external market (Lazear, 1986). As stated by Bretz et al. (1994), employees may “engage in job search to convince others that the market values their contributions at a level that justifies better employment arrangements” (p. 276). The negotiation literature has also shown that having alternatives increases one’s negotiation success (Pinkley, Neale, & Bennett, 1994), further supporting the likelihood of seeking leverage to improve one’s current employment conditions.

We investigated the issue of leverage-seeking search using a sample of high-level managers. These are high-demand, high-impact employees with the kind of roles that are increasingly the battleground in the talent war (Boudreau et al., 2001; Bretz et al., 1994). Employees in performance-visible occupations, such as high-level managers, are arguably in a good position to capitalize on their human capital and obtain external opportunities (Griffeth & Hom, 1988; Lazear, 1986; Trevor, 2001). Indeed, signaling to the current employer one’s attractiveness in the external market (or mobility capital; Trevor, 2001) may be a particularly effective means of leveraging improved employment conditions (Lazear, 1986).

To our knowledge, no prior researcher has investigated job search objectives generally or leverage-seeking search specifically, or the relationships among search objectives, search outcomes, present job attributes, and related employee attitudes and cognitions. The present research has two purposes. We focus first on the relation between leverage-seeking search objectives and subsequent outcomes (i.e., turnover and leverage actually used). This first step allows us to investigate not only outcomes of leverage-seeking search objectives but also whether and how leverage seeking differs in its relationship to these outcomes from the more traditional objective for engaging in job search (i.e., to change jobs). We then turn to the question of what motivates employees to adopt this objective. We investigate correlates describing theoretically relevant elements of an individual’s current work situation and individual differences in attitudes and values.

### Job Search Objectives and Subsequent Outcomes

It is well known that greater job search effort and activity is related to obtaining more employment offers (Barber, Daly, Gianantonio, & Phillips, 1994; Saks & Ashforth, 1999; Schwab et al., 1987). However, as we noted above, extant research also suggests that the correlation between job search and turnover is moderate at best (e.g., Bretz et al., 1994). Search activity tells us what individuals do but not why they do it. Indeed, individuals may have objectives for engaging in job search other than to leave for a new position, and assessing these objectives may provide insight into subsequent outcomes that complement findings from prior research focused only on the overall level of job search activity.

The value of understanding search goals may be particularly evident in their relationship to search outcomes, such as turnover and the use of leverage. Indeed, search goals suggest one possible explanation for the existence of search activity with no subsequent turnover and, as shown below, allow much more specific theoretical and empirical propositions. Yet one would predict neither that an emphasis on searching to leave will never associate with later use of leverage nor that searching to gain leverage will never associate with leaving. For example, if the use of leverage is unsuccessful, turnover may result. It is, therefore, the relative strength of the two effects that is most important and that is examined here.

*Hypothesis 1a:* Separation-seeking search objectives will more strongly (positively) associate with subsequent turnover than will leverage-seeking search objectives.

*Hypothesis 1b:* Leverage-seeking search objectives will more strongly (positively) associate with subsequent leverage use than will separation-seeking search objectives.

### Correlates of Leverage-Seeking Search Objectives

Research suggests that employees use alternative job opportunities as leverage (Gault et al., 2000), and yet we know very little about the employee or work characteristics that might motivate an individual to conduct job search with this objective. It is clear that individuals with disadvantageous levels of job attributes such as compensation may seek leverage to enhance them. Variables beyond the current job situation such as perceived human capital and individual values might also be important in explaining the propensity to seek leverage through search.

In general, variables associated with seeking leverage will often be associated with an individual’s propensity to search to leave his or her present position. That is true for the variables investigated here. We thus control for separation-seeking search objectives in our analysis to investigate whether leverage-seeking search objectives have explanatory power over and above the search objective to leave the present position. Leverage-seeking and separation-seeking search objectives may also exhibit different relationships with particular variables. Therefore, where relevant, we also offer hypotheses and investigate whether the relations between certain characteristics (e.g., perceived alternatives) and the two search objectives (i.e., leverage seeking and separation seeking) diverge.

### Attributes of the Current Job

Prior research supports the importance of job attributes (e.g., compensation) to employee retention and, more specifically, to overall job search activity (e.g., Boudreau et al., 2001; Bretz et al., 1994). Likewise, an individual’s current job situation is likely to affect the extent to which he or she desires and seeks leverage. We focus here on two attributes of the job particularly relevant to the importance of seeking leverage as a job search goal—compensation and hierarchical level.

In general, employees with less favorable work conditions should be more motivated to improve them. Thus, one might expect that objective levels of compensation or organizational stature would correlate negatively with leverage-seeking search

objectives. For example, job and career progression represent one's status and future mobility potential as well as an indication of success in one's career (e.g., Judge, Cable, Boudreau, & Bretz, 1995). Employees near the top of an organization's hierarchy or pay level may see less value in seeking leverage for further advancement, whereas those farther down have more room for progression and may see greater value in negotiating using an outside offer. Career advancement may be particularly relevant to the sample of managers we investigated here, given its association with prestige and power.

Though objective work attributes such as salary and hierarchical level may explain an individual's propensity to seek leverage, an individual's subjective appraisal is also important. In particular, dissatisfaction with career-related attributes should be an important driver of seeking to enhance such attributes. We focused specifically on career rather than job satisfaction, because individuals seeking leverage are not necessarily searching to leave and are thus likely to be at least minimally satisfied with their jobs. Yet one can address dissatisfaction with one's progress in terms of advancement, pay, development, and the like (i.e., career satisfaction; Greenhaus, Parasuraman, & Wormley, 1990) by using leverage with one's current employer and it is, thus, particularly relevant.

It should be noted that individuals may also seek to improve work attributes by changing jobs (Shachtman, 2000). Therefore, we do not hypothesize divergent relations among the work attributes and the two search objectives but focus here on the unexamined association between these variables and leverage-seeking search objectives.

*Hypothesis 2:* Compensation and hierarchical level will negatively associate with leverage-seeking search objectives.

*Hypothesis 3:* Career satisfaction will negatively associate with leverage-seeking search objectives.

### *Perceived Alternatives and Importance Attached to Rewards*

Many individual differences, including personality traits and human capital, have been associated with search (Boudreau et al., 2001; Kanfer et al., 2001). Here, we focus on two in particular, because they seem closely related to the motivation to search to obtain leverage. Perceived alternatives relates to an individual's ability to generate credible bargaining alternatives, and the importance placed on rewards relates to an individual's drive to obtain work-related outcomes.

*Perceived alternatives.* Individuals with greater human capital are more likely to have opportunities elsewhere (Bretz et al., 1994; Lazear, 1986) and, presumably, will be in a better position to seek alternative offers as leverage. An individual's perception of his or her marketability is, arguably, of greatest importance. Those who perceive more external opportunities should be more likely to search to enhance leverage.

The effect of perceived alternatives on job search activity is somewhat equivocal (Steel, 2002). It has been argued that those perceiving more alternatives should have greater confidence in their ability to find a new job and, thus, should search more (Blau, 1993). Yet as noted by Bretz et al. (1994), "those with greater

marketability will require less search, either to locate suitable alternatives, or to satisfy their information needs" (p. 282). Bretz et al.'s study failed to find an effect for perceived alternatives. We suggest that the equivocal results surrounding this variable might be explained in part by the motive underlying an individual's search activity. Regarding separation-seeking search objectives, labor market theories (e.g., Becker, 1965; Lippman & McCall, 1979) would suggest that individuals with greater human capital are attractive to employers and are able to leave with limited search effort. Thus the level of perceived alternatives should show a weak (or negative) relation with search efforts directed at separation, because opportunities are perceived as readily available when one decides to leave. However, perceiving alternatives may provide an individual desiring leverage with the confidence and motivation to seek such leverage.

*Hypothesis 4a:* Perceived alternatives will positively associate with leverage-seeking search objectives.

*Hypothesis 4b:* Perceived alternatives will more strongly (positively) associate with leverage-seeking search objectives than with separation-seeking search objectives.

*Importance of rewards.* An individual's values are also likely important to whether he or she is motivated to seek leverage. For example, the meaning attached to money goes beyond economic value; it may serve as a means of social comparison and feedback (Krueger, 1986). Yet the value attached to such rewards is in the eye of the beholder (McClelland, 1976). This is consistent with Wollack, Goodale, Wijting, and Smith's (1971) discussion of attitudes toward work (e.g., social status, upward striving). Indeed, individual differences in attitudes toward money (Tang & Gilbert, 1995) and work values more generally (Meglino & Ravlin, 1998) have been shown to be important in predicting various job attitudes and behaviors. Though enhanced remuneration is frequently the objective of negotiations using competing offers, individuals may also seek leverage to enhance other work elements, such as prestige. This suggests that individuals who attach greater positive value on work-related rewards should be more motivated by such outcomes and thus more likely to seek leverage to improve them.

Of course, enhanced rewards can be derived through changing jobs, so we would also expect a positive relation between importance placed on rewards and separation-seeking search objectives. However, the connection between improving one's outcomes using leverage is particularly direct. Though neither tactic is guaranteed to result in enhanced rewards, many people seek a job change for reasons other than improved pay, prestige, and/or authority. Seeking leverage, however, is specifically directed at negotiating improvements in such work elements and is thus likely to be particularly attractive for individuals who place great importance on work-related rewards.

*Hypothesis 5a:* Importance of work-related rewards will positively associate with leverage-seeking search objectives.

*Hypothesis 5b:* Importance of work-related rewards will more strongly (positively) associate with leverage-seeking search objectives than with separation-seeking search objectives.

We have proposed work attributes (objective and subjective), individual differences in terms of perceived human capital, and personal values regarding rewards as important correlates to leverage-seeking search objectives. It is also likely that perceptions of human capital and personal values regarding rewards will also act as moderators, enhancing the predictability of the actual work attributes and/or one's attitudes toward these attributes in relation to leverage seeking. For example, an individual who places high importance on rewards is likely more driven to improve less favorable or dissatisfying work elements. This is supported by prior work showing an interaction between individual values and work characteristics in predicting behavior (e.g., Meglino & Ravlin, 1998). Likewise, those who perceive many alternatives may respond to a dissatisfying situation by searching, reflecting their higher confidence that their value in the external market can be readily demonstrated to the current employer (Bretz et al., 1994; Lazear, 1986). In accordance, we expected both perceived alternatives and importance attached to rewards to interact with the work attributes and attitudes in predicting leverage-seeking search objectives.

*Hypothesis 6a:* The relation between compensation and leverage-seeking search objectives will be moderated by perceived alternatives and importance of rewards, such that there will be a stronger relation in the presence of higher perceived alternatives and higher importance placed on rewards.

*Hypothesis 6b:* The relation between hierarchical level and leverage-seeking search objectives will be moderated by perceived alternatives and importance of rewards, such that there will be a stronger relation in the presence of higher perceived alternatives and higher importance placed on rewards.

*Hypothesis 6c:* The relation between career satisfaction and leverage-seeking search objectives will be moderated by perceived alternatives and importance of rewards, such that there will be a stronger relation in the presence of higher perceived alternatives and higher importance placed on rewards.

## Method

### Sample and Procedure

We sent an initial survey to 11,968 high-level managers contained in the database of the Ray & Berndtson executive search firm. We sent a follow-up survey to respondents from the initial survey 1 year later to assess turnover and actual use of leverage. We also obtained information directly from the search firm's database to supplement the survey data in the analyses and to evaluate sample bias. It should be noted that this search firm's clients are the companies searching for employees. The search firm does not accept resumes or applications from managers searching for jobs; rather, it identifies potential candidates in response to client needs by examining publicly available information (e.g., proxy material and professional association lists). Thus participants of this study are likely to be typical of the general population of high-level U.S. managers in their turnover intent and search activity. In addition, the search firm serves clients of all sizes, industries, and regions, further suggesting that this sample is representative of the target population.

The surveys were prepared and mailed by the search firm. Surveys were encoded so that those returned could be matched with information contained in the search firm's database. Participants were instructed to return

the survey (business reply envelope included) directly to the researchers, under assurances of strict confidentiality. A total of 1,601 participants responded to the initial survey (13.38% response rate). Respondents were primarily male (89%) and had been in their jobs an average of 2.8 years and with their present organization 5.5 years. The average respondent had a yearly total cash compensation (base plus bonus) of \$236,188 and was two levels below the CEO (ranging from zero to six levels below). Respondents represented 92 industries (over 300 distinct standard industry classification codes). The most represented industries were management consulting (8%), computer programming/data processing (6.5%), drugs (3.4%), and telephone communications (2.9%). The remaining 79% of the respondents were spread across 88 industries.

Because of the moderate response rate, we assessed whether respondents were representative of nonrespondents by comparing the two groups on information contained in the search firm's database (e.g., salary, demographics, hierarchical level, industry, and company size). Only age revealed a statistically significant difference ( $M_{\text{respondent}} = 49.15$ ,  $M_{\text{nonrespondent}} = 50.00$ ),  $F(1, 6357) = 17.25$ ,  $MSE = 49.86$ ,  $p < .01$ , and the magnitude of the difference was small, suggesting that sample bias was not an issue. Note that the comparison between respondents and nonrespondents involved two of the study variables—compensation and hierarchical level—finding no significant differences for these variables.

We also obtained evidence to evaluate whether our respondent sample was more risk-taking or had different personality characteristics than managers (or other employee groups) more generally. First, we inquired on the survey as to risk-taking propensity using Mitchel, Mickel, Dakin, and Gray's (1998) scale (1–6 Likert rating, where a higher number indicates higher risk-taking). The mean and standard deviation ( $M = 2.9$ ,  $SD = 1.0$ ) suggested that our respondent sample was not particularly high on risk-taking. We also collected respondent personality data as part of the survey (1–7 Likert rating, where 7 is high on the personality dimension). Findings showed that our respondents were quite similar to prior managerial (e.g., Boudreau et al., 2001) and other employee (e.g., Seibert & Kraimer, 2001) samples on traits such as extraversion ( $M = 5.18$ ,  $SD = .92$ ), neuroticism ( $M = 2.84$ ,  $SD = .55$ ), and openness ( $M = 5.45$ ,  $SD = .65$ ). These data help address the concern that our respondents were in some way unique regarding their perspectives or tendencies.

From the initial survey, 587 respondents responded to the follow-up survey (37% follow-up response rate). Comparing those who responded to both surveys with those who responded to only the first survey revealed that respondents had significantly lower total compensation ( $M_{\text{respondent}} = \$226,300$ ,  $M_{\text{nonrespondent}} = \$253,247$ ),  $F(1, 1600) = 4.34$ ,  $MSE = 5.99$ ,  $p < .05$ . None of the other study variables or demographics were significantly different. The results presented below regarding the relations between search objectives and search outcomes (Hypothesis 1) are based on the subset of managers responding to both surveys, whereas the results regarding the correlates of search objectives (Hypotheses 2–6) are based on respondents to the initial survey only.

### Measures

*Leverage-seeking search objectives.* Participants were asked on the first survey to what extent to obtain negotiating leverage against my current employer explained their objective for engaging in any job search (1 = to no extent, 4 = to a great extent). We similarly asked participants the degree to which they searched because they had decided to leave their current position (*separation-seeking search objectives*). The space limits of our survey and the lack of existing measures of search objectives led to the decision to use single-item measures, which precluded calculation of internal consistency levels. This approach may attenuate the results, suggesting this initial investigation is a conservative test of the hypothesized relations. Yet, as the results show, the measures were sufficiently reliable to produce significant and theoretically consistent findings.

We assessed *voluntary turnover* and *leverage use* on the follow-up survey. For turnover, we asked whether the individual was in the same

position as last year. If the participant answered “no,” he or she was asked about the circumstances surrounding their turnover. Voluntary turnover was considered to have occurred for those individuals who were in a different position in a new organization, and who left on their own accord (1 = *yes*, 0 = *no*). Of the 587 respondents to the follow-up survey, 167 (28%) had voluntarily left their jobs. For leverage use, we inquired as to whether the individual had used an outside job offer as leverage against the current employer in the past year. Five percent of the respondent sample (i.e.,  $n = 28$ ) indicated that they had engaged in this tactic. Though this was a small number of actual leverage seekers, the results below demonstrate that it was sufficient to produce statistically significant effects. The changes that occurred in the economy and job market between administration of the initial survey and the follow-up survey (2000–2001) likely diminished negotiating power in 2001, which may explain the small number of respondents who had actually used leverage. More robust markets may produce more variance in leverage use and, thus, more powerful tests of the effects.

We collected information on total compensation and hierarchical level from the search firm’s database and supplemented it with survey data where the archival data were missing. Most compensation measures are disproportionately affected by a few very high values and, as is consistent with standard practice in wage regressions (e.g., Kerr & Kren, 1992), we normalized the distribution of the compensation variable by computing its natural log. We measured career satisfaction with Greenhaus et al.’s (1990) five-item scale, which asks individuals to report their satisfaction with aspects of their career (e.g., progress toward income, advancement; 1–6 Likert-type scale;  $\alpha = .88$ ).

We measured perceived alternatives with three items reflecting dimensions identified in previous literature, such as the perceived availability of and difficulty in obtaining alternative jobs (Griffeth & Hom, 1988; Mobley, 1977). An example item was *Give your best estimate of your present alternative employment opportunities?* (1 = *no opportunities*, 5 = *many opportunities*). We standardized the items (because of varying response formats) and averaged them to create the scale ( $\alpha = .70$ ).

*Importance of rewards.* We assessed the extent to which an individual placed importance on work-related rewards (e.g., financial, promotions, professional reputation, and recognition; 1 = *very unimportant*, 6 = *very important*). The items were based on Wollack et al.’s (1971) work value scale. We averaged the six items to create the index ( $\alpha = .73$ ).

## Results

Descriptive statistics are shown in Table 1. The pattern of correlations generally supported the hypotheses, though most of the associations with leverage-seeking search objectives were low in magnitude. The specific hypotheses were tested with multivariate analyses, which we discuss next.

In Hypothesis 1, we proposed that the two search objectives would relate differently to search outcomes 1 year later. To be specific, we proposed that separation-seeking search objectives would positively predict voluntary turnover and that leverage-seeking search objectives would positively predict leverage use. Logistic regression models were specified to test these relationships as appropriate for the dichotomous dependent variables. As shown in Table 2, separation-seeking but not leverage-seeking search objectives at Time 1 positively associated with turnover at Time 2 ( $\beta = .46, p < .01$ ; and  $\beta = -.20, ns$ , respectively), whereas leverage-seeking but not separation-seeking search objectives positively associated with leverage use ( $\beta = .66, p < .01$ ; and  $\beta = .19, ns$ , respectively). Further, a direct comparison of the coefficients revealed that separation-seeking search objectives were a significantly ( $p < .01$ ) stronger predictor of subsequent turnover than were leverage-seeking search objectives and that leverage-seeking search objectives were a significantly ( $p < .01$ ) stronger predictor of subsequent leverage use than were separation-seeking search objectives. These results provide support for Hypothesis 1 as well as the discriminant validity of the two search objectives. Interpreting the size of the effects revealed that for a standard deviation increase in separation-seeking search, the odds of leaving were 73% greater; for a standard deviation increase in leverage-seeking search, the odds of using leverage were 51% greater.

We investigated the correlates of leverage-seeking search objectives using hierarchical regression analysis (see Table 3). We entered separation-seeking search on the first step to assess whether these correlates explained variance in leverage-seeking search objectives over and above the variance shared between the two search objectives. We entered the array of correlates in the second step, and we added the interaction variables in the third step. The predictor variables were centered to facilitate interpretation and reduce multicollinearity (Cohen, Cohen, Aiken, & West, 2003).

In Hypothesis 2, we proposed that objective job attributes (compensation and hierarchical level) would negatively associate with leverage-seeking search objectives. As expected, respondents at lower hierarchical levels were more likely to engage in leverage-seeking search. Compensation level, however, was not significantly related. Hypothesis 2 was partially supported. As we proposed in Hypothesis 3, career satisfaction negatively associated with leverage-seeking search objectives.

Table 1  
*Descriptive Statistics and Correlations Between Variables*

Variable	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7	8	9
1. Leverage-seeking search objectives	1.29	0.62	—								
2. Separation-seeking search objectives	2.12	1.20	-.04	—							
3. Turnover	0.28	0.45	-.05	.25**	—						
4. Leverage use	0.05	0.22	.13**	.04	.03	—					
5. Log compensation	12.20	0.58	-.01	.01	.13**	.09*	—				
6. Level	-1.94	1.45	-.10**	-.04	-.05	.04	.20**	—			
7. Career satisfaction	4.51	0.92	-.10**	-.14**	.01	-.01	.18**	.18**	—		
8. Perceived alternatives	0.00	0.77	.07**	-.09**	.02	.01	.07**	-.06*	.20**	—	
9. Importance of rewards	4.84	0.58	.16**	.05	.03	.06	.14**	-.03	-.03	.02	—

*Note.* Coefficients represent a mix of phi, point-biserial, and Pearson’s correlation coefficients. Turnover and leverage use were coded 1 = *yes*, 0 = *no*. \* $p < .05$ . \*\* $p < .01$ .

Table 2  
*Search Objectives and Outcomes*

Variable	Voluntary turnover	Leverage used
Separation-seeking search objectives		
<i>M</i>	.46**	.19
<i>SE</i>	.086	.166
Leverage-seeking search objectives		
<i>M</i>	-.20	.66**
<i>SE</i>	.174	.235
Chi-square ( <i>df</i> = 2)	30.77**	7.84*
-2 log likelihood	576.72	211.88
Goodness of fit	475.15	517.71

Note. Maximum likelihood estimates are shown.

\*  $p < .05$ . \*\*  $p < .01$ .

In Hypotheses 4 and 5, we proposed divergent relations between the search objectives and both perceived alternatives and the importance of work-related rewards. We first assessed the relations between leverage-seeking search objectives and these variables. As shown in Table 3, perceived alternatives and the importance of rewards positively associated with leverage-seeking search objectives ( $p < .01$ ). Hypotheses 4a and 5a were supported.

We then investigated the relative correlations between the variables and the two search objectives. As shown in Table 1, perceived alternatives positively correlated with leverage-seeking search objectives yet negatively correlated with separation-seeking search objectives, supporting Hypothesis 4b. Both search objectives were positively related to the importance of work-related rewards. Though this variable's correlation coefficient was higher with leverage-seeking search objectives than with separation-seeking search objectives (see Table 1), the respective correlations

Table 3  
*Correlates of Leverage-Seeking Search Objectives*

	<i>B</i>	<i>SE</i>	$\beta$
Step 1			
Separation-seeking search objectives	-.077	.014	-.05
$\Delta R^2$	.00		
Step 2			
Compensation Level	-.001	.030	-.01
Career satisfaction	-.027	.012	-.07*
Perceived alternatives	-.075	.019	-.11**
Importance of rewards	.062	.022	.08**
$\Delta R^2$	.156	.030	.14**
	.05**		
Step 3			
Perceived Alternatives $\times$ Career Satisfaction	-.050	.022	-.06*
Importance of Rewards $\times$ Career Satisfaction	-.067	.032	-.06*
$\Delta R^2$	.01**		
$R^2$	.06		
Multiple <i>R</i>	.24		
<i>F</i>	10.94**		

Note. Results were consistent whether separation-seeking search objectives was excluded or included in the analyses.

\*  $p < .05$ . \*\*  $p < .01$ .

were not significantly different ( $p > .05$ ), failing to support Hypothesis 5b.

Finally, we assessed whether perceived alternatives or importance of rewards moderated the relationships between the work attributes and/or attitudes and leverage-seeking search objectives. Results showed significant moderating roles for both perceived alternatives and importance of rewards for career satisfaction but not for compensation or hierarchical level. The results for career satisfaction are shown in Table 3. As expected, the negative relationship between career satisfaction and leverage-seeking search objectives was stronger at higher levels of perceived alternatives and greater importance placed on rewards. Figures 1 and 2 depict the nature of the interactions. We should also note that we explored tenure as a potential moderator of the correlates of leverage-seeking search (e.g., leverage seeking may be more unattractive and less effective for those new to a position). However, the moderating role of tenure was consistently nonsignificant.

## Discussion

This study suggests that individuals search with varying motives in mind, not just to find a new job after deciding to leave. Our results suggest that obtaining negotiating leverage with a current employer is an important job search objective. Though such "tire kicking" has been noted in the popular press and alluded to in past job search research (Bretz et al., 1994; Steel, 2002), the present study is the first to investigate this important job search objective. Indeed, this is the first study to explicitly examine the role of any sort of objectives underlying an individual's job search activity, with our initial results suggesting their importance in better understanding the job search process.

By explicitly including reported leverage-seeking and separation-seeking search objectives into an investigation of job search and search outcomes, we showed that the two search objectives are largely uncorrelated and are significantly and differentially related to subsequent separation and leverage use. To be specific, leverage seeking but not separation seeking positively associated with actual use of leverage 1 year later, whereas separation seeking but not leverage seeking positively associated with voluntary turnover 1 year later. This suggests that a more explicit

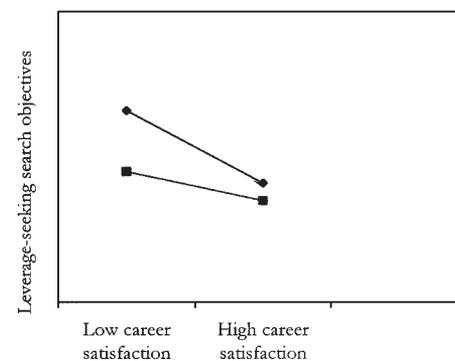


Figure 1. Interaction between career satisfaction and perceived alternatives predicting leverage-seeking search objectives. We used the conventions of one standard deviation above and below the mean to represent high and low levels of the independent variables. Diamonds indicate high perceived alternatives; squares indicate low perceived alternatives.

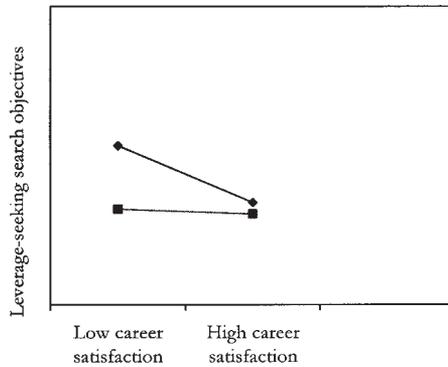


Figure 2. Interaction between career satisfaction and importance of rewards predicting leverage-seeking search objectives. We used the conventions of one standard deviation above and below the mean to represent high and low levels of the independent variables. Diamonds indicate high importance of rewards; squares indicate low importance of rewards.

treatment of job search goals in future research may enhance our understanding beyond the traditional implicit assumption that individuals search only to find a new position after deciding to leave.

In this research, we also investigated the correlates of leverage-seeking search objectives. It is surprising that compensation level showed little relation with seeking leverage. Both the actual hierarchical level and satisfaction with work attributes related significantly to leverage-seeking search. Compensation level may simply be less important as a negotiating objective among these executives. These findings support the importance of examining actual job attributes as well as work-related attitudes and perceptions. In addition, the significant positive effect on leverage-seeking search goals for perceived alternatives and the value attached to work-related rewards support the importance of market perceptions and individual values to one's drive to seek leverage. The significant moderating effect of perceived alternatives and reward importance on the relationship between career satisfaction and leverage-seeking search objectives suggest that leverage seeking is particularly likely when dissatisfying work elements are coupled with perceived opportunities to rectify the situation and/or a high value placed on those work elements. Thus, search objectives appear to be a valuable addition to the study of job search and its outcomes both because they are interesting in their own right and also because they can enhance our ability to predict and explain other relationships.

### *Implications for Research and Practice*

Recent research suggests that employee turnover occurs through a more complex process than has been depicted in prior models. To be specific, research by Lee and colleagues (Lee, Mitchell, Wise, & Fireman, 1996; Lee, Mitchell, Holtom, McDaniel, & Hill, 1999) and Steel (2002) suggests that employee turnover often deviates from the traditional sequential model, in which dissatisfaction leads to a decision to leave, followed by a search for alternatives, which is in turn followed by a decision to separate. Rather, individual turnover may be triggered through a variety of mechanisms and indeed often results without the undertaking of any kind of job search (Steel, 2002). Likewise, the present research suggests

that job search goals are more diverse than simply to seek employment elsewhere and that there are outcomes to job search beyond employee turnover. Just as turnover models have benefited by consideration of the complexity of the turnover process and the temporal role of job search (Steel, 2002), they would also benefit by considering alternative job search goals and outcomes.

The evidence of differential relations between the two search objectives and various correlates further supports the importance of understanding motives underlying an individual's job search. We found that those who perceive more alternatives have stronger leverage-seeking search objectives but weaker separation-seeking search objectives. This is consistent with labor market theories (e.g., Becker, 1965), helps clarify previously equivocal results based only on search activity, and can only be tested if search objectives are measured. Researchers might obtain similar insights in future research by measuring other job search goals, as discussed below.

From a practical standpoint, the present research suggests that organizations should avoid interpreting search activity as meaning that an employee has decided to leave. The motive behind the job search is likely to affect both search outcomes and correlates. Thus, by knowing more about underlying search objectives, organizations could avoid incorrect assumptions about and reactions to employee search.

For example, organizations may be able to consider a profile of searchers who seek leverage versus separation. It may be that some individuals have a history of seeking leverage just as prior research has noted the tendency for some people to job hop (i.e., the Hobo syndrome, Ghiselli, 1974). The results reported here provide a first indication that leverage seekers may well differ from separation seekers. To the extent that researchers or managers are primarily interested in search as a separation precursor, such a profile would help focus investigations on populations most likely to have this search goal and, similarly, on those interested in search as a precursor to using leverage. The moderator findings suggest characteristics on which to focus regarding a profile of "tire kickers." To be specific, our results show that employees who are dissatisfied with their career elements are more likely to seek leverage when they are more marketable and/or place a high importance on work-related rewards. Thus, using search goals to understand individual differences that distinguish leverage- (or separation-) seekers from others may help organizations identify and address potential future turnover more effectively than by simply observing job search and presuming it is motivated by a decision to leave.

### *Limitations and Future Research*

As noted above, space limits of our survey and the lack of existing search objective measures led to the decision to use single-item measures for both search objective measures. In addition, the social desirability of the items and the economic downturn that occurred during this study may have led to a ceiling effect, thus restricting the range of responses to leverage-seeking objectives and actual use of leverage. Still, these measures were sufficiently reliable and variable to produce significant and theoretically consistent findings and to reveal divergences between the two search objectives. This suggests that the relations found here provide a conservative test of the hypotheses and support the value

of future research to develop multiple-item measures of search objectives.

In the present study, we focused on a representative sample of high-level managers, a key group in the war for talent (Boudreau et al., 2001). The significant findings in this sample underscore the value of studying other employee groups. For example, our sample likely has a smaller range on variables such as compensation and hierarchical level because these managers had already achieved very high-level positions. We could not correct for range restriction because the population variance is unknown, but stronger effects may be found within employee groups where there is greater variance in such variables.

We investigated one specific outcome of leverage-seeking search—actually using an offer as leverage to enhance the current work situation. It would be interesting to explore how that offer(s) is eventually used (e.g., to obtain a raise, promotion, or change in job duties) and other, perhaps unintentional, consequences of such a tactic. For example, does such search create distrust or animosity between the employee and the supervisor (or coworkers) or resentment among those in the organization whose offer is used as a negotiation lever? Knowledge of the effects on outcomes such as these would not only be of interest to organizations but also to individuals contemplating the pursuit of leverage.

Future research should also seek to uncover additional variables that may explain leverage-seeking search objectives to help determine why some individuals are motivated and willing to seek leverage, whereas others are not. Though many of the variables hypothesized to associate with leverage-seeking search objectives in this study were indeed significantly related, the effect sizes were low in magnitude, and a great deal of variance in leverage-seeking search objectives remains unexplained.

Finally, in this research, we investigated the leverage-seeking search objective, but other search objectives undoubtedly exist and could be explored in future research. For example, individuals may search to network and expand their professional relationships or to simply keep abreast of opportunities. Even when individuals do search with the intent to leave, they may not aspire to obtain a similar position in another organization, as is commonly assumed (Schwab et al., 1987). Rather, individuals may search for jobs outside their current profession, as evidenced by recent discussions on the permeability of careers (see Sullivan, 1999). We believe a broader perspective of job search objectives will add to the applied psychological literature by revealing patterns in search activities ignored in traditional research focused only on job changes.

In conclusion, this study offers the first explicit investigation of individual objectives underlying job search activity. Our findings suggest that leverage-seeking search objectives is a construct distinct from separation-seeking search objectives, associating differently with individual difference variables and search outcomes. It is our hope that this study will motivate future researchers to articulate further the goals of job search and extend the ability to appropriately explain, interpret, and manage job search behavior.

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