

## Economic Identity and Professional Self-Determination

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*In this article, the interrelation between the economic identity and the professional self-determination of a person is analyzed. The property self-categorization, representations about polarization of incomes between rich and poor people, and the level of material claims, are considered to be indicators of economic-psychological status, a component of economic identity. The features of valuable orientations of the person, motivation of professional self-determination, and also the characteristics of the purposes of professional work and their means of achievement are considered to be the elements of professional self-determination. The results of empirical research confirmed the connections between the subjective economic-psychological status and the features of professional self-determination. These connections were statistically confirmed.*

### Introduction

Professional lives are nowadays highly dynamic due to the development of new professions and the increasing specialization of labor. People's attitudes towards profession, the meaning of work and its results are changing. These changes are caused by the expansion of professional opportunities and the need for independent career planning within the changing socio-economic conditions. At the same time, during the economic crisis, people's attitudes to their socio-economic status are changing. Thus, it is impossible to study professional development without considering the socio-economic reality in which a person exists. The investigation of economic identity, which is a result of the interaction between the individual and the surrounding economic reality, will enable us to consider the professional self in the economic context.

Over the past decades, the interest of Russian psychologists in the problem of professional self-determination has increased. In modern psychological researches, the term "professional and personal self-determination" is used as a definition of the process of professional development focusing on the following areas of personality: 1) motivation, 2) cognitive sphere; 3) behavioral area; 4) reflective abilities; 5) values and meanings.

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## Professional Self-determination

In the classical studies of professional self-determination, there are two main trends: 1) the chronological studies of professional development (Super, 1970; Super & Bahn, 1971); 2) the study of individual characteristics influencing professional self-determination (models by Holland, Keirsey) (Holland, 1968; Keirsey, 1998).

In particular, Super in his concept of "career maturity" understands the professional self as a complete and extended-in-time process of personal development. The author points out the stages of professional development, and each of these stages has special challenges: 1) stage of "awakening"; 2) stage of "research"; 3) stage of "conservation"; 4) stage of "decline." The stages of professional development, according to Super, coincide with chronological age. Super notes the particular importance of the stage of "research", which is usual for the ages between 15 and 24, and connected with preparation for the professional choice and the implementation of this choice (Super, 1971). Along with the notion of stadiality, the author outlines the concept of professional maturity, which characterizes a person whose behavior is fully consistent with the tasks of professional development specific to the age. The professional individual preferences and certain types of career in connection with self realization are also considered in Super's investigations.

Some investigations are devoted to the problems of occupational identity determinants and professional growth and development (Bridges et al., 2012; Rebeilo et al., 2001). Special attention is given to longitudinal studies, allowing us to trace the dynamics of professional identity and the influence of social groups (Gauthier et al., 2003).

Deci and Ryan use the concept of self-determination to mean the freedom to choose despite the constraints of the environment. Self-determination is connected with emotions and intrinsic motivation (motivation without external stimulation) (Deci et al., 1985). This theory underlines the interaction between the individual and the social environment in the process of professional growth (Gauthier et al., 2003).

Some studies of professional development focus on the problem of professional identity formation features among representatives of various professional and social groups (Donaldson et al., 1985).

In Russian psychology professional development in its relationship with personal development is considered by Pryazhnikova and Pryazhnikov. The authors relate the concept of "professional self" to other concepts such as "self-actualization", "self-realization", "self-transcendence", "self-realization". Professional and personal self-determination, according to the authors, appear in a close relationship. The essence of professional development, according to Pryazhnikov, is awareness of the meanings of one's own professional activities in the context of specific social, economic and cultural-historical situations. The core of the professional self is an internal readiness to plan and implement the prospect of professional development. Pryazhnikov underlines that there are no clear boundaries between professional and personal development,

however, he describes the following features of these processes (Pryazhnikov, 2004; Pryazhnikova, 2005):

- 1) Professional development is more formalized and caused by the environment (social inquiry, corresponding organizations, equipment, etc.);
- 2) Personal development is impossible to formalize; it is actualized in a more complex environment.

Russian investigator Ivanova came to the conclusion that the process of professional self-determination is similar to a decision-making process. She considers professional self-determination as a "problematic situation related to a change of life circumstances that trigger the appropriate activity aimed at choice" (Ivanova, 2009, p. 95; Ivanova, 2007). Thus, the main function of self-determination is the preparation for the best solutions in the context of the problem situation. Self-determination acts as a process of solving important problems. The main result of this process is identity which is the basis and the product of self-determination. Thus, Ivanova concludes that the process of social and professional development should be considered on two levels: in terms of the construction of social and professional identity and in terms of the individual characteristics of the decision-making process (Ivanova, 2009, p. 99).

Professional development is considered as a dynamic process, not limited by choosing the profession - "a decision affecting a near lifelong perspective" (Golovakha, 1988, p. 110).

Professional development is a holistic dynamic process unfolding in time from the formation of professional intentions to the full realization of the individual in the activity. The dynamics of the process includes the following stages (Kudryavtsev, 1983):

- 1) the stage of professional intentions enclosing a socially and psychologically informed choice of profession;
- 2) the stage of direct training, which contains reproductive assimilation of professional knowledge, standards and skills;
- 3) the stage of active entry into the profession;
- 4) the stage of full implementation of the individual in the profession - the mastery of behavior at a high level of creativity in the work, the formation of individual style and constant desire to improve it.

A personal professional plan is a mental representation of the professional future. Klimov (Klimov, 2004) identifies the following sets of professional plans: the main objective, the chain of immediate and more distant specific goals, ways and means to achieve immediate goals, the external environment objectives, internal conditions for achieving goals; fallback objectives and ways to achieve them.

Pryazhnikov modified the construction of a personal professional plan (PPP), added value and moral components of self-determination: 1) awareness of fair labor value; 2) the general orientation in the socio-economic situation and the predictions of change (taking into account the specific socio-economic situation and predicting the prestige of selected labor); 3) awareness of the need for training for full self-determination and self-realization; 4) general orientation to the world of professional work; 5) the selection of further professional goals (dreams) and their coordination with other important goals in life (leisure, family, personal); 6) the allocation of the near and immediate professional goals as steps and ways to further goals; 7) knowledge of the selected order: professions and specialties, relevant professional educational institutions and places of employment; 8) the main idea of the external obstacles to the selected goals, 9) knowledge of ways and means to overcome external obstacles; 10) representation of the internal obstacles, challenges to the achievement of professional goals, as well as knowledge of the strengths (self-knowledge as an important basis of self-determination); 11) knowledge of the ways and means to overcome internal weaknesses (and make best use of the advantages), in the preparation of independent and informed choice and future professional activities; 12) a system of backup options in case of a failure in the main options; 13) the practical implementation of personal professional perspective, and continuous improvement (adjustment) of the plans on a "feedback".

Thus, the phenomenon of self-determination plays an important role in various forms of personal development, and the most significant situations of radical change in both the individual and the overall social (including economic) environment with which the person actually interacts.

### **Economic Consciousness and Economic Identity**

The phenomena of economic consciousness and self-awareness are not only subjects for economic, social and psychological, but also the actual psychological research.

Economic consciousness, manifested, in particular, in the subjective assessment of the economic status of the individual: property, money, economic risk, poverty, wealth, and other economic targets, is the result of socialization and professionalization of the subject and acquires particular significance in human affairs (Khashchenko, 2004).

Economic identity is a psychological phenomenon, reflecting the psychological attitudes of the individual to himself, as a subject of economic activity. Accordingly, the components of economic self-awareness can be presented as a separate part of the psychological attitude (cognitive, emotional and behavioral) of the individual to himself as a subject of economic relations.

Economic consciousness includes, according to Zhuravlev, social perceptions, attitudes, relationships, opinions of person or social groups about different economic objects and phenomena (Zhuravlev & Kupreychenko

2003). Economic identity should be considered as a part of economic self-consciousness, which is related to the result of the definition of people's place in the system of economic relations. Property relations are an important regulator of human economic behavior (Khashchenko, 2004).

Khashchenko notes the common features between economic identity and social identity: the awareness of the social group membership, as well as granting themselves the objective and the subjective (psychological) characteristics of this group. However, economic identity has some differences from social and other identities which define the specificity of its content, features and manifestations of the process of formation.

The structure of economic identity includes basic components (cognitive, affective and behavioral). They are differentiated by particular economic-psychological phenomena. Economic identity can be studied in economic psychology in the analysis of the cognitive aspects of the relationship between people and society, particularly in the identification of people's ideas about wealth and poverty, their boundaries, social inequality, human perception of own welfare (Lewis, Webley, Furnham, 1995). Economic identity can also be considered in connection with studies of economic status as the characteristics of the objective position of the individual or group (Lea, Tarpay & Webley, 1987).

According to Khashchenko, unlike social identity, economic identity is the result of social categorization (identification and differentiation) in the bipolar system of ideas about economic terms "the rich - the poor."

The most important characteristic of economic identity is the level of economic well-being subjective model polarization. The degree of polarization is closely linked to the economic parameters of the individual consciousness, such as the strength of economic self, which is based on the self-esteem of their own competitiveness. The bipolarity principle as a mechanism for economic categorization can be a basis for the techniques of measuring economic identity development.

Khashchenko suggested that the bipolar scale, the poles of which are subjective boundaries of wealth and poverty, acts as a subjective economic criteria on which a person is guided in determining their economic identity. Khashchenko formulated and proved the hypothesis that the degree of polarization between incomes of the rich and the poor shows the similarity of the individual with one of them. The greater the polarization, the lower the economic self-esteem, and, therefore, there is a focus on the more "modest" life standards.

### **Hypotheses and Objectives**

Thus, we hypothesized that professional development and self-determination are connected with the economic identity of the individual. The core of professional self-determination is the motivational and value sphere of personality. Professional self-determination includes the system of ideas about

the prospects of the individual over time, and is closely linked to their life plans. Therefore, in our study of professional self-determination, we analyze the individual professional plan - the mental representation of a professional future – as a criterion of self-determination and professional development.

We also consider the economic - psychological status of the individual as a component of economic identity. This construct is based on the subjective perceptions of the "borders" of wealth and poverty, and can be represented as a point on the scale of individual well-being, given by the poles of wealth and poverty. In fact, the economic - psychological status of the individual is not only an estimation of the economic state in the present, but also the perceived discrepancy between the desired and achieved, a reflection of socio-economic expectations.

The **objective** of the research is to study the relationships between professional self and economic identity.

**Hypothesis:** there is a relationship between subjective economic and psychological status and the features of professional self.

Specific hypotheses: 1) there is a relationship between economic and psychological status and characteristics of the individual professional plan; 2) economic- psychological status is associated with features of the value-motivational sphere of the individual.

**Participants:** Senior students who combine work and study, and graduates with experience of up to five years between the ages of 20 and 29 years, 83 respondents.

## Methods

1. Economic identity was investigated using the techniques of Khaschenko's "Definition of economic - psychological status of the individual, using the scale of individual well-being" (Khashchenko, 2004).

As an empirical criteria of economic identity, we used the following indicators: 1) the respondent's self-categorization: very poor, poor, lower middle class, middle class, wealthy, very wealthy, rich; 2) estimation of the level of income with a bipolar scale, the poles of which are given by the terms "the poorest people – the richest people." We asked the respondents to indicate the monthly incomes that poor men or rich men have. We also asked respondents to indicate their real and ideal monthly income. Using these indicators, we have got two indexes: the index of income polarization (difference of income between richest and poorest people) and the index of income claims (difference between ideal and real monthly income).

2. The study of professional self-determination was performed using techniques: a) "The motivation of professional activity" (Zamfir as modified by Rean); b) a study of external and internal motivation personality (Zakharova, Gavrilova, 2008); c) "Values" (Rokeach, 1973); d) modified techniques "Personal professional plan" (Klimov as modified by Kardovsky)

## Results

Based on the results of the Khashchenko method, the sample was divided into groups, according to the indicators of the respondents' self-categorization of income, as well as on indicators of the degree of income polarization index (IP) and the index of income aspirations (IA). According to the figures of property categorization, the sample was divided into three groups: lower middle class, middle class and wealthy. According to the indexes combination, the sample was divided into 4 groups: 1 group - both indexes are high; 2 group – low IP, high IA; 3 group – both indexes are low; 4 group – low IP, high IA. Further comparison of the results was carried out between these groups; the significance of differences was assessed using the Mann-Whitney test. The correlation analysis was also conducted.

Statistical analysis of the results leads us to assert that the respondents who belong to different income groups and have different degrees of IP and IA, have different reasons for a professional activity, differently perceive goals and means of professional activity, and also have differences in the structure of values.

In particular, respondents who classified themselves as "poor", evaluate the motive of getting income as more important, while in the group with higher economic-psychological status, the leading motive is satisfaction from the process of work.

For respondents who perceive themselves as "wealthy", having chance to the fullest professional self-realization, and the desire to achieve social prestige is more important than for the respondents of category "lower middle class" (table 1).

**Table 1.** Averages of the Technique "Motivation of Professional Activity" Among Respondents with Various Property Self-categorizations

Scales	Category of "lower middle income"	Category of "moderate income"	Category of "well-off"
Earnings	4.26	3.78	3.89
Desire to promotion	4.2	4.18	3.67
The need to implement social prestige and respect for others	4.1	4.21	3.52
Satisfaction with the process and the result of work	4	4.13	4,47
The self-realization in work	3.68	4.21	4,52

$p \leq 0,05$

For the respondents whose income polarization index is lower, the motives of satisfaction from the process of work and the full self - realization in the chosen profession are most important (table 2).

**Table 2.** *The Average Data of the Technique "Motivation of Professional Activities" in Respondents with Different Income Polarization Index and the Index of Material Aspirations*

Scales	1 group	2 group	3 group	4 group
Earnings	4.23	4.82	3.76	3.8
Desire to promotion	4.66	4.12	3.85	4.26
The need to implement social prestige and respect for others	3.95	4.19	3.54	3.62
Satisfaction with the process and the result of work	4.19	4.52	4.74	4.6
The self-realization in work	4.14	4.54	4.62	4.5

$p \leq 0,05$

## Discussion

Correlation analysis showed a correlation between the index of material aspirations (IA) and motives of monetary income and the desire to avoid possible penalties and troubles. The index of material aspirations negatively correlates with the motive of satisfaction from the process and results. These data allow us to say that the desire for material enrichment correlates with the so called external motives of professional activity. On the other hand, the growth of material aspirations is connected with internal positive motivation reduction.

The correlations between the index of income polarization and the motive of career promotion and also with the motive of social prestige, shows the link between external positive motivation with a high degree of polarization of income between rich and poor in the view of the respondents. The negative correlation between the index of income polarization and motives of satisfaction from the process and the result of the work and the opportunity to the fullest realization of the professional activity, suggests that the higher the economic- psychological status, the higher the value of inner motives of professional activity that the person has.



For the respondents who determined themselves as "lower middle class", the preference of financially secure life value, the lack of financial problems, is more typical. Compared with groups of respondents who classified themselves as "middle class" and "wealthy", the respondents of the "lower middle class" give less preference to values of professional fulfillment, interesting work, recognition and productive life (maximum use of its capabilities, efforts and abilities). Respondents of the category "lower middle class" prefer less than the other two groups, the abstract values - freedom, self-confidence.

Among terminal values the respondents of the group who consider themselves as "wealthy", compared with respondents of the category "middle class", preferred such values as autonomy, independence of judgment and development (work on myself, spiritual and physical improvement). Instrumental values of the respondents belonging to the category "wealthy" in comparison with the respondents of the category "middle class" predictably estimate higher the significance of very high life level and high claims.

Among the instrumental values, the respondents of "middle class" and "wealthy" estimate the business values - executive (discipline), effective in cases (hard work, productivity at work), self-control (self-restraint, self-discipline), education (breadth of knowledge, a high general culture) - higher than the respondents of the category "lower middle class".

The respondents, for whom the degree of IP is lower, give more preferences to the human values (practical wisdom, independence of judgment and action), the values of self-realization, including professional (development, one's own physical and spiritual perfection, interesting work), and the values of personal life (love, happy family life). The respondents with higher IP, estimate the value of financially secure life higher than the respondents who have lower IP.

The respondents with lower IP evaluate instrumental values higher than the individualistic values (independence, strong will, rationalism), compared to respondents with a higher index of income polarization.

The results of the content analysis of the technique "Personal Professional Plan" showed that the respondents with different economic-psychological status have different career goals, and, therefore, relate differently to the construction of personal professional plan. For the respondents with lower economic-psychological status, the material goals, the prospects of high-paying jobs and financial security are most important. A similar situation is observed when comparing groups of respondents with different levels of material claims. The study showed that by increasing the material aspirations, the importance of income as professional goal also increases.

## Conclusions

1. People with higher economic-psychological status have internal motives of professional activities such as the possibility of professional self-realization and satisfaction with the process of professional activities. People with lower

economic-psychological status, higher material aspirations and higher IP, have external positive motivation of professional activity, including high and stable income, career promotion and social prestige.

2. Respondents with lower economic-psychological status, higher material aspirations and high degree of income polarization, give preference to the values of financially secure life. The respondents with higher economic-psychological status and lower MA and IP, appreciate the importance of interpersonal communication, values of personal and professional self-development and self-realization.

3. We found that the respondents with different economic - psychological status have differences in the construction of personal and professional plan; they have different definitions of career goals. Respondents with lower economic-psychological status, with higher material aspirations, prefer the material goals of professional activity, as well as the objectives related to their career and professional growth. For the respondents with higher economic - psychological status, the ego-goals which are associated with particular aspects of the subject's personality and professional self-interest, the ability to get real satisfaction from the results of professional activity, are more significant. In addition, the respondents with higher economic - psychological status, evaluate higher the altruistic values and values associated with the ability to expand professional contacts and effective interaction with colleagues.

We can conclude that the investigation showed the statistically confirmed relationship between features of economic - psychological status and features of professional development and professional self-determination. In our investigation, the indicators of economic-psychological status were the income self-categorization, income polarization between rich and poor, and the level of material aspirations, while the features of professional self-determination were the values, professional motivation, and the personal professional plan (professional goals and means of achieving them). Thus, the hypothesis was confirmed.

The results can be used in developing career counseling and in elaborating career development methods, as well as in the development of various socio-economic and educational programs.

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