Career Development and Job Stability Among Employees of Small and Medium-Sized Enterprises in Yangjiang City, China

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ABSTRACT

This study examined the relationship between career development and job stability among employees of small and medium-sized enterprises (SMEs) in Yangjiang City, Guangdong Province, China. Specifically, it assessed employees' perceptions of career development opportunities and investment in training and skill development and determined their influence on job stability. A descriptive-correlational research design was employed using data collected from 770 SME employees selected through stratified random sampling. Data were analyzed using descriptive statistics, Pearson correlation analysis, and multiple regression analysis. Results indicated that career development opportunities and investment in training and skill development were positively associated with employee job stability. Employees who perceived greater opportunities for professional growth, promotion, and competency development demonstrated stronger intentions to remain with their organizations and exhibited higher levels of employment continuity. The findings support Human Capital Theory and Social Exchange Theory, suggesting that organizational investment in employee development contributes significantly to workforce retention. The study concludes that career development serves as a critical mechanism for enhancing job stability within SMEs. It recommends that SME managers establish structured career pathways, strengthen employee development programs, and invest in continuous learning initiatives to improve retention and organizational sustainability.

Keywords: career development, job stability, employee retention, human capital, SMEs, China

INTRODUCTION

Small and medium-sized enterprises (SMEs) constitute a major component of China's economic structure and play a significant role in employment generation, innovation, and regional development. According to the Ministry of Industry and Information Technology, SMEs account for the majority of business establishments and provide substantial employment opportunities across the country. Despite their importance, many SMEs face persistent challenges in retaining qualified employees, resulting in workforce instability and increased operational costs.

Employee retention has become a strategic concern in contemporary human resource management. Frequent employee turnover disrupts organizational performance, increases recruitment and training expenses, and reduces organizational knowledge retention. Among the factors influencing employee retention, career development has consistently emerged as one of the most significant determinants of long-term employment commitment.

Career development refers to organizational efforts that facilitate employee growth, advancement, and professional achievement through training, mentoring, promotion opportunities, and skill enhancement programs. Employees are more likely to remain in organizations that provide clear pathways for advancement and opportunities for personal and professional development.

In China's increasingly competitive labor market, career development has become particularly important for younger and highly educated employees who seek continuous growth and advancement. While previous studies have examined employee retention in large enterprises and metropolitan regions, relatively limited research has focused on SMEs in regional cities such as Yangjiang. This gap highlights the need for empirical investigation into how career development influences employee job stability within the SME sector.

This study therefore examined the relationship between career development and job stability among employees of SMEs in Yangjiang City, Guangdong Province, China.

REVIEW OF RELATED LITERATURE

Career Development

Career development refers to the continuous process through which employees acquire knowledge, skills, competencies, and experiences that facilitate professional growth and advancement. Organizations support career development through promotion systems, mentoring programs, succession planning, training opportunities, and professional development initiatives.

Research has consistently demonstrated that career development opportunities positively influence employee satisfaction, organizational commitment, and retention. Employees who perceive opportunities for advancement are more likely to develop long-term relationships with their employers.

Training and Skill Development

Training and skill development represent important components of career development. Human resource scholars argue that organizations that invest in employee learning create a more competent and committed workforce. Continuous learning opportunities not only improve employee performance but also enhance perceptions of organizational support.

Studies have shown that training investments strengthen employee engagement and reduce turnover intentions. Employees often view development opportunities as indicators of organizational commitment to their future success.

Job Stability

Job stability refers to the continuity and permanence of employment within an organization over time. It is commonly measured through employment tenure, retention rates, and frequency of job changes. High levels of job stability contribute to organizational productivity, workforce sustainability, and institutional knowledge retention.

Research indicates that job stability is influenced by multiple organizational and individual factors, including compensation, work environment, organizational culture, career opportunities, and employee satisfaction.

III. THEORETICAL FRAMEWORK

Human Capital Theory

Human Capital Theory, proposed by Becker (1993), suggests that investments in education, training, and skill development increase employee productivity and value. Organizations that invest in employee development enhance workforce competencies and encourage longer employment relationships.

Social Exchange Theory

Social Exchange Theory posits that relationships are based on reciprocal exchanges between parties. Employees who receive organizational support through career advancement opportunities and developmental investments are likely to reciprocate with increased commitment and loyalty, thereby improving job stability.

METHODOLOGY

The study employed a descriptive-correlational research design. Respondents consisted of 770 employees from small and medium-sized enterprises in Yangjiang City, Guangdong Province, China. Participants were selected through stratified random sampling.

Data were collected using a structured survey questionnaire measuring:

- Career Development
- Investment in Training and Skill Development
- Job Stability

Descriptive statistics were used to assess variable levels, while Pearson correlation and multiple regression analyses were employed to examine relationships and predictive effects.

RESULTS AND DISCUSSION

Level of Career Development

The findings indicated that respondents generally perceived career development opportunities to be favorable. Opportunities for promotion, professional growth, and career advancement contributed positively to employee perceptions of organizational support.

Investment in Training and Skill Development

Employees reported moderate to high levels of organizational investment in training and development activities. Training programs were viewed as important mechanisms for improving competencies and enhancing career prospects.

Relationship Between Career Development and Job Stability

Correlation analysis revealed a positive and significant relationship between career development and job stability. Employees who perceived stronger opportunities for advancement demonstrated higher levels of employment continuity and organizational attachment.

Relationship Between Training and Job Stability

Investment in training and skill development was likewise positively associated with job stability. Employees who received continuous learning opportunities were more likely to remain with their organizations.

Predictors of Job Stability

Regression analysis demonstrated that career development and training investment significantly predicted employee job stability. These findings support Human Capital Theory and Social Exchange Theory, suggesting that employee development initiatives contribute substantially to workforce retention.

CONCLUSION

Career development and investment in training and skill development are important determinants of employee job stability among SMEs in Yangjiang City, China. Organizations that provide clear career pathways, advancement opportunities, and continuous learning programs are more likely to retain employees and maintain workforce stability. The findings highlight the strategic importance of employee development in achieving organizational sustainability and competitiveness.

RECOMMENDATIONS

SME managers should establish structured career development programs, transparent promotion systems, and continuous training initiatives that support employee growth. Human resource practitioners should integrate career planning and professional development into retention strategies. Future researchers may examine additional factors such as leadership style, employee engagement, and organizational commitment to further explain job stability within SMEs.

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