FACTORS AFFECTING CAREER DEVELOPMENT: A COMPARATIVE ANALYSIS OF TWO ORGANISATIONS IN SARAWAK

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Much restructuring and delayering of the organisation structure has occurred and hence, limits the opportunity for upward mobility in employees’ career path. Career development is seen as a tool for organisations to match employees’ career goals to the organisation’s objectives in order to maintain satisfaction and commitment. The aim of this study is to determine employees’ level of job satisfaction and organisational commitment as well as investigate on the organisational factors affecting career development. This comparative study was conducted in two private organisations in Sarawak, Cahya Mata Sarawak Berhad (CMSB) and TELEKOM, Kuching Division. A total of 350 employees were selected as the sample of the study: 150 employees from CMSB and 200 from TELEKOM. However, only 59.3 percent and 47.3 percent of the questionnaires obtained from CMSB and TELEKOM respectively were analysed. Questionnaires examining the relationship between the dependent such as job satisfaction and organisational commitment, and independent variables such as demographic characteristics and organisational factors influencing career development were used to collect data for this study. The aspects of comparison are the organisation’s purpose, supervision, career development activities and staffing support system. Statistical analysis such as Pearson Correlation, One Way ANOVA, t-test and Multiple Regression Analysis were carried out to test the research hypotheses. The findings revealed a high job satisfaction and organisational commitment level in both organisations. The findings reported similarities in relationship between job satisfaction and age; length of service; level of education; organisation’s purpose; supervision; career development activities; staffing support system; and between organisational commitment and gender; age; length or service; level of education; organisation’s purpose; supervision; career development activities; staffing support system in CMSB and TELEKOM. Differences in relationship are showed between job satisfaction and gender; and job level; and between organisational commitment and job level in both organisations. The results also showed that the dominant organisational factor that affects job satisfaction and organisational commitment is organisation’s purpose and job opportunities. Based on the findings, it is suggested that the management should place more concern on creating job enrichment, job enlargement and job posting system to provide a variety of tasks and challenges for their employees in order to maintain their satisfaction and loyalty.
Abstrak

Kini banyak organisasi telah menstruktur semula dan mendatarkan carta organisasi mereka dan ini mengurangkan peluang untuk para pekerja mendapat promosi ke tahap pengurusan yang lebih tinggi. Untuk mengekalkan kepuasan kerja dan komitmen, pembangunan kerjaya digunakan sebagai alat untuk memadankan matlamat kerjaya pekerja dengan objektif organisasi. Objektif kajian ini adalah untuk menentukan tahap kepuasan kerja dan komitmen pekerja serta menyelidik faktor-faktor organisasi yang mempengaruhi pembangunan kerjaya. Kajian perbandingan ini dilaksanakan di dua buah organisasi swasta di Sarawak, iaitu Chaya Mata Sarawak Berhad (CMSB) dan TELEKOM, Bahagian Kuching. Sejumlah 350 orang pekerja terpilih sebagai sampel kajian ini: 150 orang pekerja dari CMSB dan 200 pekerja dari TELEKOM. Akan tetapi, hanya 59.3 peratus dan 47.3 peratus daripada borang soal selidik yang dikumpulkan dari CMSB dan TELEKOM digunakan dalam analisis kajian. Borang soal selidik yang mengkaji perhubungan di antara pembolehubah bersandar seperti kepuasan kerja dan komitmen terhadap organisasi, dan pembolehubah tak bersandar seperti faktor demografi dan faktor-faktor organisasi yang mempengaruhi pembangunan kerjaya telah digunakan untuk mengumpul data bagi kajian ini. Aspek-aspek perbandingan terdiri daripada tujuan organisasi, penyeliaan, aktiviti-aktiviti pembangunan kerjaya dan sistem sokongan staf. Analisis statistik seperti korelasi Pearson, ujian ANOVA, ujian-t, dan analisis regresi berganda linear digunakan untuk menganalisa hipotesis kajian. Dapatan kajian menunjukkan tahap kepuasan kerja dan komitmen yang tinggi di kedua-dua buah organisasi. Ia juga menunjukkan persamaan dalam perhubungan di antara kepuasan kerja dengan usia; jumlah tahun bekerja; tahap pendidikan; tujuan organisasi; penyeliaan; aktiviti-aktiviti pembangunan kerjaya; sistem sokongan staf; dan di antara komitmen dengan jantina; usia; jumlah tahun bekerja; tahap pendidikan; tujuan organisasi; penyeliaan; aktiviti-aktiviti pembangunan kerjaya; dan sistem sokongan staf di CMSB dan TELEKOM. Perbezaan perhubungan didapati di antara kepuasan kerja dengan jantina; dan tahap kerja; dan di antara komitmen dengan tahap kerja di kedua-dua buah organisasi. Dapatan kajian juga menunjukkan bahawa tujuan organisasi adalah faktor utama yang mempengaruhi kepuasan kerja dan komitmen. Berdasarkan dapatan kajian ini, adalah dicadangkan bahawa pihak pengurusan patut memberi perhatian dan tumpuan dalam menyediakan pelbagai tugas dan cabaran kepada para pekerja untuk mengekalkan tahap kepuasan kerja dan komitmen dengan merekabetuk progam pempelbagaian kerja, peluasan kerja dan sistem tawaran kerja.
CHAPTER 1
INTRODUCTION

1.0 Introduction

In this dynamic and turbulent environment, organisations are constantly faced with new challenges, which they have to adapt to in order to be in existence and survive. The advancement in technology has created vast changes in how businesses are run and managed. In addition, it has also made it very costly for organisations to keep pace with the changes. New machines and equipment, no doubt, aid in increasing the productivity and quality of goods and services. Technology also helps organisations in competing for a percentage of their share with their rivals in the market. However, machines and other equipment for production as well as technology are changing in a speed that is impossible for organisations to keep pace with. Therefore, more and more organisations are beginning to realise the importance of human resource - the people within the organisation in creating the competitive advantage to enable them compete and survive in the business environment.

Though technology may help in improving the business transaction, the success of an organisation still depends very much on the effective utilisation of its human resources. Without its people, organisation is unable to produce goods, as there is no one to operate the machines and equipment. It is the people within the organisation who determine the productivity and quality of the goods and services produced. In addition, employees are those who formulate strategies and develop alternatives to overcome challenges and problems. Thus, it is the people within the organisation who drive the organisation towards success.

As organisational effectiveness and efficiency depend very much on its human resources, organisations have to plan and manage the career of every individual very carefully. Career provides a channel for organisations to determine employees roles and responsibilities in a specific function. Therefore, organisations have to understand the necessary knowledge and skills required to perform a specific job. Correspondingly, organisations have to look into the needs, values and goals of the employees to ensure a match between the roles and responsibilities of the job and their personal interests. As Pepper (1992) noted employees can only get career satisfaction if the job matches with their expectations.

When employees perceived a match between their personal interests and the job to be performed, problems of frustration and lack of personal growth will less likely to occur. A compatible match creates good feeling within the employee and thus, he or she will reveal better performance in the job as well as satisfaction towards the job and the work environment as a whole. When an employee is satisfied with the job and the work environment, the tendency of him or her to leave the organisation will be low and commitment towards the organisation will increase. Thus, organisation should be aware of the need to create a design or system to match employee's personal interest and the job to be performed in order to avoid high turnover rate, low commitment and low job satisfaction.
1.1 Background of the Study

Career development is gaining more attention from various organisations as an effort to improve job satisfaction and organisational commitment. As Hall (1986) explained, career is a sequence of related work experiences and activities, directed at personal and organisational goals, through which a person passes during his or her lifetime, that are partly under their control and partly under that of others. This definition clearly indicates that career management is a joint responsibility between the individual and the organisation that employs them.

Thus, organisations, in the light of the rapid technological changes, uncertain economy and competition for market share have to be aware of the need to match employee's personal career goals and the demands of the organisation. This will create a win-win situation between the two parties. While the employees are developing themselves, they continue to contribute to the success of the organisations. In addition, opportunities provided by the organisations for employee development will generate greater job satisfaction and thus, stronger commitment to serve the organisation.

Job satisfaction is an important domain to study when considering career choices and career development activities (Dawis, 1990). In studying job satisfaction, the employees aspirations (needs and values) and attitudes (self-esteem, job involvement, organisational commitment, morale and life satisfaction) are included to enable further understanding of the reinforcers of job satisfaction and how these variables affect individual and organisational career development. Furthermore, a clear understanding of how job satisfaction influences career development system, organisations are able to design and develop effective system to meet individual's career aspirations and organisations' demand of its human resources.

Apart from job satisfaction, organisational commitment is another domain that receives much attention when studying career development practices. According to Reichers (1986), an individual's organisational commitment at the early career stage exists in the form of psychological attachment. However, at the later stage this commitment may diminish due to other variables such as lack of opportunity within the organisation for development or promotion. Thus, the individual will leave for better opportunities. By investigating on individual's career goals and aspirations will prevent the organisation from losing its valuable resource as they can provide opportunities for them to meet their goals and the demands of the organisation. Chow (1994) believed that highly committed employees have greater loyalty, higher productivity and are willing to assume more responsibility.

1.2 Organisations Understudy

The two organisations understudied are Cahya Mata Sarawak Bhd and TELEKOM, Kuching Division.
1.2.1 **Cahya Mata Sarawak Bhd (CMSB)**

Cahya Mata Sarawak (CMSB) is a well-known financial and infrastructure conglomerate in Sarawak with a population of approximately 1000 employees. The establishment of this organisation was first formed by Cement Manufacturers Sarawak in 1974 as a joint venture between the State Economic Development Corporations of Sabah and Sarawak and is the first company in East Malaysia to manufacture Portland cement. In 1989, the company was listed on the Kuala Lumpur Stock Exchange under a new name, Cement Manufacturers Sarawak Bhd. Later, it began to expand, diversify and acquire businesses in the infrastructure and financial sector.

In 1994, the original shareholders fully privatised the company and reconstituted the Board of Directors. Under the new leadership, Cement Manufacturers Sarawak Berhad embarked on a programme of expansion, diversification and acquisition, which led to the refocusing of the group into two core business division – infrastructure and finance. Within a few short years the Group (referring to CMSB) move rapidly, becoming Sarawak’s largest player in both these key sectors. As a major financial and infrastructure conglomerate, CMSB become one of the driving forces behind Sarawak’s economic development.

The group changed its name to Cahya Mata Sarawak Berhad (CMSB) in June 1996, which means *The Light of Sarawak’s Eye* (roughly translated as Sarawak’s Favourite Son) and reflects the Group’s expanded role whilst retaining the familiar initials. Further change and development took place during 1998, after an in-depth study of CMSB’s business activities. The resultant restructuring into seven Strategic Business Units (SBUs) has further streamlined the Group’s corporate and managerial organisation, and is a major step in transforming CMSB into a major public listed conglomerate, set to play a pivotal role in the infrastructure and financial development in Sarawak.

The seven SBUs consists of banking, securities and derivatives, cement and construction materials, steel, construction and services. There are a total of fifty-three operating entities managed under these SBUs.

1.2.2 **TELEKOM, Kuching Division**

TELEKOM, Kuching, a subsidiary of Syarikat Telekom Malaysia Bhd is a public listed company and thus, a private organisation. The headquarters of TELEKOM located at Simpang Tiga Kuching consists of nine departments or units: Malaysia Securitel, Human Resource Unit, Finance Unit, Technical Support Service Unit, Payphones Unit, Corporate and Government Sabah/Sarawak Unit, Sales and Service Centre Unit, Major Business Sales (Marketing) Unit, and Development Unit.

As a whole Syarikat Telekom Malaysia Berhad (STMB) presently has approximately 29,000 employees of which 1,300 are employed in Kuching, Sarawak. The employees are categorised into two broad job levels: the executive and non-executives. The executive level includes the top management and middle management personnel, such as managers, engineers, accountants, auditors and so forth. On the other hand the non-executive level positions include the technicians, clerks, secretaries, accounts assistants and so forth.
The mission statement of STMB is to provide total customer satisfaction in an effort to become a world class telecommunication company. This organisation is committed to achieve the stated mission through the development of human resource, supplying quality products and excellence service, and meeting the needs of the nation, employees and shareholders.

Thus, STMB provide training and development opportunities to its employees in order to improve their knowledge, skills and abilities. It is hoped that by developing its employees, STMB can meet its stated goal. Training and development programmes are conducted either internally (on-the-job) or through external courses. Training programmes are normally conducted at TELEKOM Training College in Kuching or Kuala Lumpur.

Supervisors and managers play an important role in motivating their subordinates to improve their work quality as well as provide quality service to the customers. As such, formal and informal meetings as well as personal discussions and talks with employees are encouraged for superiors to further understand the strengths and weaknesses of their subordinates in terms of capabilities. The interaction between superiors and subordinates can provide essential information for employees' career development plans. For example, the performance appraisal report is used to identify employee's job interests and capability of handling various tasks; and determine training needs for promotion opportunities.

1.3 Statement of the Problem

As a result of the ever-changing environment, organisations are constantly improving themselves through business process reengineering to meet the intense demand of the external environment. This recreation leads to a leaner organisation structure, which is believed to speed up decision making process and reduces operating costs as the middle management layer is being eliminated. However, without careful consideration of its consequences, such action will lead to negative effects like making survivors or the so-called high achievers non-promotable and thus, reduces the level of motivation and commitment, and the overall organisation effectiveness.

An individual who takes what Papper (1992) called, "the forward look" at his career will be demotivated as the delayering of the organisation structure would definitely restrict their possibility for promotion and therefore, realisation of their career goals. Realising the consequences of a flatter structure, organisations have to be more careful in managing the career of its employees in order to retain and keep high achieving performers satisfied.

Gutteridge (1986) noted that the outcomes of actions on career plans are viewed from both individual and organisational perspectives. This means that there must be a match between individual's career goals and organisations future demand. A mismatch between the individual's career aspirations and organisations career development practices will create problems such as low employee commitment, job satisfaction and thus, increase the turnover rate.
One of the solutions on how to retain talented and promising employees is through career development systems. A well-designed career development system at the vortex of change can provide the best solution (Leibowitz, Farren and Kaye, 1991) to problems of losing organisation's most promising and top people as well as the increasing turnover rate. However, organisations must understand the career goals and aspirations of their employees in order to develop a new or improve the current career development system. Failure to identify employees' talents, abilities, values, needs, attitudes and goals with regard to their career will drive them away from the organisation. Thus, the organisation will lose its valuable asset - its human resource as well as the cost of developing them.

As both organisations are reengineering their structures to reduce the management hierarchy in order to be more effective and efficient, the issue of career development becomes the centre of attention. This restructuring will lessen the opportunities for promotion and hence, without proper management of employees’ career, both organisations would face problems of losing key performing individuals, increasing turnover rate, job dissatisfaction and loyalty.

This study intends to compare the career development system of CMSB and TELEKOM and other organisational factors that influence career development in these two organisations. Career development system is predicted by the level of job satisfaction and organisational commitment.

Generally, this study seeks answers to the following questions:
1. What are the dominant organisational factors that influence the level of job satisfaction and organisational commitment between the two organisations?
2. Is the level of job satisfaction and organisational commitment in the two different organisations influenced by the varied demographic characteristics of the employees?
3. What is the strength of relationship between the level of job satisfaction with factors affecting career development in both the organisations?
4. What is the strength of relationship between the level of organisational commitment with factors affecting career development in both the organisations?

Comparative analysis is used in this study to determine the factors affecting career development between two private organisations, which are involved in different business industries. TELEKOM is focusing in telecommunications industry while CMSB has a total of seven different core business units ranging from financial to infrastructure development. Apart from that, CMSB is solely a private owned company from the beginning while TELEKOM is a government owned monopoly but was later being corporatised. Hence, a comparative analysis would determine how these two organisations differ in their career development practices.

As there is no direct measure of the effectiveness of career development systems, job satisfaction and organisational commitment are used as predictors in evaluating career development system. It is assumed that when employees are satisfied with their job, they are also happy with the career development system and hence, show commitment to the organisation.
1.4 Objectives of the Study

In general, the main purpose for conducting this research is to compare the level of job satisfaction and organisational commitment, and the demographic characteristics and organisational factors that influence the career development system of two organisations.

Specifically, the objectives of this study are to:

i. Compare the level of job satisfaction between CMSB and TELEKOM.

ii. Compare the level of organisational commitment between CMSB and TELEKOM.

iii. Determine the differences between the level of job satisfaction and the varied demographic characteristics that are gender, age, job level, length of service and level of education in CMSB and TELEKOM.

iv. Determine the differences between the level of organisational commitment and the varied demographic characteristics that are gender, age, job level, length of service and level of education in CMSB and TELEKOM.

v. Determine the correlation between the level of job satisfaction and organisational factors influencing career development system in CMSB and TELEKOM.

vi. Determine the correlation between the level of organisational commitment and organisational factors influencing career development system in CMSB and TELEKOM.

1.5 Research Hypotheses

The research hypotheses stated in null form to be tested are:

Ho1: There is no significant difference between level of job satisfaction and gender in CMSB and TELEKOM.

Ho2: There is no significant difference between level of job satisfaction and age in CMSB and TELEKOM.

Ho3: There is no significant difference between level of job satisfaction and job level in CMSB and TELEKOM.

Ho4: There is no significant difference between level of job satisfaction and length of service in CMSB and TELEKOM.

Ho5: There is no significant difference between level of job satisfaction and level of education in CMSB and TELEKOM.

Ho6: There is no significant difference between level of organisational commitment and gender in CMSB and TELEKOM.

Ho7: There is no significant difference between level of organisational commitment and age in CMSB and TELEKOM.

Ho8: There is no significant difference between level of organisational commitment and job level in CMSB and TELEKOM.

Ho9: There is no significant difference between level of organisational commitment and length of service in CMSB and TELEKOM.

Ho10: There is no significant difference between level of organisational commitment and level of education in CMSB and TELEKOM.

Ho11: There is no significant relationship between level of job satisfaction and organisation’s purpose in CMSB and TELEKOM.
Ho12: There is no significant relationship between level of job satisfaction and supervision in CMSB and TELEKOM
Ho13: There is no significant relationship between level of job satisfaction and career development activities in CMSB and TELEKOM
Ho14: There is no significant relationship between level of job satisfaction and staffing support system in CMSB and TELEKOM
Ho15: There is no dominant factor that influences the level of job satisfaction in CMSB and TELEKOM
Ho16: There is no significant relationship between level of organisational commitment and organisation's purpose in CMSB and TELEKOM
Ho17: There is no significant relationship between level of organisational commitment and supervision in CMSB and TELEKOM
Ho18: There is no significant relationship between level of organisational commitment and career development activities in CMSB and TELEKOM
Ho19: There is no significant relationship between level of organisational commitment and staffing support system in CMSB and TELEKOM
Ho20: There is no dominant factor that influences the level of organisational commitment in CMSB and TELEKOM

1.6 Conceptual Framework of the Study

The dependent and independent variables are shown in Figure 1. The dependent variables consist of job satisfaction and organisational commitment as a predictor of career development practices in the organisations understudy.

Independent Variables

<table>
<thead>
<tr>
<th>Factors Influencing Career Development</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographic Characteristics</strong></td>
</tr>
<tr>
<td>• Gender</td>
</tr>
<tr>
<td>• Age</td>
</tr>
<tr>
<td>• Job Level</td>
</tr>
<tr>
<td>• Length of Service</td>
</tr>
<tr>
<td>• Level of Education</td>
</tr>
<tr>
<td><strong>Organisational Factors</strong></td>
</tr>
<tr>
<td>• Organisation’s Purpose and Job Opportunities</td>
</tr>
<tr>
<td>• Supervision and Performance Assessment</td>
</tr>
<tr>
<td>• Career Planning and Career Development Activities</td>
</tr>
<tr>
<td>• Staffing Support System</td>
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</tbody>
</table>

Dependent Variables

<table>
<thead>
<tr>
<th>Career Development System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dimensions:</td>
</tr>
<tr>
<td>• Job Satisfaction</td>
</tr>
<tr>
<td>• Organisational Commitment</td>
</tr>
</tbody>
</table>

Figure 1. Conceptual Framework of the Study
The independent variables, on the other hand, are the factors influencing the career development system, namely, the demographic factors and organisational factors. The demographic factors being studied are gender, age, job level, length of service, and level of education. The organisational factors influencing career development system being studied are organisation's purpose and job opportunities, supervision and performance assessment, career planning and career development activities, and staffing support system.

The rationale for studying these four organisational factors is that organisations provide the context, structure and procedure which career evolves as well as the specific programmes and processes designed to influence career paths, mobility and human development (Stumpf, 1990). In other words, organisations have the social responsibility of the employees' future career plans and thus, it is important to analyse these organisational factors to determine the strength of its influence towards the employees' level of job satisfaction and organisational commitment.

1.7 Significance of the Study

This study aims to assess career development based on job satisfaction and organisational commitment among the employees in the organisations where the study is conducted. Thus, the results of this study generate useful information to the organisations as to whether the career development system receives favourable response from its employees.

In addition, this study also examines organisational factors that influence the career development system of the organisations. Results of this analysis is important in helping organisations improve their practices as well as provide an insight for future planning of career development strategies. The factors that influence career development provide a foundation of designing a better career plan for employees.

The findings of this study also will contribute beneficial information to the organisations understudy and other organisations in managing the career development of the diverse workforce. It is hoped that the findings are able to create awareness among human resource managers and practitioners the importance of acknowledging individual differences in the career development programmes and practices.

1.8 Definition of Terms

1.8.1 Career Development

Career development as defined by Gutteridge (1986) is the outcomes of actions on career plans as viewed from both individual and organisational perspectives. Peel (1992) advocated that career development is “the life long process of fostering and cultivating the shape of the individual's working life so as to make best use of inherent talent, skills, knowledge and interests for that person's and employer's benefit and also to match it as closely as possible to other aspects of the person's life” (p. 4).
In this study, career development refers to the actions of the organisation in planning and creating career path for their employees as well as the effort to match individual goals with organisational needs in order to incorporate job satisfaction and commitment.

1.8.2 Job Satisfaction

Job satisfaction is the pleasurable emotional state resulting from the achievement of one's job values in the work situation (Locke and Henne, 1986). In this study, job satisfaction refers to employees' good feeling which arose from organisation's commitment towards career development.

1.8.3 Organisational Commitment

Organisational commitment is defined as the collection of feelings and beliefs that managers have about their organisation as a whole (Jones, George and Hills, 1998). The commitment of the employees that arose from organisation's concern toward their career development and thus, retaining them from leaving the organisation is referred in this study.

1.8.4 Organisation's Purpose and Job Opportunities

Organisation's purpose is normally stated in the mission statement which declares its reason for being (David, 1998), concerning particularly why the organisation is in existence, the nature of its products and customers as well as distinguishes it from its competitors (Thompson, 1993). The job opportunities in this study refer to chances for promotion, advancement and development in an employee's career.

The term, organisation’s purpose and job opportunities will be referred as organisation’s purpose throughout this study.

1.8.5 Supervision and Performance Assessment

In this study, the role of the supervisor in influencing employees' career development is being studied. According to Leibowitz and Schlossberg (1981) supervisors can play the role of a coach, appraiser, adviser and referral agent in helping employees plan and develop their careers.

Performance assessment is more widely understood by the term performance appraisal and is defined by Mondy and Noe (1996) as a formal system periodic review and evaluation of an individual's or team performance. In this study, performance assessment is used to determine employees' strengths and weaknesses as well as their talents and potential.

The term, supervision and performance assessment will only be referred as supervision throughout this study.
1.8.6 Career Planning and Career Development Activities

Leibowitz, Farren and Kaye (1991) defined career planning as "a process by which individuals determine their skills, interests and values; consider which options 'fit' them; and set goals and establish plans for achieving their goals" (p. 4).

Career development activities refers to a range of practises used by organisations to guide their employees in identifying and determining their areas of interest to pursue in their career. This activities include development programmes, job matching systems, career counselling, performance assessment and employees self-assessment tools.

Career planning and development activities is viewed as an approach used by management to help employees distinguish their career goals and abilities in order to gain greater satisfaction in their job as well as meet organisational stated objectives.

The term, career planning and career development activities is referred as career development activities throughout this study.

1.8.7 Staffing Support System

The staffing support system refers to the mechanism used by organisations to help them make staffing decisions such as promotions and transfers (Stumpf, 1990). This study will investigate on the formal and informal staffing support system. The formal system refers to promotion and transfer policies, job matching systems and job posting. The informal system refers to social support from supervisors, peers and co-workers in sharing career planning and development information.

1.9 Limitations of the Study

The limitations of the study are as follows:

1. This study is conducted in two organisations and thus, the findings of this study may not be generalised to reflect the practices of other organisations. Similar study should be conducted in other organisations in order to compare the findings of this research.

2. As the data for this study is collected via questionnaire, the sincerity of the respondents in expressing their opinions in the questionnaire is questionable. The researcher is assuming that all the answers to the items in the questionnaire reflect their true feelings and views.

3. The statements in the questionnaire may not be fully comprehended by the respondents. This may lead to inaccurate responses and thus, inaccurate findings.

4. There are many factors (monetary and non-monetary benefits, work environment and peer relationship) that create job satisfaction and commitment among employees and not necessarily career development system. This study, however, only investigates on job satisfaction and commitment level among employees as a predictor of the effectiveness of the career development system in the organisation.
CHAPTER 2
LITERATURE REVIEW

2.0 Introduction

This chapter will review literatures from journals, research papers, articles and books written by authors in the related field of study. It will first discuss the career development practices in general and later, focused on the issues of job satisfaction and organisational commitment. Apart from this, the organisational factors influencing career development practices will also be discussed.

2.1 Career Development

The contemporary work environment both internal and external is in a constant state of flux. The external environment is characterised by unprecedented change, which include mergers and acquisition, technological change, globalisation and so forth. The internal environment is experiencing an increasing climate of change from people within the organisation who are seeking careers. Kummerow (1991) noted that people change careers more frequently than ever before and are demanding more satisfaction in terms of what they do, where they do it, with who they do it and how they execute their duties. Thus, a career decision might be just about getting a job and moving up the career ladder in the past but presently, it has shifted to a more complex activity. It involves a shared responsibility between the individual employees and the organisation in determining the expectations of the organisation in the future and meeting the individual career goals simultaneously.

The nature of career and career development has been evolving since the early twentieth century. Back then, the term career is often used synonymously as job or occupation. Now, career is perceived as combinations and sequences of life roles, the settings in which life roles unfold and the planned and unplanned events that occur in people’s lives (McDaniels & Gybers, 1992). Career development on the other hand, in the past can be seen in apprenticeship training whereby individual workers learn certain skills by observing and learning through practice (DeSimone, 1998). Currently, career development is perceived more and more as the unfolding and interaction of roles, settings, and events all through the life span. This is supported by Super who proposed in his theory of career development (1990) that one’s career life includes more than an occupation - it includes other life roles as well.

The evolution of career and career development perspective is resulted from changes in the social and economic system, and in the values and beliefs individual holds about themselves, others and the world in general (McDaniels & Gybers, 1992). This may be due to the fact that more and more people are seeking meaning and coherence in their life roles and hence, their careers during the life span.

Several research studies have pointed to the changing nature of career development in the workplace (Ball, 1997). Holbeche (1994) noted that flatter, delayered organisations offer fewer opportunities for long term security and career progression in the conventional sense and this change has caused lower morale, increases workload and fewer promotional prospects. Employees now face a revised set of assumptions.
surrounding the notion of career development (Table 1). Though flatter organisations are unable to provide career progression to the same degree as before, new ways have to be explored to retain and motivate employees to continuously perform their job well.

**Table 1. Changing Assumptions about Work**

<table>
<thead>
<tr>
<th>Traditional Assumption</th>
<th>Emerging Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full employment is sustainable</td>
<td>Full employment is not likely to return in the foreseeable future</td>
</tr>
<tr>
<td>Most people allow a stable straight line career path to retirement</td>
<td>Career paths are increasingly going to be diverted and interrupted</td>
</tr>
<tr>
<td>Career development means upward mobility</td>
<td>Career development can be facilitated by lateral and downward moves</td>
</tr>
<tr>
<td>Only new or young employees can be developed</td>
<td>Learning and change can occur at any age and career stage</td>
</tr>
<tr>
<td>Career development relates primarily to work experience and can take place only in one’s job</td>
<td>Career development is influenced by family, personal and community rules and can be facilitated by work outside paid employment</td>
</tr>
</tbody>
</table>


The nature of the organisation, what the organisation needs and expects from its employees, and what employees want and need from the organisation are all evolving. For example, the skills organisation demand from their employees have been shifted from a narrowly specialised field towards multitasking, a more general and broader field. In addition, organisations are also demanding for more accountability while offering less security and stability. Employees are seeking for work that offers them more satisfaction whereby, they have the freedom to use their creativity and initiative to perform their jobs (Jaffe & Scott, 1991). As a result, career development is taking on greater importance in many organisations. It has become a competitive tool for retaining employees and helping them develop the new competencies and attitudes needed by the organisation presently and in the future.

According to Gutteridge, Leibowitz and Shore (1993), since the middle 1970s career development has been transformed from an isolated tool for individual growth to a key strategic asset for far-sighted organisations. This means that organisations are using career development as a tool to help employees plan their careers in concert with the organisation’s business requirements and strategic direction.

The term ‘organisational career development’ is defined as a planned effort to link individual’s career needs with the organisation’s workforce requirements (Gutteridge, Leibowitz and Shore, 1993). Hence, it is hoped that employees develop themselves in ways that relates their personal effectiveness and satisfaction with the achievement of the organisation’s strategic goals (Figure 2).
In 1990 and 1991, Gutteridge and associates (1993) surveyed 1000 large U.S. based organisations and 96 U.S. government agencies regarding their career development activities. Career development systems in that survey was defined as “a system of processes and practices designed to link an individual career goals with the organisation’s human resource needs” (p. 12). The findings revealed that 70 percent of the participating organisations had or were launching career development systems and most of them have been practising the system between one to six years. The other 30 percent did not have a career development system due to insufficient support from the top management (54 percent); insufficient budgetary resources (37 percent); and lack of human resource capability or interest (27 percent).

The 70 percent of participating organisations indicated that the top three main factors influencing the development of career programmes in the organisations were (1) a desire to promote form within, (2) a shortage of promotable talent, and (3) and organisational commitment to career development. The first two reasons were clearly related to upward mobility while the third is related to organisation’s responsiveness to employees’ desires (i.e., career goals).
The findings of the study also revealed that career development is generally a shared responsibility between employees (51 percent), managers (25 percent) and organisation (24 percent). This showed that the responsibility of career development is seen as a balance that individuals are primarily responsible for their own career development and that career development systems are designed to meet organisational needs.

Career development consists of two components: career planning and career management. Career planning is a “deliberate process of (1) becoming aware of self, opportunities, constraints, choices and consequences, (2) identifying career related goals, and (3) programming work, education and related developmental experiences to provide the direction, timing and sequence of steps to attain a specific career goal” (Storey, 1976, in Hall, 1986, p.3). Hence, career planning refers to the actions of individual employees in assessing their strengths and capabilities, and creating developmental activities to meet future challenges in their career.

Employees are aware that the only source of employment security is by becoming self-reliant and career resilient (Brown, 1996). Thus, in planning for their career, they continuously evaluate their interests and skills, and enhance their career growth via lifelong learning and ongoing skill development. However, the individuals need not perform these activities alone. They can seek assistance from counselors, supervisors, and others within and outside the organisation.

Career management on the other hand refers to the “ongoing process of preparing, implementing and monitoring career plans undertaken by the individual employee alone or in concert with the organisation’s career system” (Storey, 1976, in Hall, 1986, p.3). It is the organisation responsibility in providing the mechanism to match the individual employees’ career goals with the organisation’s demand and expectations of the skills required. As such career management can be referred to as organisational responsiveness to meet individual’s career goals as well as to prepare the entire workforce to reach for the stated objectives. Hence, support and commitment from the top management play a crucial role in making the career development system in the organisation as success.

From the definitions above it is clear that career development is a shared responsibility between the organisation and the individual employee. The organisation provides the opportunities, tools and support to help the employees develop their skills and maintain their employability; the employees have the responsibility of managing their own career by taking advantage of the opportunities they are given (Brown, 1998a).

A research was conducted in Royal Mail to look at the managers’ level of satisfaction and gather evidence on their perception towards the organisation’s efforts to assist their career development. Royal Mail, the letters processing, distribution and delivery arm of the United Kingdom Post Office has undergone a radical reorganisation, which has replaced sixty four districts with only nine divisions and a twenty percent reduction in managerial-level posts. With the reduction in the number of levels of management, there is a corresponding decrease in the opportunities for promotion and an increase in the number of managers at each level who may be considered plateau (Zaremba, 1994).

A total of 425 questionnaires were distributed to all managers from the junior level to the Division General Manager. The questionnaire seek data on intrinsic and extrinsic job satisfaction; intrinsic and extrinsic career satisfaction; satisfaction with future