



The Effects of Interest Rate on Career Path Management on Effectiveness Performance of Employees (Case study: Telecommunication Company of North Khorasan Province - 2015)

Farideh HEKMATİFAR^{1,*}, Fariman EBRAHİMZADEH²

¹Islamic Azad University Bojnourd Branch, Bojnourd, Iran

²Department of Administration, Shirvan Branch, Islamic Azad University, Shirvan, Iran

Received: 22.03.2015; Accepted: 29.05.2015

Abstract. The goal of this study is analyzing the effect of interest rate on career path management on effectiveness of employee performance of Telecommunication Company of North Khorasan province. Therefore 128 employees from different levels of; top, middle and common were randomly chosen. Data collection method was done by two questionnaire of career path management (made by researcher) and Standard questionnaire of performance effectiveness (Lari et al.) that the validity and reliability of the questionnaires were confirmed. Data were analyzed by SPSS18 software and the Pearson correlation test was used to test the hypothesis. Then the regression equation was used to predict the changes of performance effectiveness based on management development path. The results showed that there is a significant difference between career path management and effectiveness of employees' performance (Pvalue<0.001).

Keywords: Career Path Management, Employees, Performance and Effectiveness

INTRODUCTION

Some people are passive audience and some are active actors in their lives. This is true about career path management. Some of them put their destiny in hands of others and some accept the responsibility to affect that. Skillful management of career path is very important because when one's professional and personal life is consistent they germ or happier and more satisfied with their lives. Besides that, failing in career path management caused no professional development (stagnation at a same level), the negative attitude towards work, mental stress and will eventually lead to poor life [1]

It can be said that in an organization, in addition to communication and career commitments of people path, there are progressive variables such as income, job security and organizational security.[2] Variables that there increase or decrease is caused by a series of job activities [3].

Based on Ackah & Heaton [4] study; occupational activities carried out by the employees of an organization can provide the conditions to fully satisfy their needs and therefore internal satisfaction increase. The amount of their satisfaction from work and life is career success. Therefore, many of the structural and social changes can influence on many of managers occupational activities like career success [5].

Career path management: In fact career path management (CMP) is a new branch of human resource management and its goal is prevent the random responsibilities of employees and career path in an organization be based on right logic and designed based on clear purpose.

* Corresponding author. E-mail: Hekmat.far155@gmail.com

The Effects of Interest Rate on Career Path Management on Effectiveness Performance of Employees

(Case study: Telecommunication Company of North Khorasan Province - 2015)

The management of occupation path or career path management is process by which the career development program of staff is designed for an organization and based on organization needs assessment; performance and potential and personal preferences are shaped and planed. [6]

Career path development: There different definitions of career path development that are presented until now, we mention two of them in following lines;

- A set of professions that a person does during their working life time
- A set of experiences related to their professions during their working life time

In this definition a word "Set" shows that a person experience more than one job or role during their working life time. The word "Experiences" shows that mental aspects of career path development are in addition to its objective aspects. An expression "related to their professions" includes concepts such as job training, volunteer jobs and even unemployment of that person.

In general we can say career path development is including education, goals, hopes, wishes and feelings of the roles and positions that person takes over during his working life time. A career path in its broad sense includes non-paid jobs such as voluntary activities. These definition shows that not just management business but all other jobs have career path [7]

Performance; the lexical meaning of performance is state or function quality. Therefore, the organizational operations are an overall structure that refers to the way of organizational performance. The most important performance definition belongs to Nili et al. (2002); the process of quality effectiveness and efficiency of the past measures. Based on this definition performance can be divided into two components: 1)The efficiency that is describing the organization usage of resources in the manufacture of products or services, it means the relationship between the real and the ideal combination of inputs to produce specific outputs; 2)The effectiveness that is describing the organization's goals [8].

Boyatzis[9] presented an interesting definition about effectiveness performance; Effective performance of a job is to achieve specific results or achieve to predetermined specific results for the job (such as income) through specific measures that comply with the policies, procedures, and organizational environment [10].

Performance is yielding acceptable results for the internal and external customers those who receive products, services, information and decision or functional events such as presentations and competitions [11].

There are few studies about career path management. Marshall and Bonner[12] measured career path in a heterogeneous sample of 423 students graduated in five different countries, including Singapore and Finland, and the striking result was that the students insisted on the center of managerial competence and independence.

Edgar H. Schien[13] believes that a managing career development in an organization leads to person progress over their serving years. The organization should do necessary planning for career advancement of its employees and guide them through that path. A correct and fair career path development can cause performance effectiveness, job satisfaction, their commitment toward organization and things like that. Therefore organizations via creating appropriate career path development for employees not only contribute to organization development but also to the individuals too.

Greg Thompson[14] in his survey suggests that the consent of career path is dependent on adjustment between pivot progress and the particular employment of mankind. So if the pivot progress of someone is independency then they will not be satisfied with direct supervision that or issues such as salary increases based on years of service, or the cost of living.

Daniel C. Feldman[15] believed that being aware of pivot progress is important for a person because it optimize the compatibility between the values and needs of the individual and job characteristics. However, it should be remembered that pivot progress and career path is mostly determined by work experience therefore every moment and with every new experience in learning is being modified and affect the performance.

Samiei, Sadeqian and Abedi[16] in a study entitled dreams and successful career path of managers said since the managers believe that they have the ability to control the direction of their career and on the other hand, a lot of desire and motivation to succeed and avoiding failure is an integral component of managers' goals, organizations should have a special interest toward different needs and expectations of managers and employees, in other words they should know their needs and wishes and prepare the organization conditions in a way that managers can also recognize their career path aspirations and take measures to achieve career advancement. Human resource management in any organization is obliged to consider the interests of individuals and organizations together and consider the needs of career path of staff to increase work incentives along with increasing production and productivity of their organization.

Pour Kiani [17] in an analysis of the job's proportion with personality and career success believes that human resource managers in organizations at the time of recruitment of human resources and staff development should consider the job as cloths to dress them up and select the appropriate employee to fit that dress and do not get annoyed by wearing that cloths later. Functioning methods like this in human resource recruitment can increase the efficiency and general development of that organization. Organizations and companies must pay attention more than any other subject in the field of human resources to the quality of recruiting human resources to optimum proportion of employee with their job. Lack of consideration toward job proportion caused effects such as reducing the efficiency and effectiveness of the organization, decreasing job satisfaction, decreasing coordination and compatibility with job decreasing job success, increasing personnel transfer and resigning and increasing job burnout.

Yeganegi[18] in a study on the role of management on competency on effectiveness of the management of Telecommunication Company of Qazvin believes that one of the factors that make a positive impact on the effectiveness of management is the general credit factor. As official communications will improve the professional reputation of the organization increasing informal communication that occurs around the social relationship of organization members also lead to the strengthening and improvement of public credit and thus the effectiveness increase too. Also if the managers have good behavior toward their subordinates, their reputation has been enhanced, and thus the effectiveness of the management and development of the organization will increase.

METHODOLOGY

To determine the direction of management of career path development, the researcher questionnaire was used which in this questionnaire 27 items were used, and to assess the effectiveness of employee performance evaluation, Larry's[19] Standard questionnaire of assessing the effectiveness was used that is consists of 19 items. The results of Cronbach's alpha for career path management questionnaire was 0.86 and for questionnaire of performance effectiveness was 0.92 which indicates that the question of questionnaire have acceptable reliability.

The statistical population of this study is the all employees of Telecommunication Company of North Khorasan province in 2014 that is 200 persons. And our sample is 128 of managers and employees that were chosen by Cochran's C test.

The conceptual model of research has been done on the basis of steps of selecting super job referring to stages 2 and 3 of this theory. Which investigate the effects of the direction of progress

The Effects of Interest Rate on Career Path Management on Effectiveness Performance of Employees

(Case study: Telecommunication Company of North Khorasan Province - 2015)

on the effectiveness of Telecommunication Company in North Khorasan. In this study, the career path management is the independent variable and the dependent variable is the performance effectiveness. Figure 1 shows the model dimensions and the relations between them.



Figure 1. Conceptual model.

Findings and data analysis

The data related to gender shows that 54.3 percent of participants are male and 54.7 of them are female. And it shows that the more proportion of participants belong to female. Also, most of the participants, the 64.5% of them have bachelor degree and have been divided into six periods of work experience and the results show that the majority of them have 14-10 years' experience. Most of the participants are contract employees 44.9 percent.

The main hypothesis research test

H_0 : There is a no relationship between career path management and performance effectiveness of employees of North Khorasan Telecommunication Company.

H_1 : There is a positive relationship between career path management and performance effectiveness of employees of North Khorasan Telecommunication Company.

The contradiction of $H_0: \rho = 0$ is $H_1: \rho \neq 0$.

The hypothesis was tested by Pearson correlation coefficient test. The results of test are shown in Table 4.1

Table 4-1. Results of the Pearson correlation coefficient for the main hypothesis.

Effectiveness evaluation of organizational performance		Variable	
0.30	Correlation	Career path management	Main hypothesis
0.001	Significance level		
128	Sample size		

The table shows that there is a significant correlation between career path management and performance effectiveness of employees of North Khorasan Telecommunication Company. Considering the significant level 0.001 in a confidence level 99.5 we can reject the null hypothesis and accept H_1 . Therefore there is a positive relationship between career path management and performance effectiveness of employees of North Khorasan Telecommunication Company. So by

increasing focus on career path management in an organization the evaluation of employees' performance increased too.

The results of this hypothesis is consistent with Fledman (1989), Tomson (1990) and Rezaeian (2012) which they believe focusing on career path management has positive effect on employees' performance.

CONCLUSION

One of the most important factors in determining the objectives of the career path management is career path objectives. Career path objectives shows that a person has vivid image of their future and can present plans that conduct their activities toward satisfying important needs and performance effectiveness of an organization. Most of the people choose their career path objectives to please the organization they work for, not for their own sake. Those who choose their career path objectives to attract others attention, post probably cannot satisfy themselves. Edgar H. Schien is a prominent researcher on career path, defined the pivot of career path as: "self-image of self from their own career path". It means what a person thinks of his progress. A pivot of career path or self-image can affect the decisions a person makes about career path and can direct that and also restrict those decisions. Knowing different types of career path pivots is important because it has deep effect on choices related to career path and work combinations and family and personal priorities.

Therefore it is necessary that the management of North Khorasan Telecommunication Company give special attention to three important elements of creating opportunities, management development and career path management in order to manage the development path. And have effective plans for that. And because career path management increase the effectiveness performance of employees therefore the management of North Khorasan Telecommunication Company should pay attention to that more and perform the necessary planning.

REFERENCES

- [1]. Lawson K. Savery , (1989) "Comparing Plateaued And Nonplateaued Employees " , Journal Of Managerial Psychology , Pp.12-15
- [2]. Cappelli, P.(1992). Examining Managerial Displacement, Academy of Management Journal 35(3), 203-217.
- [3]. Rasdi, M. R.; Maimunah, I.; Uli, J. & Noah, S. M. (2009). Career Aspirations and Career Success Among Managers in the Malaysian public sector. Research Journal of International Studies. 9, 21-35.
- [4]. Ackah, C. & Heaton, N. (2004). The Reality of New Careers for Men and for Women, Journal of European Industrial Training 27(2-4),141-158.
- [5]. Baruch, Y. (2004). Managing Careers: Theory and Practice. Glasgow, England: Pearson Education Limited .
- [6]. Seyed Javadin, Seyed Reza, (2010), Fundamentals of Human Resource Management, publication of Tehran University Business department,
- [7]. Rahnavard, Farajollah , (2009), Factors affecting the performance improvement of public sector organizations in Iran, in the eighth, Journal of Management, No. 4
- [8]. Boyatzis, R. E. (1982). The Competent Manager.A Model For Effective Performance.John Wiley & Sons. New York
- [9]. Sydanmaanlakka, P. (2003). Intelligent Leadership And Leadership Competencies: Developing A Leadership Framework For Intelligent Organizations. PHD Dissertation, Helsinki University Of Technology, Department Of Industrial Management, Laboratory Of Work Psychology And Leadership, Pp. 1-180

The Effects of Interest Rate on Career Path Management on Effectiveness Performance of Employees

(Case study: Telecommunication Company of North Khorasan Province - 2015)

- [10].Rezaeian, Ali, (2012) ,Team making at twenty-first century (Advanced Organizational Behavior Management), Third Edition, Tehran: The organization of study and editing books of University (SAMT),
- [11].Marshall, V. & Bonner, D. (2008). Career Anchors and the Effects of Downsizing:Implications for Generations and Cultures at Work. A Preliminary Investigation, Journal of European Industrial Training 27(6), 281-291
- [12].Edgar H. Schien , “ Individuals And Careers , “ In Handbook Of Organizational Behavior ,Ed . Jay W . Lorsch (Englewood Cliffs, N . J.: Prentice – Hall , 1987) , P.155
- [13].Greg Thompson , “Corporate Cultures Compared: Which Climate Suits Your Personality , “ The Wall Street Journal:Managing Your Career , Spring 1990 , P.13
- [14].Feldman, D.C. and Bolino, M.C. (1996). Careers within careers: reconceptualizing the nature of career anchors and their consequences. Human Resource Management Review, pp. 89-112
- [15].Samiei, Fatemeh; Sadeqian, Alireza ,(2015); "Wishes and successful career managers", Journal of Human Resources Management University of Imam Hussain (AS), the sixth year, No. 1, pp. 53-77, spring
- [16].Pourkiani Masoud; (2013) ,Jalali Javaran; "Analysis on the proportion of jobs with character", Journal of Management Convention, S65-69,
- [17].Yeganegi, Seyedeh Atefeh ,(2011) "The role of management competence in Telecom Management Effectiveness in Qazvin province", published in the Journal of Management Development and Transition, No. 5, pp. 57-68
- [18].Larry M. Coutts, Frank W Schneider, Police Officer Performance Appraisal Systems ,Policing Vol.27.No.1,2004,Pp.67-81