

THE RELATIONSHIP BETWEEN CAREER MANAGEMENT  
AND INDIVIDUAL PERFORMANCE

NURA MERUDA

UNIVERSITI UTARA MALAYSIA  
**JUN 2003**

**THE RELATIONSHIP BETWEEN CAREER MANAGEMENT AND  
INDIVIDUAL PERFORMANCE**

A thesis submitted to the Graduate School in partial  
fulfillment of the requirements for the degree  
Master of Science (Management),  
Universiti Utara Malaysia

BY  
Nura Meruda

Copyright©Nura Meruda, 2003. All Rights reserved



Sekolah Siswazah  
(Graduate School)  
Universiti Utara Malaysia

**PERAKUAN KERJA KERTAS PROJEK**  
(*Certification of Project Paper*)

Saya, yang bertandatangan, memperakuan bahawa  
(*I, the undersigned, certify that*)

**NURA MERUDA**

calon untuk Ijazah Sarjana Sains (Pengurusan)  
(*candidate for the degree of*)

telah mengemukakan kertas projek yang bertajuk  
(*has presented his/her project paper of the following title*)

**THE RELATIONSHIP BETWEEN CAREER MANAGEMENT  
AND INDIVIDUAL PERFORMANCE**

seperti yang tercatat di muka surat tajuk dan kulit kertas projek  
(*as it appears on the title page and front cover of project paper*)

bahawa kertas projek tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan.  
(*that the project paper acceptable in form and content and that a satisfactory knowledge of the field is covered by the project paper*).

Nama : Assoc. Prof. Dr. Khulida Kirana Yahya  
(Name) (Penyelia Utama/Principal Supervisor)

Tandatangan :   
(Signature)

Nama : Puan Siti Zubaidah bte. Othman  
(Name) (Penyelia Kedua/Second Supervisor)

Tandatangan :   
(Signature)

Tarikh : 30/6/2003  
(Date)

## **PERMISSION TO USE**

In presenting this thesis in partial fulfillment of the requirement for a postgraduate degree from Universiti Utara Malaysia, I agree that the University Library may take it freely available for inspection. I further agree that permission for copying of this thesis in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor, in their absence, by the Dean of the Graduate School. It is understood that any copying or publication or use of this thesis or parts thereof for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to Universiti Utara Malaysia for any scholarly use which may be made of any material from my thesis.

Requests for permission to copy or to make other use of material in this thesis, in whole or in part, should be addressed to:

**Dean of Graduate School  
Universiti Utara Malaysia  
06010 UUM Sintok  
Kedah Darul Aman.**

## ABSTRAK

Objektif utama kajian ini ialah untuk melihat hubungan di antara pengurusan kerjaya dan prestasi individu. Pengurusan kerjaya diukur melalui tiga dimensi **utama** iaitu *pengurusan kerjaya organisasi, perancangan kerjaya, dan strategi kerjaya*. Kajian ini juga dijalankan untuk mengetahui dimensi dan faktor yang paling mempengaruhi prestasi individu dengan membuat perbandingan ke atas dimensi-dimensi pengurusan kerjaya serta perbandingan ke atas faktor-faktor di dalam dimensi pengurusan kerjaya organisasi dan dimensi strategi kerjaya.

Penyelidikan ini dijalankan secara kuantitatif dan data dikutip melalui borang soal selidik yang diedarkan kepada 169 orang agen insurans yang telah dipilih secara persampelan rawak di salah sebuah syarikat insurans di Alor Setar, Kedah. Instrumen yang digunakan di dalam kajian ini mempunyai tahap kebolehpercayaan yang tinggi. Sebanyak 57 borang soal selidik telah berjaya dikutip dan daripada jumlah itu, hanya 55 digunakan untuk tujuan penganalisaan.

Data dianalisa menggunakan Ujian Korelasi Pearson dan Ujian Regressi Pelbagai. Hasil kajian mendapati wujudnya hubungan di antara pengurusan kerjaya organisasi, perancangan kerjaya, dan strategi kerjaya dengan prestasi individu. Kajian ini juga mendapati ketiga-tiga faktor di bawah pengurusan kerjaya organisasi iaitu pembangunan kerjaya, polisi pengurusan kerjaya, dan pengagihan maklumat mempunyai perkaitan dengan prestasi individu. **Kesemua** faktor di dalam strategi kerjaya iaitu mencari bimbingan kerjaya, fleksibiliti terhadap peluang kerjaya, membina saluran perhubungan, penonjolan diri, dan memperluaskan penglibatan diri dalam kerjaya, juga didapati mempunyai hubungan dengan prestasi individu.

Secara keseluruhannya, kajian ini mendapati perancangan kerjaya sebagai dimensi yang paling mempengaruhi prestasi individu. Sementara pembangunan kerjaya menjadi faktor pengurusan kerjaya organisasi yang paling penting dalam mempengaruhi prestasi individu; fleksibiliti terhadap peluang kerjaya dan membina saluran perhubungan pula menjadi faktor di dalam strategi kerjaya yang signifikan di dalam mempengaruhi prestasi individu.

## ABSTRACT

The main objective of this study is to examine the relationship between career management and individual performance. The three dimensions measured career management were *organizational career management (OCM)*, *career planning*, and *career strategies*. This study also examine which among the dimensions and factors are the most important in explaining individual performance; through the comparison among dimensions in career management, and the comparison among factors in organizational career management and career strategies.

This study was conducted quantitatively where data were collected through questionnaires that were distributed to 169 salespeople selected randomly in an insurance organization, in Alor Setar Kedah. Instruments used in this study possessed high reliability values. From the total of 169 questionnaires, 57 were collected, however only 55 can be used for further analysis.

The data were analyzed using Pearson Correlation and Multiple Regression. The findings of the study indicate that OCM, career planning, and career strategies were correlated with individual performance. This study also reveals that the three factors under OCM namely career information, career development and career management policy were related with individual performance. All factors in career strategies namely the seeking career guidance, building network of contacts, maintaining career flexibility, self-presentation, and extended work involvement were also correlated with individual performance.

In short, this study found that career planning is the most influential dimension of career management that contributed to individual performance. Whilst career development is found to be the most essential factor under OCM that influences individual performance; maintaining career flexibility and building network of contact are factors under career strategies that found significant in explaining individual performance.

## **ACKNOWLEDGEMENTS**

I wish to express sincere, heartfelt appreciation to those involved in the completion of this research.

First and foremost, I wish to express special thanks, appreciation and deep gratitude to my research supervisor, Associate Professor Dr. Khulida Kirana Yahya, who has been there to provide continuous guidance, advice, encouragement, support and generous amount of time in helping me to complete this research. Her remarkable unique ways and professionalism of handling my weaknesses has turned my simplistic mind to see things in more rational and critical view. It has been a great pleasure and a privilege to learn from someone who is professional like her.

Not forgetting my second supervisor, Puan Siti Zubaidah bte Othman, who has agreed to be my supervisor. This research could have completed earlier if I have only come to consult from you when Dr. Khulida wasn't around.

Special thanks also goes to Miss Chua Hooi Ling, The Branch Manager; Mr. Michael Ngan, Training and Education Manager; all District Managers; Unit Managers; Sales Agents; and to agency assistants of American International Assurance Co. Ltd, Alor Setar Kedah, for their kind assistant throughout the data collection process.

Sincere appreciation of course goes to my parents for their support and encouragement throughout my long educational effort. Their constant love and sacrifices were instrumental in the completion of this research. Without their endless sacrifices, constant love and steadfast support, I would never have reached this level. To my three little brothers, Jeffery, Jerry and Jeremiah, it is to you I dedicate this effort.

My biggest thanks is also offered to Irene Yong for her diligent work in editing the draft of my report, to Jame, Ray, Intan, Asong, Rosevi, and Lin for their generosity, Min for helping me to analyze the statistical data, Andung and Bibi for their kind morale support and prayer, and all who have supported me and cared for me throughout this research endeavor.

Above all, I would like to offer my deepest appreciation and thanksgiving to The One Most High. There is no way to measure what You've worth. You are The One who have made things possible. You deserve all glory and honor.

## TABLE OF CONTENTS

	Page
PERMISSION TO USE	I
ABSTRAK	II
ABSTRACT	III
ACKNOWLEDGEMENT	IV
TABLE OF CONTENTS	V
LIST OF TABLES	VIII
LIST OF FIGURES	IX
 <b>CHAPTER 1: INTRODUCTION</b>	 1
1.1 Problem Statement	2
1.2 Research Questions	3
1.3 Objectives Of The Study	4
1.4 Significance Of The Research	4
1.5 Limitations Of The Study	5
 <b>CHAPTER 2: LITERATURE REVIEW</b>	 6
2.1 Definitions Of Terms	6
2.1.1 The Traditional and Contemporary Concept Of Career	6
2.1.2 Career Management	8
A) Organizational Career Management	10
B) Career Planning	15
C) Career Strategies	15
2.1.3 Performance	17
2.2 The Relationship Between Variables	18
2.2.1 Relationships Between Organizational Career Management (OCM) And Performance	18
2.2.2 Relationships Between Career Planning And Individual Performance	19
2.2.3 Relationships Between Career Strategies and Performance	21
2.3 Conclusions	23

<b>CHAPTER 3: RESEARCH METHODOLOGY</b>	25
3.1 Research Design	25
3.2 Research Framework	25
3.3 Data Collection Methods	26
3.4 Sampling Design	27
3.4.1 Population And Sample	27
3.4.2 Background Of The Organization	27
3.5 Questionnaire Development	28
3.5.1 Individual Performance	28
3.5.2 Career Planning	29
3.5.3 Organizational Career Management (OCM)	30
3.5.4 Career Strategies	32
3.6 Design Of Questionnaire	34
3.7 Pilot Study	34
3.8 Data Collection Procedure	35
3.9 Data Analysis	36
3.9.1 Factor Analysis	37
A) The Organizational Career Management Items	37
B) The Career Strategies Inventories Items	38
3.10 Validity and Reliability	41
<b>CHAPTER 4: FINDINGS</b>	42
4.1 The Descriptive Analysis Of The Demographic Profile	43
4.2 Correlation Analysis Of Variables	44
4.2.1 Correlation Between The Dimension of Career Management and Individual Performance	44
4.2.2 Correlation Between Factors in OCM and Individual Performance	44
4.2.3 Correlation Between Factors in Career Strategies and Individual Performance	45

4.3 Multiple Regression Analysis Of Variables	46
4.3.1 Multiple Regression For The Three Independent Variables on Individual Performance	46
4.3.2 Multiple Regression For The Three Factors Of OCM on Individual Performance	47
4.3.3 Multiple Regression For The Three Factors Of OCM on Individual Performance	48
4.4 Conclusions	49
 <b>CHAPTER 5: DISCUSSION, RECOMMENDATIONS AND CONCLUSIONS</b>	
5.1 Discussion	50
5.2 Recommendations	55
5.3 Conclusions	55
REFERENCES	57
APPENDICES	60

## LIST OF TABLES

	<b>Page</b>
Table 2.1: The Old and New Career Realities	7
Table 2.2: Organizational support towards individual career	12
Table 2.3: The career management practices valid for the 2000s	13
Table 3.1: Operational definition and items for individual performance	29
Table 3.2: Operational definitions and items for career planning	30
Table 3.3: The operational definition for dimensions of OCM and items	31
Table 3.4: Reliability of CSI as used by previous researchers	32
Table 3.5: The Dimensions of Career Strategies and Items	33
Table 3.6: The questionnaire design	34
Table 3.7: The Changes Made On The Item After The Pilot Study	35
Table 3.8: Varimax Rotated Factor Matrix of Organizational Career Management Items (N=55)	38
Table 3.9: Varimax Rotated Factor Matrix of Career Strategies Inventory Items (N=55)	40
Table 3.10: Reliability Coefficients of Produced Factors	41
Table 4.1: Demographic Profile Of The Respondents	43
Table 4.2: Correlation Coefficients Between Career Planning, Organizational Career Management, Career Strategies and Individual Performance	44
Table 4.3: Correlation Coefficients Between Factors in OCM and Individual Performance	44
Table 4.4: Correlation Coefficients Between Factors in Career Strategies and Individual Performance	45
Table 4.5: Multiple Regression Analysis of Career Management Dimensions on Individual Performance	46
Table 4.6: Multiple Regression Analysis Of OCM on Individual Performance	47
Table 4.7: Multiple Regression Of Career Strategies On Individual Performance	48

## **LIST OF FIGURES**

	Page
Figure 3.1 The Research Framework	26
Figure 3.2 Career Progress in AIA	28

## **CHAPTER 1**

### **INTRODUCTION**

In the dynamic business environment nowadays where people have become one of the critically important element to gain competitive advantage, organizations are faced with new challenge in managing its human resources. Instead of focusing only on financial capabilities and product quality, Dreher and Dougherty (2001) suggested that high-performing organizations should engage in competition for the most capable employees. And these capabilities can only be achieved through the development and implementation of effective human resource practices and strategies.

Performance appraisal, recruitment, compensation, health and safety, and training are among the human resource practices that commonly used by organizations to manage its human resources. However, another area that has gradually attracted attention from human resource practitioners is career management. This is supported by Fish and Wood (1993) who argued that formal career management programs are increasingly becoming part of the overall human resource strategies of many firms.

Career management has a great impact on organization. According to a report by Kravetz Associates of Illinois Australia (Stevens, 1996), effective career development system was found to be the fifth most important predictor (out of 80 factors) contributing to company financial success. On the same ground is Feldman (1988) who noted that career management is essential for organization to retain the most talented employees available. Organization often decides to adopt career management programs because they believe that those programs can increase employee individual performance (Fish and Wood, 1993) as well as fosters positive attitudes and corporate loyalty among workers (Feldman, 1988). Besides, Torrington and Hall (1998) have also listed several

The contents of  
the thesis is for  
internal user  
only

## References

Anakwe, U.P, Hall, J.C., and Schor, S.M. (2000). Knowledge-related skills and effective career management. *International Journal Of Manpower*, Vol. 21, No. 7, pp. 566-579.

Appelbaum, S.H., Arye, H. and Shapiro, B.T. (2002). Career management in information technology: a case study. *Career Development international*, Vol. 7/3, pp. 142-158.

Baruch, Y. (1999) Integrated career systems for the 2000s. *International Journal Of Manpower*, Vol. 20, No. 7, pp 432-457.

Baruch, Y. (1996). Organizational career planning and management techniques and activities in use in high-tech organization. *Career Development International*, Vol. 1, No. 1, pp. 40-49.

Byars, L.L. and Rue, L.W. (2000). *Human Resource Management: Sixth Edition*. Boston: McGraw Hill.

Dreher, G.F. and Dougherty, T.W. (2001). *Human Resource Strategy: A behavioral Perspective For The General Manager*. Singapore: Mc-Graw Hill.

Feldman, D.C. (1988). *Managing Careers In Organization*. USA: Scott, Foresman and Company.

Fish, A. and Wood, J. (1993). A challenge to career management practice. *The international Journal of Career Management*, Vol.5, No.2, pp. 3-10.

Frost, P.J. and Mahoney, T.A. (1976). Goal setting and the task process: An interactive influence on Individual performance. *Organizational Behavior and human performance*, Vol. 17, pp. 328-350.

Gomez-Mejia, L.R., Balkin, D.B. and Cardy, R.L. *Managing Human Resources*. New Jersey: Prentice Hall.

Gould, S. and Penley, L.E. (1984). Career strategies and salary progression: A study of their relationship in a Municipal Bureaucracy. *Organizational Behavior and Human Performance*, Vol. 34, pp. 244-265.

Greenhaus, J.H., Callanan, G.A. and Kaplan, E. (1995). The role of goal setting in career management. *The international Journal of career management*, Vol. 7, No. 5, pp. 3-12.

Guthrie, J.P., Coate, C.J. and Schwoerer, C.E. (1998). Career Management Strategies: the role of personality. *Journal of Managerial Psychology*, Vol.13, No. 5/6, pp. 371-386.

Hall, D.T. and Goodale, J.G. (1986). *Human Resource Management: Strategy, Design, and Implementation*. England: Scott, Foresman and Company.

Ivancevich, J. M. (2001). *Human Resource Management: Eight Edition*. Boston: McGraw Hill.

Jackson, C. (1991). Career Development: The Challenge For Organizations. *The international Journal Of Career Management*, Vol. 3, Np.3, pp. 17-25.

Langeland, K.L., Johnson, C.M. and Mawhinney, T.C. (1998). Improving staff performance in a community Mental Setting: Job Analysis, Training, Goal Setting, Feedback, and Years of Data. *Journal Of Organizational Behavior Management*, Vol. 18, No. 1, pp. 21-43

Lau, A. and Pang, M. (2000). Career strategies to strengthen graduate employees' employment position in the Hong Kong labour market. *Education + Training*, Vol. 42, No. 3, pp. 135-149

Lee, C.B. P. (2002). Career goals and career management strategy among information technology professionals. *Career Development International*, Vol.7, No. 2, pp. 6-13.

Martin, A.F., Romero, F.P., Valle, C.R. and Dolan, S.L. (2001). Corporate business strategy, career management and recruitment: Do Spanish firms adhere to a contingency model?. *Career Development International*, Vol. 6, No. 3, pp. 149-156.

Mayo, A. (1991). *Managing Careers: Strategies for Organizations*. London: IPM Press.

Nabi, G.R. (1999). An investigation into the differential profile of predictors of objectives and subjective career success. *Career Development International*, Vol. 4, No.4, pp 212-224.

Nik Mat, N. K. (1995). *Determinants of sales performance in insurance industry: A cross-cultural comparison between the UK an Malaysia*. The University Of Aston Birmingham: Doctor Of Philosophy.

Noe, R.A., Hollenbeck, J.R., Gerhart, B., and Wright, P.M. (2000). *Human Resource Management: Gaining a Competitive Advantage*. 3<sup>rd</sup> Ed. United States: McGraw Hill.

Orpen, C. (1994). The effects of Organizational and individual career management on career success. *International Journal of Manpower*, Vol. 15, No.1, pp.27-37.

Pazy, A. (1987). Sex differences in responsiveness to Organizational Career Management. *Human Resource Management*. Vol.26, No.2, pp. 243-256.

Poole, M. and Warner, M. (1998). *The handbook of human resource management: International Encyclopedia of Business and Management*. London: An International Thompson Publishing Company.

Roman, S., Ruiz, S. and Muneara, J.L. (2002). The effects of sales training on sales force activity. *European Journal of Marketing*. Vol. 36, No. 11/12, pp. 1344-1366.

Russel, M. (1984). Career planning in a blue collar company. *Training and Development Journal*, January 1984.

Steven, P. (1996). What works and what does not in career development programmes. *Career Development International*. Vol. 1, No. 1, pp. 11-18.

Torrington, L.H. and Hall, L. (1998). *Human Resource Management*: 4<sup>th</sup> Ed. London: Prentice Hall.

Uma Sekaran (2000). *Research Methods for business: A skill-building approach*. USA: John Wiley & Sons, Inc.

Wilk, L.E. and Redmon, W.K. (1998). The Effects of Feedback and Goal setting on productivity and satisfaction of University Admission Staff. *Journal Of Organizational Behavior Management*, Vol. 18, No. 1, pp. 45-68.

William, R.S. (1998). *Performance Management: Perspectives On Employees Performance*. London: International Thompson Business Press.

Zajaz, J.J. and Zajaz, J.R.M. (1994). Planning Your Total Career and Life Portfolio: Part I: A model for management development. *Executive Development*, Vol 7, No. 1994, pp. 19-21.

American International Assurance Co. Ltd: *Fast Agent Success Training Module*

<http://www.aiadirect.com>

<http://www.liam.gov.com>