Career Management Practices in Sri Lanka: An Empirical Investigation

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Abstract

Career management is considered as one of the fastest developing areas of Human Resource Development. This paper explores the career management practices in Sri Lankan organizations and bringing the discussion in international perspectives. The authors surveyed 216 Sri Lankan organizations, which were listed in the Colombo Stock Exchange. The data was gathered from either the human resource manager or the manager who is responsible to handle human resource development activities. Factor analysis, independent sample t- test and one-way anova methods were used to test the hypotheses of the study and findings of the study revealed, among the 19 organizational career management practices, 17 applied beyond the moderate level and they were clustered into four groups. Resulting clusters were not significantly associated with certain demographic factors. The implications and limitations of the study are also discussed.

Keywords*: Career management, Organizational career management practices, Demographic factors*

Introduction

There has been increasing recognition for HRD especially in last two decades with the intense of competition arise due to the globalization (Peters and McGraw, 2011). During this period, scholars and HRD professionals examined how the focus of HRD should be theorizing and practicing to encompass the changes occurred in the business environment, organizations and employees to sustain competitive advantage. Therefore, the broaden focus of HRD reflected through the host of new concepts, terminologies and practices (Brewster et al., 2007). Indeed, the major component of HRD is treated as developing unleashing competence and commitment of the employees (Jacobs and Washington, 2003). As a result career management treated as an integral part of HRD. Moreover, many scholars viewed career management as one of the dramatically emerging area of HRD (Baruch and Budhwar, 2006; Krishnan and Maheshwari, 2011) and treated as a powerful mechanism to enhance employee motivation, commitment, satisfaction, developing needed talents to fill vacancies internally, retention of core workers and thus aim to attain the goals of HRD.

In global environment HRD managers required to utilize best HRD practices to pinpoint the value it brings to the organization and to achieve the professional recognition. Therefore, HRD practitioners and scholars need to examine HRD not in a single lens and in meta-perspective approach (Garavan et al., 2007). In a system meta-perspective of HRD, it is expected that HRD needs to be strategic to face the challenges bring the globalization. To develop career as a system within the organization needs to align with organization strategy and needs to clarify the responsibilities of organization and individuals towards the career. Nevertheless, the picture is less clear regarding the role of Sri Lankan organizations in shaping the career of employees and examination of the role in global context. Furthermore, private sector organizations play a noteworthy role in the socio economic development of Sri Lanka. With regard to the Sri Lankan context, there exists a stern requirement of systematic HRD practices. In this context, an exploration of existing career practices would generate useful information to develop and rethink HRD policies and practices.

Recent scholars argued that traditionally established paradigm of career management, "corporate" career with in which organization expected to be more responsible for career development under gone change in the present context of the organizations (Kirishnan and Maheshwari, 2011). Hall (1976) originally identified self-directed and or "protean" career while Arthur and Rousseau, in 1996 have advanced the notion of "boundary less" career which reflect the changing nature of psychological contracts (Rousseau, 1995) mentioned that more independent approach to career management. Even though the term boundaryless career emphasizes more individual independence the term itself has boundaries (Gubler et al., 2014; Inkson, 2008) such as subjectively perceived boundaries and context specificity of boundaries (Gubler et al., 2014). Crawshaw (2006) indicated that organizational justice theory provides a basis for managing and evaluating psychological contract in career. In more he presented that employee may make fairness judgment of career management relationship in terms of distributive justice, procedural justice and interpersonal and informational justice. Especially procedural justice relates to organizational career management (OCM) practices. However, to date there has been very little researches identifies OCM in Sri Lankan organizations and examine these practices to understand the characteristics of the psychological contract between employers and employees.

Even though the recent literature argue the increasing role of individuals in career management, considerable extent of ownership of career management are still possess to organizations as a part of HRD. Furthermore, Kirishnan and Maheshwari (2011) argued that organizations do have an active vital responsibility in managing employee career even in the contemporary organizations. OCM is concerned with the organization is carrying out activities matching with the individuals career needs (Baruch and Peiperl, 2000) or activities provided by organization to support their employees' career success. Some scholars provided a comprehensive list of OCM activities (Gutteridge et.al, 1993; Baruch, 1999; Baruch and Peiperl, 2000) and moreover scholars clustered OCM practices based on their empirical findings. We interest to examine the

validity of the clusters presented by scholars (eg. Baruch and Peiper, 2000; Budhwar and Baruch, 2003) in the Sri Lankan context and discuss the present realities of the clusters.

Irrespective of the growing importance of the career management there is surprisingly little research in this field, especially from the perspective of Asian context and in Sri Lanka. Thereby it is unclear common career management practices in western organizations apply the Asian organizations. The present study aims to bridge these gaps first, by empirical examining the career management practices in the context of Sri Lanka and second, by clustering OCM practices into groups based on their common use and thirdly investigating OCM practices in each cluster will associate based on the demographic characteristics of the organizations.

In the next section we briefly review the literature on career, career management and OCM practices. The third section explains research hypotheses, the research methodology adopted, while the results of the study presented in the fourth section. The final section devoted to discuss the conclusion of the study and limitations.

Career, Career Planning and Career Management

Many scholars have indicated that the terms career, career planning and career management (CPM) are still lack of theoretically and systematically examined in organizational management perspective and examined in individual and organizational perspectives (Baruch and Peiperl, 2000; Krishnan and Maheshwari, 2011). Moreover, generally identified that the term career, its' structure and CPM are subjected to change. In conventional paradigm career explain as a sequence of positions of increasing responsibility and seniority over time focused on personal as well as organizational goals, an individual under-go through his or her life span, which may be under employee's control someone else's (Arthur, Hall and Lawrence, 1989). The boundaryless career has become one of the most influential and prominent career concepts in the contemporary paradigm and considered as an opposite of traditional 'organizational career' which gives broader meaning and reflect the nature of modern career. In contemporary paradigm scholars explain career as a process of development of the employee along a path of experience and jobs that may be in one or more organizations (Baruch and Rosenstein, 1992).

According to Baruch and Budhwar (2006) CPM is considered as a comprehensive approach which includes all the activities and techniques facilitated by the organization to facilitate career development of its employees. CPM is considered as a contemporary HRD practice which assists employees to manage their career as well as a mechanism to utilize HR more effectively. As noted earlier by reviewing the existing literature both individuals and organizations are responsible for outcomes of career, as something that CPM are joint results of them. This notion recognizes that organizations are responsible to deliberately develop various policies and practices to enhance the career of their employees. As noted earlier many researchers empirically examined list of career practices (Baruch and Budhwar, 2006; Gutteridge et al., 1993) with different context and suggested that OCM practices could differ in terms of countries because of

the dissimilarity of the culture (Krishnan and Maheshwari, 2011) and may be unrepresentative in Sri Lankan context. Identifying the type and the nature of OCM practices in Sri Lankan organization may be a good indicator to recognize the HRD approaches adopted by our organizations in comparison to international context.

However, scholars indicated that not adequately investigation in other countries' perspectives (Baruch and Budhwar, 2006). There will be a significant difference between career management practices and organizational characteristics such as age, ownership, size, and industry sector.

Previous scholars mentioned that organizational characteristics influence to HRM and HRD practices including career management practices (Baruch and Budhwar, 2006). If the pattern or clusters emerged from this study we want to examine whether the organizational demographic factors such as age, size, and industry sector have been associated with them.

In the light of the above discussion, it is hypothesized that:

H1: OCM practices incorporated to this study naturally clustered into groups according to their common use

H2: The clusters of OCM practices will be associated with the demographic characteristics of the organization such as age, size and industry sector.

Methodology

A questionnaire survey method was used to gather data. The study is limited to listed companies (244) in Sri Lank who were registered in the stock exchange market and employed universal sampling method. Unit of analysis was at company level and data were collected from HRD/HRM managers using online questionnaires and sending enumerators. Before send online questionnaires and enumerators researchers contacted each company in order to verify the name of the respective managers and took consent of their preference of the way of sending the questionnaire. Subsequently, a questionnaire with a covering letter were addressed them to personally.

This paper is based on the part of the data gathered relating to the HRD practices in Sri Lankan organization. In terms of this study, other than the demographic information 19 OCM practices were listed and asked to indicate what extent OCM practices / tools/ facilities applied in your organization. Among the nineteen OCM practices used in this study fourteen were adopted from Budhwar and Baruch (2003) three from the Gutteridge et al., (1993) and rest from reviewing the literature. Missing from the both lists but we incorporated few items which may be practice many organization in career development with the use of technology in career development such

as availability of career web sites, formal e learning facility. The scale was from 1 to 5 ranging from 1- strongly disagrees, to 5- strongly agree. The questionnaire was pre tested with 30 elements and Cronbach alpha result was 0.906 ensuring the internal consistency among the items. KMO values were found to be over 0.5, indicating the sampling adequacy and Bartlett's test of sphericity was performed to examine whether the indicators of the respective constructs are correlated in the population. All the Chi square values of the Bartlett's test are significant at alpha = 0.05 level, suggesting that each indicator is highly correlated with the other indicators.

Analytical Approach

A total of 244 questionnaires were distributed and 218 were responded. After the scrutiny of these questionnaires, 02 questionnaires were rejected due to the incompleteness and 216 completed questionnaires were used for the present study. We first produced a frequency table of OCM practices to identify the mostly and less utilized practices. After that a factor analysis is employed to examine how these OCM practices cluster together according to their common use. Finally, perform t- test and ANOVA to examine the association between OCM practices and demographic characteristics.

Data Analysis and Discussion

Table 1 recorded the demographic characteristics of the sample. Sample organizations belongs to 11 sectors including Bank Finance and Insurance, Manufacturing, Beverage Food & Tobacco, Land & Property, Motors, Diversified Holdings, Telecommunication Sector, Power & Energy, Construction & Engineering, Plantations, others.

Table 1 Demographic Characteristics of the Sample

Variables		Frequency	Percentage
Ownership	Sri Lankan	159	73.6
	Foreign	57	26.4
Years of Existence	Less than 5	41	19
	Between 6 - 10	46	21.3
	Between 11 - 15	40	18.5
	Between 16- 20	46	21.3
	More than 20	43	19.9
Employee Capacity	Less than 500	38	17.6
	Between 501 - 1000	55	25.6
	Between 1001 - 1500	58	26.8
	Between 1501- 2000	30	13.9
	More than 2000	35	16.2

Table 2: The Use of the 19 Career Practices	Mean	Std. Deviation
Performance appraisal as a basis for career planning	3.66	1.017
Formal training as a part of career development	3.66	.880
Announcements regarding internal job openings	3.65	1.054
Special work assignments to career development	3.47	.889
Formal education as a part of career development	3.44	.893
Lateral movement to create cross functional experience (Rotation)	3.35	.850
Formal e- learning facility as a part of career development	3.34	1.096
Availability of common career paths	3.32	.792
Career counseling by HR department	3.31	1.052
Succession planning	3.25	1.016
Retirement preparation programs	3.23	1.235
Career counseling by direct supervisor	3.20	1.037
Formal mentoring	3.18	.877
Career website	3.12	1.210
Tuition Reimbursement	3.11	1.122
Dual career ladder (Parallel hierarchy for professionals)	3.06	.958
Availability of books and/or pamphlets on career issues	3.01	1.283
Written personal career planning (both by employee and superior)	2.98	.955
Assessment centers	2.95	.946

Table 2 presents the use of the surveyed career management practices in the 216 organizations. Results indicated that among the 19 practices 17 practices applied beyond the moderate level and the remaining two practices close to moderate level suggested that surveyed organizations have good understanding regarding the 19 career practices that was studied. The relatively low standard deviations indicated that considerable agreement among the respondents about the ratings of the OCM practices. Some of the most effective and well accepted practices like written personal career planning and assessment centers appeared in the bottom of the usage level. Results revealed that many organizations still prefer to invest in training and education of their members as a part of career management focusing the internal labour market. It was notable that career counseling by HR department, succession planning and career counseling by direct supervisor appeared in the middle rather than the top of the list. These findings are in line with the findings of Baruch and Peiperi (2000). As indicated by Baruch and Peiperi (2000) due to the turbulent business environment it may be difficult and less meaningful for long term effective career planning and possibly because of the nature of the contemporary career. There are number of similarities of the findings of this study relating to the similar empirical study conducted Baruch and Budhwar (2006) with the Indian sample, such as performance appraisal as a basis of career planning in the top of the list and education as a part of career planning is among the top practices. Based on the analysis there are also some country specific OCM practices such as special work assignments, rotation and e learning facilities are among the top of the list.

To examine the first hypothesis OCM practices incorporated to this study naturally clustered into groups according to their common use we did principal components factor analysis, with varimax rotaton. Table 111 presents the results of the factor analysis and one OCM practice (Written personal career planning) which was deleted due to poor loadings. We had four resulting factors, together accounted for 60% of the total variance, depicting specific groupings and realizing that each may be associated with certain qualities. Therefore, the results support the first hypothesis.

Basic: This cluster includes retirement preparation programs, career websites, availability of books and/or pamphlets on career issues, tuition reimbursements, formal education as a part of career planning, formal e learning as a part of career planning and formal training as a part of career planning. It is widely acknowledge that in contemporary organization career orientation is

boundryless and individuals are the sole owner of the career. However, joint responsibility for the career management is remains and these basic OCM practices need to apply to design effective career management system to retain core employees and talent performers in the organization. To a certain extent many of these OCM practices best fit with the conventional organizations where the psychological contract is lifelong employment for loyalty and commitment.

Developmental: Four practices appeared in this cluster. This cluster highlights the developmental initiatives of the HR department, immediate superior and mentors as a part of OCM process. They have rich information regarding employees' performance, career expectations, personal development planning. Hence, they are in a position to utilize that information to develop employees' career.

Active Planning: Dual career ladders, special work assignments to develop career, job rotation and availability of common career paths appeared in this cluster. This cluster clearly indicated that management possess responsibility in actively involved and plan the employees' career.

Potential Identification and Succession Planning: Succession planning, announcement regarding job openings and assessment centers are the three OCM practices in this cluster. These practices can be used to identify employee potentials and subsequently to give information regarding employees' potentials for the future and understand the availability of suitable employees for the replacements.

Furthermore, information recorded in Table 3 revealed that in general Sri Lankan organizations less relying on 'build' approach where less emphasis on succession planning, announcement on internal job opening and job rotation.

Table 3 Factor Analysis Results

OCM Practices	1	2	3	4
Retirement preparation programs	.821			
Career website	.795			
Availability of books and/or pamphlets on career issues	.781			
Tuition Reimbursement	.779			
Formal education as a part of career development	.774			
Formal E learning as a part of career development	.692			
Formal training as a part of career development	.586			
Career counseling by HR department		.850		
Career counseling by direct supervisor		.738		
Formal mentoring		.653		
Performance appraisal as a basis for career planning		.647		
Dual career ladder (Parallel hierarchy for professionals)			.727	
Special work assignments to career development			.724	
Lateral movement to create cross functional experience (Rotation)			.722	
Availability of common career paths			.668	
Succession planning				.782
Announcements regarding internal job openings				.532
Assessment centers				.502

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 8 iterations.

Statistics			
Factor	Eigenvalue	CUM%	Designation
1	7.10	39.5	Basic
2	2.47	53.2	Developmental
3	1.30	60.4	Active planning
4	1.10	66.5	Potential Identification and succession planning

Association of Clusters of OCM Practices and Demographic Characteristics of the Sample

Hypothesis two suggested that there will be an association of clusters of OCM practices and demographic characteristics of the organizations. Table 4 contains the summary results of the association of four types of OCM practices and four demographic characteristics: ownership, Years of existence, size (employee capacity) and industrial sector.

1. To examine each clusters are related with the ownership independent sample t test was performed. Results revealed that Levene's test for equality of variances for all the factors were insignificant and the t test for equality means for all the factors were insignificant suggested that the clusters do not varied with the ownership. Possible reasons for this findings may be similar to the arguments presented in similar study conducted in India (Budhwar and Baruch, 2003).

2. To examine clusters with the variable age one way anova test was performed and results indicated that other than the cluster four all are insignificant. Moreover, succession planning, job posting and assessment centers are varied with the age of the organizations while the remaining 15 practices are not varied with the age of the organizations. Possible reason for the finding of the relationship between cluster four and age of the organization may be organizations which are recently established may apply more advance sophisticated systems integrated with strategic vision of the organization to identify employee potentials and succession planning than the traditional organizations. However, this finding is not in line with the similar study conducted by Baruch and Peiperl (2000) in UK.

3. When examined the association in between sectors belongs to the organizations and each clusters, cluster 1 and 2 career practices are associated with the sector and remaining two clusters are insignificant. This indicated that basic OCM practices and developmental practices are varied with the sectors. In more, among the 18 practices, 11 practices were varied according to the sector. Such relationship is well established in the literature, for an example HRM and HRD practices may vary according to the industrial sector.

4. When examine the size of the organization and each cluster other than cluster 1 remaining three clusters was insignificant. This finding indicated that basic OCM practices are varied with the size of the organizations and compared to the other clusters it involves with more monetary investments. Thus, the possible reason may be large scale organizations can offer more emphasis towards the basic OCM practices than the small scale organizations because they have sound financial background to invest on basic OCM practices.

Table 4: Summary results of the association of four types of OCM practices and four demographic characteristics

	Ownership		Age		Industrial Sector		Size (employee capacity)	
	Leven's test for equality of variances		Anova		Anova		Anova	
	F	Sig.	F	Sig.	F	Sig.	F	Sig.
Factor 1	2.93	0.089	2.23	0.067	2.024	0.033	3.981	0.004
Factor 2	0.031	0.860	0.517	0.679	1.889	0.048	0.519	0.772
Factor 3	1.846	0.176	2.387	0.056	1.506	0.139	1.131	0.267
Factor 4	2.480	0.117	2.693	0.032	0.997	0.447	1.008	0.404

The findings of this study contributes theory and practice of HRD especially career management in Sri Lankan perspectives. Furthermore, illustrates valuable evidences to the practioners regarding the existing career management practices. In designing career management system HRD/HR managers need to apply the practices with strategic view, match with employees' expectations not as a collection of ad hoc practices.

Conclusion

This paper examined the OCM practices in Sri Lankan organizations. In order to achieve aforementioned aims we have employed descriptive statistics, factor analysis, t test and anova test. Having interpreted the results we identified most frequent and least frequent OCM practices in Sri Lankan context, how the practices were clustered and whether the demographic factors associated with the clusters. As explained previously results indicated that OCM practices used in western context are in moderately level applied in Sri Lankan context.

Several limitations of this study should be noted. First this study was based on the view point of HRD/HR managers. It can be obtain comprehensive analysis by obtaining viewpoints of multiple sources. Secondly, the study enumerated a sample of only 216 elements from a limited cohort. Hence, with respect to generalizability, using a more diverse and larger sample could enable extending the results more confidently. Thirdly, the contribution to the theory and empirical effort of the current study has been narrowed down to 19 OCM practices.

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