

## **Analysis of Factors Related to Employee Career Development**

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#### ARTICLE INFO

# Date of entry: 30 March 2022 Revision Date: 25 April 2022 Date Received:

21 June 2022

#### ABSTRACT

In an effort to face global competition and improve performance, a telecommunications company is trying to streamline itself by implementing an early retirement policy. The policy is primarily intended for senior employees who are less able to keep up with technological developments. However, early retirement policies are more attractive to employees who are younger and have high abilities and potential. They feel that with their abilities and potential they can get new jobs and career development in other companies. This study aims to explain and examine the relationship model of work motivation, individual environment, work ability, employee performance with their career development. The research design is in the form of causal explanation from a survey of three branch offices of telecommunication companies located in Blitar, Malang, and Pasuruan. The research sample was 255 people, the respondents were taken by proportional systematic random sampling. data collection through questionnaires. Data analysis used multiple regression analysis and path analysis. The results of the study indicate that the individual environment is the initial state that stimulates the emergence of work motivation which is a driving force for work ability so as to spur employee performance which in turn can develop their careers.

Keywords: Motivation, Work Environment, Ability, Performance, Career Development.



Cite this as: Kuntardina, A. (2022). Analysis of Factors Related to Employee Career Development. *Jurnal Ilmu Manajemen Advantage*, 6(1), 71–78. https://doi.org/10.30741/adv.v6i1.848

### INTRODUCTION

Global competition and changing economic conditions have caused many organizations of various sizes to restructure (Simamora, 1997), which has an impact on changes in internal and external environmental conditions. The environment also plays a role in career dynamics. Employees in organizations must adapt their career management, to suit the changing demands of the organization. In this case the organization must also provide career development opportunities for its employees. In general, career development aims to improve performance and satisfaction (Marlon, et al. in Widawati, 2001). These changes mean that organizations must know the best way to empower all employees at all levels in the organization. Skilled people must be available to fill new, bigger, and more technologically advanced jobs. In many ways, the key to winning win-win commitments



between employers and employees is to offer them the opportunity to have and fill a successful career (Simamora, 1997).

Global competition also brings a shift in career development responsibilities from companies to individuals or in this case employees (Robbins, 1996). The new policy empowers employees to manage their own careers. The challenges of global competition have also led to streamlining the layers of management to be more efficient and profitable. This means that the management hierarchy is increasingly limited to career paths in the company. At the same time, many college graduates and young people of productive age are competing for the remaining career paths. When the career environment changes, the concept of a career also changes. The meaning of a previous career is a direction of progress, which is reflected in the achievement of the formal hierarchy in the organization, such as managers and professionals. Meanwhile, the new meaning is a series of one's work experiences that develop. So career opportunities are not just waiting for their turn in the organization, but a career range without limits, dynamic and supported by adequate knowledge and skills.

Career planning and career development will benefit both individuals and organizations. Through a career development program, the company will improve the performance and productivity of employees, lower employee turn over, and increase promotion opportunities for employees. Therefore, careers and their socialization process contribute to the effectiveness of individuals, groups, and organizations. Through the career process, individuals seek to improve self-quality, self-development, competitive ability and fighting power. Individuals join organizations to gain work experience opportunities as well as satisfying careers. Therefore, the purpose of this study was to determine the factors related to employee career development. Factors that are likely to have an influence on career development are motivation, individual environment, work ability, and performance. The research model described and tested in this study is the relationship of motivation, individual environment, work ability, employee performance with their career development.

Motivation according to Robbins (1996) is associated with work-related behavior. Motivation is defined as a willingness to expend a high level of effort towards organizational goals conditioned by the ability of that effort to meet an individual's needs. McClelland's theory of needs explains motivation based on three needs, namely the need for achievement (nAch), the need for power (nPow), and the need for affiliation (nAff). People with a need for achievement have a strong drive to succeed in personal accomplishments in order to be better and more efficiently done before. High achievers have a desire to finish with better results. They have a personal responsibility to solve problems, get feedback on their performance. Need for power is the desire to have impact, influence, and control over others. They enjoy being given a lot of workload and influencing others, being in competitive and status-oriented situations. Landis (1971) showed that achievement motives and high power motives can affect executive job performance. Trevino and Szymanski (1996) explore the factors that promote career development of Hispanics in the midwest who do not have physical limitations and abilities. They describe the variables that affect their career development. They state that career motivation is influenced by the development of work motivation that comes from family, understanding of work, and the hierarchy of work needs. Job-related behavior (vocational behavior) is influenced by personal characteristics, inability to work, obstacles and existing supports.

Human behavior is a function of the interaction of the individual and his environment. Behavior is determined by each different environment. Organization is also an environment for individuals and has characteristics. Behavior is an attitude and action or all that humans do. While individual behavior in organizations is the attitudes and actions (behavior) of an individual in the organization as an expression of his personality, perception and attitude of his soul, which affect the achievement (performance) of himself and his organization (Mohyi, 1999). Gibson *et.al* (1996) stated that behavior is everything that a person does. Meanwhile, the work environment according to Gibson *et.al* (1996) includes job design, organizational structure, policies and rules, leadership, rewards and sanctions, and organizational resources.



Worker behavior determines results. They can lead to positive long-term achievement and self-growth or, conversely, poor long-term performance and underdevelopment. Behavior and results act as feedback for themselves and their environment. The desired outcome of employee behavior is effective performance in the organization. Individual and environmental variables affect not only behavior but also performance. Behavior related to performance is directly associated with work tasks that need to be completed to achieve work goals. Chori (1999) mentions that the dimensions of the work environment are described in nine indicators, namely: work regulations, compensation, promotions, work safety guarantees, occupational health insurance, physical working environment conditions, nature of work, supervisor support, and co-workers support.

Ability is the individual's capacity to do tasks in the job (Robbins, 1996). The set of abilities are intellectual abilities and physical abilities. Good (1959) states that ability is the actual strength that exists in an organization to complete certain actions or to achieve success. Ability reflects the broad and stable characteristics of a person's responsibility for his performance in mental and physical tasks (Kreittner and Kinicki, 1992). Ability is not only seen from skills, but also cognitive (mental) abilities. Therefore, the ability must be viewed from the mental and skill. The ability of employees can also be seen from their educational background, training and work experience.

Work performance according to Maier (1965) is a success of an individual in a job. Meanwhile, according to Porter and Lawler (1969) in Kopelman (1979) is the result achieved by an individual for the size that has been set in a job. Job performance is related to what individuals produce through behavior at work. The tendency of employees with high levels of work performance is called productive people. Individuals with achievement levels that do not meet the company's criteria are said to be unproductive and low achievers. Work performance is a combination of the combined results of expertise and motivation (Vroom, 1964), where expertise is an individual's effort to carry out a job and is a stable characteristic.

A career is a set of work-related positions, whether paid or not, that helps a person grow with skills, success and job fulfillment, whereas career development is a lifelong series of activities that contribute to exploration, determination, success, and fulfillment (Dessler, 1998). Career planning is an in-depth consideration process through which a person becomes aware of one's skills, interests, knowledge, motivation, and other personal skills. In planning a career, what must be known is about the interests, intelligence, and skills of a person. Career development according to Szymanski and Maxwell (1996) is determined by dynamic interactions between individuals, contextual, mediating, environment, and external factors (*output*). Career development activities include job performance or performance, exposure, networking, quit requests, organizational citizenship, mentors and sponsors, supportive key subordinates, and opportunities for growth (David & Werther, 1976).

From the description above, it can be conceptualized that a person's individual environment can generate motivation based on the degree of need. The environment can also change a person's behavior, besides the role of self-motivation also affecting behavior, so that a person can achieve certain abilities that affect his performance. Furthermore, motivation based on the needs and the individual environment in which a person interacts, as well as the self-ability that appears in each individual, is ultimately related to performance which in turn becomes the provision for career development. Based on the conceptualization, the following hypothesis can be put forward:

- H1: There is a relationship between Individual Environment and Employee Work Motivation.
- H2: There is a relationship between the Individual's Environment and the Employee's Work Ability.
- H3: Work Motivation, Individual Environment, and Work Ability are simultaneously related to employee performance.
- H4: There is a direct relationship between Work Motivation and Employee Career Development.
- H5: There is a direct relationship between Employee Performance and Employee Career Development.



H6: There is a direct relationship between Employee Work Ability and Employee Career Development.

H7: Work motivation, employee performance, and work ability are simultaneously related to employee career development.

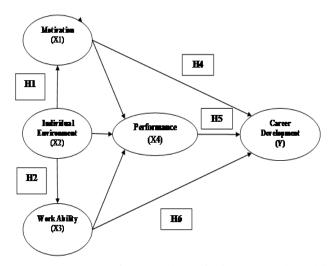


Figure 1. Theoretical Conceptual Model:

### **METHODS**

The study was conducted on a telecommunications company with a population of 725 employees and a sample of 251 employees of a telecommunications company. The research was carried out on the company's branch offices located in Malang, Pasuruan, and Blitar. Sampling used a proportional systematic random sampling technique. The research instrument used is a questionnaire which is based on a theoretical grid in the form of a Likert scale which has a Cronbach Alpha reliability of 0.8633. The definitions of the variables and their indicators are as follows:

Career development is an employee's record based on the intensity of skill/ability improvement, increased responsibility, and opportunity to grow in his work history. Employee performance is a continuum of degrees of employee work activities in terms of timeliness, accuracy, neatness, completeness, and success in work. Employee performance is measured through the quality of work and the quantity of work. Work motivation is the degree of individual drive in meeting the need for achievement, need for affiliation, and need for power. Individual environment is the degree of adaptation of employees to the factors that exist in the family and organization. Measurement of the Organizational Environment aspect is measured through work regulations, compensation, promotions, work safety guarantees, occupational health insurance, physical conditions of work, supervisor support. Family environment is measured through family economic conditions, family responsibilities and socioeconomic status. Work Ability is the highest level of formal education achieved by employees, measured by formal education achieved by employees, degree of mastery of skills, and relevant work experience of an employee.

Analysis of the data used is path analysis through multiple regression analysis, the use of this analysis technique aims to test research hypotheses that can explain the direction and strength of the relationship between the identified variables. Path analysis is a further analysis of multiple regression. In multiple regression, all independent variables are aligned in one block (structure), while in path analysis, the independent variables are divided into several hierarchical blogs, according to the theoretical basis. With path analysis the direct and indirect effects between variables



can be detected (Asher, 1983). The conclusion of path analysis is that if there is a match between the theoretical model and the empirical model, then the theoretical model is verified. However, if the empirical model is not in accordance with the theoretical model, then the empirical model is an alternative that can revise the theoretical model (Paramita et al., 2021).

### RESULTS AND DISCUSSION

The results of data analysis on the relationship between individual environment and work motivation with multiple regression techniques show that the F count is 247,16761 (significant F < 0.05) at a confidence level of 0.05. So H0 is rejected and H1 are not rejected. This means that there is a significant relationship between the individual environment and employee motivation. The more conducive the employee's individual environment, the more employee motivation will increase. The individual environmental determination index determines employee work motivation by 49.42%, it means that the individual environment contributes to work motivation of 49.42%.

The second structure refers to the relationship between the individual's environment and the employee's work ability. The results of data analysis showed that F count = 12.63564 (significant F<0.05) at a confidence level of 0.05, so it can be concluded that H0 is rejected and H1 is not rejected. The interpretation of the results of data analysis is that there is a significant relationship between the individual's environment and the work ability of employees. The more conducive the employee's individual environment, the more it will spur the improvement of their work abilities. The index of individual environmental determination on the employee's work ability is relatively small, namely 4.76%. So, the contribution of the individual environment to the improvement of employee work ability is very small.

In the third structure, the results of multiple regression analysis show the calculated F coefficient = 116,09962 (significant F<0.05) at a confidence level of 0.05, so it can be concluded that H0 is rejected and H1 is not rejected, meaning that work motivation, individual environment, work ability simultaneously have a relationship with employee performance. The degree of relationship between the three variables on employee performance is 0.762. The correlation for each independent variable with the employee performance variable is as follows: motivation has a significant correlation with employee performance, the relationship between individual environment and employee performance is not significant, the relationship between employee work ability and employee performance is significant.

The fourth structure in the research model relates to hypotheses 4 to 7. The results of data analysis show that hypothesis four cannot be accepted. The results of the analysis show that work motivation does not have a significant relationship with career development, where the calculated F coefficient = 0.40378 (significant F 0.5257> 0.05) at a confidence level of 0.05, so H0 is not rejected. This means that the level of employee motivation is not significantly related directly to employee career development. The work motivation variable does not contribute to career development. The coefficient of determination is -1.40%, this means that the motivation variable in conjunction with performance and work ability, will reduce the value of the joint contribution. This empirical fact shows that an employee's career development is determined by his performance and work ability. Hypothesis 5 is rejected, the results of data analysis show H0 is rejected because the calculated F coefficient = 96.13244 (significant F<0.05) at the confidence level. The higher the employee's performance, the greater the chance of having a developing career. Hypothesis 6 is rejected. There is a direct significant relationship between work ability and employee career development. The higher the employee's work ability, the greater the opportunity in his career development. Hypothesis 7 is rejected. Work motivation, work ability, and employee performance simultaneously have a significant relationship with employee career development. Cumulatively the effective contribution of work motivation, employee performance and work ability to career development is 72.13%.



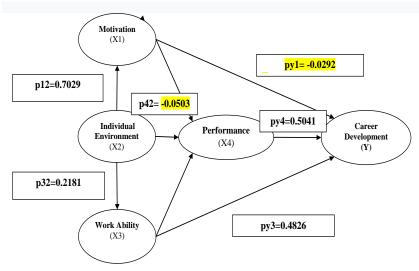


Figure 2. Statistical Decomposition Correlation Model Sources: Data Processed, 2021

With regard to career development, research results show that employee performance directly explains more career development than employee ability. On the other hand, employee motivation cannot explain career development directly, but through employee performance. This finding explains that employees who have high performance and abilities can be expected to have better career development, because work performance and ability have a direct relationship with career development.

This finding is supported by the results of research by Kim and Cha (2000), where career development is a contextual function of institutional demographic variables, education level, and organizational position. Performance context is represented by institutional and organizational positions, while ability is represented by education level. The results of this study also confirm the findings of Budiar (2000), where structural and functional training, which is a reflection of ability, has a positive and significant correlation with employee career development.

However, motivation is not directly related to employee career development, but through their performance. This means that motivation is significantly correlated with employee performance. This finding strengthens the results of Chori's (1999) research, that employee work motivation has a strong enough influence on employee performance. Motivation relates to the direction of behavior, the strength of the response after an employee chooses to follow a certain course of action and how long a person continues to behave in a certain way. Meanwhile, the emergence of motivation other than because of the need (Handoko, 1992; Reilly and Lewis, 1981; McClelland, 1976) is also due to the organizational environment (Mc. Cormick in Mangkunegaran, 2000). This finding proves that the individual's environment is significantly related to work motivation. However, the individual environment does not have a direct relationship with employee performance. This Hsl means that an individual's environment which, according to Thoha (2000) has the characteristics of conditions that influence to generate, direct, and maintain behavior in the form of motivation, which in turn will affect one's performance.

In addition to work motivation, work ability also has a significant effect on employee performance. That is, together work motivation and work ability are significantly related to employee performance. This strengthens the opinion of Swasto (1996) that individual work performance as a reflection of performance, is a function of ability and motivation in carrying out tasks. In simple terms, individual work performance (performance) is a function of ability plus motivation in



carrying out tasks. Gibson *et al.* (1996) stated that worker behavior is a function of the individual and the environment, it can be explained that motivation and ability are a reflection of individual factors. Meanwhile, environmental factors were not proven by this research. It is revealed in the field that the individual environment is not significantly correlated with employee performance.

Observing the results of this study, motivation and work ability are indeed the main determinants of employee performance. In fact, the totality of the results of this study is a series of individual environmental factors with motivation and ability. Where motivation and work ability have a direct relationship with employee performance, and in the next relationship the performance is significantly correlated with employee career development. It can be concluded that individual environmental factors become a pre-condition for work motivation as well as can grow employee abilities which in turn can improve their performance, thus affecting their career development.

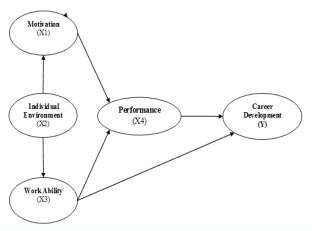


Figure 3. Empirical finding relationship path model Sources: Data Processed, 2021

### CONCLUSION

There is a relationship between individual environment and employee work motivation. The more conducive the individual environment, the more increased the employee's work motivation will be. The individual environment determines almost 50% of employees' work motivation. There is a relationship between the individual environment and the employee's work ability. The more conducive the employee's work environment, the more likely it is to increase their work ability. Work motivation, individual environment, and work ability simultaneously have a relationship with employee performance. Work motivation has no relationship with employee career development. The level of employee motivation is not directly related to employee career development. Employee performance is significantly related to employee career development. The higher the employee's performance, it will directly increase the opportunities for employee career advancement. Work ability is related to employee career development. The higher the employee's work ability, the greater the opportunity for career advancement directly. Work motivation, work ability, employee performance simultaneously have a significant relationship with employee career development.

The implications of the results of the research are as follows: Increasing the ability of employees to achieve adequate academic and professional levels in order to meet the challenges of the company in the future. The individual environment plays a role in increasing work motivation and growing work abilities, so it should be designed to support the growing awareness of professional and responsible behavior when working. Employee performance is functioned as the main prerequisite for employee career development because aspects of employee morale, dedication, and loyalty are



part of the performance appraisal. Career development programs must be designed in a transparent manner and carried out objectively, so that each employee can set targets in career planning.

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