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## **Designing of Management Model and Planning the Employees' Career Promotion Path (a Case Study of Bank Mellat Branches in Theran)**

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### **Abstract**

This study aims to design the management model and planning of career promotion path in the employees of Tehran Bank Mellat Branches. The research method is descriptive and survey that was conducted by correlational and structural equations modeling. The statistical population (n=200) of the study included all employees of twenty branches in Tehran's Bank Mellat who were selected as the sample of the study. In strument of the study was a standard questionnaire that was provided according to the review of the literature and previous studies of Edgar Shine with 25 items. Reliability of the study was estimated by Cronbach alpha that was 0.918 meaning the confirmation of the questionnaire reliability. Findings were analyzed by descriptive and inferential statistics (Pearson correlation coefficient) and LISREL via structural equations modeling. Results showed that there is a significant relationship between the identified factors and management and planning of career promotion path. Finally, suggestions are maded for employees' career path according to the determined variables.

**Key Words:** *career promotion path, competency, career security, working independence, pure challenges, lifestyle, creativity.*

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## Introduction

Human resources have a decisive role in order to achieve the goals and desires of the organization as well as its effectiveness and efficiency. If the human factor that is the most important factor of production resources is removed, what is left; that is, other facilities and factors of the organization can not be used on its own (Kazemi, 1991). Accordingly, and given the importance of human impact and existence on the position of the organization, one of the basic tasks of human resource management is efforts to maintain and promote employees in the organization so that each person working in the organization can access to promotion after gaining experience and job skills, and have procedures to develop organizations, and therefore chooses the path that has been designed with discretion of management. The career promotion management task is to establish consistency between needs, including the potentials of individuals on the one hand and professional needs of the organization on the other hand and determine the career promotion of each individual in his career. Management of career development is a part of the human resource management activities that leads him to perfection by finding the progress path of each individual in his life (Pahlavan, 2002).

In addition to create motivation and improve productivity in the employees, designing job analysis provides promotion and entry into other businesses (Mohammadi, 2003). Many people know the word career as advancement in the organization but it should be known as “a consecutive set of attitudes and behaviors in the experiences and activities in the field of working life” with a broader vision; in other words, career path includes a series of jobs that a person undergoes to achieve a career goal (Pahlavan, 2002).

Given the importance of this issue, this study sought to design a model for management and planning employees' career promotion path of Bank Mellat Branches. The career promotion

path is specific patterns of talents, capacities, motivations and values by one's imagination that guide and stabilize the person's progress after many years of experience and feedback from the real world. Now, harbors, which are aspects of the management and job planning, encourage people and make the person who has accepted a job do not refuse it.

## Theoretical framework and review of the literature

### Concept of career promotion path

In today's business environment, organizations play an important role in career promotion systems. Career promotion path management is also known as organizational support for career promotion development or organizational support and refers to plans, processes and contributions that organization provides to support and increase employees' career success (Kong et al, 2012). On the one hand, organizational career management refers to activities that organization affords for managing organizational career promotion that includes a full range of programs and interventions that focus on comparison of individuals' career promotion needs and organizations and may be in the form of entirely official or semi-official activities, including training courses, assessment centers for guidance and career promotion counseling (De Vos, 2009).

In the employees' perspective, providing programs such as career promotion path development programs for them in the organization may be interpreted as the value of the organization for their cooperation and well-being (Snack et al., 2007), which in turn leads to job satisfaction, increases employee's working performance and decreases stress and behaviors of escaping from organization. Moreover, it produces a good sense to stay in the organization in individuals and they feel success (Roziyah et al., 2009).

The concept of career path success was proposed by Van Manen and Cheyenne in the late 1970s. Career path success has both objective and subjective dimensions (Gattiker & Lar-

wood, 1998:50; Judge et al., 1995: 490; Nabi, 1999: 213, 2003: 654; Baruch, 2004; Breland et al., 2007:2). Subjective dimension of success knows the career path more important than objective dimension because objective dimension includes external variables of a career that is determined and valued by society and is the initial condition of career success. It then can be moved horizontally like a raised salary, increased job security, long vacations or getting a promotion or change in a hierarchical organizational position (Nabi, 1999: 222). However, subjective dimension of career success is the type of individual perception of the experiences acquired in the course of his career path and within the organization. Experiences such as development, implementation of needs and values, a sense of security and freedom that are gained during the work (Gattiker & Larwood, 1986: 92) play an important role.

Derr (1986) and Baruch (2004) considered a framework for success of career path and this framework refers to dimensions that staff expressed for the success of their career path within the organization. Work values, attitudes and motivations of people can be seen in work and life as far as the success of the career path depends on the implementation of employees' values of organization. Dimensions of career path success include:

Getting ahead is the incentive that drives individual to specialize in work and climb the ladder of their organization; this dimension of career success can be shown in organizational position, responsibilities, rights and power of the individual in organization.

Security is the firm, stable and predictable position of a job within the organization

Getting high is the continuing growth in technical and functional fields that encourage people to develop skills in their area of work in the organization.

Getting free; in this dimension of success in career path, people are so independent that they are able to demonstrate creativity in their

work.

Getting balancing is the harmony between working and non-working values. People must work together and develop personal life and family life as well.

Lifestyle: healthy lifestyle is defined as follows: lifestyle is the pattern of healthy behaviors based on the people's choices and according to their living situation. In other words, a healthy lifestyle is a set of choices fitted with life situations and these choices affect people's health (Cockerham et al, 2006). According to Weber, health-oriented lifestyles and life opportunities are available to the reliant people. These opportunities include class, age, gender, ethnicity and other relevant structural variables that shape the lifestyle choices.

Pure challenges: people with this dimension need to overcome insurmountable obstacles and succeed in difficult situations. The strongest tendency of these people is to overcome obstacles, defeat others, solve problems, compete and successive fixed self-evaluation.

Based on research at MIT, Shine recognized five harbors of promotion path that include:

1. Technical/functional merit harbor
2. Authority management harbor
3. Security harbor
4. Working independence harbor
5. Creativity harbor

#### **Technical/functional merit harbor**

It seems that those who have the harbor select their career based on the technical or specialized content of tasks. For example, engineers refuse decisions that will lead them to the General Manager and so they do not want to be appointed to a just management position but would prefer to remain as an engineer or accountant (Danziger, 2006: 5).

#### **Management competence harbor**

Some people have a great incentive for being director and for their service experience; they believe that they have skills and values necessary to be chosen as managerial positions. The ultimate goal of such people is to have a management position with high responsibility



(Vyskot, 2007: 3).

#### Security harbor

Some people are interested in the stability of service and long-term job security. It seems that these people are willing to do whatever to preserve job security, adequate income, and secure future in the form of a pension plan and suitable salary. For those who are interested in geographical security, only a stable and secure career in a familiar environment is more important than a career choice that is meant to introduce instability or insecurity in their lives. For some, security means organizational security and today, they may choose government jobs, where hiring and tenure is for life (Shine, 2003).

#### The concept of job security

Issues such as job changes, job loss, the lack of access to suitable jobs are included in the concept of job security. Thus, according to industrial and organizational psychologists, job security is one of the factors creating job satisfaction. Supply needs are completely obvious and very common among most people. We all want to be secure from all life injuries, including accidents, wars, disease, and economic and job instability. Hence, individuals and organizations are so interested that provide much assurance to be protected against such tragedies as much as possible.

#### Working independence harbor

Independence and freedom at work is a factor that some people consider in decisions for career promotion, they are looking at minimization of organizational constraints and prefer to work small organic organizations (Moghim, 2006: 214).

Some people want to be independent and do not want to work in a large organization. Many of these people have a strong technical/functional merit harbor. However, instead of reaching harbor in an organization, they have decided to be advisors or work alone or as part of a relatively small organization.

#### Creativity harbor

Creativity is considered as entrepreneurial

essence and key success factor for organizational survival (Samad Aghaei, 2006: 3). Every manager or non-manager human has the creativity talent. Creativity should therefore only be restricted to certain managers because what is stronger than creativity talent is to avoid the constraints of its emergence, and it the mind is released, subjective chain assumptions and patterns can be shortly doubled by creative ability and using new ideas in practice (Rezaeian, 2003: 32).

#### The importance of career promotion path

People in the world of business and organizations seek for growth and development, thus they choose a path that was designed at the discretion of the director. Career promotion path management task is to establish harmony between the needs, people's potential needs and professional needs of organization on the one hand and individual career promotion path in his career. Career development management is a part of human resource managers that leads people towards perfection by finding the progress path of each individual in his work life. This results in job satisfaction, professional tenure and higher effectiveness. In today complicated world, human life is interwoven with job life, poor economic conditions and dominance of working life over the private lives caused attending the quality of work life. An increasing number of organizations leaders gradually realized that the quality of human resources is the reason for major differences in short-term and long-term performance. Hence, human resource professionals should pay particular attention to the development of staff and provide the stages of employees' career promotion by applying logical and precise comprehensive management in order to achieve individual and organizational goals. Career promotion path is not accidentl and career promotion should be planned based on specific criteria and with regard to the people's interest and abilities in order to motivate staff (Kong et al, 2007).



## Review of the literature

- Samiei et al. (2014) examined the relationship between aspirations and career path success of POLYACRYL company's managers in Iran. 83 managers of the three high, middle, and supervision classes were randomly selected as the sample of the study. Two questionnaires of Shine's career aspirations and career success were used to collect data. Data was analyzed by t-test, Pearson correlation coefficient and regression analysis using SPSS. The results showed that entrepreneurial creativity and independence are the first and last wishes of career path, respectively. Moreover, subjective career path success in managers is greater than that of objective career path success and aspirations of the general administration, independence and work-family balance are good predictors of career success. There was also a significant relationship between job satisfaction and life satisfaction and career success.

- Tash et al. (2011) compared work and organizational commitment labors between faculty of physical education and non-physical education at Islamic Azad Universities of Iran. Participants consisted of 115 faculty of physical education and 218 non-physical education faculty of Islamic Azad Universities of Iran's provinces. They were randomly selected according to Morgan's Table and stratified sampling. Instruments of the study included questionnaires of Shine's job harbor and Meyer and Allen's organizational commitment that were distributed among participants after gainig validity. The results showed that there was significant difference between job harbors of the physical and non-physical education faculty in some components and there was no difference between the two groups in terms organizational commitment. There was a significant relationship between career anchors and organizational commitment.

- Hatam et al. (2011) conducted a study on the evaluation of employees' career promotion path of the staff of Shiraz University

of Medical Sciences and found that highest average score was given in the service harbor ( $3.28 \pm 0.43$ ) and the lowest average in the harbor of identification ( $2.47 \pm 0.5$ ). There was a converse significant relationship between age and working experience and creativity harbor. There was a statistically significant relationship between service harbor and security harbor on the one hand and gender, on the other hand.

- YuWong (2008) studied career path aspirations and achieved the result that the career path of Chinese managers has the first rank in entrepreneurial creativity and aspiration of the lifestyle has the last rank.

- YuWong (2007) selected 117 directors to study the career path and achieved the importance of aspirations or harbours of career path based on the average lifestyle, entrepreneurial creativity, independence, service, pure challenge, technical/functional competency, security and stability and managerial competence, respectively.

- Hoon Tan and Choo QuekB (2001) found that there is a significant relationship between the technical-functional competence, autonomy, independence, entrepreneurship creativity, lifestyle, security and stability, pure challenge, general management competence or internal and external satisfaction and staff performance.

## Objectives of the stuy

### Major hypothesis of the study

#### Designing management model and planning the employees' career promotion path Bank Mellat Branches

### Minor hypotheses of the study

Determination of the effect of technical/functional competency on the employees' career promotion path in Bank Mellat Branches

Determination of the effect of managerial competency on the employees' career promotion path in Bank Mellat Branches

Determination of the effect of security and stability on the employees' career promotion path in Bank Mellat Branches

Determination of the effect of entrepreneurship creativity on the employees' career promotion path in Bank Mellat Branches

Determination of the effect of autonomy on the employees' career promotion path in Bank Mellat Branches

Determination of the effect of service and sacrifice on the employees' career promotion path in Bank Mellat Branches

Determination of the effect of pure challenges on the employees' career promotion path in Bank Mellat Branches

Determination of the effect of lifestyle on the employees' career promotion path in Bank Mellat Branches

### Conceptual model of the study

#### Methodology (population, sample and instruments)

This is an applied quantitative study that was conducted based on a descriptive survey. The questionnaire was provided according to the literature review and previous studies of Edgar Shine. Population of the study included all employees (n=200) of 20 branches of Bank Mellat in Tehran and census method was used due to the limited population. Validity and reliability of the instruments, including content and factor validities of the questionnaire items were examined. Experts' comments were used for the content validity. Moreover, Confirmatory Factor Analysis was used for validity of

each construct. Cronbach alpha was used to examine reliability of the instruments. Table 1 shows the results indicating acceptable reliability (greater than 0.7) of all dimensions.

#### Context of the study

##### Topic of the study

This study examines fundamental studies on the identification of factors affecting management model design and their effect on the employees' career promotion path.

##### Location of the study

The questionnaire was distributed among the employees of different branches of Bank Mellat Branches in Tehran. The units are Teller and fund unit, Facilities unit, foreign exchange services unit, services unit

##### Interval of the study

The present study was began from April 2015 and ended in July 2015.

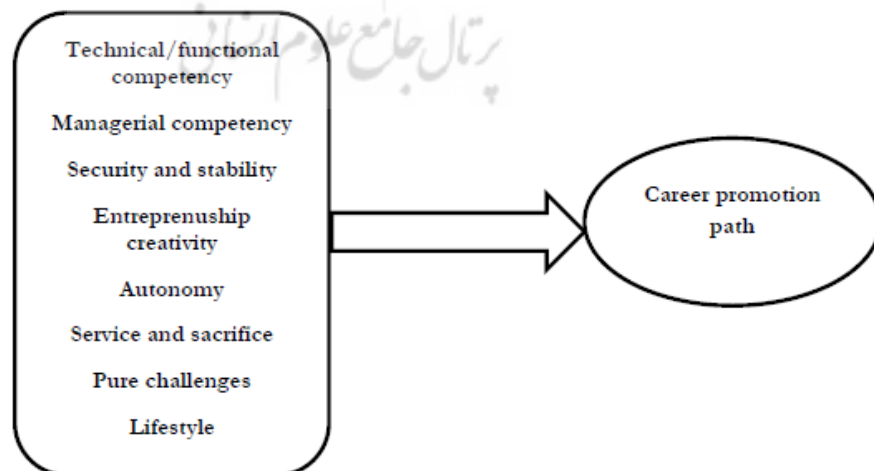
##### Findings of the study

The findings are provided in both descriptive and inferential statistics (confirmatory factor analysis and Pearson correlation coefficient)

##### Data description

First, how to distribute statistical sample of the variables such as gender, age, education and work experience are discussed.

According to table 2.1, of 200 respondents, 18% of the sample was female and 82% was male.



▲ figure 1. Conceptual model of the study (Edgar Shine, 2003)

Cronbach alpha	Number of items	Variable
899%	4	Technical/functional competency
918%	3	Managerial competency
930%	3	Security and stability
935%	3	Entrepreneurship creativity
897%	3	Autonomy
924%	3	Service and sacrifice
907%	3	Pure challenges
928%	3	Lifestyle
918%	25	Total questionnaire

▲ Table 1. Results of reliability (Cronbach alpha)

cumulative%	Actual percentage	%	Frequency	Gender
18	18	18	36	Female
100	82	82	164	Male
	100	100	200	Total

▲ Table 2.1. Respondents' distribution according to gender

cumulative%	Actual percentage	%	Frequency	Age
26.5	26.5	26.5	53	20-30
80.5	54	54	108	30-40
100	19.5	19.5	39	Over 40
	100	100	200	Total

▲ Table 2.2. Respondents' distribution according to age

Education	Frequency	%	Actual percentage	%cumulative
Diploma and associate degree	46	23	23	23
BA	113	56.5	56.5	79.5
MA and over	41	20.5	20.5	100
Total	200	100	100	

▲ Table 2.3. Respondents' distribution according to education

cumulative%	Actual percentage	%	Frequency	work experience
18	18	18	36	1-5
54.5	36.5	36.5	73	6-10
83	28.5	28.5	57	11-15
100	17	17	34	and over 16
	100	100	200	Total

▲ Table 2.4. Respondents' distribution according to work experience

### Infrential statistics

Now, the relationships between the research model will be presented. Structural equation technique and LISREL method were used to

analyze data. Several indices showed goodness of fit. One of the most reliable indicators used to study the fitness model is goodness of fit index or GFI that is the measure of the rela-

Result	Coefficients calculated of the model 2	Coefficients calculated of the model 1	Allowable value	Indices
Good fitness	0.96	0.98	Higher than 9.0	GFI
Good fitness	0.93	0.96	Higher than 9.0	AGFI
Good fitness	0.11	0.08	Closer to zero, better	RMR
Good fitness	0.95	0.97	Higher than 9.0	NFI
Good fitness	0.96	0.99	Higher than 9.0	IFI

▲ Table 3. Results of the confirmatory factor analysis of the validity of the measurement model

Hypothesis	Correlation coefficient	T-Value	Sig	Result
Determination of the effect of technical/functional competency on the employees' career promotion path in Bank Mellat Branches	0.17	2.91	0.000	Confirmed
Determination of the effect of managerial competency on the employees' career promotion path in Bank Mellat Branches	0.13	2.26	0.000	Confirmed
Determination of the effect of security and stability on the employees' career promotion path in Bank Mellat Branches	0.14	2.82	0.000	Confirmed
Determination of the effect of entrepreneurship creativity on the employees' career promotion path in Bank Mellat Branches	0.17	3.10	0.000	Confirmed
Determination of the effect of autonomy on the employees' career promotion path in Bank Mellat Branches	0.16	3.02	0.000	Confirmed
Determination of the effect of service and sacrifice on the employees' career promotion path in Bank Mellat Branches	0.15	2.90	0.000	Confirmed
Determination of the effect of pure challenges on the employees' career promotion path in Bank Mellat Branches	0.17	3.02	0.000	Confirmed
Determination of the effect of lifestyle on the employees' career promotion path in Bank Mellat Branches	0.14	2.81	0.000	Confirmed

▲ Table 4. Summary of the research hypotheses and results

tive amount of variances and covariances and is commonly justified by model. The closer to 1 the GFI, the model has a better goodness of fit with the data. Moreover, if the square root of the variance estimation error of approximation (RMSEA) is less than 0.05, it is

acceptable. Factor analysis was conducted for all latent variables (constructs of a model) and obtained indices showed acceptable validity of the measurement model in all aspects. Table 3 summarizes the results of these indicators that are the result of confirmatory factor analysis:



## Factor analysis

Based on a rule of thumb, the default model (a model which is fitted) is good when the coefficients calculated in Table 3 are within the allowable range, if the coefficients calculated are out of allowable range it means that it has a poor goodness of fit. Table 3 shows the status of the structural models 1 and 2. Comparison of the column of the coefficients calculated with the column of the allowable range shows that the model goodness of fit indices are suitable.

## Pearson correlation test

All hypotheses of the study are investigated by Pearson correlation test. Table 4 summarized the results of correlation and hypothesis-testing.

H0: there is no effect between the study variables and promotion path of the employees.

H1: H0: there is an effect between the study variables and promotion path of the employees.

## Conclusion

Since the obtained  $t$  is greater than 1.96 in all hypotheses, H0 is rejected and H1 is confirmed. Thus, it could be concluded that there is a significant effect between the study variables and career promotion path of the

employees. Moreover, the order of career promotion path in the study is as follows: entrepreneurship creativity, autonomy, pure challenges, technical/functional competency, service and sacrifice, security and stability, lifestyle and managerial competency. Confirmatory factor analysis of the final model is as follows:

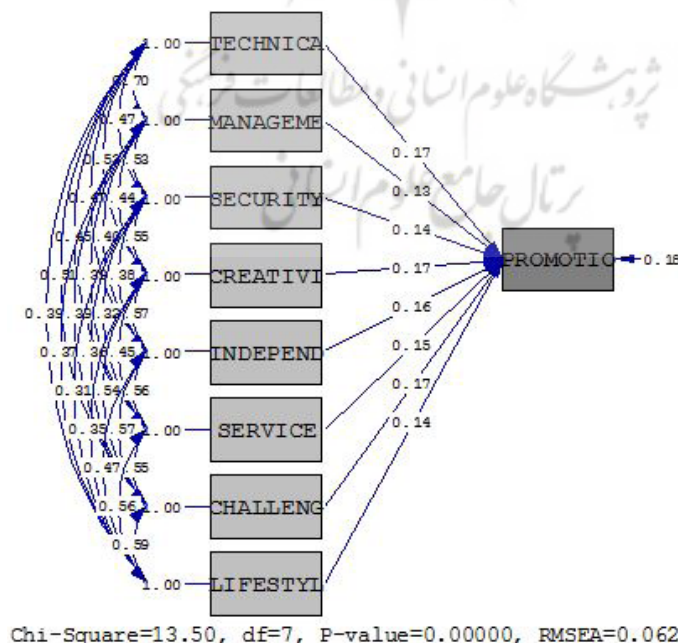
## Comparison of the study results with the literature review

Results of the study are compatible with the results reported by Samiei et al. (2014) and YoWang (2008) in terms of entrepreneurship creativity; however, they are consistent with the findings of Hatam et al. (2011) in terms of scores. The results also are compatible with YoWang (2007) in terms of managerial competency and Hoon Tan and Choo QuekB (2001) in terms of significance of the hypotheses. The difference of the results is likely in the different statistical population and type of organizational culture.

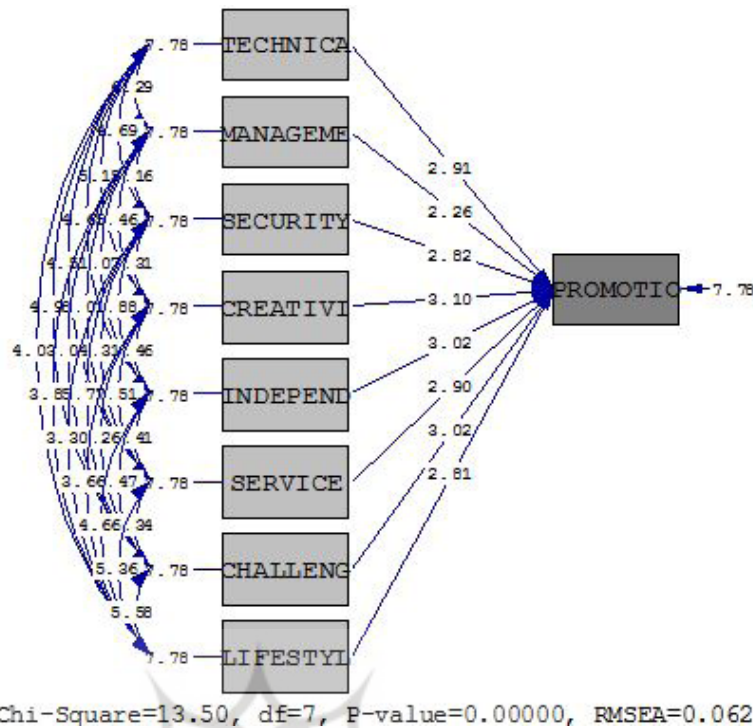
## Suggestions

The major intencive of the study was to examine the management mode design and planning of the career promotion path. Eight hypotheses were formulated in the study.

1. Designing of the control system and perfor-



▲ Figure 1. Structural equation modeling (standard estimation)



▲ Figure 2. Significance model of the major hypothesis of the study in the significant coefficients state

mance evaluation of within the organization are based on the competency criteria.

2. Organizational units are classified based on the functions and organizational environment to meet the competency criteria in each unit.

3. In a case that the organization does its duties with regard to the people's career path, the tendency of people increases for work, managerial positions, security and stability, creativity and service and doing works for the sake of a greater goal leads to employees' emotional commitment.

4. Designing career path enables organizations to reconstruct jobs by coordinating the needs and individuals properly. This is also applicable as useful informative source for individual decisions of career path changes and for organizations to help people change their career path.

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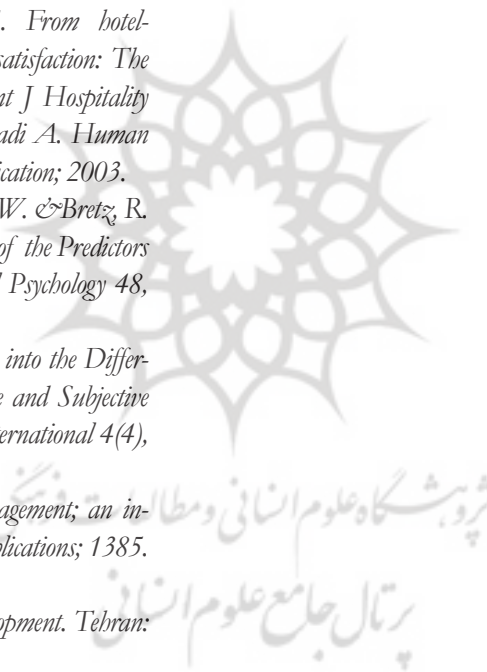
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