

Full Length Research Paper

Paradigm shift in managing career plateau in organisation: The best strategy to minimize employee intention to quit

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In this era of globalisation career plateau in organisation needs to be managed effectively to minimize employee's intention to quit. Many employees find themselves in jobs that offer them limited mobility opportunities in terms of upward movement in the organisation. There are many drivers which lead to career plateau in organisations particularly organisational re-structuring. Career plateau affects both the management and employees. Career plateau is considered as one of the contributing factors in employee's intention to quit in many organisations. Management and human resource professionals are in dilemma on the best interventions to put in place to manage career plateau effectively in order to enhance organisation competitiveness. This paper tries to investigate the drivers and effects of career plateau in organisation and recommends best strategies to manage career plateau in organisation. The methodology adopted in this study is critical review of the existing literature online and print. The major finding of this study is that career plateau is a major contributing factor to employee turnover in organisations. The contribution of this paper is that it will provoke scholarly debate on management and other stakeholders to develop the best strategies to manage career plateau in organisation.

Key words: Career plateau, management, paradigm, organisations, quitting, strategies.

INTRODUCTION

Career plateau is not a new phenomenon, but there is a worrying situation about the rate at which it is becoming increasingly widespread in various organisations (Yamamoto, 2006; Lee, 2003). Many scholars on organizational careers' have suggested that plateau is fast becoming a critical managerial and organisational issue which needs to be managed properly to avoid employee's discontent (Burke and Mikkelsen, 2006; Tremblay and Roger, 2004; Tremblay et al., 1995). Career plateau is defined as the point where employees likelihood of additional hierarchical promotion is very low (Yamamoto, 2006; Lee, 2003; Tremblay and Roger, 2004). Employees who have experienced career plateau would think that their employers have forsaken their careers (Lee, 2003). Career plateau has been used as antecedent to many undesirable work

outcomes such as low satisfaction, high stress, poor performance and other withdrawal symptoms (Yamamoto, 2006; Lee, 2003; Choy and Savery, 1998). Career plateau has the potential to cause discomfort among the employees because lack of continued upward progression is considered as a yardstick to measure employee's performance. Thus career plateau leads to poor performance. In any organisations upward movement in terms of promotion of employees is accompanied by increase in salary, power and status (Lee, 2003). Plateau employees are likely to have higher labour turnover because they want to advance their careers elsewhere in the environment.

Previous researchers state that employees who have attained plateau have a higher degree of intention to quit due to reduced opportunities in the present organisation (Gunz, 1989). Career plateau to many employees, is like a shock and it has a direct negative effect on job satisfaction, motivation and performance (Yamamoto, 2006),

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Bardwick (1988) states that the major driver for career plateau is of increased competition for higher level positions in the face of slow economic growth.

Therefore, this paper tries to examine the drivers and effects of career plateau in organisation and give suggestions on how to manage career plateau effectively to minimize employee intention to quit.

Literature review

Drivers and types of career plateau in organisation

The main cause of career plateau in organisations is due to business re-engineering, downsizing and spin-off-activities which make further advancement within organisation becomes more unlikely and employees have to face the fact that they have to serve in the same position longer than expected (Burke and Mikkelsen, 2006; Andreas and Reiedl, 2002). Similarly career plateau is also caused by many antecedent conditions including inappropriate abilities and skills, low need for career mobility and slow company growth (Appelbaum and Finestone, 1994). Thus, if the employee does not have the necessary skills and abilities to perform the job, he might find that there are no career opportunities for promotion. Lack of appropriate skills can be due to wrong selection of the employee in the first place and lack of training. Lack of job stability, reduced organisational hierarchies and reduction of promotion opportunities are some sources which have led to career plateau in organisations (Yamamoto, 2006; Choy and Savery, 1998).

Career plateau has been caused by other factors like baby-boomers who are holding positions of responsibility longer, mergers and takeovers causing layoffs, resulting in fewer available positions but competitive (Yamamoto, 2006; Applebaum and Santiago, 1997). Career plateau is also caused by competition, age and organisational needs. Competition in the sense that for a given position, the individuals may be seen as less qualified than other candidates, including some presently, outside the organisation. Age, management may see old age people that they are not desirable in their organisation, they should leave room for the young candidates resulting to career plateau. Organisational needs, the individuals may be seen as valuable in his or her present position to be spared for other albeit level works (Tremblay and Roger, 2004; Ference et al., 1977).

There are many types of career plateaus experienced by employees in organisations. For instance Bardwick (1988), states that there are 2 types of career plateau which are very common in many organisations and these includes organisational and personal plateau. Organisational plateau arises where there is ability to perform well in higher level jobs but unable to do so owing to lack of job openings and/or management beliefs that one lacks the required skills while personal plateau is experienced when employees are seen by organisation as not desiring

for a higher level job. The employees may be lacking professional or technical skills and /or are organisationally naïve and side tracked for too long in their present job. Other employees may simply not want to be promoted to handle added responsibilities although they have ability to do so. This type of plateau is caused by the individual employee. Professional plateau is the point at which employees find their jobs unchallenging and they provide few opportunities for professional development and future employability (Lee, 2003). In addition professional plateau is not only concerned about the job contents, but also whether the job enables employees to master new skills to enhance their employability and marketability.

Burke and Mikkelsen (2006) distinguished 3 types of career plateauing; structural, content and life plateaus. The structural plateauing results from the end of promotions due to pyramidal structure of organisations while content plateauing results when individuals know their jobs too well and become bored and life plateauing results, when committed individuals begin to feel unsuccessful in their work and this spreads feeling of plateau and trapped in life. Yamamoto (2006) posits that there are 2 major types of career plateau that is unsuccessful and successful plateau. Unsuccessful career plateaus are not performing their jobs satisfactory level whereas successful career plateaus are performing their jobs at a successful level (Patterson et al., 1987). Position plateauing is when employees continue to be promoted until they reach their level of incompetence and contribution plateauing is when employees are not learning or developing competencies and the ability to add value is limited.

Career plateau whether its life, structural, successful or unsuccessful still it affect the employee's performance because chances of upward movement are limited or doomed. These in the long-run would affect the organisation in terms of high rate of labour turnover because employees may feel that their career advancement in the organisation is at stake.

Effects and strategies of managing career plateau

The effects of career plateau is felt a cross organisation and cross employees. In the short run career plateau may help individual's employee to concentrate on individual's growth, catch up with professional and skills developmental plans. In addition the affected employees will have time to reflect on their future pursuit, master work skills and gather psychic energy in preparation for another transition period. Some plateaued employees maintain the same level of productivity, do not appear bored and have high satisfaction with jobs (Rita and Lawson, 1998).

Researchers (Jang and Tak, 2008; Burke and Mikkelsen, 2006; Tremblay and Rogers, 2004) for instance state that employees will inevitably react to career plateau with bad performance and loss of motivation

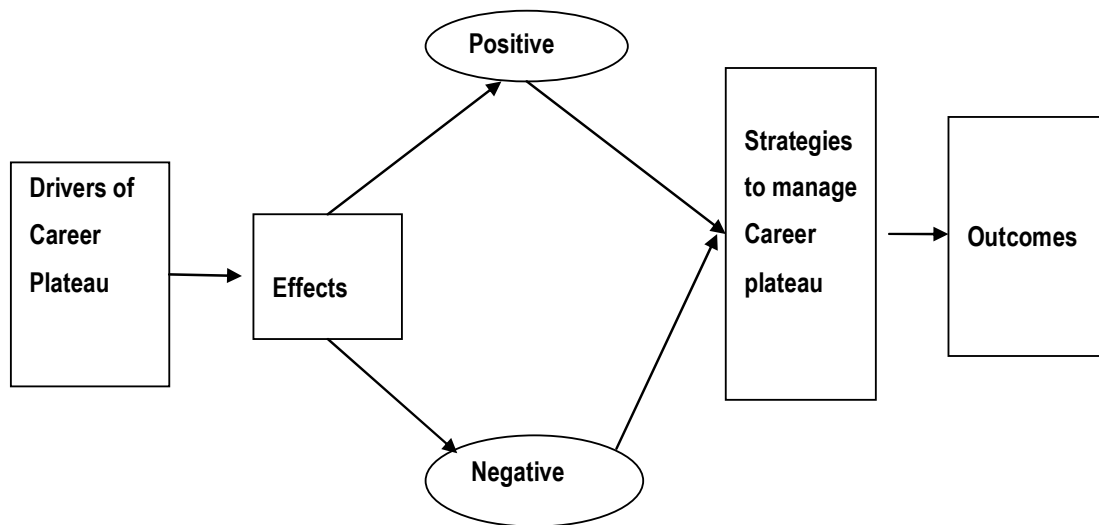


Figure 1. Paradigm shift in managing career plateau in organisations.

and commitment. Employees who take career plateau as a shock to their performance will be directly affected because these employees believe that upward or lateral movement is used as a yardstick to measure their performance, but in the absence of this, they would be demotivated. Further more Lee (2003) states that an employee who is at career plateau (same job), but acquiring new skills will be highly satisfied. This indicates that even if an employee is in plateau, still he would be satisfied because this is the time employee would be developing new skills to position himself for other career opportunities elsewhere.

Career plateau could lead to work stress, less job satisfaction, greater work alienation and greater intention to quit (Burke and Mikkelsen, 2006). These would affect the organisational performance and may lead to a high degree of labour turnover. Stability of tenure in employment and upward movement enhances commitment and reduces labour turnover in organisation. Lee (2003) states that career plateau in organisations can be managed by seeking career guidance from the supervisors or experienced person within or outside the organisation. It will create career opportunities by acquiring the skills and knowledge that are required to change careers. In addition, it enhances networking which involves building networks inside and outside the organisation and obtaining useful information on career paths. Lastly an employee who develops career strategies appropriate to his occupation and organisation is likely to increase his probability for obtaining positive evaluations from superiors and a large share of organisation salary.

Conceptual framework

The conceptual framework of career plateau is depicted in Figure 1. The framework highlights that there are dri-

vers for career plateau in organisation which have both negative and positive effects. However, if management /employees put in place appropriate interventions and manage career plateau effectively, organisation will benefit in terms of reducing employee turnover, increase in job satisfaction, minimises employees stress, increases of employee morale, promote good employees relations, attract employees, increase profitability and enhance organisation competitiveness.

There is need for a paradigm shift in managing career plateau in organisation effectively. Thus management can help employees cope up with plateau by providing opportunities for lateral growth when opportunities for upward advancement do not exist. For instance companies with international divisions can encourage employees to take assignment abroad to expand their horizons (Sneel and Bohander, 2007).

A model of managerial careers postulated by Ference et al. (1977) highlights principal careers of employees that are common in organisation there are “learners” or “comers” these individuals have high potential for advancement, but presently perform below standard. “Stars” are those employees presently do outstanding work and are viewed as having high potential for self continued. Solid citizens – these are employees whose present performance are rated as satisfactory to outstanding, but are seen as having little chance for future advancement and deadwood - these individuals have little advancement and their performance have fallen to an unsatisfactorily level. Therefore, it is the prerogative for management to understand and assess employees critically at each stage of career and develop appropriate interventions to avoid career plateau.

Similarly there is need for mentoring of employees, recognizing the type of career plateau employees are experiencing and developing various strategies to mini-

mize it at the infancy stage. In addition, management should incorporate intrinsic job rewards to enrich the job. Furthermore, there is need to encourage cross functional movement, periodical rotation and downward movement; temporary movement will make employees feel that they are not plateaued. In addition impartial performance appraisal will minimize career plateau and there should be open communication in the sense that employees should know that their careers have plateaued and management is trying to assist them to come out of the situation. For instance the affected employees will be advised that their solid performance is still needed and they will continue to be rewarded fairly (Applebaum, 1994).

The following strategies should also be considered in managing career plateau in organisations.

- i) Job rotation should be encouraged in organisation so that the employees will broaden their skills and reduce the degree of boredom.
- ii) Management should move away from the tall structure system to flatter structure. This will make lower cadre employees to take more responsibilities, therefore reducing the degree of career plateau.
- iii) Employees should be appraised objectively and they should be given feedback on a greed time frame. This will enable employees who are plateaued to manage their career properly and avoid being plateaued.
- iv) Management should create an environment whereby employees are allowed to further their careers. This will enable employees to have the necessary knowledge and versatile skills, so that they would position themselves for opportunities elsewhere if chances of upward movement are limited in the present organisation.
- v) Management should encourage employees at all levels of management to accept that promotion do not go forever. It simply means mere lateral assignments within the organisation.
- vi) Management should provide counselling and out placement services for those employees who decides to quit the organisations and
- vii) Management should be in position to identify the symptoms of career plateau like employees coming late to work, leaving early, absenteeism and changes in personality such as irritability and hypersensitivity to criticism. This will enable management to develop strategies on how to manage career plateau effectively in organisation.

Conclusions and Recommendations

The drivers of career plateau in organisation are business /organisation restructuring, slow economic growth and lack of utilisation of technology. Career plateau affects employees both positively and negatively. However, career plateau is a major contributor in employee intention to quit in many organisations and will affect the organisation adversely especially in being competitive. Organisa-

tions stand to benefit greatly if management put in place appropriate interventions to manage career plateau. For instance identifying the causes of career plateau and developing appropriate interventions to manage it at the infancy stage. In addition, employees should be made aware that in this era of globalisation "career advancement" is being replaced with "career achievement". The major outcomes of managing career plateau in organisation is reducing employee turnover to enhance organisational competitiveness.

Implication and future direction of the study

The contribution of this paper to the body of knowledge is that it will provoke debate among researchers and scholars to come with best interventions to manage career plateau in organisations. In addition it will be extending the literature of career plateau.

The limitation of this paper is that it presents a preliminary work, which needs to be contrasted with empirical findings to give a holistic view on career plateaus and make concrete conclusions. However, there is need for applying triangulations methods to get a complete insight on career plateau in organisations.

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