

Career Management and Performance of Small and Medium Enterprises

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Abstract- *Career management is the process by which individuals collect information about values, interests, skill strengths and weaknesses, identify a career goal, and engage in career strategies that increase the probability that career goals to be achieved. Good organisations see career management as a goal to provide their employees superior opportunities to grow and develop as professionals. This study therefore examined the effect of career management on SMEs performance. One hundred and eighty-five questionnaires were completed and returned. The principal tools for analysis of data are carried out with the help of regression analysis. The results reveal that that career management variables (experience and personal growth) had positive influence on SMEs performance by indication, it enhances SMEs performance. Also, the joint predictors of career management variables had positive influence on SMEs performance which indicated that they jointly contributed to the increase in SMEs performance. In the light of the above conclusions, the study recommended that SME owners should come up with strategies that will enhances experience and guarantee personal growth, this will give employee the necessary confidence in the firm's career growth and development, which can result in reduction of turnover rate, improved customer service and ultimately generates higher profits for the company.*

Indexed Terms- *Career Management, SMEs Performance, Experience, Personal Growth, Development and Growth.*

I. INTRODUCTION

The concept of career management can always be well explained as an avenue that support employees to look beyond their present position and prepare for brighter future positions either within and outside the organisations (Osibanjo, Oyewunmi and Ojo, 2014).

This avenue consists of both formal and informal activities including employee career mentors, workshops, job enrichment and job rotation. In an attempt to ensure a successful succession, SME owners must ensure that employees have a career path in the organisation. Career plans should not only be in place but must be aligned with employees' goals; it will increase employees' productivity and reduce their turnover. Any employer that wishes to retain his staff must give room for a favorable work climate for their career growth. career growth and development

The employees who see their management as a supporter, and as the ones who take care of their future career developments, are likely to trust their management and their organization. Organizational career management is a very effective tool of Human Resource management, and many organizations are offering the career advancement to their employees in order to satisfy them, and to increase the performance of their organization. Career management is defined as the process by which individuals collect information about values, interests, skills, strengths and weaknesses, identify a career goal, and engage in career strategies that increase the probability that career goals to be achieved (Greenhaus, Callanan and Godshalk, 2000). Walsh and Taylor (2007) mentioned that career growth and development are the main benefits that the employees seek from their employers. For career management to provide maximum benefits both organization and individuals it requires an initiative from both. Quality organisations see it as a goal to provide their employees superior opportunities to grow and develop as professionals. Excellent manager creates continuity of management and knowledge, and also an environment for employees to thrive and grow by hiring the right people and having them develop simultaneously with the company's own growth. According to Patrick and Kumar (2011), appreciation and growth can be stronger motivators for an employee than money and can result in reduction of

turnover rate, improved customer service and ultimately generates higher profits for the company.

Small and Medium Enterprises play a significant role in the development and growth of both developed and developing economies most especially in the area of employment generation, increase in Gross Domestic Product and redistribution of income and others (Salau 2022a). However, survival and better SME performance depends on the encouraging policy, better organizational culture as well as entrepreneurial ability that can drive and develop the SME sector of a country (Obaji and Olugu, 2014). Despite the contributions of SMEs to various economic growth, Nigeria inclusive, business continuity problem has been a major challenge confronting the sector (Adeweoye and Salau, 2022b).

There are several elements of career management including career development and planning which focus on planning of employees' growth and progression; Career planning seeks to provide guidance and encourage employees to fulfill their potentials and ensure better use of human resources through more satisfied and productive employees. Inappropriate use of training and development programmes' fund, unavailability of employees to fill vacant positions, and lower commitment from the employees are the consequences of firms' denying their employees to plan their careers (Gupta and Govindarajan, 2000). A planned programme of career progress provides a higher-level talent from within the organisation. In fact, career planning has now become an essential prerequisite of effective human resource management, productivity improvement and organizational growth (Gupta, *et al.*, (2000).

According to Akinyele, Ogbari, Akinyele and Dibia (2015) their findings revealed that, succession planning and career development has significant impact on organizational performance. Osibanjo, *et al.*, (2011) and Ishak, *et al.*, (2016) concludes that career development has insignificant correlation with organizational performance. There is no doubt that several studies on these lines of study both in advanced economies and emerging economies are characterized with missed results. When SMEs owners refuses to neither give career management significant attention nor do they refuse to focus on employees' career plans,

it will impact on the employee's commitment performance either positively or negatively. In an attempt to provides answer to the following questions: does experience significantly affect SMEs performance? To what extent does personal growth impact on SMEs performance? And is there any relationship between career management and SMEs performance? The study carried out an empirical research to examine the effect of career management on SMEs performance in Nigeria.

Research Hypotheses

H01: There is no significant effect between experience and SMEs performance.

H02: Personal growth does not have any significant effect on SMEs performance.

H03: There is no significant relationship between career management and SMEs performance.

II. LITERATURE REVIEW

- An Overview of Career Management on SME Performance.

Career management sits within a cluster of essential systems including recruitment and induction, performance management and reward and recognition. The very first and crucial stage in any career management, is for employees to understand the skills they have and need to develop and also see how they fit into organizational goals and objectives as those have direct impact on organizational survival and growth. Adeniji and Osibanjo (2012) argue that career development can "help reduce cost expended on recruiting and training new employees in organizations. In career management, self-assessment and skill development provides the employee the avenue to realize the suitable roles that will best suit their talents and further provides them an insight to either stay with the organization or move to another (Salau, 2022c).

Building on the work of Byne (2015), Andrew and Kate (2007), Onukwufor, Umoh. and Amah (2018) and Osibanjo, Oyewunmi, and Ojo, (2014), the employee career management will be measured by the following parameters: experience and personal growth for these studies. In the same vein, Kelly, Brannick, Hulpke, Levine and To (2003) in their study identified organizational changes as factors that has direct effects

on individuals' career. Career management consists of both formal and informal activities which includes: employee workshops, career mentorship, job rotation, job enrichment and career progression ladders. Any organisation that wishes to contribute to the career development can do so with the provision of abundant opportunities for both self-development and advancement (Dargham, 2013). Career development paves the way for employees to enhance their knowledge and competencies that can also metamorphose into job specialization and added professional development.

- Purpose of Career Management

According to Boohene and Asumura (2011), Career management program are designed to achieve the following objectives:

- i. Assisting Employee to Improve Their Performance. Career management program strikes to involve employees in setting their own goals and recognizing their strength and weakness. It assists employees with the identification and facilitation of training needs and opportunities. This is mainly achieved by building a process of feed-back and discussion into the performance management system of institutions.
- ii. Clarifying Availability Career Options. Through career management programs, employees are informed of career options available within the institution. It assists employees with the identification of skills and other qualities required for current and future jobs. Most career management programs seek to focus on employee career plans thereby, enhancing their career paths within the institution.
- iii. Aligning the Aspiration of Employees with Organizational Objectives. Career management program seek to improve the matching of jobs with the right employees. An assessment of the skills and competencies of employees could assist in accommodating them in position which suit them better. Through the application of practices such as transfers and rotation, an institutions operational effectiveness can be improved. Career management program can also result in a reduction in the need to recruit capabilities are revealed through their career planning activities.

- Experience

Human resources as an important unit in an organisation see retaining efficient and experienced workforce in an organisation as a crucial step to increase organizational performance. The general assumption is that work experience enhances job performance of an employee overtime. Career development sits within a cluster of essential systems including skills, experience, personal growth, promotion and performance management. Rice, (2010) opined that work experience, gained over time, enhances the knowledge, skills, productivity, and performance of workers and that of the organisation in the long run.

When experience, skills and abilities of employees are enhanced, it gives an organization an added value and a competitive edge in their industry (Salau 2022c). La Motta (2005) is of the opinion that good performance at job is the result of ability, experience and skills. Ability formulated through education, equipment, promotional opportunities, training, experience, capacities (both mental and physical) and ease of task result in employees enhanced career advancement, places the organization in a better competitive position and result in their steady growth (Gagne, 2009). However, a worker having good work experience in his job can become a leader due to his special gift of experience he acquired during the course of his work. This gives him an expert power as posited by Bhargava and Anbazhagan (2014)

Bhargava and Anbazhagan (2014) observed that the performance of the employees gradually increases with their experience, however after 20 years of experience, the performance is again getting lower. Several theories lend credence to the relationship between job experience and employee performance. When employees invest in their experience, it increases their confidence and competency which in returns enhances the accumulation of relevant knowledge, skills, abilities and performance. More so, since individuals accumulate job experience overtime, job performance tends to increase in order to reflect job experience accumulated. As job experience leads to the accumulation of relevant knowledge, skills, and abilities, performance should improve.

- Personal Growth

Personal growth is a self-development act which involves the growth and enhancement of all aspects of an employee. It is also the process of one understanding himself and pushing himself to reach his highest potential. Among many approaches that are available when organisations seek to enhance the performance of their workforce are, they focus on self-improvement, personal development and personal leadership which has gained increasing prominence throughout the last decades (Speziale (2015)). These approaches see personal growth as a necessary requirement for increasing general effectiveness at the workplace and it is applied to both leaders and employees alike (Robbins and Coulter 2002). Personal growth describes the directional change of an overall human being towards a desirable outcome, which is expected to be permanent rather than temporal. Personal growth is a concept that basically means that an employee is actively trying to become a better person at all levels in order to make his/her life and relationship more productive. Even though the terms personal development and personal growth are often used interchangeably, personal development is a more neutral process, which anticipates both positive and negative outcomes, deals with specific parts of an individual rather than the whole person, can be planned and structured, and deals with more concrete and specific skills often. A characterizing feature of most personal growth trainings is their strong focus on developing self-awareness and increasing self-knowledge (Kraak 2005).

III. EMPIRICAL REVIEW

- Experience and SMEs performance.

Ochonma, Nwodoh, Ani, Dyages, and Ingwu, (2018) assessed the impact of years of work experience on managers' job performance in hospital. One hundred and twenty-five questionnaires were administered on the management staff of twenty-five hospitals while statistical Package for Social Sciences (SPSS version 16) was use as the analysis tool. The study concludes that there were significant relationships between managing conflicts, motivating employees and years of experience.

Putri, (2020) determine the effect of work experience and job characteristics on employee's work

performance in shipping companies. Multiple linear regression analysis was used to analyzed the data obtained. The study concluded that work experience has a positive effect on work performance.

- Personal growth and SMEs performance.

Kowalewski, (2015) investigates whether personal growth trainings can improve the self-regulatory capacity of employees who experience high levels of work-home interference. Data were collected within a cluster-randomized controlled trial among 454 employees of 25 work teams in a youth care organization that implemented the 7 Habits training as an effort to improve the general effectiveness of their workforce. Results show that for employees in the waiting-list control condition, work-home interference at the baseline assessment predicted an increase in self-regulatory failures eight months later. This effect was neutralized for employees who participated in the personal growth training.

Ikechukwu, and Paschal Adighije, (2017) determine the effect of career development on the employees' performance and ascertain the effect of career advancement on the motivation of Non-academic Staff of Michael Okpara University of Agriculture Umudike. The researcher adopted survey research design, both primary and secondary sources of data was used. While the total population were two thousand six hundred and thirty (2630) employees of the university, the sample size of the study was deduced to be three hundred and forty-six (346). The researcher concluded that the impact of career growth on the performance and motivation of employees in the university cannot be succinctly stated and recommends that in harmony with the programs and policies of the university, management should not relent in contributing to the career growth of the Non-Academic Staff by providing abundant opportunities for self-development, advancement and others.

- Career management and SMEs performance.

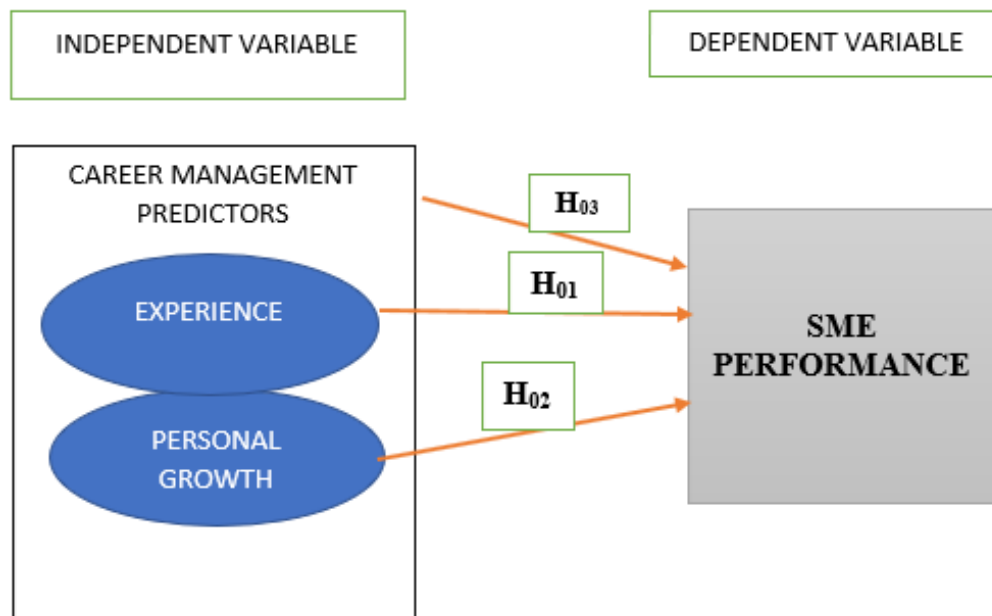
Lyria, Namusonge, and Karanja (2012) determined the effects of career management as a component of talent management on organizational performance of listed companies in Nairobi Security Exchange (NSE), Kenya. The total population was 534 top managers of NSE listed companies. The data collected through the use of structured 224 questionnaires were analyzed

using correlation and regression analysis. The research findings indicated career management as a component of talent management had a positive and significant influence on the organizational performance. The study recommended that career management practices should be widely adopted by Nairobi Stock Exchange listed firms as doing so would lead to improved performance.

Onukwufor, Umoh and Amah (2018) examined the relationship between career development and organizational success of government parastatals in Rivers State. The study adopted a cross-sectional survey with study sample of 270 respondents drawn

from a population of 828. The Spearman’s Rank Order Correlation Coefficient was used to analyze the data through the aid of the Statistical Package for Social Sciences (SPSS) version 21. The study revealed that career identification, career planning and career commitment has positive association with organizational effectiveness and efficiency. The study further recommended that government parastatals should monitor the career development process in order to ensure that it is maximized by both managers and employees.

CONCEPTUAL MODEL



IV. METHODOLOGY

In this research, quantitative methodology was used to collect and analyze the data obtained from all the respondents. Two hundred and seven questionnaires were randomly distributed to the registered members of National association of Small and Medium Enterprise, Lagos State chapter. A survey questionnaire was used as the main instrument in this study to appraise the impact of career management on some selected small and medium enterprises in Lagos state, Nigeria. The researcher adopted simple random sampling techniques because it affords all the members an equal opportunity to serve as the sample size. Data collected was analyzed using descriptive

analysis such as table, percentage and Inferential Analysis like and Regression analysis

V. RESULTS AND DISCUSSIONS

Table 1 depicted the demographic characteristics of 185 respondents. About the age of the respondents that served as participants in the study: about 15 (8.1%) of the respondents were between 20-29years of age; 41(22.2%) of the respondents were between 30-39years of age, 59 (31.9%) were between 40-49years of age and 70 (37.8%) between 50-59years. Therefore, majority of the respondents to the questionnaire was between the ages of 50-59years. The study further shows the gender classification of the participated respondents in the study as follows: 113(61.1%) of the respondents are male while 72(38.7%) of the

respondents are female. Therefore, simple majority of the participated respondents were male.

The demographic further analyses our respondents based on marital status, the result shows that 11(5.9%) of the respondents are single, 163(88.1%) of the respondents are married and 7(3.8%) of the respondents are widowed while 4(2.2%) are separated. Most of the participants were married. The study equally classified the respondents in terms of their level of formal education. Results 4 show that a 44(23.8%) of the respondents had WASCE certificate, 92(49.7%) are Diploma/NCE graduate, while 37(20%) are B.Sc./HND graduate while 12(6.5%) are Masters/Ph.D. holders. Most of the respondents are Diploma/NCE graduate.

The level of awareness of talent management by the participated respondent in the study are as follows: 78(42.16%) of the respondent firms were aware of talent management, 107(57.84%) of the respondent firms were not aware of talent management. Most of the participants firms are not aware of talent management.

HYPOTHESIS 1: H01: There is no significant effect between experience and SMEs performance

The result in table 1 reports the regression result of the influence of experience on SMEs performance in Lagos State, Nigeria. The experience was the independent variable and SME performance was the dependent variable of the study. The result revealed that experience shows insignificant effects on SME performance with ($R=.737$, $R^2 =.565$ while adj. $R^2 =.531$). The result further revealed that experience is insignificant at $p. value=.000 < 0.05$. We can therefore say that experience significantly influences the performance of SMEs with $p. value$ of .021. The null hypothesis is therefore rejected and the alternative hypothesis is accepted, meaning that there is significant influence on experience on SMEs performance. The result of present study is in agreement with the empirical studies such as those Putri, (2020) concluded that work experience has a positive effect on work performance.

Table 1: Linear regression table Showing the Significant effect between Experience and SMEs Performance.

$R=.737^a$	$R^2 = .565$		Adj. $R^2 = .531$	Std. Error of the Estimate= .21213	$F=3.727$
	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
(Constant)	2.241	.315		2.254	.000
Experience	-.247	.112	.275	4.129	.016

a. Dependent Variable: SMEPERFOR

HYPOTHESIS 2

H02: Personal growth does not have any significant effect on SMEs performance.

The result in table 2 reports the regression result of the influence of Personal growth on SMEs performance. The personal growth was the independent variable and SME performance was the dependent variable of the study. The result revealed that Personal growth shows

insignificant effects on SME performance with ($R=.678$, $R^2 =.515$ while adj. $R^2 =.501$). The result further revealed that Personal growth is insignificant at $p. value=.000 < 0.05$. We can therefore say that Personal growth significantly influences the performance of SMEs with $p. value$ of .000. The null hypothesis is therefore rejected and the alternative hypothesis is accepted, meaning that there is significant influence on Personal growth on SMEs performance in Lagos State, Nigeria. The result of

present study is in agreement with the empirical studies such as those Hakim, (2020) concluded that compensation, career development, work environment

and job satisfaction had a positive and significant effect on organizational commitment.

Table 2: Linear regression table Showing the Significant effect between Personal Growth and SMEs Performance.

R=.678 ^a	R ² = .515		Adj. R ² = .501	Std. Error of the Estimate=.12106	F=4.227
	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
(Constant)	1.751	.228		3.721	.000
Personal Growth	.435	.071	.401	5.001	.000

a. Dependent Variable: SMEPERFOR

Hypothesis 3

H03: There is no significant relationship between career management and SMEs performance.

In Table 4, Pearson Product Moment Correlation (PPMC) was run to determine the relationship among experience, personal growth and SMEs performance. The result of the PPMC which tested the relationship among experience, personal growth and SMEs performance is significant. The correlation coefficient is therefore statistically correlated at 99% confidential level. The hypothesis tested shows that there is correlation among the experience, personal growth and SMEs performance at $r =$ (experience, 0.736*; personal growth, 0.806**) with a Sig. level 2tailed; $P < 0.05$; that is, 0.000). It implies that as ownership

financing, joint utilization increased by 73.6% and 80.6% respectively SME performance also increased in the same proportion and this shows a positive relationship between the dependent and independent variables. Hence, the null hypothesis (H₀₃) which state that “There is no significant relationship among experience, personal growth and SMEs performance” is hereby rejected while alternative hypothesis is accepted. The result of present study is in agreement with the empirical studies of Lyria, et al., (2012) which revealed career identification, career planning and career commitment have positive relationship with organizational efficiency and lyria, Namusonge, and Karanja (2012) and Patrick and kumar (2011) who found that career management as has a positive and significant influence on organizational performance.

Table 4: Pearson Product Moment Correlation Table Showing the Relationship Among Experience, Personal Growth and SMEs Performance.

		SMEP	EXP	PEG
SME Performance	Pearson Correlation	1	.	
	Sig. (2-tailed)			
	N	185		
Experience	Pearson Correlation	.736**	1	
	Sig. (2-tailed)	.000		
	N	185	185	

Personal Growth	Pearson Correlation	.806**	.563**	1
	Sig. (2-tailed)	.000	.000	
	N	185	185	185

** . Correlation is significant at the 0.01 level (2-tailed).

CONCLUSIONS AND RECOMMENDATIONS

The study examined the effect of financial bootstrapping on organizational performance with particular reference to some selected SMEs in Lagos state. Based on the result of the research and the discussion above, it could be concluded that, career management variables (experience and personal growth) had positive influence on SMEs performance by indication, it enhances SMEs performance. Also, the joint predictors of career management variables had positive influence on SMEs performance which indicated that they jointly contributed to the increase in SMEs performance. It was recommended that SME owners should come up with strategies that will enhances experience and guarantee personal growth, this will give employee the necessary confidence in the firm's career growth and development.

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