

DETERMINANTS OF MANAGERIAL CAREER ATTAINMENT: A REALISTIC JOB PREVIEW?

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ABSTRACT

The purpose of this study was to explore if MBAs are being given realistic job previews in terms of determinants of managerial career attainment. This study explores the perceptions of managerial career attainment of graduating MBA students and compares them to previous research on actual determinants of career attainment. The students did seem to have a good grasp of what determinants are important to managerial career attainment.

DETERMINANTS OF MANAGERIAL CAREER ATTAINMENT

Past research has found managers to be often unaware of the factors related to career attainment in their firm. [5]. It is important that the relationship between perceptions of promotion policies and actual career patterns be congruent. When making personnel decisions managers and recruiters will have to interpret the information they have and make a decision despite the uncertainty regarding a person's future performance [1]. Research in behavioral decision theory suggests that managers rely upon cognitive simplification strategies or heuristics when making decisions [2]. Heuristics may lead to biases in personnel decisions [4].

This study will focus on MBA student's perceptions of the determinants of career attainment. The perceived determinants may or may not be aligned with the findings of past research on actual determinants. This sample is graduate students, most of whom are employed and many of whom have had managerial experience. Their perceptions will be compared to past research on the actual determinants of career attainment.

METHOD

The identification of promotion policies was done with a policy capturing study. The idea behind policy capturing is to be able to understand how people use available information when making judgments, in essence capturing their policy. Policy capturing allows us to see how people weight certain criteria in making choices. The value of policy capturing is that it permits the inference of a rater's weighting policy by requesting an overall evaluation of a ratee, rather than requiring explicit evaluation of individual criteria. Requesting explicit evaluations of individual criteria would force the rater to focus on their judgment process. Requesting an overall evaluation of a ratee requires the rater to focus on their judgment. Policy capturing can then determine how raters weighted the information available to them. Policy capturing also avoids the problems of social desirability [6] and poor cognitive insight documented in many studies where the respondents are asked to rate or rank individual criteria [7].

For this study, 208 graduating MBA students were given descriptions of potential employees to rate in terms of promotability to top levels in a firm. These candidates varied along several criteria. The criteria used were developed from previous literature on determinants of career attainment. The survey also had the respondents rate the importance of each of the criteria to their decision after they had finished their judgments of the applicants.

EXERCISE

A promotion decision exercise was developed and pretested until all respondents were able to fill out the questionnaire without questions and until the feedback from the respondents indicated the experimental manipulations were perceived as intended. The participants were asked to play the role of a vice-president of a large firm with the responsibility of evaluating the future managerial potential of current employees. The respondents also received a description on each of the four pieces of information they had on each candidate. The participants then read descriptions of sixteen individuals at managerial level one. The respondents were asked to assess the probability of each person moving up to managerial level four or above. After this assessment, the participants were asked to rank order the four variables in terms of their importance to their assessment. In addition, the respondents were asked to fill out a one page questionnaire about their work experience and demographic information.

Two questionnaires were used. The first encompassed the managerial career attainment determinants of Career Velocity, Entering Department, Performance Evaluation, and Education. One hundred fifteen graduating MBA students filled out the first questionnaire. The second study investigated the variables of career velocity and performance evaluation again, and included entering job status and # of departments previously worked in. Ninety three graduating MBA students filled out the questionnaire.

RESULTS

The most important variable used in questionnaire 1 was performance appraisal. It accounted for 32% of the variance in the promotion ratings. Career velocity was weighted less heavily and accounted for about 26% of the variance and education accounted for another 14%. Entering department accounted for 5% of the variance in rating. The most important variable in questionnaire 2 was performance appraisal. It accounted for 28% of the variance in the promotion ratings. Career velocity was weighted slightly less heavily and accounted for about 21% of the variance in rating, the number of departments worked in accounted for another 12%, and entering job status accounted for an additional 8%.

DISCUSSION

In both questionnaires performance appraisal was the most important variable to the ratings. It was positively significantly related to the ratings and ranked as the most important piece of information by the respondents in both questionnaires. The determinants of career attainment used in the policy capturing studies did not differ significantly from the ones found in previous research. Some variables did differ in their significance but overall the criteria used in making promotion ratings did not differ significantly from the determinants found in previous research. As stated above, performance appraisal was very important to the judgments in this study. Education was positively significantly related to the promotion ratings in questionnaire 1. It was the third most important variable for the respondents when making their decisions. Because the respondents were students, they would be expected to value education when making promotion judgments. However, when an employer has knowledge of an employee's performance there may be less of a need to rely on credentials [3]. The respondents in the current study may have believed education had

played a role in earlier decisions about the candidates. Also, since they had performance appraisal information, the respondents may have felt a need to rely on that more than education.

This study also found the number of departments worked in to be positively related to career attainment. Employees who have worked in a larger number of different departments are perceived as having higher promotion chances than those who have worked in fewer departments. Entering part-time was positively significantly related to career attainment in this study. The sample in this study may not have experienced this negative aspect of part-time work experience yet and may actually have been working part-time during the period that they were administered the questionnaire.

The results indicate that the career history criteria studied are important factors that influence the judgments about an employee's promotion chances. These may not be the only variables considered in promotion decisions. However, the students did seem to be aware of the importance of those variables found significant in previous research. What does this mean for us as academics and researchers? Well, we do seem to be teaching our students accurately about the determinants of managerial career attainment. The students do seem to have a good grasp of what determinants are important to managerial career attainment. Our students deserve a realistic job preview of the job market. Research needs to keep this knowledge updated so that are students have current information on the determinants of career attainment.

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