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Personality Traits of Managers with Professional Evolution in Retail Industry

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Abstract

The purpose of this study was analyze the personality traits differences between first-line managers who were promoted on superior management positions (N = 25) and managers without professional evolution (N = 43) in a retail organization, using CPI-260. Promotion is an objective manner of measuring employee professional development potential. Results show that the group of managers with promotion has on almost all scales higher results, with significant differences on achievement via conformism, conceptual fluency, insightfulness and work orientation. There is also a significant correlation between employee’s performance evaluation and promotion, five years after the evaluation, showing that the performance evaluation can be used as an objective criterion for detecting the employee’s professional evolution potential.

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1. Introduction

Promotions, particularly management promotions, play an important role in organizations (Ruderman, Ohlott, 1994), but there is a little theoretical background and a few studies approaching this subject. Promotion can be defined as “a change in job level along with commensurate increase in responsibility, accountability and level of pay” (Ruderman, Ohlott, 1994). It is a very important process, with positive effect for both employees and organizations. Promotion is often used to motivate, to reward and to create career paths for high potential employees. This is an objective measure of employee potential over time. As Altink (2002) says, “potential can be measured at different points in time. Measurement of progress in personal development can be considered as an indicator of potential at a later stage, as well as an indicator of performance”. Also, organizations make

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promotions in order to have managers that best fit with the job and, for that is very important to find the personality traits that correlate with promotion. Employee promotions are a special type of career success defined as “real or perceived achievements individuals have accumulated as a result of their work experience” (Helsin, 2003). Many researchers studied the relationship between career success and personality, results being sometimes different. Overall, we can say that extraversion and emotional stability are related to career success (promotion, salary) (Boudreau, Boswell and Judge, 2001, Lounsbury et al., 2003), while agreeableness in some studies correlates negatively with career success (Boudreau et al., 2001). When analyzing employees’ characteristics with professional evolution is very important to take into consideration that employee personality traits are not the only criteria when taking a decision of promotion. Ferris (2002) presents an interesting model showing that promotion system is determined employee not only by employees’ characteristics but also by organization characteristics and economic environment. This idea is also sustained by Ruderman who realized a study and the conclusion is that when taking a decision of promotion, organizational context is as important as individual characteristics (Ruderman, Ohlott, 1994).

2. Objectives

The purpose of this study was to analyze the differences between the group of first-line managers with promotion on higher managerial positions and managers that didn’t get promotion. Based on this analysis this paper describes the characteristics of employees with professional evolution potential, measured objectively by promotion, five years after they have passed CPI-260. Another aim of the research was to analyze the relation between performance evaluation and promotion. Performance was an important criterion in deciding manager’s promotion and this study assumes that, if the annual employee appraisal is an efficient evaluation there would be a significant correlation between employee appraisal and promotion.

3. Method

3.1. Participants

68 first-line managers participated in this study, which represented all the first-level managerial population of a retail organization, with over 1000 employees. Of the total sample, 51% were male and 49% were female. The average age was 29 years, ranging from 21 to 48 years old, all of them with superior education. They have an average of almost two years managerial experience as they are working in a young organization, with a very rapid expansion.

3.2. Procedure and Instruments

California Psychological Inventory (CPI-260) was administered to all the participants to the study and performance data were collected from annual employee appraisal, in the same period. Employee appraisal are face-to-face meetings, where managers evaluate the objectives’ achievement level of employees, review their professional attitude, make an overall performance evaluation and discuss their career development paths. In this study it was used overall performance evaluation ranging from 1 (minimum) to 5 (maximum). Promotion in organization, an objective way of measuring employee potential, was analyzed five years after data collection (CPI-260 and performance). Promotion was considered, for all the participants who were appointed to a superior management position, from a first-line to a middle or top management position or, from a middle to a top management position (N = 25). Promotion in the organization is associated with higher level of responsibility, an increased level of decision making, a high percentage of salary growth and an important status among the other employees. Promotion in this organization is a decision taken by top management, based on employee annual
appraisal and evaluation of professional evolution potential by management team. As there is no talent management process implemented in the organization, there are no common and standardized criteria for potential evaluation.

4. Results

For testing the differences between the promoted group (N = 25) and those who didn’t get professional evolution (N = 43), it was applied independent sample T-test. The results show that managers with promotion have on almost all CPI-260 scales higher results than managers not promoted, with significant differences on some of them (see Table 1). Concerning dealing with others scales, there are no significant differences and both groups have high results (above 55) for dominance (mp = 57.04, SDp = 9.20, mnp = 56.96, SDnp = 7.22) and independence scale (mp = 56.50, SDp = 7.72, mnp = 55.78, SDnp = 7.74). Managers who were promoted can be described as people with good leadership skills, who like to have positions that imply coordinating people and activities. They show initiative and they effectively manage stress and pressure. They can be described as dominant, assertive, task-oriented, willing to be responsible for their and others’ activities. These managers are independent and decided to apply their ideas even if others have contradictory opinions. The group of participants also have high results on sociability scale (mp = 56, SDp = 7.25, mnp = 55, SDnp = 9.49) which means that, as managers, they usually create a team-work environment and cooperation; they enjoy being among people, that makes them popular within their teams. For both groups social presence is the only scales from dealing with others group, with results below Romanian population average (mp = 47.20, SDp = 6.00, mnp = 48.00, SDnp = 9.14). As results show, managers normally don’t feel comfortable in front of an audience, they can’t give attractive speeches. Even they enjoy being among people, they don’t seek attention in conversations they can’t be characterized spontaneous or witty. In conclusion, both groups of managers have good interpersonal skills, but this is not a criterion used by top management for promotion. The results of independence sample T-test show that there are no significant differences between the two groups concerning self-management scales, the results for all the scales being above average. As managers, they are serious, conscious, organized, disciplined and tenacious; they like to get things done, this being the reason why top managers usually consider them to be reliable employees. Results show that self-management scales don’t make differences when analyzing promotion. The most important differences between groups concern motivation and cognitive style. Managers with promotion have significant higher results (m = 59.46, SD = 5.23) than managers without professional evolution (m = 55.51, SD = 7.71) on achievement via conformism scale (t = 2.51, df = 64.31, p < 0.05, d = 1.52). Both groups easily assume organizational rules and conventions, expecting that their teams do the same. Manager with promotion prefer clearly defined and structured organizations; they are efficient and competitive when dealing with structured situations, clear objectives, formalized activities and concrete path of solving problems. Although not significant, there is an important difference between managers with career evolution (m = 53.67, SD = 7.15) and managers without career evolution (m = 49.91, SD = 9.03) concerning achievement via independence. This result show that successful managers can deal with unclear situations, even if they prefer regulated work environment, while not promoted managers can have good results in structured environment. There is also a significant difference between the two groups concerning conceptual fluency, managers with promotion (m = 59.09, SD = 6.63) having higher results than managers without promotion (m = 54.87, SD = 7.34) (t = 2.37, df = 66, p < 0.05, d = 1.59).

There are important differences concerning personal characteristics scales. Managers from the organization have a low result on flexibility (mp = 43.38, SDp = 7.11, mnp = 43.69, SDnp = 8.50). They are rather inflexible, not comfortable with change, having a low level of tolerance for changing environment, and because of this, they can’t be used with facility as changing agents in the organization. In the same time, they can be described in terms of stability and behavioral consistency. This description is convergent with the fact that they are prudent, avoid risks and unconventional ways. These results are convergent with a study realized by Faur (2002) when he
analyzed the managerial personality traits from a Romanian organization using CPI. The results show that managerial population had the lowest results on flexibility scale \( m = 43.2 \).

Concerning insightfulness, managers with professional evolution have significant higher results \( m = 53.08, SD = 6.95 \) than those not promoted \( m = 48.64, SD = 8.14 \)(\( t = 2.28, df = 66, p < 0.05, d = 1.60 \)). Managers appointed on higher managerial levels are rather analytic, with a good understanding of others behaviors.

Concerning work related measures scales results show a significant difference on work orientation scale when analyzing promotion. Mangers appointed on higher management positions \( m = 57.82, SD = 7.246 \) have higher results than the group without promotion \( m = 53.66, SD = 8.83 \)(\( t = 1.99, df = 66, d = 1.45 \)). Both groups are task oriented disciplined and reliable; but managers with promotion are employees who finish tasks on time, they can do more activities in the same time and they rarely complain when they have a great number of activities to get done. That is why top managers consider them reliable employees. This is a very important criterion when top management makes propositions for promotion. Analyzing results for managerial potential \( mp = 57.64, SDp = 7.52, mnp = 55.49, SDnp = 9.09 \) and leadership potential \( mp = 60.55, SDp = 8.04, mnp = 60.08, SDnp = 7.43 \) it can be seen that all first-line managers have good management skills when coordinating people and activities. Concerning, creative potential \( mp = 49.81, SDp = 7.75, mnp = 51.33, SDnp = 8.90 \), there are surprising results from two perspectives. All first-line managers have rather a low level of creativity and surprisingly, managers without promotion have a higher result than the group of managers with professional evolution, without being significant.

In conclusion, group of managers with promotion have significant higher results on achievement via conformism, conceptual fluency, insightfulness and work orientation scales. Analyzing these results, first-line managers appointed on middle or top management positions can be described as employees who can be efficient in both structured and not-procedural organizations. They can be described as serious, disciplined, tenacious and goal-oriented, with efficient work style, high level of following rules, but, independent, autonomous and optimistic, in the same time. Their good intellectual ability, verbal fluency, capacity to analyze and understand the environment makes them be appreciated by top management. They have also high career goals and motivation to succeed and for all that they are considered to be high potentials for the organization. This profile of successful manager in retail industry can help human resources specialists to create criteria when detecting potential managers inside and outside the organization. Moreover, defining some improvement areas for these managers (for example: to be more spontaneous, flexible, creative, less conventional, with openness to change) is very important in the talent management process.

Table 1. Independent Sample T-Test - Results for significant differences

<table>
<thead>
<tr>
<th></th>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>Achievement via</td>
<td></td>
<td></td>
</tr>
<tr>
<td>conformity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>7.073</td>
<td>.010</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>2.510</td>
<td>.643</td>
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<tr>
<td>Conceptual fluency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>.014</td>
<td>.908</td>
</tr>
<tr>
<td>Insightfulness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>.459</td>
<td>.500</td>
</tr>
<tr>
<td>Work orientation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>1.970</td>
<td>.165</td>
</tr>
</tbody>
</table>

Another important objective of this research was to analyze the relation between employee evaluation and employee promotion, five years after the evaluation \( N = 55 \) using Qui-Squared Test. Employee performance evaluation is a rating ranging from 1 to 5 given by the manager for overall employee performance. Employee promotion was measured five years after the evaluation, resulting two groups: front line managers who were
promoted on middle and top management (N = 25) managers who didn’t have professional evolution (N=30). The results (Pearson chi square = 18.604, df = 10, p < 0.05) indicate that there is a significant correlation between performance appraisal and employee promotion, five years after the process of evaluation (see table 2). This is a very important finding because, in the process of detecting potential employees for middle and top management positions, performance is the most used criterion in organizations and the results show a strong correlation between variables.

Table 2. Chi-Square Tests Results

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>18.604a</td>
<td>10</td>
<td>.046</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>23.814</td>
<td>10</td>
<td>.008</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>55</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 18 cells (81.8%) have expected count less than 5. The minimum expected count is .45.

5. Discussion

This study is very important because approaches a very important process for organizations: employee promotion with results that can be used in practice. Promotion is used in this research to objectively measure employee potential by realizing a longitudinal study. Analyzing differences between personality traits of managers from a retail organization having as a variable professional evolution (promotion) is very important because this can show which characteristics correlate with career success. Based on these results, the modal profile manager with professional evolution can be used in the complex process of talent management. Another important finding is the significant correlation between evaluation and promotion, evaluation being used as an objective criterion in the process of detecting employee with professional evolution potential. Promotion is an objective measure of professional evolution, and the significant correlation between the two variables show that evaluation is a trustful criterion when detecting potential. For further paper, it would be interesting to extend this research to other retail organizations.

References