

# *Impact of The Human Resource Department's Career Development Strategy to Companies Competitive Power; Azerbaijan*

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## ABSTRACT

Human resource management deals with the design of formal systems in an organization to ensure the effective and efficient use of human talent to accomplish organizational goals. In an organization, the management of human resources means that they must be recruited, compensated, trained, and developed. Human resource management influences to workers developing of their career. Research Purpose. The purpose of this article is to research new strategy of Azerbaijan changing national institutional management system which HR uses to improve workers career. In addition to this article analyzed the sustainability of such strategy and investigate the power's impact as the result of the company's competitiveness. Research Hypothesis. The developing of career strategy impacts to workers to gain competitive power. Research Methodology. In the research we use questionnaire method to HR's manager of 50 Azerbaijan national firms and 5 workers of each firms asks question, interviews about their career developing. We used in research literature. In the end the results will be discussed and the suggestions will be given to companies with theoretical background.

## 1- Introduction

Career development is a action of workers to reach their career goals during their working period. Organizational and personal thinking and expectations are very important factors for career development. Career decisions should be taken into special attention on this point. Today, the employers should try out the career development programs in order to make workers get benefits of human resources functions which are the very important factors for every organization. This way they could both ensure organizational activities

and supply workers with job.

The main purpose of career development is to direct and support the workers' career and increase the competitiveness of companies. Besides, it has the following purposes:

Reduction of ineffectiveness caused by target uncertainty and decrease in motivation;

Help workers to overcome the obstacles came across during the improvement;

Prepare professionals to new positions for organization's future needs;

Develop positive organizational culture based on



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high career expectations;

Help workers to define new career targets by identifying their potential abilities;

Development of productivity of organizations; Career planning covers individual's knowledge, skills, interests, values, estimation of strong and weak aspects, self-determination of short and long term plans, development of career plans and the adaptation process of plans. Career planning is the decision making and problem solving process aimed to build appropriate relations between employees' needs and values and their work experience and opportunities. The process itself would cause employees to become more happy and productive and train employees with high motivation who are likely to predict their future goals and expectations and defining targets in accordance with their future expectations.

The purpose of this research work is to investigate career as the human resources management function from the point of prospective influence of companies' competitiveness strength.

## **2- CAREER STRATEGY IN HUMAN RESOURCES MANAGEMENT**

Career management is a basic rule of planning peoples' work life. Career management contains combination of human resources plans with the system, definition of career steps, job description announcement for getting detailed information on career field, estimation of employee performance, development of work experience and educational programs (Ahmadov, 2009). Human Resources Management supports the responsibilities of leading position employers, personal career planning of employees and improvement of their mental skills. The employee is the one defining the self-career target and self-improvement strategy on this direction. "Planning of Work Life" closely matches the interests of humans as career is one of the main aspects of human life. Its being planned as limited process is very important from the view point of

reaching the targeted career goals. Companies with good career management planning predicts its employees' future prospective levels for the next one or five years. The mentioned prediction is utmost important as it helps the company to increase employee loyalty and adoption, motivate them and make a part of the company. It reflect in all banking field. We can say it in Bank of Baku. Their banking system works career management. All employers make their development as we say above.

Career management is the self-preparation strategy of how to step to the next stage predicting the career future.

People during the career management process, before starting their career options should fill the company form asking what position they would like to explore and what skills do they need to ace the position. According to this form a career plan can be developed for the employee. This aspect takes a special place in the personal file of employee. It is not always possible to go through the defined career development plan as the career development is linked to several other factors. However the employee's perspicacity and willingness come ahead of these factors.

Career plan development involves responsibility of both employee and company. Employee should know what to do and where to go, and be prepared beforehand. Company in its term, should prepare the employee on what direction to pass and how to use their skills. From this point of view both company and employee should take into account the promotion opportunities. The attained information in the end of performance estimation period can be used also for career management.

Another purpose of career management is the existing competition in human resources market.

The characteristic of human resources management is to establish opportunities for people to look ahead with confidence, plan for the future and develop career plans within the company.

Career planning takes essential place among the

modern management approach methods. The career development system consists of 2 main actions. In the first place the career planning should be provided for the employee, then the company following its responsibilities should proceed with career management.

The duties of employee during the career planning period are as follows:

- Personal evaluation: Individual's self estimation and self-attitude of skills and behavior are very important in this point.
- Evaluation of career opportunities: Employee should evaluate the achievable career opportunities inside and out the company.
- Combination of personal skills and career opportunities: Individual should build relation between existing skills and possible opportunities.
- Defining individual needs and targets: Targets should be defined and certain plans should be developed in order to reach the goals. (BAYRAKTAROGLU, 2003)

***The responsibilities of company during the career planning period:***

- Cooperative evaluation: Company should look through the existing human resources in general. This practice of career management at the same time lays down the foundation of human resources management application. Individuals' position development needs will be defined during the process.
- Definition of career opportunities: Definition of individual's promotion forms and conditions are very important.
- Observation and performance estimation of employees: Observation information about individuals' possible leaving places and results of performance estimation should be used for this point.
- Career consultation: The most important function of human resources is to give advice about the possible career opportunities. Worker

should be aware of development opportunities, expansion of work, shifting terms and rules concerning the company.

- Education matching with career opportunities. Career opportunities within the company, performance estimation actions, educational training programs are very important factors in increasing research results for employee motivation.

Career management is much easier in the companies belonging to hierarchic system. Especially, this can be easily implemented in manufacturing businesses.

The very important subject of attention what human resources should take into account during the period of career management and planning is to arrange equal opportunities for people. Unfortunately, nowadays we come across with individual approach and injustice in many companies. There should not be any intercessions in career planning process. Also, gender discrimination is a subject of discussion in companies. The necessary points of career planning are individual's skills, successes and performance opportunity. The performance should be based on objective criterions as much as possible. (BARUTCUGİL İ. 2004)

Career planning cause difficulties either for company or employee as it requires future planning and supposing skills. Human resources centers with the application forms matching workers' profile bring discipline to career planning.

***Career development program objectives:***

- Firstly, to decrease business productivity loss;
- Simplify comprehensibility of affirmed work and targets;
- Increase psychological satisfaction by decreasing workers' tension;
- Develop organizational values;
- Give development and promotion opportunity to women;
- Assist in quality formation;
- Develop organizational abilities;

- Offer all necessary facilities for individuals' improvement on the stages of organization;

The best career decision should embrace individual's demands and needs as well as interests and abilities. Such kind of decision encourages to get job with higher prospective. Also, makes oneself feel important and doing valuable work, and helps to achieve high overcomes as result of made efforts.

- General suggestions on career selection:
- Position advantages of people are different. Each person might not like doing the same works.
- The belief of doing useful work makes people become happier.
- People make good relations, work more productively and find common points with the people sharing similar interests.

Career direction of a person begins with perceiving belonged skills and values. This difference will probably cause to unchangeable decision in future. Career direction researches and observations generally consist of 8 "career sails". They are: Safety and determinedness, technical/functional adulthood, progress, independence/autonomy, creativeness / entrepreneurship, service / be beneficial, mode of life/balance and stick difficulties.

Career management starts by defining needs and career researching. This process involves both individual and environment by objectively estimating perception, personal values, beliefs, needs, goals, wishes and abilities of a researcher.

The second step is defining goal and developing strategy. The goal must be based on specific, measurable and accessible meaningful result and deadline. Goal defining will increase individual's motivation and provide control on achievements in working environment. Thus, individual should be concentrated on achieving the defined goals by using available resources.

The third step starts by practicing the defined career strategy. (FINDIKÇI İ., 2002)

Career planning is an endless process and all the

changes in individual's life should be taken into account.

Professional career passes through 4 stages like entry stage, colleague stage, counselor stage and advisory stage. Each step is linked with individual's skills and abilities, not with age.

Entry stage characterized by learning necessary information concerning the job and requires others assistance and support.

Colleague stage characterized by gradually losing dependence, but requires gaining skills to tie relations with colleagues of similar profession.

Counselor stage is marked by taking responsibility, either formal or informal, for developing others in the organization by sharing gained experience and skills.

Advisory stage is a level of knowledge, ability and skills and experience capable shaping strategy of the organization through innovative ideas and original concepts. Advisor should act smart and courageously to start new businesses.

### **3- CAREE MANAGEMENT OPTIONS IN BUSINESSES IN AZERBAIJAN**

Career management simply to say is making appropriate planning to the people's work lives. "Planning work life" is a part of a individual's life. Setting deadlines to reach the defined targets is very important in this stage. (Findikchi, 2002:343). Shortly, career management is both planning and practicing of people's work life. (Aytach, 2005: 3). Career should be understood as a vertical progress. Individual improving knowledge and skills can step on career stage (<http://www.5mworld.com>). The most suitable approach to career is to accept its un-limitedness. There are certain cases of position changes in some companies and even in professions. According to statistics the average time for workers to stay in the same company is five years (Chetin, 1999: 334). Biological age of the staff needs to change depending on the age and stage of career development. As a result, managers should

better understand the changes in requirements of each stage of the development process and career development of staff. (Cetin, 1999: 334).

Career management play a key role in keeping to hold the qualified labor force, increasing organizational commitment and motivation, having career maps and achieving effective results making a positive contribution to the performance of many other organizations. In order to get effective results from career management the career management practices should be based on strong principles and workers should have a strong belief to these principles. Based on these realities and a summary of the literature discussed in the second section we can identify the most important issues related to the career management as follows:

(1) Convincing employees of having fair career management;

(2) Increase awareness of career promotion criteria at each cut;

(3) Ensuring integration of individual's career plans and organizational plans;

(4) The relationship level between organizational commitment and employee career. In order to evaluate the career management practices in businesses in Azerbaijan the above issues identified and the questionnaire was prepared and applied. First of all, participants were asked whether the career management system exists or not. The results are as follows:

**Table 1: Career Management system in businesses in Azerbaijan**

Do you have a career management system in your business ?	F	%
Yes	68	58.6
No	34	29.3
I don't know	14	12.1
Total	117	100

As can be seen from the results in Table 1, there is a career management system in more than 50% of the enterprises in Azerbaijan. In the next assessments concerning career management according to Likert scale, 5 questions were asked on whether fair career management exists or not.

**Table 2: Career management practices in business in Azerbaijan**

Variable	.Avr	.St. S
(1) Career promotion criteria known by everyone	2.95	1.20
(2) Advices on career plans of employees in your business should be taken into account	3.00	1.36
(3) Being supported in career increases loyalty to organization	4.22	0.94
(4) The employee's career promotion takes place according to the performance in your business	2.61	1.16
(5) The employee's career promotion takes place according to the gained experience in your business	2.77	1.16

One of the most important issues related to career management is whether career promotion criteria is known by everyone. This question has emerged as the average 2.95. The level of this value's being also lower proves the fact that career promotion criteria are not known by employees in businesses in Azerbaijan. The level of average point of the statement whether the company supports employees' career plans was also low. This result shows that employee career-related plans are not supported.

In order to define what kind of relationship between career management and organizational commitment of employees, a question asked about whether career support increases the organizational commitment or not. The average value was 4.22 in a high level. This result has shown that the organizational commitments can be increased if employees were supported in career in business in Azerbaijan.

The average for the question on whether the career promotion based on employees' performance was low, 2.61. The results once more shows the fact that employee are not aware of career promotion criteria.

To the question about promotion in your business career carried out in accordance with the experience of employees the average for responses was low of 2.77.

This result again shows that the employees did not have concrete information about career promotion criteria.

When we examine the table fair career management in enterprises in Azerbaijan is seen that the

total average was 3:01 on the lower level. This shows that HR managers are hesitant about justice career management.

When we look at the results on the career management more than 50% of businesses reported that they have a career management system functioning. But the average level for the questions whether the career promotion criteria is known by everyone, were employees' suggestions taken into account, whether the care promotion based on employees' performance and whether the career promotion takes place according to the gained experience marked as low. What this means is that career management practices have shortcomings in many aspects.

#### 4- CONCLUSION

Career should be understood as a vertical progress. Individual improving knowledge and skills can step on career stage (<http://www.5mworld.com>). The most suitable approach to career is to accept its un-limitedness. There are certain cases of position changes in some companies and even in professions. According to statistics the average time for workers to stay in the same company is five years (Chetin, 1999: 334). Biological age of the staff needs to change depending on the age and stage of career development. As a result, managers should better understand the changes in requirements of each stage of the development process and career development of staff. (Cetin, 1999: 334). Career development policies implemented by enterprises, mainly from the two sub-concepts of career development including career planning and career management functions.

Some organizations in Azerbaijan focused their career development efforts only on leadership team. However, including people who are not in leadership team to the career development programs will give better results. These employees are also having development needs and promotion needs. This is necessary for the success of every organization.

For this reason, career development is important in terms of either organization or individual.

When we examine the cultural factors that affect career management practices of HRM managers in Azerbaijan, it can be seen that no long-term career practices has been implemented. This result once more shows that HRM managers operate uncertainly as was proven for the human resources management practices.

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