

DETERMINANTS OF EMPLOYEES PROMOTION: EVIDENCE FROM LITERATURE REVIEW

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Abstract

The study was carried out in the public sector to examine the determinants of employees' promotion in Tanzania. Data was obtained by reviewing literature sources particularly journal articles. Thematic analysis was used in data analysis. The review indicated that there was favouritism, poor performance evaluation that hindered employees' promotion in the public sector. However, employees experience as well as seniority was considered in promoting employees in the senior positions. Therefore, in order for the public sector to attain efficiency and effectiveness in promoting employees, the following were recommended; there must be an emphasis on merit-based promotions by promoting individuals who qualify for promotions in terms of good performance, acceptable level of education and enough work experience. Other factors are such as the proper implementation of the scheme of service, promotion policy and adequate budget allocation for promotion in senior positions, the aspects of ethical values should be adhered to because leaders are role models in the organization. Theoretically, the of Human Capital Theory and Screening theory are applied in the public sector as employees struggle to grow in their careers through training for them to be promoted. Education alone is not only the guarantee for promotion but also efficiency and performance though there are some bottlenecks in their application. The findings of the study are expected to inform policymakers, Human Resource officers, stakeholders and government officials on how to address effectively employees' promotions and attain good service provision to the public.

Keywords: Promotion, Determinant, Employee Promotion

Introduction

There is a complaint on Human Resource policies in the public sector that employees' promotion depends much on seniority or political connections rather than individual performance (Sharabi, 2012). There is a notion that promotion positively affects staff performance and good behavior is also rewarded through promotion (Bula, Makhamara & Ratemo, 2021). When employees are promoted, they become more effective especially when they are assigned to suitable positions (Haji, 2013) and this reduces labour turnover (Gupta, 2012). It was also noted that giving the best jobs to outsiders while there is internal capacity can reduce working morale when employees expect to get those jobs (Seward, 2019). Therefore, promotion is an increase in workforce responsibilities, achievements, facilities, higher status and additional wages or salaries (Neck, Houghton & Murray, 2018; Kinicki & Fugate, 2017). Globally, the question of promotion is an important motivational tool as it reduces employee's discontent, conflict and unrest.

However, employees in the public sector claim that promotion is based on who you know and not what you know (Sharabi, 2012). There is a belief that to advance in employment one should develop interpersonal relationships with the right people rather than invest efforts in their work performance for the benefit of the organization. It is clear that, public sector efficiency is measured by improvement in service delivery in different sectors like education, health, infrastructure, water and sanitation (Tidemand & Msami, 2010; Lufunyo, 2015).

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Due to the presence of these sectors which aim to provide services to the public, employees' promotion fall under the functions of human resource which leads to improved service delivery hence, employee promotion remains a critical issue to be given essential priority to the employees as their right.

Studies show that in developed countries like United States of America and United Kingdom promotion is carried out basing on seniority (Bhattacharyya, 2002). In India, the Supreme Court has ruled that a government employee has a fundamental right to be considered for promotion and it is mandatory for the centre and states to carry out that activity. In Tanzania, the Public service sector promotes public servants according to Public Service Management (PSM) and Employment Policy (EP) of 1999 and the Public Service Scheme (PSS) of 2003. The provisions insist on the merit - based promotions that consider the academic qualifications, performance, skills, personal qualities and job experience of employees. Despite the government's efforts through Public Service Management, Employment Policy and Public Service Scheme, promotion was still low as 72.5 percent of the employees were not promoted in the Ministry of Social Welfare, Youth, Women and Children Development (Haji, 2013).

Furthermore, the observation made on the promotion trends for Dar es Salaam City Council shows that only one third of employees who qualified for promotion were promoted (Peter, 2014). For that reason, the situation shows a slow promotion rate for public servants. In this view, the desk review aimed at identifying factors holding back staff promotion in the public sector. Therefore, the paper highlights issues that policy makers and other stakeholders interested in public servants welfare.

Theoretical Literature review

The study was informed by the Human Capital Theory and Screening Theory. The human capital theory suggests that employees struggle for education to improve their skills which results in future job performance (Strober, 1990). Due to education advancement, employees expect their organizations to utilize it through promotion. However, the education factor alone without efficiency and work performance does not guarantee promotion. Therefore, the Screening Theory was applied to inform other factors that improve efficiency in work performance. The theory suggests that attainment of education influences promotions as a result of demand- side economics.

These theories argue that managers find education as a way to obtain accurate information about an employee's potential value to the organization (Rosenbaum, 1984). In this situation, decision - makers assume formal education attainments as an indicator for future success hence; education influences promotions because decision- makers use education as a screening tool to hire and place better educated employees into fast-track careers (Ong'amo, 2012).

Public Service Management and Employment Policy (PSMEP)

Through the Public Service Management and Employment Policy (1999), the President Office and Civil Service Department, in Tanzania, addressed the issue of promotion based on longevity of service rather than merit. The same is applied in Indonesia where promotion is based on seniority, nepotism and loyalty (Nasir, Iqbal & Akhtar, 2019). The decision on who to promote is often based on more intuition and inscriptive criteria than an employee's ability. To overcome this, the policy declared merit-based promotion through open competition for vacant positions for both internal and external candidates. Qualifications, skills, experience and personal qualities should be considered when selecting applicants for higher- level posts (URT, 1999).

Performance Appraisal and Employees Promotion Performance Appraisal (PA) is a regular and systematic process to evaluate employees' performance (Al-Jedaia & Mehrez, 2020). It has been considered as a reliable tool to make sure that the appropriate employees fill in the right positions within the organization (Iqbal *et al.*, 2014). Thus, it helps managers to make the right decisions on salaries, promotions, training, and encouraging employees through positive feedback (Ameen & Baharom, 2019). As a result, an effective PA needs to reflect the exact performance of employees from different perspectives as well as the evaluation of the employees. Therefore, data obtained from PA is highly beneficial for identifying employees' strengths and weaknesses which can lead to training.

However, there has been inadequate implementation of PA by 78 percent (Haji, 2013). Biasness dominated between the supervisor and employee leading to unfair evaluation (Musa *et al.*, 2012). In addition, the evaluation of the lower-level employees was not clear despite their essential service tasks (Haji, 2013). Contrary to that, promotion in Chinese schools is obtained through strict performance evaluation of teachers and not otherwise (Karachiwalla & Park, 2017).

Favouritism and employee's promotion

Favouritism is a situation where supervisors are so subjective in providing promotion to their subordinates. This gives a possibility to favour one subordinate over others (Berger, Herbertz & Siliwka, 2011). As a result, if internal promotions are based on subjective performance appraisal, favouritism may result not in selecting the best employee but the one who is liked by the supervisor (Nasir, Iqbal, & Akhtar, 2019). This was supported by Prendergast and Topel (1996) who pointed out that personnel preferences towards employees may lead to favouritism and biased performance appraisals in firms. This leads to misallocation of workers to jobs and distortion in incentives.

A study by Longenecker and Ludwig (1990) and Bjerke, Cleveland and Morrison (1987) revealed that political considerations rather than the true performance are reflected in subjective evaluations. This was possible when performances were tied to bonuses. It was also found that frequent interaction between supervisors and small size groups accelerates favouritism in evaluation (Breuer, Nieken & Sliwka, 2010). Kramarz and Skans (2007) concluded that favouritism occurs with the presence of family ties in certain organizations. Arian, Sharabi and Simonovich (2012) who did a comparative study on promotions between a public and private sector in Israel discovered that, promotions in private sector were influenced by success in projects or missions while promotions in the public sector were influenced by organizational politics. Politics versus performance was identified as a major difference between the public and private sector (Vigoda & Kapun, 2005). There is a belief that employees lobbying, connections and promoting directly or indirectly to their managers can lead to promotion (Deondra, 2006; Singh, Kumra & Vinnicombe, 2002; Vigoda & Drory, 2006). Haji (2013) added that 53 percent of promotions were indefinable as an indication of favouritism. Berger, Herbertz and Siliwka (2011) also concluded on the presence of favouritism when the performance of an organization is not clearly observable.

Education and employee promotion

In his study, Fields (2002) discovered that education and training determine promotion. Education was termed as human capital which comprised skills and abilities that people have (Becker, 1964; Mincer, 1974). This was supported by Musa *et al.* (2012) and Peter (2014) who pointed out that academic qualification influences promotion and this is partially supported by Haji (2013) with minimal influence by 8 percent.

Methodology

The study was conducted in Tanzania public sector. Multiple strategies were employed to gather relevant literature using systematic review standards. Secondary sources were used to gather information through a documentary review of different sources mainly journal articles both local and international. Electronic databases such as Web of Science, Scopus and Google Scholar were used as cited by Kimario, Mwangike and Kira (2021). The collected data was analyzed thematically.

Findings and Discussion Merit- based Promotions

To attain good performance in many organizations, employees must be motivated through promotions based on merit. Empirical literatures identified that majority of employees in the public sector are promoted based on longevity of service rather than merit. This enables them to utilize fully their talents, skills and knowledge for the benefit of the organization. Favouritism, political features and unfair performance evaluation decrease employee's morale and result in poor production or poor service delivery which can end up with labour turnover.

Performance- based promotion

It has been discovered that dysfunction in the public sector costs the world economy and billions of dollars each year (Mauro, 1995). This is contributed by poor performance of its civil servants compared to the private sectors where competition is very high in achieving the organization objectives leading to performance-based promotion for its employees (Arian, Sharabi & Simonovich, 2012). Performance standards are set clear for all employees to be aware of the promotion criteria. The study identified a problem in promoting employees based on performance in terms of open performance review and appraisal system where there was a report of unfair evaluation by supervisors. Employees have to abandon ideas of being promoted based on patronage and rely on the actual performance. Frequent interaction with supervisors should aim to improve performance and not expecting favours from them (Breuer, Nieken & Sliwka, 2010).

In addition to that, it had been advised for employees to perform tasks that match with their qualifications to excel in their performance, which is achieved through merit- based recruitments. Furthermore, the performance evaluation forms should be context-oriented and not just a template for all public organizations as it cannot capture objectives in different sectors (Tefurukwa, 2014). This was done by the University of Dar es salaam and Sokoine University of Agriculture to differentiate the performance objectives between academic staff and non-academic staff (Tefurukwa, 2014). It went further into differentiating the tasks of departments since each department has different tasks.

Promotion in the Senior Positions

Senior positions are sensitive areas where competent individuals are needed. Psychological attributes such as effective communication, adaptability to change, creative thinking and ability to manage others were considered the powerful determinants of an employee's promotion to a senior position (Fields, 2002). In the United States of America and United Kingdom, senior positions are obtained through careful observation of employees' capability in terms of education, performance and ethical values. Contrary to that, the review identified Tanzanian public sector promotion in senior positions based on education, experience and integrity. Some are being promoted based on seniority and longevity in service. Therefore, an employee who serves an organization for a long time deserves promotion. In other words, possessing higher education than others stands as a criterion to promote someone to a higher position.

Implementation of the Scheme of Service

A Scheme of Service is a legal document that outlines the profile of every grade of the Public Service specifying the qualifications, experience and qualities required for employees to perform duties and responsibilities. The Tanzania public service scheme of 2003 identified criteria for promotion of employees. The identified criteria are academic qualification determined by the level of education at a certain post, professional competence, age determined by the birth certificate, good character, integrity and experience as determined by the length of service in the same post or equivalent. These criteria have been well set but their implementation seems to be unsatisfactory since the majority of employees are not aware of the existence of the scheme of service (Haji, 2013).

Conclusion

The study aimed at examining the determinants of employee promotion in the Local Government Authorities in Tanzania. Promotion determinants were identified such as employees' performance, education, work experience and the influence of scheme of service. However, the study identified signs of politics in promotion and favouritism as employees who deserved promotion were not promoted on time. Insufficient budget allocation for promotion was among the reasons for delaying promotions on time (Mwijage, 2015). Possessing a high rate of unpromoted employees who deserve promotion indicates a failure in the promotion policy and immediate measures should be taken to motivate employees and be engaged in the organization as well as in the jobs (Saks, 2006). Therefore, the study revealed political signs in promotion through connections, lobbying or employees promoting themselves to senior positions.

Recommendations

Performance measures should be made clear to all employees and should be context-oriented. This will enable employees in the respective departments to have performance evaluation forms that reflect their tasks or responsibilities. In some cases, thorough training should be provided to all employees on how to achieve their objectives and the outcomes of poor performance should be clearly elaborated. Tanzania should adopt the Chinese promotion system where all the civil servants are promoted based on their performance and not otherwise. In addition to that, personal biasness should be avoided in the process of evaluating employees' performance. This can discourage the hardworking employees and therefore it may lead to poor productivity or the hardworking employees may leave the organization and find organizations which value performance.

Political elements seem to exist in the public sector. Promoting employees on favouritism basis results in having employees with inadequate skills and hence poor performance and inefficiency. Family ties and close relationships between the supervisor and employees were identified. Meritocracy should be adhered to when recruiting and promoting employees. Close relationship between a supervisor and subordinate is acceptable but when it comes to promotion, meritocracy should be considered.

Education as a determinant of employee promotion should be considered when an employee upgrades his/her career. It is obvious that career upgrading sharpens skills and knowledge, and therefore, the employee deserves a promotion. This will encourage and motivate employees to undergo in-service trainings as it leads to promotion and salary increase. Sometimes there might be no room for promotion especially for senior positions because they are limited but their education recognition can be a motivation for them.

Adequate budget allocation for Promotion

Adequate budget should be allocated to support promotions. Most employers have been complaining against shortage of budget which decreases employees' morale to work effectively (Peter, 2014). Studies show that employee's participation in organizational budgeting increases organizational performance (Amirul, Mail & Ripain, 2017). Therefore, employers should establish a budget for their everyday activities in the organization so as to know exactly the organizational ability and need in allocating resources (Campbell, 1985). It is not pleasing when employees expect promotions despite their good performance for years without implementation. However, the public service scheme of 2003 explained that an employee will be promoted if the budget allows. This might lead to negative attitude towards their work and organization, hence poor performance.

Ethical consideration

According to the cultures of many organizations, it is clear that every employee understands what is good and what is bad. The codes of ethics and codes of conduct should be implemented properly by all organizational members so any promotion which is not merit-based is totally unethical. The issue of ethics should be pioneered by the management or supervisors to the employees though sometimes they are poorly implemented.

Limitations

The study tried to examine the determinants of employees' promotion in the Tanzanian context. Tanzania being a developing country, its results might be different from developed countries. The study was also limited to secondary sources of information rather than primary sources that could give in-depth information about promotion criteria in the public sector. Two theories, namely Human Capital Theory and Screening Theory were used in the study. These theories might not be sufficient enough to give the expected results of employee promotion. Therefore, additional theories can be used to examine the determinants of employee promotion in Tanzania.

Areas for further Study

The study applied a literature survey strategy in obtaining different information on the determinants of employee promotion in Tanzanian public sector. This might not have captured in-depth information that could be obtained through primary data. However, there were studies conducted based on primary data collection but their scope was not sufficient enough hence, there is a need for a survey as well as a comparative study to be conducted on public and private sectors promotion.

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