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FOR MID-CAREER MANAGERS: A FACTOR ANALYTIC STUDY

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THE STRUCTURE OF THE JOB CHANGE DECISION FOR MID-CAREER
MANAGERS: A FACTOR ANALYTIC STUDY

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Abstract

This study was an explication of the underlying decision structure for mid-career job changers in managerial positions. Four factors emerged; two were career/work related and the other two involved interpersonal influences. The results were discussed in terms of their relation to contemporary career issues and motivational concepts.

INTRODUCTION

The objective of this paper is to report on an investigation of the decision structure of American managers who have just completed the process of accepting a new job assignment. We were concerned with the influence that certain factors had on the manager's acceptance of a new assignment. The job change required the manager to move to a new geographical and work location. In this respect, the investigation reflects a growing interest in mid-career issues among academicians and practitioners in the human resource management field.

An examination of the literature on organizational careers indicates that careers have been defined and studied from many different perspectives, and research on careers has been sprinkled throughout a wide array of disciplines (Hall, 1976). In recent years, researchers have concentrated their attention on such problems as organizational entry and the first job (Bray, 1974). This topic has spurred interest in the professional as well as popular literature. In contrast, there has been less research on mid-career and the job choice process of those persons who have passed through their first jobs and the early years of employment. Whereas researchers have examined how newcomers and young managers become more realistic in their expectations about the organization and their careers, little is known about the factors which influence managerial personnel to accept a new job assignment which will require them to relocate physically and to function in a new work setting.

The manager making the decision to accept or reject a new assignment is typically faced with a range of unknowns. For example, the manager must consider and evaluate the job demands and work environment, the potential risks and benefits to one's career, the psychological uncertainties of the proposed move, and disruptions to one's friendships and life style. In spite of the uncertainties, a high degree of inter and intra firm mobility occurs in the United States suggesting that the mid-career job change process is worthy of investigation.

In this paper, we concerned ourselves only with the factors which tended to influence managerial personnel to accept a new assignment. It is our contention that this research will provide an additional dimension to the job choice literature and the emerging mid-career body of knowledge.

PROCEDURE

Sample and Instrument

The sample was composed of 474 subjects who occupied managerial positions primarily in the finance and marketing areas within their respective firms. The variables and particular instructions used in the study are shown in Appendix I. Likert type rating scales were used to assess the importance of the various dimensions in the decision. It is probably appropriate to note at this point that all respondents had just decided to change jobs within three weeks of the time they were asked to respond to the questionnaire. The variables in Appendix I are part of a larger questionnaire involving background variables and labor market behavior. These same variables have been refined through use in previous

studies, and are not new to the present effort. (Bassett and Meyer, 1968, Miller and Cheng, 1976).

Method

In an attempt to explicate the underlying decision structure, a factor analysis was applied to the eleven variables. The communalities were estimated iteratively using the squared multiple correlations between each variable and the remaining variables as initial starting points. The number of factors to use in the final solution was decided using the Kaiser criterion which incorporates all factors with eigen values greater than or equal to one. The procedure itself is the FACTAN program which is contained in the University of Michigan's OSIRIS package.

It is probably worth mentioning at this point that a factor analytic methodology was considered appropriate for this sample since it was characterized by essential homogeneity with regard to the career stage and concerns of the respondents. An inspection of the data on age and salary indicated the subjects were overwhelmingly mid-career job changers, primarily in the marketing and financial functions of management. At any rate, the sample was judged to be sufficiently homogeneous to warrant the positing of an underlying common data structure, with minimal distortion from spurious factors due to sample heterogeneity.

RESULTS

Four factors were extracted which accounted for 89% of the common variance in the data. A varimax rotated set of factor loadings were obtained for the final solution, and this is shown in Table 1 along with an indication of the factor meanings. The first factor explained 43 percent of the variance, the second factor explained 19 percent, the third factor 16 percent and the fourth factor 11 percent.

The various factors were judged to underlie the following sets of variables:

Factor 1 - Career Enhancement

- v1. Opportunity for greater responsibility
- v3. Opportunity for knowledge, experience and future assignments
- v7. Expect that all executives aspiring to top management should have this type assignment
- v8. Increased promotion potential
- v9. Opportunity for increased pay
- v10. Opportunity to improve career mobility

Factor 2 - Professional Competence

- v2. Direct knowledge of the job
- v4. Proven performance or capability in this area of work

Factor 3 - Location and Family Influence

- v5. Geographic location of the job
- v6. Encouragement from family

Factor 4 - Influence from Others

- v11. Encouragement from others

TABLE 1 Factors and Varimax Rotated Factor Loadings for the Job Change Decision Criteria

Variable	Career	Professional	Location	Influence
	Enhancement	Competence	and Family Influence	from Others
	Factor 1	Factor 2	Factor 3	Factor 4
1. Opportunity for greater responsibility	.40*	.30	-.20	.01
2. Direct knowledge of the job	.05	.75*	.03	.02
3. Opportunity for knowledge, experience and future assignments	.46*	.08	-.18	.07
4. Proven performance or capability in this area of work	.11	.56*	.03	.07
5. Geographic location of the job	-.09	-.03	.61*	-.04
6. Encouragement from family	.10	.08	.52*	.21
7. Expect that all executives aspiring to top management should have this type of job assignment	.50*	.09	.11	.13
8. Increased promotion potential	.85*	-.01	.04	-.12
9. Opportunity for increased pay	.55*	.10	.10	-.06
10. Opportunity to improve career mobility	.48*	.02	-.13	.25
11. Encouragement from others	.04	.08	.11	.70*
% Common Variance				
Explained by Each Factor				
	43%	19%	16%	11%

Factor 1 underlies variables 1,3,7,8,9,10

Factor 2 underlies variables 2,4

Factor 3 underlies variables 5,6

Factor 4 underlies variable 11

* indicates loading of .40 or more

DISCUSSION AND CONCLUSIONS

Several interesting results emerged from the analysis. First, by far the most dominant factor is concerned with motives related to realizing one's career potential. This is perhaps worth reflecting on since it suggests that individuals making mid-career job changes are still very attuned to an upward mobility career ethic. While there may be cross currents in present American culture which are questioning this traditional upward career pattern, it appears to be central for the respondents of this study. Since mid-career is often a period of consolidation and crystallization of work achievements, it is not surprising to see this factor emerge as important. Career advancement as a basic concern is a theme noted by other investigators of mid-career phenomena. Sofer (1970) in an insightful study of British managers and technical specialists emphasized how important and urgent upward advancement became for mid-career respondents. Career advancement took on importance not only because of intrinsic needs for continued challenge, but also because of its symbolic importance in relation to other roles occupied by the men. The recent work by Daniel Levinson et. al. (1978) on adult male development also underscores the intensity of upward mobility motives during mid-career. In fact, Levinson and his colleagues characterized one developmental period at mid life as the BOOM period (Becoming One's Own Man) in which the imagery of the ladder dominates the man's life and thinking. It was during this Boom period that the men looked to some external sign, some "marker event"

which would symbolize their final affirmation by society and validate their early career strivings.

The second factor was labeled Professional Competence and reflects immediate capacity to perform. This factor is probably instrumental in allaying some of the anxiety and risk involved in accepting a new position, and thus contributes significantly to the change decision. In short, feelings of mastery provide the necessary confidence to engage in change. Furthermore, the factor suggests the motivation to change can be viewed in expectancy theory terms where a central component is the individual's first level expectancy related to the link between effort and performance.

Referring again to Sofer (1970), he underscores the psychological risks of mid-career job change. Job change creates a direct test of one's professional expertise, and may bring incumbents face-to-face with the unsettling fact that they have reached their level of competence. Sofer concluded some managers preferred to remain in a job and tolerate some dissatisfaction rather than risk a professional failure. Hence, the competence factor appears to weigh heavily in the change decision.

The third factor was labeled Location and Family Influence and suggests the family relates to the decision in terms of its relation to the surroundings in which they will live. The fourth factor also involves interpersonal influence, but is non-family. This suggests family and non-family influences operate on the decision process somewhat independently. It should also be noted that whereas the first two factors are directly related to career, work and the job, the last two factors tend to be non-work related.

While the interpretation of factors is always intuitive by nature, there were some aspects of the analysis which contributed to the confidence the authors have in the results. First, the factors were generally interpreted based on that set of variables which loaded greater than or equal to .40, a convention advocated by Nunally (1967). Second, a relatively high proportion (89%) of the common variance was explained by the four factors. Third, each variable tended to load almost exclusively on only one factor. And lastly, the factors tended not to violate either the authors intuition or common sense.

One would be remiss if some of the study's shortcomings were not recognized, however. This research is limited by the fact that it was a survey study, and the questionnaire presented constrained response categories. Another shortcoming is the problems of self report data and the limitation of post-decision dissonance processes which sometimes create distortions of the original decision motives. In spite of these limitations, the authors felt the analysis yielded a cogent structure for the mid-career job change decision.

APPENDIX I

If you have had the opportunity to change positions and locale during the past five years, how important was each of the following factors in your decision to accept or reject the new assignment. (Mark the relative importance or influence of each factor.)

	<u>Least</u> <u>Important</u>	<u>Below</u> <u>Average</u>	<u>About</u> <u>Average</u>	<u>Above</u> <u>Average</u>	<u>Most</u> <u>Important</u>
1. Opportunity for greater responsibility	_____	_____	_____	_____	_____
2. Direct knowledge of the particular job	_____	_____	_____	_____	_____
3. Opportunity for knowledge, experience and for future assignments in this company	_____	_____	_____	_____	_____
4. Proven performance or capability in this area of work	_____	_____	_____	_____	_____
5. Particular geographic location of the job	_____	_____	_____	_____	_____
6. Encouragement from family	_____	_____	_____	_____	_____
7. Expect that all executives in or aspiring to top management should have this type of job assignment	_____	_____	_____	_____	_____
8. Increase promotion potential	_____	_____	_____	_____	_____
9. Opportunity for increased pay	_____	_____	_____	_____	_____
10. Opportunity to improve career mobility	_____	_____	_____	_____	_____
11. Encouragement from others	_____	_____	_____	_____	_____

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