Job performance and career planning in service sector companies

Desempeño laboral y plan de carrera en empresas del sector de servicios

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ABSTRACT

The objective of the research is to establish the relationship between job performance and career plans in the service sector of the Cotopaxi province of Ecuador, with the purpose of contributing to organizational improvement and growth. The methodology used in this study was the quantitative approach, the survey was addressed to a total of 98 workers from various microenterprises in the service business sector. The evaluation of the career plan dimension reveals diversity in the employees’ perceptions. Kendall's correlation coefficient of 0.529 suggests a moderate positive relationship between job performance and career plan. This finding underscores the importance of aligning career goals with job responsibilities, although it indicates the existence of additional factors that influence performance and professional development, demanding further research.

Descriptors: vocational training; skills development; occupational qualifications. (Source: UNESCO Thesaurus).

RESUMEN

El objetivo de la investigación es establecer la relación entre el desempeño laboral y los planes de carrera en el sector de servicios de la provincia de Cotopaxi del Ecuador, con el propósito de contribuir a la mejora y crecimiento organizacional. La metodología empleada en este estudio fue el enfoque cuantitativo, la encuesta se dirigió a un total de 98 trabajadores de diversas microempresas del sector empresarial de servicios. La evaluación de la dimensión de plan de carrera revela diversidad en las percepciones de los colaboradores. El coeficiente de correlación de Kendall de 0,529 sugiere una relación positiva moderada entre el desempeño laboral y el plan de carrera. Este hallazgo subraya la importancia de alinear las metas profesionales con las responsabilidades laborales, aunque indica la existencia de factores adicionales que influyen en el rendimiento y desarrollo profesional, demandando una investigación más profunda.

Descriptores: formación profesional; desarrollo de las habilidades; competencia profesional. (Fuente: Tesauro UNESCO).

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Research articles section
INTRODUCTION

In contemporary times, it is imperative that entities globally focus on continuous improvement of the performance and development of their human capital. In this sense, (Jara-Martínez, et al. 2018), emphasize that, in order to achieve optimal work performance, every institution requires a synergy of material, technical and human resources. The operational effectiveness of companies, in general, depends on factors such as staff training, the availability of adequate tools and the motivation of workers, being considerable to employ performance evaluation, being crucial for the interdependence of each individual in his position, thus contributing to organizational objectives and professional development over time (Spain, et al. 2021).

Therefore, the importance of career plans as fundamental tools in the management of human talent, especially in the current context of business competitiveness. In Ecuador, companies, categorized as large, medium and small, show a tendency to prioritize recruitment and performance evaluation processes instead of focusing on career plans and training. This lack of attention to career progression leads to increased levels of staff turnover and limits adequate development in the workplace. Effective implementation of career plans helps retain talent, provides stability to workers and ensures staff suitability (Macías-García & Vanga-Arvelo, 2021), (Guachimbosa & Santiago, 2019).

In Ecuador, government agencies such as the National Secretariat of Planning and Development (SENPLADES) and the Ministries of Labor and Social Inclusion should promote the implementation of career plans in all organizations. This would not only provide stability to workers and encourage job growth, but would also increase productivity and competitiveness of companies. The analysis of variables such as job performance and career plans is essential in the human talent department, as it promotes equity in the areas of production and services (Ormaza-Andrade, et al. 2020). In the Cotopaxi province of Ecuador, the scarce research on the relationship between job performance and career plans in specific service companies highlights the need for a deeper analysis. This allows for understanding working conditions, evaluating worker performance and determining whether the organization facilitates development and retention opportunities.

The problem identified lies in the limited connection between job performance and career plans, which affects the motivation and retention of personnel in the service sector of Cotopaxi Province. The essence of the research is to address this problem in order to understand the relationship between these variables and to promote the motivation and retention of personnel in the companies of the sector. In the Cotopaxi province of Ecuador, the urgent creation of career plans is essential to improve productivity, enable the development of skills, and guarantee a safe work environment conducive to the personal and professional growth of employees.

A well-structured career plan not only guides individual development, but also directly impacts employee motivation and retention, as well as job performance. It is crucial to view the career plan as a map that helps employees identify long-term goals and paths for advancement. When employees have a clear plan, they are more motivated and engaged, which naturally translates into better job performance and more effective contribution to the company's success. A solid career plan can also align individual and organizational goals, creating a synergy where personal growth adds value to the company. In summary, the relationship between job performance and career planning should be bidirectional, with both components being essential for professional development and long-term success at both the individual and organizational levels.

The objective of this research is to establish the relationship between job performance and career plans in the service sector of the Cotopaxi province of Ecuador, with the purpose of contributing to organizational improvement and growth.
METHOD

The methodology used in this study was the quantitative approach, following the definition of (Hernández-Sampieri, & Mendoza-Torres, 2018), who describe it as “a set of processes organized in a sequential manner to test certain assumptions”. This approach is integrated into the research process, starting from an idea that is subsequently delimited. Research objectives and questions are established, the variables are determined, and the bibliographic review and construction of the theoretical framework are carried out. The results are analyzed by means of statistical methods, concluding with the generation of significant findings.

The nature of the research adopts a descriptive approach, detailing each variable and its dimensions. A cross-sectional research design is used, which implies the collection of data at a single moment and at a single time.

The data collection technique selected is the survey, using a questionnaire as an instrument. According to (Feria-Ávila, et al., 2020), the survey is defined as a self-administered empirical inquiry method that is applied to a set of subjects to obtain their opinions or criteria on the causes, consequences, possible solutions and those responsible for the problem under investigation.

The questionnaire consists of 40 questions related to the two variables under study and their respective dimensions. In addition, it includes 10 questions designed to collect demographic information from the participants. The survey was addressed to a total of 98 workers from various microenterprises in the Services business sector in the province of Cotopaxi, Ecuador. Data collection was done through the application of the questionnaire in Google Forms. Validation was by expert judgment and calculation of Cronbach's Alpha coefficient.

Cronbach's Alpha coefficient has allowed researchers to evaluate the reliability or internal consistency of instruments based on Likert scales or any other multiple-choice scale. Consequently, the tool used in this study was structured with items that consistently and accurately measured the variables under investigation (Ventura-León & Peña-Calero, 2020). In simple terms, a Cronbach's Alpha value close to 1 indicates a strong relationship between items, which is highly desirable when measuring a specific characteristic or construct.

Reliability statistics

<table>
<thead>
<tr>
<th>Cronbach's alpha</th>
<th>N of items</th>
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<tr>
<td>.942</td>
<td>40</td>
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</table>

Reliability statistics are presented, highlighting Cronbach's Alpha coefficient and the number of items. This coefficient, with a value of 0.942, indicates a high internal consistency among the 40 items included in the measurement of job performance and the career plan in service sector companies in the province of Cotopaxi, Ecuador.

To establish the relationship between the variables and their dimensions, Kendall’s τ correlation coefficient was applied, this test, also known as Kendall's Tau, measures the association between two ordinal variables (Bolbolian-Ghalibaf, et al. 2020). Unlike Pearson's correlation, which evaluates the linear relationship, Kendall's τ analyzes the concordance or discordance in the relative order of the data between the two variables. It is used especially when the data are ordinal, indicating perfect agreement with 1, perfect discordance with -1, and 0 for the absence of relationship.

The analysis of the weights of the variables job performance and career plan was carried out, identifying the importance of each one and its dimensions. This test is valuable when the data are ordinal and the aim is to understand the tendency of concordance or discordance between the two variables under study.

RESULTS

After having carried out the application of the survey, it has been possible to gather sufficient information on the variables and their dimensions, so that it was possible to know the situation in which the collaborators find themselves with respect to their work performance and the application
Desempeño laboral y plan de carrera en empresas del sector de servicios
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of career plans in the companies of the service sector in the city of Latacunga, province of Cotopaxi.

Figure 1. Analysis of dimensions of the job performance variable.

Source: Own elaboration.

Based on graph 1, the weightings for the job performance dimension were made as follows:

**Ideal Frequency**: number of respondents (98) times the maximum score achieved (5), multiplied by the response factor (4) which equals a total weighting of 1960.

**Expected Frequency**: number of persons surveyed (98) by the score reached (4) which represents the point of acceptance by the researcher, multiplied by the response factor (4), resulting in a total weighting of 1568.

**Observed Frequency**: It is related to the data obtained from the survey applied to the workers.

**Quality**: Observed Frequency (1716): A higher than expected performance in terms of quality is observed. This may indicate that employees are delivering high quality work, exceeding expectations.

**Management**: Observed Frequency (1335): The observed frequency is lower than expected and ideal. This could suggest that there may be areas for improvement in management. It would be interesting to investigate the reasons behind this performance.

**Time**: Observed Frequency (1451): Performance in terms of time management is below the expected and ideal frequency. It might be useful to explore whether there are specific challenges related to time management in the work environment.

**Cooperation**: Observed Frequency (1648): Cooperation appears to be a strength in this context, exceeding both the expected and ideal frequency. This suggests a collaborative work environment.
Cost Reduction: Observed Frequency (1403): Cost reduction performance is below expectations. It would be valuable to investigate the reasons for this and explore opportunities to improve efficiency in this area.

Supervision): Observed Frequency (1666): The observed frequency exceeds both expected and ideal, which could indicate strong leadership and supervision in the work environment.

The analysis from Graph 1 suggests that there are strengths in areas such as quality, cooperation and supervision, but there are also opportunities for improvement in management, time and cost reduction. It would be beneficial to delve deeper into each dimension, explore the causes behind the results and consider how a career plan can positively influence these areas to improve overall performance.

Based on graph 2, the weights for the career plan dimension were calculated as follows:

**Career Objectives**: Observed Frequency (1422): Frequency is observed to be lower than expected and ideal. This could indicate that some employees may have difficulty setting clear career goals. It would be useful to investigate the reasons behind this and explore how career goal setting can be facilitated.

**Promotion Information**: Observed Frequency (1198): The observed frequency is lower than expected and ideal. This suggests that there may be a lack of clear information about promotion opportunities. It would be beneficial to investigate how promotional information is communicated and whether transparency in this area can be improved.

**Interest in Promotion**: Observed Frequency (1340): The observed frequency is below the expected and ideal. There may be opportunities to encourage greater interest in promotion among
employees. This could be related to effective communication about career advancement opportunities.

**Satisfaction**: Observed Frequency (1536): The observed frequency is close to ideal, meaning that workers consider themselves satisfied with what companies offer them in terms of career plans. Investigating the reasons behind this satisfaction could provide valuable information to maintain and improve this aspect.

Graph 2 indicates that there are areas of opportunity in terms of setting career objectives, communication, information, promotion and encouraging interest in promotion. However, the overall high satisfaction is a positive point. Consider how these dimensions of the career plan can be linked to job performance and how they can be improved to drive growth and productivity in the organization.

**Table 1.** Kendall's Correlation Coefficient (Tau - b).

<table>
<thead>
<tr>
<th>Medidas simétricas</th>
<th>Error estándar asintótico</th>
<th>T aproximada b</th>
<th>Significación aproximada</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinal por ordinal de Kendall</td>
<td>.529</td>
<td>.049</td>
<td>10.661</td>
</tr>
<tr>
<td>N de casos válidos</td>
<td>91</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. The null hypothesis is not assumed.

b. Use of asymptotic standard error that presupposes the null hypothesis.

Source: Own elaboration.

In the present research, using Kendall's Correlation Coefficient on the variables and dimensions assessed, namely job performance and career plan (see Table 1), reveals a positive relationship of moderate magnitude, with a value of 0.529. This coefficient provides a robust measure of the association between these two crucial variables in the work context.

It is imperative to emphasize that by qualifying the relationship as "moderate," allusion is made to a connection that is neither characterized by extreme strength nor weakness, but rather falls somewhere in between. In other words, the identified linkage exhibits a considerable degree of robustness, but is not so strong as to be considered a highly positive correlation. This nuance in the strength of the relationship offers a more nuanced and accurate perspective for understanding the interconnection between job performance and career development in the field of study.

**Complementary analyses of the variables are presented:**

In relation to the use of performance evaluations for the promotion of employees, a moderate positive correlation is revealed with a value of 0.558, according to the statistical analysis performed. This finding indicates that those employees aligned with the organizational mission and objectives consider performance evaluations as a way to advance in their careers, contemplating possible promotions. This result emphasizes the importance of fostering coherence between employees' individual objectives and the corporate mission, highlighting it as an essential factor in strengthening organizational identity. This, in turn, enhances the motivation and professional aspirations of employees in the context of performance evaluations.

As for participation in organizational planning processes and the existence of career plans in the organization, a moderate positive correlation is observed with a coefficient of 0.503. This statistical result indicates a consistent connection between the active participation of employees in strategic planning and the effective implementation of career plans in service sector companies. The coefficient suggests that as employees become involved in the strategic planning phases, a relationship is established with the successful development and execution of career plans. It highlights the importance of encouraging the inclusion of employees in decisions related to their professional growth, underlining that well-guided participation can improve and optimize career plans within organizations.
In relation to the existence of evaluation and feedback processes at work, as well as the concern of the immediate boss for professional development, the analysis reveals a moderate positive correlation coefficient of 0.508. This result reflects the relationship between evaluation processes and feedback, indicating that the concern of superiors for the professional development of employees has a positive impact on staff. It highlights the need to implement systematic evaluation and feedback practices to continuously improve performance and promote the commitment of both leaders and employees. This, in turn, will contribute to the professional growth and development of the team, cultivating a healthier and more productive work environment.

Graph 3. Does the organization have career plans?

Source: Own elaboration.

In Figure 3, the various perceptions collected on the presence of career plans in service sector companies highlight the complexity associated with the management of professional development. A significant 42% of the participants maintain that their companies have career plans, revealing a solid basis for professional growth and advancement. In contrast, 22% perceive the total absence of initiatives related to career plans, underscoring the need to explore the factors that affect and hinder their effective implementation.

These results highlight the imperative need for proactive management in the promotion and implementation of career plans. Identifying areas for improvement in companies becomes crucial to ensure the effective implementation of processes linked to the Human Talent department, transforming them into tangible opportunities for the development of all employees. The disparity in perceptions underscores the importance of addressing the challenges of career development management in the service sector in a strategic and informed manner.

DISCUSSION

In this section, a detailed discussion of the findings obtained through the weighting of the job performance dimension and the career plan dimension in service sector companies is addressed. The results presented in the graphs and correlation coefficients reveal key aspects that have a direct impact on the organizational efficiency and professional growth of employees.

The weighting of the job performance dimension provides us with a holistic view of how employees perceive and execute their responsibilities in different key areas (Agudelo-Orrego, & Escobar-Valencia, 2022), (Bernal-González, & Flores-Flores, 2020). The outstanding frequency observed in quality, cooperation and supervision suggests that these dimensions are strengths in the evaluated work environment. However, areas of opportunity are noted in management, time and cost reduction, where the results obtained are below expectations. The disparity between the observed and ideal frequency in management and cost reduction calls for a detailed review of
organizational processes. The possible correlation between more effective management and better performance in these areas could lead to specific improvement strategies.

The evaluation of the career plan dimension reveals a diversity of perceptions among employees. While overall satisfaction with career plans is high, areas of opportunity are observed in career objectives, promotion information and interest in promotion, where the observed frequencies are below expectations (Ramirez, et al. 2019), (Vasquez-Erazo, et al. 2022). The identified gap in career objectives highlights the need to support employees in defining clear career goals. In addition, the lack of clarity in promotion information and the lower than expected interest in promotion indicate an opportunity to improve communication and promotion of career goals.

From Kendall's correlation coefficient of 0.529 suggests a moderate positive relationship between job performance and career plan. This finding points to the importance of aligning employees' career goals with their job responsibilities. However, the moderate correlation points to additional factors influencing performance and career development, and further research is needed to identify these influences.

In summary, this comprehensive analysis highlights the complexity of managing career development in the service sector. Strengths are observed in certain dimensions, but also critical areas for improvement. The moderate correlation between job performance and career plan suggests that synergy between the two is essential to achieve comprehensive growth. Proactive management, strategic process review and effective communication would emerge as key strategies to drive performance and career development in these organizations. These results provide a solid starting point for future research and specific actions to improve talent management in the service sector.

In this study, the limited relationship between job performance and career plans in service sector companies has been clearly exposed. This finding raises crucial questions about the consistency of human talent management policies and the effectiveness of current processes. In this context, a thorough re-evaluation of personnel management strategies to achieve an effective synchronization between job performance and career growth opportunities becomes imperative.

As a corrective measure, we propose the adoption of strategies to strengthen and actively promote career plans. This approach will not only increase job performance, but also mitigate turnover rates, generating a positive impact on staff motivation. Strategic alignment between job performance and career paths emerges as an essential component for the sustainable success of companies in the service sector. Adjusting policies and processes in these organizations will not only improve competitiveness in the province, but will also position companies as leaders committed to the continuous growth of their human talent. Deliberate investment in staff development through well-structured career plans not only benefits employees and their performance, but also elevates the competitive position of companies in the marketplace and within the service sector. The reputation of organizations as employers committed to the development and growth of their staff attracts qualified talent and contributes to the retention of key employees. This strategic positioning strengthens companies' ability to meet challenges and seize opportunities in the dynamic globalized environment in which they operate.

Ultimately, efficient integration between job performance and career planning is not only an imperative for the internal fabric of organizations, but also a key determinant of long-term business success. This strategic approach to human talent management ensures not only internal operational excellence, but also the ability to adapt and thrive in an increasingly challenging and competitive business landscape.

CONCLUSIONS

This study has provided an in-depth perspective on the relationship between job performance and career plans in service sector companies. The findings presented through the weighting of job performance and career plan dimensions provide a detailed view of organizational efficiency and employee career growth.
In the job performance dimension, the results reveal strengths in quality, cooperation and supervision, while management, time and cost reduction point to areas of opportunity. The correlation between more effective management and better performance in these areas highlights the importance of reviewing organizational processes in detail and designing specific improvement strategies.

The evaluation of the career plan dimension reveals diversity in employee perceptions. Although overall satisfaction is high, areas of opportunity in career objectives, promotion information and interest in promotion indicate the need to support employees in defining clear career goals and to improve communication in this area.

Kendall's correlation coefficient of 0.529 suggests a moderate positive relationship between job performance and career planning. This finding underscores the importance of aligning career goals with job responsibilities, although it indicates the existence of additional factors that influence performance and career development, demanding further investigation.

In summary, this comprehensive analysis highlights the complexity of managing career development in the service sector. Strengths and areas for improvement are identified, and the moderate correlation suggests that the synergy between job performance and career planning is essential for holistic growth. Proactive strategies, strategic process review and effective communication emerge as key elements to drive performance and career development in these organizations. These results provide a solid foundation for future research and specific actions to improve talent management in the service sector.

AUTHORSHIP CONTRIBUTION

Sofía Patricia Tobar-Ordóñez: Generated a conceptual development and exhaustive review of the literature. Identification and definition of the research objectives, establishing the theoretical framework that contextualizes the study. Worked on the design of the quantitative methodology used in the research, cooperating in the development of the sampling strategy, design of the survey questionnaire, and planning of data collection. As well as in the supervision and execution of the statistical analysis of the data collected, interpretation of the results obtained and preparation of representative tables and graphs. Edwin Joselito Vásquez-Erazo: Contributed to the problem statement and justification of the study. Definition of the research objective and relevance of the work in the scientific and practical context. Processed a critical analysis of the results obtained in relation to the existing literature. Development of arguments and discussion of practical and theoretical implications of the findings, contributing, in addition, with a synthesis and writing of the final conclusions of the study. Both authors contributed equally and complementarily in the drafting and critical review of the manuscript as a whole, ensuring the coherence and quality of the scientific article presented.

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