EMPLOYEE SATISFACTION WITH CAREER DEVELOPMENT PRACTICES: A COMPARATIVE STUDY OF INDIAN AND FOREIGN MNC BPO FIRMS

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**ABSTRACT**

This paper is based on an empirical study of five Indian and five foreign MNC BPO firms operating in India, ranked among the top 100 by the International Association of Outsourcing Professionals (IAOP) for the year 2009. The data was collected using both qualitative and quantitative methods from 243 employees of Indian MNCs and 163 employees of foreign MNCs who constitute 1 per cent of the population under study. The present study finds that, on an average, the level of satisfaction towards the career development practices is at 69.71 per cent and 69.82 per cent among the respondents of Indian and foreign MNC BPO firms respectively, both of which constitute ‘satisfied’ on our scale. Regression analysis, using a significance level of 5 per cent, shows that three of the variables, namely, the variables of ‘I have a clearly established career path’ (p=.001), ‘Viewing BPO sector as a long-term career option’ (p=.000) and ‘Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees’ (p=.018) are significantly influencing the satisfaction of the respondents of Indian MNCs and two of the variables, namely, the variables of ‘I have a clearly established career path’ (p=.000) and ‘Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees’ (p=.042) are significantly influencing the satisfaction of the respondents of foreign MNCs towards the career development practices and all the other variables have emerged as the insignificant variables. Interestingly, all the significant variables are positively associated with the satisfaction of the respondents and all the variables used in the present study collectively account for 38.9 per cent (R square = .389) and 41.5 per cent (R square = .415) of the satisfaction of the respondents of Indian and foreign MNC BPOs respectively towards the career development practices.

**Key Words:** Employee Satisfaction, Career Development Practices, Indian, Foreign, MNC BPO Firms.
Introduction

Career development practices in the workplace help companies attract and retain high performing employees (Laabs, 1996; Simonsen, 1999; Kappia, et al., 2007; Sullivan & Mainiero, 2007). Research conducted by the Career Innovation Group (CIPD, 2005) found that employees are more likely to stay if offered the opportunity to develop. The amount of career support received by employees is positively correlated to their stated intention to remain with their current employer (CIPD, 2005). Career development plans for individuals have been found to be effective in fostering future leaders within the company who have the relevant skills and experiences that will be required to define and implement company strategies (Stringer & Cheholah, 2003). Effective career development practices such as employee growth and development can facilitate healthy organizations (O’Donnell, 2007). Practices that contribute to employee development have been linked to employee commitment to the organization, increased productivity and decreased absenteeism and turnover (Grawitch, et al., 2006). The employee turnover or attrition has been reported to be one of the major challenges facing the Indian ITES-BPO industry today. One of the prime reasons for the employees to leave the BPO jobs is a lack of career development opportunities among others (Dev, 2003; Tiga & Kumar, 2003; Mehta, 2005; Sengupta et al., 2007; Sharma, 2010). Jagadish (2004), on the other hand, opines that the ITES-BPO employees will have a bright international career and he compares it to the bank employees of ‘60s and ‘70s when nationalization was just completed and the employees managed to reach middle and senior level management posts later since banks grew. Given this diversity of opinions with regard to the issue of career development in the BPO firms and the relative lack of empirical research on employees’ reactions to the career development practices, there is an imperative need to have empirical studies in this area. In this context, the present empirical study makes an attempt to study, compare and analyze the perceptions of the employees of Indian and foreign MNC BPO firms with regard to the career development practices with a view to understand whether there is actually any kind of dissatisfaction among the BPO employees with regard to the career development practices and also to assess, compare and analyze the factors which significantly influence the satisfaction of these employees towards the career development practices.

1. Objectives

This empirical and comparative study titled “Employee Satisfaction with Career Development Practices: A Comparative Study of Indian and Foreign MNC BPO Firms” has the following objectives:

1. To study, compare and analyze the perceptions of the employees with regard to the career development practices being adopted by the Indian and foreign MNC BPO firms.
2. To assess, compare and analyze the factors influencing the satisfaction of the employees of the Indian and foreign MNC BPO firms towards the career development practices.

3. Research Hypothesis

The following research hypothesis has been adopted by the researchers: “The variables of ‘Having a clearly established career path’, ‘Viewing BPO as a long-term career option’ and ‘Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees’ have a significant association with the satisfaction of the respondents towards the career development practices”.

4. Review of the Literature

Dash et al. (2008) report that the factors perceived as motivating by the ITES-BPO employees, among others, include the factors like the chances of promotion and the opportunities for professional growth. The reason of high growth opportunity has emerged to be the most important reason for the employees to join the BPO jobs in a few studies (Chhabra, 2004; Budhwar et al., 2006). Ironically, the reason of having no growth opportunities/lack of promotion has also emerged as the most important reason for the BPO employees to leave the BPO jobs in many of the studies (Tiga & Kumar, 2003; Phukan, 2003; Chhabra, 2004; Nayanathara, 2005; Kumar, 2005; Watson, 2005; Mehta, 2005; Chakravorthy, 2006; Vashista, 2006; Ramachandran, 2006; Budhwar et al., 2006; Mishra, 2008; Sharma, 2010). The employees are not ready to accept BPO job as a long-term career and they are taking these jobs as a stop-gap arrangement to pass time (Belt, 2002; Dev, 2003; Phukan 2003; Balaji, 2004; Chhabra, 2004; Nayanathara, 2005; Prakash & Chowdhury, 2005; Chatterjee, 2005; Priyadarshini, 2007; Sengupta et al., 2007). The reports appearing in newspapers and magazines claim that the mind-numbing, repetitive tasks which the employees perform in the middle of the night will have adverse effects on their health without providing long-term career options (Sengupta et al., 2007). The society refrains youngsters from establishing their careers in this industry because it is considered as ‘low-brow’ (Pillai, 2006). Joshi (2010) reports that the reason of good career progression in ‘other companies’ has been quoted by the BPO employees as one of the prime reasons as to why people leave BPO jobs. In the opinion of Babu (2004), the BPO work does not provide any scope for skill upgradation. The work experience in BPO industry is not considered as relevant for other jobs or for doing MBA, etc. Monis (2010) reports that the option of creating a long-term career path will help motivate the BPO employees. Ramachandran (2006) stresses that the strategies like providing educational support, providing multi-dimensional/cross-training, creating promotional/lateral opportunities for the employees will motivate the employees to stay in the BPO industry. Several leading BPOs are certainly focusing on career trauma wherein they have a mentor system and help employees re-evaluate their career choices (Tiga & Kumar, 2003). Some companies have tied-up with educational institutions for post-graduation programs subsidized by the BPO employers but the impact of this strategy is not yet known. Ramakrishna (2002) suggests that mapping the individual growth to organizational growth, upholding and educating leadership, ensuring cross-functional participation, providing learning and growth opportunities, leaving space for vertical growth, career mapping and succession planning will result in a world class working environment that motivates and propels people to work better and stay on (Also see Dept. of IT, 2003; Kumar, 2005; Pillai, 2006; Vashista, 2006; Ramachandran, 2006; Raman, 2007; Srikanth & Ramamirtham, 2008; Reynolds, 2008; Bhaduri, 2008). Dev (2003) reports that certain firms offer three career paths to their employees - vertical (agent/team leader/team manager/ operations manager), horizontal (across functions) and progress to parent company. Balaji (2004) emphasizes on the strategy of providing internal promotions so as to create a feeling that BPO segment offers good career growth opportunity which, in his opinion, will motivate employees to remain in the industry (Also see Karnik, 2003; Nicholas, 2005; Joshi, 2007; Jarg, 2007). Jagadish (2004) opines that the ITES-BPO employees will have a bright international career and he compares it to the bank employees of ’60s and ’70s when nationalization was just completed and the employees managed to reach middle and senior level management posts later since banks grew. All these studies make one thing certain: the growth opportunities are what the employees of the BPO sector are now scouting for. Keeping these views in mind, the present study titled “Employee Satisfaction with Career Development Practices: A Comparative Study of Indian and Foreign MNC BPO Firms” is undertaken.
5. Research Methodology

The study mainly depended upon the primary data. However, some secondary sources of data were also consulted for the purpose of gathering background information supporting the study. Relevant primary data was collected through a sample survey using a well-structured and pre-tested questionnaire. The draft questionnaire was e-mailed to 25 employees of the sample ITES-BPO firms to pre-test the questionnaire and the suggestions received from them were critically examined and were duly incorporated in the final questionnaire wherever found proper. The data was collected from a total of ten MNC BPO firms - five Indian and five foreign - which were selected on the basis of the ranking announced by the International Association of Outsourcing Professionals (IAOPs) for the year 2009 as “The 2009 Global Outsourcing 100”. The study covered the units of these MNCs located in Bangalore, considered to be the Silicon Valley of India\(^1\). Access to these BPO firms was secured through contacts and through networking techniques. Altogether, data was collected from a total of 406 employees - 243 employees of Indian MNCs and 163 employees of foreign MNCs - and these employees constitute 1 per cent of the employee population of the respective MNCs under study. The perceptions of the respondents on the six statements, qualifying as the variables being derived from a review of literature in the area of study, are measured on Likert’s (1932) five-point scale of ‘strongly disagree………… strongly agree’, the scale in quantitative terms being: 0 - 20 per cent: strongly disagree, 21 - 40 per cent: disagree, 41 - 60 per cent: not sure, 61 - 80 per cent: agree, 81 - 100 per cent: strongly agree and the satisfaction of the respondents towards the career development practices is rated again on Likert’s (1932) five-point scale of ‘highly dissatisfied………… highly satisfied’, the scale in quantitative terms being: 0 - 20 per cent: highly dissatisfied, 21 - 40 per cent: dissatisfied, 41 - 60 per cent: not sure, 61 - 80 per cent: satisfied, 81 - 100 per cent: highly satisfied. The variables of the career development practices are rated by the respondents on a scale of 1 - 10, the quantitative scale being, 1 - 20 per cent: not at all important, 21- 40 per cent: less important, 41 – 60 per cent: moderately important, 61- 80 per cent: important and 81- 100 per cent: very important. A multiple regression analysis has been made to identify the variables influencing the satisfaction of the respondents towards the career development practices and the results are presented here. Finally, the paper concludes with the researchers’ contributions to the literature and the scope for further research in this area.

Results and Discussion
Career Development Practices - Employee Perceptions

The views of the respondents on the six selected statements being used to study their agreement towards those statements are presented in Table 1. The levels of agreement being expressed in percentages and the ‘p’ values are given within brackets.

<table>
<thead>
<tr>
<th>Variables</th>
<th>1 %</th>
<th>2 %</th>
<th>3 %</th>
<th>4 %</th>
<th>5 %</th>
<th>Mean</th>
<th>S.D.</th>
<th>% Mean</th>
<th>‘t’ value</th>
<th>‘p’ value</th>
</tr>
</thead>
</table>
| My work is making me develop my skills and knowledge  | Indian | 4.1 | 6.6 | 9.9 | 55.6| 23.9| 3.88| .981 | 1.303 | .193  
|                                                     | Foreign | 7.4 | 8.0 | 8.6 | 54.6| 21.5| 3.75| 1.107 | 74.97  |
| I have opportunities to learn and grow                | Indian | 2.1 | 4.5 | 10.3| 56.0| 27.2| 3.98| .862 | .862 | .389  
|                                                     | Foreign | .6 | 9.8 | 13.5| 47.2| 28.8| 3.94| .934 | 78.77  |

\(^1\) Access to these BPO firms was secured through contacts and through networking techniques.
<table>
<thead>
<tr>
<th>Statement</th>
<th>Indian</th>
<th>6.6</th>
<th>28.8</th>
<th>45.7</th>
<th>14.4</th>
<th>3.59</th>
<th>.968</th>
<th>71.77</th>
<th>.421</th>
<th>.674</th>
<th>NS</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have a clearly established career path in my company</td>
<td>Foreign</td>
<td>9.2</td>
<td>33.1</td>
<td>34.4</td>
<td>19.0</td>
<td>3.55</td>
<td>1.038</td>
<td>70.92</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I do consider a job in the BPO sector as a long-term career option</td>
<td>Indian</td>
<td>7.4</td>
<td>18.1</td>
<td>23.9</td>
<td>42.8</td>
<td>7.8</td>
<td>3.26</td>
<td>1.076</td>
<td>65.10</td>
<td>1.720</td>
<td>.086</td>
</tr>
<tr>
<td>If given a chance, I would prefer to work for another industry altogether</td>
<td>Foreign</td>
<td>16.0</td>
<td>14.1</td>
<td>31.3</td>
<td>25.8</td>
<td>12.9</td>
<td>3.06</td>
<td>1.248</td>
<td>61.10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A dynamic career path is a must in order to retain the outstanding and highly-performing employees</td>
<td>Indian</td>
<td>3.3</td>
<td>6.6</td>
<td>28.0</td>
<td>42.8</td>
<td>19.3</td>
<td>3.68</td>
<td>.968</td>
<td>73.66</td>
<td>1.823</td>
<td>.069</td>
</tr>
<tr>
<td></td>
<td>Foreign</td>
<td>9.8</td>
<td>3.1</td>
<td>26.4</td>
<td>49.1</td>
<td>11.7</td>
<td>3.50</td>
<td>1.068</td>
<td>69.94</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Indian</td>
<td>1.2</td>
<td>4.1</td>
<td>21.0</td>
<td>53.1</td>
<td>20.6</td>
<td>3.88</td>
<td>.824</td>
<td>77.53</td>
<td>2.349</td>
<td>.019</td>
</tr>
<tr>
<td></td>
<td>Foreign</td>
<td>.6</td>
<td>3.7</td>
<td>16.6</td>
<td>46.0</td>
<td>33.1</td>
<td>4.07</td>
<td>.836</td>
<td>81.47</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Note: 1 - strongly disagree, 2 - disagree, 3 - Not sure, 4 –agree, 5 - strongly agree)
Source: Survey data

On our scale, the respondents of both the Indian and foreign MNCs ‘agree’ on five of the statements:

(a) My work is making me develop my skills and knowledge (Indian MNCs = 77.70 per cent; foreign MNCs = 74.97 per cent; ‘p’ = .193, NS)
(b) I have opportunities to learn and grow (Indian MNCs = 79.60 per cent; foreign MNCs = 78.77 per cent; ‘p’ = .389, NS)
(c) I have a clearly established career path in my company (Indian MNCs = 71.77 per cent; foreign MNCs = 70.92 per cent; ‘p’ = .674, NS)
(d) I do consider a job in the BPO sector as a long-term career option (Indian MNCs = 65.10 per cent; foreign MNCs = 61.10 per cent; ‘p’ = .086, NS), and
(e) If given a chance, I would prefer to work for another industry altogether (Indian MNCs = 73.66 per cent; foreign MNCs = 69.94 per cent; ‘p’ = .069, NS).

The calculated values of ‘p’ > .05 clearly indicate that there is no significant difference among the respondents of the two types of MNCs with regard to their views on these statements.

Interestingly, only on one of the statements, that is, a dynamic career path is a must in order to retain the outstanding and highly-performing employees, the respondents of Indian MNCs report that they ‘agree’ with this statement, while the respondents of foreign MNCs report that they ‘strongly agree’ with this statement (Indian MNCs = 77.53 per cent; foreign MNCs = 81.47 per cent; ‘p’ = .019). The calculated value of ‘p’ = .019 < .05 clearly confirms that there is a significant difference among the respondents of the two types of MNCs with regard to their views on this statement.

The satisfaction of the respondents towards the practices being adopted by the management in framing their career paths is presented in Table 2. The study findings indicate that, on an average, the level of satisfaction towards the career development practices among the respondents of Indian MNCs is at 69.71 per cent and that among the respondents of foreign MNCs is at 69.82 per cent, which implies, on our scale, that the respondents of both the types of MNCs are ‘satisfied’ with the career development practices being adopted by their respective employers. The calculated value of ‘p’
= .953 > .05 indicates that there is no significant difference among the respondents of the two types of MNCs with regard to their levels of satisfaction.

Table 2: Satisfaction of the respondents towards the career development practices

<table>
<thead>
<tr>
<th>Variables</th>
<th>1%</th>
<th>2%</th>
<th>3%</th>
<th>4%</th>
<th>5%</th>
<th>Mean</th>
<th>S. D.</th>
<th>% Mean</th>
<th>‘t’ value</th>
<th>‘p’ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are you satisfied with the practices being adopted by the management in framing your career path?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>2.1</td>
<td>11.5</td>
<td>30.6</td>
<td>49.5</td>
<td>7.4</td>
<td>3.49</td>
<td>.864</td>
<td>69.7</td>
<td>.059</td>
<td>.953</td>
</tr>
<tr>
<td>Foreign</td>
<td>.6</td>
<td>16.0</td>
<td>24.5</td>
<td>51.5</td>
<td>7.4</td>
<td>3.49</td>
<td>.870</td>
<td>69.8</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

(Note: 1 – highly dissatisfied, 2 - dissatisfied, 3 - Not sure, 4 – satisfied, 5 - highly satisfied)
Source: Survey data

The respondents were asked to rate the six variables in terms of their importance in the career development practices on a scale of 1 to 10 and the results are shown in Table 3. The rating being expressed in percentages and the ‘p’ values are given within brackets.

All the six variables have been rated as ‘important’ by the respondents under study as follows:

(a) The clarity in framing the career path (Indian MNCs = 68.68 per cent; foreign MNCs = 69.63 per cent; ‘p’ = .691, NS)
(b) The training and development programs (Indian MNCs = 73.29 per cent; foreign MNCs = 76.38 per cent; ‘p’ = .146, NS)
(c) The educational support (Indian MNCs = 73.62 per cent; foreign MNCs = 73.07 per cent; ‘p’ = .804, NS)
(d) The identification of career paths and succession paths (Indian MNCs = 71.65per cent; foreign MNCs = 72.82 per cent; ‘p’ = .591, NS)
(e) The dissemination of career option information (Indian MNCs = 70.29 per cent; foreign MNCs = 69.94 per cent; ‘p’ = .867, NS), and
(f) The career development/advancement opportunities (Indian MNCs = 73.37 per cent; foreign MNCs = 77.18 per cent; ‘p’ = .079, NS).

The calculated values of ‘p’ > .05 clearly indicate that there is no significant difference among the respondents of the two types of MNCs with regard to their rating of these variables of the career development practices.

Table 3: Rating of the variables of career development practices

<table>
<thead>
<tr>
<th>Variables</th>
<th>N</th>
<th>Mean</th>
<th>S.D.</th>
<th>% Mean</th>
<th>‘t’ value</th>
<th>‘p’ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarity in framing career path</td>
<td>243</td>
<td>6.87</td>
<td>2.243</td>
<td>68.68</td>
<td>.397</td>
<td>.691 NS</td>
</tr>
<tr>
<td>Training and development programs</td>
<td>Foreign</td>
<td>163</td>
<td>6.96</td>
<td>2.524</td>
<td>69.63</td>
<td>1.456</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------</td>
<td>-----</td>
<td>------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>Indian</td>
<td>243</td>
<td>7.33</td>
<td>2.020</td>
<td>73.29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>163</td>
<td>7.64</td>
<td>2.202</td>
<td>76.38</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Educational support</td>
<td>Indian</td>
<td>243</td>
<td>7.36</td>
<td>2.063</td>
<td>73.62</td>
<td>.248</td>
</tr>
<tr>
<td>Indian</td>
<td>243</td>
<td>7.31</td>
<td>2.407</td>
<td>73.07</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>163</td>
<td>7.32</td>
<td>2.123</td>
<td>72.86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identifying career paths and succession paths</td>
<td>Indian</td>
<td>243</td>
<td>7.16</td>
<td>2.028</td>
<td>71.65</td>
<td>.538</td>
</tr>
<tr>
<td>Indian</td>
<td>243</td>
<td>7.28</td>
<td>2.343</td>
<td>72.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>163</td>
<td>7.16</td>
<td>2.343</td>
<td>72.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissemination of career option information</td>
<td>Indian</td>
<td>243</td>
<td>7.03</td>
<td>1.893</td>
<td>70.29</td>
<td>.168</td>
</tr>
<tr>
<td>Indian</td>
<td>243</td>
<td>7.00</td>
<td>1.893</td>
<td>70.29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>163</td>
<td>6.99</td>
<td>2.276</td>
<td>69.94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Career development/Advancement opportunities</td>
<td>Indian</td>
<td>243</td>
<td>7.34</td>
<td>2.023</td>
<td>73.37</td>
<td>1.760</td>
</tr>
<tr>
<td>Indian</td>
<td>243</td>
<td>7.34</td>
<td>2.023</td>
<td>73.37</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>163</td>
<td>7.72</td>
<td>2.292</td>
<td>77.18</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data

6.2 Factors influencing the satisfaction towards the career development Practices

A multiple regression analysis was made to identify the variables influencing the satisfaction of the respondents towards the career development practices of the ITES- BPO firms under study. A significance level of 5 per cent was used for our analysis. The variables are identified on the basis of the six statements used in the study.

The results of the regression analysis show that, in the case of Indian MNCs, the following three variables are significantly influencing the satisfaction of the respondents towards the career development practices:

(a) I have a clearly established career path (p=.001)
(b) Viewing BPO sector as a long-term career option (p=.000), and
(c) Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees (p=.018)

While in the case of foreign MNCs, the following two variables are significantly influencing the satisfaction of the respondents towards the career development practices:

(a) I have a clearly established career path (p=.000), and
(b) Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees (p=.042)

In the case of Indian MNCs, the following three variables have emerged as the insignificant variables:

(a) My work develops my skills and knowledge (p=.967)
(b) I have opportunities to learn and grow (p=.431), and
(c) I prefer to work for another industry altogether (p=.357).
While in the case of foreign MNCs, the following four variables have emerged as the insignificant variables:

(a) My work develops my skills and knowledge (p=.146)
(b) I have opportunities to learn and grow (p=.384)
(c) Viewing BPO sector as a long-term career option (p=.484), and
(d) I prefer to work for another industry altogether (p=.956).

In the case of Indian MNCs, all the three significant variables are positively associated with the satisfaction of the respondents towards the career development practices as follows:

(a) I have a clearly established career path (Standardized Beta Coefficient = .302)
(b) Viewing BPO sector as a long-term career option (Standardized Beta Coefficient = .295), and
(c) Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees (Standardized Beta Coefficient = .149).

While in the case of foreign MNCs, both the significant variables are positively associated with the satisfaction of the respondents towards the career development practices as follows:

(a) I have a clearly established career path (Standardized Beta Coefficient = .608)
(b) Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees (Standardized Beta Coefficient = .131).

The contribution of all the significant variables towards the satisfaction of the respondents with the career development practices, in the case of Indian MNCs (in the descending order) is as follows:

I have a clearly established career path contributes 30.2 per cent (Standardized Beta Coefficient = .302)

Viewing BPO sector as a long-term career option contributes 29.5 per cent (Standardized Beta Coefficient = .295), and

Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees contributes 14.9 per cent (Standardized Beta Coefficient = .149)

The contribution of both the significant variables towards the satisfaction of the respondents with the career development practices, in the case of foreign MNCs (in the descending order) is as follows:

I have a clearly established career path contributes 60.8 per cent (Standardized Beta Coefficient = .608), and

Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees contributes 13.1 per cent (Standardized Beta Coefficient = .131).

However, as per the Model 1, all the variables used in the study collectively account for 38.9 per cent (R Square = .389) and 41.5 per cent (R Square = .415) of the satisfaction of the respondents of Indian and foreign MNCs respectively towards the career development practices.
Table 4: Factors influencing the satisfaction of the respondents towards career development practices

<table>
<thead>
<tr>
<th>MNC</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>(Constant)</td>
<td>1.052 .277</td>
<td>3.799</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>My work develops my skills and knowledge</td>
<td>.003 .083</td>
<td>.004 .042</td>
<td>.967</td>
</tr>
<tr>
<td></td>
<td>I have opportunities to learn and grow</td>
<td>.064 .081</td>
<td>.064 .789</td>
<td>.431</td>
</tr>
<tr>
<td></td>
<td>I have a clearly established career path</td>
<td>.269 .078</td>
<td>.302 3.462</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>I view BPO sector as a long-term career option</td>
<td>.237 .056</td>
<td>.295 4.267</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>I prefer to work for another industry altogether</td>
<td>.049 .054</td>
<td>.055 .923</td>
<td>.357</td>
</tr>
<tr>
<td></td>
<td>A dynamic career path is must in order to retain the outstanding and highly-performing employees</td>
<td>.157 .066</td>
<td>.149 2.381</td>
<td>.018</td>
</tr>
<tr>
<td>Foreign</td>
<td>(Constant)</td>
<td>1.188 .349</td>
<td>3.400</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>My work develops my skills and knowledge</td>
<td>.129 .088</td>
<td>.164 1.460</td>
<td>.146</td>
</tr>
<tr>
<td></td>
<td>I have opportunities to learn and grow</td>
<td>.107 .122</td>
<td>.114 .872</td>
<td>.384</td>
</tr>
<tr>
<td></td>
<td>I have a clearly established career path</td>
<td>.510 .083</td>
<td>.608 6.115</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>I view BPO sector as a long-term career option</td>
<td>.038 .054</td>
<td>.054 .702</td>
<td>.484</td>
</tr>
<tr>
<td></td>
<td>I prefer to work for another industry altogether</td>
<td>.003 .051</td>
<td>.003 .055</td>
<td>.956</td>
</tr>
<tr>
<td></td>
<td>A dynamic career path is must in order to retain the outstanding and highly-performing employees</td>
<td>.136 .067</td>
<td>.131 2.049</td>
<td>.042</td>
</tr>
</tbody>
</table>

Model 1

<table>
<thead>
<tr>
<th>MNC</th>
<th>R</th>
<th>R Square</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indian</td>
<td>.623</td>
<td>.389</td>
<td>24.991</td>
<td>.000</td>
</tr>
<tr>
<td>Foreign</td>
<td>.644</td>
<td>.415</td>
<td>18.437</td>
<td>.000</td>
</tr>
</tbody>
</table>

7. Hypothesis Testing

Multiple regression analysis was used to test the hypothesis and the results are reported in table 4. The regression analysis shows that the variables of ‘Having a clearly established career path’, ‘Viewing BPO as a long-term career option’ and ‘Having a dynamic career path is a must in order to
retain the outstanding and highly-performing employees’ have a significant and positive association with the satisfaction of the respondents of the Indian MNC BPO firms towards the career development practices and only the variables of ‘Having a clearly established career path’ and ‘Having a dynamic career path is a must in order to retain the outstanding and highly-performing employees’ have a significant and positive association with the satisfaction of the respondents of the foreign MNC BPO firms towards the career development practices, and hence, the hypothesis being considered by the researchers is fully accepted in the case of Indian MNC BPO firms and the hypothesis is partially accepted and partially rejected in the case of foreign MNC BPO firms.

8. Conclusion

The employee growth and development activities include continuing education courses, tuition reimbursement, career development skills training, opportunities for promotion and internal career advancement, coaching, mentoring, and leadership development programs. According to Grawitch, et al. (2006), the practices that contribute to employee development have been linked to employee commitment to the organization, increased productivity and decreased absenteeism and turnover. The essence of a rewarding career goes far beyond the paycheck (Weiss, 1997). The ITES-BPO firms under study appear to be treading the right path in terms of the practices to be adopted for the career development of their employees since the employees report to be satisfied with these practices. But still, the problem with regard to viewing BPO jobs as a long-term career option persists and keeps haunting all the stakeholders. The study has been successful in accomplishing its research objectives and it makes three contributions to the literature. First, the researchers were able to present the perceptions of the BPO employees with regard to the career development practices wherein the employees convey that they are not highly satisfied with the career development practices being adopted by the BPOs under study: the overall levels of satisfaction at 69.71 per cent for the Indian MNCs and 69.82 per cent for the foreign MNCs are something not to be blindly ignored and thus, the respondents appear to be somewhat satisfied with the career development practices of the BPOs under study. Second, the researchers were able to present how the different variables are rated to be important in the career development practices of the BPO firms. Third and the most important, the researchers were able to analyze the variables influencing the satisfaction of the employees towards the career development practices, wherein the researchers were able to establish that out of the six variables being used in the study, only three variables in the case of Indian MNCs and two variables in the case of foreign MNCs have emerged as the significant variables and all these significant variables are positively associated with the satisfaction of the respondents towards the career development practices and the remaining three variables in the case of Indian MNCs and four variables in the case of foreign MNCs have emerged as the insignificant variables. With regard to the scope for further research, the following areas are suggested by the researchers: (i) the primary data for the present research was collected during a period when the whole world was reeling under the pressure of global recession and hence, a research in the same area after the recovery from recession is suggested which will help validate or nullify the present findings, (ii) the study was based on a small sample of ten large firms and hence, there is a scope to cover more number of firms in the future, giving proper representation to small, medium and large firms operating in the industry, (iii) a comparative study of voice and non-voice based firms is suggested, (iv) a comparative study of captive and third-party firms is suggested, (v) a cross-national study in this industry is advised to understand the country-wise differences, and more importantly, (vi) a study in the same area but across different industries is highly suggested by the researchers which will help establish whether there is any similarity among the employees working for different industries with regard to their
perceptions of the career development practices or whether the BPO industry is unique in itself.

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