

1-1-1984

## Business Strategy and the Management of the Plateaued Performer

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BUSINESS STRATEGY AND THE MANAGEMENT  
OF THE PLATEAUED PERFORMER

Working Paper 84-102\*

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Portions of this paper were presented at the 43rd Annual Meeting of the Academy of Management, Dallas, Texas, August, 1983. The authors would like to acknowledge the constructive criticism of Martin Evans, Douglas T. Hall, Ellen Jackofsky, and Jack Veiga on an earlier draft of this manuscript.

BUSINESS STRATEGY AND THE MANAGEMENT  
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Abstract

This study compared both effectively and ineffectively plateaued salespersons in two companies by comparing their job histories, job satisfactions, perceived work environments, career stages, definition of success, and career attitudes. The business strategy of the company had a significant effect on the incidence of plateauing and the performance of the plateaued person.

In recent years, the career plateau phenomenon has begun to receive some attention (Warren, Ference & Stoner, 1975; Ference, Stoner & Warren, 1977; Carnazza, Korman, Ference & Stoner, 1981; Veiga, 1981; Stoner, Ference, Warren & Christensen, 1980). It is estimated that the number of people reaching a plateaued career stage will increase throughout the 1980s due to an increasing dependency on older workers as a lesser number of people enter the workforce and the extension of the mandatory retirement age (Hall, 1983). These new workers will be better educated and have more training, believing that these factors will assure them better entry positions and continued upward mobility (Near, 1983). Because of the pyramid shape of most organizations, the lack of upward mobility for many employees will become a major problem. The broadest objective of this study was to determine those personal and organizational factors (including the firm's business strategy) associated with performance for employees who are at various stages of plateauing.

#### REVIEW OF CAREER PLATEAUING LITERATURE

A plateau has been defined as a point in one's career where the likelihood of additional hierarchical promotion is very low (Ference et al., 1977, p. 602). The point at which a person is determined to have become plateaued represents the final step in one's career. While some popular literature has described the plateaued performer in negative ways, there is nothing inherently negative about the phenomenon. While managers are reluctant to admit to themselves, colleagues, family and friends that they have achieved the highest level of their careers, most managers will have workers on their staffs who are plateaued. To say that a person has plateaued reveals little about the individual's performance on the job, what motivates this person, what organizational conditions enhance this person's

performance, or any of a number of other factors. For the organization, the fact that individuals may be plateaued and performing poorly is of obvious concern. A rising proportion of poorly performing plateaued employees is likely to reduce organizational effectiveness and may create additional problems, such as morale, compensation, transfers, etc. For some people, realization that a plateau has been reached may lead to little dissatisfaction. The personal and organizational dynamics of plateauing has received little attention to date. In the past, organizations have had positions that were designed to be occupied by plateaued employees. The concern for greater productivity has caused many companies to rethink this approach.

Other than studies by Stoner and his colleagues (Stoner, Ference, Warren, & Christensen, 1980; Ference, Stoner & Warren, 1977; Carnazza, Korman, Ference & Stoner, 1981), Veiga (1981), Near (1983), and Evans and Gilbert (1984), little research has been conducted on the attitudes and motivations of plateaued personnel. Stemming from their in-depth study of 55 senior executives, Stoner and his colleagues offer a model for understanding the plateaued manager problem. The model delineates principal career stages of the plateauing process (see Figure 1). The model's two basic components are perceived likelihood of promotion and perfor-

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Insert Figure 1 about here  
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mance. As illustrated in Figure 1, there are four categories. The "comers" are individuals who have been identified by the company as having high potential for advancement, but who are presently performing below their potential. The "stars" are doing outstanding work, have been promoted in the past, and are seen by management as having the potential for further advancement in the company. The "solid citizens" are individuals who are performing satisfactorily, but who, for organizational and/or personal reasons, are seen as having little chance for advancement. The "deadwood" are individuals who have limited possibilities for advancement and who are performing below expected levels. There is no single sequence of career moves. That is, comers do not necessarily become stars, nor solid citizens deadwood.

Carnazza, et al. (1981) empirically tested a portion of this model in their study of 376 middle and upper level managers from a company. The authors found that plateaued managers, when assigned challenging, satisfying and clearly defined jobs that they perceived as important to the company, were still able to maintain high performance standards. Less effective plateaued performers tended to believe that promotions were based on reputation, personality, and educational background. One of the most interesting findings was that both the plateaued and nonplateaued managers saw promotion aspirations as important influences on their performance. Therefore, promotion aspirations did not differentiate between plateaued and nonplateaued managers.

Veiga (1981) studied the career histories and attitudes of 1,733 managers from three large manufacturing companies. Using the Stoner et al. career classification (see Figure 1), he contrasted the job histories and attitudes of plateaued --both solid citizens and deadwood--with nonplateaued managers. He found that deadwood were more prone to change companies than either the solid citizen or the nonplateaued managers. He also found that the deadwood managers moved into plateaued organizational positions as early as their third move. That is, these individuals moved into positions that the prior successor had for a long time and when these people moved, it was not for upward mobility. These positions gave them little opportunity to engage in projects that were visible to top management. In terms of their career attitudes, the plateaued managers believed that their services were less marketable to other companies, and they were less satisfied with their career advancement than the nonplateaued manager. Deadwood managers reported the lowest levels of visibility and exposure to senior management, and the greatest fear of career stagnation.

Near (1983) studied the attitudes and behaviors of 199 managers from a variety of companies. She found that plateaued managers had little inclination for advancement, suffered poorer health, lacked education and were less satisfied with

their superior than nonplateaued managers. Plateaued employees were older and had greater tenure on the job than did nonplateaued employees.

Evans and Gilbert (1984) studied the need satisfactions and performance-reward expectancies of 52 managers in one company. They defined employees as plateaued if they were moving slowly through different jobs at the same hierarchical level as well as moving more slowly through the hierarchical ranks than others. Using this criteria, 30 employees were plateaued and 22 were nonplateaued. These authors found no difference between the need satisfactions (Maslow's need hierarchy) of plateaued versus nonplateaued managers. Age had a more salient influence on need satisfactions than career state. Older employees, regardless of their career state, were less satisfied with their pay, future benefits, and future advancement in the organization than younger employees. Career state did not affect performance-reward expectancies.

Based on the model presented by Ference, et al. (1977) and on these few empirical studies, it is hypothesized that:

- H<sub>1</sub>: Plateaued employees will have (a) fewer job changes and (b) longer average job tenure than nonplateaued employees.
- H<sub>2</sub>: Nonplateaued employees will be more satisfied with their job than plateaued employees.
- H<sub>3</sub>: Plateaued employees will be more concerned with maintenance and disengagement career stage issues, whereas nonplateaued employees will be more concerned with exploration and establishment stage issues.
- H<sub>4</sub>: Plateaued employees will describe their work environment differently than nonplateaued employees. Specifically, nonplateaued employees will describe their supervisor in more positive terms, have a clearer understanding of the performance-reward relationship, participate in more decisions, feel less pressure to produce, and have greater upward influence with senior managers than plateaued employees.
- H<sub>5</sub>: Plateaued employees will describe their jobs as possessing less challenge, involvement, and opportunities for success than nonplateaued employees.

- H<sub>6</sub>: Plateaued employees will have less marketability, lower propensity to leave, and lower promotional aspirations than nonplateaued employees.
- H<sub>7</sub>: Plateaued employees will place greater emphasis on personal, and less emphasis on company and professional success than nonplateaued managers.

#### BUSINESS STRATEGY AND CAREER PLATEAUING

One of the problems with the research undertaken by Stoner and his colleagues, Veiga, Near, and Evans and Gilbert has been their failure to take into account the business strategy of the firm. London and Stumpf (1982) state that careers develop in different ways depending on the industry and the strategy adopted by the firm. This statement has not been challenged. The business strategy of the firm focuses on how the organization aligns itself with its environment. Strategy affects the internal structure, processes, goals, and the role of various functional departments in the firm. While it is beyond the scope of this manuscript to fully develop how this alignment takes place and the various strategies that a firm may adopt to reach this goal, the typology developed by Miles and Snow(1978) appears to have promise for firms with a single class of products (for reviews of this typology, see Snow & Hrebiniak (1980), Meyer (1982), and Hambrick (1983a)). Using the rate at which an organization changes its products and markets and how it responds to its environment, we classified one firm as an Analyzer and the other as a Defender.

The firms competing in the Defender's industry have relatively entrenched competitive positions. The Defender firm was in an industry that actually declined 5.6 percent during the period of this study. An increase in sales performance could only be obtained by one firm taking market share away from another. According to Porter (1980), firms competing in this environment usually gain market share through intense price competition. Reliable delivery times, creative credit policies, and other business tactics designed to remove the Defender from straight price competition might also be used to increase market share.

These organizations engage in little product/market development and have narrow product/market domains. Top managers in this type of organization are highly trained in their organization's limited area of operation, but tend not to search outside of their domains for new products. As a result of their narrow focus, managers devote primary attention to improving the efficiency of their existing operations. The functional areas of finance and production play a dominant role in the decision making process, whereas marketing and sales play lesser roles in the strategic decisions facing the firm. The organization's ideology is "lean and hungry" and the shared values are efficiency, predictability, and self-reliance.

The Analyzer firm also competed in a mature industrial products industry, but was able to add some new products in high growth segments of the market. The growth rate for this industry was a positive 2.5 percent. The Analyzer firm was less committed to market stability and efficiently competing in one small niche than the defender. Therefore, the analyzer operates in two types of markets: one stable and the other changing. The organization is structured along divisional lines. In their stable markets, they act like defenders. Production and finance functional departments have a dominant role in shaping the firm's competitive responses to these markets. In their changing markets, they compete by stimulating demand and creating new market opportunities. They support their initiative with relatively heavy marketing expenditures. R&D, marketing, and sales departments have major inputs into the firm's strategic business decisions. The organization ideology is the "corporate system" and its shared values are cybernetic controls linking organizational subcultures.

The second aim of the study was to explore the relative incidence of plateauing in firms that have adopted different business strategies to their environments. If defenders operate in slow growth industries with little new product introduction, its sales and marketing personnel are not likely to have many avenues for upwards mobility within the firm. The dominant

strategic issues are financial and production. Personnel in these functional areas are more likely than others to gain visibility and exposure to senior management because they can cope with the critical contingencies (e.g., low prices, inexpensive raw materials, service, quality) confronting the firm. It also can be argued that since analyzers require superior market intelligence, the marketing and sales personnel would achieve high visibility to senior management and enhance their promotability. Therefore, we hypothesize:

H<sub>8</sub>: Defender firms will have a greater incidence of plateaued sales employees than will analyzer and prospector firms.

## METHOD

### Subjects and Companies

A total of 499 salespersons from two companies volunteered to participate in this study. Although the two companies have different standard industrial classification codes, they both sell industrial products that are primarily in the maturation or decline stages of the product life cycle. The products and services they offer are familiar to the customers. These companies face high instability in derived demand and sell products that might be classified as roller-coaster commodities (Hambrick, 1983b).

The career opportunities for salespeople in these two companies are quite similar. Sales is an entry level position for which either experienced or inexperienced salespeople may be hired. The sales force is the most important component of both firms' promotional mix. It is very important that salespeople establish a close interpersonal relationship with their customers. As a result, new people generally stay in the initial territory assignment for an extended period of time. Compensation policies enable one to have a successful career by remaining in field sales. Promotions are almost always to a management position in the sales area. However, the pyramid shape of sales force management limits promotion opportunities at progressively higher management levels.

To capture the strategic position of each firm, the top manager from each firm completed a questionnaire and was interviewed by one of the researchers. From these sources of data, a strategic profile for each firm was established. Interviews with salespersons and sales managers confirmed these data. The salesforce for the Defender firm numbered 285 people and they generated \$129,500,000 in sales volume. This firm's market share was 25%. The largest four firms in this industry commanded an 80% share of the total market. The annual sales volume for the Analyzer company exceeded \$130,000,000. This firm had 299 salespeople, and a market share of approximately 15%. The largest four firms in this industry commanded a 40% share of the total market. The response rate for completed data on salespersons for the Defender firm was 84% (n=238), and for the Analyzer firm it was 87.7% (n=261). The means of salient demographic factors are presented in Table 1. These data indicate that the samples are

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quite similar, except in terms of income.

#### Measurement Instruments

Each salesperson completed a 20-page survey instrument. This instrument measured the constructs stated in the hypotheses.

Job History. Each salesperson provided complete job histories from the beginnings of his/her career to the present. This included the length of time in each position, the direction of each move--upward (increased responsibility), lateral (same level of responsibility) or downward (a decrease in job responsibility)--and the type of movement (changed company, transfer, or new position at same location).

Job Attitudes. The three concepts measured within this construct were developed by Hall and his associates. Job Involvement ( $\alpha = .79$ ) was assessed by a four item Likert scale developed by Hall, Goodale, Rabinowitz and Morgan (1978). This scale taps the extent to which the person is psychologically identified with his job (e.g., "eats, sleeps and lives" the job). Psychological Success ( $\alpha = .83$ ) was measured by Hall, et al.'s (1978) six item scale. It measures the person's feelings of competence and success on the job (e.g., "I have not been especially proud of my performance lately.") as measured by one's own internal standard. Job Challenge ( $\alpha = .78$ ) was developed by Hall and Lawler (1970) to measure the extent to which a person describes his/her job as challenging and utilizing his/her skills (e.g., "My job gives me the opportunity to learn new skills and techniques," "I have challenging work").

Work Environment. Newman (1977), Joyce and Slocum (1984), among others, have argued that the person's immediate work environment is one factor that influences a person's job performance. This multidimensional construct was measured by five scales. The first four were developed by Newman (1977) and the last was developed by the researchers for this study.

Supervisory Style. The extent to which the supervisor is described as open, supportive and considerate of subordinates' needs ( $\alpha = .92$ ; 5 items).

Performance-Reward System. The extent to which rewards, such as promotions, and salary increases, are based on performance rather than on other considerations, such as favoritism, seniority, and politics ( $\alpha = .74$ ; 5 items).

Decision Making. The extent to which the employees take part in decisions that affect their work situation ( $\alpha = .65$ ; 4 items).

Pressure to Produce. The extent to which management exerts pressure on employees to produce ( $\alpha = .57$ ; 5 items).

Power and Visibility. The extent to which employees are assigned to projects and committees that get the attention of senior management ( $\alpha = .72$ ; 5 items).

Job Satisfaction. Job satisfaction was measured by the scales developed

by Smith, Kendall and Hulin (1969) and comprise the JDI. The reliability and validity of the JDI has been established in the literature. The five JDI scales and their internal consistency reliabilities are: supervisor ( $\alpha = .87$ ); pay ( $\alpha = .69$ ); promotion ( $\alpha = .88$ ); co-workers ( $\alpha = .87$ ), and work ( $\alpha = .87$ ).

Career Stages. To measure the career stage of the salesperson, Super's (1957) instrument was used. Super proposed that most individuals pass through four distinct career phases. These stages have been described by others (see Baird & Kram, 1983) and will only be briefly summarized here. Each of the stages was measured by the Career Development Inventory Adult Form that used fifteen items (on a 5 point response scale) to measure each of the four career stages. These stages and the behaviors associated with each are listed below:

Exploration. The concern for developing ideas about a field of work. The focus is more on making a commitment to a general occupational choice than to a job. This stage usually occurs when people are in their early 20s ( $\alpha = .88$ )

Establishment. The concern for getting established in a job in which one can support a family, use one's abilities, and express interest. Individuals are concerned with getting more firmly established in an occupation and a job. A person is likely to be considering the dilemmas between pressures at work and in the family ( $\alpha = .85$ ).

Maintenance. The focus here is on maintaining a position in which one is established, despite competition from others. The concern is also with the need to catch up with new developments in one's field or do something new rather than continuing to do what one has done in the past ( $\alpha = .84$ ).

Disengagement. The process is one of "letting up" as one gets older. It is the tapering off process before retirement to avoid the shock of sudden loss of occupational activity. The concern is adjusting for a new role of a leisured person ( $\alpha = .86$ ).

Since age might confound career stage, ANOVA's were run. These analyses indicated that career stage did vary by age (Defender company:  $F = 11.90$ ;  $p < .01$ ; Analyzer company:  $F = 9.55$ ;  $p < .01$ . In both companies salespersons in the exploration stage were significantly younger than those in the disengagement stages of their careers. No differences in age were obtained for those salespersons in the establishment and maintenance stages of their

careers. The omega squared ( $\omega^2$ ) for age and career stage was only 12% for the Analyzer company and 16% for the Defender company. Therefore, while there are age differences between these career stages, other factors significantly affect career stage to a greater extent than age.

Performance. The immediate supervisor of each salesperson was asked to provide the researchers with the actual sales volume for each salesperson during the past 12 months. To check on the construct validity of this figure as an indicator of each salesperson's performance, we asked each supervisor to evaluate the salespersons in his territory on seven key sales dimensions. Stanton and Buskirk (1983) found that these seven dimensions are typically used to measure salespersons' performance. These seven dimensions, using a Likert five point scale, were sales volume, new account development, full-line selling results leadership ability, planning, initiative, and resourcefulness. A summative index of these seven dimensions was constructed for each salesperson (coefficient alpha was .88 for the Defender and .90 for the Analyzer company). The bivariate correlation between last year's sales volume and the superior's performance ratings were .31 ( $p < .01$ ) and .47 ( $p < .01$ ) for the Defender and Analyzer salespersons respectively. These correlations provide support for the construct validity of sales volume as a measure of performance.

Definition of Success. According to Carnazza, et al. (1981), Stoner, et al. (1980), and Hall (1983) individuals in different stages of plateauing define what constitutes success differently. To measure success, Hall's fifteen Likert-type questions (7 point scale) were asked. These scales were factor analyzed using the principal-factor method. A three factor orthogonal solution was selected as most interpretable and explained 58% of the common variance. The first factor, labelled "In-Company" success (Eigen value 3.29; percent of explained variance is 33 percent;  $\alpha = .72$ ), had four questions related to

one's salary, record achieved at work, upward movement in the company, and attaining employment security. These factors were associated with one's success in a specific company. The second factor, labelled "Professional" success (Eigen value 1.46; percent of variance explained is 14.7;  $\alpha = .83$ ), had three questions related to one's status in the profession, attaining goals that the person set, self-fulfillment and growth in one's professional life. These were not company specific. The third category, labelled "Personal" success (Eigen value 1.02; percent of explained variance is 10.2;  $\alpha = .78$ ) had five questions that focused on achievements of one's children, understanding of one's self, time to spend with one's family, and status achieved in one's nonwork community. These items refer to one's success in nonwork-related activities.<sup>1</sup>

Measures of Career Attitudes. These questions were taken from Veiga's (1981) study. Marketability was determined by asking employees to rate their chances of obtaining a position in another company as good as their present one on a scale from 0 (no chance) to 100 percent (excellent chance). Salespeople were also asked to indicate if they would be willing to relocate if the promotion required it from 1 (very unlikely) to 7 (very likely). Propensity to leave was determined by asking employees to rate their willingness to leave for a better job in another company on a 5 point scale from 1 (would not move) to 5 (would definitely move). Promotional aspiration was determined by asking employees to rate whether they definitely wanted to get promoted (scored a 1) to not really (scored a 7). The last question asked them to indicate when they wanted to be promoted from 1 (immediately) to 6 (never).<sup>2</sup>

#### ANALYSIS

The first issue that had to be addressed before proceeding to the main research questions concerned the definition of a plateaued salesperson. Although there is no hard evidence to suggest when plateauing occurs (Carnazza, et al., 1981; Veiga, 1981; Hall, 1983; Evans & Gilbert, 1984), in the sales field, most sales managers agreed that job change was the salient variable, and not age. Using this data as a guideline, it was decided to classify sales-

persons as plateaued if they had not been promoted or had a lateral job change in five years or more. To assess the validity of our classification scheme, each salesperson's immediate supervisor was asked, on a Likert scale, "What's the probability of 'X' getting promoted in the next few years?" Using an ANOVA design, this score was examined by job change. At 5 years, significant "F" values ( $F = 37.41$ ;  $p < .01$  and  $F = 39.01$ ;  $p < .01$  for the Analyzer and Defender firms, respectively) were obtained. Therefore, the time since last change (job tenure) and promotion probability strongly support the 5 year criteria for separating plateaued and nonplateaued performers in both firms. Those salespersons who were not promoted after 5 years have less of a chance to get promoted than those who have had a job change in the last five years. Following the model by Ference, et al. (1977), the plateaued sample was further subdivided into a deadwood (low performers who were plateaued) and solid citizen (high performing plateaued) group. The nonplateaued salespersons were divided into stars (high performing) and comers (low performing) groups based on their performance. The stars' and solid citizens' performance were in the upper half of their company, whereas the comers and deadwood were in the lower half.

Multivariate analysis of variance was used to test for differences between Stoner's, et al. (1980) classifications. The questions raised in the research are concerned with the main effects of membership in a particular stage of plateauing on attitudes and behavior. When the MANOVA was significant, univariate F tests were conducted.

## RESULTS

The strategies of the two businesses were compared to determine the relative incidence of plateaued versus nonplateaued salespersons. The results indicate that there are significantly more plateaued salespersons employed in the Defender company than in the Analyzer company ( $X^2 = 42.3$ ;  $p < .01$ ), supporting hypothesis 8. This difference can be the consequence of a variety of factors, including (1) more opportunities for vertical mobility in the Analyzer

company, (2) higher personnel turnover in the Analyzer company, and (3) different performance criteria.

These factors may be related to the firm's market growth and the attractiveness of the industry. The development of new product opportunities presents avenues for upward mobility for selected members of the sales force. As the firm expands into new territories, lateral transfers are more likely to occur. The Defender company does not seek new products and/or new market opportunities but tries to gain efficiency through high employee productivity and low direct costs. Salespersons are not as prominent members of the dominant coalition as are production and finance personnel.

Since the Analyzer company is adding new products, it is in a better position to attract high performing salespersons by promising upward mobility. Sales personnel turnover may well be higher because of more demanding performance criteria required by the company to maintain its competitive position within that industry. The last point was supported by an analysis within the plateaued category between the Analyzer and Defender companies. The Analyzer firm had a much greater proportion ( $\chi^2 = 6.36; p < .01$ ) of high performing plateaued salespeople than did the Defender company.

According to the data we gathered from senior management in each firm, the Defender firm's senior management ranked "improving the quality of working life" tenth out of ten goals and the importance of the personnel and marketing functions as "not very important to the success of the firm." The most important function was production, followed by finance and quality control. In the Analyzer firm, the quality of working life was ranked second and the importance of the marketing function was very high. The philosophies of the senior people in each company probably generated different performance expectations for those plateaued salespersons in each firm.

The second question addressed the issues raised by Stoner, et al. (1980), Veiga (1981), Near (1983), and Evans and Gilbert (1984) in their research.

These researchers found that attitudes and goal aspirations differed by stages in the plateauing problem. Since our research has established that the company's business strategy affected the incidence of plateauing, these analyses were performed within each company.

#### Defender Firm

The means for the employees' job histories, facets of satisfaction, characteristics of their jobs, etc. are presented in Table 2 for the Defender firm.

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 Insert Table 2 about here  
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Plateaued employees had greater job tenure than nonplateaued employees, supporting  $H_{1a}$ . There was no difference in the number of moves and companies employed in between the plateaued and nonplateaued people, rejecting  $H_{1b}$ .

There was a significant difference between the plateaued and nonplateaued salesperson's job satisfactions but in an opposite direction from what we had hypothesized. Plateaued employees were more satisfied with their immediate supervisor ( $F = 3.40$ ;  $p < .01$ ), and work itself ( $F = 3.56$ ;  $p < .01$ ), than nonplateaued employees. One explanation for these results is that since the plateaued employees have lower aspirations to get promoted ( $F = 18.50$ ;  $p < .01$ ), they have accepted their role in the organization. They have gotten off the mobility tournament track (continued advancement within the firm). This withdrawal from the mobility tournament (Rosenbaum, 1979), due either to low levels of aspiration or to anticipated failure, has not been accompanied by any strong pressures to produce from their immediate supervisor. They probably have redefined their role within the company and are satisfied.

We also hypothesized ( $H_7$ ) that plateaued employees would place greater emphasis on personal success and less emphasis on in-company and professional success than the nonplateaued employees. Although there were significant differences between groups in their definition of success ( $F = 2.41$ ;  $p < .01$ ), the hypothesis did not receive support. The stars and solid citizens considered professional success more important than did the deadwood ( $F = 4.46$ ;  $p < .01$ ). The direction of in-company success was similar, but was not significant.

Extending Veiga's (1981) analysis, we compared the deadwood and the stars. The stars stayed in a job a much shorter time (34 months compared to 56 months) and were in the establishment, compared to the maintenance, stage of their careers. In this stage of their career, people should know the ropes of the organization and be most concerned with exposure and advancement through continued high performance. While there is still a need for close supervision, the stars indicated that they are not satisfied with their immediate supervisor's style, nor the work he has assigned to them. To learn how to operate under these conditions is a major psychological adjustment for stars. Thus, while coaching and gaining visibility to senior management are important, their immediate supervisor might not be the appropriate mentor.

Differences between the comers and the plateaued salespeople are pronounced. These comers' job histories are quite different from those of the plateaued salespersons (especially in their average tenure, and the number of intracompany moves), and their satisfaction with their work and supervisor. The comers are not satisfied with their work. This is manifested in their lack of job involvement and the few psychological successes experienced on the job. Major differences between the comers and the plateaued people can be found in their career stage. The comers are in the establishment stage of their career and are most concerned about appropriate commitment at work and in the family. They are not investing energies in helping and developing less experienced subordinates, the role played by the solid citizens.

Career attitudes were significantly different ( $F = 3.87$ ;  $p < .001$ ) between the four groups of employees (see Table 2). These results are very similar to those obtained by Veiga (1981, p. 573). On marketability, there were no differences between the plateaued and nonplateaued managers. All employees believed that they had a relatively good chance of obtaining a similar position in another company. There were significant differences in the other four career attitudes

as hypothesized. The plateaued employees (compared to the nonplateaued) indicated that they were not likely to leave the company for a better job in another company ( $F = 6.20$ ;  $p < .01$ ), would not relocate for a promotion in the same company ( $F = 15.22$ ;  $p < .01$ ), were not sure that they wanted to get promoted ( $F = 18.50$ ;  $p < .01$ ), and if they wanted to get promoted, had a much longer promotion time framework (greater than 5 years from the present compared to within the next year) than did the nonplateaued employees ( $F = 7.10$ ;  $p < .01$ ).

In summary the attitudes and job performances of plateaued and nonplateaued employees in the Defender company were differentiated by job histories, job attitudes, work environment, job satisfactions, career stages, definition of success, and career attitudes. The data from this company replicate and extend the earlier findings of Stoner, et al. (1980) and Veiga (1981).

#### Analyzer Firm

The data in Table 3 represent the attitudes of the plateaued and nonplateaued salespersons in the Analyzer firm. The job histories between

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 Insert Table 3 about here  
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these two groups were differentiated mainly on average tenure on the job ( $F = 30.91$ ;  $p < .01$ ). The plateaued employees were older and had longer tenure in their jobs than did the nonplateaued employees. The solid citizens had the greatest job tenure and were the oldest employees. There was no difference on moves (rejecting  $H_{1a}$ ).

The results indicate no difference in the job satisfactions, career stages, or how these employees defined success between the plateaued and nonplateaued employees. There were significant differences between these groups in terms of job attitudes ( $F = 4.63$ ;  $p < .05$ ), how these employees described their immediate work environment ( $F = 2.25$ ;  $p < .04$ ) and their career attitudes ( $F = 1.72$ ;  $p < .01$ ). The comers were less involved in their job and

had less visibility and influence to senior managers than did others. A review in the power literature (Kanter, 1979) implies that those managers who can establish lines of support and information to senior management are more likely to be promoted than those who lack visibility to these managerial elites. In this firm, there were no differences between the stars, solid citizens and deadwood on this dimension. Only the comers indicated that they have not established modes of visibility to senior management nor are they highly involved in their job. Since the comers are also in the establishment stage of their careers, it is their supervisor's job to provide coaching and exposure to senior managers.

Significant differences were found in the career attitudes of the plateaued and nonplateaued employees as hypothesized. The nonplateaued employees were more likely to leave the company ( $F = 3.44$ ;  $p < .05$ ), geographically relocate if it meant a promotion within the firm ( $F = 4.46$ ;  $p < .05$ ), aspire to get promoted ( $F = 5.71$ ;  $p < .01$ ) and desire a promotion within the next few years ( $F = 3.79$ ;  $p < .05$ ) than the plateaued managers. The deadwood were less prone to leave the company than the stars or comers and less likely to geographically relocate, even if it meant a promotion, than all others. All employees believed that they could find another position with a similar company if they were required to do so.

#### DISCUSSION

In this study, an attempt was made to examine, within a multivariate framework, the impact of plateauing on various attitudes and behaviors of people within firms pursuing different business strategies. Several important findings emerged. However, there are several reasons why these results should be interpreted with caution. First, there are differences in sample size among the four career states (stars, comers, solid citizens, and deadwood) that could lead to an overstatement of the results, especially in the deadwood category for persons in the Analyzer company. Second, the interrelationships among the various dimensions (e.g., job history, job attitudes, work environment, etc.) and their linkages to career plateauing are not completely understood.

Third, our sample did not include other business strategies that might more fully explore the differences between the management of the plateaued and nonplateaued performer. Lastly, we only had one firm pursuing a particular strategy.

Initially, it was found that firms adopting a different business strategy adopted different human resources philosophies. The Defender firm operated in a business environment that provided it with little opportunity for growth (internally or by diversification). While any notion of causality implied between this strategy and plateauing must remain tentative until future studies confirm these findings, there was a greater incidence of plateauing in this firm when compared to the firm that had chosen an Analyzer strategy. Not only was there a greater incidence of plateauing, but there were significant differences between the performance of these people. The Defender company had a greater proportion of its employees categorized as deadwood than did the Analyzer company. We offered some explanations for these findings.

As hypothesized, there were major differences between plateaued and nonplateaued managers' job histories, job attitudes, career stages, career attitudes and job satisfactions. While these results varied by company, there are some important similarities. The solid citizens are the least likely to change companies or jobs. They have the longest average job tenure, are not likely to leave the firm and/or relocate, and have gotten off the tournament mobility track. This suggests that they have adopted a traditional orientation toward their career that emphasizes seniority with one company.

Contrary to the literature on mobile managers (Veiga, 1983), our data for the Defender firm indicated that ineffective plateaued employees showed a greater tendency to move than did comers and solid citizens, but at the same rate as stars. In the Defender firm, both the stars and deadwood moved more frequently

than the comers and solid citizens ( $F = 3.7$ ;  $p < .05$ ), but types (e.g., foreman to salesperson) of these moves were similar (53% and 55% of upward moves, and 28% and 16% downward moves, respectively). In the Analyzer firm, while there was no difference in the number of moves between the stars and deadwood, the stars had more upward moves than the deadwood (56% compared to 45%), and fewer downward moves than the deadwood (14% compared to 24%). Although our empirical support for these relationships is tenuous, these data suggest interesting questions for future research. Future research would be helpful if it attempted to assign differential mobility opportunities to employees based on their prior number and type of moves, and then assess the impact of those differential probabilities on employee turnover and performance data.

The comers in both companies were in the establishment stage of their career. These people have demonstrated their ability to move within the organization and continue to be concerned about promotion and advancement within the company. They are not satisfied with their visibility to senior management and this could possibly be a reason why they are not involved in their job. Their superior should provide them with the opportunity to get involved by creating situations that are challenging and ego-involving. In neither company are these practices being applied. To increase the comers' performance, both the assignment of challenging work, and the exposure and visibility to senior management will be salient to paving the way for further advancement within the company. Since the comers are young (33 and 34 years old), their boss can greatly facilitate their career development by speaking highly of them to senior management and assigning them tasks that are both ego-involving and challenging. In the Defender company, the comers are not satisfied with their boss. Perhaps because they have not gained visibility and exposure to top management through their own job performance, they attribute this to the inability of the supervisor to create the proper circumstances for this to occur.

As expected, the nonplateaued employees expressed greatest interest in upward mobility. In all likelihood, their confidence is bolstered by continued career movement and willingness to play the tournament mobility game. That is, they probably have (1) a greater willingness to geographically relocate if it means a promotion within the company or to leave the company if a better job is offered by a competitor, (2) a shorter sense of a time frame within which they expect to get promoted, and (3) a stronger desire to get promoted than the plateaued employees.

Out of all the sources of satisfaction and dissatisfaction investigated, there were only two sources that differentiated plateaued and nonplateaued performers. In both instances, it was the comers in the Defender firm that expressed dissatisfaction with their immediate supervisor and the work itself. The lack of a consistent relationship between plateaued and nonplateaued performers was not expected from the research by Stoner, et al. (1980), but supported those findings reported by Veiga (1981). Given that the plateaued employees (especially in the Defender firm) are in the maintenance stage of their career, one might normally not expect them to express a high propensity to leave the firm. While the plateaued employees might have experienced some job dissatisfaction while finding a job, the comparable levels of job satisfaction and how they define success indicate that they have found a niche.

In conclusion, additional research is needed to more fully understand how the strategy of the firm affects the management of plateaued and nonplateaued performers. In particular, it will be necessary to replicate these findings with other firms who have adopted similar strategic responses to their environment. Second, additional attitudinal factors that might serve to differentiate effective and ineffective plateaued and nonplateaued employees need to be investigated. Some of those might include career impatience, stagnation, and mobility

patterns. Third, a longitudinal study that enables one to track people over time would provide insights into when and how people choose certain career alternatives. Fourth, individuals and organizations should devise strategies for managing different career issues in each plateau state. For the solid citizen, this might include a change in one's job, professional counseling, or perhaps taking on a mentoring role for people in the exploration and establishment stages of their careers (Kram, 1983). For deadwood, some strategies might include termination or early retirement, demotion, or educational programs. Lastly, how does the composition of a salesforce affect the assignment process? That is, are the stars and comers assigned to territories and products that enable them to keep their place in the mobility tournament, while solid citizens and deadwood are assigned to products and territories that offer little growth and attractiveness? The answers to these questions can be found in studying the selection process and culture of the organization.

FOOTNOTES

- 1 The factor loading are available upon request from the first author.
- 2 Intercorrelation matrices are available upon request from the first author.

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Figure 1. A Model of Managerial Careers.\*

Current Performance	Likelihood of Future Promotion	
	Low	High
High	<b>Solid Citizens</b> (Effectively Plateaued) Organizationally Plateaued    Personally Plateaued	Stars
Low	<b>Deadwood</b> (Ineffectively Plateaued)	Comers

\*Source: Ference, T.P., J.A.F. Stoner, and E.K.Warren. Managing the Career Plateau, Academy of Management Review, 1977, 2, 603.

Table 1.

Means of Demographic Factors for the Salespersons  
In the Defender and Analyzer Firms

Demographic Factor	Company Strategy	
	Defender	Analyzer
Household Income	\$26,500 (range \$15-\$75,000)	\$20,000 (range \$15-\$75,000)
Percentage of Income Earned from Sales Job	80.68	79.85
Marital Status	84% married	81% married
Age	44	40
Race: white	98%	97%
black	2%	3%
Sex: male	98%	98%
female	2%	2%
Highest Educational Level		
Completed high school	34%	27%
Attended college	42%	24%
College grad.	31%	41%
No. of Dependent Children	1.6	1.4
% of Spouses Who Work		
Not employed	32	40
Part-time	24	23
Full-time	44	37
No. of Salespersons	238	261

Table 2. Attitudes of Plateaued and Nonplateaued Employees in the Defender Firm

Dimension	<u>Nonplateaued</u>		<u>Plateaued</u>		Univariate F-value	Contrasts <sup>(a)</sup>
	Stars (n=37)	Comers (n=45)	Solid Citizens (n=74)	Deadwood (n=82)		
<u>Job History</u>						
Ave. tenure (in months)	33.9	29.2	58.1	55.9	23.97**	C,ST:SC,D
No. of moves	4.1	3.9	3.9	4.4	33.64**	C,SC:ST,D
No. of co. moves	3.6	3.2	3.3	3.9	.68	
Age	34.7	33.4	46.4	46.9	1.80	
multivariate: $F = 11.35; p < .01$						
<u>Job Attitudes</u>						
Job invol.	13.82	13.40	15.37	14.55	3.24*	C:SC
Job chall.	18.60	17.75	18.16	18.09	0.49	
Psych. succ.	33.21	30.29	34.12	31.71	6.98*	SC:C,D
multivariate: $F = 3.67; p = .04$						
<u>Work Environment</u>						
Sup. styl.	40.8	45.5	48.6	48.7	5.91*	ST:SC,D
Perf. rew.	29.0	28.2	28.1	27.1	0.84	
Decision	20.2	21.3	21.6	21.7	0.82	
Pressr	24.9	25.2	26.4	26.8	2.26	
Power	13.6	13.1	13.6	12.1	1.22	
multivariate: $F = 2.34; p < .01$						

Table 2, page 2

Dimension	<u>Nonplateaued</u>		<u>Plateaued</u>		Univariate F-value	Contrasts (a)
	Stars (n=37)	Comers (n=45)	Solid Citizens (n=74)	Deadwood (n=82)		
<u>Job Satisfactions</u>						
Work sat.	36.8	35.6	40.4	39.2	3.56*	C:SC
Super. sat.	36.4	36.1	43.3	41.8	3.40*	ST,C:SC,D
Pay sat.	11.0	12.2	11.2	10.9	0.43	
Promo. sat.	16.2	14.9	14.2	14.4	0.51	
Cowork. sat.	40.0	41.8	43.5	44.5	1.43	
multivariate: F = 1.75; p < .03						
<u>Career Stages</u>						
Explor.	3.35 <sup>(b)</sup>	3.35	3.95	4.02	9.91**	ST,C:SC,D
Establ.	3.02	2.99	3.30	3.34	6.32*	ST,C:SC,D
Main.	2.83	2.95	3.09	3.32	5.04*	ST:D
Diseng.	2.24	2.02	2.25	2.36	1.86	
multivariate: F = 3.48; p < .01						
<u>Definition of Success</u>						
In-Company	23.27	22.62	22.46	21.87	1.89	
Professional	18.89	18.32	18.73	17.60	4.46**	ST,SC:D
Personal	29.51	29.48	29.81	29.63	.09	
multivariate: F = 2.41; p < .01						

Table 2, page 3.

Dimension	<u>Nonplateaued</u>		<u>Plateaued</u>		Univariate F-value	Co
	Stars (n=37)	Comers (n=45)	Solid Citizens (n=74)	Deadwood (n=82)		
<u>Career Attitudes</u>						
Marketability	4.26	4.19	4.42	4.26	0.65	
Propensity to Leave	2.21	2.43	1.82	1.61	6.20*	ST
Relocation	5.15	5.32	3.52	3.26	15.22**	ST
Promo. Aspir.	2.60	2.28	4.06	4.32	18.50**	ST
Time of Promo.	3.52	3.13	4.41	4.06	7.10*	ST C:
multivariate: F = 3.87; p < .001						

\* p < .05

\*\* p < .01

- (a) Using Scheffé, the contrasts can be interpreted as follows at  $\alpha = .05$ :  
 C,ST:SC,D = Comer and Star means are significantly different from the Solid Citizen and D  
 C:SC = Comer mean is significantly different from the Solid Citizen mean.  
 ST:SC,D = Star mean is significantly different from the Solid Citizen and Deadwood Means.
- b) The closer the mean value is to three, the greater its importance. - A value of 1 indicates  
 has not considered it, and a value of 5 indicates the person no longer considers it impor

Table 3. Attitudes of Plateaued and Nonplateaued Employees in the Analyzer Firm

Dimension	Nonplateaued		Plateaued		Univariate F-value	Contrasts <sup>(a)</sup>
	Stars (n=61)	Comers (n=132)	Solid Citizens (n=49)	Deadwood (n=19)		
<u>Job History</u>						
Ave. tenure (in months)	43.43	33.25	71.79	52.60	30.91**	C:ST,SC,D ST,D:SC
No. of moves	3.86	3.95	3.59	4.68	1.91	
No. of co. moves	3.75	3.78	3.48	4.57	1.50	
Age	38.82	34.54	46.20	44.52	15.96**	C:ST,SC,D ST:SC
multivariate: F = 9.97; p < .01						
<u>Job Attitudes</u>						
Job invol.	17.04	15.31	18.31	17.50	10.55**	C:ST,SC,D
Job chall.	20.66	20.34	20.28	21.00	3.48	
Psych. succ.	31.58	29.64	31.69	31.45	0.87	
multivariate: F = 4.63; p < .01						
<u>Work Environment</u>						
Sup. styl.	51.98	51.53	50.94	50.63	0.14	
Perf. rew.	30.42	31.92	30.26	30.79	1.26	
Decision	25.54	25.57	24.21	24.98	1.53	
Pressr	27.54	27.89	28.74	27.84	0.93	
Power	20.2	17.32	20.09	19.8	4.54*	C:ST,SC
multivariate: F = 2.65; p < .01						

(see next page)

Table 3 continued  
page 2.

Dimensions	<u>Nonplateaued</u>		Solid Citizens (n=49)	Deadwood (n=19)	Univariate F-value	Contrasts <sup>(a)</sup>
	Stars (n=61)	Comers (n=132)				
<u>Job Satisfaction</u>						
Work sat.	41.46	41.91	41.53	42.65		
Super. sat.	42.76	43.05	42.31	41.25		
Pay sat.	12.15	12.14	13.07	11.95		
Promo. sat.	16.21	16.44	15.78	15.00		
Co-worker sat.	45.99	47.89	46.84	45.70		
	multivariate: $F = .39; p = n.s.$					
<u>Career Stages</u> (b)						
Explor.	2.58	2.48	2.56	2.98		
Estab.	3.33	3.07	3.24	3.34		
Maint.	3.06	2.97	3.07	3.22		
Diseng.	2.58	2.45	2.57	2.98		
	multivariate: $F = 1.23; p = n.s.$					
<u>Definition of Success</u>						
In-Company	22.69	22.09	22.61	22.46		
Professional	18.31	18.39	18.17	18.15		
Personal	29.67	29.57	29.74	28.89		
	multivariate: $F = .52; p = n.s.$					

Table 3 continued  
page 3.

Dimensions	<u>Nonplateaued</u>		<u>Plateaued</u>		Univariate F-value	Contrasts <sup>(a)</sup>
	Stars (n=61)	Comers (n=132)	Solid Citizens (n=49)	Deadwood (n=19)		
<u>Career Attitudes</u>						
Marketability	4.30	4.12	4.34	3.84	1.71	
Propensity to leave	3.75	3.44	2.92	2.47	3.44*	D:ST,C SC:ST
Relocation	3.55	3.86	3.50	2.73	4.46*	D:SC,ST,C
Promo. Aspir.	3.70	3.51	4.05	4.59	5.71**	ST,C:SC,D
Tim. of Promo.	4.23	4.22	4.42	4.90	3.79*	ST,C:SC,D
multivariate: F = 1.72; p < .004						

\* p < .05

\*\* p < .01

(a) see Table 2 for an interpretation

(b) see Table 2 for an interpretation