

# THE INFLUENCE OF DECISION ON CAREER PATH CHOICE AND JOB SATISFACTION ON EMPLOYEE ENGAGEMENT OF CAR LOAN BUSINESS IN KHON KAEN PROVINCE.

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## ABSTRACT

Human resource development is significant to organizational success. Choice of career and job satisfaction have determined as key indicators on increasing work performance and promoting organizational commitment in the long run. This research study was designed to investigate the influence of decision on career path choice and job satisfaction on employee engagement of car loan business in Khon Kaen Province, Thailand. The research study used a quantitative research method. The population of this research was car loan business applicants in Khon Kaen Province with the samples of 384 respondents determined by simple random sampling based on Taro Yamane formula. Data were collected through 5-point Likert scale questionnaire surveys. Cronbach's alpha coefficient of decision on career path choice, job satisfaction and employee engagement of car loan business in Khon Kaen Province were 0.948, 0.956, and 0.873, respectively. Data were analyzed by descriptive statistics and inferential statistics including Pearson Product-Moment Correlation and Multiple Regression Analysis.

The results of the research study indicated that applicants' opinion on decision on career path choice, job satisfaction and employee engagement were at the high levels with mean scores of 4.15, 4.12, and 4.22, respectively. The research results from hypotheses testing found that decision on career path choice and job satisfaction can predict employee engagement up to 59.40% (Adjusted R-Square 0.594) at 0.05 significant level. Decision on career path choice had statistically significant direct influenced on job satisfaction with standardized coefficients ( $\beta$ ) of 0.823. Job satisfaction had statistically significant direct influenced on employee engagement with standardized coefficients ( $\beta$ ) of 0.764. Decision on career path choice had a statistically significant direct influenced on employee engagement with standardized coefficients ( $\beta$ ) of 0.692. In conclusion, decision on career path choice and job satisfaction had significantly influenced on employee engagement of car loan business in Khon Kaen Province, Thailand suggesting car loan business should concentrate on these critical factors in order to enhance employee engagement in the long run.

**Keywords :** Decision on career path choice, Job satisfaction, Employee engagement

## INTRODUCTION

The car loan business is an important business that classifying in the financial sector with a high demand for labor market in 2019 amounted to 96,916 millions. This car loan business requires the knowledge and ability of the employees to provide good services in order to attract more customers resulting in the organization needs to recruit staffs which

have the skills, knowledge and ability to work for the business expansion and to replace the resigned employees. The current group of employees, known as the generation Y, are the new generation which is a key force in the development of the organization. This group is entering the working age, which will be an important force to drive the organization's operations in the future, but behavior of this group of workers is changing frequently, which causes the high turnover rate in the organization. From the above situation, the researcher has interested in studying the influence of decision on career path choice and job satisfaction on employee engagement of car loan business in Khon Kaen Province, so that they can be utilized to enhance and develop the various processes in the human resource management of the car loan business, which will help to reduce problems such as high turnover rate, increase in staff resignation, and decrease in organizational loyalty.

The research objectives are as follows: (1) to study the level of decision on career path choice, job satisfaction, and employee engagement of car loan business in Khon Kaen Province, (2) to study the influence of decision on career path choice on job satisfaction of employees in the car loan business in Khon Kaen Province, (3) to study the influence of job satisfaction on employee engagement of car loan business in Khon Kaen Province, (4) to study the influence of decision on career path choice on employee engagement of car loan business in Khon Kaen Province. The recommendation on enhancing employee engagement of car loan business would be further established to use as guideline on human resource management. The paper begins with a review of the concepts related to decision on career path choice and job satisfaction affecting on employee engagement in order to conceptualize the framework and hypotheses. Next, the research methodology, analysis of data and findings are described. Finally, conclusion and discussion of the research results as well as managerial suggestions for future research are presented.

## **LITERATURE REVIEW**

### ***Decision on Career Path Choice***

Choosing a career is a process that a person considering to make a future by carefully selecting career path together with their personal qualities, knowledge, abilities, and values in their jobs. Career path choice can be defined as a decision on employee growth in an organization. Career path choice explains a series of steps in a career on taking new roles and responsibilities. In the current job market, to make career decision and choose a career path that suits the personality, interest, aptitude of the individual is very important element in working life of employee. Employee who chooses a career that is suitable for them will cause enjoyment, happiness in work, and success in future career in the long-term. As Anderson quoted in Chotirat [1] had discuss the principles and reasons for making career path decisions so that the results of each choice meet the goals, values, or ultimate objectives of an individual. Employees make their decision on career based on the following components: financial benefits, culture consideration, job security, job opportunity, and job interest. Employees are not only considering their salary and welfare, but also think of long-term employment and the future. With correct decision on career path choice supposes to make employee good satisfaction on their job, commit to an organization, and eventually increase their performance. As many previous studies show that there are the relationships among decision on career path choice, job satisfaction, and employee engagement as stated by Eun, Sohn, and Lee [2]; Ghuangpeng [3]; as results, this study aimed to investigate such relationships.

### ***Job Satisfaction***

Job satisfaction refers to being responsive to stability in various factors that motivate in the work, encouragement, willingness to work and happy in the work. Job satisfaction is an employee's feelings about the work, work pay, and work environment. The important components that cause satisfaction are the feelings or positive attitudes of individuals towards work, their satisfaction with work, the happiness in their work to create unity and good understanding with each other, and to have faith in the organization, which is a stimulus to the satisfaction of meeting the needs. This research applied the concept of Herzberg quoted in Kanlayanamit [4] with all components in analyzing job satisfaction in 7 areas: (1) compensation and welfare (2) participative management (3) training and development (4) recognition and rewards (5) relation and cooperation (6) work-life balance (7) working condition. As many previous studies show that there are the relationships among decision on career path choice, job satisfaction, and employee engagement as stated by Bridgette [5]; Rebecca [6]; as results, this study aimed to investigate such relationships.

### ***Employee Engagement of Car Loan Business***

Employee engagement refers to the relationship between an individual and the organization, a positive attitude or a feeling that members of the organization feel that they are involved and that they are part of the organization. Employee engagement also defines as maintaining membership with faith, pride in work, loyalty, acceptance in the organization and determination to work with dedication and energy. In order to achieve the organization's set goals and wish to remain as a member of the organization, the components of employee engagement include organizational goals, rewards, supervisors and colleagues, job characteristics, job opportunities, beliefs and acceptance of goals and values of the organization is willing to dedicate its efforts to work for the organization. High employee engagement brings about a strong desire to remain members of the organization, professional values and the development of experience and career interests. In this research study applied the concept of McGregor quoted in Suwong [7] to conceptualize the framework by analyzing employee engagement in the sense of pride. High employee engagement seems to put the effort to work for an organization and truly dedicate to working with an organization in the long-run. As many previous studies show that there are the relationships among decision on career path choice, job satisfaction, and employee engagement as stated by Egwuonwu and Ifeanyi [8]; Gamage, Lakmini, and Jayatilake [9]; as results, this study aimed to investigate such relationships.

## **CONCEPTUAL MODEL AND HYPOTHESES**

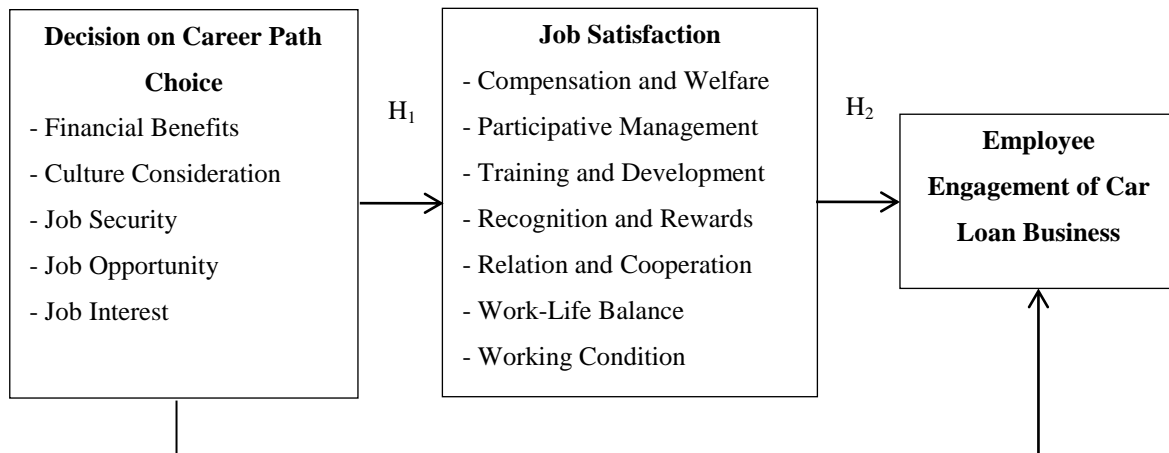
From the literature review, the conceptual framework of this study presented in Figure 1., which describes the influence of decision on career path choice and job satisfaction on employee engagement of car loan business in Khon Kaen Province, Thailand. The conceptual framework has been tested on the basis of the bodies of literature including decision on career path choice, job satisfaction and employee engagement, cited above, as well as the researcher's own context about the relationship among variables. The hypotheses suggested by the conceptual framework can be described as follows:

H<sub>1</sub>: Decision on career path choice had a significantly positive influenced on job satisfaction of car loan business in Khon Kaen Province, Thailand.

H<sub>2</sub>: Job satisfaction had a significantly positive influenced on employee engagement of car loan business in Khon Kaen Province, Thailand.

H<sub>3</sub>: Decision on career path choice had a significantly positive influenced on employee engagement of car loan business in Khon Kaen Province, Thailand.

**Figure 1**  
**Research Conceptual Framework**



The research hypotheses can be presented in the forms of structural equations in order to describe the relationship among variables and predict the dependent variable for hypotheses testing. The symbols used to represent the variables stated as follows:

- DEPC = Decision on Career Path Choice
- JSAT = Job Satisfaction
- ENGT = Employee Engagement of Car Loan Business

The structural equation can be explained as follows:

- JSAT =  $\beta_1$  DEPC ..... (1)
- ENGT =  $\beta_2$  JSAT ..... (2)
- ENGT =  $\beta_3$  DEPC ..... (3)

## RESULT

This research study was designed to investigate the influence of decision on career path choice and job satisfaction on employee engagement of car loan business in Khon Kaen Province, Thailand. The research study used a quantitative research method. The population of this research was car loan business applicants in Khon Kaen Province with the samples of 384 respondents determined by simple random sampling based on Taro Yamane formula [10]. Data were collected through 5-point Likert scale questionnaire surveys. Cronbach's alpha coefficient of decision on career path choice, job satisfaction and employee engagement of car loan business in Khon Kaen Province were 0.948, 0.956, and 0.873, respectively as shown in Table 1. The cronbach's alpha value of the scale of all variables is greater than 0.700, so it shows that the scale has very good reliability. Data were analyzed by descriptive statistics including frequency, percentage, mean, standard deviation; and inferential statistics including the Pearson's Product-Moment Correlation and Multiple Regression Analysis. The research results can be significantly analyzed with 95% confidence interval.

**Table 1**  
**Cronbach's Alpha Coefficient of Variables**

Variables	Cronbach's Alpha
Decision on Career Path Choice	0.948
Job Satisfaction	0.956
Employee Engagement of Car Loan Business	0.873

## ANALYSIS OF DATA AND RESULTS OF THE STUDY

The research results were analyzed by using the statistical package for social science. The research findings and the hypotheses testing in this research study were presented as follows.

As for the explanations of the respondents, the research found that the survey data of car loan business applicants in Khon Kaen Province, consisted males of 26.80% and females 73.20% with the average age of the job applicants are in between 21-25 years up to 46.90%. For the marital status, most of the job applicants are single status up to 81.00%. For education, most job applicants obtained Bachelor's degree at 98.40%. The average monthly income of job applicants with less than 15,000 baht were 64.30% and most of them have work experience of not more than 1 year equal to 39.10% as stated in Table 2.

For the descriptive statistics, data analysis was conducted by using mean and standard deviation. The opinions of car loan business applicants in Khon Kaen Province on decision on career path choice, job satisfaction, and employee engagement were at the high levels with the average of 4.15, 4.12, and 4.22, respectively.

For inferential statistics, the analysis of the correlation coefficient between the two independent variables was explored. Pearson's Product-Moment Correlation was used to determine the relationship of the independent variables. The objective was to find the magnitude of correlation among the variables and to test for multi-collinearity. As Hair et al. [11] described the relationship between the variables that must be less than 0.800 otherwise it may cause Multi-collinearity. Thus, correlation analysis between the independent variables was shown in Table 3. This research shown that the relationship between the independent variables with the highest value of 0.819, which was exceed 0.800, accordingly the test for collinearity statistics of tolerance and VIF should be performed. The tolerance value was more than 0.200 and the VIF value was less than 10, thus multi-collinearity problem was not found. Therefore, it can be tested by using Multiple Regression Analysis.

**Table 2**  
**Description of the Respondents**

Demographic Information		Numbers of Respondents (NR)	Percentage of NR to Number of TR*
<b>Gender</b>	Male	103	26.80%
	Female	281	73.20 %
<b>Age</b>	21-25 Years	180	46.90 %
	26-30 Years	133	34.60 %
	31-35 Years	53	13.80 %
	36 Years or Above	18	4.70 %
<b>Marital Status</b>	Single	311	81.00 %
	Married	65	16.90 %
	Divorced	2	0.50 %
	Separated	6	1.60 %
<b>Education</b>	Bachelor's Degree	378	98.40 %
	Master Degree	6	1.60 %
<b>Monthly Income</b>	15,000 Bath or Below	247	64.30 %
	15,001-25,000 Baht	95	24.70 %
	25,001-35,000 Baht	29	7.60 %
	35,001 Baht or Above	13	3.40 %

n = 384

<b>Experience</b>	1 Years or Below	150	39.00 %
	1-2 Years	121	31.50 %
	3-4 Years	54	14.10 %
	5 Years or Above	59	15.40 %
<b>Total</b>		384	100.00%

\* TR denotes total respondents.

**Table 3**  
**Correlation Analysis between Independent Variables**

	<b>DEPC</b>	<b>JSAT</b>	<b>ENGT</b>
<b>MEAN</b>	4.15	4.12	4.22
<b>S.D.</b>	0.548	0.533	0.600
<b>DEPC</b>	1		
<b>JSAT</b>	0.819**	1	
<b>ENGT</b>	0.681**	0.757**	1

\*\* . Correlation is significant at the 0.01 level

The research results from hypotheses testing on the influence of decision on career path choice and job satisfaction on employee engagement of car loan business in Khon Kaen Province were presented in Table 4.

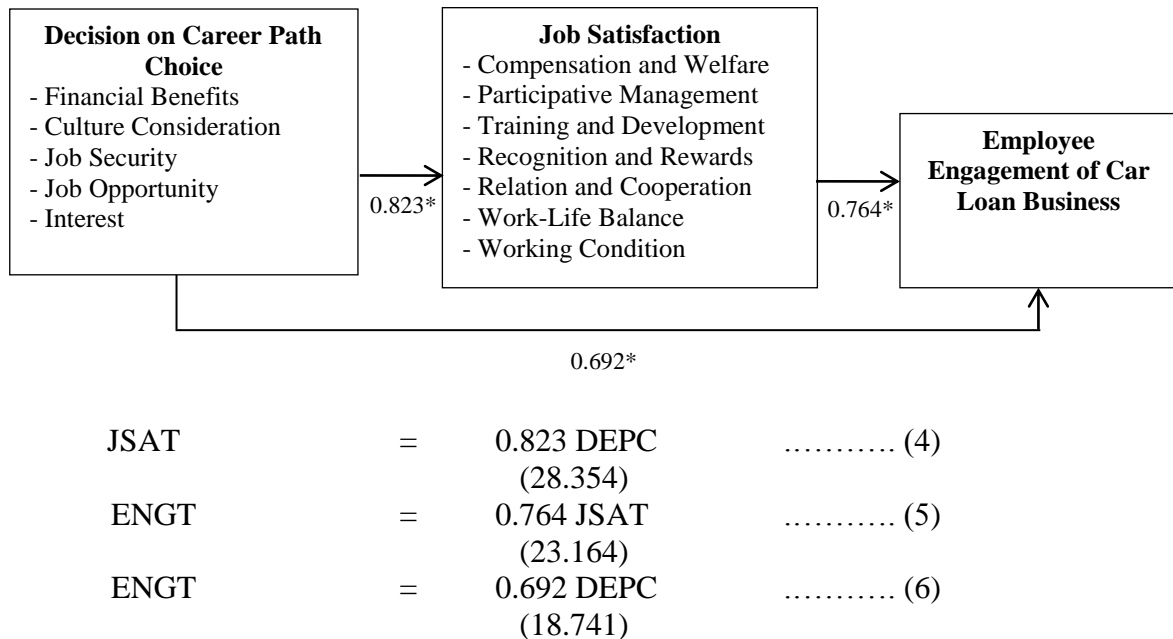
In addition, the research results from hypotheses testing can be presented in the following diagram as shown in Figure 2 and also the research findings can be presented in the form of structural equations as describe below:

**Table 4**  
**Research Results from Hypotheses Testing**

<b>Model</b>	<b>Unstandardized Coefficients</b>		<b>Standardized Coefficients</b>	<b>t</b>	<b>Sig.</b>
	<b>Beta</b>	<b>Std. Error</b>	<b>Beta</b>		
<b>H<sub>1</sub>: DEPC → JSAT</b>	0.800	0.028	0.823	28.354	0.000***
<b>H<sub>2</sub>: JSAT → ENGT</b>	0.861	0.037	0.764	23.164	0.000***
<b>H<sub>3</sub>: DEPC → ENGT</b>	0.757	0.040	0.692	18.741	0.000***
<b>Adjusted R<sup>2</sup> = 59.40%</b>		<b>S.E.E = 0.382</b>		<b>F = 281.498</b>	

\*\*\*. Predictor is significant at the 0.000 level

**Figure 2**  
**Research Results**



From the hypothesis testing, it was found that decision on career path choice and job satisfaction could explain the change in employee engagement up to 59.40% (Adjusted R-Square 0.594) at 0.05 significant levels. Decision on career path choice had a statistically significant positive influenced on job satisfaction with standardized coefficients ( $\beta$ ) of 0.823. Job satisfaction had a statistically significant positive influenced on employee engagement of car loan business with standardized coefficients ( $\beta$ ) of 0.764. Decision on career path choice had a statistically significant positive influenced on employee engagement of car loan business with standardized coefficients ( $\beta$ ) of 0.692.

In conclusion, according to hypotheses testing, decision on career path choice and job satisfaction had significantly influenced on employee engagement of car loan business in Khon Kaen Province, Thailand, suggesting management team should focus on providing suitable career path and job satisfaction in order to increase employee engagement in the long run.

## CONCLUSIONS

The research results revealed that decision on career path choice and job satisfaction had statistically significant positive influenced on employee engagement of car loan business in Khon Kaen Province, Thailand. Thus, the following recommendations from the research results can be applied as management guidelines for human resource management for car loan business. Firstly, car loan business should provide enough financial benefits, job security, and job opportunity for staff to increase job satisfaction and retain talent staff. Secondly, human resource management team needs to concentrate on compensation and welfare, training and development, work-life balance, and also recognition and rewards to reduce employee turnover rate and to enhance employee engagement in the long run. To conclude, career path choice and job satisfaction had significant influenced on employee engagement of car loan business in Khon Kaen Province, Thailand. However, there are many other factors that can be expected to enhance employee engagement such as leadership, organizational climate, or work motivation for further research.

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