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Effective Meritocracy Attributes in Rubber Industry

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ABSTRACT
The objective of this study is to examine effective attributes in meritocracy as practiced in Iran rubber industry. Meritocracy is defined as the continual process of assigning employees to the right jobs, periodic work assessment and job reinstatement or reassignment based on the assessment outcomes. This study examines three attributes of meritocracy, namely, merit selection, merit development and merit retention, as applied in rubber industry. A sample size of 335 was decided for this study by applying sampling size formula for limited population. Study methodological was applied survey based on descriptive method. Study data was collected by a researcher made questionnaire. Data collection was performed based on indexes of a conceptual model. Consistency reliability of the study was calculated and confirmed by Cronbach's alpha. The quantitative findings of this research obtained from statistical software confirmed study hypotheses and the proposed model. The study findings showed significant relations between meritocracy attributes. Therefore, the selected attributes clearly explained the state of meritocracy in rubber industry.

Key words: Meritocracy, merit selection, merit development, merit assignment, merit retention

INTRODUCTION

Meritocracy is a term first dubbed by English sociologist Michael Young in his book The Rise of Meritocracy published in 1958. He based the future of individuals' social status on a combination of intelligence and high endeavor. He predicted that the new social system will eventually lead to a social revolution, where the masses will depose the rulers and elites who have distanced themselves from public masses and their requirements. Despite the negative tone of this definition, many believe that social systems may not be able to find a substitute for meritocracy, in terms of advantages and fairness. Advocates believe that meritocracy is far more equitable and efficient than current social and political systems. It is a system that will eventually put an end to social injustice (Memarzadeh et al., 2012).

Human resources are considered as the most important asset of an organization. An effective utilization of human resources pushes forward the organization toward achieving its objectives and eventual success. In the present turbulent business world of the third millennium, organizations compete with each other to identify, attract and retain the most qualified managers and experts in order to further their competitiveness. Merit refers to certain properties that contribute to successful professional performance which leads to the achievement of organizational objectives. These properties include personal knowledge, skills, abilities, values, motivations, creativity and self-management (Hamednia, 2002).

Meritocracy requires paying attention to the challenges and requirements of a given position or job before selecting the best qualified individuals who could meet them. Full identification of candidates is the next step in order to determine their potential to exhibit the desired performance. A qualified person can be assigned to the job or position after these two considerations (Hasani et al., 2013).

MERIT

Scholars have offered various definitions for merit:

- Merit is any personal knowledge, skill, abilities or quality exhibited as part of one’s behavior that may lead to ideal performance (Newsome and Catane, 2004)
• Merit refers to personal abilities to perform a given job. It is assessed based on the ability to perform a given job rather than the job a person actually performs (Brewster et al., 2000)
• Merit is a collection of attributes that a person possesses in order to convince an organization to be of worthy a job assignment. These attributes help the employee to perform the assigned job according to organizational standards and requirements (Abili, 2005)

**MERITOCRACY**

According to Oxford Dictionary, meritocracy is a two-part word made of merit and suffix cracy. Merit means competence, worthy, worthwhile, value, valuable and deserving. In politics and management, merit means a quality, condition, or action that deserves praise or reward. Suffix cracy means rule of or government. Therefore, meritocracy means a system of government by people of high achievement (Kordestani, 2008).

Wikipedia Dictionary defines meritocracy as a system of government or management by merit and talent. It is often used to describe a type of society where wealth, income and social status are assigned through competition.

Meritocracy is the assignment of a qualified individual to a suitable position based on personal knowledge, experience and other pertaining criteria. Meritocracy refers to the belief that good is superior to evil (Jamshidi, 2004).

A typical system of meritocracy provides rewards and allocates resources to meritorious individuals. In such a system, a promise of better position motivates upward mobility in individuals based on their talents and endeavor. It is a rejection to aristocratic and hierarchical systems where people take positions based on inheritance and succession. In these systems, a person earns a position or status based on what is provided or given by family or inheritance. Although these systems are also based on merit, but only meritocracy is a more democratic and equitable than any other system that works based on merit (Parrish, 2006).

In Sociology Handbook, Lowson and Garrod defined meritocracy as a system where job assignments are based on merit and not based on gender, social status, race, nationality, or wealth. Bilton in his book Introductory Sociology defined meritocracy as a system that allows people to develop and actualize their talents through education and hard work in order to be assigned to deserving jobs and positions regardless of their gender, strata, race, nationality and wealth. A commonly accepted definition of meritocracy refers to a government by people of high natural ability and not by wealth or social strata (Jamshidi, 2004).

**MERITOCRACY ATTRIBUTES**

Introduction of meritocracy in an organization requires attention to its attributes which are as follows.

**Merit advocacy:** Meritocracy is a cultural issue. Organizational culture shall provide opportunities to seek meritorious individuals. Organizations shall prefer meritorious over disqualified individuals who are always burden. Disqualified people feel their inadequacy and happily pass their responsibilities to competent individuals. Merit advocacy is a need that should be incorporated into organizational culture.

When merit becomes a requirement in an organization, the employees try to maintain their competence to avoid demotion or being left behind by others. They become aware that development of one’s competence is a prerequisite for any job promotion. Therefore, organizations should promote meritocracy as part of their culture (Abili, 2005).

**Merit search:** When organizational culture mandates the assignment of jobs to meritorious individuals, such organization will be constantly in search of individuals who fit the job requirements.

The following issues should be considered when searching for meritorious individuals:

- What qualifications or competences are required for new employments
- Do the required qualifications and competences correspond to what is available in the job market
- Is organization able to satisfy the expectations of the qualified persons and is the right plan in place

Merit search is to match the expectations of the qualified individuals with the possibilities of an organization. Regulatory restrictions and payment schemes in public sector may act as obstacles to attract qualified individuals. Therefore, public organizations may always face problems in instituting merit search. In order to overcome this problem, public organization may need to request the relief of the limiting issues before adapting merit search (Abili, 2005).

**Merit selection:** An organization needs to define specific criteria for employment, such as morality, consciousness and aptitude. These qualities can ensure absence of corruption, potential for training and timely performance. An organization can only justify investment for training and development when individuals possess these qualities. Practical definition of these criteria is an important issue. So, enough attention should be made when drawing up the definitions and selecting the right examples (Memarzadeh et al., 2012).

Some managers think merit selection as finding someone with whom a close and friendly relationship exists. Therefore, merit selection turns into relative selection. Others select individuals who seem to be obedient; therefore, other employment criteria are pushed aside to secondary level. Meritorious individuals are fully aware of their values and abilities. Naturally, they expect to be compensated fairly for their abilities. Lots of managers are hesitant to pay a fair value...
for these capabilities and therefore, opt for employment of individuals who would be satisfied with lower pay (Hamednia, 2002).

Certain managers are keen to select employees with lower exhibition of aptitude in meetings and are not too quick to express their positions at work. In these cases, the criteria for merit selection will be lowered to a level subordinated to the immediate manager. So, merit selection in this area certainly faces certain limitation.

The majority of job assignments are based on the prevailing organizational culture. When work ethics, desirable habits, positive work environment do not enjoy priority, merit selection faces problems in an organization. Merit selection generally corresponds to the cultural standing of an organization (Hamednia, 2002).

Meritigious employees, whether working in low level jobs or high level managerial positions, prefer to have a work environment which promotes good thinking, freedom of mind, ambition, dynamism and self-actualization. Those individuals who seek these qualities are not attracted to organizations that do not provide an environment that promotes these qualities. Hidden Meritigious employees are another problem that organizations have to deal with. Hidden Meritigious employees are those whom organizations make no attempt to discover or fail to assign them to the right job because of their own organizational weaknesses (Memarzadeh et al., 2012).

**Merit assignment:** A proper assignment should be made after merit selection. Merit is a relative concept that is dependent on time and place. An individual may be considered a good fit for a certain job and not good for others. An organization has to assign the selected meritorious individuals to the right jobs where they have the required qualifications to provide high performance or risk wasting valuable resources and undermine their motivation. No Meritigious employee can provide the desirable contribution unless the correct environment is made available by the employer. Providing a suitable environment is a part of merit assignment (Hasani et al., 2013).

**Merit development:** Merit is not static or a fixed quality. It fluctuates according to the changes that occur in the work environment and conditions of work. The dynamism and instability that are inherent in merit require changes in work environment and the organizational objectives for personal development. Organizations are responsible to ensure that sufficient investments are being made to improve and maintain the required capacities for merit development. One way to provide for merit development in an organization is cultural advancement and enrichment. Merit development is bidirectional: An organization is obliged to provide for merit development and employees are responsible to take advantage of the facilities to develop the required qualities for their job performance (Hasani et al., 2013).

A comprehensive and objective-oriented training system shall serve the basis for on the job merit development so that employee qualifications are kept in line with the current advancements in the job environment. Employee training can contribute to productivity in three ways:

- Educated and trained employees provide higher productivity and more value per unit of time
- Educated and experienced employees are able to increase productivity by better allocation of resources
- Educated and experienced employees are able to create, discover and innovate more in the comparable conditions

Public responsibility, stakeholder services, utilization of new technologies, innovation, service quality improvements and cost reductions have made continuing education as part of career development in any organization (Memarzadeh et al., 2012).

**Merit retention:** Retention of meritorious employees and keeping them highly motivated require planning. Management inattention to meritorious employees and management failure to fulfill employee psychological, emotional and material needs are causes of lowered motivation at work place severing the efficiency. Disappointment at work and unfulfilled needs encourage meritorious employees to seek other opportunities to leave the organization. Losses of meritorious employees for whom organizational resources have been spent are total waste of investment on human resources. It forces organization toinvestment a new for development of new employees to fill the vacated positions. Continuous retraining is a wasting of organizational resources which delay achieving the organizational objectives (Memarzadeh et al., 2012).

Employee selection has been traditionally based on the recommendations of friends and acquaintances. This system of selection had undesirable outcome and therefore, widely disliked as a totally unacceptable system. Corporate interest now mandates the engagement of managers who can convert such corrupting system to a merit system where individuals are selected and assigned to jobs based on their experience, expertise, skills, capabilities and educational background.

Public sectors in some countries have established certain rules that prevent employment of relatives and friends. These rules prevent managers from taking part in the decision making process for employment of their close friend or immediate relatives. The person responsible for selection and promotion of such prospects shall pass the responsibility to another manager. Organizational efficiency depends on effective management and utilization of human resources. The important role of merit employees and managers in qualitative and quantitative advancement of an organization explain the significance of employment selection criteria (Schabath and Martin. 1998).

Bordbar and Shakeri (2011) examined merit selection as applied to educational managers in Yazd University. They reviewed the gap between the status quo and the desired state of the faculty at Yazd University. They listed five dimensions, namely, professional knowledge, thinking abilities, behavioral skills, personality traits, attitude and insight and personal
credibility. The results of their study show that personality traits ranked the highest and professional knowledge ranked the lowest.

Atafar and Azarbayjani (2001) in another study compared meritocracy levels among managers in public and private sectors. They performed a field study aimed at measuring how extensively general and specific criteria are applied in manager selection and what effects these criteria have on organizational performance. They studied 100 managers selected from public and private sectors in Yazd Province. The results showed that selection based on specific criteria led to low performance, absenteeism, job dissatisfaction and loss of creativity among employees.

Those managers who are selected based on specific criteria tend to apply same criteria when they select employees. The criteria used by public and private sectors in their manager selection mostly special and non-meritorious.

Kordestani (2008) conducted a research to determine the level of meritocracy practiced in the public sector in Qazvin Province. He examined three attributes, namely, merit selection, merit development and merit retention in his study. Boyatzis (1982) divided merit into five components including mental control, information control, motivational merits, interpersonal merits and personal merits.

Martin and Marion (2005) in their discussion of meritocracy and merit selection stated that some abilities are necessary for university instructors, such as stakeholder participation in decision making, treatment of faculty based on their personal differences, proper treatment of facts and promotion of mutual trust.

Mcdonagh (2005) defined six effective factors in meritocracy and merit in a study of effective boards of directors including background factors, strategic merit, political merit, interpersonal relations, analytical capability and practical merit.

Rantz (2002) studied the requirements for meritocracy-based leadership. He listed the requirements as the ability to clarify and institutionalize organizational values, merit attraction, moral principles and role playing as an ethical manager plays balancing, connecting and merit roles.

West and Durant (2000) reviewed lessons from the U.S. Merit System Protection Board (MSPB) from 1988 to 1997, in an article titled Merit, Management and Neutral Competence. What is important for the organization is to maintenance and dynamics of brain organization. The brain as intelligent people, are qualified and experienced.

That is why we must try to keep the human brain is dynamic and it is not possible unless human resources find, growing and maintenance. This will act as a system of meritocracy.

This topic led to new theories about the recruiting qualified. The purpose of this study is to help to manage employees’ perceptions of their work environment to better understand.

Due to fade this topic in the rubber industry and because there is no such research for rubber industry in the past, researcher thought to review the factor of meritocracy in this industry. The library studies concluded that one reason for the decline in productivity and reduction in staff motivation is fade meritocracy. Therefore, in this study, the factors affecting the rubber industry meritocracy in the merit selection, merit development and merit retention will be evaluated.

The objectives of study are:

- Prioritize the components of meritocracy in rubber industry
- Determine the effect of proper component merit selection, merit development and merit retention in the rubber industry
- Provide recommendations to improve the meritocracy principle in rubber industry

**MATERIALS AND METHODS**

This study was a survey and data collection was performed by means of administering a questionnaire. The objective of this research was to identify, determine, discover and classify effective attributes of meritocracy in rubber industry. In this study, data was collected from a sample taken in a certain time period in order to describe study population.

The statistical population includes total rubber industry employees numbering about 2600 individuals. The sample size was determined at 340 by using the sample size formula for limited populations. The study sample was selected by using stepwise cluster sampling and simple random sampling. Organizational divisions and departments were taken as clusters. A number of experts were selected at random from these clusters.

**Data collection tools and methods:** Two methods were used for collection of the required study data: (1) Literature search, including library and internet research to obtain background information for theoretical development and experimental reviews and (2) Field research which comprised administering the study questionnaire among the statistical population. The research tool included researcher made questionnaire developed based on the conceptual model attributes and research objectives.

The reliability of questionnaire was measured by Cronbach’s alpha measured using SPSS software.

The questionnaire was distributed to two groups of 30 subjects each. Cronbach’s alpha was calculated for different scales and attributes of questionnaire using SPSS software. The results are presented in Table 1.

**Research framework and hypotheses:**

**Hypothesis 1 (H1):** Merit selection has significant effect on meritocracy

**Hypothesis 2 (H2):** Merit development has significant effect on meritocracy

**Hypothesis 3 (H3):** Merit retention has significant effect on meritocracy
Fig. 1: Flow chart for research framework and hypotheses

Table 1: Questionnaire reliability statistics

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Cronbach's alpha</th>
<th>Probability (α)</th>
<th>Fisher probability (P)</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merit selection</td>
<td>0.905</td>
<td>0.05</td>
<td>0.3</td>
<td></td>
</tr>
</tbody>
</table>

Based on Cronbach's alpha and Fisher probability obtained for the questionnaire we can conclude that different attributes devised for the questionnaire have high consistency and reliability.

Table 2: Friedman test for merit selection versus meritocracy

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Friedman statistics ($\chi^2$)</th>
<th>Degree of freedom (df)</th>
<th>Significance level (sig)</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Merit selection has significant effect on meritocracy</td>
<td>20.753</td>
<td>1</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H2: Merit development has significant effect on meritocracy</td>
<td>1.988</td>
<td>1</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H3: Merit retention has significant effect on meritocracy</td>
<td>5.219</td>
<td>1</td>
<td>0.020</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Table 3: Ranking effective attributes on meritocracy

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Average ranking</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meritorious selection</td>
<td>1.78</td>
<td>3</td>
</tr>
<tr>
<td>Meritorious development</td>
<td>2.09</td>
<td>2</td>
</tr>
<tr>
<td>Meritorious retention</td>
<td>2.13</td>
<td>1</td>
</tr>
</tbody>
</table>

The follow chart for research framework and hypotheses is shown in Fig. 1.

Table 2 shows, $H_1$, $H_2$, and $H_3$ are confirmed because their significance levels (sig = 0.000) are below error probability level ($\alpha = 0.05$). Therefore, merit selection, merit development and merit retention have significant effects on meritocracy in the rubber industry.

Attribute ranking: This study used Friedman test for ranking the effective attributes on meritocracy in rubber industry (Table 3).

RESULTS

In this study, three attributes of merit selection, merit development and merit retention in meritocracy has surveyed.

This study showed that all three attributes of merit selection, merit development and merit retention have significant effects on meritocracy.

Friedman test was used to rank the effective attributes on meritocracy in rubber industry as viewed by respondents to the survey. The comparison of average rankings puts merit retention on the top rank (2.13) and merit selection on the bottom rank (1.78). So, merit retention is too important in this industry and the manager should give more importance to this item.

DISCUSSION

This study showed that all three attributes of merit selection, merit development and merit retention have significant effects on meritocracy. The comparison of average rankings puts merit retention on the top rank (2.13) and merit selection on the bottom rank (1.78).

The results of the all three hypotheses in this study are the same as Kordestani (2008) and Ataifar and Azarbayjani (2001) research results. They also surveyed the attributes of merit
selection, merit development and merit retention in meritocracy in public organization. The result of their study are the same as this study. In their study, the comparison of average rankings puts merit retention on the top rank.

CONCLUSION

The results showed that the proposed model of the effective attributes on meritocracy in rubber industry has a good and reliable fit. They also showed that all three attributes of merit selection, merit development and merit retention have significant effects on meritocracy.

Friedman test was used to rank the effective attributes on meritocracy in rubber industry as viewed by respondents to the survey. The comparison of average rankings puts merit retention on the top rank (2.13) and merit selection on the bottom rank (1.78).

RECOMMENDATION

Suggestions based on research findings and outcomes: Friedman non-parametric test was used to rank the effective attributes of meritocracy in rubber industry in view of respondents. The comparison of average rankings puts meritorious retention on the highest rank (2.13) and meritorious selection on the lowest rank (1.78).

Suggestions based on H1 (merit selection has significant effect on meritocracy):
- Consider past experiences and field of activities before employment
- Examine mental, psychological, family and cultural conditions of candidates during employment process
- Review employment system in rubber industry

Suggestions based on H2 (merit development has significant effect on meritocracy):
- Develop bidirectional communication between management and employees
- Devise suitable job progression path and review wage and salary systems
- Evaluate employee performance periodically and devise a proper reward system
- Provide and improve job security for employees and pay more attention to their physical and mental wellbeing

Suggestions based on H3 (merit retention has significant effect on meritocracy):
- Pay more attention to merit retention as the top ranking attribute for meritocracy
- Identify factors that may positively affect merit retention to further meritocracy
- Base job promotion and opportunities on merit retention
- Introduce meritocracy and their effective attributes to employees and management in order to further incorporate it into organizational culture
- Provide training programs to promote teamwork among employees

Recommendations for future research:
- Study motivational attributes in job applicants as part of the employment process that may contribute to merit selection
- Concentrate on theoretical basis of meritocracy as much as its practical basis
- Include social status of employees when considering employment opportunities for merit retention
- Extend future research to include other meritocracy attributes including merit assignment, merit search, merit advocacy
- Conduct further research into levels of meritocracy in private organizations
- Study effective factors in meritocracy practice among rubber industry managers
- Study levels of meritocracy in rubber industry

REFERENCES


