SUCCESSION PLANNING AND ORGANIZATION PERFORMANCE IN NZOIA SUGAR COMPANY, KENYA

By

DOROTHY SIMIYU NEKESA

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DECLARATION BY CANDIDATE

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DOROTHY SIMIYU NEKESA

SHRD/PGH/015/07

SIGNATURE ……………………. DATE ……………………..

DECLARATION BY THE SUPERVISORS

This thesis has been submitted for examination on our approval as university supervisors.

PROF. JOSHUA KWONYIKE

Department of Development Studies

SCHOOL OF HUMAN RESOURCE DEVELOPMENT

Moi University, Eldoret, Kenya

SIGNATURE ……………………. DATE ………………

DR. BERNARD K. NASSIUMA

Department of Quantitative Skills and Entrepreneurship Studies

SCHOOL OF HUMAN RESOURCE DEVELOPMENT

Moi University, Eldoret, Kenya

SIGNATURE ……………………. DATE ………………

DEDICATION

I dedicate this work to the following people; my father Vincent Simiyu for his great inspiration, to my mother Victoria Simiyu for her motherly support and concern, to my beloved husband Wenslaus Kabisa who keeps me striving and thriving, to my beloved sons Japheth Wekesa, Brian Wafula and daughter Bilha Susan Kabisa and the entire family of Kabisa's and Simiyu's for their unwavering wishes.

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ABSTRACT

Traditionally organizations have used senior executives in identifying and grooming employees of their own choice for future roles. In the modern times, however, succession planning has emerged in developed countries as a major determinant of business success. Little information exists on how firms are integrating it in organization performance in Kenya. The study therefore sought to examine the effect of succession planning on organization performance within public organizations using Nzoia Sugar Company as a case study. The objectives of the study were to examine how succession planning contributes to organizations performance, identify the factors considered in identifying potential successors , establish the programmes the company introduced to develop potential successors in organizations, document the challenges faced in using succession planning and to explore ways of improving succession planning in Kenyan corporations. It was based on the hypothesis that there is no relationship between succession planning and organization performance and programmes introduced to develop skills of potential successors contribute to organization performance. The study was guided by Weiner attribution theory .It was based on descriptive research design for both unionized employees and managers. Stratified sampling was used on a sample of 204 representing a population of both unionized employees and management. Data was collected through questionnaires and was analyzed descriptively using statistical packages for social sciences. Descriptive statistics included the use of frequencies and percentages based on the research questions , objectives and hypothesis. The results showed that succession planning affects organization performance, and it should be the concern of all departments in the organization. The study will be useful in widening the knowledge base on succession planning and its influence on the performance of corporations. To the employees it will enable them to develop their careers and thus experience personal growth and development. The study recommended that every organization should include succession planning in the strategic plan. The employees to be encouraged to further their education level and all employees to be sensitized about succession planning. Further research can be done on succession planning based on comparative study, mainstreaming gender in succession planning and succession planning in private business, to acquire additional information, which may not have been discovered during the present research .The study therefore concluded that succession planning is an important corporate strategy which every company should embrace in order to realize business success.

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LIST OF ABBREVIATIONS

S.P -   Succession Planning

O.P -   Organizational Performance

H.R. -   Human Resource

C.E.O. -   Chief Executive Officer

S.P.S.S -   Statistical Packages for Social Sciences

DEFINITION OF TERMS

Succession – coming after another or taking over from another from another

employee who has either retired, transferred, terminated or

died.

Planning – To show how succession was done in the organization

Organization – This is the company in which the research was done

Performance – Meeting the objectives and goals of the organization by

emphasizing the Human Resource

Critical positions – This are leadership position

High potential – An employee who has a capability to advance

Talent pool – A group of people who are being developed for future roles

CHAPTER 1

INTRODUCTION

1.0 Overview

This chapter provides an introduction to the study. It commences with the background of the study, followed by the statement of the problem, objectives, research questions and assumptions of the study, the significance of the study, justification, limitations, assumptions, scope, conceptual framework and theoretical framework for the study.

1.1 Background of the Study

Organizations today are facing a number of challenges arising out of competition in the business environment. This scenario demands that organizations put in place the best management practices in place. The essence is to achieve succession planning in order to avoid power vacuums created by transfers, promotion, and other job related issues. This practice has been used for many years without giving it the emphasis it deserves in most organizations; however, in the recent times it has become an important tool for organizational success (Armstrong, 2000).

In today's highly competitive environment, human capital constitutes an organizations most important asset, often differentiating highly successful businesses from those which struggle. Yet, in the ongoing effort to develop a strong and capable workforce, many organizations focus almost entirely on hiring and training staff. This is at the expense of managing succession planning which may be considered to be the most essential ingredient in building an organization that is capable of achieving its strategic goals (source). Most studies have shown that organizations with succession planning programs

have a higher human capital retention rate and a remarkable reduction in recruitment and compensation costs. This thus enables an organization to achieve its strategic goals.

Most managers fail to integrate succession planning in their operations until it needs to be implemented. Suddenly there is avoid at the top and nobody has been primed to fill it. Leadership transitions in business affect the entire organizations continuity, employee retention, client retention and returns on investment. It is essential to create and implement a process that create and implement a process that creates visibility, accountability and greater integration of all facets of the business. Organizations are now realizing that there is need to expand the scope of succession planning, not only to cover the top executives but also the key persons in the entire organization - Elsie Aikens (2001). More recently succession planning has expanded yet again whereby enlightened corporations are integrating this practice into their strategic planning processes and corporate policies (Troon, 2009).

With Baby boomer, retirement waves looming and the economic climate creating a real urgency to retain and develop the best and the brightest, succession planning is still an imperative business issue in preparing for tomorrow. Well known succession planning expert Rothwell (yr) in his book "Effective succession planning," identifies the benefits of succession planning such as increased opportunities for high potential workers; identifying justifiable training, employee education and development opportunities/needs among others.

The problem of not including succession planning (management) in the strategic planning of organizations has had effects on their performance. The business case for succession

planning is not new, but the business mandate has never been stronger. The labor market – both the demand and supply sides – continues to shift. In the U.S. for example, the shifting age mix of workers brings to the fore the need for effective succession planning. We have all seen statistics like these: the Bureau of Labor Statistics (BLS) and the Census Bureau project that there will be almost no growth in the number of younger workers (. age 25 to 44) in the U.S. labor force in this decade. Meanwhile, the number of workers age 55 and above will grow by over 40 percent. Besides the common sense need for succession planning given these statistics, it has also been shown in research studies that companies who do effective succession planning have better business results.

Currently, statistics indicated that projected growth of the U.S. labour force will be seriously affected by the aging baby-boom generation.

Consider the following U.S. department of labour: -

- By 2010, the U.S labour force will have a shortage of 10 million workers

- By 2012, 162.3 million people will be in the work force

- By 2012, 55-and-older segment of the work force (many in management positions) will have increased to 19.1% due to an annual growth rate of 4.1%, almost 4 times the rate of growth of the overall labour force.

Bracing for the eventual swell in retirements, companies are turning to succession planning to ensure their pipeline is full of potential replacement (Ibarra, 2005). In addition to the above, statistics indicated that executive turnover is poised to increase significantly over the next few years as baby boomers retire (Journal for quality and participation, October 1, 2005). Looking at the position worldwide, succession planning is a concern of all the companies whether small or big, for example in the U.S.A

succession planning is a problem among companies like Wall Street, Merrill Lynch, Citigroup Inc and the University of Medical Centre at Arizona. In the Indian empire it is still a problem especially among family run businesses. Corporations have experienced battles due to lack of successors after the death of the founders. This has been noted among the prominent and rich businessmen like Mukesh and Ambani (. Rai, 2005).

In Jordan, Kazakhastan, Kenya, Korea, Kuwait, Kyrgyzstan, Latva and Lebanon, the value of succession planning is not understood. In Atlanta Canada the biggest long term issue is lack of talent management strategies and the relationship with changing demographics. The situation is the same in the United Arab Emirates where telephone operators have not carefully considered succession planning in this era of economic changes. Regionally, succession planning is still a critical issue among organizations.

 Elsie Aikens in her article, "How can I plan for succession?" has pointed out that in Ghana and possibly across most countries in Sub-Saharan Africa, companies have suffered greatly due to lack of proper succession plan for management and critical positions. On a recent review assignment, it was discovered that a large multinational, did not have a working succession plan. This had created several different situations. According to the article by Jayne Mamatt, succession planning must be a key business strategy (28th August, 2008), she says that it is necessary to build a sustainable pipeline of potential successors due to factors such as skills shortage that is plaguing the country.

On the local scene (Kenyan experience) succession planning is also an issue that many companies have failed to address and as such it has caused a number of problems regarding succession. According to (www.francisthuo), succession planning is a prickly

issue in small and medium sized companies. Even giants have been shaken such as Kenya Commercial Bank (KCB), Housing Finance and East African Portland Cement. For example KCB had to advertise the post of C.E.O. Housing Finance remained for nearly a year without a CEO.

Most recently the corporate world was watching keenly how National Bank and Safaricom were going to handle the exit of its CEO. More so, in the Education sector and the civil service succession is an issue at hand. According to Education Watch by Tindi, vol 26, August – September, 2008), he argues that succession has not been addressed during college takeovers and mergers. The persons to take the positions of principals have been put due to political influence.

In the Public Service there has been lack of succession planning. According to the Daily Nation (Friday September 26th, 2008), it's the Prime Minister's office which advocated for proper succession management so as to avoid cases where star workers were prevented from promotion.

In the private sector companies which have adopted succession planning in their strategic plan have been more successful than their counterparts. This has been supported in the book by Jim Collins, "built to last successful habits of visionary companies," where 18 companies have been cited to be at the forefront of their industries for at least 50 years. He found out that the key reasons behind their success was their history of strong focus on succession and leadership planning, ensuring leadership excellence and continuity.

From the above information it is clear that succession planning is a world wide challenge facing many organizations whether big or small. It's a practice that cannot be ignored if an organization has to continue performing. It is a serious problem that requires attention of the concerned parties.

1.3   Statement of the Problem

Succession Planning is a very important management strategy that enables organizations to achieve organizational goals and objectives effectively and efficiently. The current scenario in most Kenyan organizations is that this component has been ignored. This is evidenced by at times managers being politically appointed and in most cases they have been picked from fields that are not related to organizations where they are meant to manage. In other cases tribal considerations are used not qualifications. In Nzoia Sugar Company if the vacancy is left for long it will interfere with performance of work since they will not have a qualified employee at hand. Thus this study seeks to determine the effects of succession planning on the organization performance.

1.4   Objectives of the Study

The main objective of the study was to examine the effect of succession planning on organization performance using Nzoia sugar Company as case study.

Specific objectives were as follows: -

1. To highlight the factors considered in identifying potential successors in the organization.

2. To establish programmes the company introduced to develop potential successors.

3. To assess the challenges faced in using succession planning in Kenyan corporations.

4. To explore ways of improving succession planning in determining organizational performance.

1.5 Research Questions

This study was guided by the following questions:

1) How does succession planning contribute to performance of the organization?

2) What programmes has the company introduced to develop skills of potential successors

   in the organization?

3) What challenges does the company management face in succession planning as way of determining organizational performance?

4) What are some of the ways of improving Succession Planning?

1.6 Hypothesis

1) There is no relationship between succession planning an organization performance.

2) The programmes introduced to develop the skills of potential successors contribute to organization performance.

1.7 Significance of the Study

This study is expected to be useful in widening the knowledge base on succession planning and its influence on the performance of corporations. It is also hoped that the findings will provide information that will be used to come up with new ways of improving succession planning to the managers and other stakeholders in organizations. To the employees it will enable them to develop their careers and thus experience personal growth and development.

The purpose of this study is to examine the role of succession planning on organizational performance. It is hoped that the study would provide information that would be used to develop policy recommendations for revised plans on succession planning. New ways of doing it will be introduced and this will enable the organization to perform well.

1.8   Justification of the Study

Succession planning is not only aimed at achievement of objectives and goals of the organizations but to be able to maintain good employees, to have replacements for those who retire and promote those who are competent. Succession planning is a problem facing many organizations due to lack of proper mechanisms to identify the right people. This has sometimes led to out sourcing of CEOs hence rendering this study relevant.

More so little research has been done in this area. Therefore as a society we should be concerned about succession planning. The recommendations made by this study on the role of succession planning and its implementation strategy are far reaching and therefore if taken and adhered to they can improve the overall performance of organizations both large and small scale.

1.9 Limitations of the Study

During the research, some of the limitations that were encountered include, information required was too sensitive and some of the respondents were not ready to share it out especially the junior staff. This was may be due to fear of being exposed and also may be ignorance in giving out the true figures but the researcher was able to overcome this by assuring confidentiality to the respondents.

 Also the research population seemed very busy and their availability at times was a

problem. This required proper timing and notifying them in advance hence efficiency of the process.

Moreover, qualitative data analysis largely depends on the researcher interpretation and understanding. The principal researcher having been involved in public administration over 5 years and despite conscious effort to control its effects during the design and implementation of the study, this study acknowledges the potential for researcher bias.

This study involved managers and junior staff of Nzoia Sugar Company as the samples of study. Consequently, the results of this study may not be generalized to all Sugar Companies in Kenya they can be generalized to all employees in Nzoia Sugar Company.

1.9.1 Scope of the study

The study on the effects of succession planning was conducted among the managers and the unionized employees of Nzoia Sugar Company in Bungoma district. The study took a total duration of one month as from 26th January, 2009 to 26 February, 2009, by using stratified random sampling technique of different employees.

Qualitative research data was collected using questionnaires and interview schedule from a sample of 192 junior staff and 5 managers who were randomly selected from the target population.

1.9.2   Theoretical Framework

This study was based on attribution theory. An attribution is made when other peoples actions are perceived and described with the aim of discovering why they behave the way they do.. Attributions can be made about people's behavior. Research by Weiner (1974) and others has indicated that when people with high achievements needs have been

successful, they ascribe this to internal factors such as ability and effort. High achievers tend to attribute failure to lack of effort and not lack of ability.

Low achievers tend not to lack success with effort but ascribe their failures to lack of ability. From this then this study may point out that effort and ability are just but among other factors that determine performance. If career development plans are incorporated in the organization then people, employees will see the need of working hard. They become motivated that at least they will be catered for as far as their careers are concerned. The theory guides the study by indicating that the success of an individual employee impacts positively on the performance of the company.

CHAPTER TWO

LITERATURE REVIEW

2.0   Overview

This chapter describes succession planning in detail and highlights the key issues that are considered by organizations both in developed and undeveloped countries.

2.1 Succession planning Defined

Taylor (2002) identifies three types of planning that aim at achieving practical goals and objectives of the organization. Micro-planning deals with forecasting supply and demand for specific groups. Contingency planning covers the situation where possible scenarios are examined and the implications assessed before major decisions are taken. Succession planning is a third type that focuses on man power planning activity such as recruitment and development of employees in order to fill managerial and top positions. Collins (2009) defines succession planning as a process that can provide seamless leadership transition across the organization. 'Strategic, systematic and deliberate effort to develop competencies in potential leaders through proposed learning experiences such as targeted rotations and educational training in order to fill high –level positions without favoritism (Tropiano, M ,2004).In the words charan et al(2001) succession planning is perpetuating the enterprise by filling the pipeline with high performing people to assure that every leadership level has an abundance of these performers to draw from, both now and in the future, From this perspective ,succession planning is seen as a management pipeline that accelerates management performance over a period of time. Charan' definition looks into the future and this probably influences Scharmer (2007) assertion that succession planning is co-creating, a transformational stage during which management explores the

future. Succession planning is organized process comprising the identification and preparation of potential successor to assume new role (Garman& Glawe, 2004).

2.2.1   What succession planning entails

According to Drakes (2008) succession planning entails identifying and analyzing key positions, assessing employees and contribution of employees to the organization. According to Troon (2009) in her paper on "Succession planning and talent management" she has highlighted that there are various ways of identifying and assessing potential successors in organizations. This are: self identification where organizations give employees the opportunity to express their interest in leadership roles. Career advancement or lateral moves.

The organizations can gather this information through various ways, including: encouraging career and learning discussions between employees and managers, and rolling up key information from this discussions for the management team, administering a survey, soliciting applications for more formalized developmental program and creating skills inventory data base or employee profile that provides information on employees career interests and skills competence.

The other important way, is through assessment methods and instruments. Here the organization may use a variety of tools for assessing potential for leadership or other key roles. These include performance reviews, talent review meetings, assessment centers, 360 degree feedback, written examinations, behavior – based interviews, in – basket exercises, simulation exercises or role playing, aptitude tests and reference checks.

2.2.2 Concept of manpower planning

As obtained from the, several studies have argued asserting that the function of personnel in contemporary organizations is undergoing a radical transformation; departing from the era of personnel administration to a concept of comprehensive and integrative approach that focuses on adequate utilization and development of human resources (Burack,and Gutteridge,1978;Fitzgerald,1992;Bjorn,2002;Aphander,1980).

This new concept referred to by several names such as human resource planning, manpower planning, human resource management, etc.

2.2.3 Contribution of Employees to Organization's Success

It's important for organizations to make employees understand how they contribute to organization's success by: Treating staff members as individuals and with respect - makes them part of the organization, developing employee centered Human resource initiative, understanding that employees can either make or break the organization and developing a clear performance management system. Succession planning is nothing more than having a systematic process where managers identify, assess and develop their staff to make sure they are ready to assume key roles within the company.

2.2.4 Areas of focus in succession planning

In most cases succession planning focuses on 3 main areas; First, it addresses the needs of the organization as senior management ages, Secondly, succession planning helps an organization to prepare for unexpected event. The sudden illness or death of an executive can reverberate throughout an organization, paralyzing both management and staff and impending the organization's ability to execute a business plan. Recent world events

illustrate how important S.P. is. For instance when the World Trade Centre attacks took place, dozens of companies lost key executives who were on planes or in buildings that were destroyed. Finally S. Planning ensures that an organization has the right personnel to function at peak efficiency (Barker, 2008)

2.2.5   Importance of Succession Planning

Having this process in place is vital to the success of the organization because the individuals identified in the plan will eventually be responsible for ensuring the company is able to tackle future challenges. These 'high potential' candidates must be carefully selected and then provided training and development that gives them skills and competencies needed for tomorrow's business environment.

Another reason why it is important is because these high potentials will one day become the leaders of the Company. This is why their development needs to incorporate a broad range of learning opportunities in your organization. The individuals should also be exposed to as much of the working environment as possible so that they gain a good understanding of what the company requires to remain successful. Succession planning is one of those initiatives that many companies don't find the time to start until it's too late -- if you don't address succession planning now your organization may end up facing the burden in the middle of a crisis.

Finally, organizations that understand the need to manage the development of their high performers are a step ahead of their competitors! The effort required to establish a development program for future leaders is worthwhile because it creates a motivated and capable group of employees that are ready to move forward in the organization when the

need arises. For example one of the most successful business leaders of all time, Jack Welch, who started working at General Electric in 1960. As he moved upward in the organization he displayed leadership qualities that set him apart from his peers. But what did Jack Welch think of succession planning? One of his most admired skills was the ability to develop his subordinates so there was always someone ready to take his place when Jack was offered a promotion. How successful was his strategy? In 1981 he became the CEO of General Electric and served in that position until he retired in 2000.

Furthermore, in 1991, Jack Welch stated: 'From now on, choosing my successor is the most important decision I'll make. It occupies a considerable amount of thought almost every day.' That's a pretty strong statement for someone that had the vision and leadership ability to increase the value of General Electric from $13 billion to $410 billion dollars during his tenure. It's clear to see that succession planning and development of future leaders does not exist in isolation - it needs to reflect the company's strategic objective and strategic goals.

For any organization to implement an effective succession plan there are a number of key issues that need to be considered: The succession planning program must have the support and backing of the company's senior level management ; Succession planning must be part of an integrated HR process that includes training, development and performance appraisal ; Identify what skills the organization will need in 5, 10 or 15 years ; Critical positions must be identified and included in the Company's succession planning program ; Identify high-performers that are almost ready to step into those

critical positions ; Analyze the workforce and identify who will be eligible for retirement within the next five years.

Managers need to identify the responsibilities, skills and competencies that will be needed by their replacements; A system for communicating succession planning information to managers must be established. A systematic approach for identifying, nominating and selecting potential successors must be established; Background information on potential successors, such as education, experience, skills, appraisals and potential should be reviewed.

The training and development requirements of potential successors needs to be determined ; The skills of potential successors must be developed through work experiences, job rotation, projects and other challenging assignments; A system for monitoring candidate's development plan progress by senior management should be established; Succession planning must include a system for providing feedback and encouragement to potential successors ; Succession planning is basically a 'numbers game' that requires good organizational skills and the ability to pay attention to details.

Finally, the succession plan must belong 'to the organization' and not to the HR department in order to make sure it has the attention it deserves. Succession planning is not something a well-run company can ignore because the consequences of not being prepared to replace key personnel will have a major impact on an organization's ability to achieve its goals and strategic targets. The succession planning process needs to be considered as part of the company's strategic planning process because it deals with

projecting future changes by anticipating management vacancies and then determining how to meet these challenges. (Williams, 2001).

> In its simplest form succession planning is nothing more than getting managers in a company to use a systemic process to determine the current training and development requirements of their subordinates. Of course there are also a number of pitfalls you need to be aware of regarding succession planning: Focusing only on the 'technical competencies' and failing to consider the team-building and leadership development requirements ; Underestimating people within the organization or overlooking employees that don't appear to fit your standard 'company template' ; Implementing a program that is designed for upward mobility only - lateral succession moves should also be included in the plan ; Failing to offer the appropriate training and developmental opportunities; Creating a development program that only offers generic 'leadership' training programs.

The two biggest errors made regarding succession planning efforts; Not holding managers and leaders accountable for succession planning; Not sharing the data with employees - you run the risk of losing promising employees if they don't feel the Company has a plan for their development. This is why succession planning must be a coordinated effort between HR and line and senior executives must ensure the line managers get involved with their own division succession planning efforts. (Rai, 2005).

Finally, don't make the mistake of thinking succession planning is only concerned with 'upward' succession. Lateral assignments may also be used because there are fewer opportunities as you progress upward in the organization. It's the role of every manager to help their promising subordinates develop their fullest potential by continually challenging them and increasing their leadership competencies.

Therefore understanding the benefits of proper succession planning is necessary since it aims at improving organizational internal resource allocation, targeted recruitment

activities, customed training programmers, and dealing with reduction in extensive vacancies for surrounding uninterrupted work productivity, leadership continuity and analyzing organizational capacity and future challenges

On improving organizational internal resource allocation, a multi-dimensional shift preparation is the buzz today, which goes a very long way to improving internal resource allocation along with this goes multi-specialist skilling. Concerning targeted recruitment activities, there is a myth to targeted recruitment, a high specialist in one area of expertise increases risk more than it alleviates challenges, head hunting is a favorite, recruitment is a multi-facetted task, and needs not only the job criteria to be attractive, but the environment surrounding the job is also crucial.

About accustomed Training Programmes, knowledge-based training programmes produce generic graduates which then need moulding into the skills required, for example, ten generic qualified people with the same qualification will mould into ten different skill sets according to their natural talent and aptitude, skills-based training in modular form gives the required results, and still leads to formally recognized qualifications.

 In dealing with reduction in extensive vacancies for critical positions, the lateral development movement should alleviate many challenges created by upward succession planning. The challenge in Kenya is increased by the fact that Kenya has a (young) work force so it takes time to groom young resources into key positions, and yet they need to be filled. The strategy would be to attract multi-skilled mentors into those positions to perform the tasks required, and to up-skill the internal base. In the longer term, traditional succession planning, with its related challenges in place, will achieve that objective.

Finally, addressing issues surrounding uninterrupted work productivity can be done in the public and private sectors both in Kenya and other countries. Leadership continuity with proper succession planning there is leadership continuity as the saying goes "a new brush sweeps clean."

2.2.6 Obstacles to implementing a succession plan

While there are numerous benefits to succession planning, there are also challenges such as limited resources, and expertise within the company. Without the assistance of external consultants and coaches, implementing a succession planning initiative can drain organizations resources.

The most effective programs capitalize on the talent available. Throughout the company during the implementation phase, however, companies often lack the resources needed for ongoing management. In addition, utilizing external resources provides expertise in succession planning and offers an objective perspective.

2.2.7 Succession Planning and Organizational Performance

Most of the studies reviewed indicate that survey has been the only method widely used but other methods can apply such as questionnaires and interviews. This has been shown by Benardine (2003) and Kaila (1999) among others. Kenya being among countries which are struggling to industrialize by 2030, it's of importance that all key sectors practice what developed countries (are) doing, for example, U.K and U.S.A.

These countries have succession planning in their organizations. In an organizational development, S.P is the process of identifying and preparing suitable employees through

mentoring, training and job rotation to replace key players such as the CEOs within an organization as their terms expire (Armstrong, 2007).

This clearly shows that no employee is permanent in a job and retaining an employee even after retirement age is not the best practice. One may wonder if he/she is the only qualified person. In other cases organizations without succession plans tend to get replacements from outside. From the risk management aspect, provisions are made in case no suitable internal candidates are available to replace the loss of any key person. It is usual for an organization to insure the key person so that funds are available if she or he dies and those funds can be used by the business to cope with the problems before a suitable replacement is found and developed.

Since S.P involves having senior executives periodically review their lower level to determine several back- ups for each senior position. This implies that senior executives should treat this practice with care. This will enable them to avoid future management problems such as wrangles like the ones experienced in Kenya. Organizations will need to create pools of candidates with high leadership potential. A careful and considered plan of action ensures the least possible disruption to the person's responsibilities and therefore the organization's effectiveness.

Examples include such a person who is; suddenly and expectedly unable or unwilling to continue their role within the organization; accepting an approach from another organization; accepting an approach from another organization or external opportunity which will terminate or lessen their value to the current organization; indicating the conclusion of a contract or time limited project; or moving to another position and

different set of responsibilities within the organization. A. S. P clearly sets out the factors to be taken into account and the process to be followed in relation to the retaining or placing the person.

In addition, (Rai, 2005) has pointed out that S.P as a process of identifying and preparing suitable employees through mentoring, training and job rotation to replace key players such as the CEOs within an organization as their terms expire is not only meant for big businesses but also for small, organizations and individuals family businesses. Business strategic planning involves planning for the smooth continuation and success of a business which depends greatly on the availability of competent people be it profit or non – profit organization, one of the concerns is there may be no successor to drive it once the leader or key person leaves either by choice or by circumstances. This concern has been repeatedly expressed in the papers by leaders from the private and government sector.

It is people, or more aptly, the right people that make things happen but the music will stop one day! If the leader or key person does not retire (whether by old age, disability or choice) he will end his time of service when he dies and when they do problems often set in. The day after is often filled with chaos and uncertainty. What is likely to happen to the organization when a key leader is eliminated without succession planning in place? Here are some things to expect, first, there would be either no able successor or where there is, the successor is often either un-prepared to handle the heavy responsibilities placed upon them or he/she simply does not have the ability to manage the organization in the way it used to be. Whatever the case may turn out to be the situation can be dire for the

organization. Profit may be lost. Business can become untenable to continue. In case of the unplanned death of an owner the remaining co-workers and the heirs may be embroiled in a relationship crisis that threatens to wreck the business (Sandra, 2004).

In unplanned situation, ineffective quick-fixed solutions are the only answers left. If no able successor can be found, a temporary replacement is often the only choice left, and the ultimate result may still be the downfall of the organization. It is difficult enough to run an organization with experience and ability.

Without the required qualities in the new leader, the rot of the organization is almost likely to set in immediately; unless it is lucky to have a replacement that happens to be suitable and motivated. If not, an unmotivated successor is equally bad news for the set-up. Without the drive, the organization will stay stagnant and more than likely to slide. (Troon, 2009)

Without succession planning a business that has become successful can just easily fail. The business grows because there is a leader (probably the owner) with experience drive and ability without proper succession planning, the future success of the business is left to chance once that leader is gone. Under such a circumstance, if it succeeds at all, it is by default rather than planned. That is not all. The passing of the baton from one generation to the next is often clouded by the stakeholders' differing views and agenda without proper planning, the clashes of views and agendas can pull the business in several directions and this may wreck an otherwise viable business. With so much at stake, business succession planning has to be a priority and should be part of every business planning. There are two main options available to business succession planning, which

are; Retention planning, retention of the business within the family circle and buy – sell planning: Selling of the establishment to other business owners or key employees or interested outsiders (William, 2001).

It is a norm in many parts of Asia that succession planning is a sensitive issue to discuss amongst partners or shareholders. This is despite the fact that a successful transition minimizes disruption, ensures continuous profitability and guarantee satisfactory returns to the partners and shareholders.

According to Bernadine (2003), succession planning can be formal or informal. For informal succession planning, an individual manager identifies and grooms his or her own replacement. This is more prevalent in smaller forms. In fact, one survey of 800 small business owners found only that 25% have a succession plan and that only 50% of them have even written it down. Succession planning for family businesses seems to be especially important for the firm to remain successful. This sample must have been large and requires a lot of time. Looking at it, it may be applicable to Asian or foreign business family which may not be a case in the Kenyan context. The local business men from my own experience do not have succession plans, this is clearly indicated when the owner of the business dies. Those who take over the business tend to vandalize it through misappropriations of funds. The percentage of those with succession plans seem to low. When such a scenario is transferred to third world countries like Kenya it will affect performance of a business.

On the formal succession planning Bernadine (2003) continues to say that FSP involves an examination of strategic plans and HR forecasts and a review of data on all potential

candidates. The objective is to identify employees with potential and increase managerial depth as well as promoting within the company. In addition, it includes determining and clarifying the requirements of the managerial position and developing plans for how future managerial requirements will be met. It involves behavioral profile matching between the individual manager's skills, behavioral flexibility, adaptability and the organization's future needs as depicted by the strategic plan. This is true in that organizations need to stress the inclusion of succession planning in organizations that are ISO complaint such as the Kenya seed company.

Considering the study on 500 hundred firms with succession plans, tended to overlook the issue of communication, motivation and the organizational culture. The idea that organizations spend a lot of time on succession planning efforts of identifying candidates for jobs that may not exist in future is very right but on the side it may not. The organizations will stagnate and may go back to dark ages. May be in future, organizations will have to come up with plans incorporate them into their systems and these will affect performance.

According to Byers and Rue (1997), shows that S.P. is an important tool to assist in the HR planning process. S.P may involve the use of a replacement chart. Replacement chart shows both incumbents and potential replacements for given positions within the organization. To be effective, replacement charts must be periodically updated to reflect changes in scenarios. Succession planning helps in solving crisis in organizations, family businesses and even in the civil service. For example, according to an article in education watch by Tindi (vol 26, August- September 2008), he feels that succession management

should be put in place as a policy before college takeovers. The takeovers have led to succession crisis in most tertiary institutions as their immediate former principals have found themselves suddenly jobless or shabbily treated due to lack of clear succession mechanisms. Equally workers at such institutions are left in the limbo wondering whether they would be sent packing or retained by new management. Examples of such institutions are like Kenya Science Teachers College and Kenya Polytechnic which have been taken by Nairobi University. This move affects both the managers and the managed, so as to avert problems in the organizations.

In addition to the above the civil service has also loosened the rigid rules that prevented promotions for star workers as shown by the Daily Nation (Friday September 26th 2008) in which the prime minister's office has removed.

2.2.8 Organizational structure and succession planning

Nzuve (1999) has identified organizational structure in many forms; simple, complex and rigid or loosely structured, the organizational structure is determined by the fact that an organization is a goal pursuing entity, whose structure shows how activities are organized in order to achieve its goals. Organizational design involves dividing organizational activities into various groups. He goes on to say that there are four types of structures namely functional / bureaucratic or mechanistic, linking pin, project and matrix form. From this, it is of importance that every organization which needs to succeed must have a good structure and Nzoia Sugar Company is of no exception. For the company to operate at required standard, it is of importance that the organizational structure lays emphasis on

succession planning. The structures are different and every organization can choose what is suitable for them.

According to what Nzuve (1999) has highlighted on organizational structure, it is complicated compared to what Heinz W. and Harold Koontz (2005) have listed. According to ibid 2005, organizational structure is termed as departmentation. For example, production, clients, students or members who will agree to accept the product or service at a price or and financing (raising and collecting, safeguarding, and expending the funds of the enterprise). It has been logical to group these activities into such departments as engineering, production, sales or marketing and finance.

Though Heinz W. and Harold Krootz (2005), have mentioned the matrix organization, according to them, this (matrix) is another kind of departmentation. From these, I deduce that every company has the mandate to choose the type of organization structure depending on the business.

2.2.9   Job Rotation and succession planning.

Job rotation is a very important aspect of succession planning. The organization will have an opportunity to fill vacancies created as a result of promotion, transfer, retirement, death and turnover through job rotation. According to Garry Dessler (2000) and Nzuve (1999) they both show that job rotation is beneficial to the individual as well as the organization. Job rotation being a technique of job training enables management trainees from one department to the other to broaden their understanding of all parts of the business. The trainee often a recent college graduate may spend several months in each department but more commonly gets fully involved in its operations. The trainee learns

the business by doing it whether it involves sales, production, finance or some other function.

Looking at the above it appears that job rotation enables one to acquire experience in many fields. At the same time, job rotation motivates as well as enables an individual to fit well in the teams found within the organization. As a result the organization will be in a position to maximize it's time and resources hence lead to attainment of its goals.

(Gary Dessler, 2000) goes on to say that there are several ways to improve a rotation program's success. The program should be tailored to the needs, interests and capabilities of the individual trainee and not a standard sequence that all trainees take. The length of time the trainee stays in a job should be determined by how fast he or she is learning and the managers these people are assigned should be specially trained to provide feedback and to monitor performance in an interested and competent way.

This study agrees with Dessler to an extend that, if job rotation has to be practiced in any organization, then it's important that it's done on all trainees and each should be handled according to his ability and pace of learning new assignments.

Since Gary Dessler has not identified the types of job rotation, Nzuve (1999) has stated that job rotation in an organization allows workers to diversify their activities, avoid boredom and back monotony. There are two type of rotation: vertical and horizontal. Vertical refers to promotions and demotions. However job rotation specifically refers to horizontal variety or lateral transfers. Horizontal job transfers are supposed to be instituted on a planned basis, by means of a training program whereby the employees spends two or three months in an activity and is then moved on to another job. It

broadens employee' scope and gives them a range of experience. At the same time the organization. One extension of this is called "job pathing", which means selecting carefully sequenced job assignments.

2.3   Performance Management

According to Armstrong (2001), performance management can be measured and managed. It has been pointed out by Bates and Holton (1995) that 'performance is a multi-dimensional construct, the measurement of which varies depending on a variety of factors'. He goes on to say that performance is about achievements on individual basis, it is a record of a person's accomplishments.

Kane (1996) argues that performance is something that the person leaves behind and that exists apart from the purpose. I agree with Kane since an individual is the one who makes the organization to be what it is if he/she leaves behind a good legacy which will determine performance.

(Bernadine et al, 1995) are concerned "performance should be defined as the outcomes of work because they provide the strongest linkage to the strategic of the organizations, customer satisfaction and economic contributions". This is in line with what Kane has put across but in different words. The end result is what will determine performance hence achievement of goals. The oxford English dictionary defines performance as the accomplishment, execution, carrying out, and working out of anything ordered or undertaken. This is true in the sense that performance is about what has been done, who has done it and how.

All in all performance as(Armstrong, 2001) puts it, is about outputs/outcomes (accomplishment) but also states that performance is about doing the work as well as bringing out the results achieved. Performance therefore could be regarded as behavior- the way in which organizations, teams, and individuals get work done. Campbell (1990) believes that performance is behavior and should be distinguished from the outcomes because they can be contaminated by systems factors. This is well put by Brumbach (1988) "performance means both behaviors and results. Behaviors emanate from the performer and transitions performance from abstraction to action. Not just the instruments for results behaviors but also outcomes in their own right-the product of mental and physical effort applied to tasks and can be judged apart from the results.

These definitions of performance lead to the conclusion that when managing the performance of teams and individuals both inputs (behavior) and outputs (results) need to be considered. This is the so-called 'mixed model' (Hartle, 1995) of performance management which covers competency levels and achievements as well as objective setting and review.

Strategies for managing performance exist to develop a high performance culture and achieve increased organizational effectiveness, better results for individuals, and teams, and higher levels of skill, competence, commitment and motivation. Managing performance is a continuing responsibility for managers and team leaders. It is not achieved by a one year performance appraisal meeting. Individual employees are responsible for managing their own performance that may need guidance and support in doing so (Armstrong 2007). This study agrees with Armstrong since the performance of

an individual and organization can only occur in the presence of succession planning. It is up to the effective managers to organize for this. Individuals have to match their career aspirations in the opportunities available in the organizational.

Performance management has come to the fore in recent years as a means of providing a more integrated and continues approach to the management of performance than was provided by previous isolated and often inadequate merit rating or appraisals schemes.

Performance management is based on the principle of management by agreement or contact rather than management by command. It emphasizes the integration of individuals and cooperate objectives as well as initiation of self management earning development plans (Armstrong 2007).

The purpose of performance management aims at providing a means through which better results can be obtained from the organization, teams, and individuals by understanding and managing performances within an agreed framework of planned goals, standards and competence requirements. It involves the development of proceeds for establishing share understating about what is to be achieved and an approach to managing and developing people in a way that increases the probability of achieving in short and longer term. It is owned and driven by line management. It is true that better results can be obtained through succession where individuals are well equipped with the knowledge and skills for them to become relevant. This will depend on effective managers. Performance management is concerned with satisfying the needs and expectations of all the organizations stakeholders – the owners, employees, customers, suppliers and general public.

In particular, employees are treated as partners in the enterprise whose interest are respected and who have a voice on matters that concern them, whose opinion are sought and listened to. Performance management should respect the needs of individuals and teams as well as those of the organization, although it must be recognized that they will not always coincide. Finally performance management strategy is concerned with communication and involvement. It aims at creating a climate which has a continuing dialogue between managers and members of their teams. This can contribute to the development of a high involvement organization by getting teams and individuals to participate in defining the objective and the means to achieve them.

The concept of performance management and integrative force – as stated by Hurtle (1995) performance should be integrated in the entire business strategy, employee development, and total quality management. Integration can be achieved vertically and horizontally. Horizontal integration means aligning performance management strategies with other HR strategies concerned with valuing, paying, involving and developing people.

2.3.1 Five Domains of High performance

How long a time does an organization need to perform? It entails looking at the organization from an outside – in and five domains. According to the internet source, research has shown that there are five basic ingredients which separate high performers from their lower performing counterparts. Their strategies are more consistent, clearly communicated and well thought out. Leadership is clear, fair and talent-oriented. Those leaders are more likely to promote the best people for the job, to make sure performance

expectations are well known and consistent with the strategy, and to be committed in developing people.

In addition, there is a commitment to the right talent within the organization and while employees are treated as unique individuals, the organization takes a holistic approach to managing and making decisions based on data driven information. This begins with strategic approach to workforce planning. The other aspect is culture. The culture is strong and employees are likely to think the organization is a good place to work. Employees not only adopt well to change, but they also embrace it. High performers also emphasize a readiness to meet new challenges and are committed to innovation.

2.3.2 Role of Performance Appraisal

According to (Nzuve, 1999) he has pointed out that performance appraisal serves many purposes as follows:

It provides a clean understanding to the superior about his subordinates contribution and the capabilities or potentiality to contribute; It helps to identify the strength and weakness and introduce methods to make best use of the strength and to overcome the weaknesses; It enables the organization to locate the problem which may stand on the way of performance so that corrective action may be taken to improve the performance; It provides basis for promotion; It provides basis for setting realistic standards. Performance appraisal is crucial in succession planning and this shows that there are various methods of performance appraisal.

In conclusion it must be emphasized that performance management strategy is not about establishing a top-down, backwards- looking form of appraising people. Neither is it a

just a method of generating information for pay decision. It provides a framework in which managers can support the team members rather than dictate to them and its impact on results will be much more significant if it is regarded as a transformational rather than appraisal method Armstrong (2007).

2.3.3   Training and development

Training needs of individuals are both important to the individual as well as to the organization. To the organization the process of imparting the rightful skill to an individual employee or employees in general it is important in the sense that it tends to uplift increase the organizations productivity profit level. It is with this in mind that any organization would be willing to invest in an individual in terms of training.

To the individual employees training plays an important role in his/her own life in that by acquiring that special skill would enable him/her to develop a career such that one day even when he/she would decide to shift from one organization to another he/she would have identified with. For instance an employee as a general worker in a manufacturing company and after sometime through organization training he would have been identified as plant corporate or driver, such kind of training would easily allow him to look at his career and develop it even further. Such that moving from form A to B perhaps after 3 or 50 years he could easily present himself as competent plant corporate, driver.

2.3.4   Talent retention in Succession planning reality. A Coaching and Mentoring approach

According to a paper presented by Isabella Troon (2009) on "Succession planning and talent management", she has highlighted various issues to be considered in developing potential successors based on new approaches.

The issues are; Recruitment, Talent mapping, work force planning and development, performance planning and Evaluation, Retention.

(i)   Recruitment

Is the organization pursuing the right people? How successful is it in attracting the right candidate? Tools such as e-recruitment or onsite application kiosks are a start

The results can be gathered and analyzed to generate benchmarks

And randomized trials can help organizations to track the effectiveness of competing recruiting techniques.

(ii)   Talent mapping

Given the organization's business focus and strategic direction, what mix of talent and skills will help it to execute successfully?

If the talent mix is absent, how can it be developed or acquires?

Working with line and senior management, HR executives should develop recruiting strategies and design training programmes that focus on existing or emerging needs.

(iii)   Work force planning & development

Much of the work of the HR function focuses on getting the organization's human capital from its current state (where it is now) to some future state (where it needs to be)

These efforts can be documented and tracked by: Creating detailed workforce planning and skills gap assessments.

Identifying high potential personnel (and following through with additional development and retention services; and adopting more flexible development programmes and reaching a broader audience through e-learning

(iv) Performance and planning evaluation

Employees who understand where they add value do a better job of adding value

And managers, who clearly communicate what they expect from their employees, and how these expectations tie into compensation, help employees become more engaged and effective.

(v) Retention

Identify the early warning signs of employee defection, in time to act, evaluate the degree to which various combinations of incentives influence behavior and retention, establish an optimal budget for rewards and establish a formal learning and development plan for all employees as well as track progress by individuals or groups of "like" employees. Companies which have integrated mentoring and coaching in succession planning and leadership development have experienced talent retention and organizations transformation.

Coaching and mentoring are important in succession planning. They encourage a culture of learning and mutual help and combine both individual and organizational development. According to Gary Dessler (2000) coaching involves one individual helping another to unlock their natural ability to perform, learn and achieve to increase awareness of the factors that determine performance to increase the sense of self –

responsibility and the ownership of their performance, to self coach , to identify and remove internal barriers to achievement. Coaching is a growing practice in developed countries which other developing countries need to adopt. With coaching one is able to perform better and be able to be earmarked for promotion and transfer to other sections. In coaching the person is left to perform most of the work, the coach is only a facilitator and catalyst. A coach connects a person with his/her passion, purpose, values and other critical aspects of their ideal work. They enable the client build their own capability by increasing client's awareness, purpose, competency and well being regarding their desired work.

Looking at the above it's possible that if a worker has been under a coach, it's very easy for one to be noticed for any eventuality. If one has the potential for a job vacancy created as a result of promotion, retirement, transfer, death among others, it will be easy to replace. In this case, the coach to be successful, he/she has to work closely with the client (junior) he/she is also supposed to be knowledgeable and skilled. The other aspect noticed about coaching is that, it has to be in line with the ones career direction, the coach has to be interactive, catalyst thus, one who precipitates a process or event. As a coach one has to precipitate the process of learning. He/she should be a facilitator, one who makes things to appear easy, and be able to build capacity. From what Gary Dessler (2000), it's clear that a coach is a special person in an organization, he/she has to be available, be totally committed since it's not an easy exercise.

Mentoring goes hand in hand with coaching as Kaila points out. Mentoring is a process whereby one senior individual is available to a junior – to form a non – specified

development relationship, to seek information, to regard as a role model, to pick out what the organization works to ensure cultural compliance, to guide a performance through a phase of operational, professional or vocational qualification to provide feedback and appraisal and to teach all the relevant facts that will enable the junior employee to perform effectively in an organization. In the workplace, mentoring normally consists of teaching, giving feedback, coaching on the job, counseling through change and structuring on going contact over a designated period.

From what (Dessler, 2000) has on mentoring, it's just supporting what (Kaila, 1999) has provided. For the former, a mentor is someone who should be given a mentoring opportunity. He has shown that there has to be two important people for mentoring to take place i.e. the mentor and the protégée. In organizations, mentoring can be formal and informal.

Informally, the middle and senior level managers will often voluntarily take up – and – coming employees under their wings not only to train them but to give career advice and to help them steer around political pitfalls. Particularly where the interest is creating diverse work teams, and increasing the opportunities for networking and interactions among diverse groups of potential protégées and mentors can increase the opportunities for mentoring relationship to emerge.

However, many employers have formal mentoring programs. Here employees encourage mentoring relationships to take place and may pair the protégées with potential mentor. This can be done through training manuals which can be provided to facilitate the mentoring process. It is possible to point out that it depends on the organizational

programs and the management in designing the type of mentoring program. According to Dr. Shirley Peddy, the author of the art of mentoring, points out that the two forms of professional development are coaching and mentoring. Mentoring is an old practice which has been used successfully in countries such as U.S.A, U.K, companies like British airways, and BP and even Cadbury's and Mcvities (united Biscuits) informal mentoring is endless. Then it's clear that even if it's an old practice it doesn't mean that it cannot be applicable to modern organizations, as the saying goes that "old is gold".

From the informal and formal aspect of mentoring, then its imperative to note that this process has certain objectives as follows; the main objectives is to improve staff performance that generates subsidiary aims such as; increase enthusiasm and commitment, to improve productivity and loyalty, Encourage flexibility and persistence, Facilitate teamwork and mutual support, allow adaptability and responsiveness to change, Inspire vision and purpose, facilitate staff motivation and to increase confidence, happiness and self esteem of the staff.

2.3.5   Some important aspects of mentoring

Mentoring improves retention of good employees: Mentoring is a demonstration that personal development is valued. It is an investment, a commitment of employee retention is the top reason given why companies start mentoring program according to a managers survey by Manchester inch in March Kaila (1999). Mentoring breeds success for example 64 companies which have succeeded have mentoring program. Mentoring increases productivity: the rewards of mentoring amount to more than just a warm fuzzy, feeling from helping your fellow man. It builds loyalty among co-workers; Mentoring is more

than corporate; it can help co-workers to better understand one another and encourage team building and a sense of employee ownership. It helps a junior colleague learn from others mistakes without having to make them.

2.3.6 Inclusion of women can boost succession plans

By limiting the application of 30% women rule to new appointments to Government, the executive has put itself in a bind: it is not always possible without unacceptable acts of affirmative action, to include women in large number in now appointments. There are, and always will be, other considerations, thus with a conscious effort to hope in qualified women, progress is possible in increasing female representation at senior levels, but this cannot have a major impact on overall numbers of female leaders.

The proportions of women to men in many corporations and departments are such that even a diligent application of the rule to senior appointments will only lead to gradual change. The solution lies in drawing much large numbers of women at entry levels, not merely asking to nominate more women. If their recruitment stage, at which qualifications and skill levels for men and women are not yet dissimilar, in time there would be inevitable rise in women at senior levels, poor pay also affects the number of women. This has been evident in state law office, one of the few departments where an even split has obtained. Unfortunately the untold story is that it is the relatively low pay that contributes to these figures. Attempts to improve women's participation in the public sector must go beyond tokenism. They must consider all pertinent factors that hold back junior employees and what measures are needed to grow new leaders.

(The Standard June 24th 2009)

2.3.7 Other Sugar Companies

Apart from Nzoia, there are other sugar companies in Kenya such as Mumias whose establishment was in 1971 as a government project. The major objective of establishing Mumias sugar company were to provide a source of cash income for farmers, create job opportunities since there was no major industrial undertaking in the area at the time, curb rural-urban migration, reduce overdependence on importation and aim at self-sufficiency in sugar production and the company was also expected to operate on commercial basis and make profits. Sony Sugar Company established by Mehta Group International in 1979 who changed to Booker Agricultural International in 1985 and reverted to a wholly Kenyan team in 2000.ChemelilSugar Company situated in Nyando sugar belt was incorporated on 5th July 1965 as a limited company. The sugarcane factory is located in Nyando district, 50km from Kisumu City. The other one is Muhoroni Sugar Company Limited was incorporated in 1964 as East Africa Sugar Industries Limited and started operations in 1966 with initial capacity of 850TCD.

2.3.8 Private Factories

Private factories are Kibos &Allied Sugar, Butali SOIN and West Kenya Sugar Companies

2.3.9   Chapter Summary

From the reviewed literature, it's evident that avoiding to make succession planning a corporate strategy can prevent an organization from business success. Thus the study is necessary to fill the literature gap and to examine the relationship between succession planning and organization performance in the Kenyan context.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Overview

The aim of the study was to examine the effect of succession planning on organizational performance. The study attempted to answer the main question which was: what is the effect of succession planning on organizational performance? This chapter contains descriptions of the research design, study area, target population, sample size, sampling procedures and data collection instruments.

3.1 Research Design

This study adopted mixed methods research best suited to understand the relationship between succession planning and organization's performance. A key strength of qualitative research is the ability to give the researcher a comprehensive perspective of the phenomenon under study (Babbie, 2007), facilitating the discovery and understanding of actions, beliefs, decisions and recognition of nuances in attitudes and behavior that cannot be easily detected by quantitative methods (Babbie, 2007; Creswell, 2009).

3.2 Study Area (Nzoia Sugar Company)

The study was carried out at Nzoia Sugar Company Limited which is found in former Bungoma District in Western Province. It is situated off Webuye /Bungoma road. In this area sugarcane is grown on a large scale. The company deals with production of sugar. The people around Nzoia are mixed farmers. They keep cattle, goats and sheep; they grow maize, beans, banana, sweet potatoes, cassava, millet, sorghum but mainly for subsistence. The other main cash crop grown is coffee. Nzoia sugar was selected due to its appropriateness in meeting the study objectives and Nzoia sugar company limited

(NSC) is one of the key players in Kenya sugar industry .Nzoia Sugar company is located in Bungoma County, Bungoma South District,5 kilometers from Bukembe, off the Webuye- Bungoma highway. The company serves over 67,000 farmers in the larger Bungoma,Kakamega,Lugari and Malava District. It is situated at a latitude of 0*35' N and a longitude of 34 40' E, and an altitude of between 1420-1490 meters above sea level.

The Company was established in 1975, under the company's Act Cap. 486 of the law of Kenya with memorandum and Articles of Association and issued a certificate of incorporation No.C13734 dated first August, 1975. The Government is the majority shareholder owning 98% shares while Cail Babcock (FCB) and Industrial Development Bank owning the remaining.

NSC produces sugar and supports cane production through the provision of extension services to farmers with an extensive Company Nucleus Estate covering 3600 ha and an out grower zone spanning more than 23,500 ha of cane.

Annual rainfall experienced by the company ranges between 1500-1800mm and air temperature between 13"C-32"C. The company is endowed with water resources from Chalicha springs and river Kuywa, which traverses its Nucleus Estate. The permanent water source is not only critical for factory production and domestic use but also for the community surrounding the company. The soils are predominantly loamy predominantly loamy. Sandy loams are mainly found on the uplands while loams are found on the lowlands.

3.3   Target Population

The study targeted junior staff and managers of all sugar companies in Kenya but due to a large coverage, Nzoia Sugar Company was selected to represent a general target population.

3.4   Sample Size and Procedure

Stratified sampling technique was used to determine the sample size. Stratified sampling is a process in which the units in the sample are proportional to their presence in the population (Koul, 1992). The 612 employees of Nzoia Sugar Company were stratified into two strata as unionized employees and senior managers. Form a target of 600 unused employees 192 were selected from 5 departments and 5 managers.

Respondents	Population (n)	Sample population (n)	%
Unionized	600	192	32.00
Seniour managers	12	5	41.6
Total	612	197	

3.5   Research instruments

Questionnaires were the main data collection instruments. The data collected was qualitative in nature.

3.6   Questionnaire for the unionized employees

The questionnaire was divided into two parts. Section A consisted of six items that sought information on the background information of the unionized employees. While section B consisted of thirteen items that solicited information on the effect of succession planning on organizational performance. The questions were closed, Yes/No and open ended.

3.6.1 Questionnaire for managers

The questionnaire was divided in to two parts. Part A sought to get information on the background information of the managers while Part B which consisted of 19 items sought information on manager's knowledge on succession planning.

3.6.2 Validity

Rukwani Mutea (2007) has defined validity as the accuracy and meaningfulness of inferences, which are based on research results. Validity is a degree to which results obtained from analysis of data actually represent the phenomenon under study. The validity of the instruments was determined by discussing them with the supervisors whose advice was used in making the necessary changes.

3.6.3 Reliability

Olive and Abel Mugenda,(2003) have defined reliability as a measure of the degree to which a research instrument yields consistent results or data after repeated trials. To establish the reliability of the research instruments, pre-testing through piloting was done in West Kenya Sugar Factory. Feedback from here assisted the researcher to revise the questionnaires to ensure it captured the objectives.

3.6.4 Data collection procedures

Primary and Secondary data was collected. The main instruments were structured questionnaires which involved the use of pre-determined questions. The structured questionnaires were both for junior employees and managers.

This research used questionnaires as the main tools for collecting information. The selection of these tools was guided by the nature of data that was to be collected, the time

available as well as the objectives of the study.

For instance questionnaires were used since the study was concerned with variables that could not be directly observed like views, opinions, feelings and attitudes. The sample size was also quite large and given time limits, questionnaires would serve best. Again the target population was literate and therefore unlikely to have difficulties in responding to questionnaires.

The instruments were distributed to the respondents through the help of the training manager. After receiving the questionnaires from the training manager, the researcher verified to establish the number collected and whether they were duly filled.

Out of 204 questionnaires, only seven were not returned.

3.6.5 Data analysis

This study also examined critically the available documents which include books, articles and journals with related information. The researcher mainly used Margaret Thatcher Library of Moi University in Eldoret Kenya and the internet.

3. 6.6 Methods of data analysis

The process of data analysis involved breaking down the data then conceptualizing and putting it back together in categories and subcategories (Backman & Kyngäs, 1999). The transcriptions were initially subjected to open coding, a rigorous line by line examination of the data to identify "codable moments" which were subsequently categorized and labeled, and from which themes and ideas eventually emerged (Emerson, Fretz, & Shaw, 1995; Maxwell, 2005). Through a process of axial coding, the emergent categories were compared with data and existing succession planning theories to identify any explicit connections to cause and effect relationships and between categories and sub-categories.

This process involved exploring relationships between categories to understand the experiences to which they related.

In a third phase of coding (selective coding) core categories were selected, identified and systematically related to other categories. This involved validating the relationships, and filling in, refining and developing the selected categories. The categories were then integrated to arrive at a grounded theory about the role of different stake holders implementing succession planning and its impact in organizational performance. Excel spreadsheets were used in coding, systematically organizing themes, patterns and variations in the data. Moreover, SPSS statistical package was used to determine the correlation and regression results. In the initial reading words, sentences, and paragraphs were given descriptive labels. Coding was conducted both manually and facilitated by Qualrus, a coding software. Data was analyzed descriptively using Statistical Packages for Social Science (SPSS). Descriptive statistics included the use of frequencies and percentages based on the objectives and research questions. Data was presented through tables, pie charts and bar graphs.

3.6.7 Ethical Consideration

The Research permit was obtained from National Council for Science and technology Nairobi, Kenya. An introduction letter was attached to the questionnaire, indicating that the data was meant for academic work and questionnaires for both unionized employees and senior managers did not require the respondents to indicate their names**.**

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTREPRETATION

a. Introduction

This chapter deals with data analysis, interpretation and presentation of the study findings. The purpose of the study is to find out the succession planning and organization performance in Nzoia Sugar Company, Kenya. This was achieved by the following objectives;

1. To highlight the factors considered in identifying potential successors in the organization.

2. To establish programmes the company introduced to develop potential successors.

3. To assess the challenges faced in using succession planning in Kenyan corporations.

4. To explore ways of improving succession planning in determining organizational performance.

4.1 Demographic Information Of Respondents

ITEM		FREQUENCY	PERCENTAGE (%
Gender	Male	147	66.6
	Female	45	33.4
	Total	**192**	**100**
Age category in years	20-30	42	21.8
	31-40	57	29.6
	41-50	53	27.7
	51-60	40	20.9
	Total	**192**	**100**
Level of education	Basic	06	3.1
	'O' level	121	63.0
	'A' level	8	4.2
	Diploma	48	25.0
	Degree	9	4.7
	Total	**192**	**100**
Marital status	Single	43	22.7
	Married	148	77.1
	Widow	1	0.5
	Total	**192**	**100**

Source: Research 2009

The table 4.1 above show that 66.6% (147) of the respondents were male while 33.4% (45) were female. 21.8% (42) were between the age of 20 – 30 years, 29.6% (57) between 31 – 40 years, 27.7% (53) between 41 – 50 years while 20.9% (40) between 51 – 60 years.63.0percent (121) of the respondents had reached at 0 level, 3.1% (6) basic education, 4.2% (8) at A level, 25.0% (48) had diploma while 4.7% (9) had attained degree. It is from the table that 22.7% (43) of the respondents were single, 77.1% (148) were married and 0.5% (1) was a widow. The findings reveal that gender equity has not been achieved in filling vacancies. The number of women is lower than those of men, implying that men have a higher chance to be included in the succession plan. The ages

reveal that those between 51- 60 are the ones preparing to leave the organization, so those to be prepared to fill the key vacancies are 51 and below.

The level of Education is worrying in the sense that it appears those with '0' level have higher chances to be included in the succession plan. On marital status, it implied that married stood more chances of becoming successors.

Figure 1: Year Of Employment
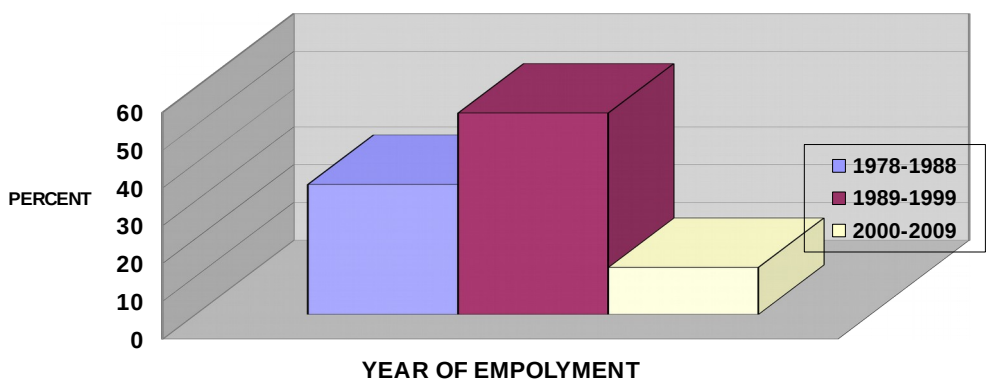
Source: Research 2009

Year of employment

Figure 1: Year of employment

The findings in figure 1 indicated that the year of employment was crucial when determining the employees to be included in the succession plans. This gave the number of employees who were ready for promotion, those to retire and those who could be transferred from one department to another. Therefore this helped the management to perfect the career progress of the employees.

Table 4.2 Succession Planning Entails Identification Of Vacancies In Higher Ranks Locating Probable Successors

succession planning entails	Frequency	Percentage
Strongly agree	53	27.6
Agree	92	47.9
Undecided	35	18.2
Disagree	12	6.3
Total	**192**	**100**

Source: Research 2009

It is seen from table 4.2 above that, 27.6% (53) of the respondents strongly agreed that succession planning entails identification of vacancies in higher ranks locating probable successors, 47.9% (92) agreed, 18.2% (35) were undecided and 6.3% (12) disagreed. The findings from Table 4.2 revealed that majority of the employees understood the meaning of succession planning.

4.3 Succession Planning, Promotion, Transfer, Retirement and Termination

Descriptive frequency distribution on relationship between succession planning, promotion, transfer, retirement and termination in Nzoia Sugar Company. The respondents were to indicate Yes and No to show how the below HR practices had been affected.

Table 4.3 Succession Planning, Promotion, Transfer, Retirement And Termination

Item		Frequency	Percentage
Promotion	Relationship	180	93.8
	No Relationship	12	6.2
	Total	**192**	**100**

Transfer	Relationship	33	17.2
	No Relationship	159	82.8
	Total	**192**	**100**
Retirement	Relationship	49	25.5
	No Relationship	172	74.5
	Total	**192**	**100**
Termination	Relationship	41	21.4
	No Relationship	151	78.6
	Total	**192**	**100**

Source: Research 2009

The findings in Table 4.3 implied that those who agreed with promotion were 93.8%, while 6.2% did not. On transfer 17.2% agreed, 82.8% disagreed, retirement 74. 5% disagreed while 25.5% agreed. While on termination 21.4% agreed while 78.6% disagreed the findings implied that the above HR practices had a role to play in succession and performance of the company. The findings were in attempt to answer question one concerning the factors the company management considered when identifying successors. In relation to the study, promotion was a major reason for vacancies in Nzoia Sugar, while transfer, retirement and termination were not common. This enabled the company to maintain its productive workforce.

4.4 Communication about Vacancies

Descriptive and frequency distribution on vacancies. The Researcher enquired from respondents if there was communication about vacancies, intervals of communication, duration taken to fill vacancies and the company had plans for this. The findings were as follows:-

Table 4.4 Communication of Vacancies intervals and duration of filling vacancies

Item		Frequency	Percentage
Communication about vacancies	Yes	164	85.4
	No	28	14.6
	Total	**192**	**100**

Intervals of communication	Yes	118	61.4
	No	74	38.6
	Total	**192**	**100**
Duration taken to fill vacancies	Yes	131	68.3
	No	61	31.7
	Total	**192**	**100**
The company had plans for this	Yes	33	17.2
	No	159	82.8
	Total	**192**	**100**

Source: Research 2009

The findings in table 4.4 implied that communication of vacancies was 85.4% Yes, 14.6%

disagreed. Intervals of communication analysis always were 61.4% while 38.6% rarely.

On the duration the company took to fill vacant positions, 63.3% yes, 31.8% No while

existence of plans 82.2% No and 17.2% yes this implied that communication, intervals

the duration and the existence of succession plans were crucial on the performance of

Nzoia Sugar Company. The majority indicated that company took long to fill vacancies

an indicator that they lacked proper mechanisms for succession planning. The second

objective which the findings addressed was the problems which the company faced in

succession planning. Communication enabled all employees to be informed about

vacancies. Communication on the same was done always and this enabled the company

to fill vacancies though it took long.

4.5 Factors considered in filling vacancies

Descriptive and frequency distribution about factors considered in employees who were

suitable to occupy vacant positions. The findings were as follows:

Table 4.5 Factors Considered In Filling Vacancies

Item		Frequency	Percentage
Performance	Yes	191	99.5
	No	1	0.5
	Total	192	100
Skills	Yes	190	98.9

	No	2	1.1
	Total	192	100
Experience	Yes	80	41.7
	No	112	58.3
	Total	192	100
Organizational needs	Yes	125	65.1
	No	67	34.9
	Total	192	100

Source: Research 2009

It is seen from table 4.5 that 99.5% strongly agreed that performance is Factor considered in filling vacancies while 0.5% (1) disagreed. 98.9% (190) of respondents agreed that skills is a factor considered in filling vacancies while 1.1% (2) disagreed. 41.7% (80) agreed that experience is a factor considered in filling vacancies while 58.5% (112) disagreed. 65.1% (125) said that organizational needs is a factor considered in filling vacancies while 34.9% (67) disagreed. From the findings in table 4.5 there is a clear indication that the vacancies were filled by those who were performers, skilled and those who ensured the achievement of organizational needs. This also implied that most of the potential successors came from within.

These findings helped in meeting the research objective one which required respondents to indicate factors which were crucial in succession.

4.6 Promotions And The Period Of Promotion

Descriptive frequency distribution on promotion and the period of promotion. The respondents were required to indicate whether they had any promotion and the year. The findings were as follows.

Table 4.6 Frequency Distribution On Promotion

ITEM	Response	Frequency	Percentage
Ever promoted	Yes	151	78.6
	No	41	21.4
	Total	192	100

Period of promotion	1985-1990	18	9.4
	1991-1995	27	14.0
	1996-2000	35	18.2
	2001-2005	43	22.4
	2006-2010	69	36.0
	Total	192	100

Source: Research 2009

Table 4.6 revealed that 78.6% had been promoted while 21.4% had not. This implied that promotion may have led to creation of vacancies in the company. Concerning the period of promotion, the number of employees was increasing as the years progressed. This therefore showed that every year there were vacancies created & employees promoted.

4.7 Distribution of techniques used in succession planning

Descriptive and frequency distribution of techniques used in succession planning in Nzoia Sugar Company. The respondents were to indicate whether monitoring, coaching and job rotation were used. The findings were as follows.

Table 4.7 Techniques Used In Succession Planning

Item	Always used	Rarely used	Not sure /do not know
Monitoring	96 (50.0%)	38 (19.8%)	58 (30.2%)
Coaching	33 (17.2%)	23 (12.0%)	136 (70.8%)
Job rotation	181 (94.3%)	4 (2.1%)	7 (3.6%)

Source: Research 2009

From the Table 4.7, it is revealed that mentoring was 50.0% used, always used and rarely used 19.8%, not sure and do not know 30.2%. On coaching 17.2% always used and, rarely used 12.0% and 70.8% not sure do not know

While on job rotation 94.3% always used and used, rarely used 2.1% while 3.6% not sure and do not know.

The findings implicated that majority of the employees supported mentoring coaching while coaching had a lesser percentage. This showed that mentoring coaching and job

rotation influenced succession in the organization. The revelation was in line with the research objective three which aimed at identifying programs the company had introduced to develop the skills of potential successors.

4.8 Benefits Of Mentoring And Job Rotation On Employees

Descriptive frequency on the benefits of monitoring and job rotation on employees. The findings were as follows;

Table 4.8 Benefits Of Mentoring And Job Rotation On Employees

Item		Frequency	Percentage
Learned about various company policies	Important	121	63.0
	Not important	71	37.0
	Total	192	100
Skill improvement	Important	170	88.5
	Not Important	22	11.5
	Total	192	100
Work efficiency customers	Important	123	61.5
	Not important	69	38.5
	Total	192	100
Attracting customers	Important	59	30.7
	Not important	132	69.3
	Total	192	100
Gain Experience	Important	103	53.6
	Not important	89	46.4
	Total	192	100

Table 4.8, the researcher established that learned about company policies was 63.0% important, 37.0% not important, skill improvement, work efficiency & attracting customers 30.7% important, 69.3% while 46.4% not important. This implied that coaching, monitoring and job rotation were beneficial work efficiency and attracting customers was not important.

Therefore this revelation was important since it provided information to management on which HR Techniques could influence the behaviour of employees to be included in filling vacancies.

4.9 Mentoring, Coaching And Job Rotation On The Company

Figure 2: Descriptive and frequency distribution of mentoring, coaching and job rotation on the company. The findings were as follows:
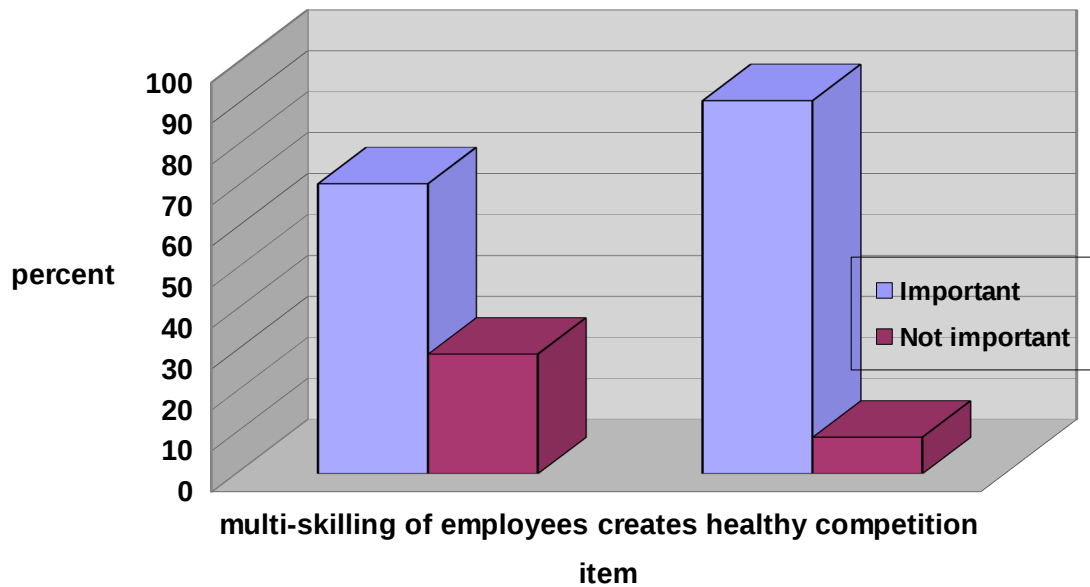
Source: Research 2009

Figure 2 shows that the above practices were important to the organization.

Therefore it can be concluded from the findings that it creates competition and qualified employees are favoured more. This implied that if employees were exposed to job rotation and other challenging tasks, this would give them an opportunity to be confident in filling vacant positions in the company. This was in line with objective 2 on how succession planning was practised.

4.10 Awareness Of Succession Planning Training In Nzoia Sugar Company

Figure3: Descriptive and frequency distribution on awareness of succession planning training in Nzoia Sugar Company.

The findings were as follows:

yes   no
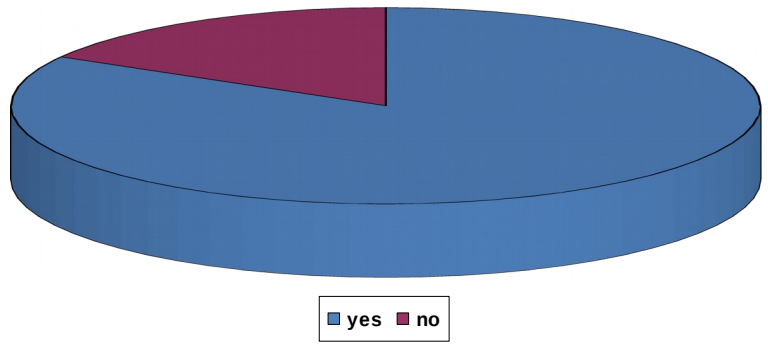
Source :Research 2009

Table 4.10 shows that 83.3% of the respondents chose yes for training program while 16.7% chose no. This meant that majority were aware of training programs while a few were not. This implied that the department concerned with training did not do a follow up to ensure all employees received the information hence this may hinder them from being included in the filling of vacancies in the company.

4.11 Succession Planning Training In Nzoia Sugar Company

Table 4.11 Descriptive and frequency on the kind of succession planning training in Nzoia Sugar Company.

The respondents were to indicate the kind of training and the findings were as follows:

Item		Frequency	Percentage
Human capital management	Chosen	105	54.7
	Not chosen	87	45.3
	Total	192	100
Training of teamwork	Chosen	77	40.1
	Not chosen	11.5	58.9
	Total	192	100
For empowerment	Chosen	113	58.9
	Not chosen	79	41.1
	Total	192	100

Source: Research 2009

Table 4.11shows that 54.7% of the respondents chose customers service though 45.3% did not chose. In training for team work 40.1% chose while 58, 9% not chosen. In training for empowerment 58.9% chose while 41.1% not chosen .This implied that quite a number of employees are informed about kinds of training offered by the company.

4.12 Benefits of Succession Planning Training On individuals And The Company.

Table 4.12 Descriptive frequency on benefits of succession planning training on individuals and the company.

The findings were as follows:-

	Item		Frequency	Percentage
Individual employee	Sharpen skills	Benefit	132	68.8
		Not benefit	60	31.2
		Total	192	100
	Improved relationship	Benefit	26	13.6
		Not benefit	166	86.5
		Total	192	100
	Earn promotion	Benefit	143	74.5
		Not benefit	49	25.5
		Total	192	100
To the company	Productivity and efficiency	Benefit	119	62.0
		Not benefit	73	38.0
		Total	192	100
	Alleviates illiteracy	Benefit	9	4.7
		Not benefit	183	95.3
		Total	192	100

Source: Research 2009

Table 4.12 shows that 68% of the respondents stated sharpening skills, while 31.2% not beneficial, improved relationship 13.5% while 86.5% not benefit. Concerning earning promotion, 74.5% indicated benefit, while 25.5. % not benefit. Productivity and efficiency 62.0% chose benefit 38.0% not benefit. On alleviating illiteracy, the respondents was 4.7% benefit while 95.3% not benefit. The findings showed that majority of the individuals understood that training was meant for sharpening the skills and earn promotion while improving relationship among employees was not the objective.

On the part of the company the findings implied that majority favoured productivity and efficiency. Which meant they knew the importance of training in relation to succession and company performance. On the other hand a majority rejected that it alleviated illiteracy. This showed lack of understanding on the importance of training .This implied that training was important in equipping employs with the necessary skills to take over in future when vacancies were advertised.

4.13: Succession Planning And Improvement On Organization Performance

Table 4.13 Succession planning improvement of organizational performance

	Item		Frequency	Percentage
	Effect of succession planning on organizational performance	Yes	176	91.7
		No	16	8.3
		Total	192	
Ways of improving organizational performance	Reduce turn over	Way	122	36.5
		Not way	70	63.5
		Total	192	100

	Motivates workers	Way	158	82.3
		Not way	34	17.7
		Total	192	100
	Avoiding time wasting	Way	180	93.7
		Not way	12	6.3
		Total	192	100

Source: Research 2009

Table4.13 showed that 91.7% of the respondents indicated yes on succession planning while the remaining 8.3% No concerning ways of improving organisational performance the respondents indicated that on reduced turnover implied that it reduced turnover, motivated workers and avoiding time wasting helped the company to maintain good workers who were self motivated and who knew proper time management hence performance. This implies that preparing succession plans is beneficial to the organization. This finding was in out to address the main research objective which aimed at examining the effect of succession planning on organizational performance.

Questionnaire for managers

Introduction: The questionnaire for management targeted five managers in Nzoia Sugar Company.

4.3.1 Descriptive And Frequency Distribution For Management

Table 4.3.1 Demographic information

Item		Frequency	Percentage
Gender	Male	3	60.0
	Female	2	40.0
	Total	5	100
Age category	31-40	3	60.00
	41-50	2	40.00

	Total	5	100
Marital status	Married	5	100
Level of education	1st Degree	4	80.00
	Masters	1	20.00
		5	100

Study findings in table 4.3.1 revealed that 60.0% were male, 40.0% female. This implied that women were few and therefore chances of having more women considered in succession planning was minimal concerning their ages 60.0% were between 31 - 40 years while 40.0% were of age 41-50 .This implied this group had the time to be developed so as to climb the ladder. Those between 41-50 years were 40.0% due to their age which was a productive time and the organisation could take advantage to realize its performance.

The study also revealed that they were all married (100%) this indicated that if this was a requirement in succession, then all were too counted. On the level of education 80% had first degree while 20% had masters. This implied that the level of education was crucial when they considered who to be promoted to fill the vacant position.

Figure 4 Distribution on the year of employment for respondents

Figure 1: Year of employment

The findings in figure 1 indicated that the year of employment was crucial when determining the employees to be included in the succession plans. This gave the number of employees who were ready for promotion, those to retire and those who could be transferred from one department to another. Therefore this helped the management to perfect the career progress of the employees.

4.3.2 Respondents On Succession Planning And Vacancies

Figure 5 Descriptive and frequency distribution of respondents on succession planning and vacancies. An enquiry was made to establish the relationship between filing of vacancies and succession planning. The respondents were told to indicate whether they agreed or not.
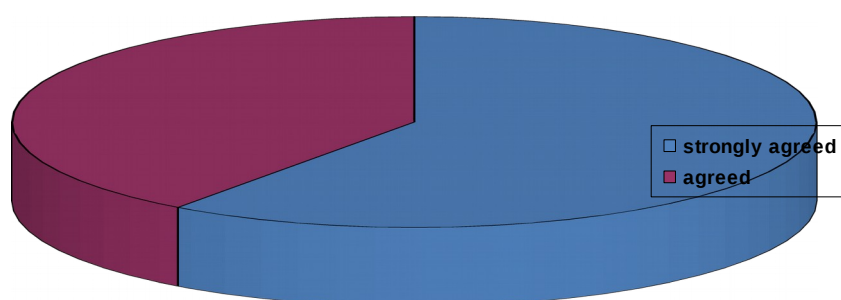
Source: Research 2009

The findings revealed that 60% agreed while 40% agreed. This was in relation with the main objective which attempted to link succession and performance in the company. This implied that were available to be filled by potential employees.

4.3.3 Ways Of Identifying Candidates For Promotion

Table 4.3.3: Descriptive and frequency distribution on ways of identifying candidates for promotion.

Ways of identifying candidates for promotion	Frequency	Percentage
Education	2	40.00
Experience	2	40.00
Efficiency, Professional Qualification	1	20.00
Total	**5**	**100**

Source: Research 2009

It is seen from the table above that, 40.0% (2) of the respondents said that education is a ways of identifying candidates for promotion, 40.0% (2) said experience and 20.0% (1) said that efficiency, professional qualification.

An enquiry was made on ways in which candidates were identified for promotion. The revelation from Table 4.3.3 implied that education, experience, efficiency and professional qualification help the manager to determine the right candidates to fill vacancies although education and experience were crucial in succession planning. The findings were in relation to the objective two which aimed at documenting the approach the company had established in identifying potentials successors.

4.3.4 Factors And The Approaches In Filling Vacancies

Table 4.3.4 Descriptive and frequency distribution on factors considered in identifying successors and the approach in filling vacancies.

Item	Response	Frequency	Percentage
Any factors in identifying successors.	Sure	5	100.00
	Not sure	-	-
	Total	5	100.00
Any approach in filling vacancies	Sure	5	100.00
	Not sure	-	-
	Total	5	100

Source: Research 2009

Objective one was to evaluate the factors considered in identifying successors. Also it was if Nzoia Sugar Company had its own approach in identifying those to fill vacancies and the findings were as follows: those who indicated yes were 100% while approach in selling vacancies were 100%. This implied that those employees who were considered in filling vacancies were expected to fulfil certain conditions such as being focused, disciplined and hard work.

4.3.5 Achievement on organization individual and teams

Figure 6 Descriptive and frequency distribution that performance is about achievement on organization individual and teams
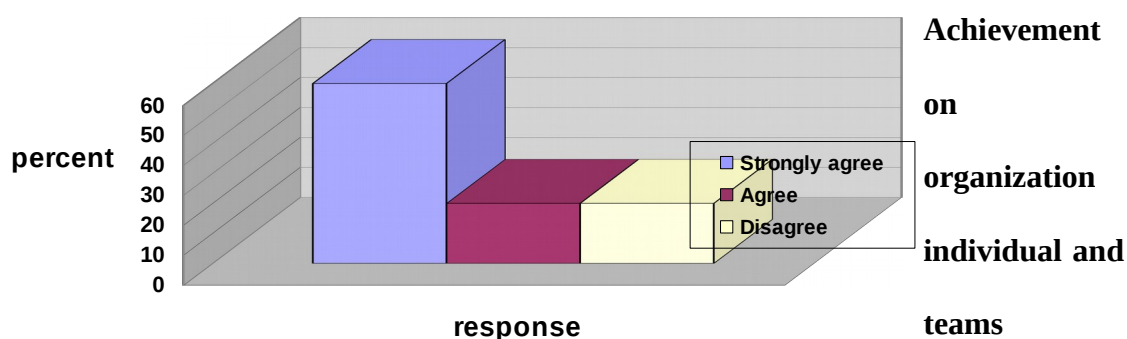
Source: **Field study, 2009**

Figure 6 show that 60% of the total respondents strongly agreed that performance is about achievement on organization individual and teams, 20% agreed and another 20% disagreed. The findings in figure 6 implied that for succession planning to succeed, the program must be supported by the company's senior level management. The finding aimed at addressing the major research question which enquired on the effect of succession planning, on organizational performance. It implied those to be included in the succession plan were employees interested in making the organization to succeed, with the presence of successors the survival and the success of the organization is guaranteed.

4.3.6 Customers and expansion of the business

Table 4.3.6 Descriptive and frequency distribution on what performance means meeting targets, salary increase, many customers and expansion of the business.

Item	Frequency	Percentage
Strongly agree	2	40.00
Agree	2	40.00
Disagree	1	20.00
Total	**5**	**100**

The table 4.3.6 above states that 40.0% (2) of the respondents strongly agreed that performance means meeting targets, salary increase, many customers and expansion of the business, 40% (2) agreed while 20% (1) disagreed. The findings in table 4.3.6 implied managers understood what performance meant but only a minority group disagreed due lack of understanding. This is in line with the main research objective. This implied that those employees who knew the goals and objectives of the co were likely to be considered in filling vacancies. This indicated that the leadership of the organization was so much exposed to what was happening and it was possible they understood what the organization required.

4.3.7 Intervals in appraising employees.

Figure 7 Descriptive and frequency distribution on intervals in appraising employees.

Chart Title

■ Twice a year
■ Not fixed
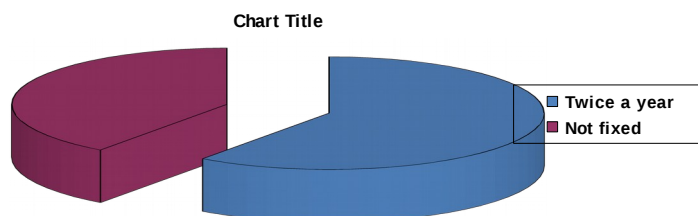
Source: Research 2009

An enquiry was made on him often the employees were appraised in Nzoia Sugar Company. The Table 4.3.7 revealed that 60% of the respondents indicated that the period was not fixed. This implies that appraisal reports were crucial in identifying. The findings addressed objectives two about approaches the co established for identifying potential successor.

The table above shows that 40.0% (2) of the total respondents said that further training is one of the remedies in case of poor performance, 20.0% (1) said that motivation, 20% (1) said that placement while 20% (1) said that working under instructor. An enquiry was made on what remedies were introduced in the company in case of poor performance. The findings implied that the company had varied its methods of improving the skills of potentials successors. Through performance appraisal reports, the organization is able to locate the problem which may prevent performance so that corrective action may be taken and this was to be done through further training. This was in line with the main objective.

4.3.9 Type of organizational structure

Figure 8 Descriptive and frequency distribution on the type of organizational structure
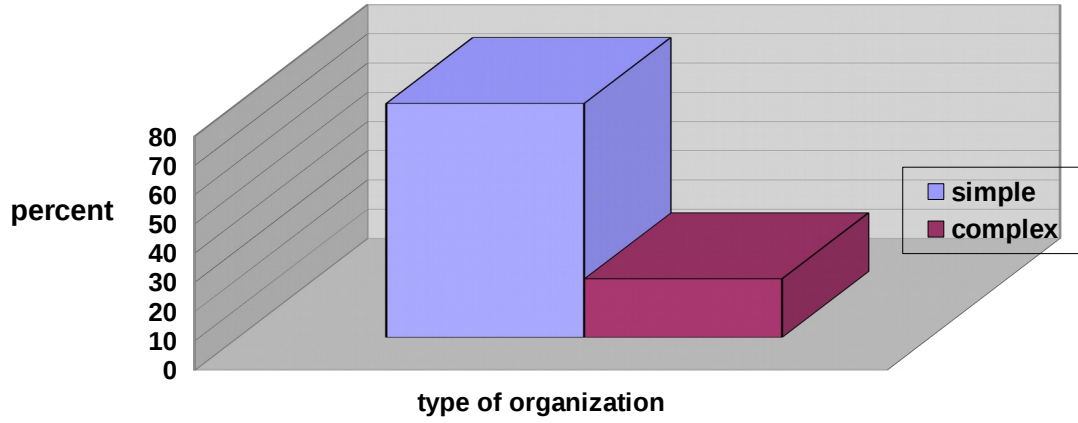
Source: Research 2009

The figure 8 show that 80% of respondents said that the type of organizational structure in Nzoia Sugar Company is complex while 20% said that is simple. An enquiry was made on the type of organizational structure in Nzoia Sugar Company. The findings implied that the company structure (department) Incorporated succession planning. The structure determined the number of potential successors to be prepared to fill future positions.

4.3.10 Departments in Nzoia Sugar Company

Table 4.3.10 Department by percentage and frequency

Department	Frequency	Percentage
Engineering	1	20.0
Finance	1	20.0
Administration	1	20.0
HR	1	20.0
Production	1	20.0
Total	**5**	**100**

Source: Research 2009

It is seen from table 4.3.10 that 20% (1) of the respondents agreed that Engineering is one of the Departments in Nzoia Sugar Company, 20% (1) said finance, another 20% (1) said

administration, another 20% said human resource while the last 20% said production. The findings revealed that succession planning covered all the departments in the company. This implied that succession planning covered all the departments an indication that it was supported by the entire management.

4.3.11 Causes of succession in Nzoia Sugar Company

Table: 4.3.11 Descriptive and frequency distribution on what caused succession in Nzoia Sugar Company. The findings were as follows;-

Causes for carrying out succession planning	**Frequency**	**Percentage**
Promotion	2	40
Termination	1	20
Retirement	1	20
Transfer	1	20
Total	**5**	**1000**

Source: Research 2009

From table 4.3.11 it is seen that 40% (2) of the respondents said that promotion is one of the Causes of succession in Nzoia Sugar Company, 20% (1) said termination, 20% (1) said retirement while another 20% (1) said that transfer. An enquiry was made on what Nzoia Sugar Company on what caused succession planning. The findings implied that vacancies in Nzoia were mainly created due to promotion while transfer termination retirements were few hence preparation for potential employees to fill vacant positions was based more on transfers. This implied that promotion was mainly used as a means to fill up vacancies in higher or senior positions. Whenever a higher post fell vacant sound personnel policy required that it was filled up by promotion whether from within or outside the organization. This was in relation to the question on what is succession planning.

4.3.12 Skill development and its effect on organization performance.

Table 4.3.12 (a) Descriptive and frequency distribution on skills development of successors, job rotation and its effect on organization performance.

Item		Frequency	Percentage
Skills for potential successors	Yes	4	80.00
	No	1	20.00
	Not sure	-	00
		5	100
Existence of job rotation on unionized staff	Yes	5	100.00
	No	-	-
	Total	**5**	**100**

Source: Research 2009

Objective three was to establish programs the company had put in place to develop skills of potential successors. The researcher enquired if Nzoia the same programs in place and findings were as follows: Skills 80% Yes, 20% No, while existence of job rotation was 100% yes. This implied that the skill development was crucial in the preparation of potential successors. While 20% n implied that they didn't favour skill potential which implied that this would create difficulties in identifying the right positions to fill vacancies. Concerning job rotation 100% indicated yes. This implied that Job rotation provided employees to perform different tasks which eventually gave them a chance to be picked as potential successors.

4.3.13 Job rotation affected the performance of Junior employees.

Table 4.3.13 Descriptive and frequency distribution on how job rotation affected the performance of unionized employees.

Job rotation and performance	Frequency	Percentage
Attainment of co. goals	1	20.00
Reduces resistance	1	20.00
Introduction of new producers	0	00.00
Motivates employees	2	40.00
Empowered employees	1	20.00
Total	**5**	**100**

Source: Research 2009

The table above states that 20% of the respondents said that attainment of company goals is the effect of job rotation on performance of junior employees, 20% (1) said reduces resistance among employees, 40% (2) said that it motivates employees, 20% (1) said it empowers employees and there was no response that it introduces new producers. An enquiry was made on the effect of job rotation among junior employees. The findings implied that majority favoured job rotation as necessity in developing potential successors. The employees were empowered by a variety of skills which led to increased company performance. This aimed at addressing the research objective one on the effect of succession planning on company performance.

4.3.14 Management practices to employees.

Table 4.3.14 Descriptive and frequency distribution of management practices to employees.

Item		Frequency	Percentage
Teaching	Yes	5	100.00
	No	-	-
	Total	5	100
Curving feedback	Yes	4	80.00
	No	1	20.00
	Total	5	100.00
Coaching	Yes	5	100.00
	No	-	-
	Total	5	100
Counselling	Yes	4	80.00
	No	1	20.00
	Total	5	100

Source: Research 2009

From table 4.3.14 it is seen that 100% (5) of respondents said that teaching is Management practices to employees. 80% (4) of respondents agreed that curving feedback is Management practices to employees while 20% (1) disagreed. 100% of respondents agreed that coaching is Management practices to employees while none was against the statement. 80% (4) of respondents agreed that counselling is a Management practices to employees and 20% (1) disagreed. Objective two was to document the approaches the company had established for identifying potential successors. The findings implied that teaching, giving feedback, coaching and counselling were applied in preparation of successors in key positions of the company.

4.3.15 Whether mentoring and coaching were provided

Table 4.3.15 Descriptive and frequency distribution on whether mentoring and coaching were provided.

Item		Frequency	Percentage
Monitoring and	Yes	5	100
	No	-	-

coaching	**Total**	**5**	**100**

Source: Research 2009

It is seen from table 4.3.15 above that 100% (5) of the total respondents agreed that monitoring and coaching were provided while none was against the statement. The findings in Table 4.3.15 revealed that 100%of the respondents agreed that mentoring and coaching was provided to employees. This was provided as away of developing employees for succession when need arose. This was inline with question two on how succession was practised.

4.3.16 Whether mentoring and coaching improved employee and company performance.

Table 4.3.16 Descriptive frequency distribution on whether mentoring and coaching improved employee and company performance.

Mentoring, coaching and performance	**Frequency**	**Percentage**
Developed harmonious relationship	4	80.00
Allowed delegation and feedback	1	20.00
Total	**5**	**100**

Source: Research 2009

It can be concluded from table 4.3.16 that 80% (4) of the respondents said monitoring and coaching developed harmonious relationship while 20% (1) said that allowed delegation and feedback. The findings in Table 4.3.16 implied that conflicts were not experienced due to the closeness between juniors and management. Mentoring improved retention of good employees and coaching provided an opportunity to employees to build their own capability. This was in line with objective two on how succession was practised.

4.3.17 Challenges the company faces in succession planning

Table 4.3.17. Descriptive and frequency distribution if there are any problems the company faces in succession planning and if so, what are they?

Item		Frequency	Percentage
Any problems the company faces	Strongly agreed	3	60.00
	Agreed	1	20.00
	Disagreed	1	20.00
	Total	5	100
What problems	Politics, external recruitment, lack of internal career development programs	4	80.00
	High costs	1	20.00
	Total	5	100

Source: Research 2009

From the table 4.3.17 it is seen that 60% (3) of the total respondents strongly agreed that there are problems that company faces, 20% (1) agreed while another 20% disagreed. It is seen from the table that 80% (4) of respondents said that Politics, external recruitment, lack of internal career development programs are the Challenges the company faces in succession planning and 20% said that high cost is the major challenge. Objective four was to identify any challenges Nzoia sugar company faced in succession planning. The researcher inquired if there were any challenges and if so what they? The findings implied that challenges experienced in the company were Politics, external recruitment, lack of internal career development programs and this were supposed to be addressed through succession planning. This indicated that the management had to plan without delay to avoid future problems.

4.3.18 Way forward to improving succession planning

Table 4.3.18 Description and frequency distribution on improving succession planning

Recommendation on succession planning	Frequency	percentage

Yes	5	100.00
No	0	0
Total	**5**	**100**

Source: Research 2009

It can be concluded from table 4.3.18 that 100% of the total respondents agreed that there is need for improving succession planning while none was against the statement. The findings revealed that the company had come up with ways of solving problems they faced in succession planning. They suggested that they will introduce individual development programmes and also establish a department for talent management. This was in line with objective four.

TESTING THE HYPOTHESIS

4.5.1 Hypothesis One

It stated that there is no relationship between succession planning and organizational performance. The hypothesis was derived from objective one which was to evaluate the relationship between succession planning and organizational performance, it went hand in hand with research question which had asked about the relationship between two variables. In testing the hypothesis, organizational performance was correlated with promotion, transfer, retirement and termination and the finding are as seen in the table.

Table 4.5.1 Chi- square and Spearman's calculation in the relationship between organizational performance and succession planning.

In testing the hypothesis succession planning was correlated with promotion, transfer, retirement and termination and the test revealed the following Table 4.5.1

	Chi	df	Significan	Spearma	Significan

	square value		ce	n's rho	ce
Promotion and organization performance	969.3	6	0.000	1.000	0.004
Transfer and organization performance	789.1	6	0.55	0.55	0.000
Retirement and organization performance	954.5	6	0.289	0.289	0.000
Termination and organization performance	704.2	6	0.358	0.358	0.000

The correlation on promotion and organizational performance revealed a chi-square value if 969.3 with 6 degree of freedom of 0.000. This shows some association between promotion and organizational performance but does not show the direction hence use of Spearman's rho revealed a value of 1.0 significant of 0.0004 showing a positive association between promotion significant and organizational performance.

The correlation on transfer and transitional performance revealed a chi- square value of 789.1 with 6 degrees of freedom significant of 0.000. This shows some association between retirement and organizational performance but does not show the direction hence use of Spearman's rho revealed a value if 0.289 significant of 0.000 showing a positive association between of retirement and organizational performance. The correlation of termination and organizational but does not show the direction hence use of Spearman's

rho revealed a value of 0.358 significant of 0.000 showing a positive association between termination and organizational performance. Therefore the null hypothesis was rejected.

4.5.2 Hypothesis Two

The hypothesis stated that the programmes introduced to develop the skills of potential successors do not contribute to organizational performance. This hypothesis was derived from objective there which as to establish   the programmes the company had put in place to develop the skills of potential successors. This went hand in hand with research question three which asked how the company developed the skills if potential successors. In testing the hypothesis organizational performance was correlated with programmes like mentoring, coaching and job rotation.

Table 4.5.2 Chi- square and Spearman's rho on succession planning and monitoring coaching and job rotation

	Chi square value	df	Significance	Spearman's rho	Significance
Mentoring	554.0	6	0.000	1.000	0.006
Coaching	323.4	6	0.000	0.206	0.002
Job rotation	375.4	6	0.000	-0.081	0.132

The correlation on mentoring as a programme revealed chi-square value of 554.0 with 6 degrees of freedom significant between organizational performance and mentoring, but does not show the direction hence use of Spearman's rho which revealed a value of 1.0

significant of 0.006 showing a positive association between organization performance and mentoring.

The correlation on coaching as a programme revealed a chi- square of 323.4 with 6 degrees of freedom significant of 0.000. This shows some association between organizational performance and coaching but does not show the direction hence use of Spearman's rho which revealed a value of 0.206 significant 0.002 showing a positive association between organizational performance and caching organizational performance and coaching.

The correlation on job rotation as a programme revealed a chi-square value of 375.4 with 6 degrees of freedom significant of 0.000. This shows some association between organizational performance and job rotation but does not show the direction hence use of Spearman's rho which revealed a value of -0.081 significant 0.132 showing a positive association between organizational performance and job rotation therefore the null hypothesis was rejected.

4.5.3 SUMMARY OF HYPOTHESIS TESTED.

The statistical techniques used to test the hypothesis in this study were chi-square and Spearman's rho. Chi-square was used to test whether there was a significant relationship between variables while Spearman's rho tested whether there was a significant difference between variables. The following is the summary of the hypothesis tested in the study. The first hypothesis tested whether succession planning had a significant effect on organization performance with reference to transfer, retirement and termination. The chi-

square value showed there was significant relationship. The Spearman's rho result further confirmed that there was a strong and positive relationship between succession planning and organizational performance.

The second hypothesis tested whether programmes introduced to develop the skills of potential successors had an effect organization performance. The study confirmed that the relationship was significant and in comparing mentoring, coaching and job rotation, job rotation Spearman's value was negative zero eight one but still within the range of acceptance.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter discusses the findings of the study based on the objectives research questions and hypothesis. It presents discussions, conclusions and recommendations.

5.2 The effects of succession planning on organization performance.

Then main objective of the study was to examine the effect of succession planning on organizational performance.

Majority of the respondents in the table 4.1.4 indicated support for succession planning as having an effect on organizational performance. The respondents indicated 176 (91.7%) that succession planning was a way of improving 0.0 while 16 (18.0%) indicated that S.P was not away. This implied that majority of the respondents supported S.P. on ways of improving O.P, 122 (63.5%) chose reduced turnover, those who did not were 70(36.5%),

motivated workers 158 (82.3%) did not motivate 34(17.7%), avoided time wasting 180(93.7%) and time wasting 12(6.3%).

In the same table 4.3.1, the age factor was an issue of concern, thus between 31-40 (60%), 41 -50 (40%) which indicated that young employees were the majority and there was need to prepare them for future vacancies created in the company while 41-50 were less, which implied that some already promoted and could be used to prepare the young ones through S.P.

Marital status (4.3.1) was also captured surprisingly all the respondents were married at the time the stud was conducted. Therefore revealing that they were a stable group which could be relied on by the organization in preparing pools of candidates to fill vacancies created either through promotion, retirement, termination or death.

The respondents in table 4.1 indicated 148 (77.1%) married while 43(22.7%) single and 1(0.5%) widowed. This implied that majority were stable and could be counted in S.P in the same table. On the level of education, the findings revealed basic 06(3.1%),) O- level 121 (63.0%) , A- level 8(4.2%), Diploma 48 (25%) and degree 9 (4.7%). This implied that S.P to succeed there should be emphasis on qualified human resource, the world of Companies at the moment has embarked on mergers. Down sizing or retrenchment, which has lefty many employees 'jobless'. So far one can only be counted in the succession planning, if there is competency.

So far one to retain the position and even is promoted, its important that educational qualifications are emphasized. With the hard economic ties currently facing the world

existing companies have to find away of surviving. Even advertisements for jobs require high level of educational qualifications, experience of a certain number of years of working, which is a big challenge to job seekers.

At the same time, experience is banked on the various stations one has worked in and out being in one station for many years. They (companies) argue working in one station may lead to redundancy.

5.2.1 Factors considered in identifying potential successors who contribute to organizational performance.

The first objective of the study was to evaluate the factors considered in identifying potential successors.

Table 4.6 indicated that those who supported performance were 191(99.5%), 1(0.05%) did not, on skills 190(98.9%), 2 (1.1%) did not experience 80(41.7% supported, 112(58.3%) did not, while on organizational needs 125 965.1%) supported while 67 (34.9%) did not. This implied that majority of the employees were aware of factors required for identifying potential successors. Among the factors, experience obtained the lowest support which showed that it was not a crucial factor in S.P.

This was also indicated by respondents in table 4.3.5 who identified experience as a factor for promotion though given less support.

In addition to the above, table 4.3.1, the finding revealed that majority of those who stood higher chances of being included in the succession planning process were men. Women

were 40% while men ere 60%. This implied that gender was still factor to be considered in succession planning.

5.2.2 Programmes the company has introduced to develop the skills of potential successors in the organization.

The second objective of the study was to establish the programmes he company has put in place to develop the skills of potential successors.

From the research findings in table 4.8, it was revealed that mentoring, coaching and job rotation were used in the organization to prepare employees for future jobs. On mentoring 96950%) greatly supported 38 (19.8%) rarely used and 58 (30.2%) were not sure. This is therefore implies that half were aware mentoring while half were not aware. Hence it appears that this programme of mentoring was not formalized in the strategic plan. On coaching 33 (17.2%) supported 234 (12.0%) chose rarely while 36 (70.8%) were not sure. This implied that coaching was not used. Job rotation, 181 (94.3) supported, 4 (2.1%) rarely used, 7 (3.6%) not sure, this showed that majority of respondents were familiar with job rotation.

Table 4.3.14 showed responses on skills development of potential successors. On job rotation that it had an effect on the performance were 4 (80.0%) yes and 1(20%) No. This showed that job rotation enabled employees to acquire a multiple skills which were needed in the current world work. Job rotation also enabled employees to get motivated as shown by table 4.3.14(b) job rotation affects the performance of employees , as it was revealed that 1 (20.0%) attainment of goals, 1(20.0%) reduced resistance, 2(40.0%) motivated, 1(20.0%) empowered, while 0(0.00%) introduction of new procedures.

Therefore this indicated that a good working environment was necessary for S.P it implied that there was minimal conflicts in filling vacant positions.

In comparing the responses of the juniors and managers, concerning the programmes, the later seemed to be more conversant unlike the former.   The current position of developing skills among employees is done through multi tasking where one is required to do more than one job, for example, being an office messenger, tea maker and a typist. With increased costs which have resulted from economic recession, many companies have made use of multi tasking.

Other ways of developing skills of employees are through workshops, seminars and even conferences.

5.2.3 The Challenges the company faces in S.P

The fourth objective of the study aimed at establishing the problems the company faced in S.P.

From the findings in Table 4.3.18 the respondents indicated that there were problems in S.P thus 3(60.0%) strongly agreed, 1(20%) disagreed. This showed that the management experienced problems when looking for suitable employees to fill vacant positions. Among the problems they cited death, resignations, termination, costs and external recruitment.

This implied that vacancies have been created as a result of the above and as such costs may have affected then number of employees to be prepared for succession. External recruitment may have arose to lack of qualified personnel were to fill top sets. As per the situation at the moment, there is corruption which has led to misappropriation of funds.

Tribalism and nepotism which dictate who is who to be given a job, and also political interference has been a problem to succession planning.

5.2.4 Way forward from departments and managers in the organization on S.P improving succession planning

This addressed the fifth objective which aimed at stating recommendations from departments and mangers on S.P.

The respondents indicated that 5(100%) favoured succession planning while 0(0.00%0 did not. This is shown in tale 4.3.19 the respondents expressed that it should be included in strategic plan to cater for any eventualities such as death and transfers.

5.3 CONCLUSION

1. There was a strong relationship between succession planning and organizational performance.

2. A small percentage of employees were not aware of succession planning due to lack of including it in the strategic plan.

3. Education and professional qualification were crucial for one to be promoted

4. There was a gender imbalance in the work force hence minimizing the number of women to be considered in succession planning.

5. Marital status also emerged which may have influence the candidates who were filling vacancies.

5.4 RECOMMENDATIONS

1. Every company needs to develop a formal succession planning which should be include in the corporations strategic plan.

2. Female should be considered in succession planning to support the Government policy.

3. Employees to be encouraged to further their educational level in order to be competitive.

4. All employees of companies to be informed sensitized about succession planning.

5.5 SUGGESTIONS FOR FURTHER RESEARCH

1. Further research can be done in the S.P but basing on quantitative method.

2. Comparative study can be done on succession planning

3. A study on mainstreaming gender on successful planning can be done.

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APPENDIX I

LETTER OF INTRODUCTION:

Dorothy Simiyu Nekesa

Ngeria Girls Secondary School,

 P.O BOX 3477-30100,

Eldoret.

Dear Sir/Madam,

RE: REQUEST FOR RESPONSE TO QUESTIONNAIRE:

I hereby request you to answer the following questions to the best of your knowledge.
The questions are purely for academic purposes and will be used later for analysis.
You will be required to answer the questions with honesty and competence as your
responses will aid in making an appropriate conclusions to the research problem.
I would like to apologize for any inconveniences which might be caused, however I
will be so grateful if you responded to my interview questions. Thank you in
advance.

Yours faithfully,

Sign……………….

Dorothy Simiyu Nekesa

APPENDIX II

QUESTIONNAIRE FOR MANAGEMENT

This questionnaire is meant to collect data that will provide information on the effect of

succession planning on organizational performance. Please answer all questions by

selecting only one answer where applicable:

SECTION A

1. Age

    21 – 30   [   ]

    31 – 40   [   ]

    41 – 50   [   ]

    51 & above [   ]

2. Gender

    Male   [   ]

    Female   [   ]

3. Educational level

    'O' level   [   ]

    Diploma   [   ]

1ˢᵗ Degree   [   ]

Masters   [   ]

Other (specify) ………………………………………………

4. Year of employment…………………………………….

5. Marital status

Married   [   ]

Single [   ]

Other …………………………………………..

SECTION B:

1. Succession planning ensures that suitable managers and juniors are available to

   fill vacancies in an organization.

   Strongly agree   [   ]

   Agree   [   ]

   Undecided   [   ]

   Disagree   [   ]

   Strongly disagree   [   ]

2. Does your organization prepare succession plans? Yes [   ]   No [   ]

3. Is succession planning included in your strategic plan?

   Yes   [   ]

   No   [   ]

4. How do you identify candidates for promotion?

   Briefly explain……………………………………………………

5. There are factors considered in identifying successors:

Yes [ ]   No [ ]   Not sure [   ]

6. The company has its own approach of identifying those to fill vacancies.

Yes [ ]   No [ ] Not sure [ ]

7. Performance is about achievements on organization, individual and teams.

Strongly agree [ ]   Agree [ ]   Disagree [ ]   Don't know [ ]

8. Performance implies meeting targets, salary increase, many customers and expansion of the business.

Strongly agree [ ]   Agree [   ]   Undecided [ ]   Disagree [   ]

9. How do you appraise your employees? (choose one)

Rating scale method   [ ]

Ranking method   [   ]

Pained comparison   [   ]

Forced distribution   [   ]

Keeping record of employees desirable behavior   [   ]

Report writing   [   ]

10. What organizational structure is your company?

Complex   [   ]

Simple   [   ]

11. Which department in your organization is succession planning covered?

………………………………………………………………………………………

…………………………………………………………………………………..

12. What causes succession planning in your company? Tick where appropriate

Promotion   [ ]

Termination   [ ]

Retirement   [ ]

Transfer   [ ]

13. Do you employ job rotation on the junior staff?

Yes   [ ]

No   [ ]

Indicate how it has affected individual employee performance. Tick where

appropriate;

Attainment of goals   [   ]

Reduced resistance   [   ]

Introduction of new procedures   [   ]

Motivates employees [ ]

Empower employees [   ]

14. As a manager, indicate whether you have been practicing the following to your

employees;

Teaching   yes [ ]   No [ ]

Giving feedback   Yes [   ]   No [ ]

Coaching   Yes [ ]   No [ ]

Counseling   Yes [ ]   No [   ]

15. Are there challenges faced by the company in succession planning?

Yes [ ]

No [   ]

If yes, what are they? (briefly explain)

…………………………………………………………

16. As a manager what can you recommend about succession planning?

………………………………………………………………………………

………………………………………………………………………………

APPENDIX III

QUESTIONNAIRE FOR THE JUNIOR STAFF

Please all the questions appropriately;

SECTION A:

1. Age ;………………………………….………

2. Gender;……………….………………………

3. Educational level;……………………………….

4. Year of employment;……………………………

5. Position / rank in the company;…………………….

6. Marital status:

   Married [   ]   single [   ]   other (specify) ………………………

SECTION B:

1. Succession planning is the process of identifying and preparing suitable

   employees to fill vacancies in the organization;

   Strongly agree [   ]

   Agree   [   ]

Strongly disagree [   ]

Don't Know   [   ]

2. Is there any relationship between succession planning and promotion, transfer, retirement and termination?

Yes   [   ]   No [   ]

3. Does the company management inform you about vacancies?

Yes [   ]

No   [   ]

If yes, how often?

Always   [   ]

Rarely [   ]

4.   Does the company take long to fill vacancies?

Yes   [   ]

No   [   ]

5. Indicate whether filling of vacancies is based on the following factors;

Performance   [   ]

Experience   [   ]

Organizational needs [   ]

6. Have ever been promoted?   Yes [   ]   No [   ]

If yes, briefly indicate when and why were you promoted?

……………………………………………………………………………………………

……………………………………………………………………………

7. Are the following programmes used in succession planning?

	Always used	**Rarely used**	**Not sure**	**Don't know**
Mentoring				
Coaching				
Job rotation				

8. If any of the above is used, state how you have benefited as;

    Individual

    ……………………………………………………………………………………

    ……………………………………………………………………………………

    As a company;

    ……………………………………………………………………………………

    ……………………………………………………………………………………

9. a) Are you aware of succession planning training in your organization?

    Yes [   ]

    No [   ]

    b. If yes, what kind of succession planning training was chosen?

    Human capital   [   ]

    Training for team work   [   ]

    For employment [   ]

10. a) Have you benefited from succession training as an individual?

    Yes   [   ]

    No   [   ]

    b. If yes, how? (Tick where applicable)

    Sharpen skills [   ]

    Improved relationship [   ]

Earn promotion   [   ]

a.) Have you benefitted as a company? Yes [   ]   No [   ]

b.) If yes, how?

……………………………………………………………………………

……………………………………………………………………………

11. Do you think the implementation of succession planning can improve

organizational performance? Yes [   ]   No [   ]

If yes, in which way?:..

[Thank you for giving correct information]

APPENDIX IV: RESEARCH PERMIT

PAGE 2

PAGE 3

Research Permit No. NCST/RCD/14/012/591

Date of issue 28th May, 2012

Fee received KSH. 1,000

THIS IS TO CERTIFY THAT:

Prof./Dr./Mr./Mrs./Miss/Institution

Dorothy Simiyu Nekesa

of (Address) Moi University

P.O.Box 3900-30100, Eldoret

has been permitted to conduct research in

Location Bungoma District

Western Province

on the topic: Succession planning and organization performance in Kenya, a case of Nzoia Sugar Company

Applicant's Signature

Secretary National Council for Science &Technology

for a period ending: 31st July, 2013

CONDITIONS

1. You must report to the District Commissioner and the District Education Officer of the area before embarking on your research. Failure to do that may lead to the cancellation of your permit.

2. Government Officers will not be interviewed with-out prior appointment.

3. No questionnaire will be used unless it has been approved.

4. Excavation, filming and collection of biological specimens are subject to further permission from the relevant Government Ministries.

5. You are required to submit at least two(2)/four(4) bound copies of your final report for Kenyans and non-Kenyans respectively.

6. The Government of Kenya reserves the right to modify the conditions of this permit including its cancellation without notice.

REPUBLIC OF KENYA

RESEARCH CLEARANCE PERMIT

(CONDITIONS—see back page)

GPK6055t3mt10/2011