

Effects of Succession Planning Strategy on the Performance of International Non-Governmental Organizations in Kenya

Wang'ombe Eddah Waruiru¹, Dr. Assumptah W. Kagiri²

¹MBA – Jomo Kenyatta University of Agriculture and Technology

²Lecturer – Jomo Kenyatta University of Agriculture and Technology

Abstract: *The main aim of the study was to examine the effects of succession planning strategy on the performance of international non-governmental organizations in Kenya. Specifically, the study examined talent retention, talent attraction, career management and training & development. The empirical literature showed that succession planning is a key ingredient for growth of organizations and INGOs are not an exception. Literature revealed that INGOs have low succession planning initiatives which is alarming for the survival of the respective organizations. Various theories informed the study which were: - systems theory, contingency theory, chaos theory; resource based theory and management theories. The study adopted a descriptive design utilizing both primary and secondary data. Data analysis was carried out using qualitative and quantitative techniques with the aid of SPSS 20 while the main method of data presentation was frequency distribution, tables and bar graphs. The study findings showed there was a great influence of all the four variables based on the effect of succession planning strategy on the performance of INGOs in Kenya. The study found out that there was 64% of corresponding change in the performance of INGOs for every change in all the four predictor variables jointly. Test of overall significance of all the four variables jointly, talent retention, talent attraction, career management and training & development using ANOVA, at 0.05 level of significance found the model to be significant. In conclusion, the findings also indicated that training and development has been a major contributor towards the performance of INGOs in Kenya. This is in line with Kamath, (2008) who found that skills development appeared as the major contributor towards the growth of NGOs in line with succession management programmes in Africa. The results also revealed that the training programmes, staff appraisal and job rotation as indicators of training development have positive relationship with the performance of INGOs in Kenya. One of the recommendation of the study based on the study is that INGOs in Kenya have the challenge to attract and retain them there efforts from the INGOs in Kenya to develop a proper retention strategy are necessary. The retention strategy should include employees at all levels of the organization, since a loss of a talented employee at any level, will result in the organization suffering because of replacement costs. Finally the research study recommends a similar study to be conducted on how to measure the level of succession management in an organization?.*

1. Introduction

Succession planning has the potential to be one of the major business issues of the coming decade. The demographic reality is that organizations will have a shrinking pool of labor from which to draw on and this will impact operations at all levels, from the receptionist to the CEO. It is this reality that has pushed succession planning – an important issue in normal times to the forefront (Brent, 2013). Different authors have defined succession planning in various ways. Couch (2013), defines succession planning as a deliberate and systematic effort to identify leadership requirements, identify pools of high-potential candidates at all levels, accelerate the development of mission-critical leadership competencies in the candidates through intentional development, select leaders from the candidate pools for pivotal roles and then, regularly measure progress. In addition to Hills (2009), succession planning is about more than filling the top spots. It is a smart talent management strategy that can drive retention of talent throughout the organization and make sure that the organization has the skills it needs in place, or on hand, to respond to the rapidly shifting sands that make up today's business environment.

Whether public or private, the organization's survival is based on its ability to bring on board and sustain high quality workforce over a period of time. Many organizations are currently facing mounting pressures to ensure their sustainability, flexibility, and responsiveness to the

increasing uncertainty and limitations in the economic world. Ultimately, increased turbulence in the employment environment, characterized by organizational restructuring, funding uncertainties, and increasing program complexities have substantial effects on the ways organizations respond to workforce replacement, (Caudron, 2000). At a global level, succession planning in the recent past has received more attention not only as a concern for the management of human resources, but also as institutional strategic management component for ensuring performance and growth. In one of the recent surveys by Rothwell (2010), top corporate companies revealed that the main reasons for having succession planning programmes are attributed to the challenge to maintain a pool of potential successors.

Kenya is realizing a robust growth in the number of Non-Governmental organizations. According to the NGO Coordination Board (2011), the sector has been growing at an average rate of 400 Organizations per year since 2010. The study therefore, draw from the lack of evidence based studies that directly examine the experiences and practices of succession planning among the INGOs in Kenya. In Kenya succession planning is gaining prominence and is being noticed in many fronts. Not for Profit Organizations that includes Non-Governmental Organization are also not left out in the quest for succession planning as legislated in the PBO, Act 2013. Succession management has become an important talent management initiative at companies around the world, Lamoureaux et al, (2009). It's seen as a strategic process that minimizes leadership gaps for critical positions

and provides opportunities for top talent to develop the skills necessary for future roles. Succession management is also about finding and training tomorrow's leaders today Conger and Fulmer (2003), this indicates that succession management is futuristic and addresses a combination of two traditionally separate practices being succession planning and leadership development.

Succession planning is used interchangeably with succession management by some authors which is seen as having an element of generational steps that make it a process to ensure that qualified persons are available to assume key managerial positions once the positions are vacant (Mondy and Noe 2005). There is need to differentiate them though with replacement planning, even though they (succession management/planning and replacement planning) are compatible and often overlap in the sense that, replacement planning is a form of risk management and acts as the force behind efforts that eventually turn to succession planning and management programs, Rothwell, (2000). In the field of business and management, both research and practice have registered an increasing concern of linking strategic management of organization's resources to its performance. Organization performance has been gaining importance in the NGO sector as a framework for best practice in strategic management (GrovesA, 2006). Organizational factors influencing high performance of NGOs have in the past attributed to issues such as: goal setting, long-term decisions, organization structure, task structure, communication and span of control. However, in terms of strategy, the above mentioned can be summarized as principal determinants of effective performance and institution survival. Assessment of NGO performance, therefore, is not an end in itself but one of the many sources for an organization to learn how to effect and manage change that can be integrated as a process of Organizational awareness to increase accountability, institutional development, and continuous self-improvement (Active Learning Network for Accountability and Performance-ALNAP, 2006).

Against this background, it is evident that specific strategic management aspects such as succession planning are starting to gain importance. Succession planning, therefore, is an important way of identifying an employee's current and potential skills that can be developed to help the organization's accelerate and maintain its performance in the future. In this sense, succession planning provides organizations with systematic processes for; identifying developing and promoting the growth of high potential employees in the organization's succession pipeline (Leibman, Bruer, & Maki, 2006). In 2007, consultants at McKinsey & Company released the now famous book, *The War for Talent*. In it they argued that during both good and bad economic times talent is critical to the success of an organization. Through extensive research involving hundreds of companies and thousands of executives, they concluded that companies that do a better job of attracting, developing, and retaining highly talented managers had higher returns for shareholders. If a war for talent existed in the 2000s, the situation can only become more competitive as the labor market stops growing and ages, (Brent, 2013).

2. Performance of INGOs

Performance measurement was foremost intended for the business sector but since the gap between business sector and non-profit sector has narrowed considerably in the last decade, the interest in performance measurement in the non-profit sector has increased among researchers and practitioners. The interest in performance measurement in non profits is also due to the evolving pressure on showing effectiveness which is experienced by non-profit managers (Cairns, et al. 2005). In order to align the activities with their objectives and to meet the donor accountability, NGO's need to measure and monitor performance of various groups. An NGO's performance can be measured by how well it achieves the goals it has set itself. The principle functions of performance measurement are to ensure that organizations are held accountable for their performance and actions and to facilitate learning and improve performance (Sharma, 2012). Even though NGOs lack pressure from shareholders to show the value created by the organization there is a pressure to show how well they perform that derives from a wide range of stakeholders. Zimmermann and Stevens (2009) studied 149 non-profit organizations in South Carolina and their findings show that the requirement from external stakeholders was the most frequent motivator and reason for measuring performance. Second most frequent motivator was in order to increase accountability and effectiveness. Performance measurement was also motivated as a mean to get more funding and to improve services.

According to Sawhill and Williamson (2001), NGOs should measure performance in order to obtain control of local office efforts and to get the whole organization to work towards the same mission and goals. They also noted that an emerging marketing trend which they suggest non-profit organizations need to take advantage of presenting results from performance measurement to stakeholders which will serve as an effective marketing tool.

The Specific objectives of the study were:

1. To determine the influence of talent retention on the performance of International Non-Governmental Organizations in Kenya.
2. To assess the influence of talent attraction on the performance of International Non-Governmental Organizations in Kenya.
3. To determine the extent to which career management influences performance of International Non-Governmental Organizations in Kenya.
4. To assess the extent to which training and development influences performance of International Non-Governmental Organizations in Kenya

The following theories to inform the study in understanding the relationship between succession planning strategy and organization performance.

2.1 Systems Theory

Koc-Menard, (2009) suggests that systems theory had significant effects on management science and understanding organizations. A system is a collection of parts unified to accomplish an overall goal. If one part of the system is removed, the nature of the system is changed as

well. A system can be looked at as having inputs (e.g., resources such as raw materials, raw data, money, technologies, and people), processes (e.g., planning, organizing, motivating, and controlling), outputs (products, services or coherent information) and outcomes (e.g., enhanced quality of life or productivity for customers/clients, productivity, appropriate decision making). Systems share feedback among each of these four aspects of the system. The Systems theory is a management methodology as of analyzing and thinking about organizations continuity. It puts forth the premise that organizations, like living organisms, are made up of numerous component subsystems that must work together in harmony for the larger system to succeed. Systems theory states that organizational success relies on synergy, interrelations and interdependence between different subsystems. As arguably the most valuable component of a company, employees make up various vital subsystems within an organization.

Rothwell, (2010) indicates that departments, work groups, business units, facilities and individual employees can all be considered component systems of the organizations this chain creates a succession chain link for the organizational survival. The theory applied in this study in the sense that, it pointed on how systems play an important role when it comes to succession management by allowing clear growth and succession paths for employees which will create a synergy that will work towards creating complimentary or supplementary roles for performance achievement through having the right organizational strategy that supports the systems in place and being ready for any requisite change whenever necessitated.

2.2 Contingency Theory

Contingency theory is integral in the sense that, it puts forth the premise that an ideal structure and form of any system depends on the dynamics of its internal subsystems. Organizational structure can have far-reaching effects on companies' relationships with its future, making contingency theory highly relevant to succession management and organization performance (Paauwe, 2008).

No single organizational structure is inherently better than another. Structures are architectural models that will allow success of succession management and give formulas for performance through the right leadership being applied in every situation. Rothwell (2010) emphasized that the best structure for different companies depends to a great degree in whether the structure will meet future challenges in management. He contributed to the contingency theories by focusing on the leadership bit of an organization. He emphasized a Leader-Match meaning, the theory tries to match leaders to appropriate situations and their effectiveness depends on how well the leaders' style fits the context within which they operate. The theory informed the study by allowing analysis of how leadership in form of competence and commitment played a role in contributing towards successful succession management and hence effects on performance of the organization through the systems and practices in place if at all.

2.3 Chaos Theory

Chaos theorists suggest that systems naturally go to more complexity, and as they do so, they become more volatile and must, therefore, expend more energy to maintain that complexity. As they expend more energy, they seek more structure to maintain stability. This trend continues until the system splits, combines with another complex system or falls apart entirely. It will need an effective manager for the latter worst scenario not to happen (Weekley, 2005).

Chaos theory offers management science insight about where and when management control is reasonable or possible and at what scale of organization such control efforts are best directed. In short, the discussions and reasoning by dialogues between freedom and necessity vary across causal fields; given wisdom and judgment, semi-stability can be maintained if key parameters are modulated (regulated or adjusted) such that they do not destroy the connections which hold the system together or overwhelm the carrying capacity of the environment. The theory provided latitude for managing succession and organizational performance. Chaos theory thus adds understanding and support to the logic of many new management ideas. Current concerns aimed at democratizing decision-making inside the work place find considerable support in the logics of Chaos theory; no one plan or policy is adequate to cover all exigencies all the time. Based on this, succession management policy on its own cannot guarantee performance but there is a necessity for interplay of other policies and practices in human resources (Weekley, 2005).

2.4 Resource Based View Model

The resource-based view (RBV) is a business management tool used to determine the strategic resources available to a company. The fundamental principle of the RBV is that the basis for a competitive advantage of a firm lies primarily in the application of the bundle of valuable resources at the firm's disposal (Wernerfelt, 2004; Rumelt, 2004). To transform a short-run competitive advantage into a sustained competitive advantage requires that these resources are heterogeneous (dissimilar) in nature and not perfectly mobile (Peteraf, 2003).

Resource-based theory is also one of the theories to give support to the study in that an organization lies in a fundamental heterogeneity in its production processes. Given certain inputs, each organization will apply these inputs in different ways, resulting in different outputs or products. As a consequence, sustained competitive advantage will result from those organizations whose production process proves to be most efficient and whose outputs best meet demand. Inputs are usually divided into three categories: physical resources, organizational resources and human resources. Within the resource-based theory of an organization, human capital is one of the major resources with a factor indicator of succession management (Paauwe, 2008). The theory enlightened the study by giving emphasis on the importance of HR resource to the success of organizational performance so as to cement practices leading to high performance into the culture of the organization.

2.5 Management Theories

Management theories are central to performance in any organization. Managers should strive to create an environment in which others are motivated to put in their best (Bhargara, 2003). It is incumbent upon the leader to provide direction and purpose for the organization and to carry everyone along. The manager must get commitment of his subordinates (employees). McGregor and other scholars for example have stressed the importance of mutual goals as a glue to commitment. For many years, the economic theory has proposed to get worker cooperation by paying wages to be used by wage earners to buy progress toward the personal goals. However, Judge and Robinson (2008) stress the provision of a conducive environment to the employees as key in achieving effectiveness and innovation. Essentially management involves accomplishing goals with and through people. As such, a manager must be concerned about tasks and human relationships. These management concerns seem to be a reflection of two of the earliest schools of thought in organization theory, the 'Scientific Management' movement led by Fredrick W. Taylor in early 1900s and the 'Human Relations' movement led by Elton Mayo and his associates in the 1920s and early 1930s (Cole, 2002).

According to Cole (2002) the Authoritarian Style of management behavior is often based on the assumption that the power of managers is derived from the position they occupy and that people are innately lazy and unreliable (Theory X). The Democratic Style assumes that the power of managers is granted by the group they are to lead, and that people can be basically self-directed and creative at work if properly motivated (Theory Y). Consequently, in the authoritarian style, all policies are determined by the manager, in the democratic style policies are open for group discussion and decision. Theory X employees need to be directed well for their optimum performance because they are not expected to take initiative like Theory Y employees, sometimes they may even need to be coerced. McClelland (1961) advanced the psychological paradigm which postulates that people with an inner trait of high need achievement (n-arch) are more likely to be more successful at tasks. They feel the need to excel. This theory further states that people who are highly motivated are likely to take moderate risks, have an internal locus of control, have a strong drive to excel and solve problems. Achievement motivated people can be the backbone of most organizations. As we know, people with a high need for achievement get ahead because as individuals they are producers, they get things done. Managers with n-arch are likely to influence their departments and teams towards optimum performance.

3. Conceptual Framework

The study was guided by the researcher's conceptual model as designed because it took into account many aspects in relation to succession planning strategy and organization performance. The independent variables considered in the literature review demonstrated that organizational survival continuity and viability influences succession planning strategy thrive within the organization mandated or targeted performance. The dependent variable in the study attempted

to depict the likely effects on performance of INGOs as brought about by independent variable (succession planning strategy). It was expected that the independent variables (succession planning strategy) would affect the performance of INGOs positively or negatively in this study.

3.1 Research Gaps

Although previous researches had established the importance of proper succession planning (Andre 2002), many firms continued to operate without a formal succession plan. A 2004 survey of 711 human resource managers found that although 80 percent of the managers believed that succession planning was critical, less than half of their companies had a succession plan in progress (Taylor & McGraw, 2004). Two other surveys found that few organizations have proper succession plans prepared to replace their leadership, a 2009 survey by RHR International and Chief Executive magazine found 40 percent of CEO's were not prepared for succession (Allen, 2005), the study found that only 35 percent of thirteen hundred CEO executives had a succession plan. The two studies show that half of companies are not prepared or are not currently preparing for leadership succession. Research has shown that executives are reluctant to plan for succession for multiple reasons such as: fear of retirement, fear of the unknown, fear of losing control, fear of death, lack of interests outside of work, and a strong sense of personal attachment to the company (Kraime et al 2003).

Another challenge in succession planning comes with analyzing and selecting the correct successor for the company. Rothwell (2010) has stated that analyzing, selecting and developing the right candidate are a large part in succession planning if these steps are not made the likelihood that leadership transition will be successful decreases. The selection of an unprepared or inappropriate successor can create damaging impacts after leadership transition.

Cole (2002), conducted an extensive literature search of business magazines, journals and relevant reports aimed at reviewing business and academic literature on the topic of business succession planning. The purpose was to allow the vast quantity of evidence and opinions to be contextualized and to enable a better understanding of the key themes within business succession planning. They showed that there was lack of research pertaining to the area of succession planning. It was established that succession planning requires continuous investment of time, resources and support of top management. Development and implementation of succession planning was also shown to simply raise the chances of success and not guarantee this. They also showed that succession planning is generally considered to be a unique case-by-case-process, where a one size fits all mentality is simply not appropriate and there is a wide variety of viewpoints.

3.2 Data Analysis and Presentation

The study adopted descriptive research design in collecting data from the respondents. Mugenda and Mugenda (2003), defines descriptive research as a fact finding approach

generalizing a cross-sectional study of the present situation. Descriptive research design was ideal for this study because it served as a direct resource of valuable knowledge concerning human behavior. Further they state that research design is concerned with the questions of whom shall we study, what shall we observe, when will the observation be made, how data will be collected and analyzed

Since data for the study was both qualitative and quantitative, both descriptive and content analysis techniques were employed. Before the quantitative data was analyzed, it was checked for completeness and consistency. Exploratory data analysis which included statistical summaries, graphical representations, and frequency distribution tables was used in the preliminary analysis of data (Cooper & Schindler, 2008). The mean and the variance was calculated using SPSS 20. The study used multiple linear regression. The model can be mathematically represented as follows:

$$Y_i = \beta_0 + \beta_1 X_{i1} + \beta_2 X_{i2} + \beta_3 X_{i3} + \beta_4 X_{i4} + \varepsilon_i$$

Where:

Y_i = Performance of INGOs

X_{i1} = Talent Retention

X_{i2} = Talent Attraction

X_{i3} = Career Management

X_{i4} = Training and Development

ε_i = Is the error term

β_i = Are the unknown parameters (constant of regression).

The model assisted in determining the effects of Succession planning strategy and performance in INGOs

3.3 Data Presentation

Quantitative data was presented through statistical tools such as frequency distribution tables, pie-charts, bar-graphs etc for easy understanding. The researcher then interpreted the research findings from the evidence presented by the data collected. Conclusions were based on the findings. Finally guided by the objectives of the study, the researcher made recommendations, Mugenda and Mugenda (2003), explains that recommendations must be consistent with the purpose of the study and its objectives. Qualitative data was presented descriptively

Qualitative data was derived from the open ended questions in the questionnaire. The responses were assessed thoroughly and organised in to various categories, distinct from each other and the relationship among the identified categories established. Codes were used to generate themes and categories. Once the themes, categories and patterns were identified, the study evaluated and analysed the data to determine the adequacy of the information and the credibility, usefulness, study consistency and validity in answering the study question. From this information, the study developed narratives and interpretive report in order to explain and reflect the situation within the INGOs sector.

4. Methodology

The study adopted descriptive research design in collecting data from the respondents. Mugenda and Mugenda (2003), defines descriptive research as a fact finding approach

generalizing a cross-sectional study of the present situation. A sample size of 105 INGOs was selected (Table 3.2) representing a 10% sample of the population which was considered as a generally acceptable method of selecting samples. Kothari (2004) states that a 10% sample allows for reliable data analysis and provides desired levels of accuracy for testing significance of differences between estimates.

5. Findings and discussion

The study administered questionnaires to 105 INGOs targeting one response from each INGO, out of which, 60 questionnaires were filled and returned.

5.1 Response Rate

The study administered questionnaires to 105 INGOs targeting one response from each INGO, out of which, 60 questionnaires were filled and returned. This represented an overall response rate of 57% of the study population as indicated in Fig 4.1. This response rate was considered adequate for analysis and reporting of the findings on the study questions, Mugenda and Mugenda (2003), observed that response rate of above 50% in any study is adequate enough to validate study findings

6. Succession Planning Strategy

The findings showed that 17 (28%) of total respondents indicated the organization had succession plans in place, 15 (25%) indicated plan development is in the process, 14 (23%) indicated the process just started while 7 (12%), of the respondents were not sure and also indicated the plans were not developed respectively. From the statistics above, the study findings implies that if the succession plans are in place then not all respondents were aware if the process was concluded and also there was no proper communication of the strategies in place by Management. The study findings also showed that majority of the respondents 31(52%) agreed their respective strategic plan had succession planning as a HR strategy, 15 (25%) indicated that it was in the process, while 7 (12%), of the respondents were not sure or commented that it had been not included respectively.

7. Talent Retention

The study findings indicated the Talent retention programs are occasionally accessible 26 (43%), on the count of always accessible had a share of 16 (27%), 11 (18%) of the respondents were not sure and 7(12%) said the program is not always accessible. The statistics implies that majority of the respondents had at least been introduced to the talent retention program and have participated in the same. The study conceptual framework had indicators defining talent management. In defining these indicators the study measured the extent to which they affect talent management at the work place respectively using the following scale:- 1=Not at all; 2=To a less extent; 3=To a moderate extent; 4=To a large extent; and 5=To a very large extent. Figure 4.1 indicates career path had the highest influence as measured by -to a very large extent- of 61%, followed by work environment at 33% and finally reward system at 32%.

8. Talent Attraction Indicators

The study conceptual framework had indicators defining talent attraction. In defining these indicators the study measured the extent to which they affect talent attraction at the work place respectively using the following scale:- 1=Not at all; 2=To a less extent; 3=To a moderate extent; 4=To a large extent; and 5=To a very large extent. Figure 4.2 indicates leadership style had the highest influence as measured by -to a very large extent- of 52%, followed by employer-branding at 49% and finally talent development plans at 29%.

9. Career Management

The study conceptual framework had indicators defining career development. In defining these indicators the study measured the extent to which they affect Career Management at the work place respectively using the following scale:- 1=Not at all; 2=To a less extent; 3=To a moderate extent; 4=To a large extent; and 5=To a very large extent. Figure 4.3 indicates mentoring had the highest influence as measured by -to a very large extent- of 78%, followed by coaching at 66% and finally counselling at 34%.

10. Training and Development

The study conceptual framework had indicators defining training and development. In defining these indicators the study measured the extent to which they affect training and development at the work place respectively using the following scale:- 1=Not at all; 2=To a less extent; 3=To a moderate extent; 4=To a large extent; and 5=To a very large extent. Figure 4.4 indicates training programmes had the highest influence as measured by -to a very large extent- of 70%, followed by staff appraisal at 56% and finally job rotation at 32%.

11. Correlation Analysis

It was found that talent retention, talent attraction, career management and training and development have a significant positive relationship with performance of INGOs with a correlation (r) of 0.743, 0.641, 0.866 and 0.890*respectively. Talent retention was found to influence performance of INGOs though the correlation coefficient index showed a positive relationship of 0.743, Talent attraction was found to influence performance of INGOs at 0.641, Career management was found to influence implementation of performance of INGOs though the correlation coefficient index showed a positive relationship of 0.866 and Training and development influence is rated as highest on the correlation coefficient index at 0.890 meaning, there is a positive relationship between training and development and performance of INGOs.

12. Regression Analysis

The study results showed that 95% of significant most of the p-values are than 0.05 according to table 4.19. In significant level less than 0.05 it can be stated with 95% confidence that talent retention, talent attraction, career management and training and development have a positive effect on the

performance of INGOs. The higher the absolute value of Beta, the more important variable in the predicting performance in INGOs. In this case the more important predictors are training & development with (Beta 0.23), career management with (Beta 0.11), talent retention with (Beta 0.09) and talent attraction with (Beta 0.06) among all other criteria.

13. Conclusion

The study findings showed a great influence of all the four variables based on the effect of succession planning on the performance of INGOs in Kenya. The study found out that there was 64% of corresponding change in the performance of INGOs for every change in all the four predictor variables jointly. Test of overall significance of all the four variables jointly, talent retention, talent attraction, career management and training & development using ANOVA, at 0.05 level of significance found the model to be significant.

The findings also indicated that training and development has been a major contributor towards the performance of INGOs in Kenya. This is in line with Kamath (2008), who found that skills development appeared as the major contributor towards the growth of NGOs in line with succession management programmes in Africa. The results also revealed that the training programmes, staff appraisal and job rotation as indicators of training development have positive relationship with the performance of INGOs in Kenya. The findings demonstrated that succession planning strategy can be used to mobilize and manage staff in order to enhance performance of INGOs in Kenya and this concurs with the findings of other studies (Fadzilah, 2008; Fink 2010; Kamath, 2008;). Undoubtedly, succession planning strategy has contribution towards the performance of INGOs in Kenya .

14. Recommendations

Establishment of a retention strategy

One of the recommendation of the study based on the study is that INGOs in Kenya have the challenge to attract and retain them. Efforts from the INGOs in Kenya to develop a proper retention strategy are necessary. The retention strategy should include employees at all levels of the organization, since a loss of a talented employee at any level, will result in the organization suffering because of replacement costs.

In addition to enhance reward system which is a critical indicator in succession planning strategy of INGOs in Kenya. They need to attract and retain staff, they should be prepared to pay salaries that are equivalent or better than others in the labour market. Proper market research should be conducted regularly to determine what others are offering, and adjust salaries accordingly. There should be a proper performance system in place to be able to assess individual or team performance, which rewards them accordingly. This will not only be a fair system to those who work hard, as they are rewarded, but will also encourage poor performers to pull their weight and be rewarded. People at different ages have different needs, and this should be

taken in consideration when deciding what benefits to offer employees as it is better to give them a choice.

Last but not least it is a well-known fact that working people spend most of their time at work places, and can be referred to as their "second home". Thus, work stations should be safe, well equipped and conducive to enable optimum production. Management should take proper action to improve working environments as staff members might become frustrated and leave. The cost that is associated with an employee leaving the company cannot be compared to that of improvement of the working environment. INGOs in Kenya should, therefore, be proactive by ensuring conducive working environments for its employees at all times.

Finally INGOs in Kenya should employ new recruitment sources such as networking websites, job websites, professional publications and campus recruitment. This will improve the attraction of staff because the employable age group makes more use of the Internet than conventional media. Campus recruitment will give INGOs in Kenya the first chance to meet potential employees before they go to the labour market.

15. For Future Research

In order to properly map out the expectations the key stakeholders have, a more wide-ranged research needs to be conducted which includes the government organizations and private sector. Another topic for future research should be the matter of measurement. How does one measure the level of succession management in an organization

References

- [1] Allen, R. (2005). *Competitive Management Practices: gaining leveraging in the 21st century*. Blessing White, Inc. Princeton, NJ
- [2] Andre Rousseau, D. M. (Eds.). (2002). *The Boundaryless Career: A new Employment principle for a new organizational era*. Oxford: Oxford University Press
- [3] Appelbaum, S., Benyo, C., Gunkel, H., Ramadan, S., Sakkal, F. and Wolff, D. 2012. *Transferring Corporate Knowledge via Succession Planning: Analysis and Solutions - Part 1*. Industrial and Commercial Training, 44(5), pp. 281-289.
- [4] Armstrong, M. (2006). *Armstrong's Handbook of Human Resources Management*. Kogan Page, UK.
- [5] Avesh W. (2011) *War of Talent*, Faculty of Social sciences and Behavioral sciences Tilburg University.
- [6] Barach, P.L. & Peiperl, S. (2000). *Successful Strategic Planning: A Guide for Nonprofit Agencies and Organizations*. Newbury Park: Sage Publications.
- [7] Bhagrava, S. (2003). *Transformational leadership; value-based management for Indian organisations*. New Delhi: Sage publications.
- [8] Bolt, J. F. (2009). *Executive Development: A Strategy For Corporate Competitiveness*. New York: Harper and Row.
- [9] Brent R. D. (2013). *Corporate culture's impact on a strategic approach to quality*. Mid-American Journal of Business, 15 (1).

- [10] Bruce, J. 2008. *Benchmarking Succession Planning and Executive Development in Higher Education: is the academy ready now to employ these corporate paradigms?* *Journal of Academic Leadership*, 2(4), pp. 321-340.
- [11] Carolyn; Keller, Scott (2001). "The Irrational Side of Change Management". *The McKinsey Quarterly*. McKinsey & Company
- [12] CIPD (2010). *Annual Survey Report: Learning and Talent Development*. Geneva: International Environmental House
- [13] Clunies, J. 2007. *Benchmarking Succession Planning and Executive Development in Higher Education: is the academy ready now to employ these corporate paradigms?* *Journal of Academic Leadership*, 2(4), pp. 321-340.
- [14] Cole, D. C., (1999). *Aligning with vision and values*. *Leadership excellence*, 23(4), 6.
- [15] Cooperrider J. W. and Schindler, T. (2008). *Approaches to Scientific Research Design: Qualitative and Quantitative work methods*. (2nd Ed.). London: Sage Publications.
- [16] Couch B. (2003). *The emotional bond: vision and organizational commitment among high-tech employees*. *Journal of organizational change management*. 17(2).
- [17] D.E. Hunte-Cox. *Executive Succession Planning and the Organizational Learning Capacity*. Washington DC : George Washington University, 2004
- [18] Davis, G., Scholes, K. & Whittington, R. (2007). *Exploring Corporate Strategy: Text and Cases*. (7th Ed.). New Delhi: Dorling Kindersley (India) Pvt. Ltd.
- [19] Echols, M. (2007). *Winning the Turnover War* Washington, D.C.: Price Waterhouse Coopers Retrieved December 14, 2014 from <http://wwwlib.umi.com/pqddpdf/>.
- [20] Espirito, S. D. (2001). *Examining Performance Variables of Non-Governmental Organizations*. Retrieved December 14, 2014 from <http://wwwlib.umi.com/pqddpdf/>.
- [21] Fadzilah Amzah (2009), *Training and Development as a strategic approach to quality*, *Mid-American Journal of Business*, 28 (3)
- [22] Fink, D. 2010. *The Succession Challenge: Building and Sustaining Leadership Capacity Through Succession Management*, Sage: Thousand Oaks.
- [23] Fink, D. 2010. *The succession Challenge: building and sustaining leadership capacity through succession management*, Sage: Thousand Oaks.
- [24] Froelich, S.A., Mckee F.H & Rathge, R.D. (2009), *Corporate culture's impact on a strategic approach to quality*, *Mid-American Journal of Business*, 15 (5).
- [25] GoK. (2012). *The Non-Governmental Organizations Bill, 2012*. Nairobi: GoK Press
- [26] Gomez-Mejia, L. R., Balkin, D. B. & Robert, L. C. (2004). *Managing Human Resources*, 4th edition, Prentice Hall, USA.
- [27] Greer, C. R. & Virick, M. (2008). *Diverse Succession Planning: Lessons Learned from the Industrial Leaders*. *Human Resource Management*. 47(2), 351 – 367.
- [28] Huang, T. (2001), *Succession Management Systems and Human Resource Management Outcomes*. *International Journal of Manpower*. 22 (8), 736-47.

- [29] Huck, D. E. (2009). *Introducing Corporate Planning: A guide to strategic management*. (4th ed.). New York: Pergamon press.
- [30] Huddleston, M.W., (2000). *Profiles in Excellence: Conversations with the best of America's Career Executive Service*. Washington, D.C.: Price Waterhouse Coopers.
- [31] Ibarra, P. (2004). *Incorporating Succession Planning into Your Organization*. Arizona: Mejorando Group
- [32] Institute of Economic Affairs (2009). *The Kenyan Divides: Perception Study*, (1A). Nairobi: Ascent Limited.
- [33] Jacobs. (2006). *Exploring Corporate Strategy*. (3rd Ed.). New York: Prentice Hall.
- [34] K.S. Groves. *Integrating Leadership Development and Succession Planning Best Practices*. *Journal of Management Development*. 2007, 26(3): 239-260.
- [35] G. Bharathi Kamath, (2008) "Growth and Sustainability of NGOs in Africa", *Journal of Intellectual Capital*, Vol. 9 Iss: 4, pp.684 - 704
- [36] Kaplan, R. S. & Norton D. P. (1992). *The Balanced Scorecard: Measures that drive performance*. *Harvard Business review (January-February)*: 71-79.
- [37] Kerry, C. R., & Bland, K. J. (1998). The effect of management styles on the organizational commitment and job satisfaction of customer contact personnel. *Journal of organizational cultures, communication, and conflict*, 11 (1), 77.
- [38] Koc-Menard, S. 2009. Transfer after Retirement: the Role of Corporate Alumni Networks. *Development and Learning in Organizations*, 23(2), p. 9.
- [39] Koc-Menard, S. 2009. Transfer after retirement: the role of corporate alumni networks. *Development and Learning in Organizations*, 23(2), p. 9.
- [40] Kothari C. R. (2003). *Research Methodology: Methods and Techniques*. (3rd Ed.). New
- [41] Kothari C. R. (2004). *Research Methodology: methods and Techniques*. (4th Ed.). New Delhi: Vishwa Parakashan.
- [42] Kotter, J.P. (2002). *Leading Change*. Harvard Business School Press. ISBN 9780875847474
- [43] Kraimer, M.L., Seibert, S.E., Wayne, S.J. & Liden, R.C. (2003). Examining Employee Performance and Turnover Intentions from a Career Perspective, Paper presented at the Annual meeting of the Academy of Management, Seattle.
- [44] Latham, J. & Vinyard, J. (2005). *Baldrige User's Guide: Organization Diagnosis, Design, and Transformation*. New York: Wiley.
- [45] Leibman, M., Bruer, R. & Maki, B. (2006). Succession Management: The Next Generation of Succession Planning. *Journal of Human Resource Planning*. 19 (3):16-29.
- [46] Leland, S., Carman, J. and Swartz, N. 2012. Understanding managerial succession planning at the local level: a study of the opportunities and challenges facing cities and counties. *National Civic Review*, Summer, pp. 44-50.
- [47] Lockwood, N.R. (2006). Talent Management: Driver for Organizational Success, *research Quarterly*, Society for Human Resource Management.
- [48] Luna, G. 2012. Planning for an American higher education leadership crisis: the succession issue for administrators. *International Leadership Journal*, 4(1), pp. 56-79
- [49] Luna, G. 2012. Planning for an American higher education leadership crisis: the succession issue for administrators. *International Leadership Journal*, 4(1), pp. 56-79
- [50] Masterson, K. 2011. *Encouraging faculty retirement goes beyond the financial, college presidents say*. *The Chronicle of Higher Education*, 57(28), A19.
- [51] McClelland J. (1961). *Theory of n-arc leadership*. Beverly Hills, CA: Sage Publications. 176
- [52] McGahan, A. M. (2004). *How Industries Evolve: Principles for Achieving and Sustaining Superior Performance*. Boston: Harvard Business School Press.
- [53] McGregory, S. (1971). *Management and leadership formations*. Vermont, CA: Free Press.
- [54] Mendez & Stander (2011). *Positive Organization. The role of leader Behaviour in work engagement and Retention*, *South African Journal of Industrial Psychology*, (37)1.
- [55] Mugenda, A. & Mugenda, O. (2003). *Research Methods: Qualitative and Quantitative Approaches*. (2nd Ed.). Nairobi: ACTS.
- [56] Mugenda, O. M. and Mugenda, A. G. (2008). *Social Science research: Theories and Principles*. Nairobi: Acts Press
- [57] Mwega, F. M. (2010). *Volatility and Fragmentation of Foreign Aid: A Case Study of Aid Effectiveness in Kenya*. Washington: World bank- Brookings Institution
- [58] NGO Coordination Board (2009). *National Survey of NGOs Report*. Nairobi: NGO Coordination Board
- [59] Nink, D. & Fogg, J. (2006). Succession Planning: Preparing Future Corrections Leaders Now. *Corrections Today*. 68(5), 34-37.
- [60] Oehley, A. (2007). The development and evaluation of a partial talent management competency Model. Unpublished thesis. Stellenbosch. University of Stellenbosch
- [61] Peteraf, C. T. (2003). *Functional Structures and organization performance*. (1st Ed.). Pearson publishers.
- [62] Rothwell, W. (2001). *Effective Succession Planning: Ensuring Leadership Continuity and Building Talent from Within*. (2nd Ed.). New York: Amacom.
- [63] Rothwell, W. 2010. *Effective succession planning: ensuring leadership continuity and building talent from within*, 4th edition. New York: American Management Association.
- [64] Rothwell, W.J. (2010). *Effective Succession Planning: Ensuring Leadership Continuity and Building Talent from Within* (4th ed.). New York: American Management Association.
- [65] Saleemi, N. A. (2009). *Statistics Simplified*. Nairobi: Saleemi Publications Ltd.
- [66] Sandison, P. (2005). *The Utilization of Evaluations*. London: Overseas Development Institute.
- [67] Schmalzried, H. & Fallon, L.F. (2007). Succession planning for local health department top executives: Reducing risk to communities. *Journal of Community Health*. 32(3), 169-180
- [68] Sekaran, U. (2003). *Research Methods for Business: A Skill-Building Approach*. New York: John Wiley and Sons, Inc.

- [69] Stattrek, M. (2009). The stakeholder model of organizational leadership. *Organization Science*, 13(2).
- [70] Sullivan R. J (2010). *Managing change – a strategic approach to organizational dynamics*. (4th ed.). Cambridge: Prentice Hall.
- [71] T. Huang. Succession Planning Systems and Human Resource Outcomes. *International Journal of Manpower*. 2001, 22 (7/8): 736-747
- [72] Tanuja Agarwala (2007) *Strategic Human Resource Management* Faculty of management studies, University of Delhi, Oxford University Press
- [73] Thompson, A. A., Strickland, A.J., & Gamble, J. E. (2007). *Crafting and Executing Strategy – Texts and Readings*. (15th Ed.). New York: McGraw-Hill Irwin.
- [74] Van Dam, K. (2004). *Antecedents and consequences of employability orientation*, *European Journal of Work and Organizational Psychology*, 13 (1), 29-52.
- [75] Weekley (2005). *Management: A global perspective*. (10th Ed.). Singapore: McGraw-Hill.
- [76] Weill, P., Olson, T. & Marorethe, H. (1989). An Assessment of the Contingency Theory of Management Information Systems. *Journal of Management Information Systems* 6(1), 63.
- [77] Weiss, R., (2005). *Exploring Corporate Strategy – Texts and Cases*. London: Pearson Education Ltd.
- [78] Wennberg, T. (2010). *Managing a Nonprofit Organization*. New York: Simon and Schuster, Prentice Hall Press.
- [79] Wernerfel, R., & Rumelt, G. (2004). *Exploring Corporate Strategy – Texts and Cases*. London: Pearson Education Ltd.
- [80] Williams, C.P. (2010), *Succession planning, Theory of Management Information Systems* Oxford University Press
- [81] Zepeda, S., Bengtson, E. and Parylo, O. 2012. Examining the planning and management of principal succession. *Journal of Educational Administration*, 50(2), pp. 136-158.
- [82] Zheng, A. Y. & Kleiner, Brian, H. (2001). 'Developments concerning career development and transition', *Journal of Management Research*, Vol: 24 Issue: 3: 33-39