

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

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**Abstract-** Successional planning is an essential issue within organizations, particularly within non-governmental organizations. The empirical literature depicts that albeit numerous of the non-governmental organizations (NGOs) are run and managed by their initiators or by a small management team, very little is observed as pertains adequate and tactical succession planning as a strategy for long-run survivability. The inadequate succession planning practices could have adverse effects on the organization such as internal inefficiencies, derailed performance or even the collapse, especially when the main players exit the establishment upon old age, retirement or seek greener pastures elsewhere. Such exit predisposes the organization to vulnerability, hindered growth, as well as diminishing its worth for its stakeholders, particularly the donors and target beneficiaries. Intrinsically, the study set to assess the effects of successional planning practices on the performance of (NGOs) in Kenya. Objectively, it examined the relationship between successional planning practices and their influence on turn-over rate, organizational conflict, and shareholder expectations. Ideally, this was achieved through a descriptive approach aimed at registered non-governmental organizations in Nairobi. The study engaged both qualitative and quantitative data obtained from 15 NGOs, then presented the analysed data through illustrative frequency distributions. Conclusively, the study identified successional planning as the persistent concern for (NGOs) pursuing performance sustainability. There was an existing gap between conventional management of (NGOs) in Nairobi and the adoption of successional planning practices. Also, it noted that maintaining relevance, and enhancing other effective managerial capabilities were a core contributor to the sustained performance of the NGOs.

**Index Terms-** succession planning practices turn-over rate, organizational conflict, and shareholder expectations, performance sustainability

## I. INTRODUCTION

Kenya as a developing country is undergoing a tough economic period (Onyango, Njanja and Charles, 2014). However, some spheres in the economy are shedding hope to the compelling situation. Notably, the Non-Governmental Organization Coordination Board (NGO-CB) has described the NGO sector as being such a sphere (NGO-CB, 2009; 2013). The Government of Kenya through the Non-Governmental Organization Coordination Board reported that Nairobi region has observed a growth in the rise of NGOs (GoK, 2012). The

Board also reported a rate of approximately 400 NGOs in the region every year in the last seven years. The sector's progress has been observed to draw from efficient resource utilization, feasible strategies, planning practices, proficient products, and niche identification (Onyango, Njanja and Charles, 2014). Keenly, Couch (2003) outlined an organization as a framework entailing authority, duties, and responsibility through which the earlier mentioned resources are aggregated and coordinated for the attainment of specific proposes. The NGOs draw from this definition; only that they are organizations that are neither part of the government nor are they conventionally purposed for profit business (DeCenzo, 2005). NGOs are established by ordinary entities (individual or organized) and are funded by businesses, foundations, governments, and /or private entities (individual or organized) (DeCenzo, 2005). NGOs are characterized based on their orientation (charitable, empowering, participatory, and service) or degree of cooperation (city-wide, community-based-CBO, national, international NGOs) (GoK, 2012). Such organizations according to Taylor and McGraw (2004) need to operate, perform and sustainably survive in the long-run and still uphold relevance in the market and environment they operate in. NGOs will need survival that will be anchored on their ability to realize and sustain their effective practices over a period. For instance, the growing pressures on the human capital, coupled with organizational restructuring, glowing uncertainties, and up surging program complexities have adversely influenced how NGOs respond to staff retention and career development (Rothwell, 2010). Expectedly, on one hand, NGOs strive for survival and continuity of their operations and activities - this is paramount, on another, resource planning will be indispensable to performance. It does not, however, mean that the significance of other management practices has decreased (OED, 2002). But, contemporarily, the dire requirement for succession planning practices has grown, and organizations are in pursuit of such practices (Caudron, 1999). Recently, (Bendell, 2006) posited that numerous entities are operationalizing successional planning because they have over the years found challenge in retaining particular positive and effective abilities and capacities in their organizations for competitive edging both in the short and long run. He further notes that the emergence of effective practices and the need for sustained performance is because of the compelling modern business environment that has been characterized with ever changing, dynamic and embedding complexities.

## 1.2 Statement of the Problem

Every organization need to continually recognize the critical role of successional planning prior to departure of their top level

management. Nonetheless, in place of such recognition, it is worrisome that in spite of the programs, incentives, policies and support availed at establishing new and revamping existent NGOs, NGOs have continually failed to adopt successional planning practices and performed below the expectation in Kenya (Onyango, Njanja and Charles, 2014). For these organizations to thrive they must have a people (Human Resource) that is a source of immense support of development of the NGOs' objectives and achievements. Organizations are increasingly recognizing the significant asset that comes with this resource and one that could enhance sustainable competitive advantage. Nonetheless, local NGOs have failed to adopt effective human resource management (HRM) practices. Often, the local NGOs fail to realize the prominence of effective management of human resources in enhancing the organizational well-being. Kleinsorge (2010) notes that from this failure, they are not able to invest sufficient resources to enhance their capacity in needed human resource competencies. The inadequate focus on the management of human resource is observed as contributing to organizational conflicts and failing shareholder expectations (Kleinsorge, 2010). It also stands between performance and failure in numerous NGOs in Kenya and other developing countries. Thus, impeding sustainable performance of NGOs (Onyango, Njanja and Charles, 2014).

Fundamentally, local NGOs operate within a project orientation focus. It implies that they have inadequate priority for investing in promoting human resource capacities. Particularly, staff retention and organizational conflicts measures, which suffer most from short term nature of NGOs' projects. Majority of the organizations according to Onyango, Njanja and Charles (2014) lack the capacity to have the right employees at the right time and place. Such organizations face the challenge when hiring and recruiting staff and that of eventually retaining them at the end of the project phases where most staff leave prior to the termination of the projects. Per se, the dynamism encountered in project-oriented NGOs is quite challenging because staff turnovers are frequently high and unpredictable and this subverts programming and ultimately the organization performance and sustainability. NGOs' performance anchors upon effective strategic management. Wangomb'e and Kagiri (2013) noted that ineffective strategic management endeavours such as successive planning by the organizations have constrained performance, much less from unproductive goals formulation, high, turnover rates, growing organizational conflicts and misaligning decisions with meeting shareholder expectations. Even so, these elements y are in their state not an end in themselves, but, merely a channel towards achieving performance. Greer and Virick (2008) described succession planning practices as amongst those activities that organizations will adopt and utilize to maintain the already achieved performance.

Additionally, NGOs rely on the capitalization and investment of donors, who will include private, corporate, and government sourcing (Mwega, 2010; Samuel, 2013). ). The mere fact of NGO financing has elicited immense criticism across the board, considering that reliance on foreign donation to achieve growth and performance is also dependant on an ambient policy setting coupled with sound internal governance, and accountability (OED, 2002). Additionally, beneficiaries of NGOs' anticipate sound support, training, observance of

fundamental rights, just treatment and care. Samuel (2013) observed several NGOs not to address societal issues of their beneficiaries. He noted a low adherence to service provision and poor continuity of engagement and consultation with direct beneficiaries and adjacent community-beneficiaries about planning, service provision, development, and monitoring aspects. Based on the above presentation, there is then a ground that succession planning as a specific strategic management concept is gaining its fair share in organizational performance sustainability. For that reason, successional planning practices may be used by NGOs to align their staff turnover rate, to appropriately address organizational conflict, as well as, meeting their donors' and beneficiaries' expectations. Considerably, Kleinsorge (2010) suggest that such alignment offers NGOs an opportunity to enhance a systematic progression aimed at recognizing, establishing, and stimulating the growth of positive elements in the entity's resource (capital, human, financial, marketing). Thus, a continued organizational succession chain.

### 1.3 Objectives of the Study

#### 1.3.1 General Objective

The study endeavoured to evaluate the effect of succession planning practices on the performance of NGOs in Nairobi.

#### 1.3.2 Specific Objectives

The specific objectives of the study were:

- i. To explore the effects of succession planning on staff retention and its influence of sustained performance
- ii. To examine how succession planning influences organizational conflicts and the eventual effect on performance sustainability
- iii. To evaluate the level to which meeting stakeholder's expectation as a succession planning practice influences the realization of NGO's performance sustainability

#### 1.4 Study Hypotheses

The study set to test the following null and alternate hypothesis:

**H<sub>0</sub>** Succession planning on staff retention has no influence on the sustained performance

**H<sub>1</sub>** Succession planning on staff retention has an influence on the sustained performance

**H<sub>0</sub>** Succession planning on organizational conflicts has no influence on the sustained performance

**H<sub>1</sub>** Succession planning on organizational conflicts has an influence on the sustained performance

**H<sub>0</sub>** Succession planning practices have no contribution to meeting stakeholders' expectations

**H<sub>1</sub>** Succession planning practices contribute to meeting stakeholders' expectations

#### 1.5 Justification

Being a place of pride in virtually every economic sphere, NGOs have aptly been considered as 'the turbines of growth, social equity, development and catalysts for socio-economic transformation (Harris and Fitzpatrick, 2009; McGivern; 1989; Roddy, 2004). The NGO Coordination Board (2009) indicates that having assumed a more significant prominence in the Kenyan socio-economic realms, the NGOs come at a time when there are growing distresses emanating from inequality, poor

distribution of incomes and wealth, poor access to economic, social and infrastructural facilities, inadequate social capacity building, unemployment in the formal sectors that resulted from economic tribulations, enduring societal uncertainty and market unpredictability. With the immense recognition of the role of NGOs, the intention of this study, therefore, was to raise various concerns about the relationship between the conventional resource planning and succession planning on NGO growth and sustainability. Additionally, the study suggested several significances for adequate successional planning practices regarding organizational performance and equally to recommend pinpointed areas for further research. Evidently, several efforts have been geared toward succession planning research, especially in the developed economies (Adler and Gordon, 1992; Athey and Burnside, 2007; Bendell, 2006; and Gross, 2013). Essentially, such studies have sparsely been conducted in a developing economy, particularly Kenya, much less targeting successional planning practices for NGOs upon which this study is anchored.

### 1.6 Scope of the Study

Intrinsically, the study set out in October, 2015 to assess the effects of successional planning practices on the performance sustainability of (NGOs) in Kenya. Particularly, from a population density of 100 NGOs based in Nairobi. The study drew from charitable, empowering, participatory, service, community-based – CBO, national and international NGOs.

### 1.7 Limitations of the Study

Considerably, the study was constrained by time. This occurred on the part of NGOs' executives who the study had challenges timing their presence during weekdays owing to their busy field schedules. Additionally, some participants were unwilling to offer adequate responses, particularly, on management concerns. Notably, the study depended on the assumption that the respondents would be open, willing, and truthful in giving needed information.

## II. LITERATURE REVIEW

Organizational performance as a concept emanates from the idealization that any entity will possess voluntary association of resources i.e. productive assets (capital, human, financial, marketing) under meeting organizational objectives, mission and mandate (DeCenzo, 2005). Staff retention, addressing organization conflict (Tornudd, 2003), and shareholder expectations (Colakoglu, Lepak and Hong, 2006) are a vital aspect contributing to effective and sustainable performance (Rothwell, 2010). Imperatively, associating performance based on the strategic association of resources is a prerequisite to identifying and adopting effective successive planning practices that will ensure such performance is continually pursued in the short and long run Samuel (2013).

### 2.1 Theoretical Review

#### 2.1.1 System's Theory

Lincoln (1985) perceived management of organization through the systems theory. He noted that an organization, just as a system, will exist and operate in a system entailing a range of

components associated to pursue an identified goal. If a single component fails or is inadequate, the entire system is incapacitated too. Essentially, through the 'system theory', such a system will possess integrals such as inputs/ resources (capital, human, financial, marketing), processes (strategizing, planning, operations, control), outputs (goods, services), and lastly aftermaths (organizational productivity, consumer/ stakeholder wellbeing). Ideally, the systems theory describes management as procedural and pursuing organizational succession in all spheres (Harris and Fitzpatrick, 2009; Lincoln, 1985). As such, an organization must align entirely all its wits, resources, and strategies for the system to prosper. Notably, the study identifies these aspects as staff retention, organizational conflicts' resolution, and shareholder outcomes as being integral components that must be systematically aligned through a continued planning and enriched practice. Further, (Huang, 2001) conceptualizes the essence of a successional chain as resulting from continued planning practices. He posited that successive chains fostered synergy, which will be a prerequisite for crafting complimentary or supplementary functionalities for attaining and sustaining performance.

#### 2.1.2 Chaos Theory

Auxiliary, the 'chaos theorists' articulate that with continued operationalization, a system will gradually generate complexity and devaluation, and in the process, will be more unpredictable (Byrne, n.d.). Inherently, there will be a growing need to support the system, including replacement, restructuring and improved infrastructure. With the 'chaos theory', the complexity will grow to an un-tolerable level; thus, will elicit breakdown, splitting, collaboration with other complex systems, or entire collapse. In the presence of effective planning and management, Katz (2000) noted that effective management is a feasible tool when curbing the uncertainty of what managerial or planning practices are to be applied in organizational operations and when to apply them. Such practice calls for a repetitive managerial and planning procedure (Byrne, n.d.). The theory described the fundamentality of handling succession of the human capital and the eventual performance. Clearly, the 'chaos theory' illustrates that successional management coupled with other policies interchanges with organizational practices as progressed by Santorin (2004).

#### 2.1.3 Relay Succession Planning Model

Santorin (2004) developed the first succession model. With "Relay Succession Planning" model, Santorin articulated that the top-level management must pass on their roles and responsibilities to a successor over a period. Organizations preparing this model were found to perform better than those that had not adopted the succession planning strategy. It was because the possible successors had over time been exposed to organizational roles, responsibilities, as well as, challenges. Indeed, they had been prepared to proactively handle both the opportunities and shortcomings in the pre-successional phase. Obviously, the current position holder was able to pass the baton to their successors, offering the latter a chance to validate their reins of leadership and at the time benefit from training. Eventually, successors should perform better in the post-succession phase. Nonetheless, the model indicated that not all

organizations would source the successors internally, but others would opt to source externally to introduce fresh vision and ideas, thus, fostering change in the organization.

#### **2.1.4 Scharmer's Theory U-Model**

Scharmer (2007) developed the second succession model. It highlighted that the top-management had an obligation to embrace and implement successional planning. Firstly, the model perceived successional planning as emerging from the immediate future and enhancing a concept of a 'U' process entailing five movements/ aspects, which could elicit possible change (Scharmer, 2007). The movements embed; (i) Co-initiating (the phase where an organization develops common goal with all stakeholders concerning a future event); (ii) Co-sensing (the phase where an organization appraises the necessities at hand collectively transversely/ on all frontiers – this stage enhances innovation, idea generation); (iii) Presencing (the phase where an organization commences to value their future they so envisage – The futuristic planning appraise a foundation stone for organizational change aimed at an expected end/ outcome. Additionally, in this stage, an organization lets go off any unresolved past concerns and forges ahead to more realistic future); (iv) Co-Creating (Here, the organization looks into the future and prototypes- What could the future hold?). At the fourth stage, Scharmer (2007) indicates that the organization could conceptualize successional planning as a long-term, as opposed to focussing on organizational immediate or current requirements. It is agreed upon by Katz (2000) who described the necessity to examine the organization's strategy and policy, which denote the needed credentials of the successor as a step in realizing a dynamic and sustainable plan in place. (v) Co-Evolving (Scharmer (2007) articulates this could enhance change in an organizational and facilitate implementation of succession planning strategies in the context and scope of an emerging and uncertain future).

#### **2.2 Empirical Review**

Empirical evidence has indicated inadequate human resource management and planning capabilities to be the greatest hindrance to NGOs' success and survival (Huang, 2009). As such, successional human capital development practices and adoption accounts only for over 60% of the NGOs' success (Kleinsorge, 2010). Every business entity will seek to reduce or if possible eliminate uncertainty in moving their staff and the backlash that comes with ever training new staff. Notably, NGOs are often hampered with the impediment; not only linked with perpetual evolving economic, social, political environment, but also, the aspect of changing elements and dynamics of their staff (Bendell, 2006). NGOs find themselves in compelling circumstances that impend their survival concerning their capacity to retain their productive staff (Huang, 2001). Further, the situation is adverse as when their productive staffs move to other enterprises; they are often needed to identify, hire, and recruit new staff, which is often very inefficient (GoK, 2012; Taylor and McGraw, 2004). Staff mobility in itself is very detrimental for NGOs because through it, NGO eventually loses qualified and skilled staff, shrink institutional memory, and loss of organizational identity.

#### **2.3 Performance Sustainability and Survival**

Performance and survival are implicitly the primary goals of any organizations (Gross, 2013). They require the association, investment, and efficient utilization of resources (Devero, 2004). Performance and the eventual survival underprops all other objectives and goals any organization could have (Gross, 2013). Emphasis on these goals influences the satisfaction and implementation of other organizational objectives. Gross describes the two as the 'unwritten law of every organization'. As such, the NGOs just as other for-profit organizations should focus on survival as a prerequisite for its sustainability (Bendel, 2006). These aspects have been observed to be hindered by several internal and external variables, which appear to drain from the efforts by organizations to achieve their objectives through implementing succession planning practices, including staff retention, internal conflicts, and stakeholders' expected outcomes amongst others.

#### **2.4 Succession Planning Strategy**

Taylor (2004) outlined successional planning as relating to human capital planning and development including such practices as job filling for key positions, retaining talent and staff, reducing turnover rate, developing careers, supervisor' support, reducing organizational conflicts and nepotism. Further, Couch (2013) described successional planning as 'the deliberate and systematic emphasis to identify leadership necessities, identify pools that show high-potential personnel at all organizational levels, enhance the progression of mission-critical leadership competencies in the personnel through an intended development, select personnel from the identified pools for pivotal roles and then, continually evaluate and monitor progress. However, successional planning is not all about the filling and retaining of organizational positions Kleinsorge (2010). Indeed, it entails a 'smart' management strategy, which could potentially, ensure that the organization retains effective, certifiable and proven skills, and make sure that it has in place the human capital (skills, competencies, personnel) it needs, or on hand, in order to promptly and proactively respond to the rapidly changing, dynamic and embedding complexities that characterize today's business environment (Scharmer 2007). Ostensibly, the organization could draw from the retained high-performing personnel, both now and in future. It is viewed as a management strategy 'with an eye' for the performance in the long-run McGivern (2011).

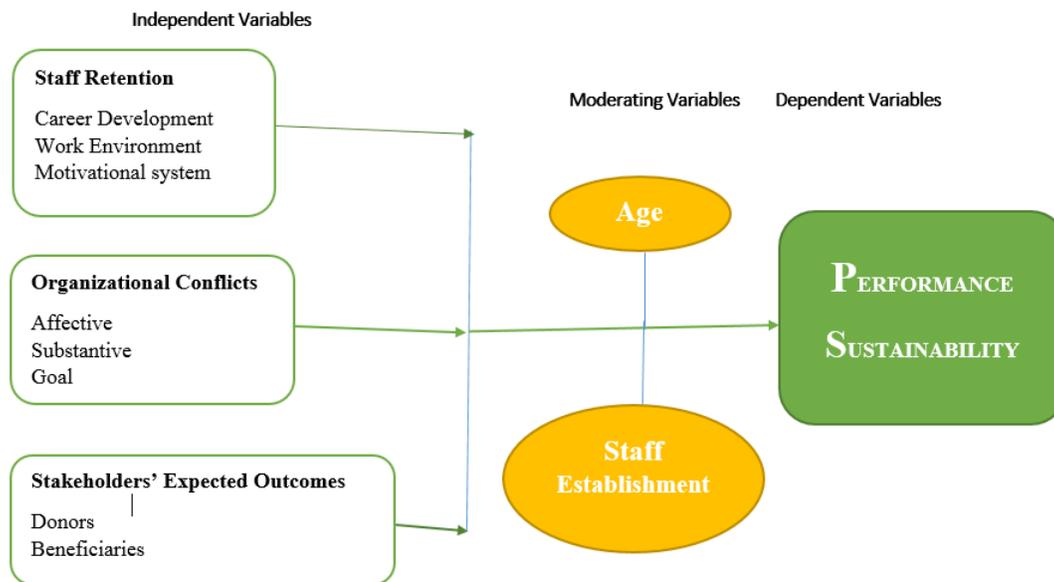
#### **2.5 Stakeholders' Expected Outcomes**

Stakeholders will cover those entities (individual or organized) in the operation environment that will possess vested interests in the existence of NGOs (Samuel, 2013). NGOs' stakeholders are divergent with varying expectations. Such stakeholders will include; government requiring compliance, suppliers concerned with providing NGOs of essentials, community and community groups that expect service delivery and welfare advancement from the NGOs, other NGOs who offer a complete role in the sector, and donors who are the main anchors of their existence through capital development and financing Onyango, Njanja and Charles (2014). Samuel (2013) describes that involvement of stakeholders in the planning and implementation of NGOs' social services facilitates the attaining

of efficiency, ethical practices, and sustainability. Intrinsically, this study focuses on the donors and benefices of the NGOs activities. Especially, beneficiaries will include community and community groups. It will draw from a description by Samuel (2013) to determine the level at which meeting shareholders'

expectations influences performance sustainability; regarding NGOs' adherence to donors' and beneficiaries prospects.

## 2.6 Conceptual Framework



*Figure Conceptual Framework for the Study Source: own modelling*

## III. METHODOLOGY

### 3.1 Research Design

Notably, the study had settled on a descriptive research design in data collection from the respondents. According to Mugenda and Mugenda (2003), the descriptive research design as utilized in this study aimed a fact finding through streamlining a cross-sectional research that was ideal for this case as it was a direct resource of significant knowledge concerning human capital, organizational conflicts, and shareholder outcomes. The descriptive approach also avails questions of whom to study, what when to observe, and how to collect data and analyze it.

### 3.2 Study Population

According to Donald and Delno, (2006), the population will entail a range of individuals' items, ranges or cases from which samples will be taken for measurement and inference. Equally, Mugenda and Mugenda (2008) agrees with this outline and as such possessing homogenous characteristics by which the study produces the results. The population was 1170 NGOs registered with the NGO Coordination Board and based in Nairobi from whom the study obtained respondents (NGO Coordination Board, 2013).

### 3.3 Sampling Frame

The sampling frame will include a list, directory or index of cases from which the sample will be selected (Mugenda and Mugenda, 2008). The subjects from the sampling frame depicted the units of observation in the study. The study's sampling frame was the NGOs based in Nairobi.

### 3.4 Sampling Size and Sampling Technique

The study, given the current constraints of resources, especially time could not cover the entire population. From a population density of 100 NGOs based in Nairobi, that was selected depending on the convenience and proximity the study randomly sampled 10% of the population to sample 10 NGOs based in Nairobi from where 50 respondents were identified. Questionnaires were prepared for the 50 respondents. Going by the guidance by Orodho and Kombo (2012), the study had employed the purposive sampling techniques to identify the respondents who hailed from the top, middle, and lower levels of management of the NGOs and selected donors and beneficiaries. The selected respondents showed a homogenous cluster of interest.

### 3.3 Data Collection Instruments

This study employed the open-ended and closed questionnaires to collect data the respondents. Mellenbergh (2008) identified the questionnaire as a research tool including a set of questions and other prompts pursuing information gathering from respondents. The secondary data was sourced from the literature, which was reviewed from previous researches and peer-reviewed scholarly repositories.

### 3.4 Response Rate

Of the 50 administered questionnaires, 4 of them were returned blank and missing some pages; they were discarded. Additionally, 13 others were inappropriately filled, thus, questioning their reliability. The study settled on rejecting them and furthering the remainder 33 for data coding, clustering, entry and analysis. Thus, a 66 % response rate. It was viable for further analysis; based on Mugenda and Mugenda (2008) who described 50% rate as adequate for data validation.

### 3.5 Data Analysis and Presentation

Considering that the study collected both qualitative and quantitative data, the descriptive and content analysis was used for analysis. Initially, the data was checked for completeness consistency then check for validity and reliability. For presentation, statistical excerpts and frequency distributions were adopted guided by Cooper and Schindler (2008). As such, the following model was used for the linear regression as well as assisting to determine the effect of successional planning practices on the performance sustainability of NGOs:

$$Y_i = \beta_0 + \beta_1 X_i + \beta_2 X_{i2} + \beta_3 X_{i3} + e_i$$

Where:  $Y_i$  = Performance Sustainability of NGOs

$X_i$  = Staff Retention

$X_{i2}$  = Organisational Conflict

$X_{i3}$  = Shareholder Expected Outcomes

$e_i$  = Error Term

$\beta_0, \beta_1, \beta_2, \beta_3$  = Constant of Regression (Unidentified Parameters)

## IV. FINDINGS AND DISCUSSION

This section was based on the discussion of the results attained through analysis data with the SPSS tool. Firstly, the results of the data analysis will be availed then proceeded with the discussion. The first section of the questionnaire sought information regarding the demographics of the respondents (gender, age, marital status, educational level, and work experience). Proceeding, the second part of the questionnaire examined respondents' opinions on their NGOs' succession planning practices. Part three of the questionnaire aimed specifically at successional human capital planning reduce staff turnover rate, and succession planning facilitates staff retention, and NGOs' donors and beneficiaries benefit from succession planning. The respondents were required to point out their responses based on a seven-point Likert Scale where 1 (strongly disagree) and 7 (strongly agree).

### 4.1 Demographics of the Respondents

The results from the first segment are as summarized below illustrating the demographics of the respondents for the study. Expressively, the male constituted 55.1% of the respondents while 44.9% were female. However, the gender proportion was relatively distributed. Entirely all 33 respondents had formal education, where 3% were Ph.D. holders, 48% were MSc. And MBA qualified, the remaining 49% had a graduate degree or diploma. This cluster occupied the top, middle and lower (supervisory) positions in the sampled NGOs. From the marital status, 29.9% were single while 64.7% were married, and the remainder preferred to avoid the question. Notably, from this cluster, there was no indication of either divorce, engagement, separated or widowed. Based on the work experience, 40.2% of the respondents were on the job for 10+ years, 37.8% of the respondents had an experience of 6-10 years, and 22.0% had been engaged with the NGOs for 0-5 years.

### 4.2 Moderating Aspects

The study emphasized on the two core cues as; years of existence in the NGO Sector and staff establishment. From the

sampled population of 10 NGOs based in Nairobi, the mean organizational age ( $M = 2.93, SD = 1.023$ ), which engulfed majority of the sample that indicated they had existed for 11-15 years. Correspondingly, the sample possessed a lean establishment ( $M = 1.74, SD = 1.005$ ); the majority had approximately ten employees on an average.

### 4.3 Correlation Analysis

Proceeding, the correlation matrix is illustrated below as generated from the Person r correlation coefficients occurring between the variables in the study. It indicated that successional planning entailing staff retention, addressing organizational conflicts, and meeting shareholder expectations showed a positive association with the performance of NGOs with a correlation of  $r = 0.743, r = 0.641, r = 0.866$  respectively. Reducing employee turnover rate by enhancing successional staff retention was observed to influence performance sustainability of NGOs. Effective and successional organizational conflict resolution showed a positive correlation with the sustained performance of NGO at  $r = 0.64$  as was the case of Greer and Virick (2008) who emphasized the correlation of successional planning strategy with organizational performance. Lastly, expected donors and beneficiaries' outcomes benefited from the implementation of the two successional planning practices that had positive correlation with performance. It showed a positive correlation of  $r = 0.866$  with performance and correlated positively ( $r = 0.890$ ) with the preceding variables staff retention, addressing organizational conflicts.

### 4.4 Regression Analysis

From the guiding model;  $Y_i = \beta_0 + \beta_1 X_i + \beta_2 X_{i2} + \beta_3 X_{i3} + e_i$ , there was a 95% significance for the majority of the p-values being higher than 0.05. In fact, merely less than 0.05 could be considered as having a 95% confidence level. Per se, successional planning practices of staff retention, addressing organizational conflicts, and meeting shareholder expectations showed a positive effect on the performance sustainability of NGOs. Furthermore, conforming to Greer and Virick (2008) the higher absolute value of Beta ( $\beta_0, \beta_1, \beta_2, \beta_3$  = Constant of Regression) for each variable mirrored the high significance of that variable as translating into the performance sustainability of NGOs. For this study, the translating/ predicting variables were successional planning practices of staff retention ( $\beta_1 = 0.23$ ), addressing organizational conflicts ( $\beta_2 = 0.11$ ) and meeting shareholder expectations ( $\beta_3 = 0.09$ ) as predicting performance sustainability.

### 4.5 Succession Planning Strategy

From the analysis was found out that 36% of the entire respondents strongly agreed that their NGO had a structured strategy and was implementing succession practices. 24% of the respondents indicated that their NGO was in the process of structuring the plan, while 28% indicated the organization had only started planning. The remainder 12% were not aware of successional planning strategy in their organization and such strategy had not been developed. Imperatively, although entirely all sample organizations had adopted succession planning strategy, this was not known by all their employees. Possibly, this may have arisen from a failure to communicate and facilitate

change, poor structuring, and lack of specialization as earlier noted as being one of the impediments of sustained performance in NGOs. Similarly, Katz (2000) found a same relative proportion of organizational employees were aware of the Board's strategy when choosing new C.E.Os. For their organizations. Collectively, 29 respondents who comprised 88% of the responses confirmed their respective NGOs' strategic plan had integrated successional planning practices entailing staff retention, addressing organizational conflicts, and meeting shareholder expectations.

#### 4.6 Succession Planning Practices

##### a) Staff Retention

The results from the third part of the questionnaire indicated that staff retention initiatives were occasionally available, and accessible 26 respondents strongly agreed; they constituted of 78.8%, 16.4% agreed, while the remaining 4.8% indicated such initiatives were not available. Statistically, this implied that a larger proportion of the respondents had at least been introduced to the succession human capital practices, particularly, staff retention aimed at lowering the turnover rate of employees. Also, they indicated they had been involved in these practice. The study conceptual framework had identified indicators for staff retention (Rothwell, 2005), which guide by a seven-point scale were used to examine succession staff retention and its effect on performance sustainability of NGOs. 7= To an extremely large extent, 6= To a very large extent, 5= To a large extent, 4= To a moderate extent, 3= To a less extent, 2= Not at all, and 1= I do not know. Scales 7, 6, 5, and 4 collectively indicated 74.54% of the total responses. Of the indicators, career development was selected as what the organization successional practices most, followed by improving the work environment, and lastly motivational system. Agreeing with Adler and Bartholomew, (1992), the study acknowledges the value of staff retention a competitive strategy in reducing employee turnover, thus, enhancing sustained performance and NGOs' survival. The study had set to test the null hypothesis ( $H_0$ ) that stated  $H_0$  Succession planning on staff retention has no influence on the sustained performance. Resultantly, it adopts the alternate  $H_1$  Succession planning on staff retention has an influence on the sustained performance.

##### b) Organizational Conflict

From the study, the organizational conflict had various aspect, namely; affective conflict, substantive conflict, and goal conflict. In outlining these aspects, the study evaluated the extent to which they influenced organizational resolve of conflicts at the workplace. The following scale was used; 7= To an extremely large extent, 6= To a very large extent, 5= To a large extent, 4= To a moderate extent, 3= To a less extent, 2= Not at all, and 1= I do not know. Resultantly, 52% indicated they had experienced affective conflict, followed by 49% who pointed out substantive conflict, while those who had experienced goal conflict were 29%. Notably, the literature reflected organizations as living open systems entailing various interacting units, which jointly perform specific duties and responsibilities within a structure of limited resources (Tornudd, 2003). Fundamentally, conflicts manifest in the organizational workplace regarding the allocation of resources, primary conflict about the structure of their organization and the fundamental nature of their interaction

(Aubert, 1963). The study agreed with Aubert (1963) that resolution could be amicably managed through organizational structures, methods, and processes (Sheppard, 1992). Even so, when organizational conflicts are not addressed among staff or other conflicting parties, it is detrimental and destroys as well, derailing organizational focus and performance. The study had set to test the null hypothesis ( $H_0$ ) that stated  $H_0$  Succession planning on organizational conflicts has no influence on the sustained performance. Resultantly, it adopts the alternate  $H_1$  Succession planning on organizational conflicts has an influence on the sustained performance.

##### c) Stakeholders' Expected Outcomes

Particularly, this variable had two indicators, namely; donors and beneficiaries. The results indicated no problematic correlations (higher than 0.8) while the determinant of the matrix was  $0.976 >> 0.00001$ . Indeed, the correlation output indicated no concerns of multi-co-linearity because all the questions relatively correlated. The influence of succession planning practices on stakeholder expected outcomes was evaluated through a multiple regression analysis involving the various variables of succession staff retention planning and stakeholder outcome and succession organizational conflict planning. The former showed a positive correlation of interaction between effective and successional retaining staff aimed at lowering the turnover rate and achieving performance a prerequisite effort stakeholder involvement. As such, successional planning practices in staff retention had a significant influence on the donors and beneficiaries' expected outcomes. Correspondingly succeeding practices in addressing workplace conflicts were shown to impact positively on the organizational performance. The correlation was evidently positive. This concurred with Samuel (2013) when he was examining the level of NGOs' participation of governance on accountability to stakeholders in Kisumu. Donors and beneficiaries of NGOs draw immensely for an enhanced and continued performance from the NGOs. The study had set to test the null hypothesis ( $H_0$ ) that stated  $H_0$  Succession planning practices have no contribution to meeting stakeholders' expectations. Resultantly, it adopts the alternate  $H_1$  Succession planning practices contribute to meeting stakeholders' expectations.

## V. CONCLUSION

### 5.1 Summary

One of the most significant objectives of an organization is realizing growth and performance, thus leading to survivability. Hence, it is imperative to employ various resources in the organization to achieve organizational goals. Particularly, the human capital is the most important resource for goals realization. Although, survivability assumes the most emphasis, the study opines that the primary concern is that these organizations perceived successional planning practices as huge and failed to adopt them. Three core independent variables covering the successional planning concept namely, Staff Retention, Organizational Conflict and meeting stakeholder expected outcomes play an obligatory role in stimulating the organizational survival in the Non-Governmental Organizations in Kenya. The high positive correlations between the independent variables and the dependent variable – Performance

Sustainability offer a wisdom avenue for the operationalization and management of these NGOs in an effort of lowering their employees' turnover rate through career development, improving work environment and motivational systems, resolving affective, substantive, and goal conflicts, and meeting expected outcomes by donors and beneficiaries. Additionally, NGOs through successional planning concept will sustain their relevance and remain in the sector in the long-run.

## 5.2 Recommendations

The study recommends based on the study finding that key challenges included the high NGO's employee turnover rate and growing organizational conflict. It observed that NGOs should establish appropriate staff retention strategies, focus on the fundamentals of organizational communication, conflict management strategies and styles. Such strategies should be implemented at all organizational levels in an endeavour of realizing performance and survivability. Thus, being able to meet their respective stakeholders' expected outcomes. It is essential to conduct appropriate research to examine what other organizations are doing and how they do it to enhance their effectiveness, efficiency regarding resource utilization, processes, and technology, capacity relating to generation of results/ output, as well as, concerns of sustained or continued performance and survivability and lastly their responsiveness to the environment and future uncertainties. Lastly, since the study was more exploratory and descriptive, there is the need for more refined research to define some of the parameters and trends that could not be achieved in this study. Future research should seek to extend the determination of the study to definitively avail solutions for the key issues in succession planning.

## 5.3 Conclusion

The study attained significant findings to the set objectives of successional planning practices. Accordingly, the study concludes that numerous NGOs in Kenya do not adequately adopt successional planning. Possibly, due to varying perception of the practices by the Board members and top-level management. While some NGOs have adopted the successional planning practices, the adoption is yet to be finalised. Resultantly, there is a poor transition of leadership within the organizations, which is not effective for organization seeking performance and sustainability. The study concludes that effective Succession planning on staff retention, organizational conflicts and meeting stakeholders expected outcomes has sound influence on NGOs' performance.

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