

Succession Planning and Job Commitment: Moderating Role of Employees' Satisfaction in Selected Beverages Companies in Lagos Metropolis

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Abstract

Purpose of the article: Succession planning has become a misconstrued phenomenon in a global environment where organisations largely depend on their human resources for achievement, continuity and effectiveness.

Methodology/methods: Data for this research were collected from three Beverages companies in Lagos, Nigeria, with 244 administered questionnaires, retrieved and analysed using the regression analysis.

Scientific aim: This paper examines the Moderating Role of Employees' Satisfaction on Succession Planning and Job Commitment in the manufacturing sector.

Findings: The result showed that succession planning significantly impact on employees' job commitment. The findings indicated a variance of 52% between mentoring and affective commitment, however when the moderating variable of employees' satisfaction was established, the R-squared increased to 56.8% while the significance of the F-change assessed show significance at 0.0001.

Conclusions: The study recommends that when organizational replacement is done, it should meet the present and future need as well as the corporate objectives of the organization and that management should handle the issue of Succession Planning with high sense of objectivity in order to achieve organizational efficiency, among others.

Keywords: skill development, performance evaluation, mentoring, succession planning, job commitment

JEL Classification: L20, M10

Introduction

The concept of succession planning has become a misconstrued phenomenon in a global environment where organizations largely depend on their human resources for achievement, continuity and effectiveness, and subsequently identify enhanced strategies for attracting, acquiring, developing, and rewarding employees' performance at work. Replacing employees and not developing them has become big and common mistake by organizations both in developing and developed nations. Though, studies have shown that, in order to ensure long-range stability in the management positions of an organization, a succession planning is required. Prior research indicated that the value of succession planning includes: identification of key positions; identification of business needs and determination of long term strategy; assessment and development of employees' needs (Mehrabani, Mohamad, 2011). Many organisations discuss succession planning only when they need to replace some personnel. But to best prepare for the future and best serve their members, management should consider acting much earlier to establish succession policies and procedures that are crucial to board governance (Galagan, 2010; Bocatto *et al.*, 2010). Succession planning is important because it ensures that management of organisations have high-functioning, dedicated and committed trustees who work toward great outcomes for the plan (Brent, 2013). Couch (2013) indicated that a dysfunctional management with poor succession planning introduces risk and increases the likelihood of poor outcomes affecting every plan member. A major consideration in succession planning and the selection process is whether experience and leadership should be the key selection criteria for new trustees. Demographics are another consideration: A board that does not reflect its membership is destined not to serve its members (Hewitt, 2014;

Richtermeyer, 2011). According to Walker (2011), succession planning is the process whereby a board identifies and develops members who have the potential to fill key positions in the organisation. These positions can be leadership or specialist roles, depending on the composition of the positions. Succession planning increases the probability of having the right person(s) available for roles when they become vacant (Tahrawi, 2010; Neetha, 2011). Having a succession plan also helps individuals develop and prepare for future roles. Talent management and replacement management are other terms for succession planning but, effectively, they all have the same objective of ensuring that management has a talent pool of potential candidates when vacancies occur (Obaga, 2010; Marrelli, 2010). The process of creating or considering a succession plan is very much board-specific. Succession plans normally consider what an ideal manager would look like in terms of life experience, work background, fiscal or budgeting knowledge, collaborative skills, communication abilities and leadership (Mehrabani, Mohamad, 2011; Oluoch, 2013). Firms carry out succession plans with varying degrees of skill and sophistication. By adopting a comprehensive, well designed succession plan, a firm can strengthen its human resource function and more effectively tap the full potential of its human resources. But what remains controversial is the implementation of such process. Through the years, organizations have realized that they can discover their future managers and leaders inside their own organizations. They also, find out that using tools such as succession planning can facilitate the achievement of their future potentials' needs (William, 2015). Though, finding the elements and methods of developing the talent management programmes is the concern of many researches (Rothwell, 2010). Several researches and studies about succession planning have been conducted during the past decade when leading-edge organizations

adopted formal succession planning methods (William, 2015). The process of managing the performance of employees in an organization is often vague, the areas of performance for which an individual is responsible are often unclear and evaluations are often not based on actual performance but on the perceptions and judgment of an employee's immediate boss (Ovidiu, 2013). Therefore, an ill-conceived and ill-considered performance perceptions for succession planning can create tensions in the organization. Evidently, limited studies have been carried out to explain the role of succession planning but failed to explore its significance in expediting employees' commitment. A gap exists in the literature regarding the contribution of multiple aspects of career management on affective outcomes which this study simultaneously investigated. Therefore, this survey addressed the effects of the independent (succession planning) variables performance evaluation, mentoring, skill development, managerial style are the dependent variable of job commitment in transition economy and in particular Nigerian Beverages companies.

To investigate the relationships, the following research questions are posed:

1. To what extent does mentoring (H1) impact on employees' satisfaction to facilitate affective commitment?
2. In what ways does skill development (H2) and performance evaluation (H3) affect employees' satisfaction for normative commitment?
3. To what extent does managerial style (H4) influences continuance commitment?
4. To what extent can employees' satisfaction moderate the relationship between succession planning and job/employee commitment?

1. Literature Review

According to Collins (2009) succession planning is defined as a process that provide smooth leadership transition across the organization. Tropiano (2004) view succession planning as a strategic, systematic and deliberate effort to fill high level positions by develop competencies in potential leaders through learning experiences and educational training. Charan *et al.* (2001) cited in Osibanjo, Abiodun and Obamiro (2011) however gave a definition that looks more

Operationalization of variables

$X=f(Y)$
 X =Succession Planning
 Y =Employee/JobCommitment
 X =Succession Planning ($X_1, X_2, X_3, X_4, X_5, \dots X_n$)
 X_1 =Mentoring and Coaching
 X_2 =Skill Development
 X_3 =Performance Evaluation
 X_4 =Managerial Style
 Y =Employee/Job Commitment ($Y_1, Y_2, Y_3, Y_4, Y_5, \dots Y_n$)
 Y_1 = Affective commitment
 Y_2 = Normative commitment
 Y_3 = Continuance commitment

Figure 1. Schematic Model showing the relationships among the Variables. Source: Authors.

into the future by asserting that succession planning is perpetuating the organization by filling the pipeline with high performing individuals to guarantee that every leadership level has sufficient number of these performers to draw from, now and in the future. Rothwell (2005) examined succession planning as a staffing responsibility that relates to promotions, terminations and retirement. In addition, succession planning has a direct impact on reducing staff turnover. Succession planning is a deliberate and systematic effort by an organisation to ensure leadership continuity in key positions, retain and develop intellectual and knowledge capital for the future, and encourage individual advancement (Rothwell, 2001). Succession planning can also be viewed as, a process which ensures the continued effective performance of an organisation by establishing a process to develop and replace key staff over time. Scharmer (2007) asserted that succession planning is joint provision of a transformational stage in the course of which management explores the future. Gothard and Austin (2010) argued the succession planning entails an organized process which involves identifying and preparing possible successor to take on new role. Though, this definition is direct and compact, it lacks the futuristic strength seen in Charan's definition. Succession planning is also viewed as "the process that helps ensure the stability of tenure of personnel, which entails any effort designed to ensure the continued effective performance of an organization, division, and department or work group by making provision for the development, replacement and strategic application of key people over time" (Rothwell, 2001). Here, succession planning is seen as a proactive approach to developing talent from within the establishment through planned training programs. Kolhatkar and Banerjee (2015) defines succession planning as a process by which one or more successors are identified for key posts (or groups of similar key posts), and career moves and/

or development activities are planned for these successors. Succession planning entails preparing the agency for a change in leadership and assessing what has been valuable and how that can be preserved and transferred to the subsequent regime. Succession planning is also considered as a process through which superior talent are recruited, their knowledge, skills and abilities developed so as to prepare them for advancement or elevation into a more challenging roles (Ahmadi *et al.*, 2012). Osibanjo *et al.* (2011) cited Hall (1986) asserted that identification of the organizational long term goal is key to the effective implementation of succession planning in organization. Hence, they argued that organization need to concentrate resources on key employee retention, in order not to jeopardized the succession planning process resulting from loss of key employees to competitors. Henry Fayol was one of the first proponent scholars to recognize and emphasize the organizational need for succession planning. Without this plan on ground, key positions within the organization would be filled with unprepared and unequipped hands (Rothwell, 2001). Contemporary scholars and writers have taken Fayol's thoughts a step further by advocating that succession planning is vital to an organization's survival in this present competitive world (Rothwell, 2001; Wellins, Byham, 2001). A robust succession plan identifies a number of these traits and skills and ranks them from essential to desirable to nice to have. In turn, the management board informs plan members about the traits and skills it is seeking so that the process is transparent and well-understood by all members (Mehrabani, Mohamad, 2011; Bocatto *et al.*, 2010). Internally communicating these traits also allows candidates to identify themselves as potential workers (Brent, 2013; Renz, 2010). Mainly, succession planning offers continuity to leadership, which is vital for organizations to survive as CEOs and Senior Management positions become vacant due to retirement,

death, disability among others. Succession planning aids companies to strategically place the right persons in the right leadership positions for the future (Rothwell, 2001). One significant result of human resource planning is succession planning, which is a process of identifying a long-term plan for the orderly replacement of key employees. As far as Nigeria is concern, the issue of succession planning is a critical one, where most businesses hardly outlive their owners or most go into extinction soon after the exit of their owners, and in most cases without a succession plan in place, and this is common with small, medium and even the big indigenous companies in the country. Although this is not usually the case with their multinational counterpart, owing to their global presence and the influence of the western developed countries where succession planning had been entrenched in the organizations goals. Thus it is important that success seeking companies should develop a strategic succession plan for the entire organization, as this will help in the maintenance of the organization structure in the mist of the competitive business environment. Succession planning therefore cannot be over emphasized due to its strategic nature in ensuring the survival of any organization, institution, firm or company. Hence the need to investigate the relationship among the following research variables:

i. Mentoring/Coaching and Employee's Affective Commitment

The stability of the organization is threatened due to sudden occurrence and lack of immediate successor resulting from lack of mentoring and coaching of junior personnel to assume key position (Tareef, 2012). To guarantee the stability of the organizational operation from sudden occurrence like death of the CEO among others, effective succession management practice through mentoring and coaching is key. Organization knows this fact that employees of the organizational can

quit their jobs either voluntary (retirement or pursue new aspirations) or involuntary (relieve of appointment, disability or death), hence organizations are faced with vacancies in leadership or inadequacy or lack of competent and capable successor to fill the vacancies. By exploring mentoring and coaching, organizations are to act now and begin to plan for succession before top managers are ready for retirement (Korn, 2007). Charan *et al.* (2001) argue that it is essential for organizations to train successors before the vacancies are created. Once these vacancies are created without immediate replacement at top position it obstructs the operation of the companies and once this persist it affect the stability of the organization in the long run. However, with effective mentoring capable hands with affective commitment to the organization, are develop to assume any key position without the operational activities affected or stability of the organization threatened. No organization can rely on obtaining critical, highly skilled personnel at a moment's notice. It can therefore be hypothesized that:

H1: Mentoring/Coaching has positive effect on employee's affective commitment.

ii. Skill Development and Employees' Normative Commitment

All jobs in organizations are done through people, yet over the years, most organizations have failed to put the necessary attention to employee training and development. Many managers in organizations, because of the fear of job loss and eventual taking-over by subordinates, feel threatened to recommend their subordinates for training programmes whenever the opportunity arises. The role and importance of human resources in the long term viability of any business or non-profit making enterprises cannot be overemphasized. Although, other resources, such as financial, information, physical are also essential, but human resources are virtually boundless in the potential impact of the

organization (Armstrong, 2011). There is no doubt that in this advanced age of development and technological breakthrough, Human resource must be developed to meet the challenges of modern technology. Trained and well-developed manpower is the essential ingredient for efficiency and effectiveness in any human organization (Dessler, 2007). Unfortunately, in this contemporary times, the overwhelming and pervasive role of manpower resources in organization seem to be compromised to the extent of misplacing its role in the achievement of organizational objectives. Many organizations paid little or no attention to the issue of training and developing adequate manpower for achieving organizational goal or objective, hence, this has negatively prevented such organizations from achieving their goals and objectives. We therefore hypothesized thus:

H2: *Skill development has influence on employees' normative commitment satisfaction.*

iii. Performance Evaluation and Employees' normative commitment

Performance evaluation is a part of the process of guiding and managing career development in both private and public sectors. It involves the task of obtaining, analysing and recording information about the relative worth of an employee to the organization. Zhang (2012) states that performance appraisal is an analysis of an employee's recent successes and failures, personal strengths and weaknesses and suitability for promotion or further training. An organization's performance appraisal programme is generally created and implemented to meet both evaluative and developmental objectives (Rostami *et al.*, 2015; Ibidunni *et al.*, 2016). Many organizations fail to assess periodically whether those objectives are being achieved. Often, appraisal programmes are set in motion and left to function, sometimes dimly without a thorough examination of their effectiveness. In extreme cases, ill-conceived and poorly implemented appraisal

programmes may contribute to negative feelings between employees and management, perceptions of unfairness, hindered career development and discriminatory (and illegal) employment practices. In many Nigerian firms, performance appraisal is focused solely on the evaluative aspect thereby overlooking its use for facilitating growth and development in workers through coaching, counseling, training and feedback of appraisal information (Adeniji, Osibanjo, 2012). Unfortunately, the number of organization using an effective performance appraisal system is limited. However, when performance becomes subjective, it may lead to job dissatisfaction. We therefore hypothesized thus:

H3: *Performance Evaluation has positive effect on Employees' normative commitment.*

iv. Managerial Style and Employees' Continuance Commitment

Succession planning is concern with the future of the organization and who leads that future is very important to the going concern and success of the organization. The managerial skills and style of the person that assume this important position is key to the organizational success as well support he gets from the employees in form of their continuance commitment (Wollard, Shuck, 2011). The board of directors with their years of experience and managerial expertise have full responsibility in succession planning in the organization. The board as part of its oversight function work with the strategic unit heads, and the human resource decides who takes over the helm of affairs in the organization when succession need arises. Leaving this crucial role and function to the human resource department solely means an aberration to the board role in the organization. The head of human resource could have his favoured candidate for the position of the CEO, who may not be the best fit for the position, but due to neglect of the board on this all important assignment, the proposed human resource candidate could become

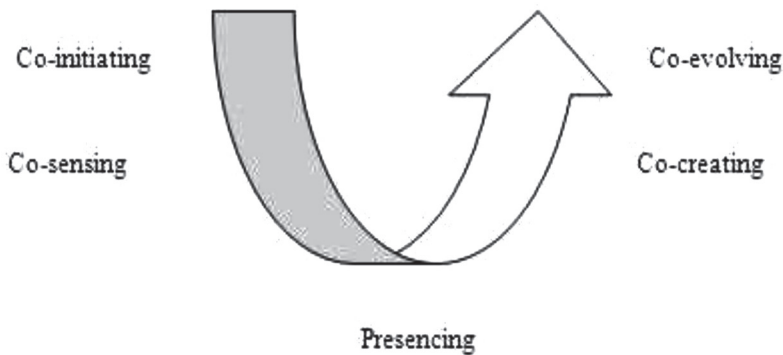


Figure 2. Scharmer's Theory U Model. Source: Scharmer (2007).

the new CEO of the organization. But in this era of high competition in the business environment, the board cannot afford to jeopardize the future of the organization as the best of brain is needed saddle the leadership horse of the organization, hence all the expertise and experience of the board will come to play here in selecting a good successor for the organization if the organization is to survive and succeed. Based on this, we hypothesize that:

H4: *Managerial style has positive effect on Employees' Continuance Commitment.*

1.1 Theoretical Underpinnings

Several models and theories underpin the subject of succession planning. Two (2) of such theories (Relay succession Planning Model and Scharmer's Theory U Model) were adopted for this study.

i. Relay Succession Planning Model

Santorin (2004) proposed the first succession model, called "Relay Succession Planning". In this model, Santorin argued that current Chief Executive Officer of the organization should pass the baton to a successor over a long period of time. The effect on organization adopting this type of model and the one that does not was seen in Santorin's research work. The study revealed that organizations that adopt relay succession plans perform better than organization that does not as suc-

cessors were better groomed and exposed to organizational challenges during the pre-succession phase. Apparently, the incumbent Chief Executive Officer was able to transfer the baton in real time given the successor the opportunity to test what it takes to be in power at the helm of affairs in the organization while at the same time receiving training. Similarly, post –succession challenges are easily overcome by the successor because he is a tested hand having the experience speaking for him. However, it is pertinent to note that not all organization will prefer to use relay succession planning model, as some companies would want to bring in outsider into the system to inject new ideas, new vision and bringing in the desired positive change into the system. Santorin's work revealed clearly that companies that adopt relay succession model witness higher return on investment in the long run (Santorin, 2004).

ii. Scharmer's Theory U-Model

Scharmer (2007) proposed the second succession model called "Scharmer's Theory U Model". Scharmer advocates that the top Management team should accept and act to implement succession planning. The model is shown in Figure 2.

The model proposes the following. Firstly, the model views succession planning as starting from the immediate future with a concept

of U shape having five process movements as shown above that can make organizational change possible (Scharmer, 2007). These process of movements are; (1) Co-initiating – here along with all the stakeholder organization establishes a common purpose about a future event. (2) Co-sensing – here organization sees the need at hand jointly across boundaries at this second movement stage. New ideas and innovation happens here through joint input at this stage. (3) Presencing is the third stage, here the leadership of organization starts to see the future they had envisioned (Scharmer, 2007). Organization are spur to an expected end as a result of the advance plan that had established the ground for change. More so, organizational management let go off unresolved conflict issues and forges to a more convincing future.

2. Methodology

The descriptive research design was adopted for this study. Data for this research were collected from Beverages companies. The companies selected from the sector include: Nestle Plc (Ilupeju, Lagos), 7Up (Ijora, Lagos) and Flourmill (Apapa, Lagos), with the sector group headquartered in Lagos, Nigeria. The selected companies have emerged as the oldest in the sector and one with the highest value on Nigerian stock exchange (NSE, June, 2016). A purposive sample of two hundred and forty-four (244) workers were selected to participate in this study. Furthermore, it is important to state that, data for the study were obtained through the use of self-structured questionnaire and adapted items from the reviewed literature were based on 5– point Likert scale. The research variables on succession planning were measured using questionnaire developed by Rosenwald, Wendell (2013). The use of questionnaire was adopted and the procedure for reliability statistics test was based on standardized items produced a result of

Cronbach’s Alpha of .811. Considering that 0.70 is the acceptable cut-off value, the result is reliable. Data analysis procedure was done using both the regression and SPSS 21 version/AMOS 22.0.

3. Results and Discussion

The demographic characteristics of the respondents are presented in Table 1. The male population constituted 59.3% while the female represented 40.7% of the total respondents; age bracket 31–40 years constituted 51.4%. Furthermore, the marital status indicates 69.7% of the population. Also, 79.1% of the respondents have acquired first degree (B.Sc/HND) representing 79.1% of the respondents. This implies that the respondents are qualified and competent for this survey. While average number of respondents have been on the job between 1–9 years representing 52.7% of the respondents. The sample may be considered adequate with reference to the distributions of these characteristics.

Table 1. Demographic composition of the sample.

| Characteristics | Sub-Profile | Percentage |
|---------------------------|--------------------|------------|
| Gender | Male | 59.3 |
| | Female | 40.7 |
| Age | 19–30 years | 21.7 |
| | 31–40 years | 51.4 |
| | 41–50 years | 17.3 |
| | 51 years and above | 9.6 |
| Marital Status | Married | 69.7 |
| | Single | 21.2 |
| | Others | 10.1 |
| Educational Qualification | NCE/OND | 10.2 |
| | BSc/HND | 79.1 |
| | Others | 10.7 |
| Length of Service | 1–10 years | 52.7 |
| | 11–15 years | 33.9 |
| | Above 16 years | 14.4 |

Source: Field work, 2016.

Note: Staff strength = 198

3.1 Hypotheses Testing

This study revealed in model 1 (Table 2) that there is relationship between mentoring and affective commitment at $r=0.721$, R-Square is the proportion of variance in the dependent variable which can be predicted from the independent variable. This value indicated that there is variance of 52% between mentoring and affective commitment. The relationships among mentoring, employees' satisfaction and affective commitment were also established at $r=0.756$ while the R-Square has now increased to 56.8%. The significance of the F-change was assessed and it was significant (0.0001).

The Table 3 the results of two models. The first model is about the effect of mentoring on affective commitment. The F-value is the Mean Square Regression (27.690) divided by the Mean Square Residual (0.130),

yielding $F=212.306$. From the results, the model 1 in this table is statistically significant ($Sig=0.000$). The second model is about the effect of both mentoring and employees' satisfaction on affective commitment. The F-value is the Mean Square Regression (15.236) divided by the Mean Square Residual (0.117), yielding $F=130.426$ at acceptable significant level of .0001.

Based on the results in model 2, the Table 4 revealed the contributions of mentoring and employees' satisfaction on affective commitment and their levels of significance (mentoring; $\beta=0.471$; $t=9.200$; $p<0.05$, emp_satisfaction; $\beta=0.243$; $t=4.881$; $p<0.01$). The significance level of all the variables are less than 0.05 and the level of significance of F change is also less than 0.05. Based on the results above, it is therefore justified that the alternative hypothesis should be accepted

Table 2. H01 Mentoring (H1) does not impact on employees' satisfaction for affective Commitment.

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
|-------|--------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | 0.721 ^a | 0.520 | 0.518 | 0.36114 | 0.520 | 212.306 | 1 | 196 | 0.000 |
| 2 | 0.756 ^b | 0.572 | 0.568 | 0.34179 | 0.052 | 23.824 | 1 | 195 | 0.000 |

a. Predictors: (Constant), mentoring

b. Predictors: (Constant), mentoring, emp_satisfaction

Dependent Variable: affect_comm

Source: Authors own study.

Table 3. Effect of mentoring, employees' satisfaction on affective commitment.

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|-----|-------------|---------|--------------------|
| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
| 1 | Regression | 27.690 | 1 | 27.690 | 212.306 | 0.000 ^b |
| | Residual | 25.563 | 196 | 0.130 | | |
| | Total | 53.253 | 197 | | | |
| 2 | Regression | 30.473 | 2 | 15.236 | 130.426 | 0.000 ^c |
| | Residual | 22.780 | 195 | 0.117 | | |
| | Total | 53.253 | 197 | | | |

Predictors: (Constant), mentoring

b. Predictors: (Constant), mentoring, emp_satisfaction

c. Dependent Variable: affect_comm

Source: Authors own work.

Table 4. Contributions of mentoring and employee satisfaction on affective commitment.

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|-----------------------------|-----------------------------|------------|---------------------------|--------|-------|-------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 (Constant) | 1.615 | 0.190 | | 8.512 | 0.000 | | |
| mentoring | 0.623 | 0.043 | 0.721 | 14.571 | 0.000 | 1.000 | 1.000 |
| 2 (Constant) | 1.235 | 0.196 | | 6.314 | 0.000 | | |
| mentoring | 0.471 | 0.051 | 0.544 | 9.200 | 0.000 | 0.626 | 1.597 |
| mentoring, emp_satisfaction | 0.243 | 0.050 | 0.289 | 4.881 | 0.000 | 0.626 | 1.597 |

Dependent Variable: affect_comm

Source: Authors own study.

while the null hypothesis should be rejected. It can therefore be concluded that mentoring significantly impact on employees’ satisfaction for affective commitment.

3.2 Hypothesis two and three

This study revealed in model 1 (Table 5) that there is relationship between skill development and normative commitment at $r=0.047$. This value indicated that there is variance of 4.7% between skill development and affective commitment. In the same vein, model 2 indicated that there is also a relationship among skill development, performance evaluation and normative commitment at $r=0.047$ representing a variance of 4.7%. The relationships among skill development, performance evaluation, employees’ satisfaction and normative commitment were also

established at $r=0.049$ while the R-Square has now increased to 4.7%. The significance of the F-change was assessed and it was significant (0.0001).

The Table 6 has the results of three models. The first model is about the effect of skill development on normative commitment. The F-value is the Mean Square Regression (10.138) divided by the Mean Square Residual (1.054), yielding $F=9.614$. From the results, the model 1 in this table is statistically significant (Sig=0.000). The second model is about the effect of both skill development and performance evaluation on normative commitment. The F-value is the Mean Square Regression (5.069) divided by the Mean Square Residual (1.060), yielding $F=4.783$ at acceptable significant level of .0001. Finally, the third model explains the effect of

Table 5. Skill Development (H2) and Performance Evaluation (H3) do not affect Employees’ Satisfaction For Normative Commitment.

| Model Summary | | | | | | | | | |
|---------------|--------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | 0.216 ^a | 0.047 | 0.042 | 1.02687 | 0.047 | 9.614 | 1 | 196 | 0.002 |
| 2 | 0.216 ^b | 0.047 | 0.037 | 1.02950 | 0.000 | 0.000 | 1 | 195 | 0.991 |
| 3 | 0.221 ^c | 0.049 | 0.034 | 1.03104 | 0.002 | 0.417 | 1 | 194 | 0.519 |

a. Predictors: (Constant), skill_devpt

b. Predictors: (Constant skill_devpt, perf_evaluation

c. Predictors: (Constant), skill_devpt, perf_evaluation, emp_satisfaction

d. Dependent Variable: normat_comm

Source: Authors own study.

Table 6. Effect of skill development, performance evaluation and employee satisfaction on normative commitment.

| ANOVA ^a | | | | | | |
|--------------------|----------------|---------|-------------|--------|-------|--------------------|
| Model | Sum of Squares | df | Mean Square | F | Sig. | |
| 1 | Regression | 10.138 | 1 | 10.138 | 9.614 | 0.002 ^b |
| | Residual | 206.675 | 196 | 1.054 | | |
| | Total | 216.813 | 197 | | | |
| 2 | Regression | 10.138 | 2 | 5.069 | 4.783 | 0.009 ^c |
| | Residual | 206.675 | 195 | 1.060 | | |
| | Total | 216.813 | 197 | | | |
| 3 | Regression | 10.581 | 3 | 3.527 | 3.318 | 0.021 ^d |
| | Residual | 206.232 | 194 | 1.063 | | |
| | Total | 216.813 | 197 | | | |

Predictors: (Constant), skill_devpt

b. Predictors: (Constant skill_devpt, perf_evaluation

c. Predictors: (Constant), skill_devpt, perf_evaluation, emp_satisfaction

d. Dependent Variable: normat_comm

Source: Authors own study.

skill development, performance evaluation and employees' satisfaction on normative commitment. The F-value is the Mean Square Regression (3.527) divided by the Mean Square Residual (1.063), yielding F=3.318 at acceptable significant level of 0.0001.

Based on the results in model 3, the Table 7 above revealed the contributions of skill development, performance evaluation and

employees' satisfaction on normative commitment and their levels of significance (skill_devpt: $\beta=0.396$, $t=3.053$, $p<0.05$; perf_evaluation: $\beta=0.222$, $t=2.258$, $p<0.05$; emp_satisfaction: $\beta=0.382$, $t=4.246$, $p<0.01$). The significance level of all the variables are less than 0.05 and the level of significance of F change is also less than 0.05 (0.0001). Based on the results above, it is therefore

Table 7. Contributions of skill development, performance evaluation and employees' satisfaction on normative commitment

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|-------|--|------------|---------------------------|-------|-------|-------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | 2.230 | 0.519 | | 4.295 | 0.000 | |
| | Skill_devpt | 0.393 | 0.127 | 0.216 | 3.101 | 0.002 | 1.000 |
| 2 | (Constant) | 2.232 | 0.558 | | 3.999 | 0.000 | |
| | Skill_devpt | 0.394 | 0.129 | 0.216 | 3.043 | 0.003 | 0.967 |
| | Perf_evaluation | 0.101 | 0.178 | 0.171 | 2.012 | 0.001 | 0.967 |
| 3 | (Constant) | 2.445 | 0.649 | | 3.766 | 0.000 | |
| | Skill_devpt | 0.396 | 0.130 | 0.217 | 3.053 | 0.003 | 0.966 |
| | Perf_evaluation | 0.222 | 0.186 | 0.120 | 2.258 | 0.007 | 0.799 |
| | Skill_devpt, Perf_evaluation, Emp_satisfaction | 0.382 | 0.164 | 0.228 | 4.246 | 0.002 | 0.819 |

Dependent Variable: normat_comm

Source: Authors own study.

justified that the alternative hypothesis should be accepted meaning that skill development and performance evaluation significantly impact on employees' satisfaction for normative commitment.

3.3 Hypotheses Four

This study revealed in model 1 (Table 8) that there is relationship between managerial style and continuance commitment at $r=0.132$, this value indicated that there is variance of 13% between managerial style and continuance commitment. The relationships among managerial style, employees' satisfaction and continuance commitment were also established at $r=0.368$ while the R-Square has now increased to 36.8%. The significance of the F-change was assessed and it was significant (0.0001).

The Table 9 has the results of two models. The first model is about the effect of managerial style and continuance commitment. The F-value is the Mean Square Regression (13.728) divided by the Mean Square Residual (0.460), yielding $F=29.813$. From the results, the model in this table is statistically significant ($Sig=0.000$). The second model is about the effect of both managerial style and employees' satisfaction on continuance commitment. The F-value is the Mean Square Regression (19.143) divided by the Mean Square Residual (0.337), yielding $F=56.823$ at acceptable significant level of 0.0001.

Based on the results in model 2, the Table 10 above revealed the contributions of managerial style and employees' satisfaction on continuance commitment and their levels

Table 8. H04 Managerial style (H4) does not impact on employees' satisfaction for continuance commitment.

| Model Summary | | | | | | | | | |
|---------------|--------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | 0.363 ^a | 0.132 | 0.128 | 0.67858 | 0.132 | 29.813 | 1 | 196 | 0.000 |
| 2 | 0.607 ^b | 0.368 | 0.362 | 0.58042 | 0.236 | 72.896 | 1 | 195 | 0.000 |

a. Predictors: (Constant), managerial_style

b. Predictors: (Constant), managerial_style, emp_satisfaction

Dependent Variable: cont_comm

Source: Authors own study.

Table 9. Effect of managerial style, employee satisfaction and continuance commitment.

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|-----|-------------|--------|--------------------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 13.728 | 1 | 13.728 | 29.813 | 0.000 ^b |
| | Residual | 90.252 | 196 | 0.460 | | |
| | Total | 103.980 | 197 | | | |
| 2 | Regression | 38.286 | 2 | 19.143 | 56.823 | 0.000 ^c |
| | Residual | 65.694 | 195 | 0.337 | | |
| | Total | 103.980 | 197 | | | |

Predictors: (Constant), managerial_style

b. Predictors: (Constant), managerial_style, emp_satisfaction

c. Dependent Variable: cont_comm

Source: Authors own study.

Table 10. Contributions of managerial style and employee satisfaction on continuance commitment.

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|------------------------------------|-----------------------------|------------|---------------------------|-------|-------|-------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 (Constant) | 2.533 | 0.271 | | 9.341 | 0.000 | | |
| Managerial_style | 0.349 | 0.064 | 0.363 | 5.460 | 0.000 | 1.000 | 1.000 |
| 2 (Constant) | 0.436 | 0.338 | | 1.290 | 0.199 | | |
| Managerial_style | 0.243 | 0.056 | 0.253 | 4.339 | 0.000 | 0.951 | 1.051 |
| Managerial_style, emp_satisfaction | 0.622 | 0.073 | 0.498 | 8.538 | 0.000 | 0.951 | 1.051 |

Dependent Variable: Continuance_comm

Source: Authors own study.

Table 11. Variation in Perception of Employee towards their Job commitment across Demographic Characteristics of Respondents.

| | Gender | Age | Marital status | Educational qualification | Working Experience |
|-------------|--------|--------|----------------|---------------------------|--------------------|
| Chi-Square | 3.936 | 16.111 | 6.597 | 16.456 | 8.069 |
| Df | 2 | 2 | 2 | 2 | 2 |
| Asymp. Sig. | 0.140 | 0.001 | 0.037 | 0.010 | 0.018 |

Source: Authors own study.

of significance (managerial style; $\beta=0.243$; $t=4.339$; $p<0.05$, emp_satisfaction; $\beta=0.622$; $t=8.538$; $p<0.01$). The significance level of all the variables are less than 0.05 and the level of significance of F change is also less than 0.05 (0.0001). Based on the results above, it is therefore justified that the alternative hypothesis should be accepted meaning that managerial style has a significant impact employee satisfaction for continuance commitment.

Using employee commitment as the dependent variables and the demographical characteristics of the respondents (gender, age, marital status, educational background, and working experience of the respondents) as the independent variables. Kruskal Wallis Test was carried out. The test shows that the difference in the perception of employee on the influence of succession planning on job commitment by gender ($\lambda^2=3.936$, $df=2$, $P>0.05$) only is not statistically significant. This implies that the difference in the perception of employees on job commitment is not due to gender of the respondents. The

result also revealed that the difference in the perception of employee towards their job commitment by age ($\lambda^2=16.111$, $df=2$, $P<0.05$), marital status ($\lambda^2=6.597$, $df=2$, $P<0.05$), educational background ($\lambda^2=16.456$, $df=4$, $P<0.05$), and work experience ($\lambda^2=8.069$, $df=4$, $P<0.05$) are statistically significant. This implies that the difference in the perception of employee on job commitment can be linked to age, marital status, educational background and work experience of the employees.

4. Summary and Conclusion

This study examined the contributions of succession planning to employees' job commitment using the manufacturing sector of Nigeria. Basically, the study findings revealed that there were a number of challenges the organization encountered in conducting effective human resource succession planning. These include lack of awareness among the majority of stakeholders, lack of

effective company vision, lack of willingness among the senior employees in carrying out succession plans and increasing tight labour markets was raised to be some of the challenges facing human resource succession planning. Moreover, various strategies of enhancing human resources succession plans were identified during this study. These include: Attracting and recruiting potential employees, Effective leadership and management development and improving budget was among the strategies identified in enhancing effective human resource succession planning in the surveyed organizations. In conclusion, succession planning has become one of the most significant human resource management responsibilities within today's organizations.

4.1. Policy Recommendations

i. Information as regards the benefits of effective performance outcomes. Management should not only replace but also make sure that the replacement will meet the present and future requirement and achievement of corporate objectives. To meet this challenge facing human resource succession planning, a uniform process that provides a

disciplined approach for matching human resources with the anticipated needs of the agency should be considered by the organizations surveyed to be essential.

ii. Furthermore, when there is need for succession planning, management should often do this with a high sense of objectivity. It is by so doing that organizational efficiency can be achieved.

iii. Organizations surveyed top management should change their mind set of not emphasizing human resource succession planning. They should bear in mind that HRSP is for the organizational benefits as well as developing their employees' careers. They should keep in mind that effective succession planning assists the organizations in retaining its potential employees.

4.2. Suggestion for further study

The focus of this study is on the manufacturing sector in Lagos state, other sector of the economy should be considered as well as other state in the nation in order to have wider application of the study.

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