THE EFFECT OF SUCCESSION PLANNING ON EMPLOYEE RETENTION IN KENYA COMMERCIAL BANK LTD, KENYA

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RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF SCIENCE IN HUMAN RESOURCE MANAGEMENT, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

2018
DECLARATION

This project is my original work and has not been submitted for a degree in any other university

Signed: …………………… Date: ……………………………

AMON LEDAMA LEMPAKA

D64/85597/2016

This project has been submitted for examination with my approval as the university supervisor.

Signed: ……………………… Date: ……………………………

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ACKNOWLEDGEMENTS

I would first like thank God for providing me with all the necessary tools and his guidance throughout the duration of the project.

Secondly I want to thank my supervisor Dr. Mercy Gacheri. She has been exceptional all through. She was with me every step of the. This will never be forgotten.

Thirdly I want to thank my family. My parents and siblings have been of tremendous help and always stood by me.
DEDICATION

I dedicate this project to my family and friends. They have stood by me through everything and have always been supportive. My God bless them all.
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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Succession planning is a critical perspective for any current or imminent organization that needs to remain competitive. Employees are exceptionally essential to an organization as they can either cause its success or failure. At the point when a worker is succeeding, the organization likewise succeed (Biggs 2004). For an organization to effectively reach the goals that is has, effective leadership has to be there. Without good leadership, an organization can fail to achieve its targets (Achua, 2013). Succession planning is a vital way of recognizing a staff’s current and potential skills that can be enhanced to better a company’s performance in the future. Succession planning guides organizations with efficient procedures to identify, develop and promote the development of employees with potential in the organization (Leibman, Bruer, and Maki, 1996).

Organizations that have entrenched succession programs in their systems are better able to adapt to different situations. They will have the ability to deal with any troubles that may rise. This reduces the work load of the executives and in turn ensures that the person who takes over will be in a position to be up to date without much difficulty (Wolfred, 2008). Huang Tung (2001) suggested that by putting succession planning program in place, an organization can cut down turnover rates, increase staff motivation thus increase their work ethic and ensure the most qualified staff are promoted. This will ensure that the organization put in place employees who will suit their needs (Price, 2008)

Leadership Model Succession Theory and Maslow’s hierarchy of needs are the two theories that guided this study. This is based on the ground that succession planning is about development of leaders at each and every level of the company and motivating employees when handling retention in the organization. Leadership Model Succession Theory states that the organization should ensure redundancy management structure. It will make sure leadership succession is protected and that successors employees who are to retire are known before outgoing leaders are dismissed. The second theory is propounded by Maslow (1943)-Hierarchy of needs. Maslow came up with five needs that
a human being goes. They are: physiological, safety, love, esteem and self-actualization needs.

Kenya’s financial sector has upgraded significantly over the last few years. But that does not mean they have faced major crisis over the years. In the year 2017, we had three major banks collapse, namely: Chase bank, Imperial bank and Dubai bank. Even though, there was a fight to retain the steadiness of the bank sector, Major worldwide issues e.g the global economic meltdown had a direct impact on the performance on the bank sector. Services such as lending offered in banks reduced and customer attitudes towards lending were affected by the global economic meltdown. The predicament was the precursor to inability to raise a mortgage, and loss of interest on savings and even redundancy (Bennett & Kottasz, 2011).

1.1.1 Succession planning

Succession planning been a leading problem in businesses nowadays and it has the potential of being a major problem in the future. succession planning is a planned effort in identifying requirements of leadership, taking note of employees who show great potential, developing leadership competencies in the employees chosen and the selecting them to take high value roles Couch (2013).

Succession planning is a critical perspective for any current or imminent organization that needs to remain competitive. Employees are exceptionally essential to an organization as they can either cause its success or failure. At the point when a worker is succeeding, the organization likewise succeeds (Biggs 2004). For an organization to effectively reach the goals that is has, effective leadership has to be there. Without good leadership, an organization can fail to achieve its targets (Achua, 2013). Organizations need to experience consistent change over time which could be enforced change or willful change. It is crucial for a company to be versatile, or rather adaptable, in order to remain competitive. Organizational change can regularly be very disappointing and tedious. To this effect, there must be appropriate procedures and frameworks set up to make that process less demanding.

1.1.2 Employee Retention
Employee retention is the ability of a company to retain its workers or the practice of reducing employees’ turnover. (Abbasi and Hollman, 2000). Heneman and Judge (2006) state that there are four types of employee turnover characterized as: involuntary turnover through discharge or downsizing and voluntary turnover characterized as turnover that is avoidable or unavoidable. Beardwell, Holden and Clayton (2004) say some of the components of a retention plan largely are determined by the outcome of labour turnover and risk analyses which should periodically be conducted.

According to Milkovich and Boundreau (1988), employee retention is all about equity and efficiency. In this regard, increasing satisfaction levels of employees is the simplest way to retain employees. Additionally; Wayne (2007) says employee retention needs clear definition of the culture of the organization and its effective implementation. Armstrong (2012) puts an emphasis on selection and promotion procedures which he says should always meet the capacities of individuals and demands of work. He adds that management ought to conduct attitude and opinion surveys on potentially employees at risk who are usually the key talent of the organization.

Employee retention programs should be planned well and also well designed so as to increase employee stay in organizations other than their pay. (Simons and Hinkin, 2001). In labor markets that are tough, talent can be difficult to replace. Consequently organizations suffer when talent is lost. Reason for this is that high turnover increases recruitment costs, training costs. Loss of talent and organizational knowledge.

1.1.3 Banking industry in Kenya

The bank sector has faced major difficulties over the years. Major difficulties were recorded in the 1980s and 1990s weaknesses in corporate governance, failures in corporate governance and undercapitalization,. In 1992, Kenya suffered a systemic banking crisis formally. Time to time, the financial sector faces local and global crisis (Honohan and Laeven, 2005). These crises are occasioned by food supply and high global fuel prices. The Kenyan shilling weakens excessively as a consequence of these global and domestic crises against the US dollar, UK pound and other major currencies thus increasing inflation rate. As of 2017, The exchange rate of the Kenyan shilling to the US
dollar was 100.4694, The sterling pound at 129.09 and the euro at 115.97 (Central Bank of Kenya, 2017). A major challenge for the rising inflation rate is that it inhibits the borrowing and lending by the banks. 2011 saw the overall inflation rate rise from 4.5% to 18.9% as at end year 31st December (Trans-national Bank, 2011).

Kenyan Banking industry is governed by three main acts: the Central Bank of Kenya Act of 1966, Companies Act and Banking Act and the guidelines administered by the CBK, Kenya’s banking sector has for many years been accredited for its size and diversification in comparison with other African countries reasons for this are: quality of lending and variety of financial institutions which offers healthy competition. The government acknowledged difficulties in the banking industry during the published Economic Recovery Strategy in 2003. The government stated how vital the performance and stability of the bank sector in planned Vision 2030. main objectives that are expressed in Vision 2030 for the financial sector were to increase effectiveness of delivery of financial services, improve stability, and improve access to financial services a more number of Kenyans. (Beck et al., 2010).

1.1.4 Kenya Commercial Bank Ltd profile

KCB history dates back to 1896. in 1904, the bank entered Nairobi, which at the time had just become the Headquarters of the railway line that was to reach Uganda, Grindlays Bank entered a merger with the National Bank of India In 1958 to become The National and Grindlays Bank. The G.O.K acquired 100% of shareholding to take full control. It was the biggest bank at the time. (KCB website). The bank was given the name Kenya Commercial Bank. KCB bought Savings and Loan Limited that focused in the issuing of mortgage finance In 1972. The government of Kenya has progressively over the years reduced its shareholding to 80% in 1988, 70% in 1990, 60% in 1996, 35% in 1998 and 26.2% following the rights issue of 2004 where rights were renounced. In the rights issue of 2008, the government sold their rights which further reduced their shareholding to 23.61% but continues to remain the single major shareholder of the bank. In May, 2009 the shareholders of KCB passed a resolution approving the amalgamation of KCB Ltd with S&L Kenya Ltd and this was approved with effect from January 2010.

The aggressive regional growth strategy has been accorded support by Top Management through the creation of a Deputy Managing Director position in 2005, in charge of
strategy and subsidiaries. The then Deputy Managing Director in 2007 was appointed CEO of KCB. And, this of course paved way for the growth in KCB as He was the one in charge of expansion as Deputy Director and wanted to see his strategies become a success. KCB now operates in five countries in the region: Kenya, Tanzania, Sudan, Uganda, Rwanda and soon Burundi. This has put KCB at the forefront in terms of branch network. KCB therefore has a competitive advantage over its competitors due to having the largest branch network compared to other banks in the country. According to KCB cascade, (2010), as part KCB’s regional growth strategy in October 2008, KCB introduced a new technology platform T24 that has strengthened its operations further. (KCB website). The new T24 platform has enabled KCB to be a one branch network across the region as all its subsidiaries have it installed. The year 2009 was a difficult year for many businesses across the world due to the looming financial crisis. KCB however managed to report a Ksh.6.3 billion pretax profit in 2009 up from Ksh.6.0 billion in 2008. The banks excellent growth in operating income was up from Ksh.19.6 billion to Ksh.22.9 billion. KCB’s 2010 performance has continued to gain momentum. The after tax profit increased by 19% to Ksh.2.9 billion up from Ksh.2.4 billion the same period last year.

1.2 Research Problem

succession planning system helps ensure that talented and skilled employees are prepared to take over each key positions in the event of retirements, death, serious illnesses, etc. Lack of proper succession planning strategies in a company can of cause business to collapse upon exit of valuable players (Garg and Van Weele, 2012). low employee turnover and Employee retention helps in driving production and customer value. (Schroeder, Goldstein, and Rungtusanatham, 2013) Stadler, (2011) asserts that employees that are committed are more likely succeed in their work, remain in work longer and are less likely to leave.

Kenya Commercial bank Limited has faced many challenges and high employee turnover following its conservative way of handling employees’ issues. The Bank started was initially majorly owned by the government which meant that politics had to play a key role especially in employee recruitment and management. However, the Bank ownership has since been transferred to the public which has forced the Bank to rethink its survival
strategies if it has to continue being profitable. Employees at the bank were initially low qualified but with many years of experience. However, with privatization, the Bank had to rethink on ways of attracting, developing and retaining qualified personnel. The Bank launched graduate and management trainee programmes to enable it attract competent staff. Promotions have also been a troublesome issue with personnel in the banking industry in Kenya. This has led to low staff morale and poor services offered. KCB has had an increase in customers over the years. This has led to increased workload for the workers which can sometime cause stress in employees adversely particularly if there is no proper work training on how to handle increased pressures hence affect their productivity which can lead to low morale.

Chepkwony (2012) researched on the link between talent management practices, corporate strategy and succession planning in Kenyan commercial banks and found that there is a link between succession planning and organization strategy and talent management practices. In this sense, management trainees have been the beneficiaries of the succession plan of the organizations and other practices are hardly implemented.

Downs, (2012) in a study implementation of succession planning at a nursing department in a community hospital in San Francisco, asserted that many firms do not have succession planning systems in place. This makes organizations have a hard time in filling vacancies particularly at the top management level. There have been a couple of studies done on the relationship between succession planning and employee retention in major banks in Kenya but none have gone this in depth in one bank like this study. This study therefore seeks to answer the question, what is the effect of succession planning on employee retention at KCB?

1.3 Research Objective

The main objective of the study is to determine the effect of succession planning on employee retention in Kenya Commercial Bank Ltd, Kenya.

1.4 Value of the study

This research will find out whether the KCB has succession programs and if the plan is the main cause of managing talent in the industry. This research will also give a deeper view of succession planning among banks in Kenya.
The research will give features that influence effective application of succession plans in the finance industry therefore ensuring the managers know the same. Employees will have deep view on what they need to do to allow them prosper within the organization.

It will help employers answer the question of high employee turnover in the banking industry. Directors and senior management can come up with a proper plan using this research. Employers can find better ways of handling skilled employees. This will help create competitive advantage among other organizations.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter will cover the theories used that guide the study, conceptual literature on succession planning and employee retention as well an empirical review.

2.2 Theoretical Foundation of the study

The study was anchored on two theories namely Maslow’s hierarchy of needs theory and Leadership Model Succession Theory.

2.2.1 Maslow’s hierarchy of needs Theory

According to Maslow (1943), people are motivated by certain level of satisfaction. He stated that no one person is fully satisfied of their wants. Maslow believed that all human beings aim to be self-actualized. He stated that the potential of a person has been grossly underestimated. Maslow came up with five needs that a human being goes. They are: safety, esteem, self-actualization needs, love and physiological. The first being physiological need is the widest stage. It includes the basic needs such food, shelter, clothing, etc. The second level is safety needs. This stage has the need to avoid danger,
Maslow’s hierarchy suggests that for top level managers to increase employee motivation, there should be certain processes and programs that should aim to satisfy unmet needs. This is because the lower needs recur time to time. Maslow’s hierarchy when applied to organizations, the top level management should ensure they create an environment that will ensure employees reach their maximum potential. In this regard, organizations should understand the different needs of employees. Thereafter, management should focus on managing the different attributes of employees. Maslow’s hierarchy is important in the study as it explains the role that the different needs in the hierarchy need to be conceptualized by an organization to better understand the needs of the employees.

Maslow’s hierarchy of needs theory does have its own weaknesses. It does not account possibility differences of individual. Another weakness is it is hard to measure a person’s satisfaction after satisfying each level of need as it deals with human cognizance which cannot be forecast by anything.

2.2.2 Leadership Model Succession Theory

The theory suggests that there should be redundancy in the management structure of an organization. It will ensure leadership succession is covered and will make sure that potential successors of retired employees are known way in advance. (Ibrahim Soufani, & lam, 2001). Organizations should mentor potential contenders with the overlook of the of incumbent leaders. There should be a swift transformation in leadership without hitches and questions to avoid conflicts.

The leadership succession model theory ensues that employees are continually mentored so as to grow within the organization. Unplanned succession events, such as resignations or sudden death, can result in the loss of a critical dimension that makes the company competitive (Burdett, 1993). Through leadership succession programs, employees have a
clear growth plan. This helps the employees in having a high morale hence achieving their set goals.

One of the main weaknesses of the theory is that smooth transitions can be difficult. The leaders to be replaced can choose not be cooperative. While many CEOs facilitate smooth transitions, others may become ‘entrenched’ and demonstrate reluctance, even refusal, to step aside. Leaving leaders can also decide to sabotage the organization during the mentoring of incoming leaders by misleading them.

2.3 Factors that influence succession planning

M’Cathy (2013) states that there are ten best practices that organizations can implement when it comes to succession planning. These include: CEO and board involvement, constant review of talent, taking note of able successors, ensuring accountability on the part of the top level management, synchronizing the organization strategic direction with the succession plan programs, handling of the emotional and political circumstances that come with succession planning, ensuring performance planning.

Human Resource Planning: It is the process in which human resource requirements of an organization are identified and how those requirements are addressed (Bulla and Scott, 1994).. Organizations need to market themselves to potential employees just as they do to their customers. They need to appear as though it is the best place to work. Human resource planning entails putting the right people in the right jobs. The main obstacle for human resources is not only luring the right people to the company but also ensuring talented employees don’t leave. Specialist organizational knowledge that ensures the creation of value and gaining upper hand over other organizations are important aspects to be considered in Human Resource planning (D’Souza, 2008)

Performance Management: Cascio (2006) defines performance as working effectiveness, that is, how someone does their job and how effective they are at it. Armstrong (2009) states that performance management connected is how an organization’s goals are achieved though target goals that have initially been set for the employees. Effective performance management can make ensures attainment of business objectives while ensuring employees are performing optimally (Cornelius, 1999). Staff should be allowed to express their ambitions on how to progress there. Good performance appraisal system
enhances staff ability. In recent times we have had junior staff employees doing appraisals of their managers through anonymous questionnaires. The purpose is to improve the managers’ effectiveness. Also it enhances employee empowerment.

Career Management incorporates employee recruitment, employee development, special assignments, lateral moves, and positions of development and support for employees who want to develop, (Armstrong, 2009) There are several career management practices such as coaching & mentoring, performance appraisal and career counseling and succession planning. Walker (1985) states that as a person gets older, money is no longer the only motivator. Additionally, examples of career management practices in companies include, definitive career paths and progression, career planning, computer assisted career management, opportunities for training and development. Kanard (1988) state it is important to have a clear career path for the employees. Career paths should have 4 basic processes, progression, flexibility, organizational needs and specific skills such as knowledge and educational training.

Talent Management: Armstrong (2009) states that talent management is when identifying, developing, recruiting and positioning of talented people in a company. Story (2007), states that talent management has not only one meaning but various meanings both in practice and theoretical perspective. There is more to talent management than just identifying, developing, recruiting and positioning of talented people in a company. Talent management can also manage succession planning.is also presented as a new way of managing succession planning and ensuring talented employees are headed towards the right direction.. Branding of employers has proven to be very important. People want to work for well-established employers, (Brawester et al, 2005).

Management Involvement: Employees should be treated more as partners than just workers of an organization. This increases their motivation. The main purpose is to create an organization climate that facilitates dialogue between managers and their juniors. There should be an open free flow communication around the organization to avoid barriers and blockages.

2.4 Factors that influence employee retention
Rewards Management is the process of ensuring that the right policies are in place to ensure that employees are rewarded in an equitable, fair and transparent manner that is also consistent across board (Thompson, 2002). A consistent approach means that the rewards should be the same at all times between the different people. Transparency means that staff understand how the reward process is and the implications on them. When developing reward policies, Employees should be involved in the process. They should also be allowed to express themselves whether have grievances or are fine. Armstrong (2009) says rewards influence staff retention. Employees leave when they feel their work is not rewarding hence superiors should give employees rewarding work so that they would not look for other alternatives. D’Souza (2008) says effective rewards should be attractive to employees hence to keep employees satisfied. This goes in line with involving employees when coming up with reward policies and strategies.

Performance appraisal: Performance appraisal is a formal system used to evaluate employees’ performance periodically. Monthly, quarterly, semi-annually or annually (Mondy & Noe, 2005). Employees are appraised against set standards that had been kept for them by the top level management. The performance appraisals enlightens employees on their inadequacies and will show employees where they need to improve. And also it shows employees of their strong points as well. Following the performance appraisals, organizations can be able to know which employees are putting in the hard work, where to improve for those employees who are, promotions, recognition awards, termination, transfers, and training opportunities that can enhance employee career satisfaction (Lau & Sholihin, 2005).

Welfare benefits: Employee welfare is defined as the facilitation of making employees life worth living. It is normally enshrined in a statute in the constitution. According to Derek & Laura H (1998), there are two main welfare areas which individuals’ benefit from: They are: The emotional aspect. These are: improved communication, human interactions, and counseling services at the workplace. The other aspect is the physical part: reduced working hours, good work-life balance, paid leave, etc. The Labour Laws of Kenya (2007), Employment Act part V, has put certain provisions in place. For example, employees are entitled to maternity, paternity, sick and annual paid leave, constant supply of water and medical cover for employees. In general, labour welfare entails all those that provide workers with better life and health, job satisfaction, and to
ensure proper conditions of both living and working. Anybody can bring about the issue of welfare measures. Be it the government of the day, various employers, etc. to ensure that there is continuous improvement at the work places. Conditions should be rife with good working conditions. Employee welfare benefits ensures that the employees are properly motivated, they are satisfied with their job, they enjoy the working conditions, ensuring they remain loyal to the organization, raise their standard of living and all in all increase their efficiency. Welfare measures ensure that there is a healthy working environment for the staff. Some organizations provide their employees with the really good employee welfare benefits such as mortgages, medical cover, educational leave and recreational facilities such as gym, saunas, bars, etc. for employees and their families hence helps in raising their standards of living hence pay becoming more efficient in their work which leads to organization profitability, stable workforce because of loyal employees, employees become more participative in organization activities and also maintain healthy relationships among the employees.

2.5 Succession Planning and Employee Retention

In a research conducted by Anyika (2012) dubbed Effects of succession planning programs on staff retention done at Barclays Bank. His conclusion was that 60% of Barclays employees were not happy current psychological contract and they were looking for greener pastures. Somewhere where they would be happy with the psychological contract. But it also wise to note, that there were other factors in play.

A study by Noor et al. (2010) ‘Family Succession and Firm Performance among Malaysian Companies’ examined the relationship between family succession attributes and firm performance among Malaysian SMEs companies and, they found out that succession planning had a positive impact on firm performance. The research was carried out in a developed country.

A research study conducted by Chew (2005) on organizational success through staff motivation and retention at institutions in Malaysia and his main finding was that competitive remuneration was key to ensure an organization attracts and retains the right employees, This in turn increase their job motivation and job satisfaction. Human Resource practices are very vital when it comes to reducing employee turnover in an organization.
Nyamekye (2012) in a study dubbed ‘Impact of Motivation on Employee Retention’ to see the influence of motivation on employee retention. He found out that almost 70% of the standard chartered employees wanted to continue working in the bank and had no plans to leave and they also had long term career aspirations. The reason why such a large percentage of employees were not planning to leave was because of the retention intervention strategy that was employed by standard chartered bank. They a well-placed system in place whereby employees pay would go hand in hand with the current inflation rates. When inflation was high, their salaries would be increased.

According to a research done by Eshiteti et al (2013), he noted that implementation of succession planning programs heavily influenced employee retention in organizations. This was because there were opportunities for career progression, growth opportunities in the company, etc. This increased employee motivation and job satisfaction. Some of the succession planning programs are coaching & mentoring, learning programs and job rotation.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter addresses the research design method, target population, data collection, sampling design, research procedures and the methods of data analysis.

3.2 Research design

Cooper & Shindler (2006) state research design institutes the guide of analysis of data and collection of data. The objective of this research design was to measure the effect of succession planning on employee retention. The research will use a descriptive study approach. Kombo and Tromp (2006) state that descriptive study approach is used to describe how the state of affairs exist. It assists a researcher in investigating variables without manipulating them. Fornell, (1996) stated that the descriptive study approach is the best method when used to employee morale, attitudes and behavior.

3.3 Target Population

The population of this study comprises the employees of KCB bank. As of December 2017, Kenya Commercial bank had an average of 6483 employees as a whole as compared to 7500 the previous year. The reduction is due to KCB laying off employees in excess of 700 (Alushula,2018). They have around 400 employees working in the head office at Kencom house, Moi Avenue. KCB has 192 branches across the 47 counties. The study though will target employees in their headquarters where the respondents are 400.

3.4 Sampling Design

The study will be using the stratified random sampling techniques whereby questionnaires will be issued to all the departments across the organization. The researcher chose this method because it ensures that there is minimum selection bias and
it also ensures that all departments are equally represented without any form of favoritism. Mugenda and Mugenda (1999) percentage formula was utilized to come up with the final sample size. A proper representative sample should on average of ten to thirty percent of the target population. The researcher decided to use 50 percent of 400 employees at the head office of Kenya Commercial Bank Ltd. This equals to around 200 employees which was sufficient based on the large workforce of the bank. The 200 employees were further divided into senior managers, middle level managers and junior staff through stratified proportionate sampling. Table 3.1 shows the final samples.

Table 3.1 Sample Size

<table>
<thead>
<tr>
<th>MANAGEMENT LEVEL</th>
<th>NO. OF INTERVIWERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>SENIOR STAFF</td>
<td>75</td>
</tr>
<tr>
<td>MIDDLE LEVEL</td>
<td>75</td>
</tr>
<tr>
<td>JUNIOR STAFF</td>
<td>50</td>
</tr>
<tr>
<td>TOTAL</td>
<td>200</td>
</tr>
</tbody>
</table>

3.5 Data Collection

Primary data was collected using a structured questionnaire. The questionnaire was be divided into three sections: First part covered the general information of the respondents, the second part covered questions pertaining to succession planning and the third part addressed employee retention. Using of Questionnaires was seen to be the most suitable way of gathering information since the target population is small and will also enable the respondents to have a free hand in submitting their responses. Drop and pick up will be used.

3.6 Data Analysis

Descriptive statistics such as frequencies, percentages, mean and standard deviation was used to analyze data. Simple linear regression analysis was utilized and guided by the model:

\[ Y = \beta_0 + \beta X + E \]  where:
Y=Employee Retention

X=Succession Planning

Bo=Constant

B=Regression coefficient

E=Error term
CHAPTER FOUR
DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction
This chapter presents the response rate, number of respondents of the research with their interpretations. Then the chapter moves to presentations, interpretation and finally discussions of research findings.

4.2 Response rate
The sample size was 200 employees working at the Kenya Commercial Bank Ltd, Kenya. 102 respondents filled and returned the questionnaires out of the sample size of 200. This translated to 51% response rate which meant it was enough to do come up with conclusions as according to Mugenda and Mugenda (1999).

Figure 4.1: Response rate
4.3 Demographic Characteristics

This section presents general information of the respondents and organizations. It includes title of their position, age of respondents, length of service in the organization, and gender of the respondents.

4.3.1 Level of Management

Table 4.1: Management Level

<table>
<thead>
<tr>
<th>Management Level</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Level</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Middle Level</td>
<td>38</td>
<td>37</td>
</tr>
<tr>
<td>Junior Level</td>
<td>56</td>
<td>55</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>330</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The researcher sought to establish the level of management each respondent was at and Table 4.1 indicates that a smaller proportion of the respondents at (8%) comprised of Senior Managers, (37%) were in middle level management while the majority of (55.0%) were junior staff. Both the junior staff and Middle level management conveyed much
more interest in the study as they saw it as an chance to state what was in their mind and come up with recommendations for improving the current status quo.

4.3.2 Length of Service in the Organization

<table>
<thead>
<tr>
<th>Length of Service in the Organization</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>1-3 years</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>4-6 years</td>
<td>26</td>
<td>25</td>
</tr>
<tr>
<td>7-9 years</td>
<td>38</td>
<td>37</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>102</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Table 4.2: Length of Service in the Organization*

The researcher looked find the number of years the respondents had worked in the bank. Findings in Figure 4.2 show, 8% had worked for less than a year, 22% had worked in the for a period between 1-3 years, 25% had worked for a period of 4-6 years, while 37% had worked for over 7-9 years in the organizations and a further 9% had worked for over 10 years.
Figure 4.2: Length of service in the organization

4.3.3 Age Group of the Workforce

<table>
<thead>
<tr>
<th>Age group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>22-29 years</td>
<td>32</td>
<td>30</td>
</tr>
<tr>
<td>31-40 years</td>
<td>35</td>
<td>34</td>
</tr>
<tr>
<td>41-50 years</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>51-60 years</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>60 years and above</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>102</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4.3: Age Group of the Workforce

The results in Figure 4.3 reveals the age group of employees in the bank lie between 22-29 years at (30%), another (34%) represented the age group of 31-40 years, while (16%) represented the age between 41-50 years, 51-60 years are represented by 11% and 60 years and above were 8%. This shows that most of the employees in the workforce are youthful.
4.3.4. Gender of the Respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>60</td>
<td>59</td>
</tr>
<tr>
<td>Female</td>
<td>42</td>
<td>41</td>
</tr>
<tr>
<td>Total</td>
<td>102</td>
<td>100</td>
</tr>
</tbody>
</table>

**Table 4.4: Gender of the Respondents**

The researcher sought to determine the gender representation of the respondents and established that 42 which accounts for 41% were female while 60 which accounts for 59% were male as shown in figure 4.2.
The aim of the research study was to look at the association between succession planning practices and employee retention in Kenya Commercial bank in Kenya. In order to establish how well each succession practice is implemented towards employee retention, respondents were to respond statements on a Likert scale of 1 to 5 where, 1 meant that the respondents Strongly disagreed, 2 just disagree, Disagree, 3-neutral 4 they moderately Agreed and 5 meant that they Strongly disagreed. For purpose of interpretation, a mean score of $0 \leq 1.5$ means that the respondents strongly disagreed, between $1.50 \leq 2.50$ means they disagreed, $2.50 \leq 3.50$ they were respondents were neutral, $3.50 \leq 4.50$ means they agreed and above $4.50$ means the respondents strongly agreed.

### Statement
- Succession planning is strictly considered for top level management at Kenya commercial Bank, Kenya
- Job rotation is well implemented across all departments in Kenya Commercial Bank
- The succession plan at Kenya Commercial Bank encourages promotion from within strictly based on merit
- Succession planning is strictly considered for top level management at Kenya commercial Bank, Kenya

<table>
<thead>
<tr>
<th>Statement</th>
<th>M</th>
<th>SD</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Succession planning is strictly considered for top level management at</td>
<td>3.19</td>
<td>1.119</td>
<td>102</td>
</tr>
<tr>
<td>Kenya commercial Bank, Kenya</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job rotation is well implemented across all departments in Kenya Commercial</td>
<td>3.39</td>
<td>1.082</td>
<td>102</td>
</tr>
<tr>
<td>Bank</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The succession plan at Kenya Commercial Bank encourages promotion from</td>
<td>2.64</td>
<td>1.154</td>
<td>102</td>
</tr>
<tr>
<td>within strictly based on merit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Succession planning is strictly considered for top level management at</td>
<td>2.9</td>
<td>1.15</td>
<td>102</td>
</tr>
<tr>
<td>Kenya commercial Bank, Kenya</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Kenya Commercial Bank always rewards talented employees 3.03 1.22 102
Kenya Commercial Bank ensures that employee career paths are well defined and are readily available from the Human Resource Department 3.23 1.94 102
Kenya Commercial Bank managers and supervisors practice mentoring and coaching of employees well 3.49 1.351 102
Kenya Commercial Bank offers employees continuously improve their skills 3.9 1.36 102
KCB evaluates and manages performance annually 4.24 1.035 102
Kenya Commercial Bank gives all its employees bonuses and incentives based on employee performance 3.28 1.316 102
Kenya Commercial bank have an “open door policy” which enables employees and managers to communicate smoothly. 4.01 1.033 102

<table>
<thead>
<tr>
<th>Statement</th>
<th>M</th>
<th>SD</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Commercial Bank rewards all employees fairly and equally</td>
<td>3.27</td>
<td>1.064</td>
<td>102</td>
</tr>
<tr>
<td>Kenya Commercial Bank allows employees allow employees to define their own remunerations through the pay and grading structures.</td>
<td>2.61</td>
<td>1.21</td>
<td>102</td>
</tr>
<tr>
<td>Kenya Commercial bank occasionally allows employees to define</td>
<td>2.38</td>
<td>1.26</td>
<td>`102</td>
</tr>
</tbody>
</table>

Table 4.5: Succession Planning Practices

4.5 Employee Retention Practices

The objective of the study was to establish the employee retention strategies applied to enhance employee retention in KCB. In order to establish how well employee retention strategies are implemented respondents were to respond statements on a Likert scale of 1 to 5 where, 1 meant that the respondents Strongly disagreed, 2 just disagree, Disagree, 3-neutral 4 they moderately Agreed and 5 meant that they Strongly disagreed. For purpose of interpretation, a mean score of 0≤1.5 means that the respondents strongly disagreed, between 1.50 ≤ 2.50 means they disagreed, 2.50 ≤ 3.50 they were respondents were neutral, 3.50 ≤ 4.50 means they agreed and above 4.50 means the respondents strongly agreed.
their own rewards.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Score</th>
<th>Standard Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Commercial bank provides opportunities for growth</td>
<td>3.28</td>
<td>1.1</td>
<td>102</td>
</tr>
<tr>
<td>Training and development is available to all employees</td>
<td>3.1</td>
<td>1.14</td>
<td>102</td>
</tr>
<tr>
<td>Kenya Commercial Bank attracts employees to join due to a good reputation in retaining talent</td>
<td>3.14</td>
<td>1.31</td>
<td>102</td>
</tr>
<tr>
<td>Kenya Commercial Bank provides sponsorship for training opportunities to only the talented employees</td>
<td>1.6</td>
<td>1.24</td>
<td>102</td>
</tr>
<tr>
<td>I am satisfied with the reward policy retain key talent in my organization</td>
<td>3.01</td>
<td>2.56</td>
<td>102</td>
</tr>
<tr>
<td>Kenya Commercial Bank provides a large amount of autonomy in making decisions.</td>
<td>3.27</td>
<td>1.22</td>
<td>102</td>
</tr>
<tr>
<td>Kenya Commercial Bank work activities provide clear and direct information about the effectiveness</td>
<td>2.64</td>
<td>1.21</td>
<td>102</td>
</tr>
<tr>
<td>I understand the KCB job evaluation system</td>
<td>3.12</td>
<td>1.34</td>
<td>102</td>
</tr>
<tr>
<td>KCB reward strategy recognizes superior performance</td>
<td>2.83</td>
<td>1.21</td>
<td>102</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3.40</td>
<td>0.62</td>
<td>102</td>
</tr>
</tbody>
</table>

Table 4.6 Employee Retention practices

4.6 Data Reliability Test

Data reliability test was carried out by Cronbach’s alpha for both succession planning and employee retention. CA measures internal consistency of the items that are used to measure a construct. It is the extent to which all questions in the questionnaire contribute positively towards measuring the same construct (Gwet, 2012). The results of the test are presented in Table 4.7.

4.6.1 Cronbach’s Alpha for the Research Constructs

<table>
<thead>
<tr>
<th>Construct</th>
<th>α- value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Succession planning</td>
<td>0.89</td>
</tr>
</tbody>
</table>
Table 4.7 Cronbach’s Alpha for the Research Constructs

The acceptable minimum limit of alpha is 0.60. Table 4.7 shows Cronbach’s alpha coefficient of the succession planning variable as 0.89 and that of employee retention as 0.63. Therefore both constructs satisfied the requirements of the test. Hair et al. (2003).

4.6.2 Descriptive Statistics

Descriptive statistics of the variables succession planning and employee retention are presented on table 4.8. These statistics include the mean and standard deviation of the variables. A mean score of 3.40 and standard deviation of 0.62 on a 5- score Likert scale shows that KCB managed to retain their employees to a reasonably great extent. Similarly and standard deviation of 0.63 and a mean score of 3.90 indicates that succession planning is relatively practiced in KCB extent. These findings indicate that succession planning is associated with employee retention.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee retention</td>
<td>3.40</td>
<td>0.62</td>
</tr>
<tr>
<td>Succession planning</td>
<td>3.90</td>
<td>0.63</td>
</tr>
</tbody>
</table>

Table 4.8 Sample Means and Standard Deviations

4.6 Effects of Succession Planning on Employee Retention

A Simple linear regression model was applied to determine the effect of succession planning on employee retention. The Regression model was as follows:

Where:

\[ Y = \beta_0 + \beta X + E \]

where:

\( Y = \) Employee Retention

\( X = \) Succession Planning

\( \beta_0 = \) Constant
B=Regression coefficient
E=Error term

Regression analysis using Microsoft Excel 2010 gave results as shown in tables 4.9, 4.10 and 4.11 set out below. The regression statistics set out in table 4.12 shows that the coefficient of correlation between employee retention and succession planning was 0.448.

Table 4.9: Regression Results: Statistics for the Coefficient of Correlation and Coefficient of Determination

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple R</td>
<td>0.448</td>
</tr>
<tr>
<td>R Square</td>
<td>0.200</td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>0.176</td>
</tr>
<tr>
<td>Standard Error</td>
<td>0.571</td>
</tr>
<tr>
<td>Observations</td>
<td>102</td>
</tr>
</tbody>
</table>

The coefficient of correlation indicates the extent of linear relationship between the two variables. Therefore the results show a moderate linear relationship at 44.8% between employee retention and succession planning. The regression statistics further show a coefficient of determination (R Square) value of 0.201. The coefficient of determination measures how well the sampler regression line (the line of best fit) fits the data.

Therefore 20.1% of variations in succession planning in the bank were accounted for by corresponding variations in employee retention. The rest of the variations (79.9%) were accounted for by some other unexplained factors contained in the constant, β0, or some error. The results of analysis of variances are presented on table 4.10 below. The analysis of variances aims at obtaining the statistic F, which is a test for statistical significance of the regression equation as a whole.

Table 4.10: Regression Results: Analysis of Variances (ANOVA)

<table>
<thead>
<tr>
<th></th>
<th>df</th>
<th>SS</th>
<th>MS</th>
<th>F</th>
<th>Significance F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1</td>
<td>2.621</td>
<td>2.621</td>
<td>8.043</td>
<td>0.008</td>
</tr>
<tr>
<td>Residual</td>
<td>100</td>
<td>10.463</td>
<td>0.327</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>101</td>
<td>13.093</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The regression model is said to be suitable and acceptable for the analysis when the obtained F-value is greater than the F-value shown on the tables based on the degrees of freedom involved and the desired degree of confidence. As shown in table 4.13, the analysis of variance obtained F-value of 8.043273 with 101 degrees of freedom and over 99% confidence. The F-value from the tables at 99% confidence with 101 degrees of freedom is 7.47. The model was therefore reliable and sufficient for the analysis.

Table 4.10 shows regression coefficient $\beta_0=2.35$ and $\beta_X=0.46$ in the regression model $Y=\beta_0+\beta_X+\epsilon$. The coefficient $\beta_X$ gives a measure of the contribution of the independent variable (employee retention) to the dependent variable (Succession planning), while the coefficient $\beta_0$ shows the contribution of factors other than the independent variable. It follows that the relationship between employee retention and Succession planning can be expressed as a linear function $Y=2.35+0.46X$. This indicates that 46% of employee retention accounts for Succession planning in the bank.

Table 4.11: Regression Results: Coefficients of the Regression Model

<table>
<thead>
<tr>
<th></th>
<th>Coefficients</th>
<th>Standard Error</th>
<th>t- Stat</th>
<th>P-value</th>
<th>Lower 95%</th>
<th>Upper 95%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>2.35</td>
<td>0.55</td>
<td>4.23</td>
<td>0.000181</td>
<td>1.22</td>
<td>3.48</td>
</tr>
<tr>
<td>Succession planning</td>
<td>0.46</td>
<td>0.161</td>
<td>2.84</td>
<td>0.008</td>
<td>0.128</td>
<td>0.782</td>
</tr>
</tbody>
</table>

Table 4.11 also presents the results of the t-test on the resulting values of $\beta_0$ and $\beta_X$ respectively. The t-test for $\beta_0=2.35$ gave a t-value of 4.23 and a p-value of 0.000181. This result has shown that the probability that the research findings could obtain the resulting $\beta_0$ value purely by a random chance was 0.018%. Conversely, the probability that the $\beta_0$ value obtained is attributed to the research variables was more than 99%. Likewise, the t-test for $\beta_X=0.46$ gave a t-value of 2.84 and a p-value of 0.008.

This reveals that the possibility of obtaining the value of $\beta_X=0.46$ by a pure random chance was 0.8%, meaning that the probability that $\beta_X$ was attributed to the relationship of employee retention and succession planning was 99.2%. This proves that their a causal relationship between succession planning and employee retention.

4.7 Discussions
To establish how well Human Resource Planning is implemented, the researcher sought to find out how succession planning, job rotation and internal promotion were implemented at the bank. Employees felt that succession planning is strictly for top management. The respondents were not sure that talented employees are always rewarded. The analysis implies that KCB not all the times considers talented employees for rewards. Additionally, they are not convinced reputation of KCB on employee retention determines if talented employees join an organization. Respondents were neutral to the fact that career paths are clearly defined and are available from the HR Department. They were also neutral to the fact that there are various opportunities for staff to periodically improve their skills at KCB. The respondents agreed that performance appraisals are always conducted. They were neutral to the fact that employees are given bonuses and incentives based on their performance.

In order to establish how well Management gets involved in implementation of succession planning, the respondents views were sought on how well management implemented ‘open door’ policy, mentored and coached staff using their leadership and management skills and opportunities for employees to continuously improve their skills, Respondents agreed that there is in place an “open door policy” which enables smooth communication between management and employee. This implies that KCB recognizes the key role played by managers in determining the rate at which employees are retained as it is said that “employees do not leave their organization but their bosses”. In this connection, management ensures that there is free communication between them and the employees.

Respondents were neutral on how rewards are issued to employees and that occasionally employees are allowed to define their own rewards. They disagreed in saying that employees are allowed to define their own remunerations through the pay and grading structures. On how well Training and Development is implemented in KCB, respondents were neutral on the opportunities available for staff to improve their skills and that employee training and development opportunities are available to all staff. The above analysis implies that there is no discrimination when it comes to selection of who should be considered for training within KCB. It also creates an impression that continuous learning is practiced in KCB.
They disagreed that sponsorship and training opportunities are available to only the talented employees. Additionally, they felt satisfied with the reward policy retain key talent in KCB. Respondents were felt they were given enough autonomy in making decisions and that the work activities provide direct and clear information their effectiveness. Respondents were neutral and felt that they understand the KCB job evaluation system which has helped to retain most of the employees. They were also neutral to the fact that KCB reward strategy recognizes superior performance which has helped them in retention of employees. Tunje (2014: 61) succession planning ought to lead to increase employee retention. (Eshiteti et al.2013). employees will value about their contribution to the organization. Employees who value their job more likely to succeed in their work. Stadler (2011) They will be more loyal and remain in employment longer.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the findings of the study, conclusions, recommendations and suggestions for further research.

5.2 Summary of the Findings

The analysis implies succession planning is not clear to employees if it applies to all top management positions or just key positions. Evidently, it is implied that job rotation has contributed to retention although it is not well implemented in all departments as is expected. It is also realized KCB not all the times considers talented employees for rewards. Additionally, they are not convinced that reputation of KCB on employee retention determines if talented employees join an organization.

The analysis also implies that KCB to some extent considers career progression of employees. However, it is noted that a number of them are not aware of the existing career paths for their positions. Additionally, mentoring and coaching is moderately
practised by managers and employees are well aware of this. It is also implied that there are opportunities for employees to continuously improve their skills at KCB though not that much.

This analysis implies that KCB put a lot of emphasis on performance management and performance appraisals as key parameters for assessing individual employees’ performance every year. Notably, it is implied that employees are always paid bonuses and incentives which are tagged to performance appraisals. The respondents also implied that KCB incorporates in their rewards systems pay and grading structures which are not flexible.

The analysis above implies KCB bank attracts and retains good talent, however, a number of employees disagree sponsorship and training opportunities are available to only the talented employees. In addition to that, it is implied that employees are somehow satisfied with the reward policies in enabling them retain key talent in KCB. The respondents also stated that KCB to some extent give employees autonomy over their work and that their work activities provide them with clear direct information about their effectiveness and that they have a moderate good job evaluation system that at least makes employees know what is required of them. As for the KCB reward system recognizing superior performance, according to the respondents they are neutral meaning more emphasis can be put in it.

5.3 Conclusion

The finding of the study show KCB have moderate succession planning practices in place. From looking at the results, one gets the feel that they can do better. It is clear that succession planning has an effect on employee retention. For an organization to remain competitive, they have to have loyal employees. An organization with strong employee retention practices has lots of benefit for an organization.

5.4 Recommendations and Implications to Theory and Practice

succession planning policies should be known to all employees from the day they start working and be reviewed annually as banking sector is dynamic. managers ought to not only have good managing skills but also allocate time for mentoring and training talented show potential for leadership. During recruitment, management should exhaust all
internal talent before considering external talent especially when making promotion decisions. A solution to rampant head-hunting was provided which suggested that clear guidelines should be incorporate in the employment Act regarding this practice so that professionalism is encouraged. Every organization should ensure their pay policy be benchmarked with the market rate and be based employees performance so as for them to feel valued. As a matter of urgency, it was recommended that clear career paths should be incorporated in the succession planning policies and management should put more focus on career management.

The implication of this study to policy and practice related is geared towards succession planning. It is of paramount importance that HR Managers are always watching out for employees showing leadership potential and assist in developing and growing them and their career. Organization should ensure Training and development opportunities is available to all employees and employees are always improving their skills. They should not be stagnant. This will see to it that potential existing gaps are sealed.

The succession planning practices existing in organizations should at all times lead to employee retention. In this regard, when promoting employees, well informed and smart decisions need to be made. Confidence is built with management when promotion is done by merit. In this connection, managers need to be careful when giving counter offers to the head-hunted employees. The negative synergy that develops after such decisions are made has resulted to problems in retention in the banking Industry. The findings of this study are supported by Walker (1985), who says that thoughts regarding career progression continue to grow as one matures.

5.5 Limitations of the Study

One limitation is that the study focused on one back.it should have focused so as to compare the results. Although it seems likely that effective succession planning guarantees retention of employees one cannot say this definitely unless it is tested in a longitudinal study. The decision of an employee to stay in an organization was measured based on existing HR Policies yet other factors influence affect such decisions. In this regard, a longitudinal study in which the bank employees are followed throughout their career would yield valuable results. The study should have also covered more
respondents so as to get the ‘full picture.’ 52% are the ones who answered the questionnaire so we only got to see half the picture.

5.6 Suggestions for Further Study

The researcher suggests that a further study be carried out to establish the relationship between talent management and employee retention in the banking Industry in Kenya. The researcher recommends a similar study to be conducted across other industry sectors in Kenya in order to check for variations in responses. An interesting topic to study would be ‘employee retention as a strategy of gaining market share in the insurance industry’.
REFERENCES


Chikumbi .C. (2012). An investigation of talent management and staff retention at the bank of zambia. Port Elizabeth, South Africa


Eshiteti et al, (2013. the effects of employee value proposition on performance of commercial banks in kenya.2 (1)


Kataike .s. (2013) relationship between talent management and employee retention in commercial banks in Kenya, Nairobi Kenya


APPENDIX I: QUESTIONNAIRE

QUESTIONNAIRE ON EFFECTS OF SUCCESSION PLANNING ON EMPLOYEE RETENTION IN KENYA COMMERCIAL BANK, NAIROBI COUNTY, KENYA

Introduction

The questionnaire is part of a research project on the effects of succession planning on employee retention and performance. This research project is conducted as a requirement of completion of a Masters of Science in Human Resource Management at the University of Nairobi. The questionnaire attached seeks your opinion on the need for integration succession planning procedures. I would be grateful if you would complete this form as best and honest as you can. Information given will be treated with utmost confidentiality.

Completing and Forwarding the Survey Form

- You will not be required to include your name when you complete the form.
- Please indicate your views by placing a tick in one of the boxes and for other comments write it down on the space provided.
SECTION A: GENERAL INFORMATION

1. What is the title of the position you hold in KCB?
2. What is your gender?
   Male ☐    Female ☐
3. How old are you?
   ☐ 22-30 Years ☐ 31-40Years ☐ 41-50Years ☐ 51-60Years ☐ 60 and Above
4. How long have you served in the organization?
   ☐ Less than 1 years ☐ 1-3 Years ☐ 4-6 Years ☐ 7-9 Years ☐ 10 Years and Above

Section B: Implementation of succession planning practices

5. This section deals with succession planning practices and how they are implemented in the organization. To what extent do you agree with the below statements?

1-Strongly disagree 2-Disagree 3-neither agree nor disagree 4-Agree 5- Strongly agree

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Succession planning is strictly considered for top level management at</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kenya commercial Bank, Kenya</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job rotation is well implemented across all departments in Kenya</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial Bank</td>
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Resource Department

Kenya Commercial Bank managers and supervisors practice mentoring and coaching of employees well

Kenya Commercial Bank offers employees continuously improve their skills

KCB evaluates and manages performance annually

Kenya Commercial Bank gives all its employees bonuses and incentives based on employee performance

Kenya Commercial bank have an “open door policy” which enables employees and managers to communicate smoothly.

**Total**

### SECTION C: EMPLOYEE RETENTION

This part deals with the factors that affect employee retention

6. Rate the extent to which the following factors have influenced your stay with your current employer using the following:

1-Strongly disagree 2-Disagree 3-neither agree nor disagree 4-Agree 5- Strongly agree

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7. Have you had any form of training since you joined the organization?
   a) Yes  b) No

If “yes” to the question above, please continue with the questions below

8. How were you selected for training?
   a) On joining the company  b) Supervisors recommendation  c) Compulsory for all employees  d) Upon employee request  e) Performance appraisal

9. How often do you undergo training?
   a) Quarterly  b) Every six months  c) Once a year

10. Do you complete a Performance Appraisal Process?
    a) Yes  b) No

11. How often is appraisal carried out in your department?

12. In your opinion, Rate to the extent KCB strives to achieve through Performance Appraisal

   1-To a very great extent  2-To a great Extent  3-Moderate  4-To a lesser Extent  5-Never
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<td>To review performance o To set targets for future performance</td>
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THANK YOU FOR YOUR PARTICIPATION!