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Succession Planning Strategy and Organizational Continuity of Food and Beverage Companies in Anambra State

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Abstract
The study examined the effect of succession planning strategy and organizational continuity of food and beverage companies in Anambra state. Two research objectives, two research questions and two hypotheses were developed in line with the overall research objective. The study employed a cross sectional survey design. The primary source of data was used for this study. One hundred and twenty questionnaires were administered, while one hundred and eight questionnaires were retrieved. The sample respondents were made up of directors, managing director and senior staff from the 36 foods and beverage companies in Anambra State. Descriptive statistical tool was used to analyze the data. Pearson moment correlation coefficient was adopted to test the hypotheses. The findings revealed that mentoring and managerial development has a positive relationship on organizational continuity. In light of these findings, it was imperative for the researcher to recommend that management of organizations should put policies measures in place to ensure that management mentors their subordinates, and employers should ensure that there are adequate training and development programmes for their employees.

Keywords: Mentoring, Managerial Development, Continuity, Succession, Planning, Organizational Continuity, Relay Succession

INTRODUCTION

Nigeria business operates in an unstable economic environment. Succession planning strategy has attracted a great deal of interest from management practitioners and social science researchers [1]. Much research on succession planning strategy are been conducted in developed countries and their organizations in terms of the impact of successive management. Cheng [2] opined that one of the challenges facing some organizations is how to replace employees rather than to develop them. Rotter and Charan[3]argued that it was difficult to find a suitable employee in a short period of time within the company, where the firms cannot person they hire an outsider, which further increases replacement challenges as well as overcost. The value placed on succession planning strategy of food and beverage organizations is crucial to the continuity and success of food and beverage companies in Anambra state, Nigeria. The inability for organizations to have a well-planned successor culture, can lead to disruptions in administrative processes, and leadership transitional crisis in the event of sudden death of a Chief Executive Officers (CEO) or top management staff. There are also cases where a reasonable number of employees in management positions can retire at the same time in an organization. Most of the food and beverage companies are not proactive on working out who succeed the current leadership of their organization. However, Hazarika [4]stated that in order for organizations to survive, they need to plan for a successful replacement of older employees before leaving the organization.

Statement of the Problem

There is no evidence to suggest that food and beverage companies in Anambra state, Nigeria has succession plans. With the dynamic business challenges in the Nigerian economy, there have been challenges over who succeeds the leadership position of any food and beverage companies in Anambra State. Organizations are currently faced with leadership competencies and capable successor's challenges in filling managerial vacancies [4]. Most of the leaders in these food and beverage companies do not mentor their subordinates to become leaders for fear that their subordinate may out shine them. This attitude of leaders has put the survival of companies in succession danger. It was observed by the researcher that most subordinate are not equipped for succession progression by management of most food and beverage businesses in Anambra State. It is at this point that the researcher decided to examine the influence of employee mentoring and managerial development on organizational continuity.

Objectives of the Study

The broad objective of the study was to examine impact of succession planning strategy and organizational continuity. The specific objectives are to;

i. ascertain the extent of connection between employee mentoring strategy and organizational continuity in food and beverage companies, Anambra state.
ii. ascertain the extent of connection between managerial development strategy and organizational continuity in food and beverage companies, Anambra state.

Research Questions

In carrying out this research paper, the following questions became imperative;

i. What is the nature of connection between employee mentoring strategy and organizational continuity in food and beverage companies?
ii. What is the nature of connection between managerial development strategy and organizational continuity in food and beverage companies?

Research Hypotheses

i. H_o: There is no positive connection between employee mentoring strategy and organizational continuity in food and beverage companies.
ii. H_o: There is no positive connection between managerial development strategy and organizational continuity in food and beverage companies.

Scope of the Study

The study concentrated on the nature of association between succession planning strategy and organizational continuity in food and beverage companies operating in Anambra state, Nigeria.

REVIEW OF RELATED LITERATURE

Succession Planning Strategy

Succession planning strategy is a process by which management identify, evaluate and develop their employees to ensure that they are able of play key roles in an organization [1]. Succession planning strategy is a deliberate decision taken by an organization management to promote and encourage continued development of employees, and to ensure that management positions maintain ascertain level of stability, and also enable the organization to achieve its business objectives. Succession planning strategy involves identifying best performers in the organization and engaging them in ensuring that they are committed to staying for a long period. It is important for organizations to ensure that there are adequately prepared employees members who can take on complex responsibilities and positions where necessary. Charna, Drotter and Noel [5] have affirmed that organization needs to develop a leadership training framework that allows for consistent succession of leaders at all levels of an organization.

Employee Mentoring Strategy

Employee mentoring refers to the relationship between a less experienced employees called a mentee and a more experienced employee called a mentor [6]. Employee mentoring is a process of using trained and experienced management staff to provide guidance, pragmatic advice, and ongoing support to assist subordinates in their learning and development process. Chand [7]sees employees mentoring as a way to help subordinates acquire managerial competencies and knowledge from experienced managers in charge of organizational matters. Employee mentoring is a relationship that meets development needs of an organization, the full potential, and the benefits of all partners, mentor, mentee and organization.

Managerial Development Strategy

Mullins [8] sees managerial development of human resource as the building block of an effective and efficient organization. Managerial development is a situation where subordinates are equipped for anticipated changes on a job, or for an expected future appointment into managerial carder. Managerial development is related to the development of employees' knowledge and managerial competencies capacity. Baba &Ameh[9]claimed that managerial development is a system that builds employees into becoming effective and efficiency managers, and also to monitor employees' growth in managerial skills over a period of time. Baba &Ameh[9]noted that managerial development has been adopted by strategic managers as a tool to implement organizational goals. To broaden an employee's scope and job functions in an organization, managers often great room for on the job training, class training, further studies and case study analyses for their subordinates.

Organizational Continuity

Organizational continuity is a goal which requires organizational management to effectively utilize its human and material resources to achieve. Continuity of the organization processes, procedures, decisions and activities is to ensure that the organization can continue to operate without operational disruption. Any company that wants to remain in business, it should be able to rely on the next generations of its trained employees that will takes over leadership of the organization. Organizational survival and growth requires investment and efficient utilization of its human and material resources [10].

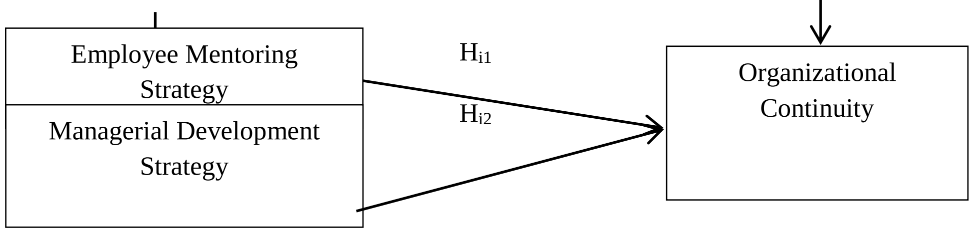
Researcher's Conceptualization Model

The conceptual model represents diagrammatic relationships of the various variables used in this study. The model highlighted the relationship and sense of direction between the dependent and independent variables, where employees mentoring and managerial development represent the independent variables, while organizational continuity represents the dependent variable. These variables were used to develop the hypotheses of this study.

Relationship between Succession Planning Strategy and Organizational Continuity Model

Independent Variable **Dependent Variable**

Succession PlanningStrategy Organizational Continuity



Source: Researcher's conceptualization

THEORETICAL FRAMEWORK

The research paper was anchored on "Relay Succession Planning". Relay succession plans involves identifying a senior executive position that would likely be vacant in an organization and also identifying its heir apparent in advance before actual transition, thereby ensuring there is a period for the outgoing executive to transfer knowledge and power to a successor [11]. Santorin [12] suggested that chief executive officers of organizations should transfer the mantle of leadership to their successor before exiting their position in a company. This model is relevant to this study as it is expected that all successor will learn from the successes and failures of their predecessors in the management of their organization. The predecessors are also expected to expose their successor to the various challenges in the business environment.

Empirical Review

Baba and Ameh[9] studied the impact of succession planning and organizational survival. The purpose of the study was to ascertain the relationship between management development and mentoring on organization survival. The data analysis was 62 participants from fast food businesses in Port Harcourt. Multiple regressions was used to test the hypotheses. The result showed that there was a strong correlation between succession planning and organizational survival.

Onwuka, Ekwulugo, Dibua and Ezeanyim[13]assessed the impact of succession management and organizational survival of some selected transportations companies in Onitsha, Anambra, Nigeria. One research question and one hypothesis were developed. Descriptive research design was employed, data sources were both the primary and secondary sources. A descriptive statistical tool was used to analyze data. The Pearson Product Moment Correlation Coefficient was used to test the hypothesis. The findings suggested that there is a positive relationship between mentoring and organizational survival.

Iroulor and Umoh[14] investigated the impact of organizational structure on succession planning and organizational resilience of manufacturing companies in Rivers State, Nigeria. The Quasi experimental design was adopted to generate data from the respondents of top ninety three (93) middle and lower level employees of the study organizations. Simple random sampling technique was used. Sources of data were questionnaire. Spearman's rank order of correlation coefficient was employed for hypotheses testing. The result showed that organizational structure moderates the relationship between succession planning and organizational resilience.

Akpan and Ukpai[15] examined the effect of succession planning on the survival of Small Scale Businesses in Makurdi metropolis, Nigeria. The descriptive survey design was embraced for their study.A sample size of 120 respondents was drawn from a population of 560 small scale business owners. Structured questionnaire was used for data collection. The data collected were tested using mean and standard deviation and Analysis of Variance. The study showed that manpower training influences continuity of small scale businesses. The interpretation of this study was that business owners should putin place a succession plan to ensure organizational continuity and sustainability.

Ogbari, Akinyele, and Dibia[16] investigated the impact of succession planning on organizational survival: Empirical evidence of Covenant University, Nigeria. The data were generated through questionnaire administration. The study used a cross sectional survey research design. Four hypotheses were developed. Pearson correlation coefficient was used for testing the hypotheses relationship. The result shows that there was a significant impact of succession planning on organizational survival. The study also revealed that career development impacts strongly on organizational survival of Covenant University.

Darvish and Temelie[17] examined the relationship between succession planning and strategic planning in Payame Noor University of Aleshtar branch. A descriptive method of correlation was used. The sample sizewas 32 respondents of the university. Data were collected with the aid of questionnaires. Pearson correlation coefficient and simple linear regression were employed to test the hypotheses. The result shows that the relationship between succession and strategic planning had a strong positive correlation in Payame Noor University of Aleshtar.

Neetha[18] studied the impact of succession planning and organizational performance of the IT sector in Bangalore. The study measured the practice of succession planning and its impact on IT organizational performance. A comparative research design was used for the study. Questionnaire was used for data collection. The study revealed that the mean percentage of succession planning and organizational performance in IT consultancy companies was higher than that of IT product/research companies and the relationship between succession planning and organizational performance was found to have a positive relationship.

RESEARCH METHODOLOGY

The cross-sectional survey research design was adopted for this study. Cross-sectional survey research It was used because of the nature of the study. Data were generated through the issued structured questionnaire. It will probably be difficult to deal with the entire food and beverage companies in Nigeria, because of the geographical location. However, an accessible portion of the population was selected. The accessible number of registered food and beverage companies in Anambra state was thirty six. The population for this study comprises of the chief executive officer and management staff of the food and beverage companies. The sample size was one hundred and twenty senior staffs of the various companies, which represents at least 3 respondents (CEOs, Directors or Management staff) from each of the food and beverage companies in Anambra state. 108 questionnaires were duly completed and returned. This represents a response rate of 90 percent. This can be considered a good representative sample for the study. According to Mugenda and Mugenda[19] reported that an average of 50 percent or more of the returned questionnaires could be allowed for data analysis.

Method of Data Collection

The data for this study were collected from primary and secondary sources. The questionnaire from the respondents was based on a five points likert scale. The secondary data were information generated from the various companies' record, and journals.

Validity of the Instrument

Content validity was employed for this study. The objectives of this study are in line with the formulated hypotheses and research questions. The literature review contains enough content to close the identified gap in knowledge. Experts from the field of management sciences assisted in validating the instrument used for this research.

Reliability Test

The reliability of the materials used in the research was measured using Cronbach's alpha test. Ten (10) items were tested after three weeks of re-administering of questionnaires.

Table 1: Reliability Statistics

Items	Cronbach's Alpha
Mentoring strategy	.872
Managerial Development Strategy	.894

Source: Field Survey, 2020.

From the table above, the computed Cronbach/Coefficient Alpha value were .872 and .894 for mentoring and managerial development respectively, which means that 87.2% and 89.4% of the variance in the scores is reliable.

ORGANIZATIONAL CONTINUITY STATISTICS

In this section, the study sought to establish whether food and beverage companies adopted strategies in the past that has impacted on their survival.The respondents were asked to select the survival rate that best deemed their workplace environment in relation to their organizational survival. The Likert-type scale was used to rate the responses on a 5 point scale, ranging from 5 = Strongly Agree to 1 = Strongly Disagree

Table 2: Summary Statistics on Organizational Continuity

S/N	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Deviation
6	Continuity of the company aligns with its objectives.	40 (37%)	33 (30.6%)	2 (1.9%)	15 (13.9%)	18 (16.7%)	3.57	1.511
7	There is a strong institutional framework for the business continuity.	34 (31.5%)	36 (33.3%)	5 (4.6%)	16 (14.8%)	17 (15.7%)	3.50	1.463
8	The organization identifies competencies needed by subordinates for future job performance.	25 (23.1%)	39 (36.1%)	6 (5.6%)	23 (21.3%)	15 (13.9%)	3.33	1.401
9	Succession plans supports the continuity of the organization.	38 (35.2%)	34 (31.5%)	2 (1.9%)	16 (14.8%)	18 (16.7%)	3.54	1.507
10	Decision making does not solely depend on the CEO.	36 (33.3%)	35 (32.4%)	5 (4.6%)	13 (12%)	19 (17.6%)	3.52	1.494
	Average	**34.6 (32.03%)**	**35.4 (32.78%)**	**4 (3.70%)**	**16.6 (15.37%)**	**17.4 (16.12%)**	**3.492**	**1.475**

Source: Field Survey, 2020

In table 2 above, it is measured the extent at which the participants agreed that there was organizational continuity of food and beverage companies. The average mean score of the variable measuring organizational continuity was 3.49 with a standard deviation of 1.475. It also shows that 34 (31.49%) of the average participants disagree or strongly disagree that the organizational continuity was low, 70 (64.81%) of the average participants agreed or strongly agreed that the organizational continuity was high, while 4 (3.7%) of the participant were neutral in their response. The average mean value of 3.49 is very high and the average standard deviation value of 1.475 which shows the degree of variation among the participant is high.

Table 3: Summary Statistics on Employee Mentoring Strategy

S/N	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Deviation
11	Employee mentoring is an avenue for building subsequent future leaders in my frim.	39 (36.1%)	33 (30.6%)	2 (1.9%)	16 (14.8%)	18 (16.6%)	3.55	1.512
12	Employee mentoring helps in transmitting the values, goals, culture and vision of my organization to the employees.	36 (33.3%)	36 (33.3%)	4 (3.7%)	14 (13%)	18 (16.6%)	3.54	1.482
13	Employee mentoring leads to organizational efficiency.	27 (25%)	39 (36.1%)	5 (4.6%)	21 (19.4%)	16 (14.9%)	3.37	1.425
14	Employee mentoring has a positive foundation in business continuity.	39 (36.1%)	33 (30.6%)	2 (1.9%)	16 (14.8%)	18 (16.6%)	3.55	1.512
15	Effective training, coaching and monitoring of employees ensures business's continuity	35 (32.4%)	34 (31.5%)	7 (6.5%)	14 (13%)	18 (16.6%)	3.50	1.476
	Average	**35.2 (32.59%)**	**35 (32.41%)**	**4 (3.7%)**	**16.2 (15%)**	**17.6 (16.30%)**	**3.502**	**1.481**

Source: Field Survey, 2020.

From the table above, succession planning strategy measured the extent to which mentoring influence organizational continuity. It was measured by the sub-variables in the table above. An average number of the 70.2 (65%) strongly agreed or agreed that employee mentoring strategy influence organizational continuity was high, 4 (3.7%) of the participant were neutral, while 33.8 (31.3%) Strongly disagree or disagreed that mentoring strategy influences organizational continuity. The average mean was 3.502 and with a standard deviation of 1.481. The mean value was high, and this shows that mentoring influences organizational continuity of food and beverage companies deviates from mean to both sides by 1.481.

Table 4: Summary Statistics on Managerial Development

S/N	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Deviation
16	Subordinates are trained On the Job.	18 (16.7%)	25 (23.1%)	11 (10.2%)	23 (21.3%)	31 (28.7%)	2.78	1.493
17	Management encourages Job rotation.	32 (29.6%)	30 (27.8%)	4 (3.7%)	20 (18.5%)	22 (20.4%)	3.28	1.552
18	Management makes provision for outside the Job training.	27 (25%)	39 (36.1%)	5 (4.6%)	21 (19.4%)	16 (14.8%)	3.37	1.425
19	Management encourages higher and professional studies.	21 (19.4%)	27 (25%)	12 (11.1%)	23 (21.3%)	25 (23.1%)	2.96	1.478
20	Management encourages case study training for subordinates	37 (34.3%)	36 (33.3%)	5 (4.6%)	14 (13%)	16 (14.8%)	3.59	1.447
	Average	**27 (25%)**	**31.4(29.1%)**	**7.4(6.85%)**	**20.2(18.7%)**	**22(20.35%)**	**3.196**	**1.479**

Source: Field Survey, 2020

measured was the extent in which managerial development effect on organizational continuity. It was measured by the sub-variables in the table above. An average number of the 58.4 (54.1%) strongly agreed or agreed that product managerial development strategy influence organizational continuity was high, 7.4 (6.85%) of the participant were neutral, while 42.2 (39.05%) Strongly disagree or disagreed that managerial development strategy influences organizational continuity was not high. The average mean was 3.196 and with a standard deviation of 1.479. The mean value was high, and this shows that managerial development influences organizational continuity of food and beverage companies deviates from mean to both sides by 1.479.

Hypotheses Testing

i. H_i: There is a positive connection between employee mentoring strategy (EMS) and organizational continuity (OC) of food and beverage companies in Anambra state.

ii. H_i: There is a positive connection between managerial development strategy (MDS) and organizational continuity (OC) of food and beverage companies in Anambra state.

Table 5: Correlation between the Independent and Dependent Variables

Correlations

		OC	M	MD
OC	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	108		
EMS	Pearson Correlation	.753**	1	
	Sig. (2-tailed)	.000		
	N	108	108	
MDS	Pearson Correlation	.786**	.656**	1
	Sig. (2-tailed)	.000	.000	
	N	108	108	108

Correlations

		OC	M	MD
OC	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	108		
EMS	Pearson Correlation	.753**	1	
	Sig. (2-tailed)	.000		
	N	108	108	
MDS	Pearson Correlation	.786**	.656**	1
	Sig. (2-tailed)	.000	.000	
	N	108	108	108

**. Correlation is significant at the 0.01 level (2-tailed).

The above pearson moment correlation was carried out, to determine the relationship between employee mentoring and managerial development on organizational continuity.

The result of hypothesis one (r= .753**, P < .01) revealed that there was a positive correlation between employee mentoring strategy and organizational continuity. The alternate hypothesis (H_i) was accepted, while the null hypothesis (H_o) was rejected. The result was in line with the findings of Baba &Ameh (2018), and Onwuka, Ekwulugo, Dibua and Ezeanyim (2017) who reported a positive association between employee mentoring and business continuity.

The result from hypothesis two (r= .786**, P < .01) revealed that managerial development strategy was positively related to organizational continuity. The alternate hypothesis (H_i) was accepted, while the null hypothesis (H_o) was rejected. The result was in agreement with the findings of Baba &Ameh[9]and Ogbari, Akinyele, and Dibia[16]who reported that career development was significant related to organizational continuity.

CONCLUSION

The study was based on an empirical review of succession planning strategy and organizational continuity of food and beverage companies in Anambra State, Nigeria. The theoretical framework was based on relay succession plan. From the findings it was revealed that employee mentoring and managerial development has a significant connection with organizational continuity of food and beverage companies. However, there are three major limitations that should be addressed by future researchers. Firstly, the research was limited to Food and beverage companies only in Anambra state of Nigeria. While other sector of the economy were ignored. Secondly, there was no previous studies of the selected companies on the subject matter to enable the researcher make comparisons of result if they are consistent or not. Thirdly, the sample size of the respondents was limited to owners and management staff of the selected companies ignoring the junior staff opinion.

RECOMMENDATIONS

i. Management of organizations should put policies measures in place to ensure that management staff mentors their subordinates.
ii. Employers should ensure that there are adequate managerial training and development facilities for their employees.

CONTRIBUTION TO KNOWLEDGE

The following are the contributions to knowledge;

i. This research paper has contributed to the body of knowledge by solving the problem of succession planning for organizational survival of food and beverages companies in Anambra state, Nigeria.
ii. The researcher developed a conceptual model that shows the relationship between succession planning strategies and organizational continuity.

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CONFLICT OF INTEREST

I declare that there is no conflict of interest with this manuscript either financial or non-financial

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