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**INFLUENCE OF SUCCESSION PLANNING
PRACTICES ON PERFORMANCE OF KENYA
POWER LIMITED COMPANY**

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INFLUENCE OF SUCCESSION PLANNING PRACTICES ON PERFORMANCE OF KENYA POWER LIMITED COMPANY

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Abstract

Purpose: The general objective of the study was to determine influence of succession planning practices on performance of Kenya Power Limited Company.

Methodology: The study adopted a descriptive research design. The target population was 1000 employees of KPLC. The sample size was therefore 100 employees of KPLC. Primary data was collected through the administration of the questionnaires. The raw data obtained from the field was coded, scrutinized and then organized and edited to enhance accuracy and hasten analysis using statistical package for social sciences (SPSS) to produce graphs and tables in descriptive statistics such as frequencies, percentages, means and standard deviation and inferential statistics used both correlation and regression analysis. Correlation was used to find out the variables inter-relation while regression was used to find out the strength between the independent and dependent variable. Simple regression was used to determine whether the specific variables together can predict a given research gap.

Results: The findings revealed a positive relationship between the career development, training, performance appraisal, organizational structure and the performance KPLC.

Policy recommendation: The study recommended that large manufacturing firms should also invest more in research and development, training, networking and innovation.

Keywords: *succession planning, performance, career development, training*

1.0 INTRODUCTION

1.1 Background of Study

Understanding succession planning in public utility companies can improve performance of the firms (Debicki *et al.*, 2009). Succession planning is a deliberate and systematic effort by an organization to ensure leadership continuity in key positions, retain and develop intellectual and knowledge capital for the future and encourage individual advancement. It is a process that helps to ensure the stability and tenure of personnel. It is perhaps best understood as any effort designed to ensure the continued effective performance of an organization, division, department or work group by making provision for the development, replacement and strategic application of key people over time (Rothwell, 2005). The notion of succession planning ranges from any efforts to plan for top management succession to an expansive view of systematic internal talent development (Froelich, McKee & Rathge, 2011).

However succession is no longer just about replacing key executives. Successful succession management comprises strategic talent management, in which an organization ensures it has the global human capital to perpetually adapt, respond, and succeed in an evolving business environment. It focuses on key talent pools regardless of leadership level whose performance makes the organization effective in the marketplace. Strategic talent management embraces selection, development, and performance to recognize potential and keep a steady supply of people moving up and across the organization. Statistics show that an overwhelming number of organizations do not have a meaningful succession plan. In fact, 50 percent of organizations with revenues greater than \$500 million do not have a working succession plan (Personnel Decisions International Corporation, 2011).

According to Benthall *et al* (2005), perhaps the world expert on succession planning, there is a quiet crisis sweeping the world due to lack of ensuring effective succession in organization of all types sizes and industry categories. As many as 20% of the senior leaders in top 5000 companies and 43% of the people who own and operate the closely held businesses that comprise 80% of the north American economy could retire within the next five years.

1.2 Statement of the Problem

Succession planning is any effort designed to ensure the continued effective performance of an organization, division, department or work group by making provision for the development, replacement and strategic application of key people over time (Rothwell, 2005). Therefore good succession planning can result to increase in performance. However though organizations are increasingly acknowledging the critical role of succession planning prior to exit of employees, few public limited companies have plans in place to guide them through the process and as a result decline in performance has often been realized during transition (Austin & Salkowitz, 2009). Public limited companies are perceived to have lagged behind in institutionalizing succession plans as part of their strategies to deal with the aforementioned transition and therefore risk losing experience, information and identity in the long run (Rothwel, 2011).

In Kenya Power Company Limited the number of high performing employees who left their companies more than doubled over the past year. This has been associated with lack of good succession planning in the company and thus leading to poor performance. The well trained and experts of the company are now shifting to other competitors and even some starting their own companies which have greatly affected the performance of the company since the employees left in the company are not well skilled (Murugu, 2014).

2.0 LITERATURE REVIEW

2.1 Theoretical Framework

2.1.1 Scharmer's Theory U

Otto Scharmer (2007) came up with a succession model which is referred to as Scharmer's Theory U Model. Scharmer (2007) argues that the top management team should embrace and act in order to implement succession planning. In the first instance, this model views succession planning as beginning from the immediate future and supports a concept of a U process of five movements that can make change possible. These movements are; Co-initiating, Co-sensing, Pre-sensing, co-creating and co- evolving. The first movement is co-initiating. In the words of Scharmer, at this stage the organization establishes a common purpose with all stakeholders about a future event. Co-sensing is the second movement stage in which an organization sees the need at hand collectively across boundaries. Also, at this stage new ideas and innovation occur through collective input. The third stage is Pre-sensing, whereby the leadership of organization begins to see the future they envisage in terms of succession planning. This futuristic plan establishes a foundation for change, thereby spurs an organization to an expected end. Further, at this stage, it is observed that the leadership lets go off unresolved past issues and forges ahead to a more realistic future. The fourth in this model is co-creating. Scharmer (2007) argues that at this stage, the leadership of the organization explores the future and prototypes what the future might look like. He goes further to suggest that leadership should make succession planning a long-term concept rather than working on organizational immediate requirements. Kartz (2006) argues further that there is need to assess company's strategy and policy that highlight the required qualifications of the successor in order to have a sustainable and dynamic succession plan in place. The Scharmer's fifth movement in Theory U is co- evolving which can help an organization to embrace change and implement succession planning strategies in the context of an emerging future (Scharmer, 2007).

2.1.2 Career Development Theory

According to Donald Super's (1994) Career Development Theory, vocational development is the process of developing and implementing a self concept. As the self concept becomes more realistic and stable, so does vocational choice and behavior. People choose occupations that permit them to express their self concepts. Work satisfaction is related to the degree that they've been able to implement their self-concepts. Similarity between one's actual vocational behavior and what is expected for that stage of development. Career maturity includes readiness to cope with developmental tasks at a given stage. It is both affective and cognitive.

Most career education programs have been affected by Super's ideas. They provide gradual exposure to self concepts and work concepts in curriculum that represents Super's ideas of career development/vocational maturity. Supers developmental view of career development in the context of the self allows for changes over time. This is very appropriate in the 21st Century workplace.

2.2 Empirical Review

According to Marreli (2010) a good succession planning system will look for talent both internally and externally. The taking talent from outside in extremely advantageous especially if the organization stands to benefit in terms of new ideas or even new technology (Bayham, 2010). In order to remain successful a succession management implementation gives an

organization competitive advantage over the others especially global organizations. A well designed succession program integrated to performance will act as a very important source of competitive advantage (Yaeger & Sorensen 2009). The succession planning process is also advantageous since the employees are exposed to development programs before being offered management position and this enhances both effectiveness and efficiency (Solomon, 2009).

Oduma and Were (2014) conducted a study on the influence of career development on employee Meharabani and Mohamed (2011) observed that training plans help employees to learn new skills and knowledge and therefore, give them new abilities that may be needed of them to take up new roles. Trained people are more empowered; therefore, they are available for any succession. Another important aspect is creating a positive vision which will help create a positive insight towards succession planning programs thus removing fear in employees who think succession planning is a threat to their positions in the organization. Maritim (2007) established that training and development programmes for staff influences effective organizational performance.

Nassazi (2013) conducted a study on the effects of training on employee performance: evidence from Uganda. The purpose of this thesis was to evaluate the effects of training on employee performance, using the telecommunication industry in Uganda as case study. In order to understand the study aim, four goals were developed and these focused particularly on identifying the training programs' existing in the industry, the objective of the training offered, the methods employed and finally the effects of training and development on employee performance. The study was based on three case studies of the biggest telecommunication companies operating in Uganda. A qualitative research approach of the data collection was adopted using a questionnaire comprising of 18 questions distributed to 120 respondents. Based on this sample the results obtained indicate that training have a clear effect on the performance of employees.

Gakuru (2006) conducted a study on the relationship between training practices and performance. According to this study globalization has changed the training trend in Kenya. The nation faces challenges that call for changes towards modern methods of satisfying consumers on the local and global markets. The presence of multinationals has taken competition to another level. While many companies are now training their staff, training has not always resulted into improved performance. This has resulted to minimal budgetary allocations to training and in some cases no training at all. However, the way training is managed and the appropriateness of the training approach have major implications for the success of any training intervention. This study sought to determine how the different training practices applied by firms listed in the Nairobi Stock Exchange impacted on their financial performance. A survey of the 48 firms listed in the Nairobi Stock Exchange was carried out. The objectives of the study were to determine the relationship between training practices and performance. A total of 29 firms filled in the questionnaires, a response rate of 60%. Firms were divided into two categories: companies practicing systematic training, and companies practicing non-systematic training. The data collected was analyzed using descriptive statistics. The major findings were: Companies practicing systematic training recorded higher profits than companies practicing non-systematic training. The longer a company trained the better its training practices became. Effectiveness of training method was the greatest determinant of training in companies practicing systematic training while companies practicing non-systematic training considered cost first before choosing a training method. Performance objectives were most commonly used in companies practicing systematic

training while companies practicing non-systematic training mostly used behavioral objectives.

Lumiti (2013) conducted a study on employees' Perception of staff appraisal in public Nadeem (2013) conducted a study on the impact of performance appraisal on employee's performance involving the Moderating Role of Motivation. Employee's performance is the major issue in an organization. The study focused on to find out the impact of performance appraisal on employee's performance and also analyzed that motivation affects the relationship of performance appraisal and employee's. Results presented there is positive relationship between performance appraisal and employee's performance. Motivation as a moderator positively affected the relationship between performance appraisal and employee's performance. Divisional banks can use appraisal system as a strategic approach by integrate it with business policies and HR practices and can improve the performance standers of its employees.

Meijaard, Brand and Mosselman (2005) assessed the relationship between organizational structure and performance in Dutch small firms. Based on the study of a stratified sample of 1411 Dutch small firms the study showed that nine structure stereotypes can be delineated. Firm performance was assessed in terms of sales growth, profitability and innovativeness. The study findings revealed that small firms as well as larger firms may exhibit substantial departmentalization. A strong correlation between departmentalization and firm size was found. Small departmentalized or large non-departmentalized firms were found not perform systematically worse than large departmentalized or small non-departmentalized firms. The study also found that strongly decentralized structures perform well in several contexts, notably in business services and manufacturing. Several rather centralized structures performed equally well though, even in the same contexts. Firms with strong centralization and strong vertical specialization only occur and only perform well in relatively simple structures. Apparently, for larger firms strict vertical specialization requires at least some decentralization in order to be efficient. It was found that hierarchical, centralized structures with strongly specialized employees to occur frequently and to perform well in terms of growth. However, the study did not find 'one best way of organizing'. Some organizational structures appeared to perform better in specific sectors.

Jin and Lewis (1990) investigated the effects of organizational structure on performance using experimental results. A multi-person, model-driven experiment was designed on the basis of a mathematical model of distributed tactical decision making. Two organizational structures were used in the investigation: a parallel one and a hierarchical one. The performance of the organization was measured in terms of its response time and accuracy. These two measures represented team performance. In addition, the cognitive workload of decision makers (DMs) during the execution of the task was estimated because bounded rationality imposed a limitation on the human's capability for processing information and making decision. The results showed that interaction among DMs compensated for differences in individual performance characteristics. Individual differences had more influence on performance in the organization in which DMs had more autonomy in making decisions than in the organization in which individual decisions were coupled with the decisions of other organization members. When available time decreased, time pressure was introduced in the organization and DMs had to adjust their processing rate. The experimental results confirmed a hypothesis which predicts that with decreasing available time, a significant degradation of performance occurs first in the organization which has the highest minimum feasible workload.

3.0 RESEARCH METHODOLOGY

The study adopted a descriptive research design. The target population was 1000 employees of KPLC. The sample size was therefore 100 employees of KPLC. Primary data was collected through the administration of the questionnaires. The raw data obtained from the field was coded, scrutinized and then organized and edited to enhance accuracy and hasten analysis using statistical package for social sciences (SPSS) to produce graphs and tables in descriptive statistics such as frequencies, percentages, means and standard deviation and inferential statistics used both correlation and regression analysis. Correlation was used to find out the variables inter-relation while regression was used to find out the strength between the independent and dependent variable. Simple regression was used to determine whether the specific variables together can predict a given research gap.

4.0 RESULTS AND DISCUSSIONS

4.1 Bio data Analysis

4.1.1 Gender of the Respondents

The respondents were asked to indicate their gender. Majority of the respondents who were 69% were male while only 31% were females. These implied that most employees of KPLC are men.

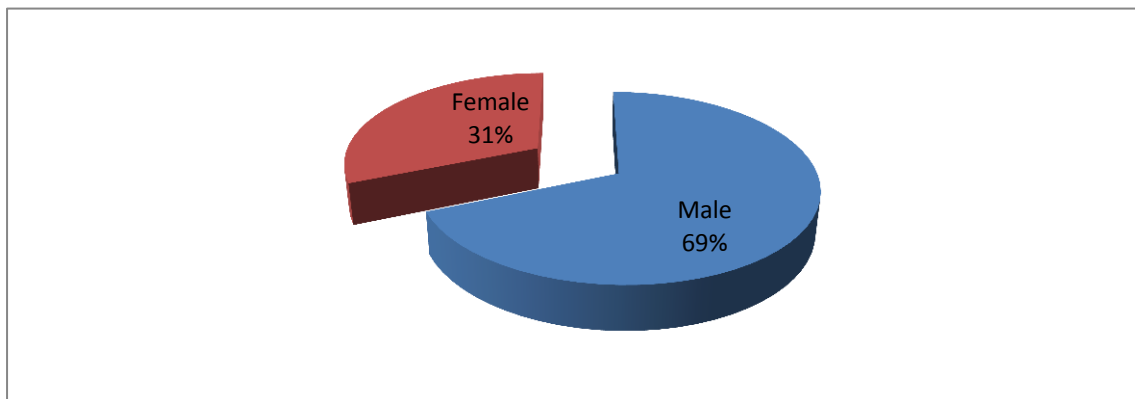


Figure 4.1: Gender of the Respondents

4.1.2 Age of the Respondents

The respondents were further asked to indicate their age. The results revealed that majority of the respondents who were 42% indicated they were between 36 – 45 years, 40% indicated they were between 25 – 35 years, 10% were less than 25 years while only 8% were above 45 years. This implies that most people working with KPLC are not old and that have the capacity to improve the performance of KPLC since they are energetic.

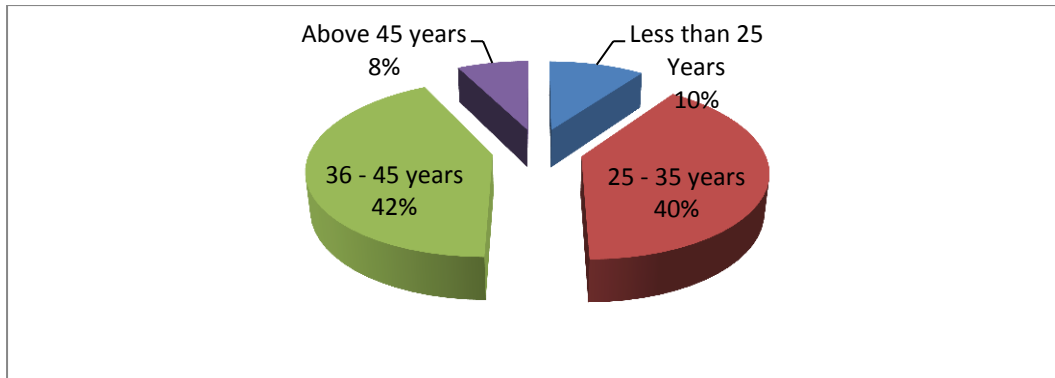


Figure 4.2: Age of the Respondents

4.1.3 Level of Education

The respondents were further asked to indicate their level of education. The results revealed that majority of the respondents who were 58% indicated that they had gone upto university level, 33% indicated that college, 5% indicated primary while only 4% indicated secondary. This implies that most employees in KPLC were educated people and thus had the relevant skills to improve performance.

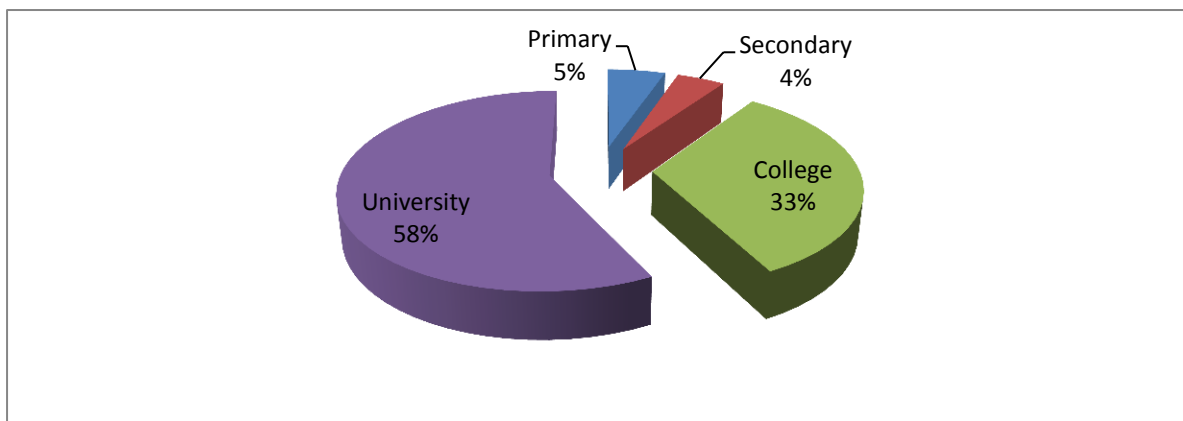


Figure 4.3: Level of Education

4.1.4 Duration of Work

The respondents were further asked to indicate the duration they have worked with KPLC. The results revealed that majority of the respondents who were 59% indicated they had worked with KPLC for 5 – 10 years, 27% indicated that they had worked for 11 – 15 years, 8% indicated that they had worked for less than 5 years, while only 6% had works for above 16 years. This implies that most of the employees of KPLC had worked with KPLC for a long period of time and thus had the relevant information about KPLC.

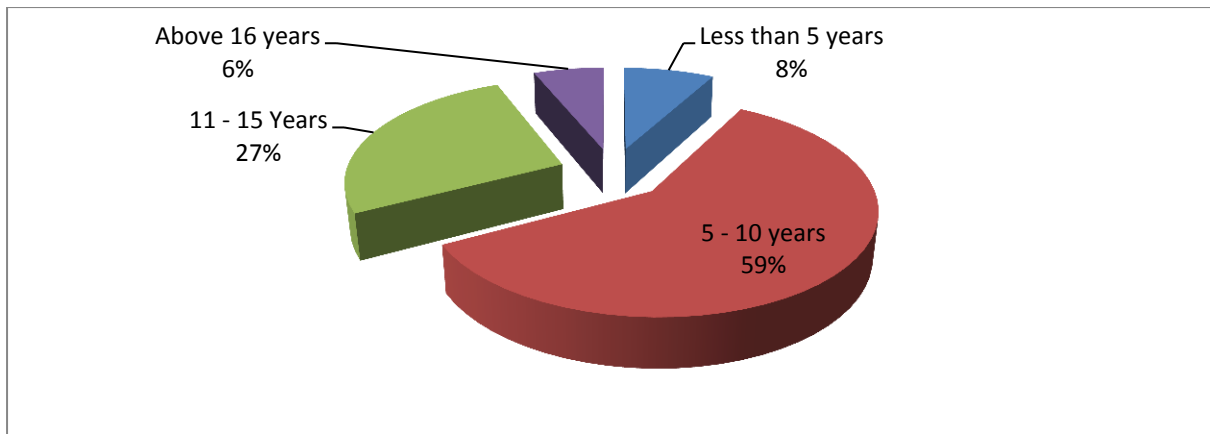


Figure 4.4: Duration of Work

4.2 Descriptive Statistics

4.2.1 Career Development on Performance of KPLC

The first objective of the study was to establish the effect of career development on performance of Kenya Power Limited Company. The results in table 4.1 revealed that majority of the respondents who were 76.3% (48.80% + 27.50%) agreed with the statement that their company, predetermined career routes or career paths are identified through the job hierarchies, and succession planning is linear and upward. The results further showed that majority of the respondents who were 66.2% agreed with the statement that in their company, the mechanism to accomplish succession planning are through job rotation. The results further showed that majority of the respondents who were 73.8% agreed with the statement that the environment allows them to work outside the organization and interact with people in many. The results further showed that majority of the respondents who were 78.8% agreed with the statement that they are enthusiastic and energized in new work. The results further showed that majority of the respondents who were 78.8% agreed with the statement that their organization provides mentorship of employees.

On a five point scale, the average mean of the responses was 4.83 which mean that majority of the respondents were agreeing with most of the statements; however the answers were varied as shown by a standard deviation of 1.12.

Table 4.1: Career Development on Performance of KPLC

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std. Dev
In my company, predetermined career routes or career paths are identified through the job hierarchies, and succession planning is linear and upward	1.20%	16.20%	6.20%	48.80%	27.50%	3.85	1.05
In the company, the mechanism to accomplish succession planning are through job rotation	1.20%	18.80%	13.80%	45.00%	21.20%	3.75	1.12

The environment allows me to work outside the organization and interact with people in many different organizations.	8.80%	11.20%	6.20%	48.80%	25.00%	3.70	1.22
I am enthusiastic and energized in new work experiences and situations.	3.80%	13.80%	3.80%	40.00%	38.80%	3.96	1.15
My organization provides mentorship of employees	5.00%	7.50%	8.80%	48.80%	30.00%	3.91	1.07
Total						3.83	1.12

4.2.2 Training on performance of KPLC

The second objective of the study was to determine the influence of training on performance of Kenya Power Limited Company. The results revealed that majority of the respondents who were 51.2% (45.00% + 6.20%) agreed with the statement with the statement that company is working in partnership with individual employees to assess training needs and incorporate it into succession planning. The results further showed that majority of the respondents who were 78.3% agreed with the statement that their company promotes equal training opportunity for all employees through implementing the training included in the succession planning. The results further showed that majority of the respondents who were 78.7% agreed with the statement that training and development plan is prepared by the supervisor and me, and updated based on performance appraisal results. The results further showed that majority of the respondents who were 65.0% agreed with the statements that receive training based on the identified training needs in their development plan. The results further showed that majority of the respondents who were 73.7% agreed with the statement that their organization conducts training on the importance of succession planning, and career related topics.

On a five point scale, the average mean of the responses was 4.72 which mean that majority of the respondents were agreeing with most of the statements; however the answers were not varied as shown by a standard deviation of 0.92.

Table 4.2: Training on Performance of KPLC

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std. Dev
The company is working in partnership with individual employees to assess training needs and incorporate it into succession planning	5.00%	7.50%	36.20%	45.00%	6.20%	3.40	0.91
The company promotes equal training opportunity for all employees through implementing	5.00%	3.80%	15.00%	57.50%	18.80%	3.81	0.96

the training included in the succession planning								
My training and development plan is prepared by the supervisor and me, and updated based on performance appraisal results	1.20%	3.80%	16.20%	57.50%	21.20%	3.94	0	0.8
I receive training based on the identified training needs in my development plan	1.20%	16.20%	17.50%	50.00%	15.00%	3.61	7	0.9
My organization conducts training on the importance of succession planning, and career related topics	0.00%	16.20%	10.00%	47.50%	26.20%	3.84	0	1.0
Total						3.72	3	0.9

4.2.3 Performance Appraisal on Performance

The third objective of the study was to determine the impact of performance appraisal on performance of Kenya Power Limited Company. The results in table 4.5 revealed that majority of the respondents who were 83.7% (57.5% + 26.2%) agreed with the statement that performance is appraised, on a yearly basis, by the direct supervisor and the managers in top management levels. The results further showed that majority of the respondents who were 86.3% agreed with the statement that after appraisal session; the supervisor gives the feedback as the results are used in discovering employee job performance problems and their causes. The results further showed that majority of the respondents who were 80.0% agreed with the statement that to improve employee current performance, the results of the performance appraisal are used to identify training needs and development opportunities reflected in the individual development plan. The results further revealed that majority of the respondents who were 86.2% agreed with the statement that performance appraisal results are used to correct the deviations that might occur in succession planning progress, and accordingly the individual development plan is adjusted. The results further revealed that majority of the respondents who were 80.0% agreed with the statement that employee performance appraisal results are determinant of the annual compensation including salary increase, promotion, and succession planning.

On a five point scale, the average mean of the responses was 4.02 which mean that majority of the respondents were agreeing with most of the statements; however the answers were not varied as shown by a standard deviation of 0.92.

Table 4.3: Performance Appraisal on Performance of KPLC

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std. Dev
Performance is appraised, on a yearly basis, by the direct supervisor and the managers in top management levels	3.80%	2.50%	10.00%	57.50%	26.20%	4.00	0.9
After appraisal session; the supervisor gives the feedback as the results are used in discovering employee job performance problems and their causes.	2.50%	2.50%	8.80%	58.80%	27.50%	4.06	0.83
To improve employee current performance, the results of the performance appraisal are used to identify training needs and development opportunities reflected in the individual development plan	6.20%	3.80%	10.00%	55.00%	25.00%	3.89	1.03
Performance appraisal results are used to correct the deviations that might occur in succession planning progress, and accordingly the individual development plan is adjusted	0.00%	3.80%	10.00%	57.50%	28.70%	4.11	0.72
Employee performance appraisal results is determinant of the annual compensation including salary increase, promotion, and succession planning	1.20%	3.80%	15.00%	50.00%	30.00%	4.04	0.84
Total						4.02	0.86

4.2.4 Organizational Structure on Performance

The fourth objective of the study was to establish the influence of organizational structure on performance of Kenya Power Limited Company. The results in table 4.6 revealed that majority of the respondents who were 73.8% (50.00% + 23.8%) agreed with the statement

that there are regular departmental meetings and formal guidelines on how to deal with every activity in the company. The results further revealed that majority of the respondents who were 77.5% agreed with the statement that there are few levels of hierarchy before a decision made. The study further revealed that majority of the respondents 73.80% agreed with the statement that there are few levels of hierarchy before a decision made. The study further revealed that majority of the respondents 68.7% agreed with the statement that the company structure encourages succession planning. The study further revealed that majority of the respondents 65.00% agreed with the statement that the company structure encourages specialization.

On a five point scale, the average mean of the responses was 3.84 which mean that majority of the respondents were agreeing with most of the statements; however the answers were not varied as shown by a standard deviation of 0.97.

Table 4.4: Organizational Structure on Performance of KPLC

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std. Dev
There are regular departmental meetings and formal guidelines on how to deal with every activity in the company	1.20%	5.00%	20.00%	50.00%	23.80%	3.90	0.87
There are few levels of hierarchy before a decision made	2.50%	2.50%	17.50%	52.50%	25.00%	3.95	0.87
The company is in control of succession planning and development	1.20%	6.20%	18.80%	48.80%	25.00%	3.90	0.89
The company structure encourages succession planning	6.20%	7.50%	17.50%	51.20%	17.50%	3.66	1.06
The company structure encourages specialization	5.00%	11.20%	18.80%	31.20%	33.80%	3.77	1.18
Total						3.84	0.97

4.2.5 Performance

The results in table 4.5 revealed that majority of the respondents who were 80.00% (38.80% + 41.20%) agreed with the statement that KPLC have greatly increased their customer satisfaction. The results further showed that majority of the respondents who were 78.8% agreed with the statement that KPLC have its profitability. The results further revealed that majority of the respondents who were 75.1% agreed with the statement that the employees' welfare in KPLC is good. The results further revealed that majority of the respondents who were 58.80% agreed with the statement that there is efficiency in production. The results further revealed that majority of the respondents who were 85.20% agreed with the statement that KPLC is able to honor in time its statutory obligations.

On a five point scale, the average mean of the responses was 3.77 which mean that majority of the respondents were agreeing with most of the statements; however the answers were not varied as shown by a standard deviation of 1.08.

Table 4.5: Performance of KPLC

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std. Dev
KPLC have greatly increased their customer satisfaction	6.20%	6.20%	7.50%	38.80%	41.20%	4.02	1.15
KPLC have its profitability	6.20%	15.00%	0.00%	33.80%	45.00%	3.96	1.28
The employees welfare in KPLC is good	5.00%	7.50%	12.50%	61.30%	13.80%	3.71	0.97
There is efficiency in production	3.80%	12.50%	25.00%	45.00%	13.80%	3.52	1.06
KPLC is able to honor in time its statutory obligations	7.50%	8.80%	1.20%	77.50%	5.00%	3.64	0.98
Total						3.77	1.08

4.3 Inferential Statistics

Inferential analysis was conducted to generate correlation results, model of fitness, and analysis of the variance and regression coefficients.

4.3.1 Correlation Analysis

Table 4.6 below presents the results of the correlation analysis. The results revealed that career development and performance are significant related and have moderately strong positive correlation ($r=0.660$ $p=0.000$). The table further indicated that training and performance are significantly related and have moderately strong positive correlation ($r=0.616$, $p=0.000$). It was further established that performance appraisal and performance were significantly related and have moderately strong positive correlation. ($r=0.681$, $p=0.000$). Similarly, results showed that organizational structure and performance were significantly related and have moderately strong positive correlation ($r=0.655$, $p=0.000$). This implies that an increase in any unit of the variables leads to an improvement in performance.

Table 4.6: Correlation Matrix

		Performance	Career Development	Training	Performance Appraisal	Organizational Structure
Performance	Pearson Correlation	1.000				
	Sig. (2-tailed)					
Career Development	Pearson Correlation	.660**	1.000			
	Sig. (2-tailed)	0.000				

Training	Pearson				
	Correlation	.616**	.379**	1.000	
	Sig. (2-tailed)	0.000	0.001		
Performance Appraisal	Pearson				
	Correlation	.681**	.598**	.461**	1.000
	Sig. (2-tailed)	0.000	0.000	0.000	
Organizational Structure	Pearson				
	Correlation	.655**	.496**	.570**	.460**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000

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

4.3.2 Regression Analysis

The results presented in table 4.6 present the fitness of model used in the regression model to explain the study phenomena. Segregation of duties, cash reconciliation, inventory audits and cost management provides a moderately good fit in predicting changes in performance. This is supported by coefficient of determination also known as the R square of 68.8%. This means that career development, training, performance appraisal and organization culture explain 68.8% of the variations in the dependent variable which is performance of KPLC. This results further means that the model applied to link the relationship of the variables was satisfactory.

Table 4.6: Model Fitness

Indicator	Coefficient
R	0.829
R Square	0.688
Adjusted R Squared	0.671
Std. Error of the Estimate	0.29546

In statistics significance testing the p-value indicates the level of relation of the independent variable to the dependent variable. If the significance number found is less than the critical value also known as the probability value (p) which is statistically set at 0.05, then the conclusion would be that the model is significant in explaining the relationship; else the model would be regarded as non-significant.

Table 4.8 provides the results on the analysis of the variance (ANOVA). The results indicate that the overall model was statistically significant. Further, the results imply that the independent variables are good predictors of performance. This was supported by an F statistic of 41.305 and the reported p value (0.000) which was less than the conventional probability of 0.05 significance level.

Table 4.7: Analysis of Variance

	Sum of Squares	df	Mean Square	F	Sig.
Regression	14.423	4	3.606	41.31	0.000
Residual	6.547	75	0.087		

Total 20.97 79

Regression of coefficients results in table 4.10 shows that career development and performance are positively and significant related ($r=0.274$, $p=0.001$). The table further indicates that training and performance are positively and significant related ($r=0.293$, $p=0.002$). It was further established that performance appraisal and performance were positively and significantly related ($r=0.179$, $p=0.005$) while organizational and performance were also positively and significantly related ($r=0.242$, $p=0.004$)

Table 4.8: Regression of Coefficients

Variable	B	Std. Error	t	Sig.
(Constant)	0.053	0.298	0.177	0.86
Career Development	0.274	0.079	3.474	0.001
Training	0.293	0.092	3.181	0.002
Performance Appraisal	0.179	0.063	2.860	0.005
Organizational Structure	0.242	0.082	2.960	0.004

Thus, the optimal model for the study is;

$$\text{Performance of KPLC} = 0.053 + 0.274 \text{ Career Development} + 0.293 \text{ Training} + 0.179 \text{ Performance appraisal} + 0.242 \text{ Organizational Structure.}$$

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

In relation to the study findings the study concluded that career development, training, performance appraisal; organizational structure influences the performance KPLC. The findings revealed a positive relationship between the independent variables and the dependent variable.

The study also concluded that most employees are enthusiastic and energized in new work experiences and situations. In addition companies that promote equal training opportunity for all employees have good succession planning.

The study also concluded that employee performance appraisal results are the key determinant of the annual compensation including salary increase, promotion, and succession planning.

5.2 Recommendations

The study recommends that organization should have job rotation so as to motivate their employees and thus will improve productivity. In addition organizations should ensure environment allows them to work outside the organization and interact with people in many different organizations. Organization should also provide mentorship of employees.

The study also recommends that companies should work in partnership with individual employees to assess training needs and incorporate it into succession planning. In addition supervisors should prepare training and development plans for the employees and update them based on performance appraisal results.

The study also recommends that the results of the performance appraisal should be used to identify training needs and development opportunities

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