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# Effect of Management Succession on Organizational Performance: A Study of PZ. Cusson Plc. Aba, Abia State

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**ABSTRACT:** The main objective of the study is to examine the effect of management succession on organizational performance with reference to PZ Cussons Plc. Aba, Abia State. Descriptive survey research design was adopted using ANOVA and percentage table. The sample size was 178. The findings indicated that: i) there is a positive and significant relationship between leadership transition and organizational performance of PZ Cussons Plc. Aba, Abia state. ii) there is a positive and significant relationship between strategic planning and organizational performance of PZ Cussons Plc. Aba, Abia State. The study concludes that; institutional growth is a key component of organization performance. It is the case in this study that, indeed succession planning contributes positively to institutional growth based on teamwork where work teams frequently review and evaluate processes, incidents, decisions, and innovations to derive as much learning as they can from both success and failure through performance appraisal and promoting committed employees in the organization for growth and development as well as career development within the organization. Based on the findings, the study recommends among other, that; PZ Cussons plc. Aba should ensure that their leader/manager adopts a participatory strategic plan toward succession to promote employee participation and encourage target setting in the organization.

**Keywords:** Organization, Management Succession, Performance, Productivity and Profitability

## INTRODUCTION

Management succession has become an important initiative and innovation for many organizations around the world. It is a strategic process that minimizes leadership gaps. The need to identify and develop top talent for management succession is an important issue. Management succession enables organizations to quickly react to change and endure turbulence period. Chandler (2017) defines organization as coordination of individual efforts to accomplish a common objective.

Terry Lucey (2015) sees organization as group created and maintained to achieve specific objectives. It may be a hospital with objectives dealing with health care, local authority with objective of providing service to local community, etc.

Main concept of organization is how to achieve goals. An organization strives for survival and continuity, manpower planning (Human resources) is important and seen as total package in relation to caliber of workforce in the organization. Employees most at times falsify their age in order not to retire at the appropriate age thereby leading to either leadership vacancies or inadequacy or lack of competent hand. Kesner and Terrence (2015) argues that organization must begin on time to plan for succession before top managers retire. Chara et al (2011) asserts that it is essential for organization to train successors before the vacancies are created.

Nigeria has witnessed a serious growth and increase in organization whose role has been tailored to fulfill national aspirations and government has laid more emphasis on training and development of human resources mostly those in managerial cadre. Still a good number of these young executives became unsuccessful in reaching their goals because of inadequate planning. Management manpower planning is a process. It starts with management manpower planning to staff development then organizational performance, appraisal and analysis, manpower inventory ends in final decision to re-allocate human resources in organization (Onwuka, Ekwulugo, Dibua &Ezeanyim, 2017).

Additionally, post-replacement productivity is likely to be not only influenced by the skills of the new leader but also from changes in the competitive surroundings of an organization. It might be hard to distinguish these two effects in these settings. To avoid the shortcomings associated with publicly available accounting and organizational reports, many researchers addressing the publicly available accounting and organizational report/statement which has several advantages compared to stock information (Ter Weal 2006). For example, if leader's replacements in PZ Cussons plc. Aba are analysed, organizational productivity can most often be measured on a weekly basis compared to quarters or years in studies relying on stock report or data.

Furthermore, Management successions provide a means for assessing the efficiency of a leader in shaping an organization's fortune. The effect of Management successions on organizational productivity is still debated, despite numerous studies and renewed attention to this problem (Allen, Pania, & Lutz, 2017). Because of the importance of leader as the person who is responsible for setting organizational strategy, structure, environment and performance, the central concept of the business in any organization originates from the management. Like most human endeavors there are problems that organizations are confronted with in the process of managing their workforce. Trying to achieve managerial task like planning, directing, controlling, and coordinating all human activities in organizations, a lot of problems are encountered. Lack of continuity in most private organization is alarming. Poor succession due to lack of experience, incompetence, no clear division of labor leads to crisis.

Secondly, since production industry have become a very vital and important sector in the Nigerian economy. Also, as one of the pivots of the Nigerian economy, which contributes up to 48.2 percent of total employment and contributes 29.4 percent to GDP. PZ Cussons plc also contribute its own quota to the production sector at a percentage up to 7.8 (Wamalwa, 2014). Despite the major role played by this organization PZ Cussons Plc. little research has been done to establish the influence of Management succession on organizational productivity which in turns

promote growth, as relates to changes in Management of the organization.

Therefore, Management personality and traits, Management handover, Management style on workers commitment to service and Management behavior varies as succession occurs in Management of the organization, which lead to high or low yield in productivity and turnover. This constitutes a serious problem between management succession and organizational performance of PZ Cussons plc. Aba, Abia state.

The specific objectives which are to: determine the effect of leadership transition on the organizational performance; and ascertain the relationship between strategic planning and the organizational performance of PZ Cussons plc. Aba, Abia state. In line with that, two research questions and hypotheses have been formulated.

## LITERATURE REVIEW

### Management Succession

Management is defined as the process of social influence in which one person could enlist the aid and support of others in the accomplishment of a common goal. It involves using one's role and ability to influence others to deliver business results and contribute to the organization's overall success. True Management comes from full acceptance of and commitment to responsibilities, influence, congruence, and integrity. Successful Management involves the management of relationships and communications within a team, while driving the team towards achieving a specific goal. Management reflects on the ability of one to express a vision, encourage team cooperation and influence others to achieve results. It is essentially related to one's skills, abilities, and degree of influence, instead of power (Abdussamii, 2014).

Survival of organization, continuity and viability are primary responsibility of top management of all organizations, and it cannot be properly fulfilled unless there is provision for management succession. Succession planning is a process for identifying and developing new leaders who can replace old leaders when they leave, retire, or die in business, it entails developing internal people with potential to fill key business leadership positions in a company. It aims at continuity of leadership preventing chaotic power struggle, it is settled by order of succession. Effective succession planning concerns with building a series of feeder group up and down the entire leadership pipeline, in a nutshell replacement plan in focus.

Organizations use succession planning as a process to ensure that employees are recruited and developed to fill each key role within the organization. Through one's succession planning process one recruits, superior employees develop their knowledge, skills and abilities and prepares them for advancement or promotion into more challenging roles. Merch (2016) asserts that as one's organizations expands, losses key employees, provides promotional opportunities or increases sales, one's succession planning aims to ensure that one has employ people ready and waiting to fill new roles.

Ewing (2012) states that managerial succession planning is uncommon because of difficulties in anticipating contingencies and on accounting for movement of several levels of employees it is detailed aspect of

manpower planning, and it requires, great caution.

Necessity for management succession is a must for any organization if the organization want to be in existence, the importance of the study entails that a policy of promoting staff should be organized from within the hospital, it will help the staff to rise and those qualified will have opportunity for promotion. Employees with ability for potentials must be recognized early and give opportunity for continuous growth which will help in advancement. Top management must see that the system operates effectively without favoritism.

**Necessity for Management Succession**

Barker, (1993) it is of great importance if organizations such as private hospitals under study to plan of succession to avoid closure of most private hospitals which is what happens with most of the private hospitals within the State.

Top management must bear in mind that succession planning is in their Jurisdiction, and it must be done with care, no preferences, so that the best will emerge, and priority must be placed on sound education, experience, capability to handle the position in question.

Promotion can be of advantage because passing through many steps experience, knowledge and it is effective administrative procedure too, this will give the opportunity to take qualified employees and it is opportunity for promotion which is another way for Job satisfaction.

Employees with rich potentials and ability must be dictated early and opportunity given to them for growth and stability, further training should be accorded to them for further development to be able to fit in properly.

These private hospitals should encourage high leadership capability to help dictate mature staff early because the earlier the better, when the top management noticed that capable employees that will replace them have high leadership capacity it will be of advantage to them because they will be happy that there is continuity even if they are no longer there.

Top management of these private hospitals should avoid sentiments, suspicion of favoritism everything must be done on merit because it entails life any mistake will lead to doom and death which will not promote the image of the hospital.

**Problems of Management Succession**

Good number of factors can bring about problems in succession bid in most private hospitals in Anambra State and such problems are.

- **Procrastination-** Abebe 1980 cited by Dim 2014 asserts that from the day one was told one was going to be appointed chairman we started thinking of my succession as well.
- **Fear of Organizational Change** - organizations should learn how to change policies in consistent to organizational strategies so that employees will cope, and succession be smooth.
- **•Social Responsibilities -**The need of the society if not attended to can turn into social problems for the organization, top management should ensure that social responsibility should be given attention. Top management should ensure that social responsibility should be attended to for survival of the organization and for successful interaction of the organization with all environmental facets.
- **Frequent Replacement of Chief Executive Officers -** frequent replacement of chief executives has created lots of problems for many organizations new issues or trends introducing into the organization

which might not suit the organization which can even lead to unqualified and inexperienced successors.

- **Organizational Policies -** Internal policies of private hospitals can be of advantage or disadvantage it is necessary to map out the right way for succession and include it in the policies to avoid power struggle and political maneuvering because it cannot lead the hospital or other organization forward.
- **Selection and Development-** selection and development of potential successors must be resolved by private hospital owners to avoid closure when the owner is no longer alive or weak.

Based on the work done by Tischler (2016), the set of skills and traits required for the executive is developed and presented in the Figure above.

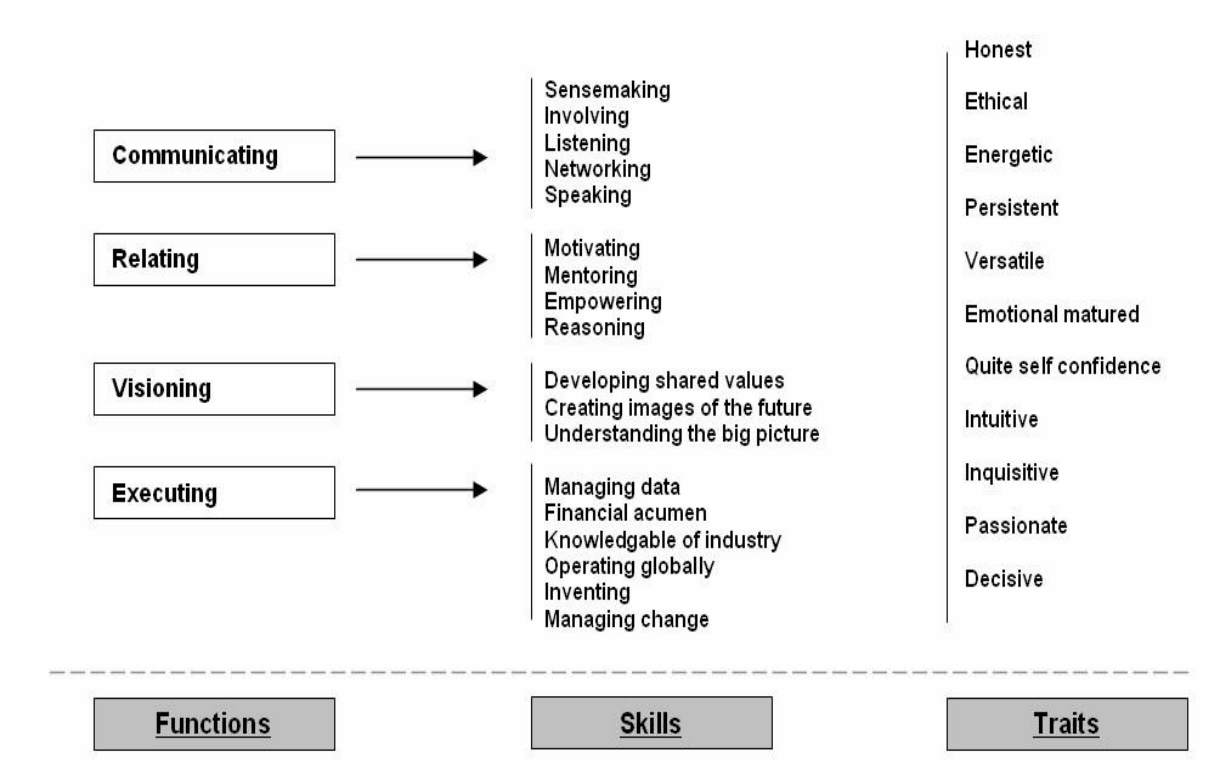



Diagram of leaders' skills and traits

**Source:** based on Johnson (2016).

The skills associated with communication, relation, visioning and execution are considered as critical to the success of the executive as well as the organization. Communicating is a critical skill for the executive – and this concept encompasses all forms of communication including verbal, non-verbal, written. It also includes the executive's listening skill. The executive must be able to clearly communicate both inside and outside of the organization, develop relationships and networks. These abilities

allow to build trust and to maintain a wide circle of relationships (Johnson, 2016).

If one accepts that the function of the executive is to ensure the success of the organization, then he/she must be adept at getting and keeping people that will help to achieve this success. Getting the right personnel in place, motivating, mentoring, and empowering them are those skills related to the relation function of the executive (Allen, et, al., 2013).

The skills that fall under the executive function of visioning include the ability to create strategy for the organization; create the organization vision, mission, and purpose; make meaning for the organization; create shared values for the stakeholders of the organization; and the ability to understand a wide figure or context. To be a strategic visionary, the leader must possess a twofold ability: to foresee market opportunities and to craft organizational strategies that captured these opportunities in ways that were personally meaningful to employees (Conger, 2012). Of all the skills outlined here, the set of vision skills are probably most exclusive to the executive ranks. Setting of vision and strategy along with the creation of meaning for the organization is generally the exclusive purview of the highest-level executives (Allen, et, al., 2013).

**The Vicious Cycle Theory**

The study is anchored on the vicious cycle theory propounded by Oscar Grusky, (1963). The theory describes a negative relationship between senior leader succession and subsequent organizational performance. The negative relationship exists because the departure of a senior leader is believed to cause disruption to a struggling organization. The disruption leads to poorer performance, leading to removal of another senior leader, thus repeating the vicious cycle. Oscar Grusky examined all instances of CEO turn-over in the 500 largest public companies in the United States in the 1990s. The data showed that nearly 71 percent of leader departures were the result of involuntary action (either direct dismissal or early retirement). Oscar Grusky examined firm performance data in three ways. She first compared the firm performance in the two years prior to leader dismissal with performance two years afterward. Second, she compared performance with industry averages for the same periods. Finally, she compared the companies that dismissed their leader with companies that retained their leaders. Following are Oscar Grusky research findings. The operating earnings as a percentage of total assets averaged 11.2 percent before dismissal and 11.8 percent after dismissal (statistically indifferent). The return on assets averaged 2.6 percent before dismissal and 2.4 percent after. Company performance relative to the industry average also failed to improve significantly after bringing in a new leader. In addition, company performance lagged that of companies with routine leader successions. Oscar Grusky was unable to find any financial data that showed positive effects of leader dismissal.

**Empirical Review**

Abdulkadir, Husna and Tan, 2015), study presented individual performance, Management succession, organizational climate and moderating effect of trust, data screening processes in the Nigerian commercial banks. Data of the study were collected through research assistant employed, in which 600 questionnaires were sent to employees of the commercial banks. Data were analysed using Statistical Package for Social Science (SPSS) version 20. Thus, response rate and non-respond biased were ascertained, data cleaning, detection of

missing data, treatment of univariate and multivariate outliers and descriptive statistics and correlation. The result revealed that the data is suitable for further analysis.

Obiwuru, Okwu, Akpa and Nwankwere, (2011), research investigated the effects of Management style on organizational performance in small scale enterprises. The major objective was to determine effect of Management styles on performance in small scale enterprises. Transformational and transactional Management styles were considered in this study. Transformational Management behaviours and performance/outcome considered relevant in the study were charisma, inspirational motivation and intellectual stimulation/individual consideration, and effectiveness, extra effort and satisfaction, respectively. Transactional Management behaviours and performance/outcome variables were constructive/contingent reward and corrective/management by exception; and effort, productivity, and loyalty/commitment, respectively. The study followed a survey design, and employed evaluative quantitative analysis method. Analysis was based on primary data generated through a structured Multifactor Management Questionnaire (MLQ) administered on respondents. Responses to research statements were scaled and converted to quantitative data via code manual developed for the study to enable segmentation of the data responses into dependent and independent variables based on Management behaviours and associated performance variables. OLS multiple regression models were specified, estimated and evaluated. The result showed that while transactional Management style had significant positive effect on performance, transformational Management style had positive but insignificant effect on performance.

Evelyn, (2013), conducted a study and established the effect of strategic Management on performance of commercial and financial State Corporations in Kenya. Descriptive survey design was used. The target population consisted of all the forty-eight (48) commercial and financial SCs in Kenya. Respondents were persons in charge of strategy or human resource department. Semi-structured questionnaire was used to collect primary data. The response rate of this study was 77.1% based on 37 respondents out of 48. The analysis of strategic Management in commercial and financial state corporations showed that, in positive organizational culture, core values, symbols and ideologies are shared. Correlation analysis provided the relationship of strategic Management practices and organizational performance showing that, there was a positively strong relationship between corporate strategic direction and high customer satisfaction. Balanced organizational controls showed a positive strong relationship with annual employee turnover.

## METHODOLOGY

The researchers adopted survey research design which suits the research due to its descriptive nature. Thus, multiple choice questions were used in designing the questionnaire to exhaust all the possible responses which is relevant to the work. The population of this study comprises the staff of PZ Cussons plc. Aba, Abia State, totaling 320 staff (Annual Yearbook, 2017). The researchers adopted Taro Yamane formula as quoted in Ter weal (2006) to determine the sample size:

$$n = \frac{N}{1 + N(e)^2}$$

Where n = sample size

N = population

e = level of significant error at 0.05

Substituting: $n = \frac{320}{1+ 320(0.05)^2}$

$$\frac{320}{1.8}$$

n= 178

Therefore, the sample size for this study is 178 staff. The researchers adopted a stratified sampling technique which makes it possible for all the workers to have equal opportunity to being selected as the representative sample based on the total population of the two hundred and ten, a normal confidence level of 95% and error tolerance of 5% was used.

**Description of the Instrument**

The instrument for collection of data for this research study is questionnaire, as this is used to obtain the necessary data from the respondents. And also, from the annual financial report of PZ Cussons plc. Aba, Abia State, through their website. The extent of existence for all variables in the research area will be measured on a five-point Likert scale ranging from strongly disagree to Strongly Agree, ranging from 1 -5. Where Strongly Disagree (SD) =1; Disagree (D) =2; Neutral (N) = 3, Agree (A) =4 and-Strongly Agree (SA) = 5.

**Reliability of the Instrument**

More so, an instrument is said to be reliable if it measures the same variable of different times to the same set of respondents and obtains result which are consistently similar. So, the results obtained by the researchers from the administration of the instrument used are the same or closer to being the same every time it is obtained.

**Method of data Analyses**

Data for the study were analysed using frequency distribution table, and percentages was used to analyse the data from the questionnaire, while simple regression and correlation with the use of SPSS were used to analyse the hypotheses.

## RESULT AND DISCUSSION

### Demographic Variables

**Table 4.1 Distribution of questionnaire to staff of PZ Cussons Plc. Aba, Abia state and response rate.**

| Total copies of questionnaire | Respondents | Percentage (%) |
|---|---|---|
| Number returned. | 167 | 93.82 |
| Invalid returned | 1 | 0.56 |
| Number not returned | 10 | 5.62 |
| **Total** | **178** | **100** |

***Source:*** *Field survey, 2023*

Table 4.1 above, shows the distribution of questionnaire to respondents. From the table out of the total 178 questionnaires distributed only 167 were completed and returned constituting 93.82%, while a total of 1 and 5 were either returned not completed or not returned at all constituting 0.56% and 5.62% respectively. The researcher based his analysis from the 167 questionnaires correctly filled and returned questionnaires which formed about 93.82% of respondents who co-operated with the researcher. The high percentage of those who co-operated with the researcher meant they were familiar with the topic under consideration
.

**Data Presentation**

**Table 4.2 To what extent does leadership transition affect organizational performance of PZ Cussons Plc. Aba, Abia state?**

**Leadership transition**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Strongly Agreed | 122 | 73.1 | 73.1 | 100.0 |
| | Agreed | 28 | 16.8 | 16.8 | 26.9 |
| | Undecided | 6 | 3.6 | 3.6 | 10.2 |
| | Disagreed | 6 | 3.6 | 3.6 | 6.6 |
| | Strongly Disagreed | 5 | 3.0 | 3.0 | 3.0 |
| | Total | 167 | 100.0 | 100.0 | |

**Source:** Field survey 2023.

From table 4.2 above it could be seen that 122 respondents representing 73.1% strongly agreed that leadership transition affect organizational performance of PZ Cussons

Plc. Aba, Abia state, 28 respondents representing 16.8% agreed the same, 6 respondents were undecided, and 6 respondents disagreed, while 5 respondents strongly disagreed that leadership transition affect organizational performance of PZ Cussons Plc. Aba, Abia state.

**Table 4.3 What is the significant relationship between strategic planning and organizational performance of PZ Cussons Plc. Aba, Abia state?**

**Strategic planning**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Strongly Agreed | 116 | 69.5 | 69.5 | 100.0 |
| | Agreed | 34 | 20.4 | 20.4 | 30.5 |
| | Undecided | 7 | 4.2 | 4.2 | 10.2 |
| | Disagreed | 5 | 3.0 | 3.0 | 6.0 |
| | Strongly Disagreed | 5 | 3.0 | 3.0 | 3.0 |
| | Total | 167 | 100.0 | 100.0 | |

**Source:** Field survey 2023.

From table 4.3 above it could be seen that 116 respondents representing 69.5% strongly agreed that strategic planning affect organizational performance of PZ Cussons Plc. Aba, Abia state, 34 respondents representing 20.4% agreed the same, 7 respondents were undecided, and 5 respondents disagreed, while 5 respondents strongly disagreed that strategic planning affect organizational performance of PZ Cussons Plc. Aba, Abia state.

**Test of Hypotheses**

**Table 4.4 Regression result showing the relationship between leadership transition and organizational performance of PZ Cussons Plc. Aba, Abia State.**

**Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .933[a] | .871 | .870 | .26929 | .514 |

a. Predictors: (Constant), Leadership transition

b. Dependent Variable: Organizational performance

**ANOVA[a]**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 80.574 | 1 | 80.574 | 1111.101 | .000[b] |
| | Residual | 11.965 | 165 | .073 | | |
| | Total | 92.539 | 166 | | | |

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Leadership transition

**Coefficients[a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. | 95.0% Confidence Interval for B | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Lower Bound | Upper Bound |
| 1 | (Constant) | 1.350 | .102 | | 13.236 | .000 | 1.148 | 1.551 |
| | Leadership transition | .734 | .022 | .933 | 33.333 | .000 | .690 | .777 |

a. Dependent Variable: Organizational performance

**Source:** SPSS V-23.0 Significance level at 0.05% level

The regression results showed that the estimated coefficient of the regression parameters have positive sign and thus conform to our a priori expectation. This means that an increase in the independent variables will bring about credibility in the dependent variable.

The coefficient of determination R-square of 0.871 implied that 87.1% of the sample variation in the dependent variable is explained or caused by the explanatory variable while 12.9% is unexplained. This remaining could be caused by other factors or

variables not built into the model. The high value of R-square is an indication of a good relationship between the dependent and independent variables.

The value of the adjusted $R^2$ is 0.870 this shows that the regression line captures more than 87.0% of variation in the explanatory variables in the model of equation while the reaming 13.0% accounts for the stochastic error term. A standard error of estimate of about 0.26929, F-Statistics of 1111.101 measures the goodness of fit of the model which is greater than 2.5 rule of thumbs. Durbin Watson Statistic of 0.514 show the degree of no autocorrelation of variables in the region or partition curve. The t-Statistic is 33.333 at ($df_1 = 1$ & $df_2 = 166$).

**Hypothesis one**

**$H0_1$:** There is no positive and significant relationship between leadership transition and organizational performance of PZ Cussons Plc. Aba, Abia state.

With reference to Table 4.3, calculated t-statistics of 33.333 is greater than the critical value (i.e., 1.984). The null hypothesis is rejected and the alternative accepted. This means that, there is positive and significant relationship between leadership transition and organizational performance of PZ Cussons Plc. Aba, Abia state.

**Hypothesis two**

**$H0_2$:** There is no positive and significant relationship between strategic planning and organizational performance of PZ Cussons Plc. Aba, Abia state.

Sequel to Table 4.4, Accept null hypothesis when significant value or p-value is greater than 0.05 otherwise reject the null hypothesis and accept alternative hypothesis.

*Decision rule:* Since significant value 0.016 is less than 0.05, we reject null hypothesis and accept alternative hypothesis and conclude that there is positive and significant relationship between strategic planning and organizational performance of PZ Cussons Plc. Aba, Abia state.

**Table 4.5 Spearman's rho correlation result showing the relationship between ownership transition and organizational performance of PZ Cussons Plc. Aba, Abia state.**

**Correlations**

| | | | Organizational performance | Ownership transition |
|---|---|---|---|---|
| Spearman's rho | Organizational performance | Correlation Coefficient | 1.000 | .957** |
| | | Sig. (2-tailed) | . | .000 |
| | | N | 167 | 167 |
| | Ownership transition | Correlation Coefficient | .957** | 1.000 |

| | | | |
|---|---|---|---|
| | Sig. (2-tailed) | .000 | . |
| | N | 167 | 167 |

**. Correlation is significant at the 0.01 level (2-tailed). SPSS V-23

The result present in table 4.5 shows the relationship between ownership transition and organizational performance of PZ Cussons Plc. Aba, Abia state. The coefficient of the correlation is 0.957**, with a sig. value of 0.000 at an acceptable 0.01 significance level.

**Discussions of Findings**

Hypothesis one indicated positive and significant relationship between leadership transition and organizational performance of PZ Cussons Plc. Aba, Abia state. This is in line with the findings of Onwuka, Ekwulugo, Dibua and Ezeanyim, (2017), who work examined the relationship between succession management and organizational survival in some selected transportations companies in Onitsha. One research question and one hypothesis in line with the specific objective were employed. It employed descriptive research design, primary and secondary source of data are the major instrument used for the study. Descriptive statistical tool was used to analyse the data. Pearson Product Moment Correlation Coefficient was computed to test the hypothesis. The findings revealed that mentoring has positive relationship with business continuity.

Hypothesis two indicated positive and significant relationship between strategic planning and organizational performance of PZ Cussons Plc. Aba, Abia state. This also support the work of Evelyn, (2013), who conducted a study and established the effect of strategic Management on performance of commercial and financial State Corporations in Kenya. Descriptive survey design was used. The target population consisted of all the forty-eight (48) commercial and financial SCs in Kenya. Respondents were persons in charge of strategy or human resource department. Semi-structured questionnaire was used to collect primary data. The response rate of this study was 77.1% based on 37 respondents out of 48. The analysis of strategic Management in commercial and financial state corporations showed that, in positive organizational culture, core values, symbols and ideologies are shared. Correlation analysis provided the relationship of strategic Management practices and organizational performance showing that, there was a positively strong relationship between corporate strategic direction and high customer satisfaction. Balanced organizational controls showed a positive strong relationship with annual employee turnover. The correlation analysis that tested the level and significance of relationships of research variables confirmed that effective strategic Management affects organizational performance.

## CONCLUSION

The practice of management succession in the surveyed PZ Cussons Plc conform well to the integrated model and guidelines established. The degree of compliance with the guidelines of the integrated model varied mainly between important and very important as being practiced. Throughout succession planning characteristics, human resource management programmes such as recruitment, training and development, performance management, talent management and reward managed are considered very important.

Both strategic HRM programmed and succession planning share development to an end but approach it from different directions: HRM programmes tends to be bottom up (from individual to organization); succession planning tends to be top down.

Succession planning practices was found not to have significant effects of stakeholder's outcomes that is a component of organization performance. Keeping up to date with advances about what works (does not work) to improve performance, employees have high level of understanding of organizations strategic orientation, stakeholders consider organizations work relevant, communities taking ownership of the projects and programmes implemented and financial and narrative reports clearly indicate activity outcome, are all important aspects of organization performance that can be promoted with succession planning.

However, succession planning effect on internal business process was found to be very important. On the contrary, adopting best practices of internal business process is always geared towards ensuring that appropriate processes and structures are in place to direct and manage an organization's operations and activities, and to ensure that they function well. The goal of good internal business processes as an aspect of organization performance is to ensure the effectiveness, credibility and viability of the organization is maintained.

Institutional growth is a key component of organization performance. It is the case in this study that, indeed succession planning contributes positively to institutional growth based on teamwork where work teams frequently review and evaluate processes, incidents, decisions and innovations to derive as much learning as they can from both success and failure through performance appraisal and promoting committed to the organization for growth and development as well as career development within the organization.

Based on the empirical findings, the researcher made the following recommendations:

1. That every organization should as issue of importance, ensure of getting the right leader that will man their organization; to achieve their set goals/objectives.
2. PZ Cussons plc. Aba should ensure that their manager adopt a participatory strategic plan toward succession to promote employee participation and encourage target setting in the organization.

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