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Addis Ababa University

School of Commerce

The Effect of Succession Planning On Employee Retention: The Case of Ethiopian Electric Power (EEP)

By: Biniyam Girma (GSD/0332/12)

A Research Project Submitted to Addis Ababa University School of Commerce in partial fulfillment of the requirements for a Masters of Arts Degree in Business Leadership

Advisor: Solomon Markos (Ph.D.)

June, 2022

Addis Ababa, Ethiopia



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STATEMENT OF DECLARATION

I, Biniyam Girma, have carried out a research project on the Effect of Succession Planning on Employee Retention: The Case of Ethiopian Electric Power independently in partial fulfillment of the requirement for the award of Master's degree in Business Leadership with the guidance and assistance of the research advisor, Solomon Markos (Ph.D.). This study has not been presented for a degree in any other university and all sources of materials used for the study have been duly acknowledged.

Biniyam Girma: _____

Signature

Date

LETTER OF CERTIFICATION

This is to certify that Biniyam Girma has carried out his thesis work on the topic entitled “the Effect of Succession Planning on Employee Retention: The Case of Ethiopian Electric Power” under my guidance and supervision. Accordingly, I here assure that his work is appropriate and standard enough to be submitted for the award of Masters of Arts Degree in Business Leadership.

Solomon Markos (PhD) _____

Research advisor Signature

Date.

ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE DEPARTMENT OF BUSINESS LEADERSHIP

**THE EFFECT OF SUCCESSION PLANNING ON EMPLOYEE RETENTION: THE
CASE OF ETHIOPIA ELECTRIC POWER (EEP)**

Prepared by: - Biniyam Girma

**A Research Project Submitted to Addis Ababa University, School of Commerce in
Partial Fulfillment of the Requirements for the Degree of Master of Business
Leadership**

Approved by Board of Examiner

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Advisor: Solomon Markos (Ph.D.)	_____	_____

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ABSTRACT

In recent times, the world become competitive and organizational plans often become unsuccessful due to a lack of implementation of succession planning. The objective of this study is to assess the succession planning practices and its effect on the retention of employees in Ethiopia Electric Power. The researcher adopted a quantitative approach to get understanding of a research problem. Related literature and empirical studies were reviewed to assess what is studied past in the area of Succession Planning practices and employee retention. The design of the study adopted was Explanatory research, and data was collected from EEP's project managers and directors of the power generation and transmission projects using questionnaire. Descriptive and inferential analysis are used to analyze the Succession Planning attributes and its effect on employee retention. The study found a strong positive correlation between Availability of Succession Planning Practices and Employee Retention, but a very low correlation between Successor Identification Mechanism and Employee Retention. The study concluded that Succession Planning attributes have an influence on employee Retention in EEP. Based on the findings and conclusions, it's been recommended that EEP needs to develop and apply more comprehensive succession planning practices by informing the employees about the extent, challenges and also needs to carry out succession planning practice in the organization in every area or all departments to fill the gap even though high emphasis was given to the critical areas. Future research studies should try to find out the effects of succession planning impacts on employee retention in a broader area instead of specific departments within an organisation.

Keywords: Succession Planning, Employee Retention, EEP

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LIST OF ABBREVIATIONS

SP.....Succession Planning
ER.....Employee Retention
PC.....Pearson Correlation

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CHAPTER ONE

INTRODUCTION

1.1 Background of Study

All businesses across the world are established for meeting the need for generating a profit or offering services for the community; or both at the same time. This indicates all organizations have identical interests in their corporate objectives. To achieve their business goals and objectives, all organizations need productive interaction between the company and its employees. In this new era, employees need to be respected and like to be treated as valuable human capital, as even the main source of a company's competitive advantage. Due to that, Employees decision to stay in the organisation relied on how they are treated by the company. In today's world, most organisations' staff turnover is on the increase due to the unstable and highly competitive business environment (Sullivan, 2008). Moreover, succession planning is taken as the backbone of every modern organization as Succession planning and its attributes having an influence on employee's Retention Mathur, (2011) further explained that the absence of succession planning has an impact on implementing the business activities of companies as the absence of skilled employees causes a considerable effect on the company. Due to that, firms need to recognize and measure their performance and make decisions on career management as finding a successor is challenging. Organizations might not have employees prepared to take the position and may need to recruit someone for their position based not only on how capable they are for the job but on how skilled they are to take over higher-level positions. Moreover, Organisations need to assess potential posts to lower challenges. The means to eliminate those risks include offering proper compensation, identifying the successor and providing training programs for those successors, and adopting a mechanism to recognize the successors. (Robb, 2006). Similarly, Armstrong, (2012) defined Succession planning as a means that aims to recognize successors for potential managers. Besides, it assists them to develop planning career, career management, and

development activities for their potential successors. Deuter.K, (2010) further argues that succession planning practice is a broad concept that involves recognizing key posts with their respective qualifications. The process began with selecting potential candidates, training development practices, and tracking their performance, guaranteeing a commitment to materials needs when exciting tasks. Furthermore, succession planning provides a reasonable return on investment as a risk-handling strategy for an orderly transition, it indicates effective stewardship of scarce resources and enhances recruitment and retention, reinforcing the idea that people are assets to the success of an institution.

Similarly, Rothwell, (2005) defined Succession planning as an intentional and methodical process that is designed for firms to guarantee effective management in important posts, to hold well-talented employees who are rich in intellectual capacity, and to develop them through different mechanisms to keep the stability and advancement of an organization. Additionally, this process can be explained as an effort that is designed to assure enhancement of effective performance of an organization, departments and retaining of key personnel for a long period. In addition, Succession planning was defined by Currie, (2010) as process that includes recognizing Key positions inside the organization and guaranteeing those key personnel their tenure in that organization. Such a process ensures their training and advancement programs excel their knowledge capital and fill the gap that exists within the organization. In addition, the he stated that Succession planning efforts mainly target retaining the talents of key personnel and building their capacity in a way that the organizational performance of the organization is improved.

Succession Planning is a mechanism in all firms to optimize elements like people, time, and places in the right direction to assure sustainability, ongoing development of an organization, and implementation of the organization's strategic goals, vision, and values. The main target for succession planning activities is assuring key successors or employees to provide necessary facilities. Therefore, organizations need to put maximum effort into succession planning efforts to implement effective management programs, to obtain

sustainable profit and to maintain these key personnel who have rich knowledge in the company and to avoid the departure of these personnel from an organization.(NRC , 2014)Regarding the succession planning process, it is a continuing process that identifies, examines, and develops potential so that the organization's stability while performing its activities is unchanged and develops a resistance to changing nature of the global environment. Moreover, succession planning is an organizational design that assists firms to ensure selecting and promoting potential staff and retaining key personnel within the organization. Its objective is to enhance the talented personnel workforce available in the right positions and at the right moment. The main task of such a process is to develop effective leadership practices and to implement the mission of the organization at all steps.(Bjursell.C, 2011).Motivation is the most significant contributor to the exemplary performance of the employees in the organization (Gupta, 2010).Moreover, Tunje, (2014) stated that there is a link between employee retention and succession planning practices. Based on his study, the degree to which employees leave an organization depends on having unambiguous clear paths. He also explained that merit, seniority, and experience should be taken into consideration for promotion. The studied research also recommended organizations that should inform the employees of the current succession program and should get it updated as and when needed.

Although unemployment in Ethiopia has been at higher level for pervious years, there is also strong competition to get well experienced ,talented,qualified and competent employee in all types of business instiutions. Moreover, the competition to find knowlegable employees, retaining and getting a qualified replacement for talented employees is also a challenge for different organizations..

1.2 Problem Statement

In Today's world, succession planning is taken as the backbone of every modern organization. Succession planning and its attributes having an influence on employee's Retention. All organizations, whether in the private or public sectors, need to be able to find people with the right skills to fill key and top leadership jobs. Organizations should have a competent, knowledgeable and well trained workforce. But this is not enough. Nevertheless, these qualities should be accompanied with good management succession practices which include identifying successors and individual careers path. Generally, organizations have recognized the importance of succession planning for its positive contribution in today's world.

Although the idea of implementing such planning is not new, it is considered immature by most organizations in Ethiopia. There is no study available that has examined the link between practices of succession planning practices and employee retention in Ethiopia Electric Power. The reason why the researcher tries to focus his study on government owned entity is that EEP possesses a greater stakes in developing potential employees who have skills in electromechanical construction works.

The researcher do a preliminary interview with HR staff and employees about the gap that existed due to the lack of succession planning practice and its impact on employee retention. The Study generally aims to examine the current succession planning practices and the practical succession planning elements such as top management support, dedicated responsibility, needs-driven assessment, professional development opportunities, focused individual attention, and extension to all levels of an organization.

Therefore, even if other researches have been conducted to assess the influence of Succession Planning Practices on organization Employee Retention, only few have been done in Ethiopia. Thus, this study tries to fill the gap by investigating the effect of Succession Planning traits on Employee Retention.

Human resource is an essential asset for organizational success in this volatile business environment. Rothwell W, (2010) indicates that departments, business units, facilities, workgroups, and employees are the main components of the organizational system that

create a succession chain link for the organizational survival. Succession planning plays a vital role for many companies as the market for talented individuals becomes competitive and replacing key management staff on short notice becomes challenging.

1.3 Basic Research Questions

Based up on the research problem identified above, the following research questions are developed for this study.

- ✓ What are the Succession Planning Practices being exercised in EEP?
- ✓ What does Employee Retention Practices look like in EEP?
- ✓ How will succession planning practices influence Employee Retention?

1.4 Research Objectives

a) General objective

The general objective of this study was to assess the current succession planning practice and its effect on the retention of employees in EEP.

b) Specific objectives

The following specific objectives are proposed to help in achieving the general objectives of the study:

- To identify the current Succession Planning practices being exercised in EEP
- To analyze the extent of Employee Retention mechanism Being exercised in EEP
- To identify the effect of Succession Planning practices on the Employee Retention of EEP

1.5 Significance of the Study

The study aims to assess succession planning practices in EEP and their effects on the Retaining key personnel of the organization. In this respect, the research will benefit different groups .the study will let higher level management, that are involved in decision making and formulating policies, give an insight on how succession plans are important for employees. In this case, the study helps to identify the gaps or areas that need improvement in succession planning practice at EEP. In addition, it may create awareness among employees of the Ethiopia Electric Power about the need and importance of Succession planning practice and employee retention activities. Academicians could have also a chance to know about the effect of succession planning on employee retention which will help further in the study of succession planning influence on employee retention. Furthermore, the research can be used as future reference or guidelines for study conducted on related topics.

1.6 Scope of the Study

Ethiopia Electric Power is the government development organization that generates, transmits, and distributes electric power and wholesale electrical energy within the country as well as in nearby nations. EEP's vision is to be the first-class provider of high-quality electric power for the country, as well as a regionally interconnected competitive export industry (EEP magazine, 2019/2020). Among different areas in EEP, generation power construction, as well as power transmission lines, play a vital role in the company. Such projects are dispersed all over Ethiopia as well neighboring countries such as Sudan, and Kenya. The office that executes and supervises these projects is situated at EEP headquarters and the Kotebe training and development center. The study targeted executive officers, PMs, directors, senior engineers, and site managers who are responsible for the implementation of those projects. The researcher implemented the census method for more reliable results. Therefore, all 54 directors, site managers, project managers, and senior engineers were targeted for this study.

1.7 Limitation of the Study

This study is limited to study the effect of Succession Planning Practices on employees' rotation and as such does not study other types of Human Resources Practices that could impact Employee Retention. Moreover, the study mainly focused on limited departments of EEP which is Power Transmission and Generation construction offices in this specific research. The author didn't have No control during data collection process. The questionnaires were delivered to the senior management, and were collected after one week. Out of 51 distributed questionnaires only 44 were returned completed. Regardless of its limitations, the current study can be beneficial to the organization in terms of reviewing and strengthening its talent retention strategies.

1.8 Organization of the study

This research is organized in to five main chapters which are further divided into sub groups. Introduction; literature review; research methodology; findings and discussion; and summary of findings, conclusion, and Recommendations are the five chapters of this study. The research's background is covered in Chapter one, as well as the study's core themes, such as Succession Planning and Employee Retention. This chapter also discusses contents of the study background, statement of the problem, objectives of the study, significance of the study, limitation of the study, operational definition of key terms and organization of the study. Furthermore, the second chapter provides a review of literature that explains the key study variables and their relationship from related prior studies. In addition, this chapter also contains a summary of empirical studies. The research's methodology, design, population and sample, data collection tools, and data analysis procedures are all covered in third chapter. Moreover, the fourth chapter provides analysis, data presentation and discussion of the results of the study. Finally, the fifth chapter includes summary of findings, conclusion of the research and recommendation.

1.9 Definition of Terms

The following terms have been defined as used in the study:

Employee Retention: Refers to various policies and practices in the organizations that make an individual employee stick or stay in the organization for a longer period or his or her work life without looking for greener pastures somewhere else.

Succession Planning: Is a process for identifying and developing internal people with the potential to fill key business leadership positions in the organization.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter will serve as the foundation for the development of the study. Therefore, the primary purpose of this chapter is to get a theoretical and empirical understanding of succession planning practices. It also defines the number of words and phrases used in the study. An evaluation of both the theoretical and empirical literature associated with succession planning, independent variables & Employee Retention, and dependent variables. Furthermore, the conceptual framework is also dealt with in this chapter.

2.2 Theoretical review on Succession Planning

Within the context of a business organization, losing key employees could create a disaster, financially or operationally. The costs of filling up the vacancy, training and learning new knowledge, and the effect on performance and team synergy are among the potential issues that might be faced by the organization. Similar problems might also exist when an employee decides on retirement. Thus, a proper plan for retaining knowledge needs to be strategized by the organization to deal with this situation that might occur unexpectedly. (Fatrisha.M, 2017)

Furthermore, Sharma (2014) identified the loss of experienced talents and the changing trends in the market as two harsh realities faced by organizations that struggle to maintain their workforce. Pandey and Sharma suggested adopting a strategic succession planning process promote preparing individuals to take up a leadership role.

Corner, (2014) Stated various aspects concerning management and pinned the problems down to the fear of an economic downturn that has resulted in cutting down on talent development initiatives, including training, and coaching programs. Corner stated that the challenges caused by the company's owner relate to technology changing things faster pace than most businesses can cope with.

Trepanier & Crenshaw, (2013) described a succession plan as a business strategy that enhances productive leadership transition and maintains continuity of the organization besides promoting productivity. They emphasized the decision of executives to implement an effective succession planning program: identify common barriers and solutions, and implement best practices for a successful strategic succession planning program. Succession planning is also defined as an accurate effort by an organization to maintain business activities and leadership continuity in the main positions. Such activities include retention and enhancement of intellectual capabilities and capital knowledge for the future targeted at encouraging individuals to improve performance. Similarly, Rothwell W. J., (2011) mentioned that the absence of technically adept workers and the exit of aging workforce members could result in a serious challenge to top management if there is no preparation for the development of the next leader. He also added that the challenges of new negative phenomena and the absence of preparedness by organizational leaders, are worrisome and call for a strategic way to maintain the implementation of succession planning.

Similarly, Kalyar,(2013) asserted that designing policy initiatives that would enhance organizational learning through enhanced business practices such as succession planning and knowledge transfer have an impact on filling the knowledge gap, increasing competitive advantage and job satisfaction. Furthermore, Pandey & Sharma, (2014) identified that the most serious challenges to maintain workforce and competitive advantage in today's changing world is the loss of experienced talents To overcome the problem, they suggested implementing strategic succession planning process and integrating individual development plan with succession planning strategies to develop the employees knowledge base and promote preparing individuals to take up a leadership role. Kronz,(2014)also suggested that leaders must be flexible to changing business strategies and succession planning as they are critical to the present and future achievement of the organization to avoid leadership crises and enhance retention of talented employees in the organization.

Succession planning can be stated as the process in which an organization process recruitment and development of talented employees to fill important roles within the organization. The main process of succession planning process are recruiting talented employees, enhancing their skills, abilities and skills for roles that are challenging and achievable. Succession planning includes having senior manager's assess employees with different management level to develop senior position periodically as there is critical shortage in companies for middle and top level leaders. Organization will need to create a mechanism for employees who have leadership potentials.(Olayo, 2019)According to Rodrigo,(2013) succession planning can be explained as the means of recognizing and preparing potential employees through training, developing and job rotation, to replace talented players within an organization as those important players leave their positions for retirement, advancement and attrition. Another study defined the process of succession planning management as the process of evaluating the right talent in the workplace with the objective to seek answers for the three main questions relating to need for potential successor to cater organizational prolong needs, need for successor's efficiency and need for the successor's right skills and competency for future necessities of the organization (Armstrong, 2012)

Rothwell, (2001) explained succession management is the tool that is designed to maintain sustainable growth of an organization and to ensure the stability of personnel tenure through adopting development, replacement, and strategic programs to key people over time. According to the aforementioned author, succession management is a means to ensure growth of leaders and those personnel who are rich in intellectual talent and have depth knowledge of the system of an organization. Management of Succession has further been defined by Leibman, (1996) as: A process of recognizing serious management levels, starting from lower position of manager and up to the highest level in the organization. Succession planning also assists those employees at managerial levels to offer maximum flexibility in their work and helps to ensure also individuals practice and owns more management abilities that will help them to aware total organizational objectives rather than to purely departmental objectives.

2.2.1 Succession Planning Practices

Effective managers in different areas have designed, developed and implemented succession plans for their organizations which leads to the survival of the organization. The demand for succession planning practices is developed mainly it is helps to overcome concern that might exist in the future. Succession planning practices create a direction for demands, talents and others activities to attract, extend and keep employees at all positions based on the demand of the organization (Avanesh, 2011).

Kim,(2006) identifies various goals of succession planning such as: meeting the future needs, fulfilling needs of organization in the future, strengthening internal leadership bench, building leadership bench strength by managing and developing candidates who can be promote to key positions, filling the position, filling key open position(s) and minimizing the potential negative effect cause by it, enhancing diversity, enhancing diversity in organization and to accelerate development.

Succession planning includes implementing the right leadership at the right place at all level of the organization. So, it also initiates the establishment of talent in the firm though developing and controlling talent at every levels is necessary for the status of any organization and its long-term development, but to have talented individual is even more advantageous. It is because the achievement of managers of an organization who make decision and policy have an impact can take the status of an organization to the high level or vice versa (Michael A, 1993)

Walker.B(2012) asserted that the practice of succession planning is implemented in three levels. The first level specialized succession level which is focused Development at this level is highly specialized and only for those employees with special skills appropriate for specific leadership positions. The second level is middle spectrum succession planning deals with certain group of high performing employees is selected and trained to occupy top positions when they arise. The third level is basic succession planning where plans to develop leadership skills for all employees throughout the organization are created. It is

also where employees are developed to be leaders regardless of their positions, to ensure that they are readily available when needed.

Succession planning systems also help to retain managerial employees by offering them with opportunities that let them develop in their abilities and can complete their career goal (Noe, 2011). Though implementing succession planning practices in organizations is difficult, the exit of talented employees is a difficult change to maintain the sustainability and growth of an organization.

Ley, (2002) Identified parts of a productive succession plan after reviewing different literature and the categories are: top management support, needs-driven assessment, provision of formal professional development opportunities, focus on individual attention, and extension to every positions of the organization. There are three important approaches to practices of succession planning with distinct characteristics that promote strategic and proactive approach to ensuring organizations nurture, identify, and recruit leadership to succeed leaders who leave the organization (W.J.Rothwell, 2010).

According to Griffith,(2010), there are a three-phase process such as: (1) identifying and assessing talent, (2) creating succession plans, and (3) creating and implementing individual development plans. The succession planning process involves tools to assess talent, create individual development plans and grow a pipeline of talented employees ready to grow, learn, and take on new responsibilities. In addition, following Succession planning ensures the retention of high-potential and talented staff and fills the key positions needed in the short and long terms. Succession planning, minimizing the risk through appropriate compensation, recognition, and readiness of successors by identifying and training high-potential employees which is an ongoing challenge for institutions of all sizes. Unfortunately, succession planning is usually geared toward a small number of key executive positions; however, succession planning need not apply only to executives. It can be expanded to all levels in the institution with the help of a talent audit system.

2.2.2 Seven-Point Star Model of Succession Planning

This Seven-Point Star Model is a popular model created by Rothwell, (2001) to achieve effective succession planning. Rothwell, (2010) stated that organization that implements

succession planning would normally like to develop from a state no program to a state-of-the-art program. In each generation, organizations gain sophistication about what to do, how to do it, and why it is worth doing Rothwell, (2005). He suggested also that satisfactory succession planning is best explained by seven-pointed star model such as: Make the commitment, assess the present work/people requirements, appraise individual performance, assess the future work/people requirements, assess individual potential, close the development gap, and evaluate the succession planning.

2.3 Employee Retention

Retention is expressed as one of the organization's practices of human resource management that are created by an organization voluntarily to create an employee engagement with the organization for a long period of time. (Chaminade, 2007)

Sarma, (2008) defined HR Management as the tools so as to manage people and consists of four main principles. The first one is that management should have a belief that employees are the main parts of the organization. Secondly, the attitude should be linked with the success of the corporate objectives and goals. Thirdly, there should be a belief in the organizational climate, company values, and atmosphere at the workplace have a major impact on the accomplishment of the organization. Lastly, employees need to have belongingness, common purpose, and unity with regard to the organization.

Gaffney, (2005) stated that retention is the phenomenon that let employees tend to stay for a long period of time in the organization once they have personal and professional experience in the organization. Employers who actively partner with their employees to align career direction with institutional goals are realizing better retention rates. Employees actively involved in their personal development report more satisfaction with their work and tend to stay longer with the institution. According to Freyermuth, (2007), retention programs aim to cease the absence of potential employees from the organization as this could have a major consequence on productivity and service delivery. It involves selecting, practicing, recruiting employees to keep them engaged and committed to the organization. Besides, Employee retention is a program that enables employees to have the skills to have a sustainable workforce. It is associated with the effectiveness of an

organization. Retention a well-known concept that generally refers to the loss of people from the workforce. The reason why Retention play a vital role is due to turnover is expensive (Rothwell, 2010). Moreover, Ranjan, (2017) defined employee turnover as the loss of intellectual capital from the organization. Employees also departed from an organization's voluntary such due to tenure, age, pay, job gratification, and employee ideologies of equality and fairness. Other elements from different studies include job satisfaction, salary, growth potential, working conditions, and burnout. Oladapo,(2014) Stated that ineffective hiring practices because of the turnover of employees when new employees are incompatible, disorientated or when experienced staff can become highly hopeless at the Succession Planning Practices within an organization.

2.4 Empirical Review

This section focused on empirical evidence from different studies that illustrates the relationship between succession planning and employee retention in Ethiopia electric power.

K. Perera,(2018) researched the impact of Effective Succession Planning practice on Employee Retention in organizations in Sri Lanka. The researchers also conducted a field survey and gathered data across 100 middle-level managers in the top ten private organizations in Srilanka. Based on their data analysis, employees almost had a similar perspective on the present implementation of succession planning in each organization. The Researchers found out that the practice of Succession Planning practices has a positive impact on Employees Retention.

Moreover, the research findings showed that improving employees' career development is successful for an organization and also contributed to the enhancement of talented employees. Furthermore, it also assists executives to hire employees over a long period without immediate leaves and creating a talent pool employees pool for future requirements The aforementioned researcher explores eight main succession dimensions available that contribute to encouraging employee retention.

According to the researchers, the research was also beneficial for private business organizations and the public sector in Sri Lanka to improve their succession practices for better employee retention and also helpful for the human resource managers to make their decisions regarding the human resource field and to achieve their goals and become outstanding in the role. The researcher detailed the career management programs and developing of future career ladders to fulfill the performance gap of employees within an organization

Ahmed Siddiqui, (2020) studied how Productive Succession Planning implementation has Impact on Employee Retention. The primary objectives of their study were to discover the influence of effective succession planning on employee retention, to determine the impact of effective succession planning on organizational effectiveness, to investigate the effect of employee retention on organizational effectiveness, and to discover the role of different factors in the association between succession planning and employee retention of small businesses operating within Makurdi metropolis. According to the researcher, the major importance of the study was to know the consequences of succession planning on employee retention.

The findings of their research indicated that there is a positive consequence of effective succession planning practices on employee retention in Pakistan. Moreover, the study showed that succession planning implementation enables to have a competent right individual at the right time and at the right place to place in an important position and can create a high level of employee retention in the organization. The findings of this study responded to the research question that succession planning is related to the retention of private sector organizations' employees.

The study has generated results and a research approach that could have to stimulate further research on the issues that affect succession planning practices within the sugar manufacturing sector. The findings from the study helped in meeting all the objectives set for this study. Therefore, it can summarize that despite the existed succession planning policies and training and development programs at the investigated company, there is still a lack of effective implementation of such practices within the company.

Odengo, (2016) examined the succession planning influence on the effectiveness of Kenya PLC. The study used a descriptive research approach. They gathered primary data through questionnaires, then the data was edited, coded, and organized to develop accuracy and used the statistical package for social sciences (SPSS) software to generate graphs and tables in descriptive statistics such as means, percentages, means, and frequencies, standard deviation.

Moreover, the author adopted inferential statistics using correlation and regression analysis. A correlation is used to find out the variable's inter-relation and regression is used to find out the strength of the specific variables together and whether it can predict a given research gap. To the study findings, the study summarized that career development, training, performance appraisal, and organizational structure influence the performance KPLC.

The study concluded that individuals within the organization are enthusiastic and energized by new work experiences and situations and employee performance appraisal results are determinant of the annual compensation like a salary increase, promotion, and succession planning. The study recommended that organizations implement rotation of jobs to motivate their employees and thus will improve the effectiveness & companies should work in partnership with individual employees to assess training needs and incorporate them into succession planning.

Clever .C (2016) studied the impact of succession planning on business survival in khualiti business consultants. By carrying out this study, the researcher was exposed to new information and knowledge relating to succession planning. The sample of the study was collected from all employees in a small company. The objective of their study was to examine the reason for reducing succession planning in organizations, develop the necessities of succession planning within organizations, and assess the succession planning levels at KBC.

The results of the interviews point out that KBC does not have succession planning policies in place. The research study helped the researcher to analyze the subject of

succession planning. The analysis of the study included the general overview of succession planning, importance, impact, processes, and ways of succession planning, and how KBC managers dealt with succession planning. The findings discovered that although KBC did not have succession planning policies in place, there was some level of succession planning strategy put in place by the founding directors. The findings from the study indicated that Kwalita Business Consultants had challenges.

Mariam.M,(2016) studied the relationship between succession planning & job engagement as the missing link. The main reason for the study was to find if there is a relationship between succession planning, job engagement, and job satisfaction. Based on research results and the literature reviews, the authors made some recommendations. In their literature reviews, they studied several models and approaches for succession planning that can be used when implementing succession plans. They found out that organizations with an integrated means to succession planning output more retention rates, higher employee morale, and surrounding that stimulates innovation and fosters organizational change. This study also proved that there were positive correlations between succession planning, job satisfaction, and job engagement. The authors of this research recommended the study be conducted on a longitudinal time interval to accurately measure the in-depth results of implementing succession planning using the demographics data to test its moderating effect on the relationship between succession planning as an independent variable and job engagement and job satisfaction as dependent variables.

2.5 Conceptual Framework

The conceptual framework indicated below shows both independent and dependent variables proposed by the study. Mugenda.O, (2003) define the variable as a quantifiable feature assuming differing values between participants. They describe a dependent variable as one which depends on or is a result of another. The variable can be named an independent variable if it precedes the dependent. The dependent variable, “Employee Retention in Ethiopian Electric Power” is the subject of this study and is influenced by the independent variable (Succession Planning). Grant &Oslo, (2014) discusses the relationship between succession planning practices and employee retention. Based on the

literature review, a theoretical framework has been developed to assist the analysis of findings on succession planning practices and their effect on employee retention. The research variables were diagrammatically expressed to highlight their link by displaying the influences of independent factors in this report on the dependent variable. The following conceptual framework was constructed to guide the research study based on a comprehensive theoretical and empirical examination.

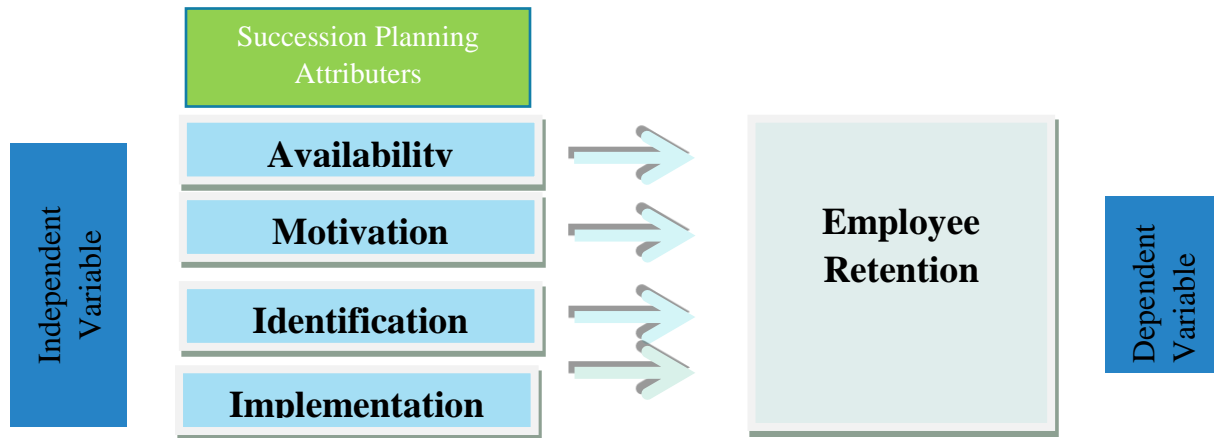


Figure 3.1: Conceptual framework

Source: (Review of related Literature)

CHAPTER THREE

RESEARCH METHODOLOGY

A research method is a method and principle for doing something such as researching a specific research issue. The research methodology objective is to portray the used methods while carrying out the study and analyze the techniques used by recognizing what has worked for the researchers and what has needed to be changed to make it better. (Robbins, 2014). This chapter elaborates on details of the research design and methodology. It discusses the research technique used in the study and the reasons for selecting such a technique. These include the sample size, research design, population, sampling technique, data type, and collection method, data collection procedures, and data analysis methods. The study was concerned with finding out the real facts concerning succession planning practice and its effect on employee retention in EEP.

3.1 Research Design

According to Kumar, (2014), a research plan/design is a framework for the research study, reflecting procedures that lead to valid and reliable responses to the research problem. It consists of seven areas of research design that a researcher can undertake such as historical, ethnographic, descriptive, experimental, case study, explanatory, and exploratory research. The research design type implemented in this study was Explanatory research. The researcher used structured questioners for collecting quantitative data to analyses the succession planning practice and its effect on employee retention in EEP.

3.2 Research Approach

The study's goal is to investigate the effect of Succession Planning on Employee Retention at EEP. The research approach adopted for the study was a Quantitative as it provides a complete understanding of a research problem. Quantitative research approach is a research strategy that focuses on quantifying the collection and analysis of data. It is formed from deductive approach where emphasis is placed on testing of theory, shaped empiricist and positivist philosophy. (Henderson, 2009). The research design type implemented in this study was explanatory research. The study focused on finding out the

present facts that exist at the real moment and describing the state of affairs concerning succession planning practice in EEP and its impact on employee retention. The research approach adopted for the study was a mixed approach as it provides a complete understanding of a research problem.

3.3 Research Instrument

This research used a five-point Likert scale and close-ended questionnaires as the data collection instrument. It included questions to capture demographic and background information. The structured questionnaires were gathered from Tunje, (2014), Tewords. A (2020) and Cherono,(2017).The adopted elements were subtly revised to be aligned with the setting of the study. The prepared questionnaire comprised three sections, part one involved the background information, section two focused on the succession planning practices, and section three comprised applied strategies in employee retention. The revised and adopted elements enable to align with the setting of the study. The responses then are rated using a five-point Likert scale Linkert scale which response options vary from a 'strongly disagree ' response to a 'strongly agree' response.

3.4 Target Population

According to Creswell,(2014), identifying a population for a study is one of the most significant factors in collecting information and finding answers to research questions. The study targeted EEP's senior project managers, design engineers, and directors of the currently active power generation and transmission projects. The researcher used the census method as the total number of project managers, site managers, and directors at EEP is 54 which enables the researcher to get a reliable result from the study.

A census investigation generally means the total enumeration of all the things in the 'population.' It is convincing to assume that since all of the elements are shielded, there is no factor of chance left, and the highest accuracy is achieved (Kothari, 2004)

3.5 Data Source and Types

The study used both primary and secondary data sources to extract data. The information for this study was gathered from primary sources such as questionnaires. Using primary data in research helps to grasp the necessary data that tends to infer the current

understanding of the phenomenon. Additional material was gleaned from both published and unpublished secondary data sources like circulars, brochures, office manuals, and policy and procedures documents. In addition, the research used different books, government papers, EEP websites, reports, and newsletters to complete the research.

3.6 Data Collection Procedures

Romney.A,(1998) described data collection as the process of preparing and collecting obtaining data/information to keep on record, make decisions about important issues, and pass the information on to others. Before an appointment was made with the respondent, the Participants were briefed orally about the problem statement of the study. Moreover, they were informed also about the voluntary character of participation as well as the possibility to skip the question if they had no clear information about the issues to be raised by the researcher. The quantitative data gathering procedure was done through email and in person, then it was collected back within fifteen days. The researcher clarified the participants about the questionnaire about the problem statement of the research study.

3.7 Data Analysis and presentation

The data, after collection, has to be processed and analyzed under the outline laid down and the aim at the time of enhancing the research plan. This process guarantees that we have all necessary data for making balanced comparisons and analyzing other words, processing & coding the gathered data, editing the data, classification, and tabulating the gathered data so that they are compliant with analysis and necessary for a scientific study. The term analysis can be expressed as the computation of certain measures accompanied by finding patterns of interactions that exist between data groups.(Kothari, 2004)

The researcher used tables to show data gathered from primary sources in the form of mean and SD. The analysis and interpretation depend on quantitative results. The analysis of data from questionnaires was through descriptive analysis and inferential statistics using SPSS software version 25 (Statistical Package for Social Science). The descriptive statistics (minimum, frequency distribution, mean, and percentile, maximum) investigate the link between Employee retention and Succession Planning

All items will use a 5-point Likert scale with responses ranging from "strongly disagree (1)" to "strongly agree (5)". SPSS software was used to analyze the data, including regression analysis, and Pearson's correlations to investigate the relationships between the variables.

3.8 Validity and Reliability

The reliability and validity of the instruments play a significant role in any research to minimize errors that may arise from measurement issues. Validity refers to the extent to which a study accurately shows the particular concept that the researcher is trying to measure or describe while Reliability reflects the consistent extent of the results while using different research instruments.

3.8.1 Validity

According to Markzyk, David, & David (2005), validity is a concept in all forms of research methodology. Its purpose is to increase the accuracy and usefulness of findings by eliminating or controlling as many confounding variables as possible, which allows for greater confidence in the result of a given study. There are four different types of validity (construct validity, internal validity, external validity, and statistical conclusion validity) that interact to control for and minimize the impact of a wide variety of extraneous factors that can confound a study and reduce the accuracy of its conclusions. The researcher evaluated the validity of data measuring instruments such as questions used for questionnaires according to the literature on the specific topic. To examine the content validity of the collected data, the following activities were performed. Firstly, the researcher collected data so that all the questions related to the problem statement are included and examined the ethicality of the items. Then, to verify any errors in the research instruments and research content, the researcher requested the human resource officials and his colleagues check on the content of the questionnaire in each variable. After their comments were incorporated, the designed questionnaire was given to the researcher advisor for final feedback. Based on the feedback, the questionnaire was modified and distributed to the sample population. Moreover, all reference data was obtained from reputable sources.

The adopted elements have been subtly revised to be aligned with the setting of the study.

3.8.2 Reliability

Bordens,(2018) defined the reliability of a measure as the ability to produce similar results after repeated measurements under identical conditions. To guarantee the instrument reliability in this case study, the researcher tested the reliability using Cronbach's Alpha (α). Cronbach's alpha is one of the most widely used tools for measuring internal consistency. In another word, it measures how closely related a set of items are as a group. The coefficient of Cronbach alpha varies from 0 to 1, and a value of 0.6 or less generally indicates a poor degree of internal consistency whereas a value greater than 0.7 indicates acceptable internal consistency (Malhotra, 2007).Cronbach's alpha measures the reliability of research tools.

Table 3.1 Reliability statistics

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.916	0.919	2

Cronbach's alpha measures the reliability of research tools. For this study, the Alpha coefficient for the overall scale calculated as a reliability indicator is 0.919. The alpha values in this study are far more than 0.7 and which are; therefore it had very good reliability for the questioners. Moreover, the Alpha coefficient for inter Item Correlation Matrix is 0.85 as shown in table 3.2.

Inter-Item Correlation Matrix		
	Succession Planning	Employee Retention
Succession Planning	1	0.85
Employee Retention	0.85	1

Table 3.2 Inter Item Correlation Matrix

Source: Author (2022)

For this study, the Alpha coefficient for the overall scale calculated as a reliability indicator is 0.919. The alpha values in this study are far more than 0.7 and which are; therefore it had very good reliability for the questioners.

3.9 Ethical Consideration

Ethical issues are known to be available at all stages of research from methods, goals, selection of research questions, and critical assessment of conceptual framework.(Maxwell, 2013).Ethical considerations are the foremost vital component when conducting research. The research study carries out with the approval of Ethiopian Electric Power and the agreement of Addis Ababa University School of Commerce. The managers from the generation and substation construction office provide primary data.

Additionally, the researcher was guaranteed to conduct the study in a way that's beneath ethical concerns. The researcher followed ethical research procedures throughout the research process.

- The respondents were informed about the aim of the research study
- The respondents provide data with their willingness and confidentiality. Moreover, the researcher specifies not to include their names in the questionnaire to ensure their anonymity.
- The information and data from the company were used confidentially.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter aims to show the finding and the interpretation of the analyzed data. Moreover, the study focused on assessing succession planning effects on employee retention on selected power generation and transmission construction projects under EEP. In order to achieve this objective, the researcher gathered data through primary data sources, questionnaires, and secondary data sources. This chapter offers the output of the research as data presentation, results, and discussion of findings derived from gathered data. The variables that indicate succession planning practice and employee retention are explained in a frequency, distribution mean, standard deviation, correlation, and regression analysis, followed by a discussion based on the triangulation of primary and secondary data analysis results. For this study, the explanatory method is adopted. The respondents' collected data was analyzed using proper statistical tools. The data presentation and discussion are explained in this chapter.

4.2 Response Rate

The Primary data collection was through questionnaires. The questionnaire contained 35 closed-ended questions and gave to 51 respondents from senior project engineers, project managers, site managers, and project coordinators. Out of the questionnaires collected by the researcher, 44 (86.28%) were filled and returned properly. The researcher was not able to gather 13.72% of the questionnaire. 86.4% of collected data was applied to the research.

4.3 Demographic Characteristics of the Respondent

The researcher tried to gather the respondent's background information who participated in the study. The author gathers the primary data sources through questionnaires and secondary data's also adopts from other papers. The background information points to the respondents' relevance for answering the questions. It included level of management,

education level, and length of their service, age group, and gender of the respondent in the organization.

4.3.1 Level of Education

The researcher also analyzed information with regard to the level of education/academic experience of the respondents. This information would offer the author of this research paper to find out if the employees have the ability to understand the questions and provide accurate data to the study. The data in Figure 4.1 presents the findings on the highest levels of education obtained by the respondents.

Table 4.1 Level of Education

Level of Education		
	Frequency	Percent
Bsc Degree	28	68.12
Msc Degree	72	32.18

Source: Research survey result, 2022

As it is displayed in figure, majority of the employee participated in this research had attained bachelor degree that represented 68.18 % of the respondents while the rest (31.82%) had Master degree .It can be observed that study involve project office staffs who have different educational qualifications that ensures different professional skills and expertise within the workforce. Some data exhibits that some of the staff are currently pursuing their MSc degree.

4.3.2 Length of Service in the Organisation

The researcher also analyzed the length of service the respondents had worked in the organization. Based on the findings presented in Figure 4.2, 25 percent of respondents had work experience ranging from 6-10 years while Majority of the respondent (75%) had worked for over 11years and above in the organizations. A significant of the employees had worked for over 11 years. This in turn can add recognized value for this study, as the

respondents have the experience to give accurate information about succession planning and retention of employees.

Table 4.2 Length of Service in the Organisation

Length of Service in the Organisation		
	Frequency	Percent
3-5	5	11.4
6-10	28	63.6
11 years & above	11	25.0
Total	44	100.0

Source: Research survey result, 2022

4.3.3 Age Group of the Workforce

The result reveals the great number of the participants possessed the age between 30 and 39 (70.45%) which is followed by the ages from 40 to 49 (22.73%) and it is followed by 50 years and above (6.82%). This implies that employees in the organizations are youthful. The age distribution shows that there majority of respondents are young managers in the age range 30-39 in the company.

Table 4.3 Age Group of Workforce

Age		
	Frequency	Percent
30- 39 years	31	70.5
40 – 49 years	10	22.7
50 years and above	3	6.8
Total	44	100.0

Source: Research survey result, 2022

4.3.4 Gender of the Respondents

The researcher also analyzed the gender items of the respondents. The data presented in Figure 4.4 demonstrates that there was a disparity in the representation of both male and

female with in the survey at 88.64 % and 11.36 % respectively. According to the result the large number of EEP power transmission taskforce employees are male.

Table 4.4 Gender of the Respondent

Gender		
	Frequency	Percent
Male	39	88.6
Female	5	11.4
Total	44	100.0

Source: Research survey result, 2022

4.3.5 Position In the organisation

The researcher also analyzed the respondent position of the employee who participated in this paper. The result, as reflected in the above table, indicates the majority of the respondents were senior electric engineers 36.36% (16), which is comes after project managers (21.73%) while (20.45%) were project site managers and (13.64%) were project coordinators, and the remaining 6.82% were project design mangers & Senior Civil engineers. This result reveals that all the respondents have been working on in different position under EEP.

Table 4.5 Position of the participants in the Organisation

Position of the Employees		
	Frequency	Percent
Project Manager	10	22.7
Senior Electrical Engineer	16	36.4
Site manager	9	20.5
Project Coordinator	6	13.6
others	3	6.8
Total	44	100.0

Source: Research survey result, 2022

4.3.6 Number of construction projects participated by respondents in EEP

The researcher also analyzed information Number of construction projects participated by the respondents. This information would provide the researcher to find out the period in which the respondents had involved in construction projects of EEP. Based on the assessment illustrated in Figure 4.5 large number of the respondents (52.27%) had involved in 1 to 3 projects in the respective organizations. Moreover, 34.99% had participated in 4 to 6 projects, 3.28% had engaged in 7 to 9 projects and 13.64% have been engaged in more than 7-9 projects. Therefore, all respondents had participated in various projects of EEP, hence it increases the reliability of the information given.

Table 4.6 Number of Construction Projects Participated by Respondents of EEP

Number of Construction Projects Participated by Respondents of EEP		
	Frequency	Percent
1-3	22	50.0
4-6	18	40.9
7-9	4	9.1
Total	44	100.0

Source: Research survey result, 2022

4.4 Descriptive analysis for Study Variables

The selected employees were asked to forward their opinions on these parts of leadership traits of project managers and project success in EEP. A five-point based Likert scale evaluation is applied to obtain the responses to the following statements that determine Agreement level with the statements for each dependent and independent variable. A summary of descriptive analysis for each variable is presented as follows. The objective of the study was to observe the effect of succession planning practices and employee retention EEP. In order to establish how well each succession practice is implemented towards employee retention, respondents were instructed to respond to statements on a 5 point Likert scale of 1 to 5 where,

1. Strongly disagree
2. Disagree
3. Neither Agree nor Disagree

4. Agree and
5. Strongly agree.

Consequently, the mean indicated to what extent the sample group on average agreed or disagreed on the different questions. Higher mean implies the agreement of more respondents with the statements, while lower mean has the implication of more respondent's disagreement with the statements. Generally the level and the interval is illustrated as shown below.

Table 4.7 Likert scale

Interval	Level
Strongly Disagree	[1 : 1.80)
Disagree	[1.80 : 2.60)
Neither agree or disagree	[2.60 : 3.40)
Agree	[3.40 : 4.20)
Strongly agree	[4.20 : 5]

4.4.1 Descriptive Analysis on Availability of SP Practice in EEP

There were five main features of availability of Succession Planning Practice in EEP that were assessed. The mean scores for all variables were calculated by equally weighting the mean scores of all items within each dimension. The standard deviation helps us to offer information about the dispersion of a variable's values from its mean value. The Table 4.8 shows that the awareness of the employees towards Extent of Succession Planning Practice in EEP. Accordingly, the results generated for extent of succession planning in which the overall mean is 3.73 with standard deviation of 0.86. The highest mean being 3.909 i.e. the existence of satisfactory succession planning practice in the company, and lowest 3.65 which is regarding the presence of formal succession planning in organization, and their standard deviation for the highest and lowest mean were 0.85 and 0.83 respectively.

Generally, the agreement level is high with the mean value of 3.73 from the respondents' perspective. This represents a moderate awareness level of the extent of Succession planning in EEP. Accordingly, the respondents moderately believed that the organization

had satisfactory succession planning practice implemented. Moreover, as per the respondents view concerning, the scored mean value of their participation in organization succession planning was 3.81 with a standard deviation 0.89. This indicates that the employees of the Ethiopian electric power (EEP) partially convinced that there is a participation mechanism in succession planning in EEP. From the findings of the study, this result ($SD < 1$) indicates that the participants in the study has similar insight.

Table 4.8 Availability of Succession Planning in EEP

Descriptive Statistics				
Availability of Succession Planning		N	Mean	Std. Deviation
	You participate in organization succession planning	44	3.8182	0.89632
	The organization have a formal succession planning in place	44	3.6591	0.83369
	There is satisfactory succession planning practice in the company	44	3.9091	0.85775
	Succession planning is important in your working environment	44	3.5682	0.87332
	Overall	44	3.7386	0.86527

Source: Research survey result, 2022

4.4.2 Descriptive Analysis on Motivation factors for good Succession Planning

There were four main features to assess motivation factors for the organisation to carry out Succession Planning Practice in EEP. The participants were asked about what the company motivates to have succession planning.

Accordingly, the results generated motivation for good succession planning. The overall mean for these parameter is 3.89 with standard deviation of 0.88 with the highest mean being 4.02 that states retaining employees is a motivation factor for applying succession planning. In addition lowest is 3.43 i.e. the motivation for succession planning is the desire of an organization to improve company's bottom line, and the standard deviation for highest and lowest mean were 0.927 and 0.925 respectively. The aggregate mean value

is 3.89 from the participant's perspective. This represents a medium awareness level of participants on what organisation motivates to carry out Succession planning practice.

Accordingly, the respondent's moderately believed that the organization could motivate the employees to retain them, to carry out anticipated changes in skills required of leaders, to put the proper people in the right jobs and to improve company's bottom line for implementing succession planning practices. Generally, there is medium consensus toward the motivation factors elements mentioned in a Table 4.9 as the standard deviation shows smaller and the participants highly agreed to the items raised to understand the driving factor to have effective succession planning in the company.

Table 4.9 Organizational Motivation for Good Succession Planning

Descriptive Statistics				
Purpose of Organisation Motivation for Good SP		N	Mean	Std. Deviation
	Anticipated changes in skills required of future Leaders	44	3.8864	0.86846
	The desire to improve company's bottom line	44	3.4318	0.92504
	To retain employees	44	4.0227	0.92733
	To put the right people in the right jobs	44	3.8409	0.77589
	Overall Mean	44	3.8977	0.8837

Source: Research survey result, 2022

4.4.3 Descriptive Analysis on Successor Identification Mechanism for SP

As shown in table 4.10, there were three main features to method for identifying potential EEP. The participants were asked about how the company identifies potential candidate.

Accordingly, the results analyzed identification methods for good succession planning. The overall mean for these parameter is 2.97 with standard deviation of 0.65 with the highest mean being 3.61 that shows the identification method for potential successor is through analyzing data on Performance appraisal. In addition lowest is 2.61 i.e. the identification method for potential successor is through recommendation analysis of works, and their standard deviation for item with highest and lowest mean are 0.75 and 0.53 respectively. The aggregate mean value is 2.97 from the participant’s perspective. This represents a low level of awareness on how potential candidate, who can carry out organizational tasks effectively, could be identified. Accordingly, the respondents moderately believed that the potential successor can be identified analyzing Data’s on performance appraisals. According to the findings of the questionnaire collected to aware of the Identification Method for Succession Planning, the result shows that they are neither agree and disagree on these item.

Table 4.10 Identification Method for Succession Planning

Descriptive Statistics				
Identification Method for Succession Planning		N	Mean	Std. Deviation
	Data on performance appraisals	44	3.6136	0.75378
	Recommendation analysis of work	44	2.6136	0.53769
	Ability, personality and psychological tests	44	2.7045	0.6675
	Overall Mean	44	2.9773	0.653

Source: Research survey result, 2022

4.4.4 Descriptive Analysis on Implementation of Human Resources SP

There were five main features to method for identifying Challenges Facing Human Resources Succession Planning in EEP. The participants were asked about Challenges while implementing Human Resources Succession Planning. According to the results, the overall mean for these parameter is 3.08 with standard deviation of 0.71 with the highest mean being 3.79 that shows the having information about employee is one of the Challenges Facing Human Resources Succession Planning. Table 4.11 describes the results generated for challenges facing HR succession planning in which the overall mean is 3.79 with the highest mean being 3.79 and lowest 2.75, and their standard deviation were 0.79 and 0.48 accordingly.

Table 4.11 Implementation of Succession Planning

Descriptive Statistics				
Challenges Facing Implementation of Succession Planning		N	Mean	Std. Deviation
	There is sufficient talent pipeline	44	2.9091	0.67577
	The company motivates and retains key employees	44	3.0455	0.80564
	There is effective business practices	44	2.9318	0.7894
	Management has information about employees	44	3.7955	0.79474
	The company has active periodical succession plan	44	2.75	0.48823
	Overall	44	3.0864	0.7108

Source: Research survey result, 2022

4.4.5 Descriptive Analysis for Employee Retention

There were eighteen main features of Extent of retention practices in EEP. Respondents were required to indicate their level of agreement to some relevant questions posed to gauge the level of employee retention in the organization that determine the effect it has on employees willingness to stay or leave the organization as depicted in Table 4.12

Table 4.12 Employee Retention

Descriptive Statistics				
Employee Retention		N	Mean	Std. Deviation
	I am able to reach my full potential in this organization	44	3.8182	0.75553
	I am comfortable working with my team members	44	4.0455	0.68044
	I have a clear understanding of my career path and are readily available from the Human Resource Department	44	3.1364	0.34714
	I feel proud to tell other people about the organization I work for	44	3.2045	0.40803
	I do not have any intention to resign from this organization within a shorter time	44	3.8409	0.98697
	I would recommend my organization as a great place to work	44	3.1591	0.36999
	I would be happy to spend the rest of my career with this organization	44	3.3636	0.57429
	I have a clear understanding of how my performance is evaluated	44	3.7727	0.60477
	I am prepared to remain in the organization because of training and development opportunities	44	3.1818	0.39015
	My immediate supervisor gives me credit for a job well done	44	3.9773	0.82091
	I have access to the line managers to argue my idea and feedback	44	3.9318	0.6954
	I am satisfied with the organization as a place to work	44	3.7727	0.56501
	I feel emotionally attached and feel very committed to remain with my current organization	44	4	0.83527
	I am not keen to leave my organization right now	44	4.0455	0.834
	Whenever I get a job in another organization, I will definitely leave	44	2.2727	0.65994
	I am able to get bonuses and incentives based on my	44	4.1136	0.57933

performance			
I am Hoping to retire at this firm	44	3.25	0.43802
I have been timely promoted in this job to senior Positions based on my merit	44	4.1364	0.73424
Overall	44	3.5922	0.64956

Source: Research survey result, 2022

As indicated in Table 4.12, large number of the participants were somewhat satisfied with their current place of work (Mean = 3.77, SD=0.56), most respondents are neutral whether they would proudly tell other people about their organization or not. (Mean = 3.2, SD=0.4). Additionally, they moderately understood of the way their performance evaluation is carried out (Mean=3.77 SD=0.6, they are neutral regarding remaining in the organization because of training and development opportunities (Mean=3.18, SD=0.39). Additionally the respondents are totally agreed that they were timely promoted in this job to senior Positions based on their merits (Mean = 4.13, SD=0.73), they are not sure about understanding of their career path that are readily available from the Human Resource Department (Mean=3.13, SD=0.34). Moreover, the respondents agreed that they do not have any intentions to resign from the organization within a short time (Mean = 3.84, SD=0.98), respondents also neutral on whether they would recommend their organization as a great place to work to others or not (Mean=3.15, SD=0.36), they are not sure whether they would be happy to spend the rest of their career life with the organization (Mean = 3.36, SD=0.57). Respondents were somewhat strongly agreed on how their immediate supervisors gave credit for a job well accomplished (Mean= 3.97, SD=0.82) respondents were agreed that that they have access to the line managers to argue their ideas and feedback (Mean=3.93, SD=0.69) they are somewhat happy with the current place of work (Mean=3.77, SD=0.56) they feel emotionally attached and feel very committed to their current organization (Mean=4, SD=0.83). They disagree on whether they wanted to leave their organizations right now (Mean=4.04, SD=0.83). However, respondents disagree with the argument that they were searching for a better job and they will definitely leave if they got a job in another organization (Mean=2.27, SD=0.65). They are also well comfortable working with their team members (Mean=4.04, SD=0.68) and they believed that they are able to get their full ability in this organization (Mean=3.8,

SD=0.7).According to Table 4.11, the average mean is 3.5 that indicate they were agreed on different attributes of employee Retention.

4.5 Correlation Analysis

In this part of the study, the relationship between independent and dependent variables were analyzed using the bivariate correlation analysis. The result of the correlation with two-tailed significance level were analyzed to indicate the direction and the significance of the relationship of succession planning and employee retention.

Bivariate Correlation: The bivariate correlation test analyzes if two variables are related linearly (as one variable rises, the other also soars, or as one variable surges, the other variable declines). In addition, the PC coefficient enables us to assess the linear correlation of two variables 'X' and 'Y', with a value ranging from +1 to 1, inclusive, where 1 represents total positive correlation, 0 represents no correlation, and 1 represents total negative correlation (Pedhazur, 1982). When Pearson's r is close to 1, there is a strong relationship within the two variables, which means that changes in one variable are strongly correlated with changes in the second variable. When Pearson's r is near to 0, there is a poor connection between the two variables and varies in one variable that have no correlation with variation in the another variable (Malhotra, 2007).

According to Pedhazur (1982), this value of Sig (2-Tailed) tells if there is a fundamental correlation among two variables or not statistically. The researcher can deduct that there nothing fundamental connection exist between two variables if the Sig (2-Tailed) value is more than 0.05 from statistical point of view. These indicate that variation in one variable do not have a significant relationship with variation in the second variable. If the value of Sig (2-Tailed) is lower than or the same as 0.05, there is a fundamental correlation with the two variables from statistics point of view. That is, changes in one variable significantly relate to changes in the other variable. According to Correlation analysis, a perfect and positive relationship is defined by a correlation coefficient of ± 1 , in which every change of ± 1 in one variable is linked with a change of ± 1 in the other variable. A correlation of 0 indicates that no correlation. As a result, Pearson's Product Moment Correlation is used.

The link between the variables under research is examined using coefficients and linear regression, and the strength of the correlation was evaluated using Evans' (1996) recommendation in the following pattern:-

0.00 - 0.19 “Very weak”

0.20 - 0.39 “Weak”

0.40 - 0.59 “Moderate”

0.60 - 0.79 “Strong”

0.80 - 1.00 “Very strong”

As it is shown in below table 4.13, the result of correlation coefficient $r=.602$ and $p=.000$ implies that the availability of succession planning had significant and positive relationship with employee retention. The positive value of the correlation coefficient indicates the higher the level of the availability of succession planning results to the higher level of employee retention and vice versa. The p-value also indicates the relationship is significant at $p<.01$.

Table 4.13 Correlation Analysis between availability of SP and ER

Correlations			
		Availability of Succession Planning	Employee Retention
Availability of Succession Planning	Pearson Correlation	1	.602**
	Sig. (2-tailed)		0
	N	44	44
Employee Retention	Pearson Correlation	.602**	1
	Sig. (2-tailed)	0	
	N	44	44

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

Source: Research survey result, 2022

As it is shown in below table 14.14, the result of Pearson’s correlation coefficient $r=.609$ and $p=.000$ implies that Employees Motivation factor had significant and positive relationship with employee retention. The positive value of the correlation coefficient indicates the higher the level of succession planning results to the higher level of

employee retention and vice versa. The p-value also indicates the relationship is significant at $p < .01$.

Table 4.14 Correlation Analysis between Motivation Factor and ER

Correlations			
		Employee Retention	Motivation
Employee Retention	Pearson Correlation	1	0.609
	Sig. (2-tailed)		0
	N	44	44
Motivation	Pearson Correlation	0.609	1
	Sig. (2-tailed)	0	
	N	44	44

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

Source: Research survey result, 2022

As it is shown in below table 4.15, the result of Pearson’s correlation coefficient $r = .421$ and $p = .000$ implies that Successor Identification Mechanism had significant and positive relationship with employee retention. The positive value of the correlation coefficient indicates the more the successor identification mechanism is implementation results to the higher level of employee retention and vice versa. The p-value also indicates the relationship is significant at $p < .01$.

Table 4.15 Correlation Analysis between Successor Identification Mechanism and ER

Correlations			
		Employee Retention	Sucessor identification Mechanism
Employee Retention	Pearson Correlation	1	0.4
	Sig. (2-tailed)		0
	N	44	44
Sucessor Indentification Mehanism	Pearson Correlation	0.4	1
	Sig. (2-tailed)	0	
	N	44	44

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

Source: Research survey result, 2022

As it is shown in below table 4.16, the result of correlation coefficient $r=.434$ and $p=.000$ implies that succession planning implementation effectiveness had significant and positive relationship with employee retention. The positive value of the correlation coefficient indicates the higher the level of effectiveness of implementing succession planning results to the higher level of employee retention and vice versa. The p-value also indicates the relationship is significant at $p<.01$.

Table 4.16 Correlation Analysis between SP Implementation and ER

Correlations			
		Employee Retention	SP Implementation
Employee Retention	Pearson Correlation	1	.434**
	Sig. (2-tailed)		0
	N	44	44
SP Implementation	Pearson Correlation	.434**	1
	Sig. (2-tailed)	0	
	N	44	44

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

Source: Research survey result, 2022

The correlation between components of Succession Planning leadership attributes and Employee Retention is shown as below in table 4.17.

Table 4.17: The correlation between components of Succession Planning leadership attributes and Employee Retention

Corelation Analysis						
		Avaliability	Motivation	Indentfication	Implementation	Employee Retention
Avaliability	Correlation Coefficient	1.000	0.738	0.512	0.443	0.602
	Sig. (2-tailed)		0.000	0.010	0.020	0.000
	N	44	44	44	44	44
Motivation	Correlation Coefficient	0.738	1.000	0.431	0.234	0.609
	Sig. (2-tailed)	0.000		0.010	0.010	0.000
	N	44	44	44	44	44
Indentfication	Correlation Coefficient	0.512	0.431	1.000	0.512	0.415
	Sig. (2-tailed)	0.010	0.010		0.000	0.000
	N	44	44	44	44	44
Implementation	Correlation Coefficient	0.443	0.234	0.512	1.000	0.434
	Sig. (2-tailed)	0.020	0.010	0.000		0
	N	44	44	44	44	44
Employee Retention	Correlation Coefficient	0.602	0.609	0.415	0.434	1.000
	Sig. (2-tailed)	0.000	0.000	0.000	0	0
	N	44	44	44	44	44

Source: Research survey result, 2022

4.6 Regression Analysis

The coefficients of a linear equation consisting of one or more independent variables that best forecast the value of the dependent variable are estimated using linear regression (Field.A, 2009). According to aforementioned author, in order to execute a basic linear regression, it is necessary to examine crucial assumptions, which is useful in drawing conclusions about the population under investigation. The normality of both predictor and predicted variables and the linearity of the said relationship, were examined in this respect. To observe the effects of SP on ER, both regression and correlation analyses were conducted.

4.6.1 Diagnosis Tests

According to Field (2009), in order to execute a basic linear regression, it is necessary to examine crucial assumptions, which is useful in drawing conclusions about the population under investigation. The normality of both predictor and predicted variables, as well as the linearity of the said relationship, were examined in this respect.

1. Normality Test

Normality test was applied to find out whether a data set is properly a designed or modeled by a normal distribution and how likely an underlying random variable is to be classified as normally distributed. If the residuals would be regularly distributed, the histogram should be bell-shaped. As shown on the below *Figure 4.1*, the histogram had a well-defined bell-shaped structure. As a result, both the underlying random variable and the residuals had a normally distributed distribution.

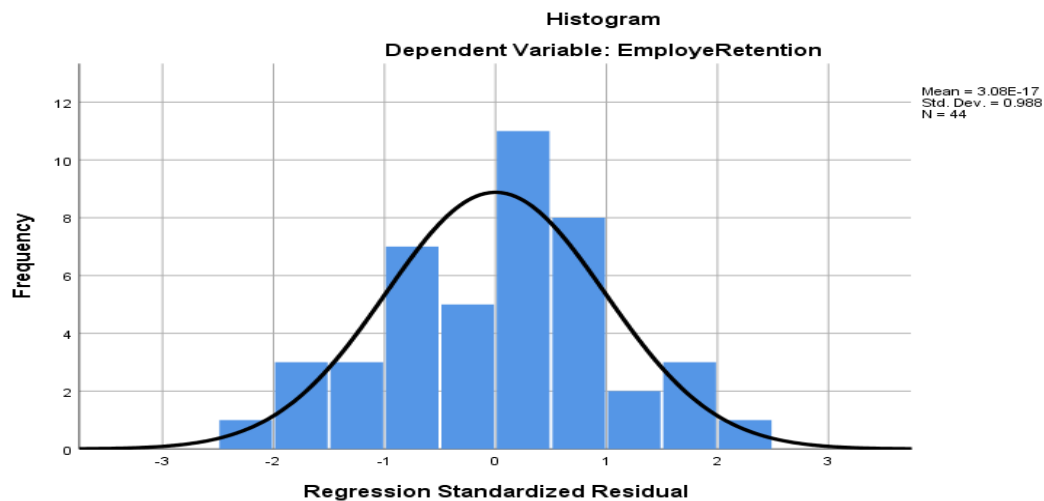


Figure 4.1 Normality Plot

Source: Research survey result, 2022

2. Linearity Test

There are several methods for determining whether a linearity relationship exists. The normal PP Plot was used in this study to check linearity and visually inspect the scatter plot. As shown in Figure. 4.2, the points demonstrate linearity.

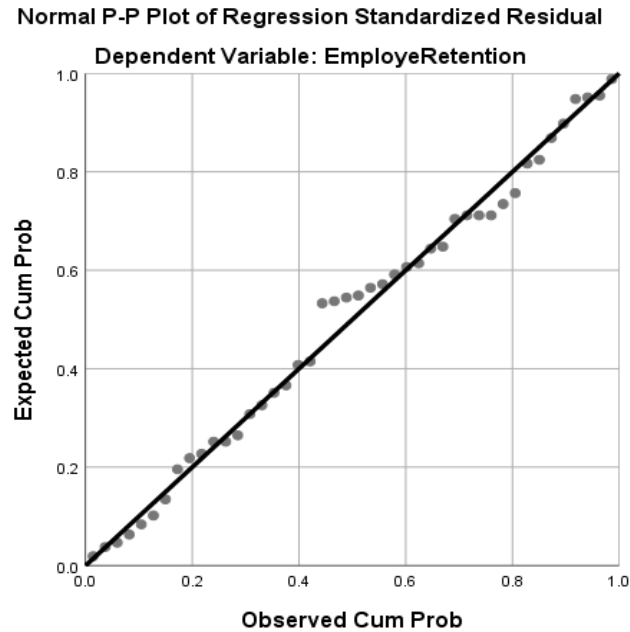
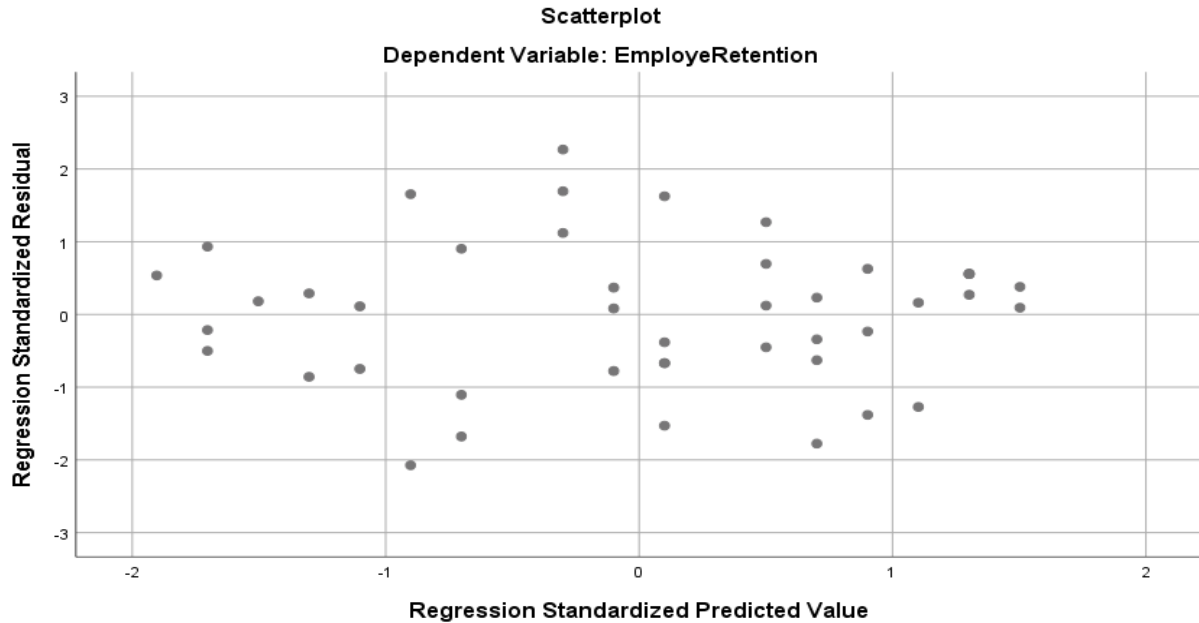


Figure 4.2 Linearity Plot

Source: Research survey result, 2022

3. Homoscedasticity

Homoscedasticity is used to determine whether the relationship under investigation is identical across the entire range of the dependent variable, according to (Garson, 2012), and lack of homoscedasticity is indicated by higher errors (residuals) for some portions of the range, as observed on the scatterplot. If the assumption of homoscedasticity is met, the graphs of *ZRESID and *ZPRED should look like a random arrangement of dots around zero, as shown by Field (2009). Similarly, as seen in figure 4.4 below, the points are dispersed randomly and equally throughout the plot, with no obvious outliers on this cloud of dots centered on zero. Thus, it can conclude that the random errors and homoscedasticity assumption has been met.



Source: Research survey result, 2022

Figure 4.3 Homoscedasticity

4. Multi-collinearity

As the degree of correlation between the independent variables grows in multiple regression analysis, the regression results become less credible. As a result, if there is a significant level of correlation between independent variables, we have a situation known, as Multi-collinearity is a problem that has to be addressed (Kothari, 2004). This may be accomplished by examining the Pearson correlation coefficient between predictor variables. There is no significant connection between predictor variables if the Pearson correlation coefficient (r) value is less than 0.9; hence, there is no multi-collinearity problem (Field, 2006).

All of the Pearson correlation coefficients are provided in table 4.17 above. As a result, the variables are not overlapping and there is no collinearity impact, which may limit the model's capacity to forecast.

5. Anova Analysis

The ANOVA, as exhibited in Table 4.18 below, shows the overall statistical significance/acceptability of the model. The summary shows the various sums of squares described in

the table above, as well as the extent of freedom linked with each other. The ANOVA Analysis of the study showed that the various sum of squares described and the extent of freedom linked with each other indicates that the overall variation explained by the model is good and significant as p-value is 0 i.e. it is less than 0.05.

The F test result in this above ANOVA table is 33.907, with a significance of less than .001, indicating that the odds of these occurrences occurring by random are less than .001. As a result, the independent variable attributes influence a significant portion of employee retention, implying that the independent variable statistically and significantly predicts the dependent variable (Employee retention in EEP), and thus the overall regression model is significant and is a good fit of the data, $F(1, 42) = 33.907, p < .001, R^2 = .44$. Furthermore, the reduced standard error of the estimate and larger F value demonstrated that the dependency between the two variables, i.e. Succession Planning and Employee Retention, is strong and substantial. As a result, it can be inferred that the Succession Planning traits have a considerable impact on Employee Retention, where, $p < .001$.

Table 4.18 ANOVA, SP attributes as predictor of ER in EEP

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.272	1	1.272	33.907	.000 ^b
	Residual	1.576	42	.038		
	Total	2.849	43			
a. Dependent Variable: Employee Retention						
b. Predictors: (Constant), Succession Planning						

Source: Research survey result, 2022

4.6.2 Linear regression Analysis

A regression model was modeled to determine the relative importance of selected independent variables with respect to relationship between succession planning practices and employee retention. The significance level of 0.05 was used, with a 95% level of confidence interval. R^2 is a tool of measuring instrument that shows how much of the variability in the outcome is explained by the predictors. The values of R^2 also range from

0 to 1. (Pedhazur, 1982).The adjusted R Squared also referred to as the coefficient of multiple determinations is the variance percentage of dependent variable explained uniquely or jointly with the variable. The Regression model can be explained as:

$$Y_i = A + b_1 X_1 + e \text{ Where:}$$

- ✓ Y=Employee Retention
- ✓ b_1 =Beta Coefficient
- ✓ X_1 = Succession planning
- ✓ e= Constant Error

The established multiple linear regression equation becomes:

$$Y = 0.668 + 0.4467X_1$$

Table 4.19 Model summary, SP attributes as predictor of ER in EEP

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.668 ^a	0.4467	0.433519	0.19372
a. Predictors: (Constant), Succession Planning				
b. Dependent Variable: Employee Retention				

Source: Research survey result, 2022

From the above table 4.19, it can be detected that R is .668 and R square is .446. R Square (R^2) indicates the variance proportion on dependent variable that can be identified by the linear combination of independent variables. This implies that about 44.67 % of the dependent variable variance in Employee Retention (dependent variable) is described by Succession planning attributes (independent variable). Thus, the aggregated effect of SP possessed on ER is explained by the value of the R square, which indicates that 44.67% of employee retention is accounted as a result of succession planning. The regression statistics further show a coefficient of determination (R Square) value of 0.4467. The coefficient of determination measures how well the sampler regression line (the line of best fit) fits the data.

4.6.3 The Regression Coefficient

This research project study intended to identify the most contributing independent variable in the prediction of the dependent variable. Thus, each predictor (independent variable) strength impacting the criterion (dependent variable) was investigated through standardized Beta coefficient. The regression coefficient accounts for the average amount of variation in the dependent variable affected by a unit change in the independent variable. The greater the amount of an independent variable's Beta coefficient, the more support the independent variable has as the more important determinant in predicting the dependent variable. Based on the below coefficient table (table 4.20), Beta-value of .668 exhibits that there is a direct relationship exists between Succession Planning and Employee Retention. Moreover, the B value (0.552) in the unstandardized coefficient column, represent that, considering all other factors constant at zero, for each one unit increase on Succession Planning, we expect 0.552 unit increase in Employee Retention in EEP. This implies that, increase in succession planning causes to enhance employee retention significantly. The p-value of .000 indicates the model is highly significant at $p < .01$. Therefore, the beta coefficient (Beta= .552) implies the employee retention level will increase by 55.2 % if the succession planning increases by one and vice versa. The regression equation is:-

$$ER = 1.734 + 0.552(SP)$$

From this equation, Succession planning have statistically unique contribution for the outcome of effective employee retention. Therefore, it can be induced from the above result that, Succession planning highly influence the employee retention rate in the organization significantly.

Table 4.20 Regression Coefficient on Effect of SP Practices on ER

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.734	.324		5.352	.000

	Succession Planning	.552	.095	.668	5.823	.000
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a. Dependent Variable: Employee Retention

Source: Research survey result, 2022

4.6.4 Multiple Linear Regression Analysis

The standardized coefficients are utilized to measure the relative significance of the key predictors. The beta coefficient in table 4.20 indicates the contribution of each independent variable to employee retention. These are, the beta= .492 represent availability of succession planning practice had positive +36.7% contribution, the beta= .386 represents Motivation factors had +38.6% contribution, the beta= .281 represent career development had +28.1% contribution to employee retention in EEP. The result shows that the best predictor is Availability of Succession Planning which has the highest standardized coefficient (.494) and the lowest significance (.001). However, results presented in the study showed that Successor identification Mechanism (B= -0.071) has a negative and insignificant effect on Employee Retention.

Table 4.21 Summary of regression results for leadership attributes

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.408	0.411		4.638	0.000
	Availability	0.494	0.078	0.424	2.477	0.018
	Motivation	0.386	0.073	0.205	1.168	0.250
	Identification	-0.071	0.078	-0.112	-1.012	0.018
	Implementation	0.281	0.090	0.360	3.136	0.003

a. Dependent Variable: Employee Retention(ER)

Source: Research survey result, 2022

The Multiple Regression model can be explained as:

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + bX_4 + e$$

Where: Y = Employee Retention (ER); X₁ = Availability (A); X₂ = Motivation (B); X₃ = Identification(C); X₄ = Implementation (D); e = error term; b₀ = constant, term; b_{1, 2, 3, 4}= coefficient terms. The regression equation is:-

$ER = 0.408 + 0.494(A) + 0.386(B) + 0.215(SS) - 0.071(C) + 0.281(D)$ The regression model from the above table shows that keeping other variables constant, a one-unit increase in Succession Planning Availability will bring a 0.49 unit increase in Employee Retention, a one-unit increase in Motivation factors will bring a 0.386-unit increase in Employee Retention, a one-unit increase in Effectiveness Implementation will bring a 0.286-unit increase in Employee Retention.

CHAPTER FIVE

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary of the research findings, conclusion, recommendations and Suggestions for future further studies.

5.2 Summary of Findings

The study's objective was to assess succession planning practice's effect on the retention of employees in the case of EEP. The main findings are discussed and summarized below based on the analysis results discussed in chapter four. The major results are mentioned below:

- From the descriptive analysis it can be inferred that most employees are male 88.64 % and female employees hold 11.36 %, a low percentage. Moreover, the age distribution shows that there majority of respondents are young managers in the age range 30-39 in the company. The researcher also analyzed the respondent Job position who participated in this paper. The result indicates the large number of the participants were senior electric engineers 36.36% (16) and also project managers (21.73%) ,Site managers (20.45%),Project Coordinator (13.64%) were project coordinators, and the remaining 6.82% were project design mangers & Senior Civil engineers. This result reveals that all participants are from different job position have been participated in this research. Additionally, the researcher also analyzed on Number of construction projects participated by the respondents. The study also shows that large number of the respondents (52.27%) had involved in 1 to 3 projects in the respective organizations. The result indicates respondents had participated in various projects of EEP, hence it increases the reliability of the information given. The researcher also analyzed the length of service the respondents had worked in the organization. Regarding the work experience of the respondent, 25 percent of respondents had work experience ranging from 6-10

years while Majority of the respondent (75%) had worked for over 11 years and above in the organizations. A significant of the employees had worked for over 11 years. This in turn can add recognized value for this study, as the respondents have the experience to give accurate information about succession planning and retention of employees. Furthermore, most of the employees hold a bachelor's degree (68.18 %) while the rest (31.82%) had Master degree.

- The responses obtained concerning the availability of succession planning practice implementation in the company show that there is a moderate level of awareness of the employees towards the Extent of Succession Planning Practice, Motivation factors of succession planning practices as well as low awareness level towards identification mechanism for potential employees, and Challenges of implementation of Succession Planning practices in EEP.
- The employee's intent to stay in the organization in future was used to establish retention rate in their organisation. The Finding of the study also indicates that employees felt neutral to proudly tell other people about their organization, and moderately believed that they did not have any intentions to resign from the organization. Besides that, they felt neutral to recommend their organization as a good place to work, and to stay the remaining career life with the organization happily, and that they have a sort of understanding of how their performance is evaluated. Likewise, they are partially prepared to remain in the organization because of training and development opportunities. On top of that, respondents somewhat agreed that their immediate supervisor gave them credit for a job well done and possessed access to the line managers to argue ideas and feedback. Participants also felt neutral on whether they are happy or not with the current place of work.
- The study also conducted correlation analysis to learn the relationship between the independent variables (Availability, Motivation, Identification, and Implementation of Sp) and Employee Retention at EPP. Its results revealed that all the independent variables have a positive, strong and significant correlation with Employee Retention at EPP. In addition, out of the independent variables,

Availability of Succession planning practices ($\rho=0.602$) and Motivation factor ($\rho=0.609$) have higher positive values in correlation with the Employee Retention.

- The ANOVA statistics presented the regression model significance. An F-significance value of at $df(1, 42)$ with $(p = 0.00) < 0.05$ was established showing that there is a probability of less than 0.05 of the regression models. Thus, the model was significant and the independent variables of the study (Succession Planning) have a significant effect on the dependent variable, Employee Retention.
- Regression analysis was also used to find the effect of SP practices on employee retention and data was presented in tables form. The result indicate that R is .668 and R square is .446. This implies that about 44.67 % of the dependent variable variance in Employee Retention (dependent variable) is described by Succession planning attributes (independent variable). Also, the study undertakes regression analysis to uncover the influence of each components of Succession Planning attributes on the Employee Retention. According to the regression results, there was a negative ($Beta = -0.071$) insignificant relationship between Successor Identification Mechanism and Employee Retention. This also means that a Successor identification Mechanism is not that effective for the Employee Retention.
- As per the regression analysis's result, Availability of Succession Planning has the highest positive ($B=0.494$) and significant effect on Retaining Employee in the organization. Motivation factors also have a positive ($B=0.386$) and significant effect on Employee Retention. Similarly, Effectiveness of implementation ($B=.281$), have a positive ($B=0.386$) and significant effect on Employee Retention... However, results presented in the study showed, there was a negative ($Beta = -0.071$) but insignificant relationship Successor Identification Mechanism and Employee Retention. This also means that a Successor identification Mechanism is not that effective for the Employee Retention

Generally, the findings of this study established that there is a statistically significant correlation between Successions planning with Employee Retention.

5.3 Conclusion

Succession planning is one of the essential activities which should be implemented in organizations to have successors or talents that can replace leaders whenever the organization requires it. This practice is a continuing process that enables the company to recognize successors to the critical roles of an organization and develop them so that they are ready to move into those leadership roles. On the hypothesis testing, it presented that all three independent variables (Availability of SP, Motivational Factor & Implementation of SP) are positively correlated to Employee Retention, According to the study's finding, it can be seen that the four Succession Planning Practices variables of the study predict the employee retention by 44.67%. From this result, it can be concluded that there is a strong relationship between Succession Planning attributes and Employee Retention. This finding is similar with other studies such as Onyiso.D, (2018) and Tetteh, (2015)

5.4 Recommendations

As the findings of the study point out, succession planning practice put a positive effect on Employee Retention. As it can be observed from the findings, Employee have moderate opinion on EEP succession planning practice and employee retention. Therefore, EEP should develop and apply more comprehended succession planning practices by informing on the employees about the extent, challenges and how successor is identified. When there is a sudden loss of leaders in a company, immediate succession practice is not achievable by filling all the required void positions. After the potential employees are identified, the company needs to provide the necessary development and training programs to fill the vacant position they may require. Then, they need to promote to relevant job positions. However, if there is means of assigning talented employees, they may misbehave or feel angry if they didn't get the position they expect. So, to avoid such problems, the company needs to carry out contingency planning like job enhancement, job rotation, job enlargement, or rewards to them at the existing position. Moreover, the company needs to carry out succession planning practice in the organization in every area or all departments to fill the gap even though high emphasis can be given to the critical areas as already is a practice in the company.

Finally, the researcher gives a recommendation for EEP management to do further research on the topic internally and externally so that, based on the result the organization may implement the existing succession planning system effectively and then it can be also a role model for other Organisation. The issue of succession planning should not be also limited to succession candidates of senior and middle positions but need to involve all employees.

5.5 Suggestions for Further Study

This study focused on the succession planning practice of EEP and its effect on ER. Future research should try to find out the effects of succession planning impacts on employee retention in a broader area instead of specific departments within an organisation. Future studies should also better include different variables to give a coherent image of what employee retention would be affected. The study focused on EEP project management office's management members (above D5 level) perspective, where the respondents were targeted from small section of the organization only. Moreover, the subject area can be explored from the perspective of beneficiary and external consultants with the project stakeholders constituting the sample population.

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ANNEXES

APPENDIX I:
RESEARCH QUESTIONNAIRE
ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE
MASTER PROGRAMS IN BUSINESS LEADERSHIP
SURVEY QUESTIONNAIRE

Dear Sir/Madam;

I am a graduate student in the postgraduate program of Business Leadership at Addis Ababa University, School of Commerce. One of the requirements for Master's Degree study before graduating is to undertake a thesis and for this I have chosen the research topic "THE EFFECT OF SUCCESSION PLANNING ON EMPLOYEE RETENTION:THE CASE OF ETHIOPIAN ELECTRIC POWER" to fulfill the partial requirement for the Master's Degree program.

As a consequence, in order to collect the required data for the thesis, I respectfully request your assistance in answering the following questions. Any details you provide will be kept fully private and used exclusively for academic purposes. The main purpose of this questionnaire is to collect information regarding the effect of succession planning on employee retention In Ethiopian electric power. I would like to confirm you that your response will be kept strictly confidential and it will be used exclusively for the purpose of this research. Besides, your swift response is enormously important in order to finalize the research timely and I would appreciate if you complete and return it within a short period of time of your responses. Your cooperation is highly appreciated in advance, and looking forward to receiving your response

Yours faithfully,

Biniyam Girma

Tel : +251911356003

Email:

bbigg99@gmail.com

Kindly tick [] the appropriate response or provide information as is relevant. Your responses will be anonymous and confidential and will only be used for the purposes of this study. As such, do not write your name on the questionnaire.

Part One: Demographic Information of Respondents

1. Position in the Organisation

Project Manager [] Senior Design Engineer []
Senior Manager [] Site Manager []
Project Coordinator [] Others _____

2. Level of Education.

PhD [] Master's degree []
Undergraduate degree [] Diploma []
Other specify _____

3. Length of Service in the Organization

0 - 2 years [] 3 -5 years []
6 -10 years [] 11 years and above []

4. Age Group

20 – 29 years [] 30- 39 years []
40 – 49 years [] 50 years and above []

5. Gender: Male [] Female []

6. Number of Construction Project Participated

1 - 3 years [] 4 -6 years []
7 -9 years [] 10 years and above []

Part Two: Succession Planning practice

7. Please indicate your reaction by tick (✓) the one most appropriate to the following

1-strongly disagree, 2- disagree, 3- neutral, 4- agree and 5- strongly agree

Please indicate your response by using tick mark (✓) according to your choice.						
No.	Description	Scales				
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Succession Planning						
Availability of Succession Planning						
1	You participate in organization succession planning					
2	The organization have a formal succession planning in place					
3	There is satisfactory succession planning practice in the company					
4	Succession planning is important in your working environment					
Motivation for Succession Planning						
1	Anticipated changes in skills required of future leaders					
2	The desire to improve company's bottom line					
3	To retain employees					
4	To put the right people in the right jobs					
Successor Identification Mechanism						
1	Data on performance appraisals					
2	Recommendation analysis of work samples/outputs					
3	Ability, personality and psychological tests					

Please indicate your response by using tick mark (✓) according to your choice.						
No.	Description	Scales				
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Implementation of Succession Planning						
1	There is sufficient talent pipeline					
2	The company motivates and retains key employees					
3	There is effective business practices					
4	Management information about employees					
5	The company has active periodical succession plan					

Part Three: Employee Retention

8. Rate the extent to which the following factors have influenced you to stay In Ethiopia Electric Power. Place a tick (√) in the appropriate box on the table below.

1-strongly disagree, 2- disagree, 3- neutral, 4- agree and 5- strongly agree

Part 3						
Please indicate your response by using tick mark (√) according to your choice.						
No.	Description	Scales				
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	Employee Retention					
1	I am able to reach my full potential in this organization					
2	I am comfortable working with my team members					
3	I get timely feedback from my manager					
4	I have a clear understanding of my career path and are readily available from the Human Resource Department					
5	I get support from Top Management					

6	I have been timely promoted in this job to senior Positions based on my merit					
7	I would apply for this job again					
8	I like coming to work every day					
9	Based on my overall experience with the organization, I would likely recommend my friends to work with this organization					
10	I am offered competitive salaries in the organization					
11	I am encouraged to apply for senior positions					
12	I am valued within the my organization					
13	I have belief in the organizations vision for growth					
14	I am able to be involved in different tasks in different departments of EEP(Job rotation)					
15	I am able to get rewards for my performance					
16	My managers and supervisors mentoreed and coached me well					
17	I have a chance to continuously improve my skills					
18	I am able to get bonuses and incentives based on my performance					
19	I am able get Job related Training opportunities continously					
20	I am able to communicate with managers smoothly.					
21	I am Hoping to retire at this firm					

Thank you very much for your time and cooperation

