A Systematic Literature Review of Factors Affecting Succession Planning Implementation in Empirical Studies

[1]ABDULLAH TALIB AL JAHWARI, [2]MOHD NUR RUZAINY ALWI

[1]College of Graduate Studies, Universiti Tenaga Nasional (UNITEN), MALAYISA
[2]College of Business Management and Accounting, Universiti Tenaga Nasional (UNITEN), MALAYISA

Abstract: Today's businesses must devote significant resources to succession planning to guarantee the steady flow of new talent and the safekeeping of institutional knowledge. The goal of this paper is to analyse the results of empirical research on the implications of succession planning (SP), discover strategies employed by organisations, and recognise the factors that determine the implementation of succession planning, along with the potential issues and challenges that may arise. This literature review was structured using a systematic review methodology. Of a total of 259 publications, 32 that met the inclusion/exclusion criteria were considered. The results show that most of the research was conducted in Western and developed Asian countries, whereas few studies have been published in the Middle East or among Arab countries. Moreover, the results show that most of the current studies ranged across several contexts, including healthcare, educational institutions, small and medium enterprises (SMEs), family businesses, and private sectors, with a limited focus on the public sector. The findings indicate that the availability of a talent pool, congruence with human resource (HR) activities, management buy-in, and organisational dedication is the most influential aspects of SP implementation.

Key-Words: - Succession planning, succession management, systematic literature review, factors, talent development, issues, and challenges

1 Introduction

Nowadays, organizations all over the world are confronted with high rates of employee turnover, and directors are concerned as they struggle to fill crucial jobs requiring candidates with specific skills and backgrounds, [1]. Therefore, organisations have started to implement effective systematic succession plans to overcome the unplanned costs of hiring unprepared employees, strategic decision-making delays, operational progress disruption, and loss of organisational knowledge, [2]. Nevertheless, the effectiveness of these plans is still debatable, as numerous factors impact the successful implementation of succession planning (SP), [3], [4]. Most of the current organisational studies focus on the SP process; however, limited studies have focused on the factors that affect the effectiveness of succession planning implementation. Nevertheless, most of the underlying empirical studies from Western countries focus on higher educational institutions, [5], [6], [7], the healthcare sector, [8], [9], [10], schools, [11], and family businesses, [12], [13], [14], which may have limited validity to be generalised to other sectors.

The purpose of this paper is to uncover the issues and challenges of SP implementation by observing the findings from empirical studies on SP. Specifically, this paper aims to discover and analyse the factors that either foster or hinder organisations from implementing succession plans. Nevertheless, this study is expected to contribute to the human resources management and development field by providing a comprehensive summary of the status of empirical studies and research in the SP and

management literature. It will also reflect on the current gaps and recommend ways and areas of research to fill them. To reach these goals, this study aims to answer the following questions:

Q1. What is the main focus of succession planning and management (SP&M) studies?

Q2. What are the main factors found in previous research that are vital in making SP more effective?

Q3. What are the main theories and models used in SP studies?

2 Method

To answer the study's questions, a systematic literature review was undertaken, which is regarded as a major technique for 'identifying, evaluating, and integrating the findings of all relevant, high-quality studies on particular issues and problems', [15], [16]. It has been characterized as a type of study that evaluates, critiques, and synthesizes relevant research on a subject in an integrated manner to develop new frameworks and thoughts on the topic, [17].

In order to guarantee that this review has taken into account every significant previous study, a broad search of the most well-known databases in human resource (HR) and organisation studies, including Emerald, Scopus, Willey, ProQuest, Springer Link, Sage, Science Direct, and Taylor & Francis, was conducted. The timeframe for this review includes all published papers from January 2010 to January 2020. Several keywords were searched using terminology related to SP, such as 'succession planning', 'succession management', 'manpower planning', and 'talent management'.

The database search generated 259 publications with titles including succession planning or management that were then screened by reviewing the abstract to determine their relevance to the research topic and their fit with the inclusion and exclusion criteria to filter the articles and identify the more relevant studies. Studies were considered for inclusion if they satisfied one or more of the following inclusion criteria: (1) empirical study, (2) focusing on SP, (3) English language, (4) published in a peer-reviewed journal (5) published from 2010 to 2020 and (6) sought to answer the research questions. The findings from each database are summarized in Figure 1, along with the filtration technique that was used. Applying the inclusion criteria mentioned above, two stages of screening were conducted, as presented in Figure 1. Initially, 120 publications were identified to match the inclusion criteria after reading the abstracts of 259 investigations. The full texts of the 120 studies were then reviewed. The most relevant papers for the final analysis were determined as 32 of the 120 articles in total.
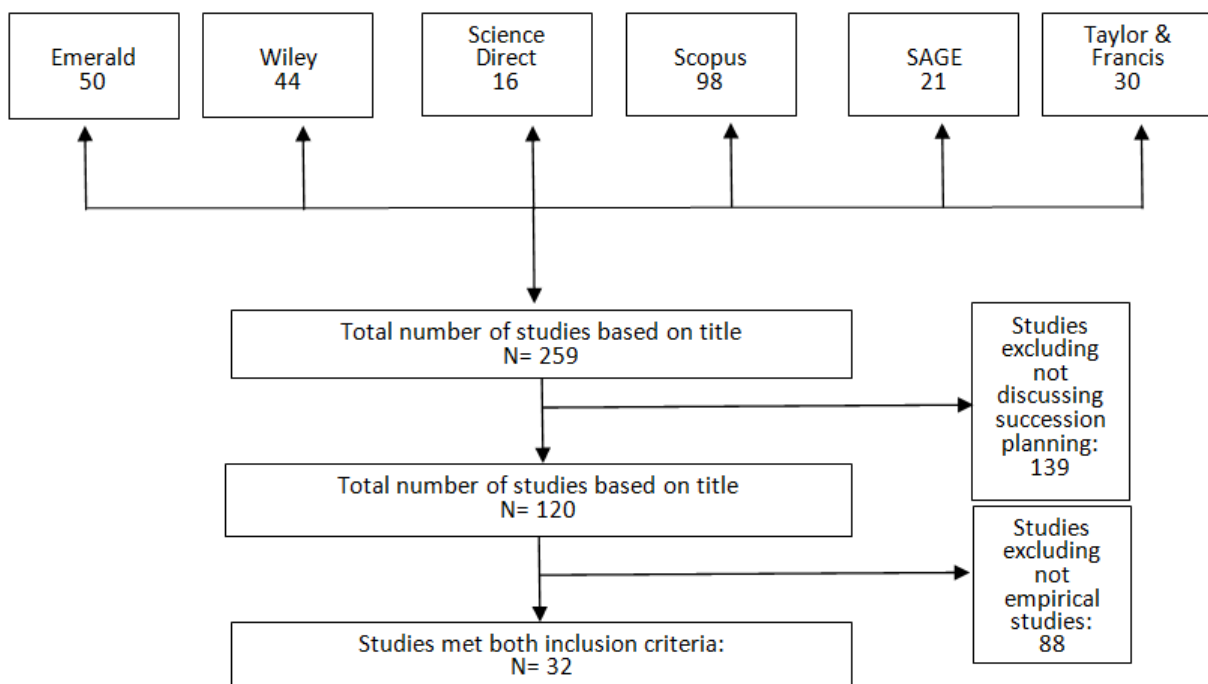

Fig. 1: Summarisation of Systematic Literature Review Process

3 Results and Discussion

This systematic literature review ranges across several contexts, including healthcare, educational institutions, small and medium enterprises (SMEs), family businesses, and private and non-profit sectors.

Regarding the regional distribution of studies, the review found that most studies were conducted in Western countries (Europe and the USA) and Asia, and limited studies were conducted in developing countries in the Middle East.

The identified articles' main focuses can be classified into four main themes. The first is the motives and reasons that drive organisations to implement SP. For instance, [18], [19], [20], theorised SP as an employee engagement strategy that creates job security, increases positive job attitudes, and discourages turnover intentions. Furthermore, studies that focus on family businesses and SMEs have highlighted SP as a strategy to ensure business growth and continuity. The findings from previous studies demonstrated that the unplanned departure of quality talent and leaders without ready successors can be harmful to organisations and may prevent them from succeeding in today's competitive market, [21], [22].

Nevertheless, [18], [23], studied the relationship between SP and knowledge transfer and found that SP is an efficient method of passing on knowledge to the next generation, who will inevitably assume key leadership roles in the future. The brain drain that occurs when key personnel depart cannot be easily replaced unless there is a pool of successors waiting in the wings to take over the responsibilities of the retiring staff.

Second, SP stages and processes have been discussed thoroughly in the literature, presenting numerous stages that organisations should follow to implement professionally and achieve the expected outcomes, [16], [19], [21], [23], [24], [25]. The important stages shared by all of these studies are need recognition, candidate selection and evaluation, candidate development or improvement, and SP assessment. The third main theme discussed, which represents one of the goals of this study, is the theories and models used in the SP literature to discuss the relationship between different factors and SP. Table 1 includes a list of the theories and models discussed in the studies. The leadership succession model by [26], is the most common

model used in the current studies, as it discusses the factors and steps organisations should follow to implement effective SP. Moreover, agency theory, which studies the relationship between board interventions in the SP process, is common in the SP literature, [27]. Strategic management theory, transformational leadership theory, dynamic theory of management, and socialisation theory have also been studied and implemented in SP research as underpinning theories to guide SP implementation or to study the factors that impact its effectiveness.

Table 1. Theories used in previous studies related to succession planning

No.	Theory/Model used	References
1	Leadership succession model	[11], [26]
2	Strategic management theory	[21]
3	Game theory	[21]
4	Transformational leadership theory	[6]
5	Dynamic theory of knowledge management	[31]
6	Socialisation theory	[11]
7	Agency theory	[27]

Nevertheless, the main aim of this review is to identify the most effective factors that impact SP implementation. The review found that there were 21 factors used in the various studies across different contexts. It is noted that some are used more frequently than others, as illustrated in Table 2, due to their strong effect. These factors have been found to either facilitate the SP process or to be barriers if they do not exist or are dealt with ineffectively. From the 14 studies that discussed the factors, having an internal talent pool was considered one of the most frequently utilised factors, where it has been an essential element of a successful succession plan, [5], [11], [19], [21], [28], [29]. From the review, it could be noted that the second most studied factor was alignment with other HR activities, having been applied six times and determining that for SP to be effective, it should be aligned, linked, and embedded in all organisation strategies. Also, HR should have a comprehensive strategy for people management and workforce planning, [11], [28], [29].

reasons that drive organisations to invest time and money in implementing SP. Moreover, it has been

Table 2. Factors that impact SP implementation

Factor Reference	Involvement of stakeholders	Top management support	Organisation culture	Training and development	Performance system	Feeling the need	Having an internal talent pool	Alignment with other HR activities	Formality of the process	Commitment
[21]							x			
[23]			x		x		x	x		
[6]										x
[27]	x	x					x	x		
[5]						x	x			
[11]	x	x		x	x		x	x	x	x
[19]							x			
[28]							x	x	x	
[3]		x	x	x	x	x				
[29]										

Next, top management support and organisational commitment to continue the process in the long term have been studied four times and found to be strongly related to effective SP implementation. Top management support is described as the driver of change and is required for the long term and as a means to keep people motivated and energised. Also, factors such as the involvement of stakeholders, organisational culture, and the availability of effective performance management systems were studied three times each and found to have a direct impact. Meanwhile, the availability of training development opportunities, feeling the need to plan, the formality of the process, and monitoring and evaluation of the progress were studied twice and play an important role in ensuring effective implementation in SP, [3], [5], [11], [29], [30]. It can be concluded that some of these factors are significant, as they either positively or negatively affect the effective implementation of SP. On the other hand, some of the factors are rarely used but still effective in SP and should be considered in future studies.

4 Conclusion

This SLR paper is among the few to analyse empirical studies on SP implementation in various organisations. The review of 32 papers helped to draw a clear picture of the current research in SP and the gaps in the literature that require more focus in future studies. The review illustrates various

found that previous research was mostly conducted in the the private sector, family firms, the health sector, and schools, which may draw attention to future studies to focus more on the public sector. Nevertheless, this study reveals that most current papers are found to be practical or point-of-view papers, while only a few studies focus on testing theories and models in practice.

Finally, the most important aim of this study was to identify the most effective factors related to SP. It was found that the availability of an internal talent pool, alignment with HR activities, top management support, and organisational commitment are among the most effective factors. As a result, this study's objectives have been achieved by identifying factors and theories and finding gaps in future studies.

References:
[1]   Montlha Pila, Mpho, et al. "Factors Related to Succession Planning in a Government Department in Gauteng." *Problems and Perspectives in Management*, vol. 14, no. 4, 2016, pp. 145–153.
[2]   Berns, Kristin V., and Patricia Klarner. "A Review of the CEO Succession Literature and a Future Research Program." *Academy of Management Perspectives*, vol. 31, no. 2, 2017, pp. 83–108.
[3]   McKee, Gregory J., and Karen A. Froelich. "Executive Succession Planning: Barriers and Substitutes in Nonprofit Organizations."

Annals of Public and Cooperative Economics, vol. 87, no. 4, 2016, pp. 587–601.

[4] Mehrabani, Shadi. "Succession Planning: A Necessary Process in Today's Organization." *International Journal of e-Education, e-Business, e-Management and e-Learning*, vol. 1, no. 5, 2013, pp. 371–377.

[5] Galbraith, Quinn, et al. "A Case for Succession Planning." *Library Management*, vol. 33, no. 4/5, 2012, pp. 221–240.

[6] Huynh, Trang. "Library Succession Planning Process in Vietnam." *New Library World*, vol. 117, no. 11/12, 2016, pp. 756–67.

[7] Kumaran, Maha. "Succession Planning Process That Includes Visible Minority Librarians." *Library Management*, vol. 36, no. 6/7, 2015, pp. 434–47.

[8] Kosterlitz, Morgan, and Julie Lewis. "From Baby Boomer to Millennial: Succession Planning for the Future." Nurse Leader, vol. 15, no. 6, 2017, pp. 396–98.

[9] Payne, Renee, et al. "Succession Planning in Public Health: Addressing Continuity, Costs, and Compliance." Nurse Leader, vol. 16, no. 4, Elsevier BV, Aug. 2018, pp. 253–56.

[10] Acree-Hamann, Cynthia. "A Call to Action: Succession Planning Needed." *Newborn and Infant Nursing Reviews*, vol. 16, no. 3, 2016, pp. 161–63.

[11] Zepeda, Sally J., et al. "Examining the Planning and Management of Principal Succession." Journal of Educational *Administration*, vol. 50, no. 2, 2012, pp. 136–58.

[12] Budhiraja, Sunil, and Ujjwal Kumar Pathak. "Dynamics of Succession Planning for Indian Family-owned Businesses: Learning from Successful Organizations." *Human Resource Management International Digest*, vol. 26, no. 4, 2018, pp. 31–33.

[13] Collins, L., Murray, B. and McCracken, K. "Succession Planning in William Jackson Food Group." *Journal of Family Business Management,* vol. 5, no. 1, 2015, pp. 2–16.

[14] Michel, Alexandra, and Nadine Kammerlander. "Trusted Advisors in a Family Business's Succession-Planning Process-An Agency Perspective." *Journal of Family Business Strategy*, vol. 6, no. 1, 2015, p.45-57.

[15] Baumeister, Roy F., and Mark R. Leary. "Writing Narrative Literature Reviews." *Review of General Psychology*, vol. 1, no. 3, 1997, pp. 311–320.

[16] Schindler, Pamela S. *Business Research Methods*. McGraw-Hill, 2021.

[17] Torraco, Richard J. "Writing Integrative Literature Reviews: Guidelines and Examples." *Human Resource Development Review*, vol. 4, no. 3, 2005, pp. 356–367.

[18] Ali, Zulqurnain, and Aqsa Mehreen. "Understanding Succession Planning as a Combating Strategy for Turnover Intentions." *Journal of Advances in Management Research*, vol. 16, no. 2, 2019, pp. 216–233.

[19] Carter, Kameron M., et al. "Managers Moving on Up (or Out): Linking Self-Other Agreement on Leadership Behaviors to Succession Planning and Voluntary Turnover." *Social Science Research Network*, vol. 115, 2019, p. 103328.

[20] Chang, Cynthia, and Janneke HilleRisLambers. "Integrating Succession and Community Assembly Perspectives." *F1000Research*, vol. 5, 2016, p. 2294.

[21] Mokhber, Mozhdeh, et al. "Succession Planning and Family Business Performance in Smes." Journal of Management Development, vol. 36, no. 3, 2017, pp. 330–347.

[22] Umans, Ine, et al. "The Influence of Transgenerational Succession Intentions on the Succession Planning Process: The Moderating Role of High-quality Relationships." *Journal of Family Business Strategy*, vol. 12, no. 2, 2021, p. 100269.

[23] Appelbaum, Steven H., et al. "Transferring Corporate Knowledge via Succession Planning: Analysis and Solutions – Part 2." Industrial and Commercial Training, vol. 44, no. 7, 2012, pp. 379–88.

[24] Toska, Asdren, et al. "Family Business Successors' Motivation and Innovation Capabilities: The Case of Kosovo." *Journal of Family Business Management*, vol. 12, no. 4, 2021, pp. 1152–1166.

[25] Clark, David M. "Improving Utility Succession and Workforce Development Planning." *Journal of the American Water Works Association*, vol. 111, no. 8, 2019, pp. 12–22.

[26] Rothwell, William. *Effective Succession Planning: Ensuring Leadership Continuity and Building Talent from Within*. AMACOM, 2015.

[27] Walther, Axel, et al. "The Role of Behaviorally Integrated Nominating Committees in Non-Executive Director Selection Processes." *European Management Journal*, vol. 35, no. 3, 2017, pp. 351–361.

[28] Brooks, Susan. "Strategic, Future-proof Succession Planning Connects Telefónica With Success." *Human Resource Management International Digest*, vol. 22, no. 2, 2014, pp. 28–30.

[29] Pandey, Suruchi, and Deepesh Sharma. "Succession Planning Practices and Challenges: Study of Indian Organisations." *Procedia Economics and Finance*, vol. 11, 2014, pp. 152–165.

[30] Ellinger, Lara Kathryn, et al. "Leadership and Effective Succession Planning in Health-System Pharmacy Departments." *Hospital Pharmacy*, vol. 49, no. 4, 2014, pp. 369-375

[31] Durst, Susanne, and Stefan Wilhelm. "Knowledge Management and Succession Planning in SMEs." *Journal of Knowledge Management*, vol. 16, no. 4, 2012, pp. 637–49.