



**ST. MARRY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**SUCCESSION PLANNING PRACTICES
IN ETHIOPIAN AIRLINES**

**BY
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AUGUST, 2016

SMU

ADDIS ABABA, ETHIOPIA

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**A THESIS SUBMITTED TO ST. MARRY'S UNIVERSITY, SCHOOL
OF**

**GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE AWARD OF THE DEGREE OF
MASTER OF**

BUSINESS ADMINISTRATION

AUGUST, 2016

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ST. MARRY'S UNIVERSITY
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ACKNOWLEDGEMENTS

First, I would like to thank my advisor Goitom Abrham (Ass. Prof), who worked tirelessly in assisting me to accomplish this work to this end. He was always there when I needed help and guidance.

I also would like to appreciate the moral and spiritual support I received from my family, friends and to all those who helped me for the accomplishment of my study.

ACRONYMS AND ABBREVIATIONS

CCO-	Chief Commercial Officer
CEO-	Chief Executive Officer
CFO-	Chief Financial Officer
COO-	Chief Operating Officer
ET –	Ethiopian Airlines
HIPOs–	High potential Employees
HR-	Human Resources
IDP-	Individual Development Plans
SP&M –	Succession Planning and Management
SPSS-	Statistical Package for Social Science

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ABSTRACT

The purpose of this study is to gain a better understanding of the succession planning practices of Ethiopian Airlines. As a result, the researcher tries to assess how succession planning carried out in the company, to what extent is Ethiopian Airlines succession plan aligned with the strategic plan of the company, how is succession plan of the company implemented successfully and how committed is ET's top management to support the implementation of the succession plan.

This research is both quantitative and qualitative while the second dominating. It is a descriptive research which attempted to describe whether the succession planning in ET is effective through assessing the practice. The succession plan includes only three layers of managerial positions; Department Heads (Senior Management Teams) i.e. directors (#28), Section Heads i.e. managers (#58), and recently incorporated First Line Supervisors i.e. supervisors and foreman (#89), as its population (#175). The researcher uses Israel (2012) published table of sample determination; accordingly a sample of 122 respondents was participated using stratified random sampling technique. The researcher used both primary and secondary data from multiple sources; questionnaire designed using five degree Likert-type scale and also interview conducted with concerned staffs that have direct involvement on the succession planning. The data from questionnaire analyzed through Statistical Package for Social Sciences (SPSS) Version 20.

The overall practice of Succession Planning in ET has been analyzed to have a slight moderate evaluation according to respondents of the questionnaire and evaluation on strategic alignment of Succession Planning indicates a very weak agreement among respondents. It implies that succession planning does not significantly affect company's strategic plan.

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CHAPTER 1

INTRODUCTION

1.1 Background of the study

In the current dynamic environment where competition is fierce, ensuring organizations continuing performance i.e. securing future endurance is a critical issue. Sustainable development advocates a balance among the environment, the economy and social equity. It challenges organizations to find approaches to business which provide vigorous, long term health for the environment, for the individual, for local economies and for the business itself. To be successful and to ensure continuing performance, organizations need to optimize the performance of their people in a continuous base. This continuity refers to the company's ability to ensure that qualified employees are always available and in place to carry out its job functions.

Succession planning and management is a process that not only helps with the stability and tenure of key personnel but is also "perhaps best understood as any efforts designed to ensure the continued effective performance of an organization, division, department or work group by making provision for the development, replacement and strategic application of key people over time. Rothwell, (2010) As the above definition explains by engaging with succession plan as a tool for Knowledge Management, organizations cannot only retain expertise of key employees but actually build on it to create value, cost efficiencies & improved employee morale.

Succession planning can also be defined as a "systemic, long-term process of determining goals, needs, and roles within an organization and preparing individuals or employee groups for responsibilities relative to work needed within an organization" (Luna, 2012, p. 60). By planning for succession, organizations can realize cost savings and achieve the synergies necessary to succeed within the rapidly evolving contexts in which they operate.

Moreover, developing an effective succession plan is critical. Without an effective plan for succession alongside increased frequency of succession events and leadership vacuums, which are full of risk and tend to lead to reactive rather than proactive decisions company's may face many difficulties. One consequence of this is that there may eventually be more urgency to select and develop managers from a smaller pool of applicants and fall with the wrong one.

Hence, it is necessary to distinguish between a succession plan and an Effective succession plan. Furthermore, it is absolutely critical to understand the barriers to developing and implementing an effective succession plan. These barriers may include but are by no means limited to: organizational culture, low credit for its priority from top management and key leaders, insufficient resources for development and implementation, inadequate rewards or a lack of understanding of the often hard-to-measure benefits of succession planning, limited intra-organizational mobility or opportunity, a lack of role models or framework plans to provide a point of reference, and intensified competition for talent and leadership from other sectors or organizations. Organizational complexity and both intra- and extra-organizational politics may also act as barriers to effective succession planning (Rothwell 2005). In short, giving consideration to these barriers and their impacts is an imperative step in developing an effective succession plan.

The most critical overarching requirement of any succession plan is that it is proactive and designed as part of an organization's broader strategic plan (Rothwell, 2010). More specifically, effective succession plans should be prepared earlier rather than later, include adequate time for preparation on behalf of all parties involved, be incorporated alongside all other improvement or restructuring plans, outline the roles and responsibilities of all parties, not just top management, give adequate consideration to present and anticipated needs, and be transparently linked to necessary standards and competencies (Fulmer & conger, 2004). Furthermore, the most effective plans pay close attention to managerial and leadership development at all levels of the organization, receive ongoing commitment from top management, are well communicated throughout the organization, dictated by organizational strategy, and, importantly, incorporated into recruitment, selection, retention, and development mechanisms (Reid & Gilmour,

2009).But Succession planning and management need not be limited solely to management positions or management employees. Indeed, an effective succession planning and management effort should also address the need for critical backups and individual development in any job category-including professional, technical, sales, clerical and production ranks(Rothwell, 2010). Continuity is also crucial; it is not unknown for a well-designed succession plan to exist on paper only to fade away after facing initial challenges, or more commonly, to be only partially or unevenly implemented.

It is also necessary to design a succession plan that accurately reflects the needs of an individual organization. In particular, the size of the company and their expected growth rate are important considerations when designing effective succession plans (Fulmer & conger, 2004). For example, a highly rigid and formalized succession plan may be inconsistent with the needs of smaller employers, especially those with few formal leadership positions and those that flourish on flexibility. Rather, a plan focused on the diffusion of knowledge—both codified and tacit—throughout the organization may be most effective. Conversely, larger organizations and those that expect a moderate to high rate of growth or expansion in the immediate future may find more benefit in defining the skills and knowledge necessary to achieve success in specific roles in order to identify individual employees who may be willing and able to assume those roles.

Discussion with the management drives the researcher to conduct a research about succession planning practices. The purpose of the study is to indicate problems in existing practices of succession planning and recommend for the management

1.2 Background of the Company

Ethiopian Airlines (ET) the flag carrier of Ethiopia founded on December 21, 1945 and start operation on April 08, 1946. During the past sixty five plus years ET has become one of the continent's leading carriers, unrivalled in Africa for efficiency and operational success, turning profits for almost all the years of its existence.

Operating at the forefront of technology, the airline has also become one of Ethiopia's major industries and a veritable institution in Africa. It commands a lion's share of the pan African network including the daily and double daily east-west flight across the continent. ET currently serves 81 international destinations operating the newest and youngest fleets.

Addis Ababa Bole International Airport is the busiest airport in east Africa with a capacity of providing a world class passenger and cargo services to more than 6.5 million international and domestic passengers each year. The state-of-art maintenance hangar with a span of 7,200 square meters and a height of 25 meters can accommodate one B747-400 or two B737-700s or two equivalent size aircraft at any given time in different configuration.

EQA has an advanced maintenance base, which is fully operational for Airframe maintenance up to D-Checks, Engine, overhaul, components repair & overhaul, light Aircraft maintenance and technical and management assistance for other airlines. The maintenance base is certified by the US-Federal Aviation Administration (FAA). ET provides management and technical assistance to other airlines on secondary basis by availing trained and skilled manpower in different areas relative to the airline industry.

1.3 Statement of the Problem

The main purpose of this study is to recommend the management of ET in those problems observed by researcher during discussion with the management of ET about the practices of succession planning, and it indicates that there is lack of linkage with the strategy as expected, less attention to succession planning by top level management, lack of procedure which clearly identifies responsibilities and accountabilities of different organs involved and competency frame work developed is not detailed and enough to avoid unnecessary subjective judgment. In addition, discussion indicates that there is a gap in keeping records for individuals who are designated as successors and poor talent check list in order to get successors at the right time for the right place. Therefore the researcher want to assess succession planning practices of ET and recommend what should have to done to improve exiting practices of ET.

1.4 Research Question

The primary research question is, "how is succession planning practices in ET?"

Based on the primary question, the following specific research questions are derived:

- How is succession planning carried out in the company?
- To what extent is ET's succession plan aligned with the strategic plan of the company?
- How is succession plan of the company implemented successfully?
- How committed is ET's top management to support the implementation of the succession plan?

1.5 Objectives of the study

1.5.1. General objective of the study

The general objective of this study is to examine the succession planning practices of ET.

1.5.2. Specific Objectives of the study

The following are specific objectives of the research.

1. To assess how succession planning is carried out at ET.
2. To examine to what extent ET's succession plan aligned with the overall strategic plan of the company.
3. To assess to what extent the succession plan of the company is implemented successfully.
4. To determine how committed is ET's top management to support the successful implementation of the companies succession plan.

1.6 Significance of the Study

This study may help in providing a vital issue with regard to succession planning practice in its preparation or implementation. In doing so the results of the assessment may help in pinpointing strategic issues that should be considered in designing and implementing succession planning.

It may also give essential information for improvement areas for similar organizations that have succession plan in place. Moreover it may give information on the framework of succession plan evaluation.

The foundation of this research also helps to shed light for further studies. Hence, it has a practical significance.

1.7 Delimitation/Scope

This study conducted in Ethiopian Airlines, no other organizations included in order to compare the practices and variables included in the study are How the need arises, Link with the strategy, Top management support and commitment, Policy and procedures, Competency Frame work, “Key” positions, Selection Criteria, Development, and Effectiveness of successors only at .

ET provides aviation services to its customers throughout the world since 8th April 1946. But the practice of succession planning is a new phenomenon which begins around three years before and much has not been done yet. The plan excludes the first two top layers of management in the structure i.e. Chief Executive Officer & Senior Executive Management team.

The study examined only three layers of managerial positions; Department Heads (Senior Management Teams) i.e. *directors*, Section Heads i.e. *managers*, and First Line Supervisors i.e. *supervisors and foreman*. For the reason that the succession plan of Ethiopian Airlines itself has incorporated supervisor positions a few months before they are incorporated in the study as only to be treated as a source of successors for Managers.

Again due to time and cost this study not include regional as well as international employees in fact which doesn't constitute a significant portion for the study because most of the international offices are manned by a single manager or supervisor.

Data collected from the above positions through questionnaires and interview, the data from questionnaire analyzed through SPSS version 20.

1.8 Limitation of the study

Regardless of the contribution, the following limitations will be recognizing. There is some information that inaccessible because of some confidential issues having impact on findings of the study. There must also some employees who are not willing to participate in this study, due to their crowded schedule.

Due to cost and time it is impossible to make a comparison analysis with other organizations on the main factors that can bring effectiveness in the succession planning.

1.9 Definition of Term

Succession Planning - is a long term and continues process whereby candidates are identified and developed to fill key positions. Rothwell,(2010).

1.10 Organization of the Research Report

The research contents are presented the subsequent chapters. Chapter 1 provides introduction to the research, statement of the problem, the research questions, the importance of the research work, and known limitations of the research. Chapter 2 covers the extensive literature review regarding the subject under study. Chapter 3, deal with and outlines the research design and methodology. Chapter 4 contains information about analysis and findings. Chapter 5 cover results of the research as well as conclusion and recommendations that need to be considered by the company's management. In addition it provides suggestion for future research and specifies the limitations of the study.

CHAPTER 2

REVIEW OF RELATED LITERATURE

This chapter looks into past writings concerning to theories of succession planning and how various scholars have written about the topic being studied.

2.1 What is Succession Planning?

Succession planning has been widely researched on and various scholars have defined it as per their understandings.

Succession Planning is an ongoing business process through which an organization plans for its future workforce needs. An SP&M program is a deliberate and systematic effort by an organization to ensure leadership continuity in key positions, retain and develop intellectual and knowledge capital for the future, and encourage individual advancement. Succession planning and management is a process that not only helps with the stability and tenure of key personnel but is also “perhaps best understood as any efforts designed to ensure the continued effective performance of an organization, division, department or work group by making provision for the development, replacement and strategic application of key people over time. (Rothwell, 2010, P.6)

Succession planning is a comprehensive plan to address both current and future leadership needs by recognizing some occupational groups are the life blood of the organization and too critical to be left vacant or filled by any but the best qualified person. It is the process of identifying people who could presently move into key positions or could do so far after specifically targeted development occurs. It is a proactive approach linking the Organization’s competency needs to its missions and goals through career development. Succession plan requires a more structured and formal approach. (Picard, 2005)

Succession planning was initially conceived as a risk management strategy designed to mitigate the loss of key leaders. It was only the paper version of private, top level discussions concerning probable successors to the corporate throne.

The corporate succession list was to ensure that some thought had been given to identifying an adequate & appropriate pool of replacements. (Fulmer & Conger, 2003)

However succession planning has evolved into much more than this. Today succession

planning can provide benefits that go well beyond the traditional reason for succession planning, which has always been “to assure the continuity of leadership at the top.” It serves as a tool to manage knowledge and change, develop leadership capacity, build smart teams, and retain and deploy talent in a manner that helps an organization operate to its greatest potential.

Succession planning is the ongoing process of identifying, assessing, and developing skills and talent through mentoring, grooming, training and job rotation. Succession planning is a voyage, not an end by itself. Succession planning is the course of action insuring that the appropriate intimates are ready, at the right time, to effectively run the organization and meet its future challenges.

2.2 Objective of Succession Planning

In a changing environment and a shifting emphasis in employer and employee expectations succession planning is now expected to achieve a number of objectives for wide range of organizations.

- ✚ The core objective is to have ready candidates who can help move the organization in the desired direction. (Berke, 2005)
- ✚ Development and replacement of key leaders; positively develop successors through active planning of work experience and development activities that they will need for the future. (Fulmer & Conger 2004)
- ✚ Develop a corporate culture in which people share key skills, experiences and values that are important to the future of the organization. (Rothwell, 2010)
- ✚ Clarification of key positions and the criteria required to fill them; identify and proactively plan for critical work force positions, by developing a pool of potential successors.(Luna 2012)
- ✚ Provide greater security in being able to fill key positions with talented individuals that are known to the organization (Reid & Gilmour, 2009)
- ✚ Build human resource programs that attract and retain qualified individuals (Rothwell, 2005)
- ✚ Specification of leader’s strengths and experiences to accelerate leadership growth of individuals and a total talent pool (National Academy of Public Administration, 1997)

- ✚ Provision of learning and development experiences to accelerate leadership growth of individuals and a total talent pool. (National Academy of Public Administration, 1997)
- ✚ Provision of a value proposition to motivate and retain key talent. (Ibarra, 2005)
- ✚ Development of the leadership success criteria and practices to generate the talent required to meet business strategies. (Groves, 2007)
- ✚ Implement a frame work that identifies the competency requirements of critical positions, assess potential candidates and develops required competencies through planned learning and development initiatives. (Griffiths, 2012)

2.3 Significance of Succession Planning

Talent is becoming more willing to travel where pay and benefits, as well as tax rates, are more favorable (Wallin, 2007). Employees can depart their employment with the organization for many reasons at any time (Burke, 2011). There no longer have the belief that companies will always be there for them and are making career decisions based on their own vested self-interest rather than the company's. On the other hand, companies will continue to seek ways of controlling benefits and “total compensations” costs through many approaches. Such as participatory medical coverage, the use of temporaries, part timers, and contract employees who don't receive benefits and other measures. Hence today's managers and professionals no longer expect to have life time careers with their current employers. Consecutively when experienced people leave the organization, they take with them not only the capacity to do the work but also the accumulated wisdom they have acquired which happens at all levels & in all functional areas (Zepeda, Bengtson&Parylo, 2012).

According to Rothwell, 2010 Henri Fayol, French pioneer of management history, was among the first to recognize and document the universal organizational need for ensuring the stability of tenure of personnel not to end up with ill prepared people.

Succession involves more than merely planning for replacements at the top. It also involves thinking through what to do when the most experienced people at all levels depart and take valuable institutional memory (Fulmer & Conger 2004).

Most organizations with a talent bench strength strategy are able to achieve results by increasing retention of top talent, reducing external recruiting costs, and reducing time-to-fill of open leadership positions (Sweeny, 2013).

Benefits of having an Effective Succession Plan

Business owners should start to plan early for succession and to include proper professional advice where possible (Picard, 2005). The need to replace key members of an organization can be planned & predictable, such as when a key person retires or unpredictable when a person becomes ill or unexpectedly resigns (Burke, 2011). In either cases the key employee need to be replaced, hopefully with an appropriate and qualified successor. The better our planning is prior to an emergency response, the better we will be able to direct our resources toward ensuring an efficient operation.

Succession does not always unfold as envision, in these cases, organizations may enter crisis mode, making hasty, and often ill-advised, decisions. Effective succession planning creates a stable and sustainable platform that helps to guide the company forward with a solid management team to assure management succession and an ownership structure that removes uncertainty about ownership succession (Caldwell, 2007).

An added benefit of effective succession planning is the stability it offers lenders, investors, suppliers, vendors, and customers. It also preserves and protects one of the most critical, expensive, and often overlooked assets of any business—its people, who possess a wealth of experience, knowledge, and intellect (Wallin, 2007). Partly because effective succession planning can serve as a powerful hiring and retention tool, it can perform double duty by also helping to address challenges that seem more pressing, like growing the business and beating the competition (Bolt, 1989).

2.4 Related Terminologies

According to Rothwell(2010), succession planning with the understated terminologies has bit confusion.

Succession Planning and Management and Replacement Planning: The obvious need for some form of replacement planning is frequently a driving force behind efforts that eventually turn into SP&M programs. In its simplest form, replacement planning is a

form of risk management. In that respect it resembles other organizational efforts to manage risk; the chief aim of replacement planning is to limit the chance of catastrophe stemming from the immediate and unplanned loss of key job incumbents. However, SP&M goes beyond simple replacement planning (Rothwell, 2010). It is proactive and attempts to ensure the continuity of leadership by cultivating talent from within the organization through planned development activities. It should be regarded as an important tool for implementing strategic plans.

Succession Planning and Management and Workforce Planning: Workforce planning connotes comprehensive planning for the organization's entire workforce (Rothwell, 2005). To some people, *succession planning and management* refers to top-of-the-organization-chart planning and development only. However, succession planning and management refers more broadly to planning for the right number and right type of people to meet the organization's needs over time.

Succession Planning and Management and Talent Management: "Talent management is the process of recruiting, on-boarding, and developing, as well as the strategies associated with those activities in organizations (Rothwell, 2010). Some organizational leaders associate talent management with efforts to devote special attention to managing the best-in-class talent of the organization—the upper 1 to 10 percent. Not limited to top-of-the-house planning, it may refer to investing money where the returns are likely to be greatest—that is, on high-performing or high-potential talent at any organizational level. Hence, efforts to develop talent that is strategically important for the organization's future means the strategic development of talent.

Succession Planning and Management and Human Capital Management: Human capital management (HCM) theory is all about individuals and their economic value. Unfortunately, HCM has been (too broadly) interpreted to mean that individuals are calculating players who act out of self-interest only, that the only value of individuals is as economic commodities (and thus the saying that "people are our greatest assets"), and that the social value of developing human resources resides only in summing the total value of individual development efforts. But a key point about human capital management is that people are valuable for more than the labor they can produce

Disadvantages of not having an Effective Succession Plan

The lack of adequate time to plan and execute a succession plan is a significant contributor to failed succession (Scott, 2007). The right skill, desire, and ability to lead the organization's strategy for long term success and prosperity should not be left to luck or chance.

Organizations lacking succession planning will face positions not being filled promptly, lack of development of personnel, possibility of no candidates prepared for advancement, and turnover of employees all which stress the importance of succession planning (Berke 2005).

Without an effective plan for succession alongside increased frequency of succession events and leadership vacuums, which are full of risk and tend to lead to reactive rather than proactive decisions company's may face many difficulties (Caldwell, 2007). One consequence of this is that there may eventually be more urgency to select and develop managers from a smaller pool of applicants and fall with the wrong one. The wrong successor will not optimize the firm's future (Burke, 2011). Missing out on the opportunity to hire a better successor will be painful, especially if they go work for a competitor (Evangelister, 2003).

Also, doing it poorly is even worse than not doing succession planning (Caldwell, 2007). Making poor decisions is never a good practice and this will happen if proper thought, time and consideration are not applied (Rothwell, 2005 & 2010).

Like any other business strategy, succession planning is a tool and a process, not a cure-all (Wallin, 2007). Effective succession plans will not singlehandedly bring a business new customers, greater profitability and market share, or improved employee relationships (Reid & Gilmour, 2009).

To conclude; done well, the advantages outweigh the disadvantages. So, in weighing the advantages and disadvantages of succession planning, keeping the above factors in mind will be critical. If organizations are committed to an excellent process, they will find that the advantages greatly prevail over the disadvantages. However an incompetent or half

hearted effort reverses this. Succession planning, done well, is an important ingredient in the long term success of business (Rothwell, 2010).

2.5 Theoretical Overview

Succession planning initially conceived as a risk management strategy designed to mitigate the loss of key leaders at the top in a large organizations. CEO succession was the original focus of succession plan. (Berke, 2005) Succession plans have been mostly associated with the exit of executive personnel of organizations such as the CEO. This is due to the fact that CEOs can fundamentally alter the knowledge, skills, and interaction processes at the top of a company which eventually affect the general performance of the company. Over time, however, succession plan has evolved into much more than this. Today succession plan serves as a tool to manage knowledge and change, develop leadership capacity, build smart teams, and retain and deploy talent in a manner that helps an organization operate to its greatest potential. (Rothwell, 2010). There are two main assumptions or theories to succession plans; *buying talent* or *building talent* (Fulmer & Conger, 2004; Berke, 2005; Rothwell, 2010). Buying talent is more often associated with outside successions while building talent is associated with inside successions.

External talent pools are groups of people outside the organization who are possible sources of talent for the future. But instead of waiting until key positions come open to source talent, the organization's decision makers include in their talent pools temporary and contingent workers, retired workers, outsourcing agents, vendors, consultants, and even perhaps members of their organization's supply and distribution channels.

In short, decision-makers look around the organization's external environment to see what talent exists outside as well as inside their organizations that could be tapped. In that way, they lead the target and cut the time needed to fill critical positions. (Rothwell, 2010)

Promotion from within does have distinct advantages: it sustains or improves employee morale, and it smoothes transitions by ensuring that key positions are filled by those whose personalities, philosophies, and skills are already known to others in the organization. However, experts advise limiting the percentage of positions filled through

internal promotion. One reason is that it tends to reinforce the existing culture. Another reason is that it can end up perpetuating the racial, sexual, and ethnic composition already present in the leadership rank. (Rothwell, 2005)

Hence, outside successors are recommended when a significant change is needed. Buying of talent allows the organization to look for specific persons who have the necessary skill to fill the vacant position from other firms externally. Successors from outside tend to be seen as change makers in mission, strategy, and personnel while inside successors represent stability and continuity.

Although outside successors allow the organization to keep pace with changing market demands, acquire specialized skills and bring in new ideas and fresh perspectives (Hills, 2009); research has shown that they rarely succeed in their efforts to improve firm performance (Berke, 2005).

As Berke, 2005 explains historically, inside succession was more preferable than outside succession. However, in recent years it is quite the opposite – outside succession is more preferable than inside succession. Despite the preference in outsider CEO succession by organizations, their performance has been lower than insider CEOs.

In 2009-2011, outgoing insider CEOs delivered a 4.4 percent shareholder return above regional market index, compared to just a 0.5 percent higher return from outsider CEOs overall. Without well-established loyalties to internal political coalitions, outside successors have relatively broad latitude to start afresh in matters concerning resource allocation (Zhang & Rajagopalan, 2004). As a result, organizations are more likely to choose outsiders when they have been performing poorly. Conversely, succession from within is more likely when pre-succession performance has been good (Zhang & Rajagopalan, 2004).

Internal candidates are often perceived to be the best choice in the succession of a CEO in organizations that are highly complex, multi-divisional, and international (Fulmer & Conger, 2003). Not surprisingly, they are also thought to be a relatively safe choice for firms that are generally satisfied with their strategic direction and those that are interested in seeing through the development and implementation of a strategic plan already

underway. However, internally-promoted CEOs have a diminished capacity to exercise real change to organizational strategy in the short-term. The promotion of 'heir apparent' or pre-determined candidates may also be viewed as ineffective favoritism (Ibarra, 2004), especially in cases where the successor had a close personal relationship with the predecessor, and in the public sector (Luna, 2012).

Hiring outsiders is the current fashion (Reid & Gilmour, 2009). Sometimes it makes sense to do this, but often this is not the best approach. Outsiders are more expensive than insiders and, on average, perform no better. The board has considerably less information about outside candidates than internal candidates. A fixation on outside saviors undervalues in-house talent and may be a symptom of the board's anxiety to please Wall Street. Citing Michael Armstrong at ATT and George Fisher at Kodak as examples, the authors point out that the surges in stock price that accompanied their appointments were short lived.(Berke, 2005)

To conclude, as Rothwell(2010) stated, promotion from within is a time-honored and crucially important, though traditional, way to replace key employees.

2.6 Succession Plan Components

Fundamental elements of an Effective Succession Planning or a comprehensive approach to implementing succession planning involve several methods.

Identifying the current & future needs of the organization and key positions

To begin the process of succession planning, the organizations strategic leadership/management team should identify their critical/key leadership positions by evaluating the impact each position has in achieving its strategic goals and objectives (Rothwell, 2010). The human resource has to be involved in the process from the start (Caldwell, 2007).

Critical positions are the focus of succession planning efforts (Ibarra, 2005). Without these roles, the department or agency would be unable to effectively meet its business objectives.

A key position or occupational group can be defined in many different ways, but two important criteria that should be considered are criticality and retention risk (Wallin, 2007).

A critical position: is one that, if it were vacant, would have a significant impact on the organization's ability to conduct normal business (Rothwell, 2005). The significance of the impact could be considered in terms of safety, operation of equipment, financial operation, efficiency, public opinion and so on. Retention Risk: refers to positions where the departure of an employee is expected e.g. retirement or likely e.g. history of turnover. By examining these criteria on a low-to-high scale, an organization can determine what positions require short or long-term planning (Rawls, 2005).

According to Evangelister, 2003 Information that may help identify key positions can include; Current and future strategic goals and objectives, Retirement forecasts, Turnover rates, Current and expected vacancies, Changes to existing programs and services.

Taking in to account the above information position impact/risk assessment has to be done (Rothwell, 2010). Assessment of "vacancy risk" should be based on factors such as the incumbent's retirement eligibility, marketability, etc.

Identifying Job competencies

A clear understanding of capabilities needed for successful performance in key areas and critical positions is essential for guiding learning and development plans, setting clear performance expectations, and for assessing performance (Rothwell, 2010). By completing the process of competency or position profiling within an organization, current and future employees gain an understanding of the key responsibilities of the position including the qualifications and behavioral and technical competencies required to perform them successfully (Fulmer, 2005).

A competency is any observable and/or measurable knowledge, skill, ability or behavior that contributes to successful performance in a given role (Rothwell, 2005)

A competency profile is a set of predefined competencies and proficiency level required to perform successfully in a specific job and is typically applied to a group of positions such as occupational groups (e.g. senior management positions).

Knowing the competencies of the job is a mandatory component of recruitment, serving as a general baseline to measure against interested potential candidates (Sweeny, 2003). However, succession planning provides an opportunity to review the competencies traditionally associated with jobs particularly with respect to current goals and objectives (Fulmer & conger, 2004). According to Rothwell, 2010 some of the ways to determine and develop required competencies include; Reviewing job descriptions, advertisements, and relevant merit criteria, interviewing current and former job incumbents, interviewing supervisors, clients, and other stakeholders, Conducting focus groups or surveys, reviewing any existing development programs, reviewing organizational values

A clear understanding of capabilities and competencies is important for guiding learning and development plans and may serve as the basis for self-assessment tools (Luna, 2012). Knowing the required competencies is necessary for setting clear performance expectations, assessing performance, and for selection purposes (Pernick, 2002).

Identifying and assessing potential candidates

The key purpose of identifying and assessing employees against core job competencies is to help focus their learning and development opportunities in order to prepare them for future roles in the organization (Rothwell, 2010 &Caldwell, 2007).

Traditional approaches to succession planning have the potential to result in a one sided selection process the organization identifies a key position, and then executives select a high-potential individual for preparation or training (Bolt, 1989& Fulmer, 2005). Given the potential sensitivity around the decision making process in these situations, an employee might be advised about their prospective opportunity for advancement in private. This process is not transparent and can negatively impact the morale of other employees including the person chosen for succession and their relationship with the organization.

According to Rothwell, 2005 methods to identify Potential Successors include; Employees discussing career goals and objectives with their supervisor, developing an inventory of employee skills/competencies and careers interests, written exams, interviews, review of resumes/CVs, performance reviews. At this step the appropriate executives are responsible for the initial identification of internal succession candidates for each key position. When there are no reasonable internal succession options the appropriate executives are responsible for the identification of contingency strategies (Burke, 2011). The responsible organ which is in charge for identification of possible successors has to review, assess, debate, discuss and come to agreement on succession candidates.

The organizations management/executive team is committed to the development of the identified individuals. For this to be successful issues which are essential are; open dialogue is essential to a meaningful result, ability to give each other feedback on proposed candidates, trust in absolute confidentiality, fact based assessment of individual's skills and experience not a popularity contest, nor about "nice person" or a "good guy" (Caldwell, 2007).

Learning and development plans

Now that the strategic leadership team has evaluated the bench strength for the prioritized key leadership positions, attention shifts to the continued career development of the employees determined to be eligible, or potentially eligible, for these positions. This step in the succession planning process is focused on helping these positions, on helping these employees and their managers discuss career development plans (Groves, 2007).

According to Groves, 2007 Key points to remember when developing learning and development plans are: Plans should focus on decreasing or removing the gap between expected competencies and the current knowledge, skills and abilities of candidates, manage expectations- modern succession planning is based on learning and development to fulfill employee potential, rather than merely filling a vacancy, ensure appropriate strategies are in place to support the transfer of corporate knowledge to candidates for key jobs.

Among strategies to transfer knowledge; Talent management; Employee development through mentoring, coaching and job shadowing; Retention and engagement, Recruitment and selection; Knowledge management through documenting critical knowledge, knowledge transfer, establishing communities of practice; and exit interviews.(Rothwell, 2010)

Implementation and evaluation

This component involves; implementing development/ learning strategies e.g., planned job assignments, formal development, communities of practice; communication planning; determining and applying measures of success; linking succession planning to HR processes such as Performance management, compensation, Recognition, Recruitment and retention and workforce planning; implementing strategies for maintaining senior level commitment; tracking selections from talent pools; listening to leader feedback on success of internal talent; analyzing satisfaction surveys from customers, employees, and stakeholders; assessing response to changing requirements and needs (Caldwell, 2007 & Rothwell, 2010).

Evaluating succession planning efforts will help to ensure the effectiveness of the process by providing information (Rothwell, 2005) regarding: How the process operates- the relationship between inputs, activities, outputs, and outcomes; Impact of the process relative to stated goals and objectives; Functional strengths and weaknesses; Potential gaps in planning and assumptions; Cost-effectiveness and cost-benefit.

According to Berke, 2005 Indicators of successful work are

- Critical positions are filled in a timely manner with the most qualified candidate;
- The organization achieves business goals by having pools of qualified candidates for critical positions;
- Essential knowledge is retained when employees leave the department/agency;
- Managers have a better appreciation of the skills and competencies, experience and learning interests of employees; and

Other key succession plan components include creating equity or equity-based incentives for key employees and effective evaluation processes—for the plan itself and for personnel (Rothwell, 2005).

2.7 Success Factors for Succession Planning

To be successful with succession planning it has to be properly managed and all issues to be considered have to be addressed accordingly (Sweeny, 2013). There are some considerations that should preface any succession planning initiative.

A great deal of literature outlines the key aspects of an effective succession plan. Perhaps the most critical overarching requirement of any succession plan is that it is proactive and designed as part of an organization's broader strategic plan (Rothwell, 2010). More specifically, effective succession plans should be prepared earlier rather than later, include adequate time for preparation on the behalf of all parties involved, be incorporated alongside all other improvement or restructuring plans, outline the roles and responsibilities of all parties, not just top management, give adequate consideration to present and anticipated needs, and be transparently linked to necessary standards and competencies (Fink, 2010). Furthermore, the most effective plans pay close attention to managerial and leadership development at all levels of the organization, receive ongoing commitment from top management, are well communicated throughout the organization, dictated by organizational strategy, and, importantly, incorporated into recruitment, selection, retention, and development mechanisms (Reid & Gilmour, 2009). Continuity is also crucial; it is not unknown for a well-designed succession plan to exist on paper only to fade away after facing initial challenges, or more commonly, to be only partially or unevenly implemented (Charan, 2008).

It is also necessary to design a succession plan that accurately reflects the needs of an individual organization. In particular, the size of the company and their expected growth rate are important considerations when designing effective succession plans. For example, a highly rigid and formalized succession plan may be inconsistent with the needs of smaller employers, especially those with few formal leadership positions and

those that thrive on flexibility. Rather, a plan focused on the diffusion of knowledge—both codified and tacit—throughout the organization may be most effective. Conversely, larger organizations and those that expect a moderate to high rate of growth or expansion in the immediate future may find more benefit in defining the skills and knowledge necessary to achieve success in specific roles in order to identify individual employees who may be willing and able to assume those roles. Moreover, private sector organizations tend to concern themselves more with planning for the succession of top management, while public sector organizations—which often have well-defined job ladders and organizational designs—emphasize promotion from within at all levels as a means to develop and retain talent (Reilly, 2008).

2.8 Challenges Regarding Succession Planning

Succession planning presents a number of organizational and policy challenges which, if left unresolved, will undermine the concept: challenges of a talent bench strength and succession strategy are similar in organizations of all shapes and sizes. (Fink, 2010)

It is as good as the people who manage the planning process. Both outstanding planning & committed execution will contribute for its success.

Integrating succession planning with other processes is not the only challenge facing companies. While organizations implement or plan to implement a succession planning program, these companies still confront several challenges to making it work (Caldwell, 2007).

These challenges fall under two categories (Fink 2010): challenges with the process and challenges with the technology. Challenges with making the process work include inability to locate or create a pool of active and passive candidates and lack of interest from senior executives.

Meanwhile, lack of assessment tools and lack of succession planning tools and career development tools were indicated in the study as examples of technology challenges. These concerns in succession planning represent a broader challenge in human capital

management, i.e., getting the talent needed and addressing the talent requirements for the future.

Follow-up discussions with customers indicate that additional challenges with succession planning include lack of support by top management. Succession planning needs to be aligned with the business objectives of the company. CEO and other senior management involvement is a critical step. Succession planning will not become a companywide initiative if the management is not involved and playing an active role in ensuring a more cohesive succession planning initiative (Griffiths, 2012).

2.9 Common Mistakes

Most succession planning mistakes, which can produce a host of unintended consequences, can be attributed to poor planning, lack of foresight, and inattention to detail. Others can be chalked up to owners who lack commitment to the process. They increase conflict by wavering and failing to follow through (Fink, 2010).

In many ways, succession planning resembles any other strategic or business plan that companies undertake to identify new customers or markets. All require analysis, planning, commitment to implementation, monitoring, periodic evaluation, and adaptability, as well as buy-in from owners, family members, and key employees.

CHAPTER 3

RESEARCH METHODOLOGY

This chapter describes the methodology used to conduct the research. It elaborates on the research design used, the population in which the research conducts in, sampling techniques, data collection methods and instruments and how the data analyzed.

3.1 Research Design

This research is both quantitative and qualitative while the second dominating. It is a descriptive research which attempted to describe whether the succession planning in ET is effective through assessing the practice.

After the problem identification the researcher develop variables and pilot tests are done to evaluate how the sample of people from the population respond to the questionnaire and amendment made for error. Finally questionnaire distributed and analyzed using SPSS.

According to Kothari (2004); descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group. These studies concerned with specific predictions, with narration of facts and characteristics concerning individual, group or situation.

3.2 Target Population and Sampling Techniques

Ethiopian Airlines provides aviation services to its customers throughout the world. The succession plan includes only three layers of managerial positions; Department Heads (Senior Management Teams) i.e. *directors* (#28), Section Heads i.e. *managers* (#58), and recently incorporated First Line Supervisors i.e. *supervisors and foreman* (#89), Believing that these groups are well informed about the practice of succession plan as they are expected to groom their own successors. Hence the study considers the staffs of ET in the three managerial positions as its population (#175). (*survey result 2016*).

As indicated in Kothari's research methodology & techniques, for a descriptive type of research the appropriate sampling is stratified random sampling (Kothari, 2004). A

stratified random sampling is a useful combination of randomization & categorization hence enabling quantitative research to be undertaken.

Because of different constraints and difficulties to manage the data in depth, study each unit of the total population is very difficult. Hence, it is important to draw a sample from which the conclusion of the research can be inferred to the total population, the researcher uses Israel (2012) published table of sample determination. The table presumes that the attributes being measured are distributed normally. Accordingly a sample of 122 respondents was participated.

Table 3.1, sample size for $\pm 5\%$, $\pm 7\%$ and $\pm 10\%$ precision levels where confidence level is 95% and $P=5$

Size of population	Sample size (n) for precision (e) of		
	$\pm 5\%$	$\pm 7\%$	$\pm 10\%$
100	81	67	51
125	96	78	56
150	110	86	61
175	122	94	64
200	134	101	67
225	144	107	70
250	154	112	72
275	163	117	74
300	172	121	76
325	180	125	77
350	187	129	78

375	194	132	80
400	201	135	81
425	207	138	82
450	213	140	82

Using a sample calculator (<http://researchadvisors.com>) the proper number of samples for 0.05 margin of error is 122.

$$N = 175 \quad n = 85$$

$$1 + Ne^2 \text{ where, } N=175, e=0.05 \quad 1 + 175(0.05)^2 \quad P = n/N$$

In order to determine a proportional sample for each positions,

$N_1 = 28$	$N_2 = 58$	$N_3 = 89$
$P_1 = 122/175$	$P_2 = 122/175$	$P_3 = 122/175$
$n_1 = n * P_1$	$n_2 = n * P_2$	$n_3 = n * P_3$
$= 28(122/175)$		$= 58(122/175)$
$= 89(122/175)$		
$= 19.5$	$= 40.5$	$= 62$
Total = 20+40+62 = 122	= 69.7% of the population	

Randomization has been made according to the result found in the following statistical formula,

$$= \frac{n}{N} * 100 = \frac{122}{175} * 100$$

$$= 69.7\% \quad = 100\% / 69.7\% = 6.971$$

- Every 7th name of the list was taken in order to obtain the total sample.

3.3 Source of Data and Data Collection Tools Used

The researcher used both primary and secondary data from multiple sources. Primary sources used for firsthand information and secondary data help to supplement primary data which cannot be found in primary data collection. First questionnaire designed using

five degree Likert-type scale to evaluate specific activities and parts of succession plan. This is to utilize the item analysis approach where each particular item is evaluated by the selected 122 employees on the basis of how well it discriminates between those employees whose total score is positive and those whose score is negative.

Second related documents; policies, manual, strategy & website of the organization were assess the internal documents and website are subject to qualitative content analysis.

Finally, to make the study more valid and to minimize bias as expected from descriptive type of research, the researcher conduct structured interview with key informants in Human Resource Development & Succession Planning Department and Human Resource Department. This was based on the themes that come up out of the first and second step to provide insight into the study.

3.4 Method of Data Analysis

The data presented in table for ease explanation of the research findings. For the reason the research is a descriptive type, the results analyzed using descriptive statistics.

The data from questionnaire analyzed through Statistical Package for Social Sciences (SPSS) Version 20. The data first coded in alphabetical and numerical order and then key into the statistical program. Then, the data screened and treat for errors and missing values. And also a reliability analysis employs to study the properties of measurement scales and the items, which made up the scales. These procedures calculate the measures of scale reliability and provide information about the relationships between individual items in the scale.

The selection of techniques to analyze the results of this study is based on the research objectives and the type of research i.e. descriptive. The data first analyzed with a descriptive analysis from SPSS providing data for frequency and percentage of demographic and succession practice and analyzed from two dimensions; from aggregate total result and specific evaluation group, to minimize bias. The aggregate rating result analyzed in order to have a general insight on the overall of succession planning practices as evaluates by respondents.

3.5 Reliability and validity of data collection tools

After pilot test done, the researcher tried to make questionnaire clear in some points and based on pilot test result respondents are giving the same result, those questionnaires distributed in morning time schedule to get more attention from respondents. The question developed from various literature books and journals, most of the ideas are taken from Roth well (2010) ensuring leadership continuity and building talent from within” 4th edition and matched with the research objectives.

Reliability Statistics	
Cronbach's Alpha	N of Items
.975	43

The Alpha coefficient for the forty three items is .975, suggesting that the items have relatively high internal consistency.

	N	%
Cases Valid	116	95
Excluded	6	5
Total	122	100.0

Questionnaire has been distributed for 122 respondents and 116 of them were return and filled properly.

3.6 Ethical Issues

The study keeps confidentiality issues consciously. In doing so the names of respondents and other people involved in the study are kept secret. This was clearly described in the questionnaire distributed to respondents. The company confirms the researcher to conduct the study and the study is free from plagiarism.

CHAPTER 4

DATA ANALYSIS AND INTERPRITATION

This chapter deals with analysis, interpretation and discussion of the results in two different parts. The first part presents the demographic nature of the participants. In the second section, results of evaluation on practices of succession planning are presented. Moreover, a qualitative analysis is made on information gathered using Interview and document analysis.

4.1 Demographic Data of Participants

Table 4.1 Demographic data of Respondents

Gender	%	Age	%	Academic Qualification	%	Work Experience	%	Position	%	Marital Status	%
Male	76	20-30	18	Diploma	14	<1yr	0	Director	9	Single	35
		31-40	42	BA	67	1-5	10			Married	65
		41-50	34	MA	19	6-10	28	Manager	32	Divorce	0
Female	24	51-60	6	PHD	0	11-20	56	Supervisor	59	Widowed	0
		>60	0	Other	0	20-35	6				
Total	100	Total	100	Total	100	Total	100	Total	100	Total	100

Survey result, 2016

The above table shows the sex, age, academic qualification, work experience, position and marital status of respondents.

Based on the output result, 76% of the respondents were male and the rest 24% were females this reveals that male respondent's are greater than female respondents. i.e. the gender distribution was not fairly balanced. With regard to respondents age 18% of them are between the age of 20-30, 42% between age of 31-40, 34% between age of 41-50 and 6% between the ages of 51-60. It is vividly stated that majority of respondents are youth, so that they make themselves ready to new thinking philosophy.

Most of the respondents were BA and MA holders which comprise 67% and 19% respectively while 14% of them are Diploma holders. This shows that majority of the respondents are qualified which will have a paramount effect on succession planning

Experience of respondents also tabulated above indicates that respondents that serve ET are between 1 and 5 years and those between 20 to 35 years comprise i.e. 10% & 6% respectively. 28% employees of ET have service year between 6 and 10 years and 56% employees of ET have service year between 11 and 20 years. 9% were Directors, 32% Managers and 59% of them Supervisors. This implies that majority of respondents have enough experience which have positive effect for succession planning.

The above table also shows the marital status of respondents from which 35.5% single and the majorities i.e. 64.6% of the respondents are married.

4.2 Opinion survey

The questions have been in nine general categories with different evaluation items in each. In order to show the results in simplified, the survey data presented by combining the five response categories i.e. strongly agree, agree, neutral, disagree, and strongly disagree into three scale categories, as agree, neutral; and disagree.

4.2.1 Need for succession planning

Table 4.2 Results on Need for succession planning

Variable/Item Is this for Likert Scale?	Position						Total
	Director		Manager		Supervisor		
	M	SD	M	SD	M	SD	
Instability of the structure regarding turn over.	2.86	0.90	2.84	1.31	2.96	1.10	2.91
High labor competitive environment.	3.43	1.46	2.96	1.67	2.53	1.30	2.97
HR is a competitive advantage.	3.43	1.72	3.32	1.68	3.31	1.21	3.35
Total	3.24		3.04		2.92		3.06

Primary data source, 2016

As depicted in the above table an overall mean score ($Mean=3.06$) is shown to be a total result on evaluation of the *need for succession planning* which evaluates the succession plan from the point of view of its practice in preventing turnover problems, improving labor competitiveness and its consideration of HR as a competitive advantage. The result depicts a bit more agreement by Directors, managers and supervisors about significance of the succession plan.

When looking at the evaluation range made in this regard by Directors, managers and supervisors, all fall in less agreement level (i.e. $Mean = 2.91$ to 3.35). This shows that the need for succession plan in ET has more or less average significance.

Looking at more specific, we find Directors to be more positive HR competitiveness ($Mean=3.43$) and the labor competitive environment ($Mean=3.43$). Managers are positive in evaluating labor competitiveness of ET ($Mean=3.32$) while Supervisors tend to be more positive in their evaluation on competitive advantage of HR ($Mean=3.31$).

Among the three respondent categories; Directors are relatively more positive ($Mean=3.24$) than both Managers and Supervisors regarding the need for a succession plan. Managers to be more positive ($Mean=3.04$) than Supervisors ($Mean=2.92$).

Result show that respondents are more positive in evaluating HR as a competitive advantage ($Mean=3.31$) and instability of the organization with respect to turn over ($Mean=2.91$) and high labor competitive environment ($Mean=2.97$) has a bit less than average evaluation result. This shows that developing effective secession plans is critical components not only of the successful operation of an organization on day to day basis, but of the longer term satisfaction and retention of employees.

Succession planning is important to emphasize the active and continuous nature of the effort, is a process for preparing people to meet an organizations need for talent over time. Succession planning is usually part of a larger talent management program that of intended to attract the best through recruitment, keep the best through effective retention practices and develop the best people through well-targeted talent development effort. Rothwell (1999)

4.2.2 Alignment of succession plan with company's strategic plan

Table 4.3 alignment of succession plan with company's strategic plan

Variable/Item	Position						Mean Total
	Director		Manager		Supervisor		
	M	Sd	M	Sd	M	Sd	
Linkage with strategic plan	2.43	1.81	2.88	1.62	3.40	0.92	2.9
Key positions identified in HR strategy	2.71	1.60	2.96	0.98	3.43	0.72	3.03
SP has recognized organizations change	2.57	1.51	2.56	1.45	3.13	1.06	2.75
Ease & flexibility of SP practice	2.57	1.51	3.0	1.26	2.79	0.93	2.79
SP linked with Individual career plans	2.71	1.38	2.80	1.04	2.81	1.01	2.77
Total	2.6		2.8		3.1		2.85

Primary data source, 2016

As depicted in the above table an overall mean score is 2.85. A variable that evaluates the *Strategic alignment of succession planning* in terms of the above listed items shows a less average agreement by Directors, Managers and Supervisors.

Looking at the evaluation range made in this regard by Directors, Managers and Supervisors, all fall in somehow average agreement level (i.e. *Mean =2.4 to 3.43*) which a less average in strategic linkage of succession planning.

The researcher finds that Directors are more positive in identification of “Key Positions” in HR strategy (*Mean=2.71*) and linkage of succession plan with Individual Career Plan (*Mean=2.71*). Managers are more in agreement in evaluating “Key Positions” in HR strategy (*Mean=2.96*) and the ease and flexibility of succession planning to use (*Mean=3*). Supervisors are more positive in strategic linkage of succession plan (*Mean=3.4*) and in identification of “Key Positions” in HR strategy (*Mean=3.43*).

Regarding strategic alignment of succession planning supervisors are more positive in identification of “Key Positions” in HR strategy (*Mean=3.1*) than both Managers and Directors. Managers are more in agreement (*Mean=2.8*) than Directors (*Mean=2.6*).

Looking at the total mean result, regarding clear identification of “key Positions” in HR strategy (*Mean*=3.03) and the general strategic linkage of succession plan (*Mean*=2.9) there is relatively more agreement.

In general the total mean is below average this indicates that succession planning practices have not enough Linkage with strategic plan and key positions that contributes for the accomplishment of ET’s are not clearly identified in the HR strategy. This finding support the succession planning does not significantly affect company’s strategic plan.

According to Fink (2010), In order to build a successful succession plan, companies should align their succession priorities with corporate strategies and cultures. The concept is to develop key competency profiles for all management positions. This will serve as a map outline for their overall succession plan.

4.2.3 Top Management Support and Commitment

Table 4.4 Results on Top Management support and commitment

Variable/Item	Position						Total Mean
	Director		Manager		Supervisor		
	M	<i>Sd</i>	M	<i>Sd</i>	M	<i>Sd</i>	
Top Management allocated time for discussion	2.86	1.77	3.16	1.31	2.85	1.14	2.96
Investment on Training, learning, and development.	2.43	1.81	2.88	1.62	3.06	1.07	2.79
Top Management have full information about key employees	3.0	0.82	3.16	1.31	2.7	0.86	2.95
Direct involvement of Top Management	3.29	1.11	2.92	1.57	2.68	0.91	2.96
Total	2.89		3.03		2.82		2.92

Primary data source, 2016

As depicted in the above table an overall mean score (*Mean* =2.92) indicates. A variable that evaluates *Top Management support and commitment* in terms of the above listed items in the table shows less agreement by Directors, Managers and Supervisors.

Regarding the evaluation range made by Directors, Managers and Supervisors, all fall in somewhat on average agreement level (i.e. *Mean* =2.43 to 3.29) which shows an average Top Management support and commitment for succession planning practice.

Directors are more positive on Direct involvement (*Mean*=3.29) and the full awareness of Top Management about probable successors (*Mean*=3). Managers are positive on Top Management's proper time allocation for discussion (*Mean*=3.16) and full awareness of Top Management about probable successors (*Mean*=3.16) while Supervisors are more in agreement on investment on training, learning and development (*Mean*=3.06).

Concerning the general Top Management support and commitment Managers are in more agreement (*Mean*=3.03) than both Directors (*Mean*=2.89) and supervisors (*Mean*=2.82).

The aggregate result shows relative positive evaluation on Top Management allocation of time for discussion (*Mean*=2.96), Direct involvement whenever necessary (*Mean*=2.96), and concrete information about successors (*Mean*=2.95).

According to the result of the interview and the assessed policy and procedures, an organizational development process is most likely to be initiated when Top Management believes that there are deficiencies in the way the overall organization function. After the completion of developmental program Top Management and senior executive management team i.e. CFO/COO/CCO/CEO will evaluate the potential of the selected successor.

The total mean value indicates that top management doesn't use full potential to ensure the agency staffs are prepared for the change. This shows there is insignificance practice in insuring that successors receive adequate training and development, and exposure to other function in the organization for their potential role.

According to Rothwell (1999), succession planning should not stand alone. It should be paired with succession management, which assumes that a more dynamic business environment in the capacity building of talent should occur in real time. Succession management focuses on continuing, daily effort to build talent and may include the manager's role in coaching, giving feedback, and otherwise helping individuals realizing their potential. Both succession planning and succession management emphasize the importance of developing internal talent to meet current or future talent needs of the organization

4.2.4 Succession Planning Policy and Procedure

Table 4.5 Results on succession planning Policy and procedures

Variable/Item Likert scale	Position						Total
	Director		Manager		Supervisor		
	M	Sd	M	Sd	M	Sd	M
SP has a written policy	3.0	1.29	3.76	1.48	3.34	0.98	3.37
SP has a written program goals	3.0	1.29	3.2	1.6	3.38	0.95	3.19
SP established a program action plan	2.28	1.6	2.88	1.27	3.38	0.87	2.85
SP has schedule of program events based on the action plan FACTS from single source?	2.14	1.46	2.72	1.31	3.0	0.75	2.62
Identify possible replacement needs	2.71	0.95	3.16	1.31	3.19	0.85	3.02
Clear responsibility and accountability	2.29	1.70	3.32	1.35	3.19	1.04	2.93
Enough objectivity	2.71	0.95	3.04	1.46	2.96	0.66	2.90
Integration with HRM process	2.29	1.6	3.2	1.5	3.14	0.83	2.88
Balance interest between organizations and individuals	3.0	1.29	2.88	1.39	3.06	0.70	2.98
Incentives/Reward for successors	2.29	1.70	2.84	1.03	3.0	0.93	2.71
Incentives/Rewards for Managers	2.57	1.13	3.0	1.26	3.43	0.77	3
Total Not Likert type	2.57		3.09		3.19		2.89

Primary data source,, 2016

As depicted in the above table the overall mean score of a variable that shows the *succession planning Policy and Procedures*, in terms of the above listed variable items in the table, shows near average effectiveness by Directors, Managers and Supervisors.

As the table shows regarding succession planning policy and procedure: Directors, Managers and Supervisors, all fall in average agreement level (i.e. *Mean = 2.14 to 3.76*).

Regarding policy and procedures; Supervisors mean are (*Mean = 3.19*) higher than that of Managers (*Mean = 3.09*) and Directors (*Mean = 2.57*).

The total mean value reveals more positive results on availability of written policy (*Mean* = 3.37), written program goals (*Mean* = 3.19), ability to identify possible replacement needs (*Mean* = 3.02).

Directors have relatively positive thought regarding the availability of written Succession Planning policy and procedures, written program goals, balance between both organizational and individual interest. Managers have a moderately positive evaluation in all variables in the table except established succession program action plan (*Mean* = 2.88), balance between both organizational and individual interest.

Furthermore respective user division submits progress report every six month about each candidate for further review and evaluation by Human Resource Management.

Concerned staffs are accountable for how the organization is handling the confidentiality issues. According to assessment made, there is no practice of concealing or giving an assurance whether who will be appointed and there are no well written policies and procedures bring structure to the business, Shillaci(2005) suggest that businesses get help creating policies and procedures that prepare them for operational success during a succession process. Additionally external benchmarking, or examining external recruitment markets can also help the company assess what key positions may become open in the future and create operational procedures to prepare for turnover.

4.2.5 Competency Frame work

Table 4.6 Results of Competency Frame work

Variable/Item	Position						Total
	Director		Manager		Supervisor		
	M	Sd	M	Sd	M	Sd	
Objective competency frame work	3.29	0.95	2.84	1.18	3.06	0.79	3.01
Competency frame work align Human talent with strategic objectives	3.57	0.79	3.24	1.23	2.87	0.77	3.05
Competency helps to differentiate HIPOs	2.71	1.25	2.96	1.27	2.85	0.88	2.87
Competencies are incongruence with the requirement of the job	2.86	1.21	2.80	1.61	2.81	0.99	2.81
Competencies recognize changes in the future	3.14	0.9	2.56	1.56	2.96	0.98	2.85
Competencies consider nature & level of job	3.43	0.79	2.68	1.07	3.04	0.93	2.96
Total	3.17		2.85		2.93		2.98

Primary data source, 2016

As depicted in the above table an overall mean is ($Mean = 2.98$) looking at general results on *competency frame work*, by Directors, Managers and Supervisors.

When looking at the evaluation range made in this regard by Directors, Managers and Supervisors, all fall in average agreement level (i.e. $Mean = 2.56$ to 3.57) showing a moderately effective competency framework.

The researcher find Directors more in agreement on competency frame work ability to align Human Talent with strategic objectives ($Mean = 3.57$), consideration of nature and level of Job ($Mean = 3.43$), its objectivity ($Mean = 3.29$), and recognition of changes in the future ($Mean = 3.14$). Managers are more positive on competency framework ability to align Human Talent with its strategic objectives ($Mean = 3.24$) while Supervisors are in agreement on competency framework objectivity ($Mean = 3.06$) and consideration of nature and level of jobs ($Mean = 3.04$).

The general evaluation result revealed Directors are slightly in more agreement (*Mean* = 3.17) than Supervisors (*Mean* = 2.93) and Managers (*Mean* = 2.85).

Looking at the total mean of each variable more average positive evaluation revealed on competency framework ability to align Human Talent with its strategic objectives (*Mean* = 3.01) and competency framework objectivity (*Mean* = 3.05).

In general when we see the total mean, it is below average. It indicates there is a gap in competency frame work aligns human talent with strategic objectives and it needs to make job analysis focuses on takes, responsibilities, knowledge, and skill required as well as other factors that contributes to successful job performance. The information obtained from employees during job analysis becomes the basis for identifying competencies and knowing the competencies of a job is a mandatory component of recruitment, serving as a general baseline to measure against interested potential candidates. Shllaci(2005).

4.2.6 Selection of “Key Positions”

Table 4.7 Results on selection of “Key Positions

Variable/Item	Position						Total
	Director		Manager		Supervisor		
	Me an	<i>Sd</i>	Mea n	<i>Sd</i>	Mea n	<i>Sd</i>	M
Identified key positions are critical	3.43	0.79	3.4	1.04	3.47	0.99	3.44
Selection standards consider external and internal factors	3.29	0.95	3.4	1.19	3.13	0.74	3.23
Systematic means to clarify future position needs	3.43	0.79	2.96	1.14	3.09	0.97	3.08
Total	3.38		3.25		3.23		3.29

Primary data source,, 2016

A variable that evaluates the *criticality of the identified “Key positions”*, in terms of the above listed variable items in the table shows a less effectiveness by Directors, Managers and Supervisors.

The evaluation range made in this regard by Directors, Managers and Supervisors, fall in average agreement level (i.e. *Mean = 2.96 to 3.47*).

Concerning the aggregate result, Directors have a slightly more positive evaluation result with a Managers (*Mean = 3.25*) and Supervisors (*Mean = 3.23*).

From evaluation variables, Directors are more positive on criticality of “Key Positions” (*Mean = 3.43*) and systematic means of clarifying future position needs (*Mean = 3.43*). Managers tend to be more positive on criticality of “Key Positions” (*Mean = 3.4*) and consideration of internal and external push and pull factors when developing selection criteria (*Mean = 3.4*). Supervisors are also more positive on criticality of “Key Positions” (*Mean = 3.47*) and consideration of internal and external push and pull factors when developing selection criteria (*Mean = 3.13*).

Evaluation results tend to be more positive on criticality of the identified “Key Positions” (*Mean = 3.44*) and consideration of internal and external push and pull factors when developing selection criteria (*Mean = 3.23*).

By examining the policy, management gives priority for positions occupied by personnel who are due to retire within 3 years, we can understand those positions are critical to the smooth operation of the ET and occupied by personnel who are being prepared for different role.

A key position or occupational group can be defined in many different ways, but two important criteria that should be considered are *criticality* and *retention risk*. A critical position is one that, if it were vacant, would have a significant impact on the organizations ability to conduct normal business. The significance of the impact should be considered in terms of safety, operation of equipment, financial operation, efficiency, public opinion, and so on. Retention risk refers to positions where the departure of an employee is expected (e.g. retirement) or likely (e.g. history of turnover). By examining these criteria on a low-to-high scale, an organization can determine what positions require short-or long-term planning. Burke, (2011).

4.2.7 Successors Selection Criteria

Table 4.8 Results on Successor Selection Criteria

Variable/Item	Position						Total mean
	Director		Manager		Supervisor		
	Mean	Sd	Mean	Sd	Mean	Sd	M
Selection methods & procedures are effective	2.57	0.98	3.4	1.26	2.79	0.99	2.96
Record keeping of probable successors for evaluation purpose	3.29	0.95	3.12	1.51	3.0	1.10	3.06
Duration and mix of parties in the selection process involved are large enough	3.0	0.58	3.21	1.36	2.83	0.87	2.97
Talent check list of successors at the right time & place	3.0	0.58	3.08	0.95	2.64	0.99	2.81
Total	2.97		3.20		2.82		2.99

Primary data source, 2016

A variable that evaluates the *effectiveness of Selection criteria*, in terms of the above listed items in the table shows nearly average effectiveness by Directors, Managers and Supervisors.

The aggregate result revealed that Managers are more in agreement (*Mean = 3.2*) on effectiveness of the selection criteria than that of Directors (*Mean = 2.97*) and Supervisors (*Mean = 2.82*)

The total mean result reveal record keeping of Probable successors for evaluation purpose have more positive evaluation (*Mean = 3.06*).

Directors and Supervisors record keeping of Probable successors for evaluation purpose (*Mean = 3.29* and *Mean = 3*) respectively. Managers are more in agreement on the effectiveness of selection methods and procedures The total mean result reveal record keeping of Probable successors for evaluation purpose (*Mean = 3.4*) and duration and mix of parties involved (*Mean = 3.21*). As the total variable mean shows duration and mix of parties in the selection process involved are not large enough.

Based on the interview as well as assessment on policies and procedures there is a promotional exam. For the succession planning purpose those who passed the exam will be incorporated in the pool.

After the pool has been established, probable successor's expected to accomplish developmental procedures. If the position vacated before the end of development or training the vacant post will be covered by acting assignment, which may pose a threat on effectiveness of the assigned employee.

4.2.8 Developmental techniques and procedures

Table 4.9 Results Developmental Techniques and procedures

Variable/Item	Position						Total
	Director		Manager		Supervisor		
	Mean	Sd	Mean	Sd	Mean	Sd	M
Effective Performance system	3.14	0.90	3.12	1.20	2.96	0.91	3.03
Variety of developmental techniques	2.71	1.25	3.36	1.19	3.11	1.07	3.15
Means to track development activities	3.43	0.79	3.04	0.98	3.15	1.04	3.14
Integration of IDP to organizational need	2.71	1.25	2.40	1.44	3.17	0.96	2.89
Total	2.99		2.98		3.1		3.03

Primary data source, 2016

As depicted in the above table an overall. A variable that evaluates the *Developmental techniques*, in terms of the above listed variable items in the table, shows less moderate effectiveness by Directors, Managers and Supervisors.

The aggregate result reveals Supervisors are (*Mean* = 3.1) than both the Directors (*Mean* = 2.99) and Managers (*Mean* = 2.98).

Find more positive evaluation on variety of developmental techniques (*Mean* = 3.15) and systematic means to track development activities (*Mean* = 3.14).

Directors are more in agreement in means to track developmental activities (*Mean* = 3.43) and effective performance system (*Mean* = 3.14). Managers have more positive

evaluation regarding variety of developmental techniques (*Mean* = 3.36) and effective performance system (*Mean* = 3.12). Supervisors tend to be more moderately positive except effective performance system (*Mean* = 2.96).

From the developmental techniques applied in ET, Job shadowing. There is also coaching, mentoring and special projects involvement whenever necessary. Based on the examination of the Succession Planning policy, Human Resource Management and the concerned division shall coordinate the timely implementation of development plan which lasts for a years. There is a corporate gap analysis that focuses on future labor needs, a sound retention policies intended to identify potential key position candidates earlier, flexible work environment designed to maintain aging workers with high potential.

There are many benefits that have been identified with succession development. Because it inherently includes a planning process, it provides an organization time to react, plan, and develop paths to achieve future needs. This avoids the crisis management approached. Rothwell (1999).

4.2.9 Evaluation Results on Post Successors

Table 4.10 Results on Post Successor

Variable/Item	Position						Total
	Director		Manager		Supervisor		
	Mean	Sd	Mean	Sd	Mean	Sd	M
Successors adhere values and seen as role models	3.14	0.91	2.96	1.17	3.15	0.93	3.09
Appointed successors proves the effort & cost invested	3.29	0.95	3.08	0.95	2.85	0.99	2.96
Method to assess post assignment performance	3.29	0.95	2.76	1.23	2.91	0.88	2.90
Total	3.24		2.93		2.97		3.05

Primary data source,, 2016

When the researcher look at Directors, Managers and Supervisors, all fall in less moderate agreement level (i.e. *Mean =2.76 to 3.29*) the successors are moderately effective to hold their particular assignment.

From the aggregate result, Directors are in more agreement (*Mean = 3.24*) than Managers (*Mean =2.93*) and that of Supervisors (*Mean =2.97*).

The total mean result reveals more positive result on successors’ adherence to ET values and seen as a role model (*Mean = 3.09*).

Directors are more in agreement on effectiveness of appointed successors who proves the effort and cost invested and systematic methods to assess post assignments performance with equal mean value (*Mean = 3.29*). Managers are more in agreement on effectiveness of appointed successors who proves the effort and cost invested (*Mean = 3.08*). Supervisors are more positive on successors’ adherence to ET values and seen as a role model (*Mean = 3.15*)

From the above total mean, we can see that there is a good method to assess post assignment performance. As a result, the method offers a valuable opportunity to identify and correct existing problems and to provide successors recognition for their work efforts. This has an impact in overall practices of succession planning.

According to Cantor (2005) a viable successors should have strong work ethic and an attitude of earning the organization way, display confidence in their ability, natural people skills and leadership qualities.

4.2.10 Succession Planning practices in General

Table 4.11 Succession practices in general

Variable/Item	Position						Total
	Director		Manager		Supervisor		
	Mea n	<i>Sd</i>	Mea n	<i>Sd</i>	Mea n	<i>Sd</i>	M
Succession Plan practice	2.29	1.60	1.72	0.89	3.06	0.84	2.57

Primary data source, 2016

Looking at the evaluation range made in this regard by Directors, Managers and Supervisors, all fall between satisfactory and Fair (i.e. *Mean =1.72 to 3.06*) this shows the succession planning practice of ET is below satisfactory level. while a bit proportion of Directors evaluated it as poor while the same proportion assess its practices as efficient. Managers are more in agreement with regard to succession practice.

The study findings indicate that lack of commitment among the senior officials of ET was a serious challenge faced human resource succession planning. Most of the respondents showed highest degree of dissatisfaction on the managerial practices towards succession planning. They hinted that some senior managers were afraid of losing their positions once they have mentored their employees for the senior managerial positions.

Results obtained by interview, regarding the practice of succession planning are;

- Business units have an assumption that HR is only responsible for succession planning practices, they lack commitment and need strict follow up which is done through Succession Planning Department.
- They have awareness about the use of succession planning practices at all.
- There is also an implementation gap in terms of capacity.
- And activities with regard to succession planning are not done on a timely basis.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATION

This part of the thesis summarizes major findings and discusses conclusion and recommendations based on findings against related literatures.

This chapter is organized in to two parts as summary of findings and recommendations.

5.1 Summary of Findings

The general purpose of the study is to examine succession planning practice of Ethiopian Airlines.

The questionnaire was organized in nine important parts (as referred from literatures) which were believed to be essential in assessing the process of succession planning.

Data collected through these means analyzed to bring about the following findings:

- ❖ Need for succession planning which evaluates the succession plan from the point of view of its practice in preventing turnover problems, improving labor competitiveness and its consideration of HR as a competitive advantage. The result depicts a bit more agreement by Directors, managers and supervisors about significance of the succession plan.
- ❖ Top management doesn't use full potential to ensure the agency staffs prepared for the change. This shows there is insignificance practice in insuring that successors receive adequate training and development, and exposure to other function in the organization for their potential role.
- ❖ Variable shows that the succession planning Policy and Procedures, in terms of listed variable items shows near average effectiveness by Directors, Managers and Supervisors.
- ❖ Succession planning practices have not enough Linkage with strategic plan and key positions that contribute for the accomplishment of ET's are not clearly identified in the HR strategy. This finding support the succession planning does not significantly affect company's strategic plan.

- ❖ Those Positions which is succession planning applied are critical to the smooth operation of ET and occupied by personnel who are being prepared for different role.
- ❖ There is poor and unorganized documenting administration system which brings difficulties in selecting the appropriate successor at the right time and place.
- ❖ The overall practice of Succession Planning in ET has been analyzed to have a slight moderate evaluation.
- ❖ A variable that evaluates the *Developmental techniques*, in terms of the listed variable items shows less moderate effectiveness by Directors, Managers and Supervisors.
- ❖ There is a good method to assess post assignment performance. This has an impact in overall practices of succession planning.

The findings indicate that even though the overall succession planning activities are more or less show disapproval by most respondents. Top Management commitment on activities which require involvement by management is an essential variable for the success and effectiveness of succession plan

5.2 Conclusion

- ❖ Succession planning has been found to be a recent phenomenon for ET and as a result the process calling for improvements.
- ❖ Most of respondents agree succession planning is moderately effective in general, a finding which is also supported by interview and document analysis, this implies that it need improvement in top management support.
- ❖ The results show that there is a moderate agreement over the need for Succession Planning in ET. It implies that the management should have to create more awareness regarding the need and importance of succession planning practices.
- ❖ The overall practice of Succession Planning in ET has been analyzed to have a slight moderate evaluation according to respondents of the questionnaire. It implies that ET needs to have more attention in improving existing practices.
- ❖ An evaluation on strategic alignment of Succession Planning indicates a very weak agreement among respondents. It implies that succession planning does not significantly affect company's strategic plan.
- ❖ Top Management commitment and support is not adequate in ET. Competency frame work was also evaluated to be weak by questionnaire respondents. This implies that top level management of ET gives less attention to SP.
- ❖ Selection criteria, developmental methods and procedures, assessment of post successor effectiveness is in slight agreement among respondents. It implies SP practices of ET need to develop high potential employees and establish a supportive organizational culture.
- ❖ Through examining the policy and procedures it has been found that the policy is not effective enough.
- ❖ Succession planning has become one of the most significant human resource management responsibilities within today's organizations. Given the current business environment for many organizations, no one can afford to attract, invest in and then lose its high potential employees; the best way to address these challenges is to maintain a viable culture and management style which recruit, motivate, retain and develop potentially capable employees who can remain in the driver's seat of organizational excellences and performance. Kotler and Heskett (1995).

5.3 Recommendations

Following an assessment and findings the following improvement areas are recommended for a practices succession plan.

- ✓ Exams and evaluation tools in place are not comprehensive enough to place skilled and competitive staffs on vacant positions. In order to solve problems in the selection process, ET has to put in place a more comprehensive evaluation tool.
- ✓ ET has to put place strategic succession plan that provides a disciplined and structured approach for ensuring matching HR needs with organizational survival and competitive needs. Diamond (2006).
- ✓ ET should consider human resource succession planning as a vital part of their daily routines in their organization.
- ✓ ET should embark on frequent training on issues related succession planning and organize clear deliberate communication plans and sessions to inform opportunities for identifying with company mission and vision through individual career growth.
- ✓ ET needs to work on increasing the number of probable successors in a pool to have a wide range of choice in terms of skills and knowledge.
- ✓ The competency frame work which only involves behavioral competencies is also one of the areas which call for improvement; it should combine Skills, knowledge and attitude.
- ✓ ET is expected to revise its succession plan in order to create the link between changing internal as well as external environmental situations. For instance the succession plan should rather focus on job positions that are highly threatened by turn over, instead of positions which are relatively stable.
- ✓ Best practice organizations effectively integrate leadership development and succession planning systems by fully utilizing managerial personnel in developing the organizations mentor network, identifying and codifying high potential employees, developing high potential employees, developing potentials via project based learning experiences and manager facilitated workshops,

establishing a flexible and fluid succession planning process, creating organizational forums for exposing high potential employees to multiple stockholders and establishing a supportive organizational culture.

- ✓ Development of potential Successors- limitation on plans of developing successors to make them ready for taking over has to be improved. It was found out that only position holders are considered to have the necessary skills to develop successors hence ET has to look into other means of development for probable successors,
- ✓ Post effectiveness- there should be also a systematic mechanism to assess post assignment performance of successors.
- ✓ ET must continually assess key talent to determine if pivotal talent has the proper competencies and experience needed to move beyond their current positions.

DECLARATION

I, the undersigned, declare that the research work entitled “*Succession Planning practices in the case of Ethiopian Airlines*” is the outcome of my own effort and study and that all sources of materials used for the study have been acknowledged. I have produced it independently except for the guidance and suggestion of my Research Advisor.

This study has not been submitted for any degree in this university or any other university. It is submitted for the partial fulfillment of the requirements for the award of Master of Arts Degree in Business Administration.

Nathan Mekonnen

Date

ANNEXES

St Marry University
School of Graduate Studies
Master of Arts Program in MBA
Questionnaire on Succession Planning practices

Dear Respondents;

I am working on my Master of Arts Degree in Business Administration at St Marry University School of Graduate Studies. In partial fulfillment of the requirement; I am conducting a research on the effectiveness of succession planning in Ethiopian Airlines.

This is therefore, to request your kind cooperation to fill out the questions enclosed herewith. Your sincere responses would support the study to a greater extent and help meet its ultimate purpose.

Thank you in advance for your cooperation and I can assure you that your responses to this questionnaire will be kept confidential and would be used only for the intended purpose.

How to fill out the questionnaire:-

- * Please first check this questionnaire has **4 pages**.
- * This questionnaire has two parts; part I & II have **five** evaluating points in front of each question. Please read the questions & put “ . ” mark on the box that corresponds your evaluation.

Ranking Key

1. **(Strongly Disagree):-** The specified characteristics **rarely** reveals in the organization.
2. **(Disagree):-** The specified characteristics revealed **sometimes** in the organization.
3. **(Neutral):-** The respondent is in a **nonaligned state** about the specified characteristics.
4. **(Agree):-** The specified characteristics **frequently** revealed in the Organization.
5. **(Strongly Agree):-** The specified characteristics **Most of the time** revealed in the Organization, if not always.

- If you have any questions regarding the questionnaire, do not hesitate to contact the researcher (Nathan Mekonnen) through cell phone number +251-91-356-8805 or at selebenat@gmail.com.

Part I:-Personal data of the respondent

The questions below are about your personal background. Please answer by circling the choice that correctly applies to you.

- 1) Gender
 - A. Male B. Female
- 2) Age group in years
 - A. 20-30 B. 31- 40 C. 41-50 D. 51-60 E. above 60
- 3) Length of Work experience in Ethiopian Airlines
 - A. Below 1 year B. 1-5 years c. 6-10 Years D 11-20 E. 20- 35
 - F. above 35
- 4) Academic qualification (the highest completed level of education)
 - A. Diploma B. BA Degree C. Masters Degree D. PhD E.Others, please specify___
- 5) Your Job Function in the organization
 - A. Director B. Manager C. Supervisor
- 6) Marital status:
 - A. Single B. Married C. Divorce D. Widowed

Part II:-Background Information about succession planning in the Organization: The questions below are about the practice of Succession Planning in Ethiopian Airlines. Please evaluate by putting a “ . ” mark on your choice that appropriately explains the existing practice of the organization.

<i>How the need arises</i>		1	2	3	4	5
1	The current work process as well as the organizational structure is instable with regard to the employee turnover.					
2	The company exists in a highly labor competitive environment.					

3	Human Resources are indicated as a competitive advantage in the corporate strategy.					
<i>Link with the strategy</i>		1	2	3	4	5
4	Succession planning is linked to organizational strategic plans.					
5	The key positions that contribute for the accomplishment of ET's objectives are clearly identified in the Human Resources strategy.					
6	The succession plan is crafted in recognition of organizational change.					
7	The succession planning practice of ET is easy to understand, simple to use and flexible enough to accommodate unique needs and changes in strategy.					
8	Succession Plan is linked to Individual Career Plans.					
<i>Top management support and commitment</i>		1	2	3	4	5
9	Top Level Management of ET gives attention to Succession Planning by allocating time for discussion.					
10	The management makes an investment on training, learning, management development, personal development and career development.					
11	Top level management has full information about employees at key positions regarding talent, knowledge, educational qualification & other					
12	Top level management is willing to engage in activities which require direct involvement in succession planning. Such as performance evaluation for selection, coaching, guidance and approvals.					
<i>Policy and procedures</i>		1	2	3	4	5
13	The program has established a written policy statement to guide the process effectively.					
14	Succession Plan involves written program goals to clarify the expected achievement/Objectives.					
15	The program has established a program action plan.					
16	Establish a schedule of program events based on the action plan.					
17	The succession planning program helps to establish a systematic means to identify possible replacement needs stemming from any predictable losses of people.					
18	The procedure clearly identifies responsibilities and accountabilities of different organs involved.					
19	Magnitude and degree of objectivity of succession planning is fair enough.					
20	Procedure helps to create integration with Human Resource Management processes.					
21	The procedure devised effectively balances individual candidate's and organization's interest.					

22	The program established incentives/rewards for identified successors.					
23	The program established incentives/rewards designed for managers for identifying successors.					
Competency Frame work		1	2	3	4	5
24	The competency framework developed is detailed and objective enough to avoid unnecessary subjective judgments.					
25	The competency frame work helps to align human talent with its strategic objectives.					
26	The competency frame work helps to differentiate different level of individual performers, such as high performers.					
27	The competencies identified incongruence with the requirements of the job involved.					
28	The competencies developed in recognition of changes affecting responsibilities of each specific job.					
29	The competency framework is developed in consideration of competency requirements of nature and level of tools such as technical, leadership and core competencies.					
“Key” positions		1	2	3	4	5
30	The Identified “key positions” in the succession plan of ET are critical enough to affect the overall operation of the organization.					
31	The effectiveness of standards under which “key positions” are identified considers external as well as internal push/pull factors.					
32	There is a means to clarify the ET’s future position requirements or talent needs.					
Selection Criteria		1	2	3	4	5
33	Effectiveness of methods, procedures put forward to select potential probable successors is effective.					
34	Devised (create) a means to keep records for individuals who are designated as successors.					
35	Duration of the selection process and mix of parties involved are large and big enough to help the effectiveness of the selection process.					
36	There is a talent check list in order to get successor at the right time for the right place.					
Development		1	2	3	4	5
37	The performance system/corporate gap analysis is effective enough to help the succession plan.					
38	There is enough variety of developmental techniques to help probable successors in the job assignments.					
39	There is a means to track development activities to prepare successors for eventual advancement.					
40	Procedures/incentives put in place help to integrate Individual Development Plans to organizational needs.					
Successors		1	2	3	4	5

41	Chosen successors adhere to the values espoused by the organization and are looked as role models on ethical issues by other employees and society at large.					
42	Effectiveness of successors at their assignments who passed through the procedure proves the effort and cost invested.					
43	There is an effective method to assess assignment performance of successors as an input for development plan adjustment.					

St Mary's University

Graduate Studies Program
Department of General MBA

Interview Questions on Succession Planning practices at ET

This interview session is organized to find out information about the practice of succession planning in Ethiopian Airlines to help support my thesis. First I would very much like to thank you for your cooperation in giving me your precious time for this interview. I assure you that the information you provide will be used only for academic purpose and confidentiality is very much secured. I hope you will provide me with accurate and vital information which will support my study.

Do you think Succession plan is important?

Do you think succession plan helps your organization to expand its capacity?

Do you think every participants and division have their own responsibility for succession plan practices?

Do you think succession plan helps your organization on timely bases?

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