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**SUCCESSION PLANNING STRATEGY AND ORGANIZATIONAL  
PERFORMANCE IN STATE CORPORATIONS IN KENYA: A CASE STUDY OF  
KENYA PIPELINE COMPANY LIMITED**

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**ABSTRACT**

This study examined the effect of talent identification and development, as well as leadership training, on organizational performance. The target population consisted of 357 employees from the Nairobi Depot and Head Office, and a stratified random sample of 186 respondents was drawn from the Human Resources, Operations, Finance, Procurement, Legal, and Audit departments. Data were collected using a structured questionnaire comprising both qualitative and quantitative items designed on a 5-point Likert scale to capture perceptions, attitudes, and behaviors. The instrument was pilot tested with 10% of the sample to ensure reliability, assessed using Cronbach's alpha (minimum threshold of 0.70), and validity through expert review. Data collection was conducted electronically via Google Forms, with strict adherence to ethical standards including informed consent, voluntary participation, confidentiality, and anonymity. Quantitative data were analyzed using SPSS Version 28 through descriptive statistics and multiple regression analysis to determine the strength and direction of relationships between the independent and dependent variables, while qualitative responses were analyzed thematically. The findings provided empirical evidence that succession planning strategies significantly enhance organizational performance. The correlation between talent development and organizational performance showed a moderate positive relationship, while the regression coefficient indicated that a unit increase in talent development led to a corresponding improvement in performance. Similarly, the correlation between leadership training and organizational performance revealed a strong positive relationship, and the regression results implied that a unit increase in leadership training resulted in a notable rise in performance. The study recommends that the organization strengthen its talent development initiatives through structured mentorship programs, leadership training, and regular talent reviews to promote leadership continuity, and further apply transparent career development and promotion policies to enhance employee motivation, ensure fairness, and sustain organizational effectiveness.

**Keywords:** *Succession Planning Strategy, Talent Identification & Development, Leadership Training, Organizational Performance*

## INTRODUCTION

In today's rapidly changing organizational environment, succession planning has become a critical component of strategic human resource management. According to Ulrich and Smallwood (2021), organizations worldwide are increasingly institutionalizing leadership development mechanisms to ensure continuity, preserve institutional memory, and sustain performance. Leadership transitions, particularly when abrupt or poorly managed, can pose significant risks to organizational stability, employee morale, and service delivery (Gandz, 2020). Succession planning, therefore, serves not only as a risk mitigation tool but also as a proactive strategy for building leadership pipelines and enhancing institutional resilience (Huang, 2022). Globally, high-performing organizations in both the private and public sectors have embraced structured succession planning systems. Ulrich and Smallwood (2021) note that corporations such as IBM, Microsoft, and Procter & Gamble have developed formal leadership development programs that identify high-potential employees and nurture them through mentoring, coaching, and rotational assignments. These programs minimize uncertainty during leadership transitions, reduce performance disruptions, and foster a culture of continuous learning and growth. Similarly, public institutions such as the U.S. Department of Homeland Security and the U.K. National Health Service (NHS) have implemented comprehensive succession planning frameworks to ensure leadership continuity during periods of transition or crisis (Harvard Business Review, 2022).

Despite increasing global awareness, many developing countries continue to experience challenges in adopting and implementing effective succession planning frameworks, particularly within the public sector. The World Bank (2020) identifies weak succession management as a persistent problem in public institutions across Africa, Asia, and Latin America, largely attributed to political interference, absence of formal frameworks, informal leadership appointments, and limited investment in talent development. Consequently, leadership transitions in public organizations are often reactive and disruptive, leading to governance lapses and inefficiencies in service delivery. In Kenya, state corporations play a vital role in driving socio-economic development, implementing national policies, and delivering essential public services. However, many of these organizations lack structured succession planning frameworks and often rely on ad hoc or politically influenced appointments. Ng'ethe and Iravo (2020) highlighted that delayed leadership transitions, loss of institutional knowledge, and weak talent pipelines remain major obstacles to public sector performance. These challenges become especially evident during executive turnovers, which often result in operational instability and a loss of strategic direction.

### Succession Planning Strategies

Succession planning strategies are essential for sustainable organizational management, ensuring leadership continuity, knowledge retention, and long-term performance (Kim et al., 2021). In an increasingly dynamic business environment, organizations face frequent leadership transitions, retirements, and technological disruptions that can impede

operations if not strategically managed. Effective succession planning provides a systematic approach to identifying, developing, and preparing employees to assume strategic roles as vacancies arise (Njoroge & Kwasira, 2019). Globally, leading organizations such as IBM, Procter & Gamble, and Microsoft have integrated succession planning into their human resource development frameworks to secure leadership pipelines and maintain operational stability. Within both public and private sectors, succession planning serves as a risk management tool and a driver of service continuity, institutional learning, and operational efficiency (Agu & Umoh, 2020; Oyewole, 2018). In Kenya, state corporations play a critical role in national development yet often suffer from leadership gaps, weak succession structures, and loss of institutional memory. To address these challenges, deliberate and well-aligned succession planning strategies are needed to connect employee development with organizational goals (Ndirangu, Nzulwa, & Omwenga, 2021). For Kenya Pipeline Company Limited, strategies such as talent identification and development, leadership training, knowledge transfer mechanisms, and clear succession policy frameworks are essential for enhancing leadership continuity and operational excellence (Lung'aho & Mukanzi, 2015; Wanjiru & Karanja, 2020).

### **Talent Development**

Talent identification and development involve systematically recognizing high-potential employees and nurturing them through structured programs and targeted growth opportunities. Within the context of succession planning, this approach ensures that leadership talent is cultivated internally, thereby reducing dependency on external recruitment and promoting organizational stability. Developing internal talent enhances leadership preparedness, fosters innovation, and strengthens an organization's capacity to adapt to change (Gitonga & Muchira, 2020). However, in Kenya's public sector, particularly among state corporations, talent development remains underutilized. Muriithi and Waiganjo (2018) note that many public organizations lack formal mechanisms to identify and nurture high-potential employees, resulting in leadership gaps and inconsistent performance. The absence of structured development programs often leads to low morale, high turnover, and cultural misalignment, ultimately affecting operational efficiency and service quality. Empirical studies support the positive correlation between talent development and organizational performance. Gitonga and Muchira (2020) found that talent development practices significantly enhance succession readiness, while Ngari and Were (2022) reported that they foster innovation, retention, and leadership bench strength. For KPC, structured talent identification and development are pivotal in building an internal leadership pipeline that supports organizational excellence. Aligning these initiatives with the company's broader succession framework will help mitigate leadership risks, enhance service efficiency, and strengthen institutional adaptability.

### **Leadership Training**

Leadership training is a cornerstone of succession planning and a key driver of organizational performance. It focuses on equipping identified talent with essential leadership competencies such as strategic thinking, decision-making, and interpersonal

skills. In the context of succession planning, leadership training ensures that potential successors are adequately prepared to assume key managerial positions, thereby maintaining leadership continuity and organizational stability (Wanjiru & Muturi, 2019). However, many Kenyan state corporations lack structured and strategic leadership development programs. As Wanjiru and Muturi (2019) observe, existing initiatives often emphasize technical competence while neglecting critical leadership attributes such as ethical judgment, adaptability, and vision. This limited focus undermines succession readiness and exposes organizations to operational risks. Ngeno and Kiptum (2021) emphasize that continuous leadership development enhances decision-making, confidence, and change management capacity, while Mwangi and Wekesa (2020) highlight its role in fostering emotional intelligence, strategic agility, and ethical leadership. For KPC, leadership training remains a strategic enabler of succession planning effectiveness. As a major player in the energy sector, KPC requires leaders capable of sustaining operational excellence, ensuring regulatory compliance, and aligning employee competencies with strategic objectives. Effective leadership training programs will strengthen the internal leadership pipeline, enhance motivation, and foster commitment—key elements of organizational performance and long-term sustainability (Mwangi & Wekesa, 2020; Ngeno & Kiptum, 2021).

### **Organizational Performance**

Organizational performance refers to the extent to which an organization effectively achieves its strategic objectives, meets stakeholder expectations, and sustains competitiveness over time. It encompasses financial outcomes, operational efficiency, employee productivity, service delivery, and innovation (Kaplan & Norton, 2019). In state corporations, performance also includes public accountability, compliance with statutory mandates, and service quality. Succession planning enhances performance by ensuring leadership continuity, preserving institutional knowledge, and aligning leadership transitions with strategic goals (Nguyen & Nguyen, 2020). Empirical studies globally demonstrate a strong link between succession planning and performance. For example, Abor and Quartey (2018) found that public enterprises in Ghana with structured succession frameworks reported higher employee commitment, improved service delivery, and greater stakeholder trust. Similarly, Garavan, Carbery, and Rock (2021) established that effective leadership succession enhances innovation and strategic adaptability, especially when aligned with long-term talent development.

In Kenya, succession planning has been identified as a key determinant of effectiveness in state corporations. Mwangi and Karanja (2021) observed that organizations with formal succession frameworks exhibit better operational performance and stakeholder satisfaction, while Kimani and Wanyonyi (2020) noted that political interference and reactive appointments undermine governance and service delivery. Recent studies by Mutua (2022) and Wanjiru and Kariuki (2023) confirmed that leadership development and structured succession systems significantly enhance performance in sectors such as energy, including the Kenya Pipeline Company Limited. Overall, evidence indicates that

succession planning strengthens organizational performance through leadership preparedness, strategic alignment, and operational continuity. However, gaps persist in the integration of succession frameworks into governance structures of Kenyan state corporations, where politicized appointments and weak leadership development systems remain prevalent. This underscores the need for empirical investigation into how specific succession planning strategies influence organizational performance, to inform policy and enhance institutional effectiveness.

### **STATEMENT OF THE PROBLEM**

Succession planning is a vital strategic human resource practice that ensures leadership continuity, preserves institutional knowledge, and sustains organizational performance. Globally, organizations with structured succession systems report 20–25% higher employee retention and 15% greater productivity growth compared to those lacking formal mechanisms (Kim et al., 2021). Effective succession planning minimizes leadership gaps, facilitates knowledge transfer, and enhances organizational agility during transitions (Turner, 2021). In Africa, the absence of structured succession planning has been linked to leadership instability and institutional inefficiencies. The African Management Institute (2020) found that only 34% of public sector organizations in Sub-Saharan Africa have documented succession policies, with most relying on ad hoc appointments, leading to operational disruptions and loss of institutional memory. Abdulwahab and Jaafar (2020) similarly observed that organizations without formal frameworks face higher turnover, lower morale, and diminished strategic adaptability. In Kenya, succession planning remains underdeveloped across state corporations.

The Public Service Commission (PSC, 2022) reported that only 38% of these institutions have formal succession management systems, resulting in delayed service delivery, poor knowledge retention, and dependence on external recruitment for leadership roles. Owino, Omolo, and Atheru (2020) further noted that many high-potential employees lack mentorship, leadership exposure, and career development opportunities, hindering the cultivation of future leaders. The Kenya Pipeline Company (KPC), a key state corporation in the petroleum transport sector, exemplifies these challenges. The Energy and Petroleum Regulatory Authority (EPRA, 2023) highlighted that abrupt leadership changes have delayed major infrastructure projects and impeded decision-making. Persistent reliance on external recruitment has weakened internal leadership pipelines, reduced employee motivation, and compromised organizational stability. Although global evidence emphasizes the benefits of structured succession systems, mechanisms such as talent development, leadership training, knowledge transfer, and policy frameworks remain underutilized at KPC, undermining leadership readiness and overall performance. Despite prior research on leadership issues in Kenya's public sector, few studies have empirically examined how specific succession planning strategies influence performance in critical state corporations like KPC. Therefore, this study seeks to address this gap by investigating the effect of succession planning strategies on organizational performance at the Kenya Pipeline Company Limited, focusing on employees at the

Nairobi Depot and Head Office. The findings aim to generate evidence-based insights to strengthen leadership continuity, inform HR policy reforms, and enhance performance across Kenya's state corporations.

### **Objectives of the Study**

- i. To assess the effect of talent development on organizational performance in state corporations in Kenya.
- ii. To evaluate the effect of leadership training on organizational performance in state corporations in Kenya.

### **SIGNIFICANCE OF THE STUDY**

This study is significant both theoretically and practically, as it deepens the understanding of how succession planning strategies influence organizational performance in Kenyan state corporations, with specific reference to the Kenya Pipeline Company Limited (KPC). For KPC's management, the findings provide evidence-based insights to strengthen leadership continuity, enhance operational efficiency, and align human resource practices with strategic objectives. For policymakers and regulatory bodies such as the State Corporations Advisory Committee (SCAC), the Public Service Commission (PSC), and the Ministry of Public Service, the study offers empirical guidance for institutionalizing structured succession frameworks across public institutions to ensure sustainable leadership and governance. Human resource practitioners gain practical approaches to implementing talent development, leadership training, and knowledge transfer initiatives that build robust internal leadership pipelines and reduce dependency on external recruitment. Academically, the study contributes to the growing body of literature on succession planning within the public sector, providing a foundation for future empirical research. Ultimately, effective succession planning enhances employee motivation, service delivery, and institutional stability, thereby promoting good governance and contributing to national development.

### **LITERATURE REVIEW**

#### **Theoretical Literature Review**

##### **Human Capital Theory**

This study is anchored on the Human Capital Theory (HCT), proposed by Schultz (1961) and expanded by Becker (1964), which posits that individuals' knowledge, skills, and abilities constitute a critical form of capital that drives organizational and national productivity. The theory emphasizes that investing in human resources through education, training, and professional development yields measurable returns in efficiency, innovation, and performance (Becker, 1993; Nafukho, Hairston, & Brooks, 2020). Employees are thus viewed as strategic assets whose competencies determine long-term sustainability and competitive advantage (Nyberg & Wright, 2015). In the context of this study, HCT provides a foundation for examining how succession planning strategies particularly talent development, leadership training, knowledge transfer, and policy frameworks enhance organizational performance. Through targeted investments

in employee growth, organizations such as the Kenya Pipeline Company Limited (KPC) can ensure leadership continuity, minimize skill gaps, and safeguard institutional knowledge during transitions (Wang, Jaw, & Tsai, 2019). The theory aligns with the study's conceptual framework, suggesting that systematic identification, mentoring, and training of employees build strategic capacity and promote long-term resilience and performance (Mensah, 2019; Albrecht et al., 2015).

### **Transformational Leadership Theory**

The Transformational Leadership Theory, introduced by Burns (1978) and refined by Bass (1985), explains how visionary leaders inspire, motivate, and develop followers to achieve higher levels of innovation and performance. Unlike transactional leadership, which focuses on routine exchanges, transformational leadership fosters adaptability, collaboration, and shared organizational vision (Banks et al., 2016). This theory is highly relevant to succession planning, as it emphasizes preparing leaders who can sustain change, drive innovation, and maintain institutional stability during transitions. Within KPC, transformational leadership provides a framework for designing succession strategies that focus on leadership development rather than mere replacement. Leadership programs incorporating mentoring, coaching, and visionary training enhance readiness and organizational resilience (Ismail et al., 2020). Empirical studies affirm that transformational leaders improve engagement, innovation, and adaptability (Hoch et al., 2018; Breevaart & Zacher, 2019). Integrating transformational principles into KPC's succession framework ensures that future leaders are not only technically competent but also ethical, visionary, and adaptive key attributes for sustaining performance and promoting excellence in Kenya's public sector.

### **Resource-Based View (RBV)**

The Resource-Based View (RBV), advanced by Barney (1991) and expanded by Sirmon et al. (2017) and Ployhart and Moliterno (2019), argues that sustainable competitive advantage arises from an organization's ability to develop and leverage internal resources that are valuable, rare, inimitable, and non-substitutable (VRIN). Among these, human capital is considered a uniquely strategic and irreplaceable asset. Within succession planning, RBV supports investment in leadership development and retention as mechanisms to strengthen institutional continuity and long-term performance. Empirical evidence shows that organizations with structured succession frameworks demonstrate superior agility, resilience, and knowledge retention (Jiang & Messersmith, 2018; Gomezelj, 2016). For KPC, which operates in a highly technical and regulated environment, the RBV underscores the need to preserve leadership expertise, institutional memory, and specialized knowledge. Developing leadership capacity internally reduces disruptions during transitions and reinforces strategic advantage. As Ployhart and Moliterno (2019) note, human capital embedded within an organization's culture and systems is difficult to replicate, providing a durable competitive edge. Therefore, RBV positions succession planning as a proactive strategy for sustaining

competitiveness, ensuring operational stability, and promoting long-term institutional resilience.

### **Empirical Literature Review**

#### **Talent Development and Organizational Performance**

Globally, empirical evidence demonstrates a strong positive relationship between talent development and organizational performance. Mensah (2020), in a study of 48 public institutions in Ghana, found that effective talent development programs significantly improved employee engagement and leadership readiness, explaining 37% of the variance in overall performance ( $R^2 = 0.37$ ). Similarly, Saks and Haccoun (2020) observed that continuous learning and career development initiatives enhance employee retention and customer satisfaction, driving sustainable performance. In Asia, Lee and Chen (2021) established that formalized leadership development and mentorship programs among 210 Singaporean firms led to a 19% rise in innovation performance and a 15% improvement in decision-making efficiency, confirming that talent development enhances adaptability and competitiveness. In Kenya, Ngari and Wwere (2022) reported a significant positive relationship between talent development and organizational performance ( $\beta = 0.421$ ,  $p < 0.05$ ) in state corporations, while Wanjiru and Mwangi (2021) found that organizations emphasizing employee development achieved higher internal promotions and reduced reliance on external recruitment. Collectively, these studies affirm that talent development is a strategic driver of sustainable performance through enhanced employee motivation, innovation, and operational efficiency. Within the Kenya Pipeline Company Limited (KPC), structured initiatives such as leadership training, coaching, and job rotation can strengthen institutional capacity and leadership continuity. However, limited empirical work in Kenya has examined the direct link between talent development and measurable performance outcomes, a gap this study seeks to address.

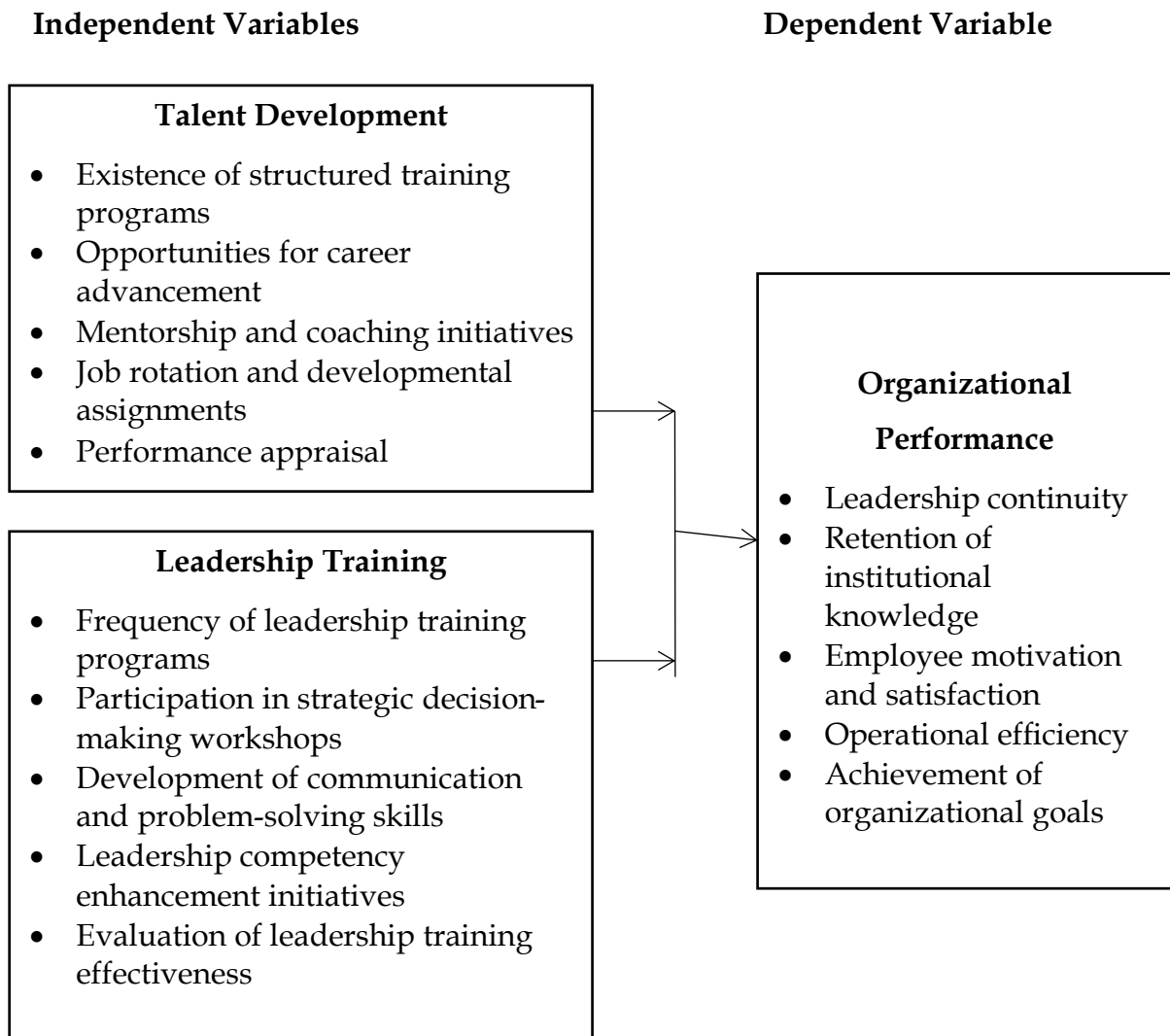
#### **Leadership Training and Organizational Performance**

Research consistently supports the link between structured leadership training and improved organizational performance. Globally, Osei et al. (2020) found that customized leadership programs in multinational corporations across Ghana and South Africa enhanced strategic decision-making and internal promotions, directly improving organizational resilience. Claussen et al. (2017), in a longitudinal study of Fortune 500 firms, revealed that sustained leadership training improved employee engagement by 21% and internal succession rates by 17%, while McCauley and Palus (2021) emphasized that coaching and mentorship within leadership programs enhanced leadership retention and transition stability. Similarly, D'Amato and Herzfeldt (2019) found that experiential leadership training increased managerial readiness by 30%, confirming its strategic role in driving performance. Locally, Otieno and Omwenga (2021) reported a strong positive correlation between leadership training, employee motivation, and succession readiness in Kenyan state corporations. Muturi and Wambua (2021) also demonstrated that structured leadership programs, including coaching and job rotations, promoted

leadership continuity and institutional performance, while Wanjiku and Kimani (2020) found that such initiatives reduced leadership gaps in state corporations. However, implementation challenges persist: Omondi (2019) observed that leadership programs in Kenyan ministries lacked consistency and sustainability, and Kinyua and Muriithi (2018) noted poor alignment with performance appraisal systems, reducing their impact. Empirical evidence affirms that leadership training enhances organizational performance by fostering preparedness, engagement, and operational continuity. Nonetheless, gaps remain in integrating training within broader succession and performance management systems particularly in public sector institutions like KPC highlighting the need for more longitudinal and context-specific research.

### **CONCEPTUAL FRAMEWORK**

The development of this framework is grounded in relevant theories and past empirical findings, which provide a theoretical foundation and practical context for the proposed relationships.



**METHODOLOGY**

**Research Design**

This study adopted a correlational research design, which is suitable for examining the degree and direction of relationships among variables without manipulation (Creswell & Creswell, 2018). The design aligned with the study’s objective of determining how succession planning practices—specifically leadership training, knowledge transfer, mentoring, and policy frameworks—relate to organizational performance at the Kenya Pipeline Company (KPC). This approach was appropriate because it enabled the identification and quantification of associations among key variables, providing both conceptual and empirical insights. According to Saunders, Lewis, and Thornhill (2019), correlational designs are particularly useful in forecasting outcomes, understanding complex interrelationships, and supporting evidence-based decision-making within dynamic organizational environments. Thus, this design provided a systematic framework for analyzing the link between succession planning strategies and performance outcomes in a real-world corporate setting without influencing the natural

organizational processes.

### Target Population

The study focused on employees at the Kenya Pipeline Company's (KPC) Head Office and Nairobi Depot, with a target population of 357 employees drawn from six key departments: Human Resources, Operations, Finance, Procurement, Legal, and Audit. This population was considered appropriate as it included personnel directly involved in strategic, operational, and administrative functions central to succession planning and performance management. By targeting these departments, the study ensured a balanced representation of perspectives across different functional areas, thereby enhancing the reliability and comprehensiveness of the findings. The selected population also reflected the organizational structure most relevant to leadership development and continuity, ensuring that the collected data accurately captured the dynamics of succession planning practices within KPC.

**Table 1:** Target Population

| Department      | Number of Employees | Percentage (%) |
|-----------------|---------------------|----------------|
| Human Resources | 25                  | 7.0            |
| Operations      | 160                 | 44.8           |
| Finance         | 60                  | 16.8           |
| Procurement     | 45                  | 12.6           |
| Legal           | 37                  | 10.4           |
| Audit           | 30                  | 8.4            |
| <b>Total</b>    | <b>357</b>          | <b>100.0</b>   |

**Source:** KPC Annual Report (2025)

### Sample and Sampling Technique

This study employed stratified random sampling, which involves dividing the total population into distinct subgroups, or strata, based on shared characteristics such as department or job function. A random sample was then drawn from each stratum in proportion to its size within the overall population. This method ensures that all relevant categories are adequately represented, minimizes sampling bias, and enhances the accuracy and generalizability of the findings, particularly in heterogeneous populations. The sample size was determined using the Krejcie and Morgan (1970) formula, which provides a statistically robust approach for establishing representative sample sizes. The population of 357 employees was first stratified according to key characteristics, including department and functional role, after which proportionate random samples were drawn from each stratum, following recommendations by Orodho and Kombo (2002) and Mugenda and Mugenda (2003). While some scholars suggest that sampling 30% of the population is sufficient for analysis (Mugenda & Mugenda, 2008), the Krejcie and Morgan method provided a more precise estimate, yielding a sample size of 186 respondents, ensuring a 95% confidence level and a 5% margin of error. The sample was

distributed proportionally across all strata, as detailed in the sampling frame, to maximize representativeness and strengthen the validity of the study findings.

The formula is given as:

$$S = \frac{(X^2 \times N \times P \times (1 - P))}{(d^2 \times (N - 1) + X^2 \times P \times (1 - P))}$$

Where: S = Required sample size;  $X^2 = 3.841$  (for 95% confidence level); N = 357 (population size); P = 0.5 (population proportion) ; d = 0.05 (margin of error) and the sample size was 186 respondents.

### **Data Collection Instruments**

The study employed a quantitative approach, using structured questionnaires to collect primary data efficiently from a large sample while capturing respondents' perceptions, attitudes, and experiences regarding succession planning and organizational performance (Kothari, 2014; Mishra & Alok, 2022). The questionnaire utilized a 5-point Likert scale, enabling nuanced measurement of attitudes and behaviors and facilitating robust quantitative analysis. Its structured format ensured consistency, comparability, and efficient data coding for statistical evaluation.

### **Pilot Study, Validity, and Reliability**

A pilot study involving 10% of the target population (approximately 19 respondents) was conducted to test clarity, reliability, and validity. Stratified sampling ensured representation across six departments. Reliability was assessed using Cronbach's alpha, with a threshold of 0.70 indicating acceptable internal consistency (Taber, 2018). Content validity was ensured through expert review to confirm that questionnaire items were relevant, clear, and comprehensive (Nayak & Singh, 2021). Feedback from the pilot study informed adjustments to question wording, structure, and sequencing, and pilot respondents were excluded from the main study.

### **Data Collection Procedure**

Data collection commenced after obtaining an introduction letter and ethical clearance from the Management University of Africa, followed by a research permit from the National Commission for Science, Technology and Innovation (NACOSTI). Formal authorization was then sought from KPC management.

### **Data Analysis**

Data were analyzed using SPSS version 28, employing both descriptive and inferential statistics. Descriptive statistics summarized respondents' characteristics and trends, while inferential statistics, including correlation and regression analysis, and examined relationships between succession planning strategies and organizational performance (Newman & Gough, 2020).

### **Ethical Considerations**

The study adhered to established ethical guidelines for research involving human participants. Key measures included: Informed Consent: Participants were briefed on study objectives, procedures, potential risks, and benefits, and signed consent forms to confirm voluntary participation (Biros, 2018; WHO, 2021). Voluntary Participation: Respondents could withdraw at any stage without penalty, ensuring respect for autonomy (Bhandari, 2022). Confidentiality: Data were used solely for academic purposes, with no disclosure to third parties. Questionnaires omitted personal identifiers, and results were reported in aggregate (Ou & Wong, 2020). Privacy and Anonymity: Responses were anonymized, and codes replaced personal or departmental identifiers, safeguarding participants and encouraging honest reporting (Bryman, 2016; Creswell & Creswell, 2018). These measures ensured ethical integrity, protection of participants' rights, and compliance with national and institutional research standards.

### **FINDINGS**

The study administered 186 questionnaires to employees of Kenya Pipeline Company Limited (KPC), achieving a 69.9% response rate with 130 completed responses, which is considered sufficient for reliable organizational research (Creswell & Creswell, 2021). Among respondents, 59.2% were male and 40.8% female, reflecting a moderate gender imbalance typical of the technical nature of the sector, yet demonstrating progress toward inclusivity. The workforce was largely mid-career and experienced, with 45.3% aged 46–55 years and 28.5% aged 36–45 years, while smaller proportions were aged 26–35 years (11.2%), over 55 years (12.3%), and 18–25 years (2.7%), indicating strong institutional knowledge but highlighting the need for talent renewal. Participants were drawn from diverse departments, including Human Resources (14.5%), Operations (13.8%), Finance (11.1%), Legal (3.0%), Procurement (3.0%), Audit (2.3%), Maintenance (1.5%), and other specialized units (50.8%), reflecting the organization's operational breadth. In terms of position, 64% of respondents were middle managers, 23.7% junior staff, and 12.3% senior management, ensuring insights from personnel directly involved in policy implementation and operational execution. Additionally, most employees (72.3%) had served over 10 years, demonstrating strong retention, institutional memory, and operational continuity, while underscoring the importance of succession planning and talent development to balance experience with innovation (Armstrong & Taylor, 2020; Dessler, 2020).

## Talent Development

**Table 2:** Talent Development

| Statement                                                                                         | Mean        | Std. Dev |
|---------------------------------------------------------------------------------------------------|-------------|----------|
| KPC identifies high-potential employees for future leadership roles                               | 3.76        | .993     |
| There are clear career growth paths for staff                                                     | 3.58        | .942     |
| The organization supports employee development through structured training programs               | 3.68        | 1.005    |
| Talent development is based on objective performance evaluation criteria.                         | 3.75        | 1.014    |
| Talent development initiatives are aligned with organizational goals and future leadership needs. | 3.96        | .902     |
| <b>Overall Mean</b>                                                                               | <b>3.75</b> |          |

The analysis of responses shows that employees generally agreed with the statements, as reflected by the overall mean score of 3.75 on a five-point Likert scale. This mean falls within the range typically interpreted as “agree,” indicating that most respondents perceive the organization as moderately effective in identifying and developing talent for future leadership roles. The highest-rated statement, “Talent development initiatives are aligned with organizational goals and future leadership needs” (M=3.96, SD=0.902), suggests that employees believe the company’s talent development programs are strategically oriented and integrated with long-term organizational objectives. The lowest-rated item, “There are clear career growth paths for staff” (M=3.58, SD=0.942), implies that while talent is being identified and trained, some employees may perceive ambiguity or limitations in career progression structures. The overall implication of the mean (3.75) is that Kenya Pipeline Company Limited demonstrates a strong commitment to talent development, though opportunities exist to enhance transparency in career advancement and ensure equitable access to leadership pathways. According to Armstrong and Taylor (2020), effective talent management involves systematic identification, nurturing, and deployment of high-potential employees to meet future organizational needs. Therefore, the results suggest that while KPC has made significant progress in aligning talent initiatives with strategic goals, reinforcing career planning frameworks could further strengthen employee motivation, retention, and leadership continuity. These results are corroborated by Ngari and Wanyoike (2021), who found that talent development enhances employee engagement and organizational competitiveness in public enterprises

## Leadership Training

**Table 3:** Leadership Training

| Statement                                                                                           | Mean        | Std. Dev |
|-----------------------------------------------------------------------------------------------------|-------------|----------|
| Leadership training programs are regularly conducted for employees identified as potential leaders. | 4.27        | .944     |
| The organization provides mentorship and coaching opportunities as part of leadership training.     | 4.34        | .952     |
| Leadership training programs enhance employees' decision-making and problem-solving abilities.      | 4.19        | .788     |
| Leadership training is aligned with the organization's strategic objectives and succession need.    | 4.38        | .865     |
| Leadership training has improved employee motivation, innovation, and overall performance.          | 4.50        | .920     |
| <b>Overall Mean</b>                                                                                 | <b>4.33</b> |          |

The analysis of responses reveals a high level of agreement among respondents, as reflected by an overall mean of 4.33 on a five-point Likert scale. This indicates that employees strongly agree that leadership training is well established, effectively implemented, and positively contributes to organizational outcomes. The highest-rated statement, "Leadership training has improved employee motivation, innovation, and overall performance" (M=4.50, SD=0.920), suggests that training initiatives have had a tangible impact on both individual and organizational performance. Similarly, the high mean scores for "Leadership training is aligned with the organization's strategic objectives and succession need" (M=4.38, SD=0.865) and "The organization provides mentorship and coaching opportunities as part of leadership training" (M=4.34, SD=0.952) highlight that KPC integrates leadership development with its long-term strategic direction and fosters mentorship-driven growth. The relatively low variability (SDs between 0.788 and 0.952) indicates strong consensus among respondents.

The implication of the overall mean (4.33) is that Kenya Pipeline Company Limited has effectively institutionalized leadership training as a core strategic function, promoting continuous learning and leadership succession. These findings align with Northouse (2021), who emphasizes that structured leadership development programs enhance managerial capability, foster innovation, and sustain organizational competitiveness. Furthermore, the results imply that KPC's investment in training and coaching contributes to a motivated workforce prepared for future leadership roles, strengthening organizational resilience and continuity in a dynamic operational environment. The findings are consistent with Gichuhi and Karanja (2023), who reported that leadership training in Kenyan state corporations significantly improves performance and succession preparedness.

## Organizational Performance

**Table 4: Organizational Performance**

| Statement                                                                                                 | Mean        | Std. Dev |
|-----------------------------------------------------------------------------------------------------------|-------------|----------|
| The organization consistently achieves its strategic objectives and performance targets.                  | 4.43        | .804     |
| The organization effectively utilizes its human and technical resources to enhance productivity.          | 3.99        | .866     |
| Employee engagement and motivation contribute positively to organizational performance.                   | 3.65        | .821     |
| The organization demonstrates continuous improvement and innovation in its operations.                    | 4.31        | .914     |
| Leadership continuity through succession planning has contributed to improved organizational performance. | 4.58        | .841     |
| <b>Overall Mean</b>                                                                                       | <b>4.19</b> |          |

The analysis of responses reveals a strong positive perception, with an overall mean of 4.19 on a five-point Likert scale. This indicates that respondents generally agreed to strongly agreed that the organization performs effectively across strategic, operational, and leadership dimensions. The highest-rated statement, "Leadership continuity through succession planning has contributed to improved organizational performance" (M=4.58, SD=0.841), underscores the strong link between succession management and sustained performance outcomes, suggesting that leadership stability plays a pivotal role in driving company success. Similarly, high mean scores for "The organization consistently achieves its strategic objectives and performance targets" (M=4.43, SD=0.804) and "The organization demonstrates continuous improvement and innovation in its operations" (M=4.31, SD=0.914) indicate that KPC maintains robust strategic alignment and a culture of innovation. In contrast, the lowest-rated statement, "Employee engagement and motivation contribute positively to organizational performance" (M=3.65, SD=0.821), though still positive, suggests moderate perceptions regarding the strength of employee-driven performance initiatives.

The implication of the overall mean (4.19) is that Kenya Pipeline Company Limited demonstrates high organizational performance, attributed to effective resource utilization, strategic leadership, and a well-structured succession system. These findings suggest that the company's human resource and leadership practices are strongly associated with its strategic goals, nurturing operational excellence and long-term competitiveness. According to Kaplan and Norton (2020), organizations that add leadership continuity, innovation, and strategic performance management achieve superior results through improved alignment between human capital and strategic priorities. Hence, KPC's strong performance indicators reflect a mature organizational system capable of sustaining growth, adaptability, and leadership-driven success.

## Regression Analysis Results

The study carried out regression analysis to assess the relationship between study variables. Besides, the study carried out a model summary and analysis of variance.

### Model Summary

A model summary is a concise overview of a statistical or machine learning model's performance, typically including key metrics like coefficients, R-squared, p-values, accuracy, or error rates, depending on the model type. It provided a snapshot of how well the model fits the data, its predictive power, and the significance of its variables.

**Table 5:** Model Summary

| Model | R                 | R-Square | Adjusted R-Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .805 <sup>a</sup> | .6470    | .6452             | .564                       |

The model R-square value of 0.647 implies that 64.7% of the variation in organizational performance is explained by these four variables, signifying that they are major determinants of performance outcomes. The adjusted R-square of 0.6452, being very close to the R-square, confirms the model's reliability and goodness of fit, while the low standard error of estimate (0.564) shows minimal deviation between observed and predicted values, hence high predictive accuracy. Overall, the results suggest that well-structured succession management practices significantly and positively influence organizational performance. The **R value** of 0.805 in the regression model indicates a strong positive correlation between the independent variables (the factors being analyzed) and the dependent variable (organizational performance). Specifically, the R value represents the linear relationship between the observed and predicted values in the model. A value of 0.805 suggests that there is a substantial proportion of the variance in organizational performance that can be explained by the predictors in the model. An R value of 0.805 is relatively high, meaning that the model has a strong fit with the data. In other words, the independent variables are highly correlated with organizational performance, and the model does a good job of capturing the relationship between the two. This suggests that the variables included in the model play a key role in influencing organizational performance, making it a valuable tool for understanding these relationships.

### Analysis of Variance

Analysis of Variance is a statistical technique used to compare means across multiple groups to determine if there are significant differences among them, based on variance within and between the groups.

**Table 6:** Analysis of Variance

|   | <b>Model</b> | <b>Sum of Squares</b> | <b>df</b>  | <b>Mean Square</b> | <b>F</b> | <b>Sig.</b>       |
|---|--------------|-----------------------|------------|--------------------|----------|-------------------|
| 1 | Regression   | 22.185                | 2          | 5.546              | 8.585    | .008 <sup>b</sup> |
|   | Residual     | 80.835                | 127        | 0.646              |          |                   |
|   | <b>Total</b> | <b>103.02</b>         | <b>129</b> |                    |          |                   |

The ANOVA results indicate that the regression model is statistically significant in explaining variations in organizational performance ( $F=8.585$ ,  $p=0.008$ ). Since the significance value ( $p<0.05$ ), it confirms that the combined influence of independent variables, talent development, leadership training, knowledge transfer mechanisms, and succession policy frameworks has a significant effect on organizational performance. The regression sum of squares (22.185) compared to the residual sum of squares (80.835) further suggests that a considerable portion of the variance in organizational performance is explained by the model. Therefore, the results validate that succession management practices collectively and notably contribute to improving organizational performance.

### Regression Coefficients

Regression analysis was used to analyze the relationship between a dependent variable and independent variables, aiming to predict outcomes or understand variable influences. By estimating coefficients, it quantifies how changes in predictors affect the dependent variable.

**Table 7:** Regression Coefficients

|                                       | <b>Unstandardized Coefficients</b> | <b>Standardized Coefficients</b> |            |       |      |
|---------------------------------------|------------------------------------|----------------------------------|------------|-------|------|
|                                       | $\beta$                            | Beta                             | Std. Error | t     | Sig. |
| (Constant)                            | .874                               | .251                             |            | 3.477 | .001 |
| Talent Identification and Development | .187                               | .079                             | .190       | 2.368 | .019 |
| Leadership Training                   | .448                               | .094                             | .480       | 4.789 | .000 |

The regression analysis indicates that both talent identification and development and leadership training have a positive and significant effect on organizational performance at Kenya Pipeline Company Limited. Specifically, a one-unit increase in talent identification and development is associated with a 0.187-unit increase in organizational performance, with a standardized Beta of 0.190, indicating a moderate positive effect. This relationship is statistically significant ( $t = 2.368$ ,  $p = 0.019$ ), suggesting that nurturing internal talent contributes meaningfully to performance outcomes. Leadership training, on the other hand, exhibits a stronger impact, with a one-unit increase leading to a 0.448-

unit improvement in organizational performance and a standardized Beta of 0.480. This effect is highly significant ( $t = 4.789$ ,  $p = 0.000$ ), highlighting the critical role of structured leadership development in enhancing decision-making, operational efficiency, and overall organizational effectiveness. Overall, the findings demonstrate that while both strategies are important, leadership training is the most influential driver of organizational performance, emphasizing the need for KPC to invest in continuous leadership development alongside talent management initiatives to sustain institutional effectiveness and operational excellence.

## CONCLUSION

The study concluded that succession planning strategies, specifically talent identification and development and leadership training, have a significant positive effect on organizational performance at Kenya Pipeline Company Limited (KPC), with leadership training exhibiting the strongest impact. Talent development enhances internal capacity, employee motivation, and leadership continuity, while leadership training improves decision-making, operational efficiency, and leadership preparedness. These findings affirm the relevance of Human Capital Theory, highlighting the value of investing in employee skills, and support Transformational Leadership Theory by emphasizing the development of visionary and adaptable leaders. Additionally, the results align with the Resource-Based View, demonstrating that internal leadership talent and institutional knowledge are critical resources that sustain competitive advantage.

## RECOMMENDATIONS

The study offers several actionable recommendations that span theory, practice, and policy. Theoretically, it reinforces Human Capital Theory by showing that investing in employee skills and leadership development boosts organizational performance, while Transformational Leadership Theory is validated through the importance of cultivating visionary, adaptable leaders. The Resource-Based View is also supported, confirming that internal leadership talent and institutional knowledge are unique assets that provide lasting competitive advantage.

Future research could explore integrating these perspectives into a unified framework for succession planning in public sector organizations. Practically, KPC should strengthen talent identification programs through structured mentorship, coaching, and rotational assignments to build robust internal leadership pipelines. Leadership training should be prioritized and regularly updated to develop strategic thinking, problem-solving, and change management skills among high-potential employees. Human resource practices should align succession planning with performance management to ensure measurable outcomes such as internal promotions, knowledge transfer, and operational continuity. Periodic reviews of succession strategies are also recommended to address demographic shifts and support smooth generational transitions. From a policy perspective, regulators such as the PSC and SCAC should develop and enforce formal succession planning guidelines across all state corporations to standardize talent

development and leadership training. Public sector policies should integrate succession planning into governance frameworks, promote gender equity, foster inclusive talent pipelines, and ensure merit-based promotions to enhance workforce diversity, employee motivation, and sustainable organizational performance.

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