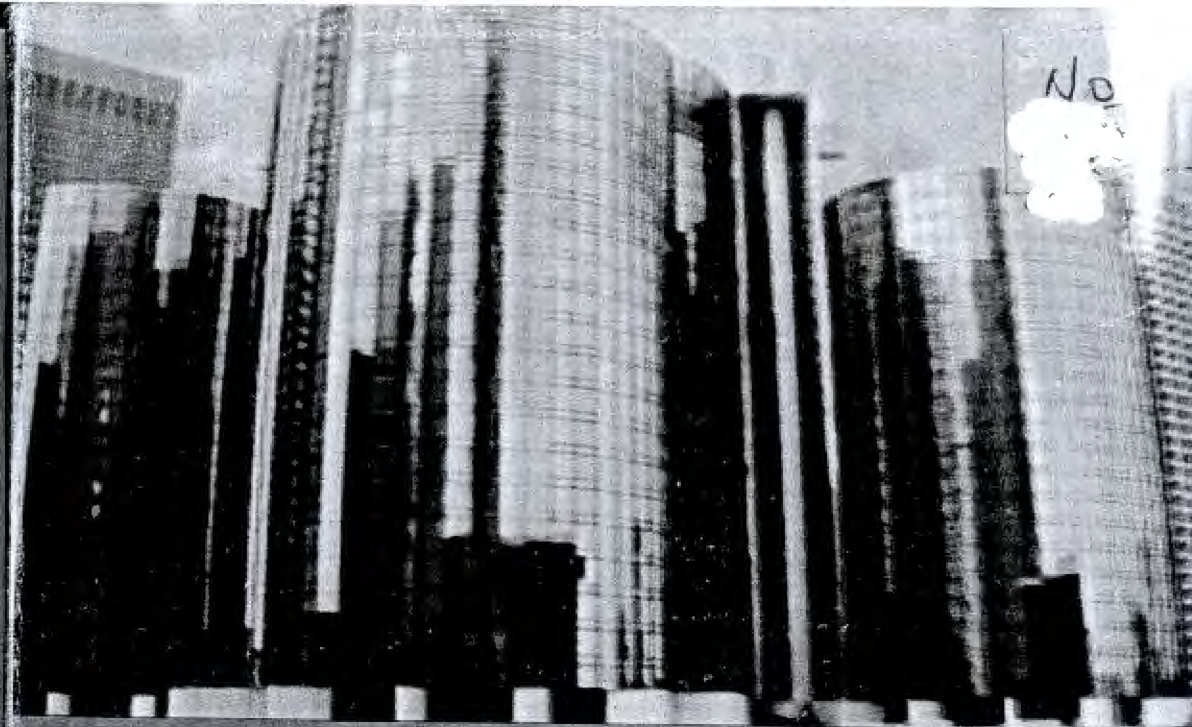

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EDITOR'S NOTE

In December 1963, the United Nations General Assembly adopted a resolution to explore ways and means of supporting national efforts for the eradication of illiteracy, through a world campaign, and any other appropriate measures, both financial and non-financial. Following this resolution, UNESCO convened a number of regional conferences to study the problem of illiteracy in different countries. In April, 1961, it convened an International Committee of Experts on Literacy, which suggested the selective approach that would launch literacy programmes in organized sections of the economy, particularly in such areas where people in employment would need literacy for their regular work The implication was that national development plans embracing economic and general educational considerations should include programmes for functional management. The concept of Functional Management was thus formulated within a context in which the world was ready for a now approach to literacy. Its historical roots portray it as born by the necessity for urgent development. This places functional literacy in the position of endearment to all developing countries as a method of promoting adjustment to desirable change, so that all peoples in a' development situation may grow to become the agents and the objects of their own development.

One of the great aims of functional Management make its adherent a better of what he is. Thus its adoption helf anybody engaged in any development-oriented work to become more competent and better equipped for his work. Thus the farmer, artisan, industrial worker, trader, teacher, office worker and, in fact, anybody a development situation, all require functionality to become better able to perform their tasks. The fact is that the recasting of the modes of functioning in a modem economy, the creation of a new mentality, the process of adaptation to the industrial environment and the ability to meet its technical demands, all require some level of functional Management. .

Dr. Ogidan O. T.

CONTENTS

EFFECTIVE MANAGERIAL SUCCESSION: A CATALYST TO EFFICIENT ORGANIZATIONAL PERFORMANCE

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Abstract

The concept organization performance as well as executive succession has become a vital area of organizational study if success is to be considered as the primary objective of any organization, be it profit or non-profit. Changes in top management teams of many organizations are becoming more frequent in modern times due to the need for better organizational performance, mergers, acquisitions and strategic re-engineering. The objectives of this paper among others are to: (i) establish whether managerial succession has effect on organizational performance; (ii) Determine whether internal managerial succession will be more influential than an external succession.. The paper adopts a survey method with two hypotheses stated in null form. Data obtained from questionnaires distributed were analyzed and these were tested with the aid of ANOVAL test statistics. The paper believes that chief executives and top management teams of organizations are the chief architects and planners of human resources and hence must contribute immensely to the overall success of their organizations. The paper is recommends that there should be a comprehensive succession plan or policy on ground, which must be implemented objectively. It also believes that management succession should strictly be by merit and that it is only those that have what it takes to uphold the organization's vision and mission that should hold managerial positions.

Keywords: Managerial; Succession; Catalyst; Efficient; Organization; Performance.

Introduction.

The issue of organizational performance and executive succession is today an important area of organizational study, when one considers success as the primary objective of any organization whether profitable or not profit organization. Interestingly, success is also wished to be obtained in every aspect of an organization's operations such as marketing, production, accounting, finance, and human resource management. In other words, all organizations thrive to be successful in all that they do because strategic success will eventually lead to overall success. Therefore, every department within an organization has a significant role to play towards the attainment of overall organizational objectives. This task may also require each department to work together in harmony as attainment of success in an organization has clearly been stated as a collective effort. Another important factor necessary for an organization to be successful is the need for a properly defined and comprehensive set of objectives, both for the organization and for the workers within the organization. This will ensure that each worker clearly understands what is expected of him/her; it will also ensure efficiency and effectiveness of the workers, thus leading to maximization of time and resources. The provision of these objectives also makes it possible for the management team to measure the performance of the workers and determine if actual outcome matches expected outcome using performance measurement systems. The level of performance of workers in every organization is also determined by the appropriate supervision by their superiors. Even after the objectives are laid down, the presence of the management team is necessary for the workers to really perform up to standard. The reason being that each worker will be conscious of the consequences of low performance, they would be motivated to impress their superiors because of the rewards/incentives good performance attracts, and the ability to approach their superiors for assistance at any time.

The roles Mangers play in their respective organizations are numerous such as: Laying down the rules and policies of the organization; Setting up the objectives of the organization and that of the workers; Determining the acceptable organizational standards, rewarding the sub-ordinates, punishing erring workers; Making decisions on behalf of the organization.

With the enormous responsibilities vested in the manager, the managerial position is a very vital one. There are certain skills and abilities that need to be acquired to merit the exalted position. The manager is a very important figure in the organization and his effort determines if the organization would succeed or not. There are various managerial positions in an organization. In most private ones, there are 3 levels of management which include; the lower level managers who are responsible for the supervision of the day-to-day activities of the organization. We have the middle level managers to whom the low level managers' report. They provide the rules and regulations that the lowest level mangers abide by.

Top management succession is a critical organizational decision Change of managers in an organization is regarded as managerial/management succession. For managerial succession to be effective there has to be a plan or process for it. It is not something that is embarked on and completed in a day. Depending on the managerial position to be succeeded in terms of the level of management, will determine how vigorous the process will be.

> *'The key in succession management is to create a match between the company's future needs and the aspirations of individual employees. A well-developed succession planning process increases the retention of superior employees because they recognize that time, attention and skill development is being invested in them for the purpose of career development.' (Aldrich 1979).*

When one continues to challenge and reward talented employees, one eliminates their need to seek opportunities elsewhere. Developing leadership talent is a long-term investment. Within any organization, people in leadership positions eventually cease to fulfill that role. This can occur for a variety of reasons, such as: Promotion within the organization; move to part-time arrangements for better work-life balance; voluntary departure from the organization to pursue a career elsewhere; involuntary departure from the organization; retirement; serious illness; death.

Statement of Problem

In modern times, Changes in top management teams are becoming more and more frequent due to the need for better organizational performance, mergers and acquisitions, and strategic reorientations. This dynamic trend in a way reflects a desire to influence the performance of the firm by means of altering the composition of the top management team' (Leonard, 2001). There is n much literature today that that looks specifically at how managerial succession affects organizational performance. However, numerous scholars have addressed managerial change in different forms, however. Boyne (2000) views managerial change as elusive, something that cannot be clearly or accurately tested. O'Toole and Meier (2002) look at organizational stability, but they do not explicitly address the impact of managerial change. They argue that organizational stability leads to more efficient functioning. The need to explore the effect that effective managerial succession will have on an organizational performance has become more imperative than ever. Some scholars are on the fence on whether effective managerial succession could serves catalyst an efficient organizational performance. This proposed research therefore intends to fill that strategic intellectual gap.

Objectives of Study

The general objective of this research is to find out the effect of Managerial Succession on organizational performance. The specific objectives of this study are to:(i) Find out if managerial succession has any effect on organizational performance. (ii) Determine if an internal successor will be more influential than an external successor or vice-versa. (iii) Proffer useful policy recommendations, which can assist companies to optimize their strategies and properly manage their succession plans.

Research Hypotheses

Two hypotheses were proposed, in the null form. These were:

1. There is no significant effect of managerial succession on organizational performance
2. There is no difference in the performance level of organizations, whether succession is internal or external.

Literature Review

There are a handful of private sector studies dealing with managerial change, but just a few on the public sector. Davidson (1990) argues that managerial succession studies are necessary in order to determine the effect of top-level leadership change on organizational performance. His argument is that these studies are generally very difficult to do and most existing studies are not empirically reliable in terms of drawing substantive and theoretical conclusions.

Much of the literature on performance indicators consists of criticisms of their purpose and content (Hian ChyeKoh, 2004). The underlying interpretations of performance are implicit or underdeveloped. An earlier body of research, however, provides a useful starting point for a discussion of the meaning of organizational performance. This is the literature on organizational 'effectiveness' that emerged during the 1960s and 1970s, largely published in sociology and management journals in the USA.

The political perspective on the performance of organizations is encapsulated in the 'competing values' model developed by Waldman and Yammarino (1999). They argue that the main features of performance can be arrayed on two axes. First, the locus of power to define organizational performance: does this rest predominantly inside or outside the organization? Secondly, the attitudes of key stakeholders towards control and flexibility: is there a need to prescribe processes and performance targets, or should managers be given autonomy and 'left to get on with it'? Another significant challenge in studying public management is the difficulty in establishing well-defined performance indicators. "While the private sector has a tangible monetary indicator (i.e. the bottom line), the public sector's gauge is legislatively mandated goals, which are a vague and often contradictory barometer" (Orosz, 1991). In other words, public managers must function within a state-mandated budget to accomplish legislatively-mandated goals. Public bureaucracies and managers also must recognize and espouse such democratic standards as accountability, efficiency, responsiveness, and equity, all which are vital to public organizations.

In the public sector, performance is typically measured in terms of accomplishing goals established by the manager or the manager's superiors. Senior executives are pulled in different directions by the competing values of different stakeholders, including the governing body under which they serve, the elected officials to whom they report, and the public at large. Goals are also constantly shifting over time.

Organization Performance in the Private Sector

The importance of private sector managers can hardly be disputed, (Waldman and Yammarino, 1999). The joint authors argued that the firm (and its managers) should strive to make "an economic and noneconomic contribution to its shareholders, employees, customers, and communities." Clearly, then, with this mark of importance attached to the chief executive and other management personnel, they are the individuals responsible and accountable to investors, stakeholders and clients. Changing Personnel in management positions should, then, greatly impact the performance of the organization (Dalton and Kesner, 1985). Many of the differences between public and private sector management are presented in terms of the means available to the managers. In other words, what resources are available to the manager that allows him or her to influence performance? The CEO, as a rule, has tremendous autonomy in the decision-making process, and is at liberty to employ whatever methods deemed necessary to accomplish the goal. Private sector chief executives are often held accountable to boards of directors (and indirectly, to stakeholders) to accomplish their goals, which are almost exclusively monetarily based. Without fail, we find that in studies of the private sector, virtually all performance indicators are related to a monetary goal. There is very little mention, if any, of goals other than monetary-based. Public sector managers do not enjoy this luxury. As a rule, managers in the public sector are not at liberty to set their own performance goals. Nor do they have ultimate control over funds to accomplish those goals. The overseeing body, normally the legislature, sets goals and nearly always controls the budget. The vast majority of succession literature focuses on private sector managers, which differ substantially from public sector managers. Indeed, many private sector management scholars argue that Management succession is perhaps one of the most significant events to occur within the firm (Finkelstein and Hambrick, 1996).

Organizational Decision-Making Performance

A wide range of indicators has represented organizational performance. Research has shown that it is impossible to obtain the best or sufficient indicator of organizational performance (Donaldson, 2008) and that whether an organization is said to be effective depends on "the purposes and constraints placed on the organizational effectiveness investigation" The view of organizational performance from a decision-making or problem solving aspect is consistent with the open system's perspective of organizations that emphasizes information processing and problem solving (Hall, 1991). The importance of decision-making cannot be overemphasized. Geetu-Orme, (2003) regards decision making "the necessity in all organizations." Choi (2008) also considers decision making the basic operation of an organization. Although organizations may have different performance criteria depending on the nature of their existence, it is my belief that to achieve any kind of success, organizations must make good decisions. How well an organization makes its decisions thus becomes the center of organizational performance.

Organizational Effectiveness. The issue of effectiveness is either implicitly or explicitly central to the works of other scholarly involving the study of organizations (Whetton & Cameron, 1994). Whetton and Cameron observed, "all theories of organizations rely on some conception of the differences between high quality (effective) performance and poor quality (ineffective) performance. Hence, effectiveness is inherently tied to all theory on organizations." Despite this centrality, consensus regarding what constitutes an effective organization remains highly elusive. Nridenpra, (2005) cites two distinct problems that confuse our understanding of organizational effectiveness. First, by its very nature as a construct, the total meaning of "effectiveness" can never be completely articulated, consequently there is no agreement on how to measure it.

The problem of measurement is exacerbated by the realization that multiple, contradictory conceptions of effectiveness may be simultaneously held by various constituencies and the realization that the subjective preferences of individuals and constituencies may change over time The best criteria to use for measuring effectiveness, therefore, may vary with each new research question.. Second, there is wide disparity in the use of the term between practitioners and theorists. Practicing managers are primarily interested in ensuring the smooth operation of organizations and, therefore, are concerned with understanding and removing impediments to effectiveness. On the other hand, other researchers have been far more interested in studying and describing highly effective organizations. One often overlooked consequence of this gap between practitioner and researcher interest is the limited usefulness of scholarly work by practitioners interested in assuring organizational effectiveness (Hianchyekeh, 2004).

As with most areas of scholarly inquiry, there have been a number of models proposed for use in the study of organizational effectiveness. Hianchyekeh,

(2004) reviewed seven models and concluded that multiple models of effectiveness are necessary and that they provide both valuable and different perspectives under different conditions. The goal model is advocated by some as the most universal approach to effectiveness and is appropriate in those instances where it is clear what results are expected and when they are expected. The system-resource model appeared in the 1960s in reaction to the goal model's limiting emphasis on goals, and is appropriate in those instances where there is a strong association between the ability of the organization to receive resources and its ability to achieve its tasks, (Nridenpra, 2005). The internal process model is an outgrowth of human resource and organization development work and is appropriate when the connection between work processes and task achievement is unclouded. The competing values model focuses on trade-offs in core values, which occur in some organizations, and is appropriate when attempting to understand changes in effectiveness criteria over time (Donaldson, 2008). The legitimacy model is a population ecology model which is appropriate at the macro level of analysis to study which organizations survive, decline, or die The ineffectiveness model is appropriate when the criteria used to describe effectiveness either cannot be articulated or agreed upon and when the focus is on improving organizational effectiveness. In sum, the selection of a given research model should be a deliberate effort by the researcher to match the conceptual strengths of a specific model with the circumstances under scrutiny.

Executive Succession and Organizational Performance

Evaluating effectiveness at the organizational level of analysis, masks critical and interdependent relationships among the various parts of an organization necessary to achieve effectiveness. At the apex of those relationships is the executive of the organization. It has been established that the tenure of leadership has dramatic implications for organizations and for the people in them. One of the more commonly reported frameworks used to describe the organizational implications of executive succession arrange research along three fundamental assumptions (Hianchyekeh, 2004). First, there are those who purport that succession is adaptive in nature and improves organizational performance. Second, some maintain that succession disrupts organizational performance. Third, still others suggest that succession is inconsequential relative to organizational effectiveness.

The adaptive view of succession regards executive replacement as a rational, deliberate effort to realign the organization to its environment, generally as a result of changing conditions (Friedman & Singh, 1989). Thus, in this view executive succession is seen as antecedent to and positively correlated with improvements in performance and/or effectiveness. The adaptive view of succession contends that leaders make a difference. Replacing an existing leader with one providing a more appropriate match of individual attributes to organizational needs improves internal and external alignments and, thus, improves organizational performance and success (Davidson 1990). Others view succession as an important, adaptive process for altering the social structure of an organization, thereby overcoming existing organizational inertia, altering power relationships, and transforming political resistance in order to support strategic change.

Succession Types

Researchers have also shown a great interest in two main types of top management successions: internal promotions and external hiring. Studies have underscored the different characteristics for the two types of successions and explored the antecedents to such successions at the top management level (Helmich 1975; Zajac, 1990). Their focus, however, has mostly been on the organizational causes of top management successions for triggering different types of successions. Oftentimes, the impact of such successions on organizational performance is largely unattended.

Research in this area has suggested that organizations hoping for much better performance tend to go for external hiring because such a move is expected to bring more dramatic changes in overcoming organizational inertia (White, Smith, & Barnett 1997). Some researchers seemed to have confirmed such an assertion in their studies of organizations with a poor initial state. However, other studies have shown that oftentimes, organizations take such dramatic approaches not for the performance sake but for symbolic reasons such as finding “scape-goats” (Jain,2005) or appeasing stockholders (White, Smith, & Barnett 1997). Their argument, based on power and politics, suggests that top management succession is more a political process than an organizational process for performance improvement.

Succession Planning

Succession planning is a systematic approach to:

- Building a leadership talent pool to ensure leadership continuity
- Developing potential successors in ways that best fit their strengths
- Identifying the best candidates for categories of positions
- Concentrating resources on the talent development process yielding a greater return on investment

Succession planning recognizes that some jobs are the lifeblood of the organization and too critical to be vacant or filled by any but the best qualified persons. Effectively done, succession planning is critical to mission success and creates an effective process for recognizing, developing, and retaining top leadership talent.

Motives Of Chief Executives

The motives are similar to managerial style. Boyne and Dahya (2002) distinguish between motives of pragmatism, altruism, and egoism. The three main models of chief executives' motives can be derived from the literature on public sector management.

Theoretical and empirical support for a negative relationship between longevity and performance is provided in the literature on corporate succession in the private sector. Studies that examine chief executive turnover in Stock Exchange-listed firms find that long-serving chief executives exercise little control over company earnings, and are generally unable to enhance performance in the period prior to their departure (Hianchyekoh,2004). Although the replacement of a 'stale' leader may lead to better performance, frequent turnover seems to have the opposite effect, perhaps because a rapid sequence of succession events is both destabilizing and disruptive.
Early studies of succession in the private sector by (Helmich, 1975) as cited by Laratta, (2004) examined the extent of organizational changes that followed the two different types of appointments, (insider and outsider). This study found that insiders were associated with fewer post-appointment organizational changes, while outsiders generally undertook radical asset and employee restructuring in the post-appointment period. Since these pioneering studies, two major themes have emerged from the fast-growing research in the area. First, there is a complex relationship between the performance of the firm before the change in top executive personnel and the origin of the successor.

Strategies. Of Chief Executives Overtime

Chief executives may seek to influence organizational performance through a variety of strategies. These include attempts to reform internal structures, processes, budgetary priorities and personnel. Research on private organizations has found that incoming senior executives often refocus the firm's strategy, and more generally are likely to restructure the operating procedures of the firm to meet their own personal objectives (Dahya, Lonie, & Power 1998). It is unclear whether organizational structures are similarly important in the public sector, simply because little research on this issue has been conducted. A change in structure may be an important symbolic act for a new chief executive. Structural reform can signal an intention to take the organization in a new direction. Executive succession may lead to the more rapid adoption of organizational structures that are fashionable in 'leading edge' organizations.

A second strategic lever that is available to a chief executive is the reform of organizational processes. A new administrative leader may seek to sharpen the planning system. A stronger commitment to strategic planning may prove appealing to a new chief executive not only because of its potentially positive effect on performance but also because it may be a method for securing greater control over an organization (Boyne 2000).

A third organizational strategy that is available to a new chief executive is to attempt to alter budgetary priorities. Boynton (1986, p. 42) claims that of all the decisions in which a local authority chief executive is involved, 'none is more important than the budget'. In recent years, annual changes in the total size of local authority budgets have been strongly influenced by central government (Boyne 2000

Empirical evidence indicates that succession can have a positive effect on performance. According to (Lin and Hui, 1999), 'Managerial Succession can have a negative effect because it may be disruptive for an organization or may even be inconsequential on performance since it is often a symbolic "scapegoat" event'. Inconsistencies in the findings have been consistently attributed both to methodological problems (Leonard, 2001), and to the failure to investigate what new 'leaders do' in terms of strategic and structural change. Some researchers have typically hypothesized that poor firm performance will trigger the hiring of an outsider. As outsiders are seen to be less committed to the status quo and therefore more likely to effect changes in the organization, they tend to be favored in situations of poor organizational performance.

Method

The methodology for carrying out research is a process of arriving at empirical solutions to the problems of investigation. The questionnaires were administered to 75 managers and 15 junior workers/regular employees of the sampled organization. The sampling method used is the non-random sampling method. 75 Managers from all levels and 15 junior workers in the organization were identified and questionnaires were administered to them. The sample frame for this research is First Bank of Nigeria, Marina branch which is the Headquarters of the organization and is situated in Lagos.

Testing of Hypotheses

H_0: There is no significant effect of managerial succession on organizational performance.

H_1: There is a significant effect of managerial succession on organizational performance.

Table 1 Model Summary (a)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.458(a)	.210	.175	.914

Source: field survey, 2010

From table 1 above, the result of the regression analysis shows that the value of the R^2 is 0.210. This means that the independent variables employed were only able to explain about 21.0% of the variations in the dependent variable (organizational performance). Hence we can conclude that the regression only has a fair fit. Notwithstanding, a good inference can be made on organizational performance sampled by the model.

Table 2 Anova (a)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	15.086	3	5.029	6.021	.001(a)
	Residual	56.789	68	.835		
	Total	71.875	71			

Source: field survey, 2010

a Predictors: (Constant), Proper networking with the external environment by the successor will create a good public image for the organization, The resources available to the successor will determine the organization's ability to maximize its return on assets, Adequate resources available to the successor will lead to increase in productivity of the organization
b Dependent Variable: Organizational Performance
Source: field survey, 2010
From table 2 above,. F_{cal}= 6.021; Degree of freedom (d.f.) = 68, 3;
$F_{tab\,(0.05)}$ (using a statistical table) = 2.740. F_{cal} (6.021) > Ftab (2.740)
Therefore (with reference to decision rule) we reject null hypothesis H_0 and accept alternative hypothesis H_1, at 0.05 level of significance.

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	.249	.888		.280	.780
	The resources available to the successor will determine the organization's ability to maximize its return on assets	.345	.114	.328	3.035***	.003
	Adequate resources available to the successor will lead to increase in productivity of the organization	.282	.137	.223	2.062**	.043
	Proper networking with the external environment by the successor will create a good public image for the organization	.286	.136	.227	2.106**	.039

a. Dependent Variable: Organizational Performance
*,**,*** represents 10%, 5%, and 1% level of significance respectively.
Source: field survey, 2010

From table 3 above, it shows the coefficients of the independent variable (Effective Managerial Succession) as well as their t-tests.

From the above analysis, it can be observed that there is a positive relationship That is to say that a unit increase in resources available to the successor would bring about a 32.8% increase in organizational performance. The value of the T statistics, which shows the significance of the parameter in the model, is 3.035 and is significant at 1%. It can also be observed that there is a positive relationship between proper networking with the external environment by the successor and organizational performance. This implies that a unit increase in networking with the external environment by the successor will result to a 22.7% increase in organizational performance. The value of the T statistics, which shows the significance of the parameter in the model, is 2.106 and is significant at 5%.

Discussion of Results for Hypothesis 1

The result of the analyses presented thus far allows us to answer the question, 'Does managerial succession have any impact on organizational performance?' The independent variables used in representing managerial succession were statistically significant in contributing to the prediction of organizational performance. As a result, the null hypothesis was rejected while the alternative hypothesis was accepted.

The results presented above suggest that there is a significant effect of Managerial Succession on Organizational Performance. All organizations need to pay attention to the crucial need of succession management and planning in order to ensure continuity of maximum performance. It has been noted that effectively done, succession planning is critical to mission success and creates an effective process for recognizing, developing, and retaining top leadership talent.

Testing of Hypothesis 2

H_0: There is no difference in the performance level of organizations, whether succession is internal or external.

H_1: There is a difference in the performance level of organizations as a result of either an internal or external succession

Table 4: Model Summary (b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.476(a)	.226	.204	.922

Source: field survey, 2010

From table 4 above, the result of the regression analysis shows that the value of the R^2 is 0.226. This means that the independent variables employed were only able to explain about 22.6% of the variations in the dependent variable (organizational performance). Hence we can conclude that the regression only has a fair fit. Notwithstanding, a good inference can be made on organizational performance sampled by the model.

Table 5: Anova (b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	17.179	2	8.589	10.097	.000(a)
	Residual	58.696	69	.851		
	Total	75.875	71			

a Predictors: (Constant), An external successor will lack understanding of his/her employees which will result to low workers productivity, An external successor will adopt different corporate strategies from the existing ones, which will lead to better organizational performance

b Dependent Variable: Organizational Performance

Source: field survey, 2010

From table 5 above,

F_{cal}= 10.097,

Degree of freedom (d.f.) = 69, 2

$F_{tab\ (0.05)}$ (using a statistical table) = 3.130

F_{cal} (10.097) > Ftab (3.130)

Therefore (with reference to decision rule) we reject null hypothesis H_0 and accept alternative hypothesis H_1, at 0.05 level of significance.

Table 6: Coefficients (b)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	1.719	.404		4.252	.000
	An external successor will adopt different corporate strategies from the existing ones, which will lead to better organizational performance	.252	.108	.259	2.340**	.022
	An external successor will lack understanding of his/her employees which will result to low workers productivity	.332	.111	.330	2.982***	.004

a Dependent Variable: Organizational Performance
*,**,*** represents 10%, 5%, and 1% level of significance respectively.
Source: field survey, 2010

From table 6 above, it shows the coefficients of the independent variable (Effective Managerial Succession) as well as their t-tests.

Discussion

From the above analysis, it can be observed that there is a positive relationship between external successors adopting different corporate strategies from the existing ones and organizational performance. That is to say that a unit increase in external successors adopting different corporate strategies from the existing ones would bring about a 25.9% increase in organizational performance. The value of the T statistics, which shows the significance of the parameter in the model, is 2.340 and is significant at 5%. It can also be observed that there is a positive relationship between an external successor's lack of understanding of his/her employees and organizational performance. This implies that a unit decrease in an external successor's lack of understanding of his/her employees will result to a 33.0% decrease in organizational performance. The value of the T statistics, which shows the significance of the parameter in the model, is 2.982 and is significant at 1%.
The result of the analyses presented thus far allows us to answer the question, 'Does it make a difference if the successor is hired internally or externally?' The independent variables used in representing managerial succession were statistically significant in contributing to the prediction of organizational performance. As a result, the null hypothesis was rejected while the alternative hypothesis was accepted.

From the analysis and test of hypotheses, the following findings have been made:

- Managerial succession has an effect on organizational performance.
- There is a difference in the performance levels of organizations, when an internal or external succession occurs.
- The above findings bring us to the conclusion that Managerial Succession has a significant effect on organizational performance, and in fact, the succession type (internal or external) will also

Conclusion: Chief Executives and top managers of organizations are the architects, planners and overall leaders of human resources. Having been identified and selected, given the necessary resources and time. This Management team should contribute considerably to the overall performance of the organization. It is worthy to note that managerial succession plan has a significant effect on organizational performance

Policy Recommendations

Based on the findings of this study, the paper provides the following recommendations.
There should be a comprehensive succession plan or policy on ground, which should be implemented, adhered to objectively.

- Management succession should strictly be by merit and only those who have what it takes to uphold the organization's vision and mission should hold managerial positions. Hence, there should be complete eradication of nepotism, god-fatherism, and undue favoritism.
- Adequate training and mentorship relationship between management and subordinates should be strongly encouraged and promoted
- An organization should not shy from picking a successor from outside the organization when necessary, regardless of what the cost may be.
- Provision for a conducive environment, where successor potential can be maximized is necessary.
- Ensuring that resources are being channeled towards achieving the aims of the succession plan.
- Open communication among all members of the organization is encouraged to bring about unity in the organization and avoid conflict.

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