

LEADERSHIP SUCCESSION PRACTICES AND EMPLOYEES' CAREER DEVELOPMENT IN THE NIGERIAN NATIONAL PETROLEUM CORPORATION

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ABSTRACT

The inability of organizations to have a well-articulated Leadership Succession plan and culture has led to disruptions in operations and leadership transition crisis. Limited literature is available on the relationship between leadership succession planning and employees career development in NNPC raising debate whether the link is tenable with the corporation. In the NNPC, there is no deliberate and structured plan for leadership succession. So, this study examined the effect of leadership succession planning on employees' career development in NNPC. The Social Cognitive Career Theory and Common-Sense Theory were used to support this research. The study adopted descriptive survey research design. The population of the research consisted of 9,024 top level, middle level and lower level management (Supervisors) staff of the NNPC who has spent more than 5years in the organization and have up to 5 years before retirement age of 60 years and sample size of 1,960 was derived using Slovin formula and purposive sampling procedure. Structured questionnaire with a six-point modified Likert- Scale was administered with a 74.6% response rate (926) copies of the questionnaires came correctly and were used for the study. The data obtained from the questionnaire was analyzed quantitatively using descriptive and inferential statistics. The results revealed that there is lack of leadership succession planning and practices in NNPC. The also revealed that there is no established career path for every employee and professional groups in NNPC. The study concludes that Leadership Succession practice have no significant effect on Employee Career Development in NNPC. The study recommends that Federal Government should empower the NNPC to put in place proper Leadership Succession planning especially in HR itself. This can be achieved when the corporation embeds a formal employee career development policy and procedure. Also, NNPC should continuously be strategizing and moving with the global trend in HR practices and to learn about future possibilities. The NNPC management and staff should align themselves with strategies to survive in the changing global business reality

Keywords: Leadership succession planning, Employees career development, NNPC, Corporations, Nigeria

INTRODUCTION

According to Dauda (2013), leadership succession practices is very critical to the stability of an organization especially with a gender dimension. It should be noted that workers leave their jobs either voluntarily (retirement or to pursue new aspirations) or involuntarily (relieved of appointment or by death), and as a result, organizations are often faced with vacancies in leadership and sometimes inadequacy or lack of knowledgeable and capable successor to fill the vacancies so created. Succession planning is a sub-level approach regarding individual employees on an individual basis, should the incumbent vacate his/her position, which is uncertain and probably indefinite (Landeta, Barrutai & Hoyos, 2009; and Harter, 2008). Organizations are expected to act fast and begin planning for successors before top managers are ready for retirement (Korn, 2007). Charan, Drotter, and Noel (2001) maintain that it is imperative for organizations to train successors before the vacancies occur. Despite the many benefits of having a succession plan in place, many organizations neglect to develop one. While the financial costs of

lack of succession planning are considerable, the human costs tend to be even larger. It therefore follows that for organizations to survive there is need to plan for succession of older (outgoing) employees (Osibanjo, Abiodun & Obamiro, 2011).

The critical role that Leaders play in the performance of their organization has been severally studied and it has been established in literature that leader succession does affect performance and that Leaders do matter. In this regard, leader's succession planning is seen as critical aspect of organizational planning which is required for the survival and perpetuity of an organization including small and medium sized enterprises (Obadan. & Ohiorenoya, 2013; Osibanjo, Abiodun & Obamiro, 2011; Richards, 2008; Rowe, Cannella, Rankin, & Gorman, 2005). Osibanjo, Abiodun and Obamiro (2011), had focused on variables such as talent retention, turnover rate, career development, and supervisor' support, organization conflicts and nepotism and they found that these are positive and significantly correlated with leadership and organizational survival. Tanoos (2012) on the other hand, looked at HRM Leadership succession in multinationals especially in Japan, and reported that the percentage of CEOs from the Top 50 Japanese Multinational Corporations hired their CEO from outside of the organization in 2% of the instances, whereas the percentage of CEOs from the Top 50 American Multinational Corporations hired their CEO from outside of the organization in 16.3% of the instances. The study confirmed that although both US and Japanese high-performing multinational CEOs are likely to originate from the lower ranks of the company, it is still more likely in the US that the company would hire from outside, even though this was lower than the percentage of outside hires in other reports. However, the relationship between leadership succession practices on employees' career development in NNPC has received little attention in research. Among the few research works carried out in that area one could mention the ones by Fapohunda (2015), Osibanjo et al. (2011), and Ahmed-Gamgum (2018).

The inability of organizations to have a well-articulated Leadership Succession plan and culture has led to disruptions and leadership transition crisis (Dauda, 2013). In the NNPC, there is no deliberate and structured plan for leadership succession. Ascension to the top management positions is often erratic due to political, tribal and sentimental considerations. From 1977 to 2017 the Corporation had welcomed 19 Chief Executive Officers (CEOs) without any deliberate program to groom any subordinates for such roles. A preview of the Nigerian Newspaper is replete with reports of sack and replacement of NNPC GMD/Management (Shosanya & Ogbuifun, 2015); this is done often without recourse to ethics, due process or natural justice (Anyim, Ufodiama & Olusanya, 2013). There are also the political negative insinuations that appear to put square pegs in round holes often based on political considerations rather than professional, meritorious and leadership competence. Leadership succession practices affect the organization in many ways (Gberevbie & Ibietan, 2013; Tanoos, 2012) and do have effect on the employee's desire to develop a Career in the organization. The NNPC has welcomed more than 18 CEOs since inception in 1977; what is the impact of this constant change made in the Career of the employees. There is need for a study of this nature so that organizational members and leaders can take adequate note of their position and functions in relation to the overall goals, strategies and aspirations of the organizations of which they are a part.

This study seeks to contribute to existing literature on leadership succession practices and employees' career development, more so in Nigeria particularly in NNPC where there is not much research on the relationship between leadership succession practices and employees' career development. The facts and information gathered from this study will provide a necessary framework for leadership of NNPC in ensuring that they manage their HR effectively in a strategic manner that will ensure a proper alignment between the HRM practices, the individual employee career objectives and the overall strategy of the

organization in achieving the national aspiration. On August 4th 2015 the Buhari Administration sacked the Group Managing Director (GMD) of the Nigerian National Petroleum Corporation (NNPC) and on the 5th of the same month, all the eight Group Executive Directors (GEDs), alongside the Managing Directors (MDs) of Strategic Business Units (SBU) and other directors of the corporation were all retired (Jaiyeoba, 2014; Okafor, 2015 & Nwachukwu, & Eboh, 2015). Oguejiofor and Ewurum (2010) noted that on May 17, 2010, the Yar'adua/ Jonathan administration also sacked the GMD of the NNPC, and ordered a comprehensive audit of the accounts of the Corporation. The appointment of the new GMD for NNPC by executive fiat of the Nigeria's President would be the fourth in the three of the Yar'adua/Jonathan administrations, with two GMDs appointed by the late President Yar'adua administration, while two were appointed by President Jonathan administration. These frequent political interferences and constant corporate governance upheavals and the planned unbundling of the NNPC are evidence that the NNPC is neither stable nor working well (Nwokeji, 2007). Based on that background, this study aims to investigate the effect of leadership succession practices on employees' career development in NNPC.

The remaining section of this study is structured as follows: section 2 presents the literature review. This is followed by research methodology in section 3. Section 4 presents the results from the survey. This is followed by a discussion of results, conclusions and recommendations respectively.

LITERATURE REVIEW

Theoretical Review

A theory is in effect a rationalized set of assumptions that allow one to explain the past and predict the future by providing direction and in this way, they expand knowledge. Some theories supporting the study were reviewed accordingly (Abernathy, 2000). According to the researcher, the link between leadership succession practices and employees' career development is based on the following theoretical strands discussed as follows:

Social Cognitive Career Theory

Social Cognitive Career Theory (SCCT) (Lent, 2005; Lent, Brown, & Hackett, 2002) is anchored in Bandura's Social Cognitive theory (1997, 1986, 1977), and explores how career and academic interests mature, how career choices are developed, and how these choices are turned into accomplishment. This is achieved through a focus of three principles: self-efficacy, outcome expectations, and goals (Lent et al., 1994). Self-efficacy refers to the beliefs that individuals have about their ability to successfully complete the steps required for a give task. Individuals develop their sense of self-efficacy from personal performance, learning by example, social interactions, and how they feel in any particular situation or circumstance. Outcome expectations are the beliefs related to the consequences of performing a specific behaviour. Typically, outcome expectations are formed thorough past experiences, either direct or indirect, and the perceived results of these experiences while Goals are seen as playing a primary role in behaviour. A goal is defined as the decisions to begin a particular activity or future plan. Behavior is then organized or sustained based on these previously set goals (Lent et al., 1994).

In SCCT, career interests are regulated by self-efficacy and an outcome expectation, which means people, will form lasting interests in activities when they experience personal competency and positive outcomes. On the contrary, a belief of low personal competency will lead people to avoid activities. Perceived

barriers such as those related to gender, ethnicity, age, socioeconomic status, or family constraints may create negative outcome expectations, even when people have had previous success in the given area. In the work environment, managers and supervisors can help a subordinate to reconsider some of their perceptions of career route by providing learning and development opportunities, activities and interventions to increase these employees' options in their career advancement. The SCCT is most appropriate in a developing nation like Nigeria where jobs are drying up and individuals are very happy to remain in a job that pays their salaries regularly; in such situations, even where the conditions are not right, the employees continue to adjust in reaction to the environmental realities.

The common-sense theory

Proponents of this theory argue that companies undertake Leadership Succession planning because they are looking to improve their organizational performance. The theorist posits that successful teams or enterprises have followed a common-sense theory of succession which holds that Leadership Succession does improve organizational performance under certain conditions. (Fink, 2010) That being the case, it is only common sense that those with the authority to effect top level Leadership Succession choose a person with the relevant expertise and experience to bring about the desired organizational performance (Rowe, Cannella, Rankin & Gorman (2005). Common-sense theorists view leadership succession planning and implementation as an organizational norm rather than an exception and expect all parties involved to do what is necessary to ensure smooth leadership transitions. It is possible that these common-sense expectations can be limited by the demonstration of entrenchment tendencies by some incumbents.

Conceptual Review

Leadership Succession Practices

The leader is the agent who is ultimately responsible and accountable for an organization's strategy design and performance (Dawley, Hoffman & Smith, 2004). In the words of Richards (2008), effective leadership is fundamental to corporate success and because of the impact that a leader has on the organization, leader succession can be a traumatic event (Dawley et al, 2004). Therefore, HR professionals and managers are expected to always deliberate on the issue of leadership succession planning and this is substantiated by the fact that corporations around the globe invest heavily in the identification and development of leadership talents within their organisation (Richards, 2008). A leader represents the ultimate decision-maker and the person with absolute authority, external parties are likely to view leader succession as a signal about the institution's future (Dawley, Hoffman & Smith, 2004; Zajac, 1990; Beatty & Zajac, 1987), and the successes and failures of individual leaders often translate into the successes and failures of the firm. This makes leader succession a defining event for virtually every organization (Hooijberge, Hunt & Dodge (1997; Chaganti & Sambharya, 1987).

Leadership is a fundamental factor in the quest to become a learning organization because leaders challenge status quo assumptions regarding the environment and guide followers in creating shared interpretations that become the basis for effective action (Amy, 2008). Saleem, Shabbir, Shabbir and Hafez (2011), collaborated this viewpoint by emphasizing the critical role that leadership play to enhance effectiveness, performance and to improve learning in the changing global business environment.

Taylor (2002) specifies three types of planning geared towards realizing strategic and practical goals and objectives of an organisation. These are Micro Planning which deals with forecasting supply and demand for specific groups; Contingency Planning which covers the situation where possible scenarios are

examined and the implications assessed before major decisions are taken; and Succession Planning which focuses on manpower planning activity such as recruitment and development of employees in order to fill managerial and top positions.

Osibanjo, et al (2011) opines that succession planning is strategic, systematic and deliberate effort to develop competencies in potential leaders through proposed learning experiences such as targeted rotations and educational learning in order to fill high-level positions without favoritism. This perspective of succession planning agrees with earlier views on the subject. For example, Charan, *et al* (2001) see succession planning as perpetuating the enterprise by filling the pipeline with high performing people to assure that every leadership level has an abundance of these performers to draw from, both now and in the future and Collins (2009) defines Succession planning as a process through which organization can provide seamless leadership transition across the organization and ensure steady growth and development. It can therefore be concluded that leader succession planning entails the deliberate process of employing and adequately equipping the right people, in order to select from the pipeline and pool of available talent to fill a vacancy in order to ensure that there is no hitch in running the affairs of the organisation, and this ultimately contributes to a large extent in organisational survival.

In a research examining the issue of gender on leadership succession, Dawley, Hoffman and Smith (2004) focus on women as Leader successors. They conclude that despite the increase in the number of women in middle management in the last two decades, there still remains a few numbers of them at the top management. O'Neil (2004) explained that lack of line experience, inadequate career opportunities, gender differences in linguistic styles and socialization, gender-based stereotypes, the good old boy network at the top, and tokenism contribute to reduced number of women in the top management. Krefting (2002) and Oakley, (2000) agreed with this opinion but explains further that differences between female leadership styles and the type of leadership style expected at the top of organizations, and the possibility that the most talented women in business often avoid corporate life in favor of entrepreneurial careers. Men have always been seen and thought to be better suited to become leaders than women. This explains why many people do not welcome the idea of a female leader (Neubert & Tagger, 2004).

However, this stereotype against women leaders does not mean that men are better leaders than women both practically and empirically (Dawley et al, 2004). Thompson (2000) supports this view by establishing that any differences in the perceived effectiveness of educational leaders in the three leadership type groups are equally true for both male and female leaders, and that male and female leaders have been shown to be equally effective in their respective organizations. In a study that examined the differences in both transformational and transactional leadership styles of men and women; Bass, Avolio, and Atwater, (2008) discovered that although the effect sizes were generally small, the results from their studies suggest that over time, women are no less transformational than their male counterparts, and may in fact be more so. Additionally, their findings indicate that the gender of the raters did not appear to make any difference in the results obtained.

The Corporate Leadership Council (CLC) in the United States, a leading advocate of succession planning, has championed researches on succession planning that has focused on the extent to which succession planning is being properly implemented across the corporate sector in America. It also sought to find out if succession planning is achieving its intended outcomes; arising from these initiatives, series of researches has been kick-started in many developed countries of the world. For example, Cranshaw (2006) reports that only a very small percentage of the employees of a large financial retailer in the United Kingdom had experienced any long-term succession planning that they considered to be influential in

terms of their career management. Other studies (Effron, Greenslade & Salob, 2011; Giambatista, Rowe & Riaz, 2005; Effron *et al.*, 2005) provide evidence that is consistent with Cranshaw's conclusion. In Australia, Richards (2008) undertook an empirical investigation. The study showed that in one significant financial corporation in Australia, managers were generally not persuaded that succession planning played much of a role in terms of attaining senior corporate leadership appointments. What mattered to the organization leaders was the likely impact of the leadership on the profitability of the firm.

Given the increasing emphasis on people as the competitive edge of an organization, management is focusing on transformational leadership as a tool to achieve higher employee commitment and firm performance (Verma, & Krishnan, 2013; Loshali & Krishnan, 2013). Strategic leadership succession practices will help to strengthen the possibility of having a better replacement when the present leader is gone.

Employees' Career Development

Career development is a series of activities or the ongoing process of developing one's career. It is a process that entails training new skills, moving to higher job responsibilities; make a career change with the same organization, or starting one's own business. The term had increasingly come at the end of twentieth century, to describe the psychological, sociological, educational, physical, economic and change factors combine that combine to shape individual career behaviour over the life span (Jehanzeb, & Bashir, 2012; Patton & McMahon, 2006).

Activities around career development involves various alternatives such as developing abilities, preserving current skills and getting prepared for the future ahead after receiving promotion. Organizations have many motives for investing in career development programs. They include but are not limited to: developing employee performance, increasing manager improvement, revealing and enhancing corporate culture for salespeople, strengthening principal values, helping salespeople in career improvement, and offering an extra to employees (Nunez-Cacho, Granda-Torrallaja, & Lorenzo-Gomez, 2014 & KO, 2012).

Employees are veritable sources of competitive advantage and planning and developing their careers are beneficial to both the organization and the employees (Nwuche & Awa, 2011). Career development system is a critical component of the HR processes that impacts both the individual and the organization. It is a key element that affects and gives advantage to the activities of both the person and the organization (Janjue & Gulzar (2014) Career development is a major tool for attracting, motivating and retaining good quality employees. It is an effective way to foster future leaders within organization with relevant skills and experience that will be required to implement organization strategies. Purcell, Hutchinson, Kinnie, Rayton and Swart (2003) found that providing formal career opportunities is one of key practices which influence organizational performance. Career development increases employee motivation and productivity; and when organizations give attention to Career development it helps them to attract top staff and retain valued employees. Furthermore, effective career discussion encourages effective communication in the work place and engenders positive relationships between the employees and their supervisors (Hirsh, Pollard, & Tamkin, 2000).

Effective career development program helps develop the economy and also benefits individuals, employers and society at large. Recognizing that everyone potentially has a career and that as a consequence, everyone has career development needs, means that attention must be paid to how career

development is best supported (Fieldman & Thomas, 1992). Career development process enables employers to provide opportunity for employees to develop and learn as they navigate through their career path. This ensures that employees become highly skilled in their work, and are also able to maintain their capacities as effective employees with the requisite knowledge that will enable them to be retained by employer. Career development programs enable all the workers to make progress in the organization from the beginning. It also helps individual employee to determine his/her career paths and eliminate all the impediments against the advancement of the employees.

In addition, career development programs accelerate workflow in the organization by providing learning opportunities for the workers that go through a career stability and increasing work mobility. Being that most employees especially the upcoming professionals look forward to more challenging experiences at work, they usually choose to work for the organizations which support their careers and have embedded career development programs in their human resource management practice (Agba, Nkpyoen & Ushie, 2010).

Empirical Review

An empirical study by Rowe, Cannella, Rankin and Gorman (2005), found that Leader Succession does affect performance and that leaders do matter. This finding is in line with several other researches (Giambatista 2004; Boal & Hooijerg, 2000; Cannella & Rowe, 1995). Richards (2008) in her study on Succession planning reports that what appears to matter most in the appointment of Chief Executive Officers is the likely impact of a leadership appointment on corporate profitability although other leadership attributes may be applied.

In the work of Osibanjo, Abioudun and Obamiro (2011), they found that talent retention, organizational conflict and nepotism are positive and significantly correlated with organizational survival. On the other hand, variables such as turnover rate, career development and Supervisor' supervision is insignificantly correlated with organizational survival. The results are supposed to inform the leadership (management) team with essential insight into the relationship among the study variables (independent and dependent). Tanoos (2012) on his part looked at HRM leadership succession in multinationals especially in Japan. This study reports that the percentage of CEOs from the top 50 Japanese Multinational Corporations hired their CEO from outside of the organization is 2% of the instances, whereas the percentage of CEOs from the top 50 American Multinational Corporations hired their CEO from outside of the organization in 16.3% of the instances. Still from their study, it is apparent that although both US and Japanese high-performing multinational CEOs are likely to originate from the lower ranks of the company, it is still more likely in the US that the company would hire from outside, even though this was lower than the percentage of outside hires in other reports.

Okpara, Squillance and Erundu (2005) found that there is a significant gender differences in the job satisfaction levels of University Professors. They found that female University Professor earned less and are less satisfied with their pay than their male counterparts. They discovered that the wage gap was due to biases against pay increases for promotion of female since the senior members responsible for the promotions, in the University were male. They also found that in 2004 when the survey was conducted that women were concentrated in lower academic ranks. There was also the problem of 'glass ceiling'- here the cultural, political, social history, experiences and characteristics of women are used to keep them behind. Okpara, et al (2005) posits that women have been fully recognized by work institutional leaders as equal partners in management and delivery of instructions in higher institutions, however, gender

inequality maybe attributed to the melding of family and professional responsibilities. The review reveals the following hypothesis:

H₀: Leadership succession practice does not have a significant effect on employees' career development.

METHODOLOGY

3.1 Research Design

The study used a descriptive survey research design in which the study aimed at investigating the effect of leadership succession practices on employees' career development in NNPC. The research design was adopted because it allowed the data generated to be analyzed quantitatively and to draw inferences about relationships among the variables. According to Mugenda and Mugenda (2003), descriptive survey is a process of collecting data in order to answer questions concerning the current status of the subject. The design of the study is in line with the design used in Makinde (2015), Boateng (2014), Asikhia (2010), Chae and Hill (2000).

3.2 Population and Sample

The target population for this study was 9,024 top level, middle level and lower level management (Supervisors) staff of the NNPC who has spent more than 5years in the organization and have up to 5 years before retirement age of 60 years. The NNPC is made up of Twelve Subsidiary companies and two partly owned subsidiaries and some associated companies manage the Upstream, Mid-stream and Downstream activities of the NNPC (NNPC, 2014). Due to this wide geographical spread, limited time factor as well as the financial constraints on the study, the researcher purposefully chose Strategic Business Units (SBUs) in two cities to focus the study on. The cities are Abuja (Corporate Headquarters & PPMC Headquarters), and Lagos (NAPIMS). The operations of the SBUs chosen cut across the main sectors of the Oil and Gas Business: Upstream, Downstream and Commercial and Investment Sectors.

3.3 Sampling Technique

A purposive sampling procedure was used in selecting the participating SBU which were based on the location and the line of business in the Oil and Gas value chain. From each of the three SBUs and locations, selection of the participating employees was done using proportionate sampling technique and a total of 1235 employees were selected. This technique was used to ensure that all the selected SBUs and cities had equal representative. Furthermore, proportionate sampling technique is employed to give male and female employees equal chance of being selected. The strata were the Strategic Business Unit (SBU) of the corporation. They are Headquarters, (NAPIMS), and PPMC. This sample is used as a representative of the population of the entire staff in the NNPC.

3.4 Data Collection Procedures

Qualitative and Quantitative approach were used in data collection. The use of Quantitative and Qualitative techniques enables the research to be more pragmatic (Collins & Hussy, 2009). Primary data collected using questionnaire and structured interview scheme were utilized in this study to enhance originality of the study. The use of questionnaire is justified because it aids the proper collection of required data in a way that allows the respondents to express their opinions objectively. The research instrument used for this study was closed ended questionnaire. The questionnaire is an amalgam of self-structured questions arising from the literature reviews, and adapted from different sources: Kane,

Crawford and Grant (1999) with Cronbach's Alpha reliability estimates of 0.91-0.71 and Janjue and Gulzar (2014) with reliability estimate of 7.0 for the variables. The questionnaire had structured questions inform of likert questions and was divided into three, the personal details of the respondents and the questions according to the various variables.

3.5 Validity and Reliability of Research Instrument

In order to explore the factors that can affect employee career development, a pilot study was undertaken to ensure that the main study will be able to identify clearly the research questions and also determine the adequacy of instructions to research participants who completed the questionnaires. According to Saunders and Thornhill (2009), this approach helps the researcher to refine the questionnaire as the need may arise to ensure that the research instrument measures what it is expected to measure. The pilot study for this research was carried out at the NNPC/PPMC Mosimi Area Office in Ogun State which is another section of organization that are not part of the study population. A total of 100 questionnaires were distributed and 94 were returned.

According Somekh and Cathy (2005), validity is the degree by which the sample of test items represents the content the test is designed to measure. The validity of the instrument was ascertained by giving out drafted copies of the questionnaires to the Project Supervisors, Specialists in Human Resources and Strategic Management to look at the structure and construction of questions in order to ensure accuracy and that it aligns with the different dimensions of the study as in the literature reviewed in Chapter two of the study.

To ascertain the reliability of the instrument a pilot test was conducted at the PPMC Area office Mosimi, Ogun State. The reliability of the instrument was established through Cronbach's alpha coefficient for each variable. The result of the pilot study was used to rectify some questionnaires inconsistencies. The Cronbach's alpha values ranged from 0.76 (employee career development) to 0.81 (Leadership Succession Practices). These Cronbach's alpha coefficients were above the cut-off coefficient of 0.70 define for the study indicating that the variables have high reliability which suggests that the variables had adequate levels of internal consistency. The result of the test is shown in Table 31.

Table 3.1: Reliability Test

S/N	Variable	Cronbach's Alpha
1	Leadership Succession Practices	0.81
2	Employee Career Development	0.76

Source: Researcher's Survey 2016

3.8 Method of Data Analysis

Data collected was quantitative in nature. Quantitative data was analyzed by use of descriptive statistical tools which helped the researcher to describe the data and determine the extent used, this included frequency distributions, tables percentages, mean, and standard deviation. Data analysis was done with the use of Microsoft excel and SPSS. Tables were used to summarize responses for further analysis and facilitate comparison. Descriptive statistics and simple regression model were used to analyze the data. The simple regression equation applied to regress dependent variable against independent variable. The simple regression equation was as follows:

$$Y = \beta_0 + \beta_1 X + \mu_i \dots\dots\dots \text{Eq. (i)}$$

Where:

Y = Career Development
 β_0 = Constant
 β_1 = regression coefficient
X = Leadership Succession Practices
 μ_i = error term

DATA ANALYSIS, RESULTS AND DISCUSSION

Response Rate

A total of 1235 copies of the questionnaire were administered to the sampled respondents. Out of the total number of the questionnaire distributed 926 were retrieved representing a response rate of 74.9% while 309 copies of the questionnaire could not be retrieved because the participants did not continue with the study while others were not properly filled or mutilated

Analysis of Socio-demographic Characteristics of Respondents

Respondents were asked about gender, working experience, ranks and divisions. Their responses were summarized in Table 1 below:

Table 1: Demographic Characteristics of Respondents

Description	Characteristics	Frequency	Percentage (%)
Gender	Male	597	64.5
	Female	325	35.5
	Total	922	100
Working Experience	6-10yrs	83	8.9
	11-15yrs	155	16.8
	16-20yrs	203	21.9
	20yrs and Above	485	52.4
	Total		
Ranks	Top Management	14	1.5
	Middle Management	196	21.2
	Supervisory	716	77.3
Divisions	Group Managing Director's Office	65	7.0
	Finance & Services	256	27.6
	Commercial and Investments	291	31.4
	Exploration and Production	176	19.0
	Refinery & Technology	138	15.0

Source: Researcher's Field Survey Result, 2016

The demographic characteristics of the respondents are presented in Table 1. The table showed that majority (64.5%) of the respondents were male while 325 (55.1%) were female depicting high level of gender inequality in NNPC. The finding also confirmed that 8.9% of respondents had spent between 6-10 years working with the Corporation, 385 (41.6%) of the respondents had between 11 and 15 years working experience, 303 (32.7%) of them had between 16 and 20 years working experience, while 155 (16.9%) had working experience of above 20 years. In addition, the result reveals that 14 (1.5%) of the

respondents were top managers, 196 (21.2%) were in middle managers, while 716 (77.3%) were Supervisors spread across the SBU investigated. Furthermore, the result shows that majority of the respondents are working in Commercial and Investments Directorate (31.4%), followed by Finance and Services Directorate (27.6%), Exploration and Production Directorate (176 or 19%) and Refining and Technology Directorate (138 or 15%).

4.3 Descriptive Statistics Analysis

This section gives analysis of the descriptive findings and discussion in relation to the objective of the study.

4.3.1 Leadership Succession Practices

The study sought to determine the extent to which respondents agreed with the following statements assessing the level of leadership succession practices in NNPC. A six-point Likert scale was used as previously indicated. The results were presented in Table 2.

Table 2: Leadership Succession Practices

Leadership Succession Practices	VS (%)	S (%)	SS (%)	SD (%)	D (%)	VD (%)	\bar{X}	SD
Overall, how satisfied are you with the Leadership Succession Practices of the Corporation?	55 (5.9)	62 (6.7)	132 (14.3)	310 (33.5)	227 (24.5)	132 (14.3)	3.11	1.399
What is your level of satisfaction with the level of government interference regarding Leadership Succession in the corporation?	9 (1.0)	149 (16.1)	67 (7.2)	257 (27.8)	236 (25.5)	201 (21.7)	2.76	1.317
How satisfied are you with the fact that NNPC since inception has had 18 GMDs since its inception in 1977?	33 (3.6)	167 (18.0)	74(8.0)	181 (19.5)	234 (25.3)	226 (24.4)	2.87	1.998
How satisfied are you with the process through which Leaders are selected to fill vacant positions in the Corporation?	34 (3.7)	105 (11.3)	64(6.9)	260 (28.1)	275 (29.7)	174 (18.8)	3.01	1.319
How satisfied are you with the opportunities provided for the upcoming young professions to develop into future leaders?	90 (9.7)	83 (9.0)	36 (3.9)	249 (26.9)	255 (27.5)	204 (22.0)	3.08	1.291
How satisfied with the level of support given by NNPC's experienced leaders to employees to get the best out of them?	38 (4.1)	99 (10.7)	95 (10.3)	192 (20.7)	214 (23.1)	275 (29.7)	3.18	1.326
How satisfied are you with the kind of relationship leaders maintain with their subordinates in terms of mentoring and coaching?	85 (9.2)	147 (15.9)	34 (3.7)	199 (21.5)	202 (21.8)	249 (26.9)	3.33	1.717
How satisfied are you with the	24	66	150	222	234	212	2.74	1.389

level at which political consideration guides the Leadership Succession Practices in the organization	(2.6)	(7.5)	(16.2)	(24.0)	(25.3)	(22.9)		
How satisfied are you with the Leadership Succession practices of the organization?	25 (2.7)	166 (17.9)	137 (14.8)	164 (17.7)	217 (23.4)	195 (21.1)	2.89	1.517
How satisfied are you that the Federal Government usually just announces the new GMD on the television?	26 (2.8)	84 (9.1)	152 (16.4)	219 (23.7)	243 (26.2)	195 (21.1)	2.81	1.395
What is the level of your satisfaction with the frequency of Leadership succession/changes in the corporation	24 (2.6)	65 (7.0)	133 (14.4)	212 (22.9)	229 (24.7)	254 (27.4)	2.64	1.413

Note: \bar{X} = mean, VS=Very Satisfied, S=Satisfied, SS=Slightly Satisfied, SD= Slightly Dissatisfied, D = Dissatisfied, VD = Very Dissatisfied

Source: Researcher's Field Survey Result, 2018

Table 2 is on Leadership Succession practices in the NNPC; by combining responses under very satisfied, satisfied and slightly satisfied, it shows that 72.3% of the respondents are not satisfied with the level of government interference regarding Leadership Succession in the corporation, 694 (75%) are not happy with the fact that NNPC has had 18 Group Managing Directors since its inception in 1977, 641 (69.2%) are not satisfied with the process through which Leaders are selected to fill vacant positions in the Corporation, 709 (76.6%) are not happy with the opportunities provided for the upcoming young professions to develop into future leaders, 681 (73.5%) are not satisfied with the level of support given by NNPC's experienced leaders to employees to get the best out of them, 650 (70.2%) are not happy with the kind of relationship leaders maintain with their subordinates in terms of mentoring and coaching in the Corporation, 668 (72.2%) are not satisfied with the level at which political consideration guides the Leadership Succession Practices in the Corporation, 576 (62.8%) are not happy with the Leadership Succession practices of the organization, 657 (71%) are not happy and dissatisfied with the way and manner that Federal Government without any deliberate process announces on the television the appointment of new GMD of the Corporation and retires the former one with all the management team, and 695 (75%) demonstrate high level dissatisfaction with the frequency of Leadership Succession and changes in the corporation. Overall, 669 (72.3%) of the respondents are not satisfied with the Leadership Succession Practices of the Corporation.

Table 3 sought to determine the extent of employees' career development in NNPC. The results of descriptive analysis are presented in Table 3.

Table 3: Descriptive Statistics on Employee Career Development

Career and Development	Strongly Agree	Agree	Slightly Agree	Slightly Disagree	Disagree	Strongly Disagree	Mean	Standard Deviation
NNPC has an established career path the corporation use for every employee &	47 (5.1)	83 (9.0)	112 (12.1)	273 (29.5)	194 (21.0)	162 (17.5)	3.01	1.510

professional groups								
Employees in the corporation understand what to do to at any time to make progress in their career.	56 (6.0)	155 (16.7)	62 (6.7)	173 (18.7)	195 (21.1)	260 (28.1)	3.51	1.941
Training and development opportunities are explicitly linked to the strategic direction of NNPC	23 (2.5)	47 (5.1)	200 (21.6)	203 (21.9)	199 (21.5)	238 (25.7)	3.50	1.637
Employees in NNPC receive formal Career advice from their Supervisors and Managers.	39 (4.2)	69 (7.5)	149 (16.1)	215 (23.2)	214 (23.1)	224 (24.2)	3.52	1.352
There is a Formal Mentoring and Career Development workshops,	29 (3.1)	100 (10.8)	180 (19.4)	182 (19.7)	215 (23.2)	202 (21.8)	3.26	1.425
Employees in the corporation know what the key skills are that Corporation needs in the next five years to achieve its objectives.	18 (1.9)	159 (17.2)	117 (12.6)	167 (18.0)	199 (21.5)	245 (26.5)	3.21	1.698
The business strategy of the Corporation is consistently communicated to all levels of employees though the management chain, through special communications and through training and development activities	27 (2.9)	177 (19.1)	88 (9.5)	185 (20.0)	193 (20.8)	234 (25.3)	3.33	1.690
Employees are actively encouraged to share their knowledge with colleagues, not just subordinates, by coaching, mentoring and formal training within their work group and cross-functionally	23 (2.5)	96 (10.4)	35 (3.8)	145 (15.7)	497 (53.7)	153 (16.5)	2.38	1.996
There are ample Career advancement opportunities that is open to all relevant employees in the corporation	39 (4.2)	191 (20.6)	53 (5.7)	220 (23.8)	186 (20.1)	219 (23.7)	3.51	1.341
There is visibility to Senior management in the organization on matters of Career Development	27 (2.9)	167 (18.0)	72 (7.8)	211 (22.8)	216 (23.3)	210 (22.7)	3.37	1.373

Source: Researcher's Field Survey Result, 2018

Table 3 presents respondents opinion on Career Development measuring scale. The results of descriptive analysis showed that NNPC does not have established Career path for employees and professional groups as reported by 629 (67.9%). The majority (67.8%) of respondents indicates that employees in NNPC do not understand what to do at any time to make progress in their career (strongly disagreed, disagreed and slightly disagreed combined). Also, the Table revealed that in the Corporation, majority of the respondents

(69.1%) disagreed that training and development opportunities are explicitly linked to the strategic direction of NNPC.

Furthermore, the result reveals that employees in NNPC do not receive formal Career advice from their supervisors and managers. A total of 70.5% of the respondents confirm this. 599 or 64.7% of the respondents declined that there is a Formal Mentoring and Career Development workshops in the Corporation, (65.9%) disagreed that employees in the corporation know what the key skills are that Corporation needs in the next five years to achieve its objectives, (61.2%) are of the view that the business strategy of the Corporation is not consistently communicated to all levels of employees through the management chain, through special communications and through training and development activities, (85.9%) reflect that employees are not actively encouraged to share their knowledge with colleagues, not just subordinates, by coaching, mentoring and formal training within their work group and cross-functionally, (67.5%) disagreed that there is ample Career advancement opportunities that is open to all relevant employees in the corporation and (68.8%) disagreed that there is visibility to Senior management in the organization on matters of career development.

Relating Tables 2 and 3 together, leadership succession practices and employees career development have the same pattern of increase. The findings reveal that there is lack of leadership succession planning and practices in NNPC. In addition, there is high frequency of Leadership changes and government interference regarding Leadership Succession in the corporation in the Corporate. The finding also revealed that there is no established career path for every employee and professional groups in NNPC; and training and development opportunities are not explicitly linked to the strategic direction of NNPC. As a result, employees do not really know the key skills that Corporation needs to achieve its objectives. In addition, employees in NNPC do not receive formal Career advice from their Supervisors and Managers. This problem suffocates employees' career development and performance of NNPC over the years; affecting policy and operational continuity. The findings therefore suggest that leadership succession practices may not influence employees' career development in NNPC.

Analysis of Interview Question

The study interviewed thirteen NNPC Executives and Directors. The purpose of the interview is to enable the researcher consider the appropriateness of the proposed theoretical framework and to validate the quantitative results obtained. The results of the personal interviews have been content analyzed and the views expressed by the interviewee executives are documented here. Verbatim reportage of some of their expressed views has been done to make readers have a feel of the real situations. Two questions were raised and the interviewee were provided answers to them. The results of their submissions are presented accordingly

(a) *What is your opinion regarding the fact that NNPC GMD is often sacked on the pages of Newspapers and as breaking news on Channels TV/AIT/or NTA; Example, A staff may be in the office till late working with the GMD and other Top management people only to wake up in the morning to hear of the sacking of NNPC GMD, and other Top Management Staff of the corporations as breaking news without any of them completing their tenure. Example, NNPC has welcomed about 18 CEOs since its inception in 1977; how does this make you feel?*

(b) *What in your opinion is the effect of this on the employee regarding their Career Development in the Organization particularly in the issue of Leadership Succession?*

Summary of Responses:

Effective Leadership is fundamental to corporate success and because of the impact that a leader has on the organization, leader succession can be a traumatic event (Dawley et al, 2004). Amy (2008) adds that leadership is a fundamental factor in the quest to become a learning organization because leaders challenge status quo assumptions regarding the environment and guide followers in creating shared interpretations that become the basis for effective action. The Human Resource professionals and managers are therefore expected to always deliberate on the issue of leadership succession planning and this is substantiated by the fact that corporations around the globe invest heavily in the identification and development of leadership talents within their organisation (Richards, 2008).

The results of this study showed that Leadership succession practices in NNPC do not have a significant effect on Employee Career Development. This outcome agreed with the opinions of Rowe, Cannella, Rankin and Gorman (2005) that leader succession does affect performance and that leaders do matter. This finding is in line with several other researches (Giambatista 2004; Boal & Hooijerg, 2000; Cannella & Rowe, 1995). Richards (2008) in her study on succession planning reports that what appears to matter most in the appointment of Chief Executive Officers is the likely impact of a leadership appointment on corporate profitability although other leadership attributes may be applied.

Similarly, Tanoos (2012) on his part looked at HRM leadership succession in multinationals especially in Japan. This study reports that the percentage of CEOs from the top 50 Japanese Multinational Corporations hired their CEO from outside of the organization is 2% of the instances, whereas the percentage of CEOs from the top 50 American Multinational Corporations hired their CEO from outside of the organization in 16.3% of the instances. Still from their study, it is apparent that although both US and Japanese high-performing multinational CEOs are likely to originate from the lower ranks of the company, it is still more likely in the US that the company would hire from outside, even though this was lower than the percentage of outside hires in other reports.

In Table 4.3, majority (76.6%) of the respondents are not happy with the opportunities provided for the upcoming young professions to develop into future leaders. In Table 4.3, 75% of the respondents are not happy with the fact that NNPC since inception has had 18 GMDs since its inception in 1977. Also, 73.5% of the respondents are not satisfied with the level of support given by NNPC's experienced leaders to employees to get the best out of them and 70.2% of the respondents are not happy with the kind of relationship leaders maintain with their subordinates in terms of mentoring and coaching in the Corporation. Again, reports of structured interview showed that there is no Leadership Succession plan in NNPC. Leaders are often sacked and replaced at random without due diligence. The transformation efforts in NNPC have left the employees more confused as there is no continuity and so the transformation efforts do not much impact.

The study found a high incident of external interferences and political influence on all aspect of the NNPC in matters or HRM especially in Recruitment and selection of experience hires, appointment to top positions and in leadership succession practices. This finding aligns with Gilbert (2014) study of the NNPC Transformation and Change Projects. He discovered that the executive powers of officers working in the NNPC are often limited due to the political influence of political leaders outside of the corporation. Findings from this study and the extant literature shows that Leadership Succession practice do not affect Employee Career Development. Hence, there is need also to install a system-based merit driven HR Management system in NNPC.

CONCLUSION AND RECOMMENDATIONS

The study analyzed the effect of Leadership Succession practices on Employee Career Development in NNPC. The results of the study provide both empirical and statistical evidences on the relationship between Leadership Succession practices and Development and Employee Career Development in NNPC. The findings provide empirical and statistical evidences to show that Leadership Succession practice have no significant effect on Employee Career Development in NNPC. Based on the results, NNPC should continuously be strategizing and moving with the global trend in HR practices and to learn about future possibilities. The NNPC HRM should be more strategic and inclusive in its approach. HRM must work in accordance with the CPGG and in line with the transformation initiatives. The NNPC management and staff should align themselves with strategies to survive the changing times if the corporation would attract and retain high potential and talented human resource.

The study recommend that Federal Government should empower the NNPC to put in place proper Leadership Succession planning especially in HR itself. This can be achieved when the corporation embeds a formal employee career development policy and procedure.

Implications of the Study

Arising from the findings, this study provides necessary framework for government and leadership of NNPC in ensuring that they manage their human resources effectively in a strategic manner that will ensure a proper alignment between the HRM practices, the individual employee career objectives and the overall strategy of the organization in achieving the national aspiration. The business of the Oil and Gas industry requires highly skilled and competent people all the time. The findings of this research have some implications for strategy and active plan for government HR practitioners and organizations. Policy makers will benefit tremendously from the findings and recommendations of the study since it provides a well-grounded approach of addressing inequality issues in societies. The study is relevance to every employer of labour as it highlights key areas they can improve upon to be able to bridge the gap between Leadership succession and the career of men and women employees in Nigeria.

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