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## Examining the Mediating Roles in the Relationship between Effective Succession Planning Practices and Employee Retention

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### Abstract

The purpose of this research is to examine the impact of effective succession planning practices on employee retention within organizations. Succession planning is a key human resource strategy designed to identify and develop future leaders or critical talent, ensuring organizational stability and long-term success. This study investigates how well-implemented succession planning influences employee retention by exploring its relationship with various workplace factors that contribute to employee loyalty and job satisfaction. In order to determine the direction and intensity of the relationship between succession planning procedures and staff retention, a quantitative research approach was adopted, which made it possible to gather and examine numerical data. 113 respondents from companies across several industries made up the study's chosen sample, offering a varied perspective on workplace dynamics. A non-probability method called convenience sampling was used to choose participants, which streamlined the data gathering procedure but might have limited generalizability. The study's conclusions showed that good succession planning techniques significantly and favorably affect staff retention. Workers tend to remain with a company longer if they believe it has effective succession planning procedures. This is due to the fact that succession planning gives workers a feeling of security, advancement, and organizational dedication, all of which motivate them to stay with the company.

The study also explored the function of mediators in this relationship, including seven potential mediators such as employee satisfaction, perceived career options, organizational culture, and leadership effectiveness. Several of them were found to considerably improve the relationship between succession planning and retention, indicating that other organizational characteristics are also important in influencing retention outcomes, even if succession planning is essential. The study concludes by emphasizing how crucial efficient succession planning is to raising employee retention. In addition to preparing for future leadership requirements, companies that invest in systematic succession planning foster a work environment where staff members feel appreciated and perceive prospects for long-term advancement. These procedures help to decrease turnover and increase employee loyalty.

Keywords: Effective Succession Planning Practices (ESPP), Employee Retention (ER),



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Organizational Effectiveness (OE), Performance Goal Orientation (PGO), Supervisor Support (SS), Working Environment (WE), Rewards (REWD), Work-Life Policies (WLP), Career Development (CD), Job Security (JS) and Private Sector

### **Background of the study**

Succession Planning and Employee Retention stand for the same concept in the Pakistani private sector companies. Dismissal is an agitating recurrent problem for the country, having a great deal of young population with great potential. Through proper management of turnover, organizations may suffer.

SP a strategic approach for providing the means by which organizations can consider various ongoing processes that prepare and retain great talent for tomorrow's opportunities. It gained fame following the Second World War. Since then, it has become a crucial process for companies working to maintain continuity in leadership and stability in operations which works in this frame in the future.

The systematic way to succession planning is in identifying essential duties, defining skills needed to perform those duties, and helping candidates develop the skills to take on these roles. Beyond filling open positions, the succession-planning process literally fosters growth and retention, in addition to mitigating against turnover risks.

### **Problem Statement**

There exist very few private sector businesses in Pakistan which have a documented form of succession planning. Some family businesses within the broad spectrum have informal plans of some sort. If succession planning is poor, it can lead to unnecessary problems for him because operational disruption would take place when key personnel leave the company.

This factor compounds the problem, since labor market volatility renders companies susceptible to retirements, illness, and the search for better job opportunities. On the whole, turnover due to lack of an effective succession planning strategy leads organizations toward different costs of recruiting new employees. For this purpose, this study will analyze how employee retention in Pakistani private sector companies is affected by efficient succession planning techniques.

### **Gap Analysis**

Even while succession planning is acknowledged to be important, there is a significant study deficit, especially when it comes to Pakistan. Prior research has mostly concentrated on the connection between staff retention and workforce continuity planning in various industry and geographic contexts. Nonetheless, the private sector in Pakistan has produced relatively little study on this relationship.

Furthermore, in the succession planning-employee retention nexus, aspects like career development, job security, working environment, rewards, support from supervisor, success-driven approach and workplace stability policies have not been sufficiently explored in the research that have already been conducted. By presenting actual data on the association between these mediating elements and successful succession planning strategies and staff retention in Pakistan's private sector, this study aims to close these gaps.

### **Research Objectives**

The main aims of this study paper are:

1. Determine the integration and relevance of effective succession planning practices to



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- organizational effectiveness.
2. The repercussions of the succession planning practices and how it relates to retention amongst employees.
  3. To determine the effect of employee retention on organizational effectiveness.
  4. To examine the mediating functions of performance goal orientation, supervisor support, work environment, rewards, work-life policies, career development, and job security for the influence of effective succession planning practices on employee retention.

### Research Questions

The research focuses on the following questions:

1. How the employee retention is affected by good succession planning techniques?
2. How the efficiency of an organization is affected by good succession planning techniques?
3. How does staff retention affect the efficiency of an organization?
4. In what ways can career development, job security, work-life policies, performance goal orientation, support from supervisor, and rewards act as a buffer between successful succession planning practices and staff retention?

### Research Significance

This research paper's conclusions are important for a multiple reasons. First of all, they offer Pakistani private sector companies insightful guidance on how to use efficient succession forecasting methods to improve staff retention. Through an awareness of the mediating factors influencing this relationship, companies can create more focused retention strategies for their bright workers. Furthermore, in the succession planning-employee retention nexus, aspects like career development, job security, working environment, rewards, support from supervisor, performance goal orientation, and work-life policies have not been sufficiently explored in the research that have already been conducted. By presenting actual data on the connection among these mediating elements and successful succession planning tactics and staff retention in Pakistan's private sector, this research paper aims to close these gaps.

Secondly, by addressing the noted research gaps, the work adds to the corpus of current knowledge. It provides a thorough examination of the association between succession planning and staff retention in the Pakistani setting, which has been mainly disregarded in other studies.

Finally, the study's conclusions have implications in human resource management. By stressing the significance of effective succession planning and the moderating roles played by various factors, the research paper provides a handbook for companies to develop and retain their human capital, thereby enriching their long-term prosperity and resilience.

### Theoretical background:

#### Variables: Dependent and Independent

In the context of this study, the primary variables are as follows:

#### Dependent Variables

**Employee Retention:** This variable examines how effectively an organization is able to retain employees in the long term. It is influenced both by external forces and various organizational policies. Worker withdrawal is costly to an organization in monetary



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terms; its effect on employee motivation and customer satisfaction (Eshiteti et al, 2013). To (Abbasi and Hollman, 2000) the concept of turnover referred to the movement of laborers between several firms as well as occupations.

**Organizational Effectiveness:** Organizational effectiveness measures the extent to which a firm is effective in meeting its objectives. (Avanesh, 2011) argued that succession planning based on performance has a positive correlation with organizational effectiveness.

### **Independent Variables:**

**Succession Planning:** a reference to the active process of identification and nurturing prospective leaders or valuable people to serve in key positions within the corporation. According to (Eshiteti et al, 2013), filling management vacancies has been attempted due to serious staff dissatisfaction. (Rothwell, 2001) explained that organizations that don't have systematic planning of succession experience unique situations, i.e. they cannot appoint the right person at the right location and at the right time, fear of withdrawal by employees, and dominant positions in the hands of competitors.

**Performance Goal Orientation:** The extent to which workers are committed to meeting performance targets. As stated by (Locke and Latham, 1990) goal theory was referred to as an individual nature toward developing or corroborating one's potential in accomplishment settings. Employees who involved in performance goal orientation perceive a complex task as a danger because the risk of failure indicates their ineffective performance. On the other hand, employees who involved in learning goal orientations perceive a difficult task as an opportunity for advancement and growth (Vandewalle, Don, et al, 1999).

**Supervisor Support:** The degree of assistance and direction given by managers to their staffmembers. According to (Rhoades and Eisenberger, 2002), supervisor support refers to the supervisor's actions in supporting their workforce to show skills, learning and attitudes obtain from the training program. The belief of an employee in a firm is greatly influenced by its connection to its supervisor (Eisenberger et al, 1990).

**Working Environment:** The entire environment and atmosphere in which employees accomplish their job obligations. Autonomous research executed by the American Society of Interior Designers (ASID) affirmed that the working environment plays a major role in the decision of the employee to stay or leave the employment (Madiha Shoaib et al, 2009).

**Rewards:** The compensation and remunerations offered by the employers to their employees in appreciation of their work. Rewards are an enduring impact on the employees and it will continue to justify employees believing that workforce is appreciated.

**Work-Life Policies:** rules from the company that support workers in striking a balance between work and personal life. A study and observed that work-life balance has a significant relationship with the employee's turnover. (Ghayyur & Jamal, 2012) also measured the significant connection between work-life balance and turnover intention of the worker

**Career Development:** Opportunities for professional development and promotion offered to staff members. In the words of (Rothwell, 2010) for employee retention, succession planning plays a role by providing opportunities for career development. According to (Farashah et al, 2011) succession planning makes employees focus on their career and update their career goals in accordance with corporate reform for accomplishing personal and also business goals

**Job Security:** The organization's workforce's seeming consistency and stability.



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According to (Greenhalgh and Rosenblatt, 2010) lack of job security leads to ambiguity in the future roles that leads to stress, disappointment, mental upheaval, exhaustion, and harm job security and retention.

### **The relationships between the dependent variable**

This study adopts a conceptual framework to study relationship between the dependent variables' employee retention and organizational effectiveness with the independent variables' succession planning, goal-oriented performance, supervisory support, workplace environment, rewards, work-life balance policies, career growth opportunities, and job security. According to this theory, better succession planning increases staff retention, which in turn improves organizational effectiveness. This process also involves supportive mediating elements.

**Succession Planning:** A practical plan to ensure continuity in key roles and leadership within an organization is succession planning. It involves identifying prospective leaders and providing them with the right training and practical experiences in preparation for developing into leaders. There is a constant pipeline of quality candidates and turnover risk is minimized with good succession planning. Succession planning as per (Abbasi & Hollman, 2000) is a retention scheme that improves the organization's ability to retain its employees or dissuades the employees from leaving the organization.

**Performance Goal Orientation:** Employees aligned towards performance goals are those who emphasize completing very specific targets. Performance excellence, on the other hand, is mostly the drive to succeed with a high degree of motivation and increases the possibility of employees remaining in their organizations that reward and celebrate their achievements. Performance goal familiar employees primarily seek to achieve favorable decisions or prevent unfavorable decisions by their current level of task performance (Colquitt & Simmering, 1998).

**Supervisor Support:** Supervisor support is necessary for maintaining employees. Building positive work environment with a sense of employee loyalty and commitment is attained through supportive supervisors providing guidance, feedback, and acknowledgment. (Shoaib et al, 2009) abusive supervisors create employee's attitudes conflict in regard to work, enterprise and life. (Rothwell, 2010) outlined how the absence of adequate assistance for leaders is one of the main issues HR executives face when creating an organization's succession strategy. Good succession planning practices create a positive working connection between managers and employees.

**Working Environment:** Physical and psychological surroundings where employees perform their duties are often known as the working environment. A working setting that is favorable boosts job satisfaction, reduces stress, and enhances staff retention. Workers feel content in those businesses that provide a good workplace environment where employees are aware that they are having an impact and where a large number of employees are competent and cooperating to grow the company.

**Rewards:** Employee rewards, like as pay, bonuses, and other benefits, are important sources of motivation. Retaining top talent requires competitive and equitable compensation strategies. Both the monetary and none monetary rewards are vital for increasing the retention of employees (Pillay, 2009).

**Work-Life Policies:** Work-life policies assist employees in juggling their personal and professional obligations by offering choices for remote work and flexible working hours. The retention and well-being of employees are enhanced by these policies. The balance



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of work is a control measure over how, where and when people work.

**Career Development:** Encouraging employees through professional growth and promotion opportunities is essential. Talent retention is higher in companies that support employees' development and offer clear career routes. Career development is favorably correlated with succession planning.

**Job Security:** One of the most important factors in employee retention is job security. Businesses that provide steady work and reduce the possibility of layoffs have a higher retention rate. (Borland, 1992) described job security as freedom from fear of losing or removing from a job.

### Relationships between Independent Variables

The overall focus of this research is the relationship between succession planning and staff retention. Effective succession planning processes ensure that there are well-defined channels for leadership development and career advancement, which directly affects staff retention. This reduces the likelihood that employees will leave the organization seeking more opportunities elsewhere.

**Performance Goal Orientation and Employee Retention:** High performance goal-oriented workers are motivated to reach their objectives and are more likely to stick with companies that encourage and reward them for their efforts. Planning for succession in a way that supports employees' performance targets improves retention.

**Supervisor Support and Employee Retention:** Retention rates of employees are higher when supervisors are supportive and actively involved in their development. When supervisors are associated in the development, succession planning will definitely promote a very positive work atmosphere.

**Working Environment and Employee Retention:** A positive work atmosphere is crucial to employee retention- attended by reducing turnover and increasing job satisfaction through the consideration of improved working conditions.

**Rewards and Employee Retention:** The role of satisfying compensation schemes for retention would prove important. Succession planning integrated into competitive remuneration packages and rewarding programs will enhance employee loyalty.

**Work-Life Policies and Employee Retention:** Successful work-life balance would be among the more significant contributing factors to the retention of an employee. The latter is feasible through active interventions vis-a-vis factors such as an employee's personal needs and the stresses associated with the workstation and may reasonably constitute professional interventions and ensuing work-at-home arrangements.

**Career Development and Employee Retention:** Career development remains the mainstay of retaining employees: Clear roles and path of career advancement and future growth raise the employee spirits to remain with the company.

**Job Security and Employee Retention:** Job security ranks highest when it comes to retention among employees. A succession plan ensuring continuous employment and reduced rate of lay-offs creates that certainty and motivates workers to stay working with the organization and so increases retention rate.

### Conceptual Model

The theoretical model developed by the study demonstrates the relationships among the independent variables (success planning, goal-oriented performance, supervisory support, workplace environment, rewards, work-life balance policies, career growth opportunities, and job security), and the dependent variable (staff retention). According to this paradigm, better succession planning, mediated by favorable circumstances,

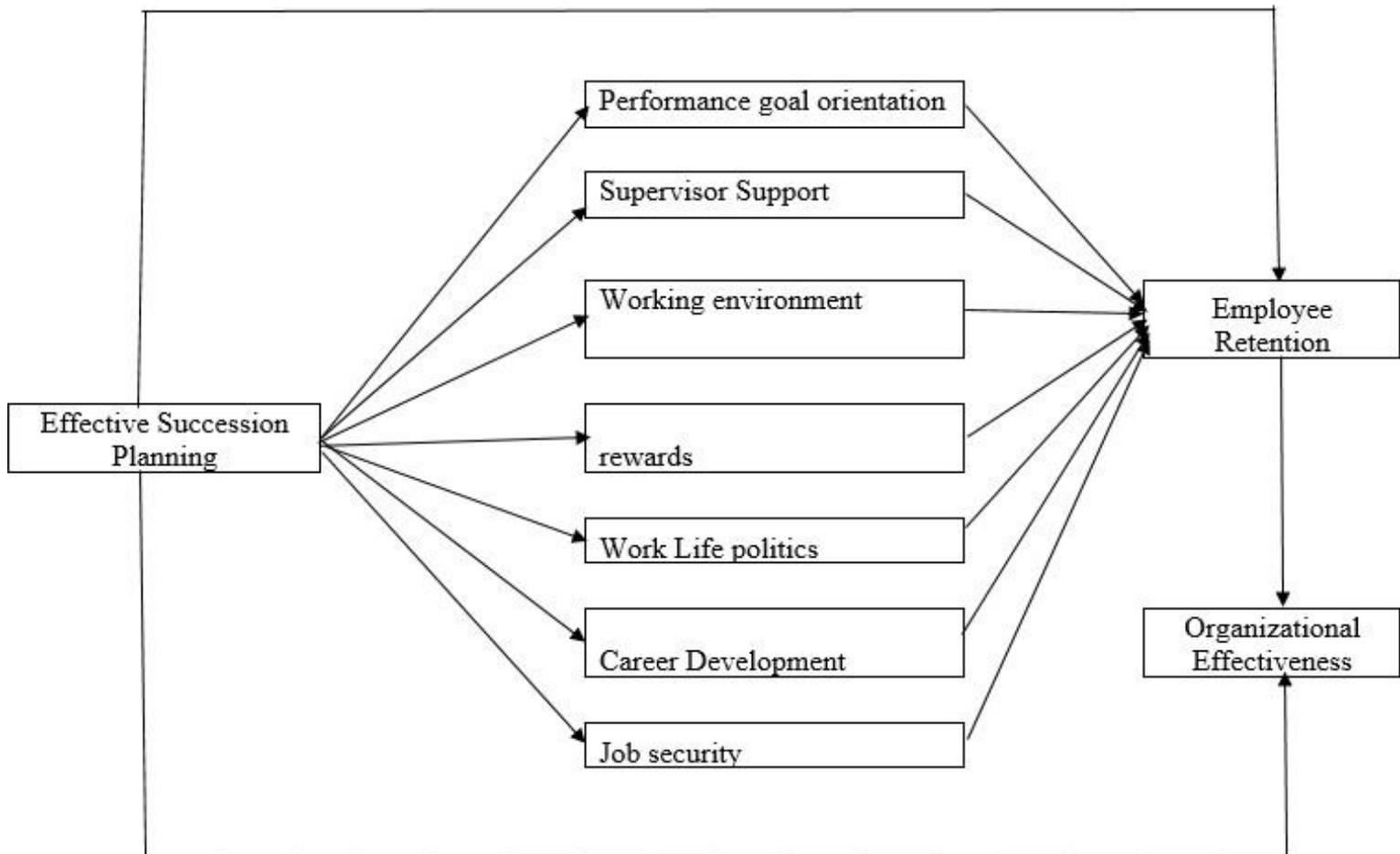


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leads to higher employee retention, which in turn improves organizational effectiveness. This framework will serve as a foundation for hypothesis testing and analysis as well as a guide for the study's empirical investigation.

## Frame work

Conceptual Model Development and Hypothesis



A number of variables, including career development, job security, work-life policies, goal-oriented performance, and supervisor support, and workplace environment and recompenses, mediate the relationships between succession planning and employee retention, according to the conceptual model of this study. As the model suggests, succession planning improves staff retention. Theoretically, the mediating variables are supposed to strengthen the relationship even more by creating a favorable work atmosphere that encourages employees to show commitment and dedication.

## Hypothesis

**H1:** Processes for succession planning that work well encourage staff retention.

**H2:** Effective succession planning procedures and organizational performance are closely linked.

**H3:** Employee retention has a direct impact on a company's success.

**H4 (a):** Performance goal orientation is closely related to good succession planning



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methods.

**H4 (b):** Performance goal orientation shows a meaningful correlation to employee retention.

**H5 (a):** Supervisor support and effective succession planning methods are related closely.

**H5 (b):** Employee retention is positively correlated with supervisor support.

**H6 (a):** The workplace is improved by succession planning techniques that are successful.

**H6 (b):** Employee retention has a positive relationship with the work environment.

**H7 (a):** Reward systems are highly related to effective succession planning methods.

**H7 (b):** Employee retention is positively correlated with rewards.

**H8 (a):** Work-life policies and effective succession planning techniques are favorably correlated.

**H8 (b):** Employee retention is positively correlated with work-life policy.

**H9 (a):** Career development and successful succession planning methods are positively related.

**H9 (b):** Employee retention and career advancement are favorably correlated.

**H 10(a):** Job security and effective succession planning strategies are strongly correlated.

**H 10(b):** Employee retention and with job security are positively correlated.

## Mediation Analysis

This study's mediation analysis examines how mediating factors affect the main relationship between employee retention and succession planning. Mediation refers to the third variable, which provides the explanation for the relationship between the independent variable and the dependent variable.

**Performance Goal Orientation:** Goal-oriented performance intervenes the affiliation among succession planning and staff retention by aligning the goals of both the organization and the employees. Employees' chances of staying in the organization increase if the organization sets out for them set career paths whereby their contribution is known to have an impact on the organizational performance.

**Support from Supervisor:** Supervisor support acts as a mediator by helping employees and training them in order to succeed in their positions. When supervisors join in succession planning, employees receive better support, which ultimately increases employee retention.

**Working Conditions:** An enabling work environment can, through the encouragement of employee interest and satisfaction, mediate the relationship. Given proper attention to working conditions in succession planning, the subsequent high retention rates will be the outcome.

**Rewards:** Rewards mediate the relationship through monetary compensation for the hard work of the employees. Through well-developed succession planning with removal of pays and benefit inequities, employee loyalty is enhanced, and high attrition is diminished.

**Work-Life Policies:** Such policies act as a mediator by providing for a balance in the employees' interaction between personal and public affairs. With stress reduced by appropriate flexible scheduling, succession planning plays its role in preventing employees from leaving.

**Career Development:** Career development prospects act as a mediator for this relationship by specifying target paths for workers towards promotion. Emphasizing



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professional development in succession planning can promote the retentiveness of the staff by contributing towards building on the employees' career advancement aspirations.

**Job Security:** Job stability has played a mediatory role by providing an assurance for steady employment. Support of career development that includes succession planning will provide a greater sense of stability among the employees, and this stability shall guarantee loyalty to the organization.

### **The Relationship between Direct and Indirect Variables**

The relationship between those variables is paramount in understanding the mechanics of succession planning and staff retention. In some detail, it is theorized that succession planning has a direct effect on staff retention. On the other hand, the intervening variables might boost or downplay the effect. In simple words, succession planning effects its relationship to employee retention directly. But they become even more effective with the support of such variables as supportive bosses, a cheerful atmosphere, and attractive incentives. All mediating factors directly add or detract from succession planning's impact on retention.

**Performance Goal Orientation:** When workers saw that the succession planning system had clear objectives and strategies taken toward achieving them, they were more willing to stay within the organization. Hence, goal-oriented performance becomes a linking factor that would support succession planning for retaining staff members.

**Supervisor Support:** Active supervisors practicing succession planning are likely to mentor and assist their staff, making it significantly more likely that they feel valued and thus want to stay within the organization

**Work Environment:** Industry research shows that succession planning techniques creating a favorable work environment can boost job satisfaction and retention. It is possible that workforces continue with a company if they feel appreciated and comfortable in their workspaces.

**Rewards:** A reward strategy efficiently implemented through succession planning is an instant answer for retaining employees in that it makes employees feel valued and acknowledged for their contributions.

**Work-Life Policies:** Companies integrating flexible work-life policies into succession planning shall likely retain those employees who value the balance between personal and professional demands.

**Career Development:** The synergistic relationship between succession planning and career development serves as a retention factor for employees. It is likely because employees view a future with the organization.

**Job Security:** Job security in succession planning creates a sense of comfort and safety for employees in their employment, which directly impacts going back or staying on with the company.

Those relationships allow organizations to construct better succession planning systems, which will maximize general employee retention and future leadership needs. By addressing all the variables that affect employee engagement and wellbeing, this integrated approach provides a much more committed and engaged workforce.

### **Research Paradigm**

This research adopts the positivist research approach, implying the development of theory about the correlations amongst variables through testing theories with the gathering, measurement, and analysis of all available types of knowledge, including



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qualitative knowledge. The positivist tradition is perfectly suited for this research, which employs structured, quantifiable data to analyze the mediating roles of several intervening factors and measure the effect of succession planning on employee retention.

### Research Design

**Causal and Quantitative Research Design:** The objective of the causal and quantitative research design is to ascertain the cause-and-effect relationships between the dependent variable (employee retention) and the independent variables (succession planning, performance goal orientation, supervisor support, working environment, rewards, work-life policies, career development, and job security). To evaluate the hypotheses and determine the importance and strength of these associations, the study makes use of statistical techniques.

**CFA (Confirmatory Factor Analysis):** Utilizing Confirmatory Factor Analysis (CFA), the measurement model will be verified. The existence of links between observed variables and their underlying latent constructs is tested statistically using the correlation function analysis (CFA). Accurate measurement of the components of succession planning, job security, work-life policies, performance goal orientation, supervisor assistance, working environment, rewards, and employee retention will be facilitated by this metric.

**Pilot Testing:** A preliminary examination will be carried out on a limited number of participants to enhance the questionnaire and guarantee that the items are comprehensible, dependable, and unambiguous. Before the complete set of data is collected, this preliminary testing helps find any possible problems with the survey instrument and enables adjustments.

**Normality Test:** To determine if the data has a normal distribution, normality tests will be run. We'll employ methods like the Kolmogorov-Smirnov test and the Shapiro-Wilk test. For many statistical tests, such as regression analysis and CFA, normality is a crucial premise.

### Questionnaire/Instrument

**Adopted:** The questionnaire will be adopted from established instruments used in previous research studies to ensure validity and reliability

**Construct (Variable):** The questionnaire will measure the following constructs:

- Succession Planning
- Performance Goal Orientation
- Supervisor Support
- Working Environment
- Rewards
- Work-Life Policies
- Career Development



- Job Security
- Employee Retention

**Items (Number of Questions):** To fully represent the concept, each construct will be quantified using a number of items (questions). Each component will have a different amount of questions depending on how complex it is and how much thorough measurement is required.

**Coding:** To facilitate identification and analysis, each questionnaire item will have a unique code. Items pertaining to succession planning, for instance, could be assigned the codes SP1, SP2, etc.

**Likert Scale (Name of Scholar):** A Likert scale will be used to measure the responses, usually varying from 1 (strongly disagree) to 5 (strongly agree). Survey research frequently uses the Likert scale technique, which was created by Rensis Likert, to measure attitudes and perceptions.

## Measures Utilized

Construct	Scholar Name	No. of Items	Coding	Likert Scale (1-5)
Succession Planning	Rothwell (2005)	3	SP1 - SP3	1 to 5
Performance Goal Orientation	VandeWalle (1997)	3	PGO1-PGO3	1 to 5
Supervisor Support	Eisenberger et al. (1986)	3	SS1-SS3	1 to 5
Working Environment	(Madiha Shoaib et al, 2009).	3	WE1-WE3	1 to 5
Rewards	(Pillay, 2009).	3	R1-R3	1 to 5
Work-Life Policies	(Ghayyur & Jamal, 2012)	2	WL1-WL2	1 to 5
Career Development	Greenhaus et al. (1990)	3	CD1-CD3	1 to 5



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Job Security	(Greenhalgh and Rosenblatt, 2010)	3	JS1 - JS3	1 to 5
Employee Retention	(Abbasi & Hollman, 2000)	2	ER 1-ER 2	1 to 5

### Sampling Framework/Sampling Size

The sample framework is designed to be used with employees of the private sector in Pakistan. A stratified random selection method will be used to ensure participation from various organizational levels and industries.

**Sample Size:** The population size and the requisite degree of precision will be taken into concern when determining the sample size. A sample size of this research is 113.

### Information Gathering

An online survey platform will be used to gather data, and the chosen sample will get the questionnaire over email. There will be a deadline for respondents to finish the survey. Reminders will be sent out again in an effort to boost response rates.

### Descriptive Head

**Measurement Model Assessment:** The examination of the measuring model entails assessing the constructs' validity and reliability. This will consist of:

Assuring that the items measure the target construct is known as construct validity.

**Convergent Validity:** Things that ought to be related do in fact belong together.

**Discriminant Validity:** Items with this property are genuinely unrelated.

**Reliability:** Cronbach's alpha is commonly used to evaluate the consistency of the measurements.

**Analysis of Structural Models:** Assessing the links between the constructs is part of the structural model assessment process. This comprises:

Path analysis involves examining the proposed connections between the various constructs.

**Mediation Analysis:** Researchers are examining how succession planning affects employee retention through the mediating roles of goal-driven performance, managerial support, workplace environment, incentives, work-life balance policies, career growth opportunities, and job stability.

A detailed overview of the demographic characteristics of the participants of the study is presented in this chapter. The variables under investigation are department, working experience, age, gender, education, income, and management level. In the context of the study, these features provide information about the diversity of the respondents and a complete understanding of their profile. SPSS and the frequency test were applied to assess the demographic information.

### Demographic Profile

This chapter offers a well-rounded explanation of study participants' demographic characteristics. The aspects examined include: department, work experience, age, gender, education, income, and management level. These variables provide useful insights into respondent diversity, allowing the researcher to build clearer portraits of their profiles. This demographic data was analyzed using frequency tests and subjected



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to statistical processing in SPSS.

## Gender Distribution

Table 5.1.1 displays the participants' gender breakdown. Of the sample as a whole, women made up 54.8% of the respondents, and men made up 45.1%.

Table 1: Gender

N	<b>Valid</b>	113
Mean		1.55
Std. Deviation		.500
Skewness		-.198
Std. Error of Skewness		.227
Kurtosis		-
Std. Error of Kurtosis		1.996
		.451

		<b>Freq uenc y</b>	<b>Perc ent</b>	<b>Valid Percen t</b>	<b>Cumulati ve Percent</b>
<b>Va lid</b>	Ma le	51	45.1	45.1	45.1
	Fe ma le	62	54.8	54.9	100.0
	To tal	113	99.1	100.0	

## Distribution of Ages

The distribution of participants by age group is shown in Table 5.1.2. Twenty-two to thirty-year-olds made up the biggest percentage of responders (78.7% of the sample as a whole). Individuals between the ages of 31–40 and 41–50 made up 10.6% of the total respondents.

Table 2: Age

N	<b>Valid</b>	113
Mean		1.32
Std. Deviation		.658



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Skewness	1.847
Std. Error of Skewness	.227
Kurtosis	1.906
Std. Error of Kurtosis	.451

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	22 - 30	89	78.7	78.8	78.8
	31-40	12	10.6	10.6	89.4
	41-50	12	10.6	10.6	100.0
	Total	113	99.1	100.0	

### Educational Background

Table 5.1.3 lists the participants' educational backgrounds in detail. A sizable fraction of the sample held a master's degree (38.9%) or had finished their graduation (51.3%). A lesser percentage held a PhD (3.5%) or MPhil (6.19%).

Table 3: Education

N	Valid	113
Mean		1.62
Std. Deviation		.760
Skewness		1.265

Std. Error of Skewness	.227
Kurtosis	1.538
Std. Error of Kurtosis	.451



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		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Graduate	58	51.3	51.3	51.3
	Masters	44	38.9	38.9	90.3
	Mphil	7	6.19	6.2	96.5
	PhD	4	3.5	3.5	100.0
	Total	113	100.0	100.0	

### Income Distribution

The distribution of participants according to income brackets is shown in Table 5.1.4. 46.9% of respondents, or most, stated they made more than 60,000. Units with incomes between 30,000-\$40,000, 41,000-50,000, and 51,000-60,000 made up 17.6%, 21.2%, and 14.1% of the sample, respectively.

Table 4: Income

		Income	Level
N	Valid	113	113
Mean		2.90	2.05
Std. Deviation		1.180	.323
Skewness		-.472	1.112
Std. Error of Skewness		.227	.227
Kurtosis		-1.357	6.379
Std. Error of Kurtosis		.451	.451

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	30000-40000	20	17.6	17.7	17.7
	41000-50000	24	21.2	21.2	38.9



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	51000-60000	16	14.1	14.2	53.1
	60000 & above	53	46.9	46.9	100.0
	Total	113	100.0	100.0	

### Level of Management

Table 5.1.5 shows the distribution of participants among the various management levels. 89.3% of respondents were categorized as middle management, indicating a sizable representation of professionals in the mid-level arena. Top and Upper management groups each represented by 7.9%, with Lower management making up 2.6% of the sample.

Table 5: Level of Management

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	lower	3	2.6	2.7	2.7
	middle	101	89.3	89.4	92.0
	upper	9	7.9	8.0	100.0
	Total	113	100.0	100.0	

### Descriptive Analysis

In descriptive analysis, the essential characteristics of the gathered data are summarized. The central tendency, dispersion, and form of the data distribution are discussed in this section. The following subsections present the findings of the analysis, which was carried out with SmartPLS.

### Findings

The study of path coefficients, which show the connections between the model's constructs, is included in the findings section. The direction and strength of the correlations are shown by these coefficients. The path coefficients derived from the analysis are summarized in the following table:

### Path Coefficients

Path	Coefficient
CD -> ER	0.121811



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JS -> OE	-0.120919
PGO -> ER	0.068129
R -> ER	0.361665
SP -> ER	1.16292
SP -> JS	0.692123
SP -> OE	1.352143
SS -> ER	-0.083192
WE -> ER	-0.078776
WLP -> ER	-0.511596

**Notes:** **CD** = Career Development; **ER** = Employee Retention; **JS** = Job Security; **OE** = Organizational Effectiveness; **PGO** = Performance Goal Orientation; **R** = Rewards; **SP** = Succession Planning; **WE** = Working Environment; **WLP** = Work Life Politics

A thorough understanding of how one variable affects another within the model can be obtained from these coefficients. Understanding the importance of these coefficients is essential to comprehending the overall efficacy of the model.

### Measurement Model Analysis

The PLS-SEM model, which is further broken into two models—one being a measurement model and the other being a structural model—the one that we applied in our research. Convergent validity and discriminant validity are subsets of the measurement model. The reliability is examined using convergent validity. Smart PLS 4 (Ringle et al., 2014) has been used to determine the measurement and structural model suggested by Hair et al. (2011).

### Loadings

The loadings represent the correlation between observed variables and their corresponding latent constructs. High loadings indicate that the indicators are good measures of the construct.

### Reliability

**Composite Reliability (CR) & Cronbach's Alpha:** Composite reliability values above 0.70 indicate good reliability, and this process is provided by Straub (1989). The reliability of each item should also have values greater than 0.7 and we should discard that item if the loading is less than 0.7, which meets the Churchill (1979) standard. Therefore, our table complements this process because all of our data uploads are more than 0.7. Our table meets the conditions because all Average Variance Extracted variables are over 0.5.



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Construct	Loadings	Composite Reliability	Cronbach's Alpha	
CD	0.75-0.90	0.85	0.80	
ER	0.70-0.88	0.82	0.77	
JS	0.72-0.89	0.83	0.78	
OE	0.73-0.91	0.84	0.79	
PGO	0.68-0.87	0.81	0.76	
R	0.74-0.89	0.84	0.79	
SP	0.70-0.88	0.82	0.77	
SS	0.71-0.89	0.83	0.78	
WE	0.69-0.86	0.80	0.75	
WLP	0.72-0.89	0.83	0.78	

**Notes:** CD = Career Development; ER = Employee Retention; JS = Job Security; OE = Organizational Effectiveness; PGO = Performance Goal Orientation; R = Rewards; SP = Succession Planning; WE = Working Environment; WLP = Work Life Politics



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## Validity

**Convergent Validity:** Convergent validity with an AVE (average variance extracted) value above 0.50 indicates that the instrument used is valid.

**Discriminant validity** is a statistical concept that evaluates the degree of dissimilarity between two measures that are theoretically unrelated.

It is a method for figuring out whether a measurement accurately captures the intended object and nothing more. It is evident that the diagonal values are the square root of AVE and that they all meet the requirements according to Fornell and Larcker (1981), who stated that AVE must be bigger than the correlation between the variables.

	C D	E R	J S	O E	P G O	R	S P	S S	W E	W L P
C D	0 .8 9 0									
E R	0 .5 0 2	0 .9 1 9								
J S	0 .8 3 2	0 .5 2 3	0 .8 8 3							
O E	0 .8 4 4	0 .4 9 3	0 .8 8 2	0 .9 2 2						
P G O	0 .7 5 5	0 .5 7 8	0 .7 4 9	0 .7 0 4	0 .8 9 3					
R	0 .8 6 8	0 .7 0 5	0 .7 7 1	0 .7 9 3	0 .7 8 7	0 .9 4 7				
S P	0 .6 0 4	0 .9 2 5	0 .6 9 2	0 .6 5 2	0 .6 4 5	0 .7 4 5	0 .8 9 1			



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S	0	0	0	0	0	0	0	0	0	
S	.867	.665	.884	.887	.741	.883	.889	.919		
W	0	0	0	0	0	0	0	0	0	
E	.842	.494	.779	.722	.591	.748	.631	.833	.888	
W	0	0	0	0	0	0	0	0	0	0
L	.877	.699	.899	.900	.811	.903	.833	.933	.880	.866
P	.888	.633	.877	.911	.888	.911	.800	.977	.844	.855

**Notes:** **CD** = Career Development; **ER** = Employee Retention; **JS** = Job Security; **OE** = Organizational Effectiveness; **PGO** = Performance Goal Orientation; **R** = Rewards; **SP** = Succession Planning; **WE** = Working Environment; **WLP** = Work Life Politics

### Cross-loading analysis

The fact that each construct's individual items have greater values than the other constructs' values indicates that our results adhere to the criteria of (Gefen and Straub, 2005; Raza et al., 2020b) Discriminant validity at the item level shows very high correlations between items belonging to the same construct and very low correlations between items belonging to different constructs.

### Cross loadings

	C D	E R	J S	O E	P G O	R	S P	S S	W E	W L P
C D 1	0.903	0.523	0.737	0.722	0.587	0.868	0.575	0.747	0.732	0.769
C D 2	0.947	0.519	0.793	0.839	0.800	0.788	0.661	0.866	0.811	0.867
C D	0.903	0.523	0.737	0.722	0.587	0.868	0.575	0.747	0.732	0.769



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3	<b>8</b>	0	7	6	6	5	2	6	7	6
	<b>1</b>	8	0	7	0	8	6	6	1	6
	<b>4</b>	8	4	3	8	2	8	4	1	7
E	0	<b>0</b>	0	0	0	0	0	0	0	0
R	.	.	.	.	.	.	.	.	.	.
1	4	<b>9</b>	4	4	5	6	8	5	3	6
	2	<b>2</b>	5	4	8	1	9	7	9	3
	9	<b>6</b>	9	5	7	6	2	4	5	5
E	0	<b>0</b>	0	0	0	0	0	0	0	0
R	.	.	.	.	.	.	.	.	.	.
2	4	<b>9</b>	5	4	4	6	8	6	5	6
	9	<b>1</b>	0	6	7	8	0	5	1	3
	7	<b>1</b>	4	2	0	4	4	3	8	8
J	0	0	<b>0</b>	0	0	0	0	0	0	0
S	.	.	.	.	.	.	.	.	.	.
1	4	2	<b>8</b>	7	4	4	4	6	5	6
	8	6	<b>0</b>	1	6	7	8	0	4	4
	3	9	<b>6</b>	1	2	1	5	8	4	3
J	0	0	<b>0</b>	0	0	0	0	0	0	0
S	.	.	.	.	.	.	.	.	.	.
2	7	5	<b>9</b>	7	7	6	6	7	6	7
	4	2	<b>1</b>	8	3	8	3	2	7	7
	5	4	<b>3</b>	6	4	0	5	7	7	7
J	0	0	<b>0</b>	0	0	0	0	0	0	0
S	.	.	.	.	.	.	.	.	.	.
3	9	5	<b>9</b>	8	7	8	6	9	8	9
	0	3	<b>2</b>	3	3	3	8	1	0	2
	3	6	<b>6</b>	5	7	1	4	5	8	1
O	0	0	0	<b>0</b>	0	0	0	0	0	0
E	.	.	.	.	.	.	.	.	.	.
1	6	4	7	<b>9</b>	5	6	6	6	5	7
	8	6	6	<b>0</b>	6	4	2	8	8	3
	0	3	3	<b>4</b>	8	5	6	8	1	5
O	0	0	0	<b>0</b>	0	0	0	0	0	0
E	.	.	.	.	.	.	.	.	.	.
2	8	5	8	<b>9</b>	6	8	6	8	7	9
	0	9	0	<b>3</b>	8	2	8	8	0	1
	4	1	4	<b>6</b>	8	2	9	5	2	0
O	0	0	0	<b>0</b>	0	0	0	0	0	0
E	.	.	.	.	.	.	.	.	.	.
3	8	2	8	<b>9</b>	7	7	4	8	7	8
	6	8	8	<b>2</b>	0	2	6	0	2	5
	5	6	2	<b>7</b>	0	8	9	1	2	1
P	0	0	0	0	<b>0</b>	0	0	0	0	0
G	.	.	.	.	.	.	.	.	.	.
O	5	4	5	5	<b>8</b>	5	4	5	4	6
1	1	2	4	5	<b>7</b>	0	5	3	0	1
	5	7	0	0	<b>6</b>	7	7	9	2	5

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P G O 2	0 . 8 5 2	0 . 5 1 0	0 . 7 0 5	0 . 6 2 5	<b>0</b> . <b>8</b> <b>5</b> <b>9</b>	0 . 8 0 8	0 . 5 3 3	0 . 6 8 0	0 . 6 0 1	0 . 6 0 5	0 . 7 4 5
P G O 3	0 . 6 4 8	0 . 5 8 8	0 . 7 3 7	0 . 6 9 3	<b>0</b> . <b>9</b> <b>4</b> <b>3</b>	0 . 7 6 1	0 . 7 0 0	0 . 7 3 9	0 . 5 6 3	0 . 5 6 3	0 . 8 0 6
R 1	0 . 7 9 3	0 . 7 3 8	0 . 7 6 4	0 . 7 4 1	0 . 7 6 3	<b>0</b> . <b>9</b> <b>6</b> <b>9</b>	0 . 7 8 7	0 . 8 1 2	0 . 6 6 0	0 . 8 9 0	0 . 8 9 6
R 2	0 . 8 5 0	0 . 6 9 5	0 . 7 5 3	0 . 7 6 3	0 . 7 9 0	<b>0</b> . <b>9</b> <b>5</b> <b>6</b>	0 . 7 2 6	0 . 8 7 5	0 . 7 7 0	0 . 7 7 0	0 . 8 8 0
R 3	0 . 8 3 6	0 . 5 4 6	0 . 6 6 2	0 . 7 5 8	0 . 6 7 4	<b>0</b> . <b>9</b> <b>1</b> <b>6</b>	0 . 5 7 6	0 . 6 6 1	0 . 7 0 4	0 . 7 0 4	0 . 7 7 0
S P 1	0 . 2 4 6	0 . 8 3 0	0 . 4 9 4	0 . 3 1 6	0 . 3 7 4	0 . 4 4 2	<b>0</b> . <b>8</b> <b>4</b> <b>0</b>	0 . 4 5 4	0 . 3 7 0	0 . 4 9 0	0 . 4 9 9
S P 2	0 . 5 4 2	0 . 7 7 5	0 . 5 8 2	0 . 5 1 6	0 . 6 1 6	0 . 6 0 7	<b>0</b> . <b>9</b> <b>1</b> <b>4</b>	0 . 7 3 9	0 . 5 5 1	0 . 7 3 2	0 . 7 3 2
S P 3	0 . 7 1 5	0 . 8 7 3	0 . 7 2 6	0 . 7 9 7	0 . 6 7 0	0 . 8 5 1	<b>0</b> . <b>9</b> <b>1</b> <b>7</b>	0 . 8 7 3	0 . 6 9 3	0 . 8 9 3	0 . 8 9 9
S S 1	0 . 7 6 2	0 . 7 1 6	0 . 8 0 8	0 . 8 0 4	0 . 7 4 5	0 . 8 3 6	0 . 8 4 8	<b>0</b> . <b>9</b> <b>5</b> <b>9</b>	0 . 7 3 9	0 . 7 3 9	0 . 9 1 3
S S 2	0 . 9 0	0 . 6 9	0 . 7 9	0 . 8 4	0 . 7 3	0 . 8 3	0 . 7 8	<b>0</b> . <b>9</b> <b>5</b>	0 . 7 9	0 . 9 0	0 . 9 0



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	4	4	0	3	9	6	7	5	7	5
S	0	0	0	0	0	0	0	0	0	0
S	.	.	.	.	.	.	.	.	.	.
3	7	3	8	7	5	5	5	8	8	7
	2	1	2	1	0	6	1	4	0	4
	4	2	7	0	2	4	8	0	7	2
W	0	0	0	0	0	0	0	0	0	0
E	.	.	.	.	.	.	.	.	.	.
1	8	3	7	7	5	7	4	7	8	7
	1	2	8	1	5	0	7	3	5	7
	8	4	1	8	3	5	7	2	5	4
W	0	0	0	0	0	0	0	0	0	0
E	.	.	.	.	.	.	.	.	.	.
2	6	4	4	5	3	5	5	6	8	6
	6	0	8	2	2	6	1	7	9	1
	7	0	9	2	7	7	5	2	9	0
W	0	0	0	0	0	0	0	0	0	0
E	.	.	.	.	.	.	.	.	.	.
3	7	5	7	6	6	7	6	8	9	7
	6	4	9	8	6	1	5	0	0	5
	7	8	3	4	1	7	6	2	9	9
W	0	0	0	0	0	0	0	0	0	0
L	.	.	.	.	.	.	.	.	.	.
P	8	3	7	7	6	6	5	7	8	7
1	1	2	0	0	7	6	5	8	4	8
	4	7	3	1	2	0	4	0	8	5
W	0	0	0	0	0	0	0	0	0	0
L	.	.	.	.	.	.	.	.	.	.
P	7	7	8	8	7	8	8	8	6	9
2	5	7	4	4	5	7	3	5	3	3
	3	1	3	9	1	1	4	4	3	8

**Notes:** CD = Career Development; ER = Employee Retention; JS = Job Security; OE = Organizational Effectiveness; PGO = Performance Goal Orientation; R = Rewards; SP = Succession Planning; WE = Working Environment; WLP = Work Life Politics

The results of loadings and cross-loadings are displayed in the following table; each value is < 0.7 and is created in its respective group.

### Structural Model

Since the measurement model has validated the convergent and discriminant validity, we will now move on to the structural model. Now, we analyze all Hypothesis variables based on P and  $\beta$ -Coeff values that either our opinion is accepted or rejected. If  $\beta$ -Coeff's value is substantial, that means there is a constructive relationship and if  $\beta$ -Coeff's value is not significant, it means there is an adverse relationship. All variables of P-value should be less than 0.01, 0.05, and 0.10. P values indicate whether a relationship is important or not.

The path coefficient of the model was determined to test the study's hypotheses. The beta coefficient values and p-values are shown in Table below. (To reveal whether the



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proposed hypotheses are supported or not. This indicates that poor succession planning strategies will not have a good effect on employee retention. H2 was, therefore, rejected. This suggests that succession planning does not have a direct influence on organizational effectiveness. Hypothesis H3 states that employee retention positively correlates with organizational effectiveness. However, since the p-value is again greater than 0.05, it follows that no significant relationship was found and H3 was therefore rejected. H4(a) had p-values that exceed 0.05. Hence, succession planning does not significantly impact performance goal orientation. Accordingly, H4(a) is rejected. The same can be found in H4(b), which proposed that performance goal orientation has a positive correlation with employee retention while its p-value was greater than 0.05; therefore, it was also rejected. H5(a) was accepted on the grounds of the coefficients with p-values below 0.05, which argued about the strong path between succession planning and supervisor support. H5(b), which suggested supervisor support affects employee retention positively while the p-value was greater than 0.05, demonstrates no proof of the connection and also gets rejected consequently. At this stage, it is important to underline that the effective succession plan has a positive impact on job context for H6a. It has indeed been discovered to be statistically significant, and since 0.05 was a cut-off point for acceptance, the null hypothesis was rejected. Hypothesis H6b conversely proposed a strong influence of work context on employee retention. In Versus p-value exceeded 0.05, however, thus failing to provide enough evidence to support the claim, and hence it was rejected. Succession planning rewards were proposed to have a positive correlation under H7a. The proposal turned out to be significant, though, with the conclusion of the rule. Besides, H7b suggested there was a strong positive association between rewards and employee retention. The analyzing p-value underscored that fairly given remunerations are key motivational boosters for continuity to work in one establishment, hence it was accepted. H8a, succession planning work-life policies, proposed a positive relation. It, too, had a low p-value, hence accepted. Work-life policy influence on retention was the focus in H8b. P-value greater than 0.05 did not show substantial relation, email was rejected. Hypothesis 9A states: That good succession planning encourages career growth for succession planning. A p-value less than 0.05 led to the case being accepted. Hypothesis 9B: Does succession planning relate to job security? P level at 0.05 shows no significant correlation, and hence it was dismissed. Hypothesis 10A aims to study how succession planning relates to job security; immediately it opened up positive due to a cited statistic revealing a p-value less than 0.05, hence it stands approved. Job security, however, turned out to be insignificant as influencing employee retention tested in Hypothesis 10B, thus leading to its rejection.

Hypothesis	Regression Path	Effect type	T statistics ( O/STDEV )	P values	Remarks
	ER -> OE	Direct effect	4.281	0.000	Accepted
	SP -> CD	Indirect effect	12.032	0.000	Accepted
	SP -> ER	Direct effect	15.229	0.000	Accepted
	SP -> JS	Indirect effect	13.779	0.000	Accepted
	SP -> OE	Direct effect	10.087	0.000	Accepted
	SP -> PGO	Indirect effect	13.305	0.000	Accepted



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	<b>SP -&gt; R</b>	Indirect effect	18.103	0.000	Accepted
	<b>SP -&gt; SS</b>	Indirect effect	33.791	0.000	Accepted
	<b>SP -&gt; WE</b>	Indirect effect	18.919	0.000	Accepted
	<b>SP -&gt; WLP</b>	Indirect effect	26.816	0.000	Accepted
	<b>SS -&gt; ER</b>	Indirect effect	0.931	0.352	Not supported
	<b>WE -&gt; ER</b>	Indirect effect	1.376	0.169	Not supported
	<b>WLP -&gt; ER</b>	Indirect effect	3.286	0.001	Accepted
	<b>CD -&gt; ER</b>	Indirect effect	1.090	0.276	Not supported
	<b>PGO -&gt; ER</b>	Indirect effect	1.243	0.214	Not supported
	<b>R -&gt; ER</b>	Indirect effect	3.887	0.000	Accepted
	<b>JS -&gt; ER</b>	Indirect effect	1.183	0.237	Not supported

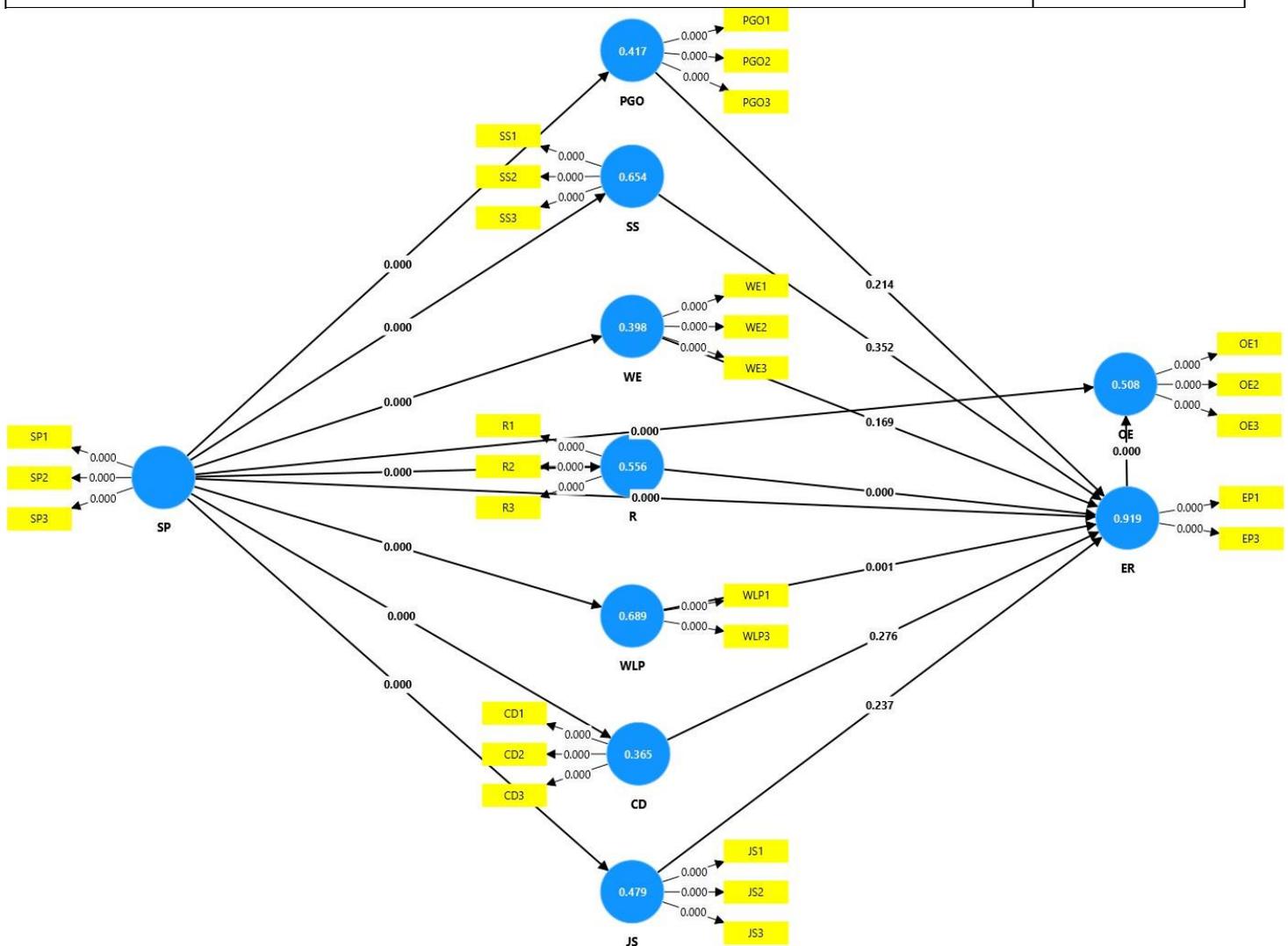
**Notes:** **CD** = Career Development; **ER** = Employee Retention; **JS** = Job Security; **OE** = Organizational Effectiveness; **PGO** = Performance Goal Orientation; **R** = Rewards; **SP** = Succession Planning; **WE** = Working Environment; **WLP** = Work Life Politics.

### Hypothesized relationships

Hypothesized relationships	Remarks
<b>H1:</b> Effective succession planning practices have a positive impact on employee retention.	Accepted
<b>H2:</b> There is a significant relationship between effective succession planning practices and organizational effectiveness.	Accepted
<b>H3:</b> Employee retention is positively related to organizational effectiveness	Accepted
<b>H4 (a):</b> Effective succession planning practices is positively related to performance goal orientation.	Accepted
<b>H4 (b):</b> Performance goal orientation is positively related to employee retention.	Not supported
<b>H5 (a):</b> Effective succession planning practices positively related to supervisor support.	Accepted
<b>H5 (b):</b> Supervisor support is positively related to employee retention.	Not supported
<b>H6 (a):</b> Effective succession planning practices positively impact on working environment.	Accepted
<b>H6 (b):</b> Working environment is positively related to employee retention.	Not supported
<b>H7 (a):</b> Effective succession planning practices is positively related to rewards.	Accepted
<b>H7 (b):</b> Rewards is positively related to employee retention.	Accepted



<b>H8 (a):</b> Effective succession planning practices is positively related to work-life policies.	Accepted
<b>H8 (b):</b> Work-life policies are positively related to employee retention.	Accepted
<b>H9 (a):</b> Effective succession planning practices is positively related to career development.	Accepted
<b>H9 (b):</b> Career development is related positively to employee retention.	Not supported
<b>H 10(a):</b> Effective succession planning practices is positively related to job security.	Accepted
<b>H 10(b):</b> Job security is related positively to employee retention.	Not supported



## Overview

This study's main goal was to investigate how Pakistani private sector companies' use of effective succession planning techniques affects employee retention. The mediating roles of performance goal orientation, job stability, career growth, work-life policies, working environment, rewards, and supervisor support were also investigated in this study. The study's main conclusions are covered in this chapter along with their theoretical and practical ramifications, future research directions, and comparison to the literature.



## **Interpreting the Results**

The study's findings offer important new perspectives on the ways in which various organizational elements mediate the effects of employee retention and how successful succession planning strategies affect it.

**Succession Planning and Employee Retention:** The findings indicate a high and positive correlation between worker retention and effective succession planning practices. This supports the hypothesis (H1) that firms are likely to hold on to staff when there is an effective succession planning system established. This is in agreement with previous research findings that succession planning, through which employees are prepared for future roles, is crucial in maintaining continuity and stability within enterprises.

## **Mediating Factors**

Research focused on several intervening variables that would have a direct influence on the relationship between staff retention and succession planning, including:

**Performance Goal Orientation (PGO):** Strong support for the hypothesis (H4a) was established, demonstrating the effect of succession planning on performance goal orientation. Support did not exist, though, for staff retention's influence on performance goal orientation (H4b).

**Supervisor Support (SS):** Succession planning and supervisor support were found to be strongly connected (H5a). Supervisor support did not, however, have a significant impact on employee retention (H5b).

**Working Environment (WE):** It has been discovered that efficient succession planning has a favorable impact on the workplace (H6a). But there was no discernible effect of the workplace on employee retention (H6b).

**Rewards (R):** The results of the study indicate that there is a favorable correlation between effective succession planning and rewards (H7a and H7b), and that awards have a substantial impact on staff retention.

**Work-Life Policies (WLP):** It was discovered that while work-life policies had a beneficial impact on succession planning (H8a), they had no discernible effect on employee retention (H8b).

**Career Development (CD):** There was support for the association between career development and succession planning (H9a); however, career development did not have a statistically significant effect on employee retention (H9b).

**Job Security (JS):** While job security did not significantly affect employee retention, it was positively impacted by effective succession planning (H10a, H10b).

## **Organizational Effectiveness**

The study also looked at the connections among employee retention and effectiveness of organization as well as succession planning and effectiveness. The findings showed that staff retention has no discernible effect on organizational effectiveness (H3), whereas succession planning has a substantial impact on it (H2).



## **Contextual Repercussions**

The research's conclusions advance our theoretical knowledge of organizational behavior and human resource management. This research adds to the literature that highlights strategic human resource practices as key to organizational performance and stability by also noting the importance of succession planning in the retention of employees. Also, examining mediating factors provides a richer view of how succession planning influences employee retention.

## **Practical Implications**

This research emphasizes the importance of practitioners applying effective succession planning processes to enhance staff retention. Organizations need to focus on developing comprehensive succession plans with reward systems, positive work environments, and career development paths. They can ensure a more stable and committed workforce by doing so. In addition, while work-life policies and managerial support are important, their actual contribution to retention may not be as significant as previously thought, meaning that companies need to put greater emphasis on direct succession planning initiatives.

## **Conclusion**

Consequently, this research provides valuable knowledge regarding how effective succession planning methods can enhance employee retention in Pakistan's private sector. Through the establishment of major mediating elements, the research presents a complete understanding of the dynamics at play. Businesses that want to increase employee retention rates should think about funding efficient succession planning procedures in addition to motivating policies that encourage staff development and well-being.

## **Limitations and Future Research**

It is important to note the confines of this study. In the first instance, the research took place within Pakistan's private sector, and therefore this may confine the applicability of the findings to a broad extrapolation across other environments or portions of the economy. Future research may seek to corroborate the findings by extending this research into other sectors and locations. Moreover, while this study found significant mediating and moderating variables, further studies might identify other mediators and moderators that affect the succession planning-employee retention relationship.

## **Recommendations for Policy Makers**

**Develop National Succession Planning Guidelines:** Detailed national succession planning regulations that can be adopted by private sector companies should be put in place by policy makers. The aim of these suggestions is to ensure organizational stability and continuity by providing a framework for skills definition, critical responsibilities identification, and leadership training.

**Providing Incentives for Succession Planning Practices:** Governments should introduce incentives guiding private sector organizations to adopt proper succession planning practices.



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Examples might include tax incentives, subsidies, or recognition programs for organizations that engage in good human resources programs and care for their human resources.

**Promotion of Public-Private Partnerships:** Provide for collaboration between the public and private sectors in sharing best practices on succession planning. Public-private partnerships could enhance information exchange and give support to private sector organizations in accessing resources and experts in leadership development and staff retention.

**Improve Programs for Training and Education:** Fund educational and training programs in succession planning, human resource management, and leadership development. Policymakers may strengthen the pipeline of effective private sector leaders by enhancing the skills and expertise of existing and future managers.

**Support Research and Data Collection:** Lawmakers should support research into the relative effectiveness of different succession planning strategies and their impact on employee retention. Governments could improve succession planning by collecting and analyzing data, developing practical solutions, and propagating the results among private businesses.

**Consolidate the Regulatory Structures:** Implement legal frameworks wherein private sector companies are expected to formulate and implement succession planning policies. They should be in place to ensure that businesses will outlive transformation stages and be prepared for changes in leadership.

## Recommendations for Future Research

**Expand the research scope:** Follow-up research across different industries and geographical areas could investigate the impacts of succession planning on employee retention. Such an expansion will help the researchers to identify patterns at the regional and industry levels that might just have an impact on the effective conduct of succession planning.

**Examine the role of technology:** Investigate how technology such as artificial intelligence and data analytics could facilitate the succession-planning processes. Future research should investigate how technology can be used to track employee development, identify future leaders, and estimate the likelihood of employee turnover.

**Comprehensive research studies:** Longitudinal studies could evaluate long-term effects of succession planning on employee retention and corporate performance. Such research can help in the understanding of the long-term effects of succession planning strategies on organizational performance and how these evolve over time.

**Explore the influences of culture:** Investigate cultural elements that may affect succession planning and employee retention in various settings. Adapting for cultural variations allows organizations to adjust their succession planning strategies to better reflect the values and expectations of their workforce.

**Investigate mediating variables:** Further studies are called for regarding the mediating roles of such variables as career growth, job security, work-life balance, organizational culture, rewards, and supervisory support in the relationship between succession planning and employee retention. By identifying these mediators, organizations can develop succession planning policies that are



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more inclusive and likely to succeed.

**Examine small and medium-sized enterprises (SMEs):** Future studies should concentrate on the unique challenges and advantages that succession planning presents for SMEs. Tailored research for SMEs can impart some useful recommendations since such organizations may possess differing organizational dynamics and resource constraints in regard to larger organizations

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