

# The Relationship Between Succession Planning Practices And Employee Retention In Public Hlis Malaysia

Yasmeen Bano<sup>1</sup> , Dr. Siti Sarah Omar<sup>2</sup> , Dr. Fadillha Ismail<sup>3</sup>

<sup>1,2,3</sup>*Faculty of Technology Management and Business ,Universiti Tun Hussein Onn Malaysia ,Parit Raja 86400 Johor ,Malaysia*

## Abstract

The purpose of this study is to examine the relationship between succession planning practices and employee retention in Malaysian Public Higher Learning Institutions (HLIs). This study used a survey research design to establish its empirical validity. Data was collected with the distribution of questionnaire from four technical universities. These universities included University Malaysia Pahang (UMP), University Tun Hussain Onn Malaysia (UTHM), University Technical Malaysia Melaka (UTeM) and University Malaysia Perlis (UniMap). The unit of analysis consists of academic and non-academic employees of four technical universities. In the selection of sample from the focused respondents (9,750) of the study, a simple random sampling method was used. The study sample consists of 300 valid respondents. Data was collected by distributing questionnaires. Data was analyzed by using descriptive statistics and partial least square equation modeling (PLS SEM) was used to test the study hypothesis. The empirical findings of this study revealed positive relationship between succession planning practices and employee retention that shows a favorable connection. This paper has made a significant contribution to the knowledge and literature of the employee retention and succession planning practices in the education sector. This study also contributed to introduce succession planning practices to retain talented employees within the organization.

**Keywords:** Employee retention ,Succession planning practices ,Higher Learning Institutions

## 1.0 Introduction

The focus of this study was to examine the role of succession planning practices (selection of a successor, leadership development, involvement of top leaders, succession planning programmes and technology advancement) with employee retention, which is neglected part of in the education. Higher education institutions need to know that without a succession plan, they will face a major challenge to meet and maintain staff members who are knowledgeable, capable and possess good leadership skills (Ishak & Kamil, 2016). Academic institutions spend less time in selecting mid level leaders which is alarming (Nakutis, 2016). Therefore, previous studies have recommended that HLIs must prepare their own future leaders (Calareso, 2013;

Oduro-Asabere, & Owusu, 2016; Seniwoliba, 2015). A study was conducted by Kamil et al. (2016) for Malaysian HELs. According to this study public universities are lacking leadership preparation. This critical situation requires a systematic approach to emphasis on the internal leadership (Omar & Hassan, 2015).

Employee retention is very important in the current competitive environment as employees contribute positively to the development of organization. Many organizations are facing the challenge of retaining their talented employees in the global market (Mohammad, 2015). According to survey of the CIPD (2010) 75% of chief executive officers agreed that retaining organizational talent is their priority. Most of the organizations encourage their employees to learn and develop skills for the purpose of

creating competitive advantage. Succession planning is an advanced tool which can create future individuals to take part in the learning and advancement opportunities (Rothwell,2010).Succession planning is a tool to strengthen organizational capability through knowledge sharing ,leadership development and technology advancement.Turnover reduction is very important for organization success (Mohhamd,2015).Several studies revealed that decline in employee turnover improves employee's morale (Smith & Hitt ,2009; Mohammad,2015). Hence ,this study has selected succession planning practices to give a solution to the problem that how these practices can increase employee retention.

## 2.Review of Literature

### 2.1 Employee Retention

Employee retention is a great challenge to every organization due to technological advancement and globalization. Few studies have looked at the role of succession planning on employee retention. The available studies found that the presence of succession planning in the organizations have significant impact on the employee retention( Tetteh ,2015; Chitsaz and Reza,2014; Kamil ,2016,Govender ,2010; Tunje,2014, Okwakpam,2019). Although work life balance ,compensation is important source of employee retention (Okwakpam,2019), but the absence of opportunity for professional growth affects leadership retention. Therefore , succession planning is more than the filling of vacancies from within the organization. Okwakpam,(2019). It is an effective strategy that can aid the retention of talented employees to help organizations for strategic changes (Hills,2009). Similarly , Govender (2010) suggest that succession planning is a key component of an organization's employee retention strategy.

Today, Malaysian HLIs are in a competitive environment with the private higher education institutions. It is important that the higher education institutions in Malaysia have a strong foundation by selecting a successor for top positions. Finding replacement for vacated position is not any easier when employees ,retire, leave, or absent due to emergency or taking a break (Zaini et al., 2008). Today, Higher Learning Institution (HLIs) in Malaysia are facing higher demand in a competitive

market with the retirement of top leaders and talent gap (Kamil,2016). Today, the most pressing talent management issue facing universities is succession (Jusoff et al., 2009; Alina et al., 2012). Malaysian institutions of higher education, the crisis of succession planning occurs clearly in the public universities and colleges (Jusoff et al., 2009). Hashim and Mahmood (2011) also stated that the high turnover among HEIs employees in Malaysia is a serious matter.

Employee retention in the organization is a process where employees are encouraged to remain within the organization (Mathis and Jackson ,2013). There is a different point of view of Kim (2012,p.259) about retaining employees in the public sector. He noted that, "in the public sector organizations are increasingly improving employee retention with the various practices, including employee development programs, alternative telecommunicating and enhanced IT training programs". According to Okwakpam (2019) retaining valuable employees need an effective succession planning program. . Intention to leave can be defined as an employee's plan to leave or quit from their current job or company and move forward by looking another better offer (Purani and Sahadev, 2008). The employees those have high intention to leave the company will have lower job commitment compared to those employees with lower intention to leave (Calisir et al., 2011). Valued employees may depart from an organization for reasons of dissatisfaction, low compensation rates, or low levels of motivation (Sigler, 1999). Some employees show lack of interest in the leadership positions due to high workload and lack of competencies .

### 2.2 Succession Planning Practices

Henri Fayol (1841-1925) was one of the first authors to place the responsibility of providing stability through employee tenure on an organization's leadership team.( Rothwell,2010). In 1916, Fayol argued that organizational strength is determined by its people and that ill-prepared people create weak organizations (Estedadi & Hamidi, 2015). According to the study of (Kim,2010) also confirms that Kesner and Sebora (1994) regard Oscar Grusky's work as the origin who has identify key variables in the succession

equation, establish a research model, and tested a hypothesis.

There are various definitions for succession planning by the following multiple authors. According to Phillips (2020) Succession planning was described as a fluid process that often changes with organizations and time within the literature. Calares (2013) defined succession planning as an ongoing process. Succession planning generally involves three major steps, understanding the institution's long-term goals and objectives, identifying the workforce's developmental needs in the institution, and determining workforce trends and predictions in direct relation to the type of institution (Luna, 2010). Furthermore Rothwell (2010) considered succession planning as a tool for the organization with right skilled people. Some authors have associate succession planning with words like "proactive" and "systematic".

Succession planning is getting popularity in the field of human resource development. Succession planning is getting equal importance both academic and business organizations (Green,2011). The topic of succession planning is timely because organizations are facing challenges for replacement of talented employees. Although, all organizations engage formally or informally in succession planning during leadership transition, however true succession planning involves in a process to identify and develop future leaders among employees who are already part of the organization (Armstrong,2020).

Research is lacking on the succession planning in Malaysian HLIs (; Sirat, Ahmad, & Azman, 2012; Omar & Hassan, 2015; Ishak and Kamil ,2016; Ahmad et al., 2017). There were few studies conducted in the context of Malaysia about succession planning. The first study was conducted by Abdullah et al.( 2009) about succession planning on the sustainability of the educational organisation. In 2012, Shamsuddin et al. has conducted a study on the leadership management as an integral part of Malaysian HEIs. The framework of this study has presented the aspirations of HEIs for leadership excellence and succession for securing the leaders of tomorrow. Omar and Hassan (2015) have conducted an empirical study to explore the issue of competencies within the vice chancellor's leadership pipeline in Malaysian system. Kamil et al. (2016) did a

quantitative study to investigate the level of succession planning effectiveness at Malaysian HEIs. Kaya et al (2018) has conducted a quantitative study about succession planning strategy for non academic staff at Malaysian HLIs. Ahmad, Ming, & Sapry (2020) conducted a qualitative study on effective strategy for succession planning in HEIs. . In the same year mixed method was carried out by Ahmed et al.(2020). This study was investigated the role of national culture on the implementation of succession planning in the Malaysian HLIs. The findings indicated that the national culture influences on succession planning implementation. Further , Abdullahi, Raman and Solarin (2021) did quantitative research with the aim of the effect of succession planning practice on employee engagement and employee performance in Malaysian private universities. This study has focussed on the relationship of succession planning practices and employee retention. Therefore, this study has selected the following practices which are recommended by Rothwell (2010).

### **2.2.1 Selection of a Successor**

The selection of a successor for academic position in HLIs depends on the decision-making process. Sometimes the decision-making criteria becomes complicated due to multiple candidates ,changes in the organizational structure, organizational size. Selection of a successor is associated with the need for organizations to respond to external environments. The main purpose of selection criteria for selecting successors is relevant with their job experience, professional skills ,leadership style and competencies. As a result, successor's profile can be determined for the selection process (Philips,2019;Wilkes et al;2015). Identifying a successor, on the other hand, tends to be associated with forward thinking farm development strategies (Inwood and Sharp, 2012; Wheeler, et al. 2012).

### **2.2.2 Leadership Development**

The identification of high potentials can not take place without the development of potential leaders. Development of high potentials is the heart of any succession planning and management strategy (Burke, 2017). Currently, the Malaysian HLIs are actively involved in

human resources development, specially providing professional development courses at top level leadership. The Ministry of Higher Education Malaysia encourages higher education institutes to explore the different models to facilitate the top leaders and conduct professional development programs. According to (Hassan & Siddiqui, 2020) higher education must include professional development and transition plans as main elements of succession plans. Malaysian public universities usually lacking the leadership preparation (Kamil et al., 2016). This cause the shortage of qualified leadership at the public universities.

### 2.2.3 Succession Planning Programs

The Ministry of Education in Malaysia plays an important role to provide leadership training programmes for academic employees at HLIs. These trainings are conducted in consultation with AKEPT to identify the leadership talent pool (Omar & Hassan, 2015). The Ministry of Higher education Malaysia had formed Akademi Kepimpinan Tinggi (AKEPT) in January 2008 to transform higher education in human capital development. AKEPT has traditionally played an important role to prepare future leaders for HLIs in Malaysia. AKEPT as an institution in Malaysia is focusing on continuous leadership development in higher education systems and to ensure future leaders are groomed as early as possible. Amundsen and Martinsen (2015) argued that employees' development activities and development created a positive career attitude in workers, which in turn could improve worker performance. Kraimer et al. (2011) highlighted that career opportunities strengthen organizational support for employee development and performance. Ali and Mehreen (2018) indicated that career attitude is negatively related to employee's desire to quit the firm. Hall-Ellis (2015) stated that choosing a qualified and well-trained individual for a key leadership position is a critical decision due to its potential influence on current and future organizational outcomes. Government of Malaysia has taken an initiative in 2016 for succession planning programmes which includes leadership development such as academic career paths ,university transformation programme (Chia, Ghavifekra, Razaka (2021).

### 2.2.4 Top leadership Involvement

Top management participation encourages employees to take part in the succession process for organizations (Fadeyi et al., 2019; Seniwoliba, 2015). Top management leaders are more involved about driving their organisation effectively forward, they are less worried to think about the right time to leave and the right person to take over as their successor (Cragun, Nyberg, & Wright, 2016). Therefore top management can focus on talent retention.

### 2.2.5 Technology Advancement

Technological advancements impact on preparing employees for new jobs. Moreover, it helps employees to find best opportunities from anywhere in the world. Technology advancement includes competencies such as keeping employees up to date with technology industry latest trends. Technology facilitates the process easier and more flexible and shorter. These technological advances have brought parallel improvements in educational sector with technical advantages by the new educational technology. The Malaysian ninth plan (2006-2010) has delivered a series of methods to improve quality of education through information Communication and Technology (ICT).

## 3. Research Methodology

The five dimensions of succession planning practices included in this study. The philosophy underpins this research is the positivist objectivism paradigm. One of the most common paradigms in social science is the positivistic model (Mackenzie and Knipe 2006; Scott and Morrison 2006). This study is intended to examine the relationship between succession planning practices and employee retention in the Public HLIs Malaysia. Previous studies have used quantitative approach ,qualitative and mixed methodology to examine the relationship between succession planning practices and employee retention. However more studied have used this paradigm to conduct similar studies (Imna and Hassan,2015; Chui,2015,Ahmed and Murinah,2018; Nuhu et al.(2018). This study is using a deductive approach with structured quantitative data when applying a more scientific approach to data using hard

estimating metrics and numerical data. Data was generated in the quantitative form which was tested by quantitative analysis techniques. Relationships between variables are quantified using statistics and form the basis for hypothesis testing (Sahu,2013). Quantitative analysis is synonymous with the use of instruments such as the commonly used quantitative survey for gathering data from large populations. Survey research provides a numeric description of trends, attitudes, or opinions (Creswell, 2013).

For this study both paper and digital version of the survey were developed. The traditional method has been used to distribute printed paper questionnaires. The target population for this study is academic and Non-academic employees from Malaysian public HLIs. The selection of academics and non-academic employees due to dynamic growth in the higher education sector describes a critical role in various economic development route (Choong et al; 2013). Both academic and non-academic employees should be given equal recognition (Henkin & Persson,1992; Baltaru,2018). The population in this study comprised 9,750 (based on university registrar department in February,2020) academic and non -academic employees. The population consists of holding academic positions (lecturer ,senior lecturers ,professors, head of departments and dean) and non-academic positions (Faculty assistants, officers, managers, and registrars ). In this study, probability sampling has been chosen for data collection. Simple random sampling is a technique that selects a sample entirely randomly. This research targets to achieve 300 respondents from four technical universities in Malaysia.

The research instrument helps researchers to collect the data they need to address the suggested questions. For this study ,5 Likert scale was chosen to analyse the data, as previous studies Eshiteti et al. (2013); Tetteh

(2015) has also analysed data by using 5 Likert scale. All study items were measured on a five - point Likert scale ranged from 1(strongly disagree ) to 5( strongly agree).The source of items for employee retention was adapted from (Tetteh, 2015); Jerusalem ,2008). Items for succession planning practices were adapted from (Rothwell,2010 ; Mateso,2010).Questionnaires were used for collecting factual data and obtained valid responses from the respondents. Pre -test for this research was based on the feedback from the experts in the field. The final form of distributing questionnaires has been subjected through pilot test which improved the quality of questionnaires for actual data. The data collection was processed by using statistical package for social science computer software version 10.0 and PLS-SEM version 3.0. The aim of this study is to examine the relationship between succession planning practices and employee retention.

#### 4 . Data Analysis and Results

The quantitative data obtained from the questionnaire survey was subjected to series of analysis. Data was screened and exclude the questionnaires which were wrongly filled or unanswered questions. Descriptive analysis was conducted to determine the demographics of the respondents. The results have been presented in the form of Percentage (%). Statistical method SEM has employed in this study was to confirm hypothesis testing approach to the analysis. Selecting SEM for this study was to define and explain the relationships in the hypothesized model (Byrne,2013).

##### 4.1 Descriptive Statistics

The study findings of this study's participants profile are illustrated in Table 1.

**Table 1.Profile of Respondents**

Characteristics	Category	Frequency	Percentage
Gender	Male	175	58.3
	Female	125	41.7

Age	under 30	62	20.7
	30 to 40	113	37.7
	41 to 50	96	32.0
	51 to 60	28	9.3
	61 and above	1	
Number of years working in university	five years and below	106	35.3
	6 to 10 years	78	26.0
	11 to 15 years	60	20.0
	16 to 20 years	55	18.3
	21 years and above	1	.3
Current Position	Academic	200	66.6
	Non-Academic	100	33.3

In the questionnaire respondents were approached to provide their gender. The results of demographic factor based on gender drew quite close number between the genders. There were 175 male respondents (58.3%) and 125 female respondents with (41.1%) that showed balanced distribution between genders answering the survey. This study has identified the age of respondents based on six age groups: Under 30,31-40 years,41-50 years ,51-60 years and 61 and above. The results indicated many of the respondents were at the age of 30-40 years old or 37.7% from the 300 respondents. Only one respondent of above age 61 has participated in this survey which is 0.3%. Nevertheless ,the researcher managed to get hold of another 28 senior participants (51-60 years old) participated in this study. The respondents' current working profile was identified in this research. Most of the respondents have experience with 5 years and below(35.3%) on the current position in the current organization. Then, followed by 78 respondents with 6 to 10 years experience (26%) and 11 to 15 years experience respondents were 60 ( 20%). The researcher also managed to find 55 respondents in the category of 11-16 years working experience in the same position . Only 0.3% respondent was in the group 21years and above. One of the aims of the research was to identify the perspective of academicians and non academicians. The

results in the table 4.2 indicated that most respondents 200 were academic staff included lecturers, professors ,dean and head of departments. The non -academic's respondents were 100 having 33.3%.

## 4.2 Structural Equation Modeling (SEM)

This study used Structural Equation Modeling (SEM) to examine the research hypothesis. Testing has been done with the help pf software smart PLS 3.The following subsections will be discussed the tests used to assess the validity of the structural model for this study. The role of measurement model is assessing relationship between the latent variables and measures. Smart PLS 3.0 is used to assess the measurement and structural model for this study.

### 4.2.1 Convergent Validity

Convergent validity measures the correlations of the items in a single variable. The higher the convergent validity the more strongly correlated are the items in each variable. Convergent validity test is used to calculate item reliability, average variance extracted and internal consistency (Fornell and Larcker 1981).

**Table 2. Convergent Validity**

Variables	Cronbach's alpha ( $\alpha$ -values)	Average Variance Extracted ( AVE)
Selection of a Successor	0.841	0.678
Leadership Development	0.882	0.680
Succession Planning Programs	0.891	0.607

Technology Advancement	0.860	0.711
Top Leadership Involvement	0.931	0.708
Employee Retention	0.913	0.622

The results showed the higher internal consistent value for all variables provide adequate reliability of the measurement model to achieve internal consistency in this research. All variables meet the criterion for a minimum value of 0.7 found from the data analysis for this research. For this study Table 2. showed alpha vales are from 0.841 to 0.931 and this is above the recommended threshold value of 0.7. Average variance extracted (AVE) is commonly used to validate the construct. Table 2. showed that all constructs have AVE ranging from 0.622 to 0.711,which exceed the recommended threshold value of 0.5.The result of this study confirms that there is enough confidence in the convergent validity.

#### 4.2.2 Discriminant Validity

Applying discriminant validity test is to identify the content construct. Because researchers need to show evidence that all constructs in a research study is distinct. The HTMT ratio is the most recent test to check discriminant validity test in the social sciences. For this study the assessment was done by Fronell-Larcker(1981) and Heterotrait -Monotrait approach. The right criteria for the HTMT tests are the value closer to 1.0 would be interpreted as discriminant validity. Henseler et al. (2015) suggest 0.85 and 0.90 as useful starting points. Table 3. showed the diagonal values representing each construct 's square root of the AVE is higher than the intercorrelations in the model between other constructs. The results confirmed that the Furnell and Laker's criterion is met for this study.

**Table 3. Fornell-Larcker criterion**

	ER	IDLP	SS	SSP	TA	ITL
Employee Retention	0.789					
Leadership Development	0.804	0.825				
Selection of a Successor	0.693	0.660	0.823			
Succession Planning Programs	0.532	0.389	0.228	0.779		
Technology Advancement	0.750	0.617	0.545	0.458	0.843	
Top Leadership Involvement	0.838	0.808	0.745	0.487	0.726	0.842

Furthermore, the discriminant validity was determined by HTMT ration for this study. Table 4 shows the result of the HTMT ratio in respect of the constructs in the research model. All the reported values were less than the HTMT0.85 criterion thus further proving the achievement of discriminant validity. This

study therefore concludes that the measurement model has established its discriminant validity. The results in the Table 4 showed that in the model the loading value of all items were higher on the variable they were measuring than any other variable.

**Table 4. (Heterotrait- Monotrait -HTMT)**

	ER	IDLP	SS	SSP	TA	ITL
Employee Retention						

Leadership Development	0.882				
Selection of Successor	0.768	0.768			
Succession Planning Programs	0.590	0.431	0.265		
Technology Advancement	0.837	0.687	0.636	0.515	
Top Leadership Involvement	0.837	0.838	0.828	0.527	0.808

## 5. Hypothesis Testing

Hypothesis testing is conducted to analyse the cause-effect relationships (causality) among the variables in the model based on the value of

the critical ratio (CR). In terms of PLS-SEM, CR is known as the t-stat value. If t-stat values higher than 1.96 (sig. 5% two-tailed) and has positive relationship (see hypothesis) means that the hypothesis is supported. The results of hypothesis testing can be observed in Table 2.

**Table 5. Hypothesis Testing**

Variables	Beta value	Standard error	T-Statistics	P Values
Leadership Development -> Employee Retention	0.294	0.043	6.829	0.000
Selection of a Successor -> Employee Retention	0.199	0.038	5.297	0.000
Succession Planning Programs -> Employee Retention	0.090	0.033	2.726	0.000
Technology Advancement -> Employee Retention	0.157	0.042	3.777	0.000
Top Leadership Involvement -> Employee Retention	0.152	0.060	2.527	0.010

The path coefficient between two latent variables were assessed to validate the proposed hypotheses and the structural model. Previous studies dictated that the path coefficient value must be at least 0.1 (Agarwal and Rao, 1996; Hair et al., 2016; Wetzels et al., 2009). Table 5 showed the results for path coefficients ( $\beta$ ), T values and significance level for all hypothesized paths. The statistical assessment of the path coefficients in the table 5 illustrated that results are significant. Result of the direct effect for the Hypothesis H1(H1a, H1b, H1c, H1d,H1e), has positive influence of succession planning practices on employee retention. The significant positive path coefficients were selection of successor ( $\beta = 0.199$ ,  $t=5.297$ ,  $P<0.000$ ), leadership development ( $\beta= 0.294$ ,  $t=6.829$ ,  $P<0.000$ ), succession planning programs ( $\beta= 0.090$ ,  $t=2.726$ ,  $P<0.000$ ), top leadership involvement ( $\beta= 0.152$ ,  $t=2.527$ ,  $P<0.000$ ) and technology advancement ( $\beta= 0.157$ ,  $t=3.777$ ,  $P<0.000$ ). As the t -value is more significant than 1.96 (Hair et al., 2017).

## 6. Discussion and Conclusion

This study examined the relationship between succession planning practices and employee retention in Malaysian public HLIs. A total of 300 respondents among academics (lecturers, Sr. lecturers, head of departments and deans) and non-academic staff ( faculty administrative officers, managers, and registrars) participated in the survey. Academic and non-academic staff has their own roles in education sector. The main roles of academic staff are to focus on teaching and research functions. Where as, the administrative roles are fully handled by non-academic staff and largely responsible for the successful day to day operations of every HLIs. Employee retention is very significant to retain valuable employees such as academicians and non-academic staff at higher education institutions, who needs to stay longer in the same institution for the future human capital development benefits. Succession planning can be achieved based on the capabilities of HLIs. When employees leave the current organization due to death, retirements, disability, downsizing, early retirements, delay retirements, natural disasters and less commitment and individual desires, succession



planning provides HEIs opportunity to let employee stay for longer (Rothwell, 2010).

The selection of a successor is crucial for the survival of the organization. Organizations evaluate their employees to identify employee development needs and the gray areas for performance improvement (Lira, 2015). When employees are positive about performance appraisal, this motivates them to participate in development activities, which can subsequently improve individual performance (Nikpeyma, Saeedi, Azargashb, & Majid, 2013) and it leads to employee retention. Identification of successor became robust when the employees' interests were very close to the welfare of the business in which they served so that they associated themselves strongly with their company (Payne et al., 2018). The use of technology for employee retention is increasing efficiently. Technology can make process easier and faster which can be used to make the online assessments to identify the future successor (Ahmad & Keerio, 2020; Tucker, 2020). Employees want to stay in the organization for longer period if they access to the latest tools and information. Employees want to leave organization as they feel disconnected. The use of technology improves retention and allow them to relate to other employees. Retaining valuable and talented employees is crucial, since they are rare resources in the global age (Sinha, 2012). The objective of this study was to examine the relationship between succession planning and employee retention. PLS SEM was conducted to achieve this objective. The results of SEM analysis found Positive and significant relationship between succession planning practices and employee retention. The results are consistent with the findings of other studies (Jonathan Tetteh, 2015; Kamil, 2015, Eshiteti et al., 2013, Poornima et al., 2018; Dachner et al., 2019; Ali & Mehreen, 2019; Ahmad & Keerio, 2020; Tucker, 2020). Therefore, hypotheses (H1a, H1b, H1c, H1d, H1e) are accepted. This means that the higher practices of succession planning in the organization, the higher rate of employee retention. If organizations put in place succession planning programs, it will affect employee's decision to stay with the organization positively. This will increase retention rate of the organization.

## 7. Theoretical and Practical Implications

This study presented effective contributions to the existing body of knowledge by examine the relationship between succession planning practices and employee retention at individual level as a social exchange process in the perspective of social exchange theory (SET). Social exchange theory (SET) refers to the subjective, relationship-oriented contrast between employees and employers characterized by and exchange of socio emotional benefits and mutual trust (Tsai et al., 2013). Social exchange theory is a set of relationships between people or group of people which can be used to develop, access and use resources (Plessis & Sukumaran, 2015). Higher levels of social exchange can reduce turnover, absenteeism (Eisenberger et al. 2002; Tsai et al., 2013) and motivate employees to engage in positive behaviours such as employee retention (Tsai et al., 2013).

This study has contributed some more practical implications based on the research results specially in terms of human resources management practices in the Malaysian HLIs context. Ministry of Education and AKEP can create uniform guidelines to all HLIs in the implementation succession planning practices to retain their employees. The establishment of Higher Education Leadership Academy (AKEPT) under Ministry of Higher Education (MOHE) can contribute for the formal succession planning practices among HLIs employee. Practically, the outcome of this study is timely which can be used by universities to prepare a succession plan to improve employee retention strategy. The findings of this study revealed that succession planning practices significantly predicted employee retention.

## 8. Limitations and Future Recommendations

Some of the respondents were not familiar with the term succession planning. This study considered both academic and non-academic staff as unit of analysis. Majority participants (59.7%) in this study were academic staff who gave feedback and comments where as (39.7%) were non-academic staff. The findings of this study might reflect due to the different perceptions of non-academic staff about succession planning practices.

As this study has determined the relationship between succession planning practices with employee retention Future

researchers can focus on more studies on the relationship between succession planning practices with other variables such as organizational effectiveness in both public and private HLIs in Malaysia to determine the long-term succession planning practices with the help of AKEPT.

This study employed quantitative method. It calls for triangulation method for future research regarding succession planning best practices at Malaysian HLIs. Triangulation method offers an advanced value of data quality to enhance the researcher's knowledge to study employee retention, which relates to talent management, succession planning and knowledge management. According to (Risjord, Dunbar, & Moloney, 2002) employing both qualitative and quantitative data may subjectively provide stronger results than using only one method. Furthermore, purposeful sampling is recommended to enrich data from managerial employees (deans, head of departments) and faculty administrative employees (registrars).

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