

Identifying the key factors in effective Succession Management and analyzing their impact rate at the Southern Khorasan Electric Energy Distribution Company (SKEDC)

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ABSTRACT

Succession Management plays a vital role in the current competitive world. The life cycle of many companies and organizations is going to be in the last stage, and sooner or later, their activity will shrink and they will be removed from the world of competition. Among these organizations, those who focus on succession management and utilize their personnel's talents have a good opportunity for survival. The above-mentioned issue will be a challenge for national and international organizations and all the corporations must follow the succession planning to attain competitive advantages. Electrical distribution companies are the most sensitive utilities that supply the required electric power for home customers, industries, agricultural affairs, public consumptions, etc.; and their survival together with their services, i.e. the continuation of efficient electric power, is a benefit for all people. The Southern Khorasan Electric Energy Distribution Company (SKEDC) is one out of 39 Iranian Electrical Distribution Companies affiliated to Tavanir Company that has a special perspective on the subject of Succession Management. After a 2012 study in the aforesaid company relating to the Talent Management and Social Capital, now it's time for the SKEDC to focus on the key factors for having an effective Succession Management Process at managerial and other levels. This research has been prepared in July 2012 and the data gathered for statistical analysis have been exploited based upon the viewpoints of all managers containing 30 people in different organizational levels. The result of the study reveals that there is a very appropriate succession management system at the SKEDC and it's a successful company among the identical companies.

Keywords: *Succession Management, Talent Management, Succession Planning;*

1. INTRODUCTION

The importance of planning in each managerial task is an inevitable event so that it is not possible to find a successful job without a prior appropriate planning. According to a 2006 study by Anthony Gregory, there is a "Six P" acronym that says, "Proper Prior Planning Prevents Poor Performance." and therefore, each CEO will be desperately in need of planning to handle his/her managerial affairs.

One of the most important plans in organizations especially in this world of competition is succession planning; because it prevents any crisis in time of retirements or other events that cause one or more managers leave an

organization. Attention must be paid that one of the factors which will play a key and strategic role in attaining the organizational goals and objectives is efficient, motivated, and skilled human resources. On the other hand, it seems that the leaving personnel from different levels of organizations due to resignation, retirement, job enhancement, or even death will be unavoidable. Hence, there will be a serious interference in the processes of organizations especially in managerial positions if their directors do not care about succession planning and do not take necessary measures for encountering the lack of eligible managers.

Successful managers must identify the human talents in their organizations for assigning them the key positions in the future and also make them prepared to accept new responsibilities based upon the various instructional and educational planning in order to manage the organizational talents (Hossein-Nejad, 2008).

In this research, we have focused on the topic of succession management in an electric distribution company located in Birjand, Southern Khorasan Province, Iran. The reason for selecting a utility company to analyze the trend of succession management is the sensitivity of utilities in presenting appropriate services to the customers and lack of management especially in managerial positions will lead to a big problem in the field of security, health, welfare, etc.

The main goal of Iranian Electrical Distribution Companies is to present a continuous and efficient electrical energy to their customers throughout the country and in doing so, having a succession planning will be helpful for them to offer better services to their customers in order to obtain customer satisfaction. The Southern Khorasan Electric Energy Distribution Company (SKEDC) is one of the pioneers in electricity sector that has worked on the talent management. As an example in a 2012 study by Ahmadi et al., the role of social capital on improving the talent management has been analyzed at the aforesaid company and the research finding showed a significant relation between social capital and talent management. It should be noted that the personnel of electric utilities like SKEDC have a close relation to the people and their behaviors to the customers help them to reinforce their social capital.

Since the succession management together with the social capital and talent management is a very important factor for the electric utilities, in this study, the key factors in effective succession management has been analyzed and subsequently some recommendations for having an efficient succession planning has been offered as well.

2. RESEARCH BACKGROUND

Few people may question the importance of CEO succession in a company's success, but many organizations do not have any plan to manage CEO succession. Even among firms that do have succession plans, most of them are not satisfied with their plans. In addition, the absence of a CEO succession plan can put a firm at an enormous risk. One recent example of a succession-induced crisis is Bank of America. When the former CEO Ken Lewis announced on October 1, 2009 his intention to leave by the end of 2009, Bank of America did not have a succession plan in place (Zhang & Rajagopalan, 2010).

According to a 2007 study by Hirsh, succession planning is one part of ensuring that an organization can meet its future needs for people. She also emphasizes on 'Talent management' as a common umbrella term for the attraction, retention and development of people with potential and adds that succession planning comes under that umbrella. In addition, she addresses that "In some organizations succession planning and talent management focus only on senior leadership, while others choose to apply the same concepts and processes to broader groups of jobs and people".

Selecting successors from inside or outside a company is another subject that some researchers have been addressed in their studies. As an example, Shen and Cannella (2002) reported that outside CEO successions are associated with lower post-succession firm performance than inside CEO successions. They argue that an outside CEO succession is a disruption to the firm and it may make the matters worse and may have a negative effect on firm performance. On the other hand, Zhang & Rajagopalan have a different view. In their 2010 study, they address to some comments like "the firm needs a fresh start" or "the firm needs to recruit a new CEO from outside to shake things up" and deduce that firms favor outside CEO candidates because in a popular view, "outside succession" is equated to "organizational change," which further is equated to "better performance.". They also add that outside CEOs make bolder changes than inside CEOs and they also bring new perspectives and experiences. Zhang & Rajagopalan present another reason for verifying the prevalence of outside CEO than the inside one. Based upon their research, "another reason underlying external CEO successions is related to human cognition bias. Insider candidates, whom you meet in elevators and on coffee

breaks, are just not as exciting as outsiders who are most often presented to corporate boards by professional headhunters via star-like résumés and glowing references. While the relative unfamiliarity of outside candidates may make the task of assessing the candidates' capability more challenging, it can still lead to excitement in the board of directors because the outsider presents a tantalizing promise of doing things differently. In contrast, the board of directors' evaluation of inside candidates is very likely to be constrained by the internal candidates' current roles. For example, the board of directors may not have observed an internal candidate's strategic thinking capability because the internal candidate has never had a chance to demonstrate that capability".

For succession planning, not only top management level must be considered, but also other organizational levels have to be involved in. Based on a 2005 study by Cohn, Khurana, & Reeves; CEO succession planning requires the development of a deep pipeline of executive talent and also a senior leadership development program is needed to span multiple organizational levels and include both top and middle managers. Furthermore, Each organization needs to fit its approach to succession planning to its own particular business needs, culture and workforce situation (Hirsh, 2007).

All organizations are talking about competencies. Some have truly worked the concept into several of their processes and a few have a fully implemented competency modeling and reporting system in place. These address the development of people from process design through succession (Sanghi, 2007).

In a 2007 study by Hirsh, 10 practical tips for effective succession planning have been listed as below:

1. Engage with senior managers at the start (Ask them what they want out of succession planning – it's their process)
2. Focus on easily defined groups (groups of jobs or groups of people where succession is a problem and could be improved by growing talent from within)
3. Start with fairly small population (Small firms can easily cover all their staff in one simple succession exercise)
4. Design in how information flows (Succession must link with business and workforce planning)
5. Don't go overboard on assessing potential (do give managers clear guidance on how you expect them to identify successors)
6. Collective management agreement (Individuals will only get support in development and appointments if leaders agree they are credible successors)
7. Communicate (Explain the succession process to all employees and make sure that any individuals identified as successors have conversations about their careers and development at regular intervals)
8. Tailored career development (You should be providing good management training anyway. The added value of succession planning is to facilitate job moves and work experiences that give people the track record they will need in order to be credible candidates for future roles)
9. A serious role for HR leaders (Succession planning requires active facilitation and championing by senior HR people who have high credibility and are prepared to be 'hands-on')
10. Hang in there (Evaluate and modify your approach but keep at it for at least 5 years to show real returns in terms of improved resourcing and performance)

As the National Association of Corporate Directors' survey shows, many companies do not have CEO succession planning. As a result, when the time for succession comes, the board of directors is not prepared, and therefore has to rely upon external headhunters to search for CEO candidates. External executive search firms are not likely to be familiar with internal candidates. They search in their database and come up with a list of external candidates. External executive search firms work with a number of client firms and may not have a deep understanding of each individual client firm's unique operating context (Zhang & Rajagopalan, 2010).

A competency model describes the combination of knowledge, skill and characteristics needed to effectively perform a role in an organization and is used as a human resource tool for selection, training and development, appraisal and succession planning (Sanghi, 2007).

Succession management has become an important talent management initiative at companies around the world. For some companies, succession management is a strategic process that minimizes leadership gaps for critical positions and provides opportunities for top talent to develop the skills necessary for future roles (Lamoureux et al., 2009). At times of unexpected death or resignation of executives, succession management serves as crucial part of human resources strategy; assuring suitable leaders are ready for appointment (Ndubisi, 2008).

Outside CEOs also face a greater career risk than inside CEOs. A Booz Allen survey noted that in North America, 55% of outside CEO departures in 2003 were due to forced resignations, compared with 34% of

insiders (Charan, 2005). More recently, Heidrick and Struggles International's CEO L. Kevin Kelly estimated that about 40% of executives hired from the outside last a mere 18 months (Conlin, 2009). In a large-sample, empirical study, Zhang (2008) examined why some newly appointed CEOs are fired after a short tenure (i.e., less than 3 years) and found that under the same performance conditions (both concurrent firm performance and pre-succession firm performance), outside CEOs on average are 6.7 times more likely to be dismissed with a short tenure than inside CEOs. An important reason is that outside CEO successions are associated with a greater level of information asymmetry between the board of directors of the hiring firm and the CEO candidate; that is, the CEO candidate knows more about his or her true competency than the board of directors. As a result, in an outside succession the board of directors is more likely to hire a wrong executive, and therefore has to correct the mistake by firing the CEO after the succession (Zhang & Rajagopalan, 2010).

Promotions lead to succession planning and are based on the performance of individuals. The 360-degree feedback aligned with the competency model is an important component for promotion (Sanghi, 2007). In addition, based on a 2009 study by Lamoureux et al., effective succession management enables companies to react quickly to change and endure difficult times. At its best, succession management allows a company to seamlessly merge its employees' capabilities and career aspirations with the company's business strategy and talent needs. Furthermore, Zhang & Rajagopalan (2010) believe that firms with a larger internal talent pool can better manage the risk of CEO succession than those without.

According to a 2007 study by Sanghi, succession planning includes training and succession for promotion. For succession planning there is a need for a list of the positions under consideration, agreement among the decision makers about what is required for success in each position, who is ready and why, who will be ready soon, accompanied by the person's development needs and recommended actions to close the gap. On the other hand, Lamoureux et al. (2009) argue that many organizations are spending a lot of energy creating succession plans, but few are able to integrate succession management in all company operations and among all levels of employees.

One of the definitions that show the importance of succession management is the definitions by Jackson & Schuler in their 1990 study: "ensure the right person is in the right job at the right time". Succession management is a formalized process of both role planning and leadership development to ensure that the leadership pipeline is filled and the right talent is available when positions open (Vestal, 2004).

Succession planning and leadership development is another subject that some researchers have addressed them. As an example, Conger and Fulmer (2003) believe that by marrying succession planning and leadership development, an organization gets the best of both: attention to the skills required for senior management positions along with an educational system that can help managers develop those skills. They address to a lesson that might have helped Coca-Cola and Mattel as an example.

Utilizing the potential and talents of the personnel is another benefit of succession management. In a 2004 study by Taylor and McGraw, they address that "succession management programs strive to develop and retain high potential employees, and thus provide the organization with a guaranteed managerial talent source and competitive human resource (HR) advantage".

According to Rothwell (2000), utilizing succession management approaches will facilitate the effective organizational positioning and development; and it ensures that within an organization the "right" leaders are available at the "right" time. Therefore, if the companies have prepared candidates as successors and put them in the right positions and in the right time, they may not encounter any crisis when a CEO or other managers from different levels of organizations leave the firm.

Succession management efforts are most likely to be successful if they are embedded in management operations, involve HR and other managers throughout the organization and are concerned with implications for other career planning practices such as formal education training or secondments (Baruch, 1999; Huang, 2001; Walker, 1998).

Assessment and self-assessment are the tasks that Tavanir, as the holding company for electric distribution companies, emphasizes on; and in every year, the electric utilities must perform the assessment processes and then report the results together with the improvement projects to Tavanir. This action is supported through the 2004 study by Taylor and McGraw. They believe that one of the key components of succession management is the assessment of both the organization and its employees. It should be mentioned that in the holding company

of Tavanir, the subsidiaries, i.e. the electric distribution companies, are assessed by Tavanir and the personnel are evaluated by the electric utilities.

Conger and Fulmer (2003) came up with five “rules” for succession management that are as follows:

1. The fundamental rule on which the other four are build, is a focus on development, succession management must be a flexible system oriented toward developmental activities.
2. Focus on linchpin positions, jobs that are essential to the long-term health of the organization.
3. Make succession management transparent, no secrecy.
4. Regular measurement of progress, moving away from the replacement mind-set of succession planning.
5. Keep it flexible.

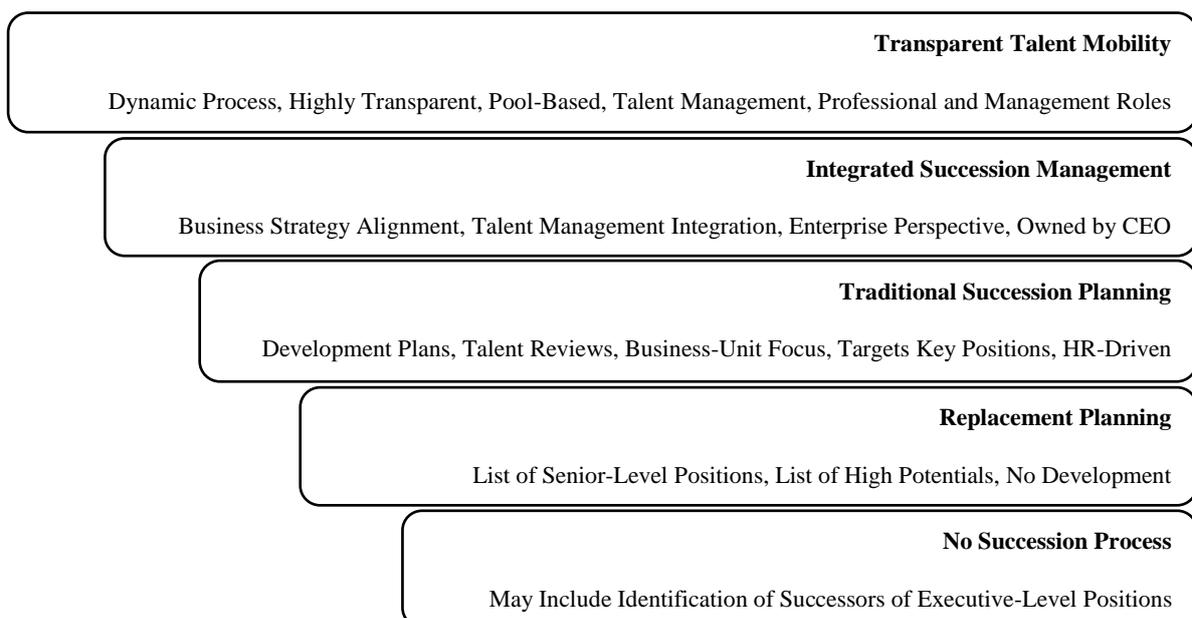
On the other hand, Taylor and Mc Graw (2004) address that succession management is a relatively new but growing part of businesses efforts to develop internal talent, meet organizational needs, improve business results and become more strategically responsive.

According to Shen and Cannella (2002), there are three distinct types of CEO turnover — outsider succession, follower succession that includes insider CEO replacement appointed after a retirement of the outgoing CEO, and contender succession that includes insider successors appointed after the resignation of the outgoing CEO. In contrast with insider succession, outsider succession is more likely in periods of poor firm performance and may indicate the absence of competent talent inside the firm (Finkelstein & Hambrick, 1996). Barron et al. (2011) present a definition for contender succession. They define it as insider succession when the outgoing CEO leaves the firm for reasons other than retirement, death, or illness. Different organizational studies represent the various insights on succession planning. Most of successful managers believe a vital role for succession management. For example; Jack Welch, the CEO of the General Electric, addresses to the selection of his successor as the most important decision (Shojaei and Dorri, 2008)

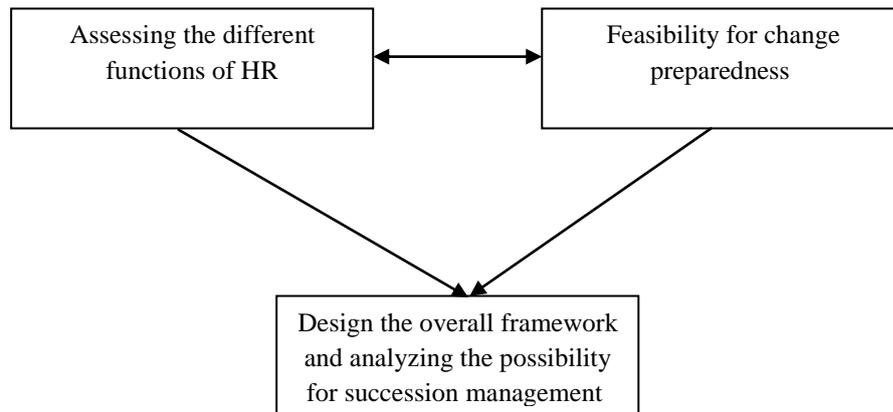
Among the different inputs in an organization, there is a kind of input that when we utilize it, not only its energy won't diminish but also its power will be added. This input is in fact, the human resources. Using the energy and information presented by the human resources will cause empowerment and it's in contrast with other resources that their consumption will make them shrink (Sahebi, 2009). The results of the researches show a shortage in managerial forces and the increasing need for the managers who have the capability of empowerment, talent, and skills much more then the current managers and thus, recognizing the eligible managers is one of the most fundamental challenges in organizations to encounter the future conditions (Eidi & Dianati, 2008).

3. SUCCESSION MANAGEMENT MODELS

Some models for succession management have been presented in different studies. One model named Succession Management Maturity Model has been presented via a 2009 study by Bersin and Associates as follows:



Hossein-Nejad in his 2008 MBA dissertation has been used the following model for succession management considering the organizational development approach:



Various models have been defined by many researchers, and in this study; we just address two sample models. Also, a succession plan for the SKEDC has been introduced by a counselor and we intend to evaluate the key factors for having an effective succession management at the SKEDC, because the aforesaid plan has been offered based upon a skilled counselor and we try to involve other criteria and indices such as talent management, social capital, intellectual capital, etc.

4. SUCCESSION MANAGEMENT DIMENSIONS

In our literature reviews, we encountered three important dimensions together with the effective factors on succession management. In Table 1, the features, components, and general dimensions of succession management based on a three-branch model has been presented:

Table 1 – The features, components, and general dimensions of Succession Management

Researcher (s)	Year of study	Structural Branch	Behavioral Branch	Contextual Branch
Friedman, S. D.	1986		Organizational Performance	
Johnson et al.	1994		Identifying and developing talented individual	
Metz, E. J.	1998		Organizational Culture	
Byham, W. C.	1999		Crisis Restoration	
Huang, T.	2001	Participation, feedback, and action	Open and effective relational channel; managers' support	Strategic Perspective
Kim, S.	2003		Identifying and analyzing the key positions; Identifying and assessing the suitable candidates; Training the required capabilities for leadership	
Karaevli, A. & Hall, D.	2003		Identifying the high-potential individuals	

Rothwell, W. J.	2005	Assessing the career requirements for each key positions; Individuals' performance assessment; Assessing of future career needs; Educational and developmental programs	Managers and Decision-Makers' Commitment	
Sambrook, S.	2005	Organizational Development; Career Path Development; Learning		
Groves, K.S.	2007		Coaching relationship between the manager and his/her own personnel; Identifying the individuals with management and leadership ability; Top Management Commitment; Stabilizing the management nurturing culture	
Mandi, A. R.	2008	Identifying, assessing, and developing talents		
			Seek to find personnel with high potential	
Ndubisi	2008	Personal/Individual Culture		

As indicated at Table 1, there are many similarities among some features and the major differences are probably for the application of various terms for similar ideas.

Based on the theoretical principles and research background and also due to the items within the above-mentioned table, 24 indices as the main features of succession management have been identified after merging the similar terms and removing the repeated items. These indices as well as the dimensioned have been listed in Table 2.

Table 2 – The main features of succession management

Structural Dimension	Behavioral Dimension	Contextual Dimension
Horizontal Differentiation	Leadership Competency	Organizational Vision
Job Analysis	Responsibility	Organizational Strategy
Networking	Work Experience	Dynamic Environment
Delegation	Managers' Support	Participative Culture
Coaching	Self-Confidence	Constitutional-Political relationships
Talent Measuring	Commitment Obligation	Organizational Size
Career Path Development	Thinking Development	
Individual Performance Assessment	Continuous Learning	
Training the required capabilities		
Open Relational Channel		

In a study to identify the important factors for succession management system at the Southern Khorasan Electric Energy Distribution Company (SKEDC), the following factors have been specified by the experts and now it's the criteria for selecting the successors:

1. grade/rank (based upon the personnel work experiences)
2. major (university degree)
3. Educational Courses
4. Titles of the positions
5. Intrinsic capabilities and the abilities for enhancement in managerial system
6. Health and physical abilities
7. Tendency to accept managerial positions
8. Good reputation
9. Individual personal traits

Although the above items have been determined for the succession management system at the SKEDC, but we believe they may not suffice and we need to review them to find some probable items that perhaps have key role (s) for succession planning. Therefore, we define some hypotheses, then test them and subsequently conclude and discuss about the results.

5. Main HYPOTHESES

Main hypothesis of our research is as follows:

- The Southern Khorasan Electric Energy Distribution Company (SKEDC) has a very appropriate succession management system.

6. METHODOLOGY

The population considered for this research at the SKEDC is 30 people that are the managers of different organizational levels. We have used a questionnaire containing 121 questions so that the questions 1-50, 51-91, and 92-112 have been distributed for measuring structural, behavioral, and contextual dimensions of the research respectively.

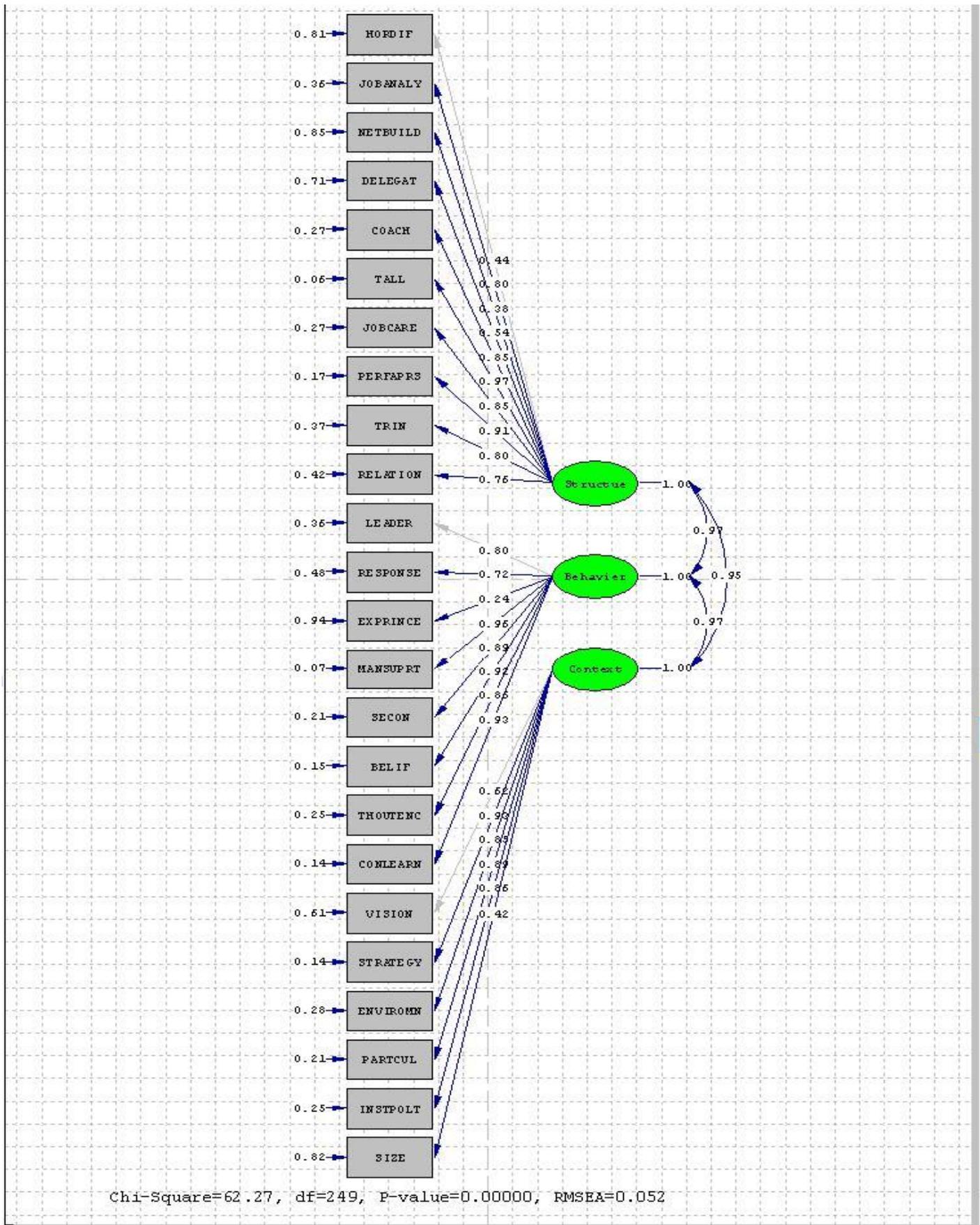
7. FINDINGS

The factor analysis is a general statistical method for attaining a small set of variables named latent variables via doing covariance between a broader set of visible variables. The factor analysis is also used for measuring validity and reliability of measured scale.

In this research, first the model fitness is analyzed for determining the sufficiency of model fitness using the fitness indices and then; the relation between visible variables and latent structures or variables is examined and after confirming the reliability of the model, the succession management system at the Southern Khorasan Electric Distribution Company can be measured through single sample T test.

a) Model Fitness: It's important in the model fitness whether the tacit covariance matrix is close to the estimated society covariance matrix. If the fitness indices in a model are weak, it means that the model will not be supported by the data and there's no compliance among them. In the Lisrel Software and in the Out Put menu, the item Fit Indices introduces the model fitness indices that the most important indices are Chi-Square and RMSEA (Root Mean Square Error of Approximation). In this model the value of Chi-Square is 67.27 and it means that the Chi-Square is sensitive to sample volume and since the sample is 30 people, it's not possible to generalize the results to whole the society. On the other hand, the RMSEA value is 0.052 and it reveals that the model fitness is acceptable. When the RMSEA value is less that 0.06, the model fitness can be accepted as a good fitness.

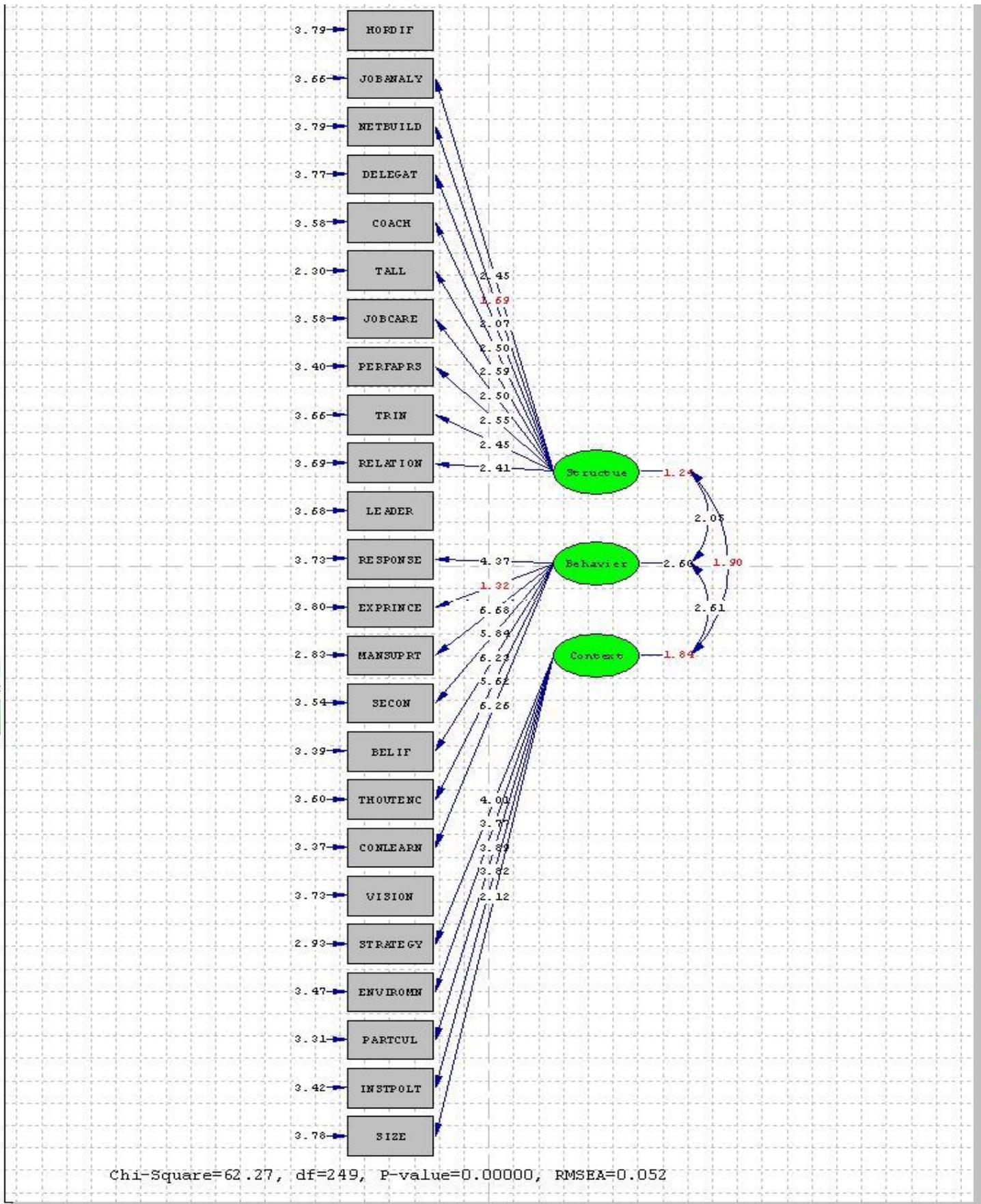
b) In this study, the conceptual model of the research was designed via SEM (Structural Equation Model) using Lisrel software. After specifying latent and visible variables, the model testing was carried out by factor analysis and then the correlation between latent and visible variables was discussed.



In the above graph, the factor loading values between visible and latent variables have been identified and it shows the strong correlation between the latent and visible variables. Factor loading for visible and latent variables have been determined in the following table:

Research Dimensions (Latent Variables)	Visible Variables	Factor Loading Values
Structural Dimension	Horizontal Separation	0.44
	Job Analysis	0.8
	Networking	0.38
	Delegation of Authorities	0.54
	Coaching	0.85
	Measuring Talents	0.97
	Career Path Development	0.85
	Individual Performance Evaluation	0.91
	Training the required capabilities	0.8
	Open Communicative Channels	0.76
Behavioral Dimension	Leadership Power	0.8
	Responsibility	0.72
	Work Experience	0.24
	Managerial Support	0.96
	Self-Confidence	0.89
	Perusing the beliefs	0.92
	Thoughts Development	0.85
	Continuous Learning	0.93
Contextual Dimension	Organizational Vision	0.62
	Organizational Strategy	0.9
	Dynamic Environment	0.85
	Participative Culture	0.89
	Constitutional-political relationships	0.86
	Organizational Size	0.42

The above table shows that the factor loading values among the networking variables and structural dimension is low. The aforesaid values are also low considering the variables of work experience and behavioral dimension. The factor loading values are very high in other cases. The two low-value cases have been marked red in T-Value graph.



The amount of T-Value for the visible and latent variables are as follows so that the values less than 1.96 at the trust level of 5% have been marked red.

Research Dimensions (Latent Variables)	Visible Variables	T Values
Structural Dimension	Horizontal Separation	2.01
	Job Analysis	2.45
	Networking	1.69
	Delegation of Authorities	2.07
	Coaching	2.5
	Measuring Talents	2.59
	Career Path Development	2.5
	Individual Performance Evaluation	2.55
	Training the required capabilities	2.45
	Open Communicative Channels	2.41
Behavioral Dimension	Leadership Power	2.01
	Responsibility	4.37
	Work Experience	1.32
	Managerial Support	6.68
	Self-Confidence	5.84
	Perusing the beliefs	6.23
	Thoughts Development	5.62
	Continuous Learning	6.26
Contextual Dimension	Organizational Vision	2.01
	Organizational Strategy	4.01
	Dynamic Environment	3.77
	Participative Culture	3.89
	Constitutional-political relationships	3.82
	Organizational Size	2.12

From the statistical aspect, the values less than 1.96 reveals that zero hypothesis (H_0) will be rejected. It means that the differences in 95% of correlation cases or factor loading among the visible and latent variables are not zero. After confirming the validity, another issue is reliability of the research that its result is as follows:

Reliability

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***** Method 1 (space saver) will be used for this analysis *****
□
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RELIABILITY ANALYSIS - SCALE (ALPHA)
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Reliability Coefficients
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N of Cases = 30.0 N of Items =121
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Alpha = .9800
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The result of Chronbach's alpha test with the amount of 0.98 indicates that the questionnaire has a high validity.

c) The status of succession management system at the Southern Khorasan Electric Energy Distribution Company (SKEDC):

Using both single sample T test and SPSS software, it's possible to measure the status of succession management system at the SKEDC. This test indicates that if the status of the succession management system at the SKEDC in the structural dimension considering the experts' viewpoints is higher than 3 (a number from 1 to 5 in the Likert scale).

Result of single sample test for structural dimension

	Test Value = 3					
	t	Df	Sig. (2-tai led)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Horizontal Separation	8.610	29	0.000	0.8800	0.6710	1.0890
Job analysis	14.316	29	0.000	1.3333	1.1428	1.5238
Networking	8.148	29	0.000	0.6933	0.5193	0.8674
Delegation of Authorities	9.500	29	0.000	0.9267	0.7272	1.1262
Coaching	9.396	29	0.000	1.2200	0.9544	1.4856
Measuring Talents	6.439	29	0.000	1.0867	0.7415	1.4318
Career Path Development	6.602	29	0.000	0.9333	0.6442	1.2225
Individual Performance Evaluation	11.060	29	0.000	1.2600	1.0270	1.4930
Training the required capabilities	10.192	29	0.000	1.0467	0.8366	1.2567
Open Communicative Channels	7.657	29	0.000	0.8667	0.6352	1.0982

Results of single sample T test as well as 95% confidence level reveals that all visible variables in structural dimension are higher than 3 (a number from 1 to 5 in the Likert scale) and at the aforesaid dimension, all variables have an appropriate status at the SKEDC.

The following table indicates that if the status of the succession management system at the SKEDC in the behavioral dimension considering the experts' viewpoints is higher than 3 (a number from 1 to 5 in the Likert scale).

Result of single sample test for behavioral dimension

	Test Value = 3					
	T	df	Sig. (2-tai led)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Leadership Power	10.531	29	0.000	1.1467	0.9240	1.3694
Responsibility	11.233	29	0.000	1.2067	0.9870	1.4264
Work Experience	6.937	29	0.000	0.7000	0.4936	0.9064
Managerial Support	9.849	29	0.000	1.1778	0.9332	1.4223
Self-Confidence	10.771	29	0.000	1.3133	1.0640	1.5627
Perusing the beliefs	11.500	29	0.000	1.2333	1.0140	1.4527
Thoughts Development	13.871	29	0.000	1.2800	1.0913	1.4687
Continuous Learning	10.558	29	0.000	1.3533	1.0912	1.6155

Results of single sample T test as well as 95% confidence level reveals that all visible variables in behavioral dimension are higher than 3 (a number from 1 to 5 in the Likert scale) and at the aforesaid dimension, all variables have an appropriate status at the SKEDC.

The following table indicates that if the status of the succession management system at the SKEDC in the contextual dimension considering the experts' viewpoints is higher than 3 (a number from 1 to 5 in the Likert scale).

Result of single sample test for contextual dimension

	Test Value = 3					
	T	df	Sig. (2-tai led)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Organizational Vision	8.183	29	0.000	0.8867	0.6651	1.1083
Organizational Strategy	9.180	29	0.000	1.2400	0.0638	1.5162
Dynamic Environment	11.749	29	0.000	1.1867	0.9801	1.3932
Participative Culture	9.570	29	0.000	1.1800	0.9278	1.4322
Constitutional-political relationships	13.010	29	0.000	1.1000	0.9946	1.3654
Organizational Size	7.074	29	0.000	0.9400	0.6895	1.1905

Results of single sample T test as well as 95% confidence level reveals that all visible variables in contextual dimension are higher than 3 (a number from 1 to 5 in the Likert scale) and at the aforesaid dimension, all variables have an appropriate status at the SKEDC.

8. CONCLUSION AND RECOMMENDATIONS

Based on the research background and also the statistical findings, we can conclude that the succession management process is a vital approach in each organization. Therefore, in our opinion, the companies which follow the trend of implementing succession planning and then focus on succession management will postpone the decline stage of their life cycle. This kind of companies will better manage their crisis meanwhile the implementation of succession management will be a competitive advantage for them as well.

The essence of succession planning at the SKEDC persuaded the top managers at the aforesaid company to focus on succession planning several years ago. Nowadays, the company doesn't have any concern about the position of personnel who are applicants to be moved to the other companies in different cities of Iran. Thus their applications will be practical during a rational time interval without any interference in the current operation of the company.

In this study, we analyzed three succession management dimensions named structural, behavioral, and contextual respectively as well as their 24 factors by distributing and completing questionnaires containing asking 112 questions. Hence, the results indicate that the succession management process at the SKEDC is reliable and nothing will threaten the organizational positions after moving the personnel.

The important point is that the SKEDC is somehow a pioneer company among 39 Iranian Electric Distribution Utilities in the field of succession management and according to the experiences of managers and personnel, the following suggestions can help other companies' officials to implement the succession management process at their own firms:

1. Notice the importance of succession planning and succession management at the mission statement and vision of the company,
2. Transfer the technical and administrative experiences to the personnel especially to those who are newcomers in order to make necessary preparations for the future responsibilities,

3. Rely on knowledge management and attempt to document both the previous organizational experiences and new trainings,
4. Hold internal seminars and ask the experienced employees to train other staff. If the existing skills are not satisfactory, it will be a good idea to use the required skills from other companies or organizations by inviting the eligible experts to transfer the skill (s) to the personnel.
5. Ask those who participate at the seminars, conferences, symposiums, summits, congresses, etc. to document their findings and then share them to the others.
6. Persuade team work and system thinking among the personnel so that they don't resist sharing their information to other employees.
7. Encourage the human resources department (s) to reinforce the succession management system by acquiring the new scientific findings from other national and international firms.

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