

## **New Ventures Preparation for Succession Planning in Akwa Ibom State**

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**ABSTRACT:** *New Ventures are the major contributors to the development of the economy of many nations especially in terms of job creation and revenue generation. However, they are plagued with high mortality rate of which one of the culprits is lack of succession planning. As such, this study aims to examine how new ventures owners in Akwa Ibom State prepare for succession to ensure the continuity of their businesses in their absence due to retirement or sudden death of key personnels. Using a descriptive design, 300 respondents were examined through purposive sampling method and the findings indicate that the new ventures examined prepare for succession planning through mentoring, training, active learning, feedback and job assignment. to ensure that capable hands are in charge of business activities in the event of vacancy, sudden death or retirement of key personnel. The study concludes that if the preparation mode as pointed out by the entrepreneurs in this study is continued, the issue of new venture mortality will be reduced if not completely eliminated.*

**KEYWORDS:** new venture creation, succession planning, mentoring, training, active learning, job assignment

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### **INTRODUCTION**

The enormous contribution of entrepreneurship to the economic growth and development of many nations through wealth creation, innovation, competitiveness and job creation has brought about the global awareness of the role of entrepreneurship as the panacea for the problems of unemployment and poverty (Brownson, 2014<sup>a</sup>). Hence, the focus on new ventures to help alleviate the unemployment situation in Nigeria. However, despite the major contribution of new ventures to the economy, they are faced with a lot of challenges especially that of transfer of ownership to the next generation (Brownson, 2020). In today's globally competitive and modern environments, organizational plans often fail due to lack of succession planning (Mehrabani and Mohamad, 2011). Statistics show that 75% of all businesses fail to survive past the first generation of owners, more than 85% fail by the third generation and over 95% fail beyond that (Franc, 2019). Sang

(2021) pointed out that 90% of startups and 75% of venture-backed startups fail. Grote (2003) found that 30% of businesses fail due to matters related to succession, 50% do not have adequate succession plans in place hence are exposed to significant risk in sustainability due to insufficient succession planning. Eneh (2010) pointed out that 3 out of 4 small businesses fail to exist, with the survival rate of businesses in Nigeria pegged at 20% borne out of lack of appropriate strategies for its sustainability (Adebisi and Bakare, 2019). Extant literature has pointed out that less than one third of small businesses in Nigeria continue to the 2<sup>nd</sup> generation and less than half of second generation of small businesses make it to the 3<sup>rd</sup> generation when the founder retires or dies (Adelaja, 2006; Joseph, 2014). Few studies have empirically explored the impact of succession planning on sustainability of small businesses. It is against this background that this study sets out to examine how new ventures in Akwa Ibom State prepare for succession in case of vacancy, retirement or sudden death of key personnels.

### **New Ventures**

New ventures are the central focus of entrepreneurship research. They are referred to as entrepreneurial behaviours, firm births, entrepreneurial actions or startups (Brownson, 2014<sup>b</sup>). New ventures have important and positive impact on employment generation, poverty alleviation and socio-economic development (Syed Zaheer Abba and Andras, 2017). New created enterprises increase the dynamism of economies and generate employment (Barba-Sanchez and Atienza-Sahuquillo, 2012). They are considered the sources of most new jobs generated in an economy, they bring about the creation of new industries and markets, they develop and introduce innovative products and services and provide new solutions to economic, social and environmental problems (Shepherd and Patzelt, 2021). Despite the great contribution of new ventures, they are fraught with the problem of succession planning which contributes to the failure of most of them beyond five years of their establishment. The lack of proper succession planning can have direct effect of causing the collapse of these businesses especially when the owners leave on retirement or death (Onwuka et al., 2017; Basil, 2005). The lack of succession planning also contribute to the high mortality rate of small-scale businesses (Kellerman and Eddleston, 2006). Many firm founders have not given much thought on what will happen to the business when they retire or are incapacitated (Akpan and Ukpai, 2017). Without an effective plan for succession, more than 85% of family businesses fail by 3<sup>rd</sup> generation and over 95% fail beyond that (Franc, 2019). As such, as long as new ventures do not plan for succession, the possibility of longevity and sustainability of such a venture remains limited.

### **Succession Planning**

Strategy and transfer of vision in small businesses to the successor is central to effective succession planning (Givannoni et. al, 2011). Succession planning is a strategic, systematic and deliberate effort to develop competencies in potential leaders through proposed learning experiences such as targeted rotations and educational training in order to fill high-level positions without favoritism (Tropiano, 2004). Garman and Glawe (2004) states that it is an organized process comprising the

identification and preparation of potential successor to assume new role. Birch (2006) sees it as an exit strategy that transfers a business from the senior generation to the younger generation, to employees, or to outsiders through the sale of the business. It is generally accepted that the possession of a succession plan is vital for the success and longevity of a business (Fahed-Sreih and Djoundourian, 2008, Onwuka et al., 2017; Ohuabunwa, 2015, Dauda, 2013). The future performance of any company is dependent on the meticulousness and robustness of today's succession planning (Seymour, 2008) hence, developing a comprehensive long-term succession plan is a critical component for survival of a business (David and Terence, 2003). Krauss (2007) and Groves (2007) recommended mentoring among others in their study as a means of developing high potential leaders in the organization for succession planning. Byham, Smith and Paese (2002) and Romejok (2008) proposed the use of mentoring, coaching and training among others as employee characteristics for succession planning. Brownson (2020) in her study found out that the use of Active learning, feedback and job assignment were highly used by entrepreneurs in Akwa Ibom State to practice succession in their businesses.

**Mentoring for Succession:** mentoring is a vital component of succession planning. mentoring is the process of identifying and developing new leaders who can replace old leaders when they leave, retire or die. It helps with developing career paths and transferring knowledge from within -one employee to another – ultimately helping companies avoid onboarding a new employee who will need extra time to familiarize themselves with the company and its key selling points (OU, 2020). Mentoring is a personal developmental relationship in which a more experienced or more knowledgeable person like a senior employee helps less experienced ones like a junior employee (Kram, 1985). It is a process by which persons of superior rank and prestige instruct, counsel, guide and facilitate the intellectual and/or career development of persons identified as proteges (Galbraith, 2021).

**Training for Succession:** Training is a key for an organization's short as well as long-term health (Deshmukh, 2022). It is the key to unlock the potential growth and development opportunities to achieve a competitive edge (Devi & Shaik, 2017). Training helps fill talent gaps in the organization through the internal development of talent, making it crucial for the short- and long-term health of an organization. Training is a talent-building initiatives which creates a robust pool of potential employees that are fully trained and equipped to fill crucial positions in the company thus, creating higher stability and continuity (Deshmukh, 2022; Shannon, 2017). Combining the organization's training and development program with succession planning helps an organization to better prepare for the looming talent shortage and the uncertainty that the future holds (Shannon, 2017). It also allows an organization to prepare and equip high-potential employees to successfully take on their future roles in the company, thus creating a sense of stability and security (Deshmukh, 2022; Shannon, 2017).

**Active Learning for Succession:** Active learning require an individual to take a more participatory role in learning instead of adopting a receptive and passive posture in their learning process (Brownson, 2013). Active learning is an approach to instruction that involves actively engaging individuals with the work through discussion, problem solving, case studies, role plays and other methods (Queens, 2023). Active learning enhances learning, cognitive skill development, critical thinking skills development of the learner with better understanding and increase knowledge (Brownson, 2014<sup>c</sup>). Active learning is a key succession planning element required to groom such employees within the company so that when the time comes, they can occupy the vacated linchpin positions (More, 2022). Combining active learning and succession help companies groom their employees with the necessary competencies so that they can fill future vacancies thereby helping the organization deal with future uncertainties and talent security (ibid.)

**Feedback for Succession:** Usually known as a 360-degree feedback system, it provides a great opportunity to collect information to support succession planning (Bracken, 2023). It is the systematic collection and feedback of performance data on an individual or group. It provides a constructive input platform that enables a group of co-workers to provide reviews on the output of a fellow employee (Tongai, 2023). Donner et. al. (2017) points out that 360-degree feedback entails that feedback from superiors and peers that is solicited to help identify the strengths and weaknesses of a potential succession leader which can help identify developmental needs of potential leadership candidate among the employees.

**Job Assignment for Succession:** job assignment means a primary job function assigned to an employee. It is a task or piece of work that an employee is given to do especially as part of his or her job (Farlex, 2023). Groves (2007) identified job assignment as one of the best practices of leadership development in succession planning. Brownson (2020) found that job assignment was highly used by entrepreneurs in planning succession.

## **Methods**

Using a purposive sampling method with a structured questionnaire, data was collected from 300 respondents who were new venture owners in Uyo, Akwa Ibom State. Descriptive statistics was used to analyze the data.

## **Analysis**

The aim of this study was to examine how new ventures prepare for succession in the event of vacancy or death of key personnel. The analysis of the field survey is shown on the tables below:

**TABLE 1: NEW VENTURE AGE**

Options	Frequency	Percentage
1 year	65	21.7%
2 years	107	35.7%
3years	70	23.3%
4 years	42	14%
5years	16	5.3%
<b>Total</b>	<b>300</b>	<b>100%</b>

Table 1 above shows the ages of the new ventures investigated in Uyo, Akwa Ibom State. The table shows that 65 respondents representing 21.7% of the responses indicated that their businesses were just one year of age. 107 respondents representing 35.7% of the responses indicated that their businesses were 2 years of age, 70 respondents representing 23.3% of the responses indicated that their businesses were 3 years of age, 42 respondents representing 14% of the responses indicated that their businesses were 4 years of age while 16 respondents representing 5.3% of the responses indicated that their businesses were 5 years of age.

**TABLE 2: NEW VENTURE CREATION MOTIVE**

S/N	New venture creation motive	SA	A	UN	D	SD	TOTAL
1	Desire to create something new	157 (52.3%)	38 (12.7%)	26 (8.7%)	41 (13.7%)	38 (12.7%)	300 (100%)
2	Preference for innovation	155 (51.7%)	64 (21.3%)	36 (12%)	25 (8.3%)	20 (6.7%)	300 (100%)
3	High need for achievement	186 (62%)	60 (20%)	36 (12%)	4 (1.3%)	14 (4.7%)	300 (100%)

Table 2 above shows the new venture creation motive of the new venture owners investigated in Uyo, Akwa Ibom State. The table shows in serial no. 1 that 157 respondents (representing 52.3% of the responses) strongly agreed to creating their business due to a desire to create something new, 38 respondents (representing 12.7% of the responses) agreed to the same desire, 26 respondents (representing 8.7% of the responses) were undecided, 41 respondents (representing 13.7% of the responses) disagreed to starting their business due to a desire to create something new of which 38 respondents (representing 12.7% of the responses) strongly disagreed to similar views that desire to create something new was not their motive in starting up.

On the statement on serial no. 2 “preference for innovation” as a motive for starting the business, The table shows that 155 respondents (representing 51.7% of the responses) strongly agreed to creating their business due to a desire to create something new, 64 respondents (representing 21.3% of the responses) agreed to the same desire, 36 respondents (representing 12% of the responses) were undecided, 25 respondents (representing 8.3% of the responses) disagreed to

starting their business due to preference for innovation of which 20 respondents (representing 6.7% of the responses) strongly disagreed to similar views that preference for innovation was not their motive in starting up.

On the statement on serial no. 3 “high need for achievement” as a motive for starting the business, the table shows that 186 respondents (representing 62% of the responses) strongly agreed to creating their business due to high need for achievement, 60 respondents (representing 20% of the responses) agreed to the same desire, 36 respondents (representing 12% of the responses) were undecided, 4 respondents (representing 1.3% of the responses) disagreed to starting their business due to high need for achievement of which 14 respondents (representing 4.7% of the responses) strongly disagreed to similar views that high need for achievement was not their motive in starting up.

**TABLE 3: MENTORING AND SUCCESSION PLANNING**

S/N	Mentoring and Succession Planning by the entrepreneurs	SA	A	UN	D	SD	Total
1	I guide my employees in the operations of the business to ensure they can deal with the business in my absence	95 (31.7%)	85 (28.3%)	72 (24%)	25 (8.3%)	23 (7.7%)	300 (100%)
2	I teach my employees the intricacies of the business to enable them run the business in my absence	150 (50%)	69 (23%)	30 (10%)	41 (13.7%)	10 (3.3%)	300 (100%)
3	I give my employees a free hand to run the business to be sure they can handle things in my absence	122 (40.7%)	112 (37.3%)	30 (10%)	22 (7.3%)	14 (4.7%)	300 (100%)
4	With the business knowledge I have imparted on my employees, I am sure they can handle the business in my absence	110 (36.7%)	124 (41.3%)	30 (10%)	22 (7.3%)	14 (4.7%)	300 (100%)

Table 3 above describes the relationship between mentoring and succession planning. The table shows that in the first statement, 95 respondents (representing 31.7% of the respondents) strongly agreed to guiding their employees in the operations of the business to ensure they could deal with the business in their absence., 85 respondents (representing 28.3% of the respondents) agreed to the same view, 72 respondents (representing 24% of the respondents) were undecided, 25 respondents (representing 8.3% of the respondents) disagreed to the statement while 23 respondents (representing 7.7% of the respondents) strongly disagreed to the guiding their employees in the operations of the business to ensure they could deal with it in their absence.

The table shows that in the second statement, 150 respondents (representing 50% of the respondents) strongly agreed to teaching their employees the intricacies of the business to enable them run it in their absence., 69 respondents (representing 23% of the respondents) agreed to the same view, 30 respondents (representing 10% of the respondents) were undecided, 41 respondents (representing 13.7% of the respondents) disagreed to the statement while 10 respondents

(representing 3.3% of the respondents) strongly disagreed to teaching their employees the intricacies of the business to enable them run it in their absence.

The table shows that in the third statement, 122 respondents (representing 40.7% of the respondents) strongly agreed to giving their employees free hand to run the business to be sure they can handle things in their absence., 112 respondents (representing 37.3% of the respondents) agreed to the same view, 30 respondents (representing 10% of the respondents) were undecided, 22 respondents (representing 7.3% of the respondents) disagreed to the statement while 14 respondents (representing 4.7% of the respondents) strongly disagreed to giving their employees free hand to run the business to be sure they can handle things in their absence. The table shows that in the fourth statement, 110 respondents (representing 36.7% of the respondents) strongly agreed to the fact that the knowledge they have impacted on their employee can help them handle the business in their absence, 124 respondents (representing 41.3% of the respondents) agreed to the same view, 30 respondents (representing 10% of the respondents) were undecided, 22 respondents (representing 7.3% of the respondents) disagreed to the statement while 14 respondents (representing 4.7% of the respondents) strongly disagreed to the fact that the knowledge they have impacted on their employee can help them handle the business in their absence.

The result on table 3 indicates that mentoring is to a large extent highly used by the entrepreneurs in Akwa Ibom State as indicated by the high total percentage of those who agreed (60%, 73%, 78% and 78% - total of strongly agreed and agreed) from the first statement to the fourth statement respectively against those who disagreed (16%, 17%, 12% and 12% - total strongly disagreed and disagreed). This implies that entrepreneurs in Akwa Ibom State do use mentoring in planning for succession by guiding their employees in the business operations, teaching them the intricacies of the business, giving them free hand to run the business which will eventually help them to be able to handle the business in their absence.

**TABLE 4: TRAINING AND SUCCESSION PLANNING**

S/N	Training and Succession Planning by the entrepreneurs	SA	A	UN	D	SD	Total
1	I instruct my employees on their job responsibilities to ensure they continue in their job responsibilities in my absence	89 (29.7%)	129 (43%)	20 (6.7%)	40 (13.3%)	22 (7.3%)	300 (100%)
2	I show my employees what to do in their job assignment to ensure they are hands-on in their responsibilities in my absence	120 (40%)	99 (33%)	28 (9.3%)	23 (7.7%)	30 (10%)	300 (100%)
3	I direct my employees in their job assignment to make them capable to work in my absence	152 (50.7%)	64 (21.3%)	20 (6.7%)	39 (13%)	25 (8.3%)	300 (100%)
4	I test my employees in their job assignment to be sure they can handle the business in my absence	112 (37.3%)	117 (39%)	13 (4.3%)	35 (11.7%)	23 (7.7%)	300 (100%)

Table 4 above describes the relationship between training and succession planning. The table shows that in the first statement, 89 respondents (representing 29.7% of the respondents) strongly agreed to instructing their employees on their job responsibilities to ensure they continue in their job in their absence, 129 respondents (representing 43% of the respondents) agreed to the same view, 20 respondents (representing 6.7% of the respondents) were undecided, 40 respondents (representing 13.3% of the respondents) disagreed to the statement while 22 respondents (representing 7.3% of the respondents) strongly disagreed to instructing their employees on their job responsibilities to ensure they continue in their job in their absence.

The table shows that in the second statement, 120 respondents (representing 40% of the respondents) strongly agreed to showing their employees what to do in their job assignment to ensure they are hands-on in their responsibilities in their absence, 99 respondents (representing 33% of the respondents) agreed to the same view, 28 respondents (representing 9.3% of the respondents) were undecided, 23 respondents (representing 7.7% of the respondents) disagreed to the statement while 30 respondents (representing 3.3% of the respondents) strongly disagreed to showing their employees what to do in their job assignment to ensure they are hands-on in their responsibilities in their absence.

The table shows that in the third statement, 152 respondents (representing 50.7% of the respondents) strongly agreed to directing their employees in their job assignment to make them capable to work in their absence, 64 respondents (representing 21.3% of the respondents) agreed to the same view, 20 respondents (representing 6.7% of the respondents) were undecided, 39 respondents (representing 13% of the respondents) disagreed to the statement while 25 respondents (representing 8.3% of the respondents) strongly disagreed to directing their employees in their job assignment to make them capable to work in their absence.

The table shows that in the fourth statement, 112 respondents (representing 37.3% of the respondents) strongly agreed to the fact that they test their employees in their job assignment to be sure they can handle the business in their absence, 117 respondents (representing 39% of the respondents) agreed to the same view, 13 respondents (representing 4.3% of the respondents) were undecided, 35 respondents (representing 11.7% of the respondents) disagreed to the statement while 23 respondents (representing 7.7% of the respondents) strongly disagreed to the fact that they test their employees in their job assignment to be sure they can handle the business in their absence.

The result on table 4 indicates that training is to a large extent highly used by the entrepreneurs in Akwa Ibom State as indicated by the high total percentage of those who agreed (72.7%, 73%, 72% and 76.3% - total of strongly agreed and agreed) from the first statement to the fourth statement respectively against those who disagreed (20.6%, 17.7%, 21.3% and 19.4% - total strongly disagreed and disagreed). This implies that entrepreneurs in Akwa Ibom State do use training in



planning for succession by instructing their employees on their job responsibilities, showing them what to do in their job assignment, directing and testing them on their job assignment to be sure they can handle the business in their absence.

**TABLE 5: ACTIVE LEARNING AND SUCCESSION PLANNING**

S/N	Active Learning and Succession Planning by the entrepreneurs	SA	A	UN	D	SD	Total
1	I engage my employees on hands-on activities to ensure they can work independently in my absence	100 (33.3%)	87 (29%)	60 (20%)	29 (9.7%)	24 (8%)	300 (100%)
2	I involve my employees in all the production process to ensure they can operate each level of production of goods in my absence	150 (50%)	69 (23%)	29 (9.7%)	42 (14%)	10 (3.3%)	300 (100%)
3	I involve my employees in dealings with our suppliers to ensure they can order the right raw materials in my absence	122 (40.7%)	113 (37.7%)	28 (9.3%)	22 (7.3%)	15 (5%)	300 (100%)
4	I am sure my employees can operate the business in my absence	107 (35.7%)	118 (39.3%)	26 (8.7%)	28 (9.3%)	21 (7%)	300 (100%)

Table 5 above describes the relationship between active learning and succession planning. The table shows that in the first statement, 100 respondents (representing 33.3% of the respondents) strongly agreed to engaging their employees on hands-on activities to ensure they can work independently in their absence, 87 respondents (representing 29% of the respondents) agreed to the same view, 60 respondents (representing 20% of the respondents) were undecided, 29 respondents (representing 9.7% of the respondents) disagreed to the statement while 24 respondents (representing 8% of the respondents) strongly disagreed to engaging their employees on hands-on activities to ensure they can work independently in their job in their absence.

The table shows that in the second statement, 150 respondents (representing 50% of the respondents) strongly agreed to involving their employees in all the production process to ensure they can operate each level of production of goods in their absence, 69 respondents (representing 23% of the respondents) agreed to the same view, 29 respondents (representing 9.7% of the respondents) were undecided, 42 respondents (representing 14% of the respondents) disagreed to the statement while 10 respondents (representing 3.3% of the respondents) strongly disagreed to involving their employees in all the production process to ensure they can operate each level of production of goods in their absence.

The table shows that in the third statement, 122 respondents (representing 40.7% of the respondents) strongly agreed to involving their employees in dealings with their suppliers to ensure they could order the right raw materials in their absence, 113 respondents (representing 37.7% of the respondents) agreed to the same view, 28 respondents (representing 9.3% of the respondents) were undecided, 22 respondents (representing 7.3% of the respondents) disagreed to the statement

while 15 respondents (representing 5% of the respondents) strongly disagreed to involving their employees in dealings with their suppliers to ensure they could order the right raw materials in their absence.

The table shows that in the fourth statement, 107 respondents (representing 35.7% of the respondents) strongly agreed to being sure that their employees can operate the business in their absence, 118 respondents (representing 39.3% of the respondents) agreed to the same view, 26 respondents (representing 8.7% of the respondents) were undecided, 28 respondents (representing 9.3% of the respondents) disagreed to the statement while 21 respondents (representing 7% of the respondents) strongly disagreed to being sure that their employees can operate the business in their absence.

The result on table 5 indicates that active learning is to a large extent highly used by the entrepreneurs in Akwa Ibom State as indicated by the high total percentage of those who agreed (62.3%, 73%, 78.4% and 75% - total of strongly agreed and agreed) from the first statement to the fourth statement respectively against those who disagreed (17.7%, 17.3%, 12.3% and 16.3% - total strongly disagreed and disagreed). This implies that entrepreneurs in Akwa Ibom State do use active learning in planning for succession by engaging their employees on hands-on activities, involving them in the production process at each level and involving them in each deal made with their suppliers for the right raw materials to be sure that employees can operate the business in their absence.

**TABLE 6: FEEDBACK AND SUCCESSION PLANNING**

S/N	Feedback and Succession Planning by the entrepreneurs	SA	A	UN	D	SD	Total
1	I do point out the areas of defect if my employees do not meet expectations on the job	88 (29.3%)	130 (43.3%)	20 (6.7%)	39 (13%)	23 (7.7%)	300 (100%)
2	My employees do receive feedback on their test job to help them improve	80 (26.7%)	89 (29.7%)	39 (13%)	22 (7.3%)	70 (23.3%)	300 (100%)
3	I commend my employees when they have made progress on the job to help them do better	152 (50.7%)	64 (21.3%)	19 (6.3%)	39 (13%)	26 (8.7%)	300 (100%)
4	I appraise my employees every month end to help them do better even in my absence	132 (44%)	92 (30.7%)	23 (7.7%)	31 (10.3%)	22 (7.3%)	300 (100%)

Table 6 above describes the relationship between feedback and succession planning. The table shows that in the first statement, 88 respondents (representing 29.3% of the respondents) strongly agreed to pointing out the areas of defect if their employees do not meet expectations on the job, 130 respondents (representing 43.3% of the respondents) agreed to the same view, 20 respondents (representing 6.7% of the respondents) were undecided, 39 respondents (representing 13% of the respondents) disagreed to the statement while 23 respondents (representing 7.7% of the

respondents) strongly disagreed to pointing out the areas of defect if their employees do not meet expectations on the job.

The table shows that in the second statement, 80 respondents (representing 26.7% of the respondents) strongly agreed to giving feedback to their employees on their test job to help them improve, 89 respondents (representing 29.7% of the respondents) agreed to the same view, 39 respondents (representing 13% of the respondents) were undecided, 22 respondents (representing 7.3% of the respondents) disagreed to the statement while 70 respondents (representing 23.3% of the respondents) strongly disagreed to giving feedback to their employees on their test job to help them improve.

The table shows that in the third statement, 152 respondents (representing 50.7% of the respondents) strongly agreed to commending their employees when they make progress on the job to help them do better, 64 respondents (representing 21.3% of the respondents) agreed to the same view, 19 respondents (representing 6.3% of the respondents) were undecided, 39 respondents (representing 13% of the respondents) disagreed to the statement while 26 respondents (representing 8.7% of the respondents) strongly disagreed to commending their employees when they make progress on the job to help them do better.

The table shows that in the fourth statement, 132 respondents (representing 44% of the respondents) strongly agreed to appraising their employees every month end to help them do better even in their absence, 92 respondents (representing 30.7% of the respondents) agreed to the same view, 23 respondents (representing 7.7% of the respondents) were undecided, 31 respondents (representing 10.3% of the respondents) disagreed to the statement while 22 respondents (representing 7.3% of the respondents) strongly disagreed to appraising their employees every month end to help them do better even in their absence.

The result on table 6 indicates that feedback is to a large extent highly used by the entrepreneurs in Akwa Ibom State as indicated by the high total percentage of those who agreed (72.6%, 56.4%, 72% and 74.7% - total of strongly agreed and agreed) from the first statement to the fourth statement respectively against those who disagreed (20.7%, 30.6%, 21.7% and 17.6% - total strongly disagreed and disagreed). This implies that entrepreneurs in Akwa Ibom State do use feedback in planning for succession by, pointing out areas of defect to their employees if they do not meet expectations on the job, giving them feedback on their test job to help them improve, commending them on their progress on the job to help them do better and appraising them every month end to help them do better in their absence.

**TABLE 7: JOB ASSIGNMENT AND SUCCESSION PLANNING**

S/N	Job Assignment and Succession Planning by the entrepreneurs	SA	A	UN	D	SD	Total
1	I do assign routine jobs to my employees to ensure they can work on each routine in my absence	153 (51%)	76 (25.3%)	20 (6.7%)	24 (8%)	27 (9%)	300 (100%)
2	I sometimes do allow my employees to do their jobs without my supervision to enable them have confidence on the job in my absence	102 (34%)	93 (31%)	25 (8.3%)	30 (10%)	50 (16.7%)	300 (100%)
3	I am confident my employees can work on their own in my absence	88 (29.3%)	130 (43.3%)	20 (6.7%)	39 (13%)	23 (7.7%)	300 (100%)

Table 7 above describes the relationship between job assignment and succession planning. The table shows that in the first statement, 153 respondents (representing 51% of the respondents) strongly agreed to assigning routine jobs to their employees to ensure they can work on each routine in their absence, 76 respondents (representing 25.3% of the respondents) agreed to the same view, 20 respondents (representing 6.7% of the respondents) were undecided, 24 respondents (representing 8% of the respondents) disagreed to the statement while 27 respondents (representing 9% of the respondents) strongly disagreed to assigning routine jobs to their employees to ensure they can work on each routine in their absence.

The table shows that in the second statement, 102 respondents (representing 34% of the respondents) strongly agreed to allowing their employees sometimes to do their jobs without their supervision to enable them have confidence on the job in their absence, 93 respondents (representing 31% of the respondents) agreed to the same view, 25 respondents (representing 8.3% of the respondents) were undecided, 30 respondents (representing 10% of the respondents) disagreed to the statement while 50 respondents (representing 16.7% of the respondents) strongly disagreed to allowing their employees sometimes to do their jobs without their supervision to enable them have confidence on the job in their absence.

The table shows that in the third statement, 88 respondents (representing 29.3% of the respondents) strongly agreed to being confident that their employees can work on their own in their absence, 130 respondents (representing 43.3% of the respondents) agreed to the same view, 20 respondents (representing 6.7% of the respondents) were undecided, 39 respondents (representing 13% of the respondents) disagreed to the statement while 23 respondents (representing 7.7% of the respondents) strongly disagreed to being confident that their employees can work on their own in their absence.

The result on table 7 indicates that job assignment is to a large extent highly used by the entrepreneurs in Akwa Ibom State as indicated by the high total percentage of those who agreed (76.3%, 65% and 72.6% - total of strongly agreed and agreed) from the first statement to the third

statement respectively against those who disagreed (17%, 26.7% and 20.7% - total strongly disagreed and disagreed). This implies that entrepreneurs in Akwa Ibom State do use job assignment in planning for succession by assigning routine jobs to their employees and sometimes allowing employees to work without supervision to ensure they are confident to work even in their absence

## **DISCUSSION OF FINDINGS**

This study sought to find how new venture owners prepare for succession planning in their venture. The results from the analysis of each variable tested is discussed below:

### **Mentoring and Succession Planning**

The result from the analysis of Table 3 shows that mentoring is closely linked with succession planning in that the results shows that entrepreneurs in Akwa Ibom State do use mentoring to a large extent in planning for succession in their venture as indicated by the high percentage of those who agreed against those who disagreed. The result aligns with the work of Kram (1985) who pointed out that a more experience and knowledgeable person like the senior employee helps less experienced ones like the junior employee. The result also supports the work of Galbraith (2021) who pointed out that a person of senior rank and prestige instruct, counsel, guide and facilitates the intellectual and career development of persons identified as proteges. This is so as the entrepreneurs in Akwa Ibom State according to the findings mentors their employees by guiding them in the business operations, teaching them the intricacies of the business and giving them free hand to run the business which will eventually help them to be able to handle the business in their absence.

### **Training and Succession Planning**

The result from the analysis of Table 4 shows that training is closely linked with succession planning in that the results shows that entrepreneurs in Akwa Ibom State do use training to a large extent in planning for succession in their venture as indicated by the high percentage of those who agreed against those who disagreed. The result aligns with the work of Deshmuk (2022), Devi and Shaik (2017) and Shannon (2017) who asserted that training is not only a key for the short- and long-term health of the organization but helps to fill talent gaps in the organization through internal development of talent and also help create a robust pool of potential employees that are fully trained and equipped to fill crucial position in the organization.

### **Active Learning and Succession Planning**

The result from the analysis of Table 5 shows that actively learning is closely related with succession planning in that the results shows that entrepreneurs in Akwa Ibom State do use active learning to a large extent in planning for succession in their venture as indicated by the high percentage of those who agreed against those who disagreed. The result aligns with the work of

Brownson (2013) who asserted that active learning makes the employee to be more participatory in learning the role instead of being reactive to develop their cognitive skills and critical thinking skills through discussion, role plays and problem solving (Queens, 2023; Brownson, 2014<sup>e</sup>) to enable them develop the competencies to fill future vacancies in the organization (Moore, 2022). This is so as the entrepreneurs in Akwa Ibom State do use active learning in planning for succession by engaging their employees on hands-on activities, involving them in the production process at each level and involving them in each deal made with their suppliers for the right raw materials to be sure that employees can competent to operate the business in their absence.

### **Feedback and Succession Planning**

The result from the analysis of Table 6 shows that providing feedback is closely linked with succession planning in that the results shows that entrepreneurs in Akwa Ibom State do use feedback to a large extent in planning for succession in their venture as indicated by the high percentage of those who agreed against those who disagreed. The result aligns with the work of Donner et al (2017) who asserted that feedback from superiors' help identify the strengths and weaknesses of a potential succession leader which can help identify developmental needs of potential leadership candidate among the employees. This is so in that the entrepreneurs in Akwa Ibom State were able to point out the areas of defect being a point of weakness to their employees to help them improve as well as commending them when they make progress in the job. Feedback was also provided after a test job to the employees which was to build them up and prepare them for succession in their absence as pointed out by Tongai (2023).

### **Job Assignment and Succession Planning**

The result from the analysis of Table 7 shows that training is closely linked with succession planning in that the results shows that entrepreneurs in Akwa Ibom State do use training to a large extent in planning for succession in their venture as indicated by the high percentage of those who agreed against those who disagreed. The result supports the findings of Brownson (2020) who found that job assignments was highly used by entrepreneurs in planning succession in Akwa Ibom State. Groves (2007) had pointed out that it is one of the best practices of leadership development in succession planning. This is so as the entrepreneurs assigned their employees to routine jobs with sometimes minimum supervision to ensure they are confident on the job in their absence.

## **CONCLUSION**

This paper sought to examine how new venture owners prepare for succession in their venture in the case of their absence due to retirement or even death. The paper examined owners of new ventures within the ages of 1 to 5 years using the succession planning variables such as mentoring, training, active learning, feedback and job assignments. The paper examined 300 respondents and the result showed that new venture owners in Akwa Ibom State are indeed preparing for succession in their businesses with a high percentage of agreement by the entrepreneurs in the use of

mentoring, training, active learning, feedback and job assignment to groom and nurture their employees in potential leadership position to help them improve and grow more confident and competent to handle the business in their absence. This practice if sustained will go a long way in addressing the problems of new venture failure in the 1<sup>st</sup> five years of their establishment. They findings of this study imply that, the different steps taken by these new venture owners to sustain their venture should be encouraged so as to enhance the continuity of the business beyond the owners. It implies that employees should not be seen as tools to be used and dumped but rather as an integral part of the organization who could be very essential in handling the affairs of the organization in the event of death or vacancy as such, they need to be properly mentored by being guided and taught the intricacies of the business, being given appropriate feedbacks on the work they have done to give them a sense of belonging and confidence on the job especially when they are given free hand to do their job responsibility. The study contributes to existing knowledge in the entrepreneurship literature on Succession by adding new contextual knowledge in that, given the statistics that venture owners do not plan for succession and that new ventures fail or rarely make it to the first five years of their existence, new venture owners in Akwa Ibom State do plan for succession and are now taking steps to ensure their venture survive beyond them as revealed by the findings of this study. The study also contributes to boost the literature and to update on the few empirical study on the impact of succession on the sustainability of a business. Although the study only examined new venture owners within the first five years of their businesses, further research can be carried out beyond the five years perhaps using a longitudinal method to observe how sustainable the methods used by the examined entrepreneurs have help the business to continue in existence beyond them.

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