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Succession Coverage and Strategic Renewal of Retail Chains in the City of Eldoret, Kenya

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Abstract

Kenyan retail chain firms face shifting consumer demand, digital disruption, and intense competition. Thus, strategic renewal is important. The effect of planned succession on strategic renewal in regional urban centers is under-researched. This study investigated the effect of succession coverage on strategic renewal in retail chain firms within the City of Eldoret, Kenya. Leadership Pipeline Theory, the Resource-Based View, and Dynamic Capabilities Theory formed the basis of the study. A descriptive, cross-sectional correlational design with a quantitative approach was used. From a target population of 95 general managers, human resource managers, operations managers and department supervisors, a stratified sample of 77 was determined using Yamane's formula, and 72 usable questionnaires were returned (93.5%). Succession coverage and strategic renewal were measured using seven-item scales, whose pilot Cronbach's alpha coefficients were .802 and .914, respectively. Descriptive statistics, correlation and regression analyses were used to analyze the data after diagnostic tests found no serious assumption violations. Succession coverage ($M = 3.58$) and strategic renewal ($M = 3.53$) were rated in the agreement range, although clear backup personnel was the weakest succession item. Succession coverage had a positive relationship with strategic renewal ($r = .531$, $p < .001$) and accounted for 28.2% of the variance in strategic renewal ($F(1, 70) = 27.525$, $p < .001$). The relationship held after controlling for three additional pipeline practices ($\beta = .314$, $p = .001$), and the null hypothesis was rejected. Retail chains need to identify role-level successors and backups, review readiness regularly, and integrate succession with strategy. Findings reflect managers' perceptions at one point in time and do not establish causation.

Keywords: *Succession coverage, strategic renewal, leadership pipeline, retail chains, Eldoret, Kenya.*

1.1 Introduction

The current environment for retail businesses entails fast-changing customer preferences, technology, and competing formats, which change much faster than most planning cycles inside a firm. In such a context, the capacity of the firm to intentionally change its strategy, structure, and processes rather than by accident or in response to a crisis depends on the quality of leadership in a firm (Day et al., 2014; Teece, 2016). The leaders determine the reallocation of resources, the adoption of business models, and the speed of response to a threat, and thus their decisions define strategic change (Helfat & Martin, 2015). Thus, for the retail chains, which have thin profit margins and short product cycles, the availability of capable leaders is a strategic issue.

There are three important concepts in this research. A leadership pipeline means the process of moving people through progressively demanding leadership roles so that there is continuity of leadership across the different levels of the organization (Charan et al., 2011). The main difference between it and talent management, which involves recruiting, managing performance and retaining all workers, is that leadership pipeline focuses on developing future leaders. Succession coverage is one practice within a leadership pipeline. It is the degree to which important leadership positions have been identified, developed and monitored regularly for successors to ensure that the organization can continue to be directed when the leader is not there (Rothwell, 2020). Strategic renewal means the planned change of the strategies, structure and capabilities of the organization to align itself with its environment (Agarwal & Helfat, 2009).

The logic that connects the first concept to the third is straightforward. If the candidates who will fill critical positions are known and prepared, then a departure or promotion will not hinder initiatives under way, as well as keeping firm-specific knowledge about customers, suppliers, and internal processes within the company intact (Collings et al., 2019; Rothwell, 2020). The leader that takes on the responsibility in a pre-planned way is able to keep going with the renewal process, while the leader that gets promoted suddenly spends the first few months stabilizing the situation. The validity and the degree to which this line of reasoning applies in the real world vary by sector and by context depending upon how succession is handled.

In an international context, organizations face the challenge of having to develop a flexible talent system. According to the Chartered Institute of Personnel and Development (2022), resourcing and talent planning are among the key concerns for employers in the United Kingdom, whereas OECD (2022, 2023) and the World Economic Forum (2023) report on technological changes and reorganization of the labor market that keep transforming the skill needs of businesses. In turn, research conducted by consulting firms connects structured leadership development and workforce agility with the ability to perform renewal initiatives, including digitalization and omnichannel retailing (Boston Consulting Group & World Federation of People Management Associations, 2021; McKinsey & Company, 2023). Those sources outline the challenges and corresponding organizational reactions. They do not test succession coverage as a predictor of renewal in a specific context of retailing, which is what the current article aims at.

In developing nations, leadership continuity is shaped by wider constraints on skills and employment. Skills and employment-related issues affecting African firms have been captured by International Labour Organization (2023) and the African Development Bank (2023), while institutional capacity and firm resilience following economic shocks have been emphasized by the World Bank (2022). In such an environment, firms that depend on ad hoc replacement of leaders face greater risk of disruption when a leader leaves.

The retail sector in Kenya is a relevant context for study. This is due to experiences of changing demands, format rivalry, and the closure or reorganization of some well-known chains (Cytonn Investments, 2023; Mwaura, 2023). The news of the bankruptcy of one particular large supermarket chain points at the management issues of corporate governance (Mwaura, 2023), and corporate governance literature on the issue points out governance failure as a cause for business failure (Centre for Corporate Governance, 2024). These examples indicate how important it is for an enterprise to have continuity of leadership. However, they lack evidence on succession coverage and therefore cannot show that weak succession caused the problems mentioned. The City of Eldoret, being the regional commercial center of the Uasin Gishu County and featuring a number of retail chains, was chosen as the study context to observe the relation in the urban environment (Republic of Kenya, 2025).

This paper analyzes leadership pipeline quality by focusing on one practice and one outcome: succession coverage and strategic renewal. This paper seeks to determine whether the level of succession coverage in retail chains is associated with strategic renewal and how strong that relationship is.

1.2 Statement of the Problem

Leadership succession is an acknowledged issue in the organizational literature, but research about the link between planned succession and strategy renewal outside multinationals is not well established. The leadership development literature shows that developmental experiences and training increase managers' capacity (DeRue & Wellman, 2009; Dragoni et al., 2009; Lacerenza et al., 2017). The strategic management literature shows the importance of managerial capabilities in strategic change (Helfat & Martin, 2015; Teece, 2007). These bodies of literature have rarely been combined to test empirically whether strategic renewal is associated with preparing successors for key organizational roles.

In Kenya, it has been reported that there are disruptions in terms of closure and restructuring in retail (Cytonn Investments, 2023), while in the media, there are also management conflicts in one major chain (Mwaura, 2023). These reports are descriptive only. National statistics on retail, occupancy rates, or bankruptcy of one chain cannot establish whether succession practices in retail chains in one city are related to their strategic renewal. This correlation is the local empirical issue.

This problem has practical implications. If there is a positive correlation between succession coverage and renewal, owners and human resource managers have an evidence-based reason to invest in identifying and preparing successors before the vacancies occur. Otherwise, limited management time and training budget could be spent more effectively. In the absence of local evidence, managers have to base themselves on the general recommendations based on experience of large companies in other locations, while associations and training providers cannot develop benchmarks for retail chains in regional cities. This study therefore sought to address the lack of direct evidence on the relationship between succession coverage and strategic renewal among retail chains in the City of Eldoret. This was done without assuming that national retail instability was caused by leadership gaps, and findings were treated as associations measured at one point in time.

1.3 Objective of the Study

To examine the influence of succession coverage on strategic renewal in retail chains in the City of Eldoret, Kenya.

1.4 Research Hypothesis

H_0: There is no significant relationship between succession coverage and strategic renewal in retail chains in the City of Eldoret, Kenya.

2.1 Theoretical Foundation

Three theories are integrated, and each has its own task. Leadership Pipeline Theory recognizes succession coverage as an individual preparation strategy. Resource-Based View helps to understand why prepared successors may serve as an organizational resource. Dynamic Capabilities Theory explains the importance of the continuity of managerial capability for strategic renewal. Together, these theories justify the choice of predictor, outcome, and expected direction of the relationship, but they do not prove causality on their own.

2.1.1 Leadership Pipeline Theory

The theory of Leadership Pipeline was proposed by Charan et al. (2011). According to this theory, organizational performance continues through the development of leaders at all organizational levels and expectations of skills, time allocations, and professional values needed for each level of work. Transition to the next organizational level represents a genuine change in the essence of work and therefore should prepare individuals for this transition before it happens rather than expecting individuals to adapt only after they receive their positions. Therefore, an organization that practices this approach possesses a pool of people who are prepared for taking new organizational positions.

This theory is pertinent to this research because the theory sees succession as a process that has been planned, not as an emergency substitute. Succession coverage is an implementation of the basic premise of the theory into a tangible practice. In situations where there are named and trained successors, backup personnel, and readiness reviews, the pipeline operates according to the theory. In situations where there are rush replacements, the pipeline is poorly functioning even if the organization conducts numerous training programs. This theory thus provides the framework for measuring succession coverage in terms of tangible practices, such as the identification of successors, the training of successors, the presence of backup personnel, readiness reviews, and absence of vacancies.

However, the theory has its limitations. Firstly, it was built up through observations in large enterprises and reflects how the pipeline functions rather than how critical a role it plays in strategic decisions. Secondly, there is not much explanation regarding what conditions will determine whether a prepared successor will matter for the strategic decision-making process and when he will matter not much. Due to the aforementioned reasons the theory can only provide some framework of what the practice involves and what expectations we have.

2.1.2 Resource-Based View

The Resource-Based View holds that competitive advantage comes through resources whose features include being valuable, rare, difficult to imitate, and difficult to substitute (Barney, 1991). Among these resources, human capital stands out because the skills and networks of experienced individuals are cumulative in nature and thus, difficult for rival companies to emulate. A leadership skill that has been cultivated in-house, for instance, represents a case in point. These individuals know the customers, the suppliers, and the processes of the firm in a manner impossible to replicate overnight.

The application of Resource-Based View to succession implies that the availability of prepared internal successors is an accumulated resource. This is because the resource is valuable in that it enables the organization to occupy its critical positions without any interruption, the resource is rare in that very few organizations prepare successors, and the resource is difficult to imitate in that it takes years to develop and has firm-specific experience (Collings et al., 2019; Rothwell, 2020). Additionally, the Resource Based View implies that the resource is not automatically valuable. Just having a list of names is not equivalent to having prepared successors.

The drawback of this perspective is that while it talks about the identification of resources, it says little about how such resources can be used in different situations. This perspective helps us understand the need for having well-prepared successors, but it fails to clarify why such successors will help an organization change its direction.

2.1.3 Dynamic Capabilities Theory

Dynamic Capability Theory provides insights into the maintenance of competitive advantage in a dynamic environment through the process of sensing opportunities and threats, seizing opportunities through resource allocation, and transforming the business enterprise when required (Teece et al., 1997; Teece, 2007). Reconfiguration is critical in the theory rather than mere resource ownership. The role of managers becomes vital due to the requirement for sensing, seizing, and transforming processes that require managerial decision-making and management of people's actions (Helfat & Martin, 2015).

In this case, the theory is what drives the result. Strategic renewal entails the actions defined by the theory, which include reevaluation and refinement of the strategy, innovation in products and processes, process restructuring, development of new business models, enhancement of customer experience, and reallocation of resources to opportunities (Agarwal & Helfat, 2009). Since such actions depend on the management, then the readiness and continuity of the management can affect how successful these actions would be. A retail chain that loses a senior manager without a ready successor will temporarily lose the capability to feel and act, while one with ready successors will retain these capabilities even during the transition.

2.1.4 Application of the Theories to the Hypothesis

Together, the three theories generate three interrelated propositions on succession coverage. First, the proposition from Leadership Pipeline theory is that proper identification and development of successors ensures that the crucial posts do not stay vacant or occupied by the unprepared for too long. Second, the proposition from the Resource-Based View is that the developed internal successors serve as specific human capital of the firm that ensures retention of the knowledge of the business and continuity of the existing programs. Third, the proposition from Dynamic Capabilities theory is that the continuity of managerial capability ensures the sensing, seizing, and reconfiguration of strategic renewal.

If these hypotheses are correct, then those retail chains where respondents have higher succession coverage will also have higher strategic renewal. This is the rationale behind the hypothesis tested in this paper, formulated in its null form. In addition, the theories highlight another nuance in that the practices used in succession coverage can have different effectiveness levels. The prevention of vacancies and readiness of successors relate to continuity, while having backup people relates to depth.

2.2 Empirical Review

Kesner and Sebora (1994) reviewed the literature on executive succession and found that it focused on the causes and outcomes of leadership change at the top but not on how organizations prepared their successors prior to the change. Giambatista et al. (2005) reviewed the literature on leader succession published after 1994 and found that the outcomes of succession depend on the situation and on how the succession is managed. Shen & Cannella (2002) investigated the succession of chief executives in large corporations and found that the performance after succession depended on the nature of the successor, on the turnover among senior executives after succession and on the tenure of the departing executive. Collectively, these studies demonstrate that succession is important for organizations and how it is managed. The focus of these studies is on the top executive in large corporations, though, and they do not provide information about planned succession in retail chains.

According to Groves (2007), succession planning works best when it is linked to leadership development and the strategic needs of the organization and not used as a separate substitute process. Similarly, Rothwell (2020) defines succession planning as a structured approach to ensure leadership continuity and to develop talents internally. Collings et al. (2019) have studied talent management in multinational companies and highlighted that the strategic value of talent lies in its development and utilization by organizations. These literature pieces support the claim that succession coverage is a strategic competency. They are mostly conceptual or based on multinational firms and do not provide any estimation of the relationship between succession coverage and renewal in a local retail setting.

Studies regarding leader development offer indirect evidence. DeRue and Wellman (2009) discovered that developmental challenge, learning orientation, and feedback availability determined the process of development of managers via experience. Dragoni et al. (2009) stated that developmental task along with learning orientation and access to developmental opportunities predict managerial competence. Day et al. (2014), in their review of 25 years of research regarding leader development, noted that development becomes most valuable in case if it is continuous and connected with organizational strategy, and Lacerenza et al. (2017) have found in their meta-analysis that effective leadership development training is linked with positive results. This research demonstrates that managers can be prepared for more responsibility. They do not investigate the connection between the presence of prepared successors and strategic renewal.

Research on strategic change highlights the relevance of managers with regard to renewal. The works of Helfat and Martin (2015) on dynamic managerial capabilities show that management factors shape strategic changes. Agarwal & Helfat (2009) referred to the phenomenon of strategic renewal as a procedure whereby organizations adopt new strategies and capabilities. Volberda et al. (2001) explored the mobilization of renewal among organizational units of large firms and found out that it was a function of the managers in the entire firm. As such, the success and effectiveness of strategic renewal must necessarily hinge on the persistence of good managers in an organization.

Evidence for leadership and organization consequences in Africa and Kenya is becoming more prevalent, though never considering succession coverage. Ngaruiya et al. (2024) have shown the connection between strategic leadership ethics and organizational effectiveness in pharmaceuticals in Kenya. Njoroge (2025) has studied authentic leadership and innovative work behavior among superintendents of retail pharmacies in Kenya. Ochieng and Moturi (2025) have analyzed

leadership styles and job satisfaction in a sugar company in Kenya. These pieces of research prove that quality leadership affects organizations in Kenya, though it studies leadership style or behavior but not succession and does not consider strategic renewal as the result. Sectorial reports show the disruption and restructuring of retail sector in Kenya (Cytonn Investments, 2023) and skills and labor challenges that influence African organizations (African Development Bank, 2023; International Labour Organization, 2023), though it measures no succession coverage.

A definite gap can be found in the review. Research on executive succession deals with leadership transition at the level of large corporations, research on leader development focuses on individual learning, while research on strategic change recognizes the significance of management but does not measure succession practice. None of the sources mentioned above has tested the relationship between succession coverage and strategic renewal within retail chains operating in a Kenyan city. It is not suggested that there is no such study conducted anywhere else. The evidence does not address the question posed and this article addresses it directly.

2.3 Conceptualization of Succession Coverage and Strategic Renewal

The variable used in this study as the independent variable is succession coverage. It was measured using the following seven indicators. These include: the identification of successors to occupy key roles; the preparation of successors to take up leadership roles; succession planning that ensures continuity of leadership during transitions; clear backup personnel in leadership roles; regular evaluation of succession readiness; avoidance of key roles remaining unoccupied for a long time; and succession coverage that supports strategic decision making.

The dependent variable in this case was strategic renewal, which was also measured using seven practices. They included: frequent review and revision of business strategies, improvements in customer experience through strategic initiatives, innovation in products, services, or processes, quick responses to changing retail market conditions, restructuring of processes due to new strategic priorities, prompt reallocation of resources for strategic opportunities, and adoption of new business models.

Both variables were measured using a five-point Likert scale based on perceptions of managers and supervisors. The association examined was therefore between succession practice and renewal. In the conceptual framework, the conceptual framework suggests that higher succession coverage is linked to higher strategic renewal. There are three more pipeline practices, including stretch-role exposure, leadership development intensity, and internal leadership mobility. All these were measured using the same tool but were used only as controls in a robustness model so that the association between succession practice and renewal can be assessed with overlap considered among pipeline practices.

3.1 Methodology

The study used a descriptive and cross-sectional correlational design, within a quantitative approach. In this case, the descriptive aspect analyzed the extent of succession planning and strategic renewal undertaken, while the correlational aspect statistically measured the relationship between them (Saunders et al., 2019). The quantitative approach was appropriate since this study aimed to quantify two variables and their statistical association (Bryman & Bell, 2015). Cross-sectional research was carried out on one occasion and allows the examination of variables without altering them (Kothari & Garg, 2019). Since data were collected once, then the relationship between variables can only show the association, not the direction.

The target population consisted of 95 general managers, human resource managers, operations managers and department supervisors employed in retail chains within the boundaries of the City of Eldoret. The selected cadres were chosen since they are involved in the decision making related to succession, employee development, operations, and strategic change. The unit of observation was the individual manager or supervisor, and several individuals could be selected from the same retail chain. The population breakdown by cadre was 20 general managers, 15 human resource managers, 25 operations managers and 35 department supervisors.

Sample size determination was done using Yamane's (1967) formula for a finite population,

$n = N / (1 + Ne^2)$

Where, N is the population size and e is the precision level.

In this case, with N = 95 and e = 0.05, the outcome was 76.77, which was rounded up to 77 respondents. Stratified sampling was used, with the four cadres serving as strata and the sample size was allocated in proportion to the stratum size; 16 general managers, 12 human resource managers, 20 operations managers and 29 department supervisors. The formula provides the planned sample size. However, it does not guarantee adequate precision of the achieved sample for all analyses.

Primary data were collected using a structured questionnaire. Succession coverage was assessed using seven indicators and strategic renewal using seven indicators, both on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) (Bryman & Bell, 2015). The remaining three pipeline practices were assessed using seven indicators for each practice through the same questionnaire, and they were used solely as control variables. Questionnaires were distributed in person at participants' workplaces and collected after follow-up, and research assistants briefed respondents on the study objectives and try to minimize non-response. Mean scores were interpreted in fixed bands: 1.00 to 1.80 represented strong disagreement, 1.81 to 2.60 disagreement, 2.61 to 3.40 neutrality, 3.41 to 4.20 agreement, and 4.21 to 5.00 strong agreement.

Table 1: Operationalization of Study Variables

Variable	Indicators	Measurement	Reliability (pilot)
Succession coverage (independent)	Successors identified; successors prepared; continuity during transitions; clear backup personnel; regular review of readiness; no long vacancies; support for strategic decisions (7 items)	Five-point Likert scale	$\alpha = .802$
Strategic renewal (dependent)	Strategy review; customer experience; innovation; quick adaptation; process restructuring; prompt resource reallocation; new business models (7 items)	Five-point Likert scale	$\alpha = .914$
Controls	Stretch-role exposure; leadership development intensity; internal leadership mobility (7 items each)	Five-point Likert scale	$\alpha = .725$ to .829

Source: Researcher (2026)

The content validity of the research instrument was confirmed by the university supervisor and other experts in research methodology and human resource management, who evaluated the items on relevance, adequacy, representativeness, and clarity in relation to the variables (Mugenda & Mugenda, 2019). Factor analysis was not performed; therefore, construct validity could not be empirically established. Pilot testing was carried out with approximately ten individuals, representing about 10% of the target population, selected from a retail chain outside the scope of the main study. The pilot study served as a means of correcting poorly phrased items, adjusting the scale, and improving layout (Kothari & Garg, 2019). Reliability was assessed using Cronbach's alpha computed from pilot data in SPSS, where .70 is considered the minimum acceptable value (Nunnally & Bernstein, 1994). Alpha was .802 for the seven succession coverage items and .914 for the seven strategic renewal items, and in all cases, these values exceeded the minimum required value. Alpha values of the three control variables ranged between .725 and .829. Reliability ensures consistent measurement but does not establish validity.

Since all constructs were measured using the same questionnaire and respondents, common method variance was assessed using Harman's single-factor test (Podsakoff et al., 2003). All 42 items in the complete scale were subjected to unrotated principal component analysis with one factor only. The single factor explained 33.6% of the total variance, which was less than the conventional 50% criterion. This implies that common method variance is not likely to be a problem, although it cannot be completely discounted in a single-source survey.

The analysis was done using SPSS. Measures such as frequencies, percentages, means, standard deviations, rankings, and the coefficient of variation, which is the ratio of standard deviation to the mean, were used to characterize the data. The relationship was examined using Pearson's correlation coefficient while the objective was assessed using the regression model:

$$SR = \beta_0 + \beta_1 SC + \varepsilon$$

Where SR stands for strategic renewal, SC stands for succession coverage, β_0 is the constant, β_1 is the regression coefficient, and ε is the error term. To ensure robustness, multiple regression also included the three control practices as well (stretch role exposure, leadership development intensity, and internal leadership mobility). This allowed the relationship to be tested between succession coverage and strategic renewal while controlling for those practices. The significance level was set at 5%.

Regression assumptions were checked before interpretation (Hair et al., 2019). Residual normality was tested using the Shapiro-Wilk and Kolmogorov-Smirnov tests, and normal probability plots; homogeneity of variance using the Breusch-Pagan test and residual versus fits plots; independence of errors using the Durbin-Watson test, with values from 1.5 to 2.5 indicating no problematic autocorrelation. Multicollinearity was tested using the variance inflation factor (VIF) and tolerance, with values below 5 and above 0.20 indicating no serious multicollinearity problem. Linearity was checked with residual plots. Fit was assessed by the coefficient of determination (R^2), while significance of the model and coefficients was checked through the F-test and t-test at the 95% confidence level. Effect sizes were interpreted according to Cohen (1988) and Cohen et al. (2003).

Participation was voluntary, and participants were made aware of the objectives of the research and the fact that they could withdraw from the study at any time without repercussions. Consent was obtained prior to filling out questionnaires (Bryman & Bell, 2015). Responses were anonymized and compiled in aggregate form so participants could not be identified, electronic data

were password protected, and paper questionnaires were stored in locked filing cabinets. Ethical approval was sought from the respective institutional review board, and permission to contact retail firms and staff was obtained from management.

4.1 Results and Discussion

4.1.1 Response Rate and Respondent Profile

A total of 77 questionnaires were administered, but only 72 were completed and thus available for analysis, which constituted a response rate of 93.5%. The response rate for each cadre was 95.0% among operations managers, 93.8% for general managers, 93.1% among department supervisors, and 91.7% for human resource managers; therefore, no cadre was underrepresented. All these rates exceeded the 50% benchmark considered acceptable for data analysis and interpretation (Mugenda & Mugenda, 2019). Only five questionnaires were unavailable, which limited data loss, although it did not remove the possibility of non-response bias.

As shown in Table 2, 55.6% of the respondents were males while 44.4% of the respondents were females. The largest age bracket was between 26 and 35 years (33.3%), followed by 36 to 45 years (29.2%). More than half of the respondents possessed an undergraduate degree (52.8%) while 23.6% possessed a postgraduate degree. Supervisors of the departments constituted 37.5% of the respondents while operations managers constituted 26.4%. Moreover, two thirds (66.7%) of the respondents had been in their present positions for four years or more. Therefore, the respondents had enough experience to assess succession and renewal practices in their chains.

Table 2: Respondent Profile

Characteristic	Category	Frequency	Percentage
Gender	Male	40	55.6
	Female	32	44.4
Age	18 to 35 years	32	44.4
	36 to 45 years	21	29.2
	46 years and above	19	26.4
Education	Diploma or other	17	23.6
	Undergraduate degree	38	52.8
	Postgraduate degree	17	23.6
Position	General manager	15	20.8
	Human resource manager	11	15.3
	Operations manager	19	26.4
	Department supervisor	27	37.5
Experience in role	Less than 4 years	24	33.3
	4 years or more	48	66.7

Source: Survey data (2026)

4.2 Descriptive Findings on Succession Coverage

Table 3 presents the seven items on succession coverage. Succession coverage was rated in the agreement range overall (M = 3.58, SD = 0.69), and the coefficient of variation of 19.2% indicates that responses were fairly clustered around the mean. Agreement ranged from 48.6% for identifying potential successors to 59.7% for avoiding long vacancies in critical positions. The pattern of agreement in Figure 1 shows that continuity practice scores are higher than depth practice scores.

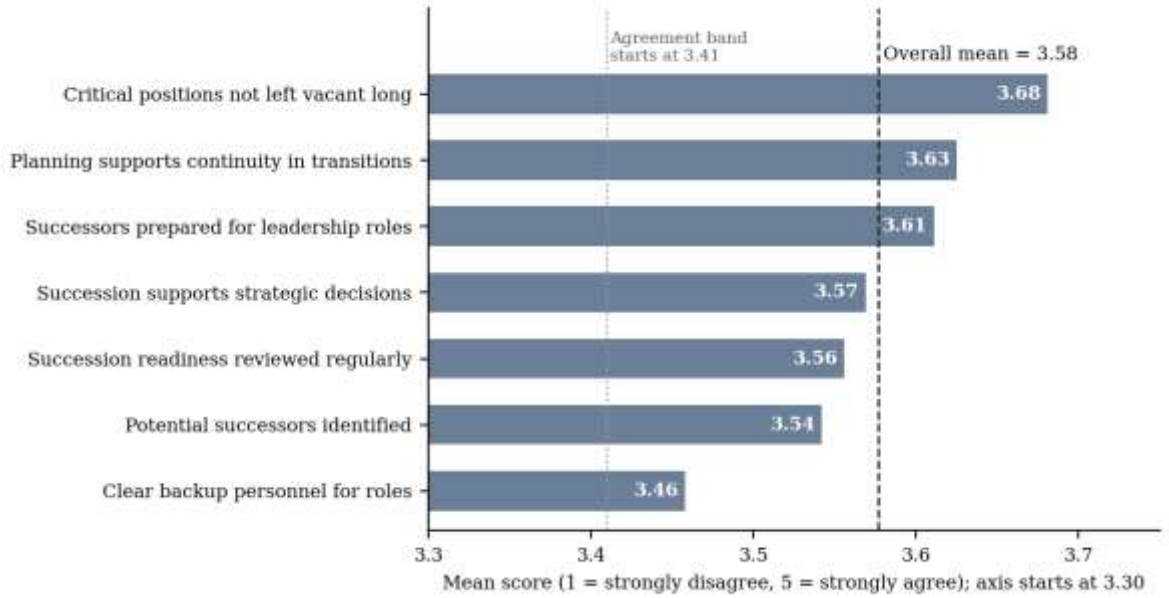
Table 3: Succession Coverage: Descriptive Statistics

Statement	Mean	SD	CV (%)	Agree (%)	Rank
Critical positions are not left vacant for long periods	3.68	0.78	21.3	59.7	1
Succession planning supports continuity during transitions	3.63	0.96	26.4	54.2	2
Successors are prepared to assume leadership roles	3.61	0.91	25.3	56.9	3
Succession coverage supports strategic decision making	3.57	0.87	24.4	51.4	4
Succession readiness is reviewed regularly	3.56	0.80	22.6	52.8	5
Potential successors are identified for key positions	3.54	0.92	25.9	48.6	6
Leadership roles have clear backup personnel	3.46	0.98	28.3	50.0	7
Overall succession coverage	3.58	0.69	19.2		

Agreement combines responses of 4 and 5.

Source: Survey data (2026).

Figure 1: Mean Scores of Succession Coverage Items



Source: Survey data (2026)

The most robust finding was that there were no vacancies in key positions for prolonged periods (M = 3.68), followed by the fact that succession planning provides continuity through transitions (M = 3.63) and that the successor candidates were prepared to assume leadership roles (M = 3.61). The weakest item was that there were well-defined backup personnel for leadership positions (M = 3.46), which also had the highest standard deviation (SD = 0.98; CV = 28.3%) with 50% of respondents agreeing. While the mean of 3.46 falls within the agreement category, it is near the cutoff point of the neutral category, and neutral responses ranged from 31% to 42% across items.

Thus, quite a number of managers were not sure whether their chains had identified and documented their successors.

These results show that retail chains in Eldoret show stronger continuity than backup depth. It is possible to minimize long vacancy periods if a single prepared successor is available for each position, but the chain will be at risk if there are a number of leaders leaving at once or if the chosen successor is not available. The above analysis supports the Leadership Pipeline theory, which emphasizes the need to prepare for future vacancies in advance (Charan et al., 2011), and the practitioner perspective that succession planning should be systematic and reviewed (Rothwell, 2020). Moreover, it supports the Resource-Based View's recommendation to be careful about the value of prepared successors due to the fact that they depend on resource maintenance (Barney, 1991).

4.3 Descriptive Findings on Strategic Renewal

Strategic renewal also received an agreement-range rating (M = 3.53, SD = 0.70; CV = 19.9%). According to Table 4, the highest-rated item was support for innovation in products, services, or processes (M = 3.69), where 56.9% of respondents gave a positive answer. The next highest items were restructuring processes for new strategic priorities (M = 3.58) and initiatives to improve customer experience (M = 3.56). The lowest rating was given to prompt resource reallocation to opportunities (M = 3.35); this was the only item in the moderate or neutral range, with 48.6% answering neither agree nor disagree.

Table 4: Strategic Renewal: Descriptive Statistics

Statement	Mean	SD	CV (%)	Agree (%)	Rank
Innovation in products, services or processes is supported	3.69	0.80	21.6	56.9	1
Processes are restructured for new strategic priorities	3.58	0.93	26.0	52.8	2
Strategic initiatives improve customer experience	3.56	0.84	23.5	50.0	3
Business strategies are frequently reviewed and updated	3.54	0.96	27.2	51.4	4
New business models are adopted to remain competitive	3.53	0.84	23.8	50.0	5
The organization adapts quickly to retail market changes	3.49	0.89	25.5	54.2	6
Resources are reallocated promptly for opportunities	3.35	0.95	28.4	36.1	7
Overall strategic renewal	**3.53**	**0.70**	**19.9**		

Agreement combines responses of 4 and 5.

Source: Survey data (2026)

The profile is clear that chains are better at idea generation and process redesigning than quick resource deployment. Such difference is supported by the theory of dynamic capabilities in its claim that renewal is not only about sensing but also about seizing and transforming the organization through redeployment of resources (Teece et al., 1997). It can be seen in the view on the strategic renewal as a change in strategy, structure and capability (Agarwal & Helfat, 2009),

with reconfiguration being usually the slowest step after an important decision. Again, like in the case of succession coverage, such results are merely reflections of perceptions.

4.4 Regression Diagnostics

Tests were conducted on the four-predictor model including succession coverage. Tests were not conducted separately for the one-predictor model; conclusions about the simple model therefore assume similar residuals. Residuals followed a normal distribution according to the Shapiro-Wilk test ($W = .992$, $p = .924$) and Kolmogorov-Smirnov test ($D = .053$, $p = .989$). The Breusch-Pagan test could not reject the hypothesis of constant error variance ($LM = 3.568$, $p = .468$); the Durbin-Watson statistic ($d = 1.670$) was within the acceptable range of 1.5 to 2.5. For succession coverage VIF was 1.189 and tolerance 0.841; the maximum VIF in the model was 1.373, so multicollinearity was not a serious concern. Residual plots did not show any systematic curvature. Harman's single-factor test showed that one factor accounted for 33.6% of the variance. Table 5 summarizes the findings.

Table 5: Summary of Regression Diagnostics

Assumption	Test	Result	Conclusion
Normality	Shapiro-Wilk	$W = .992$, $p = .924$	Not violated
Normality	Kolmogorov-Smirnov	$D = .053$, $p = .989$	Not violated
Homoscedasticity	Breusch-Pagan	$LM = 3.568$, $p = .468$	Not violated
Independence of errors	Durbin-Watson	$d = 1.670$	Not violated
Multicollinearity	VIF (succession coverage)	1.189 (tolerance = .841); maximum VIF = 1.373	Not violated
Common method bias	Harman's single factor	33.6% of variance	Below 50%

Source: Survey data (2026)

These findings suggest the validity of the use of ordinary least squares. They do not account for possible correlations in responses from managers in the same chain since the analysis considers the 72 respondents to be independently drawn. If the managers in one chain responded similarly, the standard error could be understated. This has been mentioned as a possible limitation, and this provides one explanation for being careful with the p values reported here.

4.5 Correlation between Succession Coverage and Strategic Renewal

Pearson's correlation revealed a positive, moderate, and statistically significant correlation between succession coverage and strategic renewal ($r = .531$, $p < .001$; 95% CI [.34, .68]). Chains that reported higher succession coverage also reported greater strategic renewal. In addition, succession coverage had a positive correlation with stretch-role exposure ($r = .362$), leadership development intensity ($r = .269$) and internal leadership mobility ($r = .265$), and all the correlations were modest, suggesting a relationship but differences among these practices (Table 6).

Table 6: Pearson Correlation Matrix

Variable	SC	SRE	LDI	ILM	SR
Succession coverage (SC)	1.000	.362	.269	.265	.531
Stretch-role exposure (SRE)	.362	1.000	.414	.365	.547
Leadership development intensity (LDI)	.269	.414	1.000	.436	.507
Internal leadership mobility (ILM)	.265	.365	.436	1.000	.541
Strategic renewal (SR)	.531	.547	.507	.541	1.000

Source: Survey data (2026).

The correlation conforms to the expected result in light of the three theories. The relationship between stretch-role exposure, development intensity and mobility with renewal was quite similar (r ranged from .507 to .547), indicating that succession coverage was not the only practice that had any relationship with renewal. The unique thing about succession coverage is the minimal overlap with the rest of the practices, and this will be crucial in the adjusted regression model presented next. However, the correlations presented above are bivariate; hence they do not take into account any other effect.

4.6 Regression Results

A simple linear regression analysis was conducted to determine the relationship between succession coverage and strategic renewal. The regression model was statistically significant, $F(1, 70) = 27.525$, $p < .001$. Succession coverage explained 28.2% of the variance in strategic renewal ($R^2 = .282$; adjusted $R^2 = .272$), while 71.8% of the variance in strategic renewal was explained by other variables. The unstandardized coefficient was $B = 0.544$ (95% CI [0.337, 0.751]), indicating that a one-point increase in succession coverage is associated with a 0.54-point increase in strategic renewal. The standardized coefficient was $\beta = .531$, which is equivalent to the correlation in a one-predictor model. As per Cohen (1988), such an effect size ($f^2 = .39$) is considered large in a perceptual study.

Table 7: Simple Regression of Strategic Renewal on Succession Coverage

Predictor	B	SE	β	t	p	95% CI for B
Constant	1.588					
Succession coverage	0.544	0.104	.531	5.246	< .001	[0.337, 0.751]

$n = 72$. $R = .531$, $R^2 = .282$, adjusted $R^2 = .272$, $F(1, 70) = 27.525$, $p < .001$. The constant, SE, t and confidence interval were computed from the reported means, F statistic and coefficient.

Since succession coverage is correlated with other pipeline practices, the simple regression may overestimate the independent effects of succession coverage on the dependent variable. To address this, a robustness analysis was carried out with inclusion of stretch-role exposure, leadership development intensity and internal leadership mobility in the regression equation. This model was significant ($R^2 = .555$; adjusted $R^2 = .528$; $F(4, 67) = 20.869$, $p < .001$) and succession coverage continued to be a significant positive predictor of strategic renewal ($B = 0.321$, $SE = 0.091$, $\beta = .314$, $t = 3.528$, $p = .001$; 95% CI [0.14, 0.50]). It had the largest standardized coefficient compared

to internal leadership mobility (β = .281), stretch role exposure (β = .249) and leadership development intensity (β = .197). Removal of succession coverage would decrease R^2 by about .08, representing medium effect ($f^2 \approx .19$; Cohen, 1988).

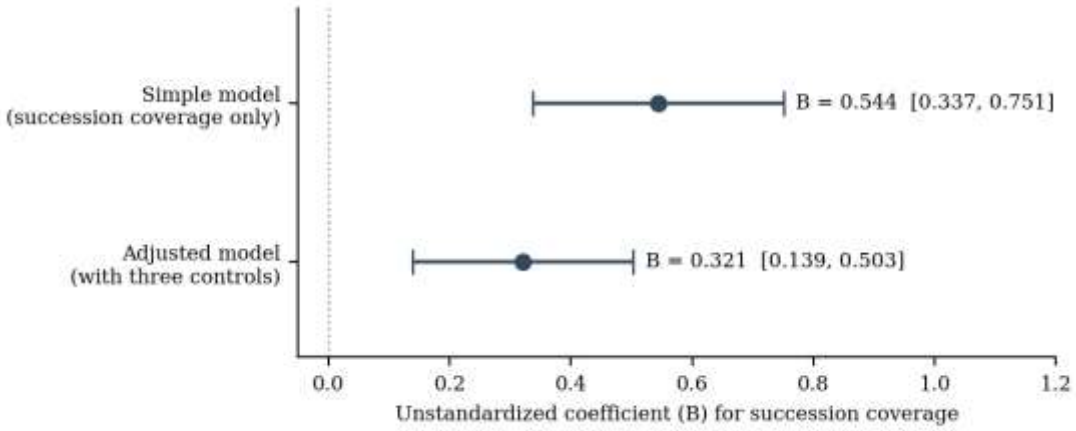
Table 8: Robustness Model: Regression of Strategic Renewal on Succession Coverage with Controls

Predictor	B	SE	β	t	p
Constant	−0.025	0.398		0.062	.950
Succession coverage	0.321	0.091	.314	3.528	.001
Stretch-role exposure	0.243	0.093	.249	2.614	.011
Leadership development intensity	0.192	0.093	.197	2.065	.043
Internal leadership mobility	0.257	0.085	.281	3.003	.004

n = 72. R^2 = .555, adjusted R^2 = .528, F(4, 67) = 20.869, p < .001.

Source: Survey data (2026).

Figure 2: Unstandardized Coefficient for Succession Coverage with 95% Confidence Intervals



Source: Survey data (2026)

The coefficient falls from 0.544 to 0.321 when other pipeline practices are controlled for, as illustrated in Figure 2. Approximately 41% of the simple correlation can thus be attributed to the other pipeline practices, while the remaining 59% is unique to succession coverage. This is a more conservative estimate of the association with succession coverage. The lower limit of the adjusted confidence interval is close to zero, and hence the association is difficult to estimate precisely, as would be expected from 72 respondents.

The result is congruent with the leadership pipeline theory according to which preparation of leaders before there are gaps ensures organizational capacity (Charan et al., 2011). It is congruent with the claim that there are more advantages in succession planning when linked to strategic demands (Groves, 2007; Rothwell, 2020). According to the Resource-Based View, the coefficient that is left after the exclusion of variables such as training, stretching, and mobility shows that depth of successors contributes beyond their preparation (Barney, 1991; Collings et al., 2019).

From the perspective of Dynamic Capabilities Theory, it supports the argument that continuation of managerial competence facilitates reconfiguration (Helfat & Martin, 2015; Teece et al., 1997). The result fits into general literature regarding the link between quality management of succession and organizational outcomes (Giambatista et al., 2005; Shen & Cannella, 2002), although the cited studies focus on CEOs rather than middle managers and lower-ranking employees. This research expands this body of knowledge and attempts to reveal the relationship between succession coverage and strategic renewal in retailing chains.

The weakest descriptive items provide a practical explanation. Chains scored lowest on clear backup personnel and prompt resource reallocation. Both of these factors involve time, depth, and may be related; a chain without documented backups might face difficulties moving its people and resources quickly enough in response to an emerging opportunity. This is an interpretation that cross-sectional data cannot test. It is also possible that those chains that need to update their strategy are the ones that have all the resources to invest into succession planning, so the direction of the relationship remains open. The model also omits firm size, store format, ownership, and market conditions, which may influence both variables.

4.7 Hypothesis Testing

Table 9: Summary of Hypothesis Testing

Hypothesis	Decision	Evidence
H01: There is no significant relationship between succession coverage and strategic renewal in retail chains in the City of Eldoret, Kenya	Reject H01	$r = .531$, $p < .001$; $B = 0.544$, $R^2 = .282$, $F(1, 70) = 27.525$, $p < .001$; adjusted $\beta = .314$, $p = .001$

Source: Survey data (2026)

The null hypothesis H_0 was rejected because succession coverage was positively associated with strategic renewal. This is evidenced by the significance in both the simple model ($F(1, 70) = 27.525$, $p < .001$) and the adjusted model ($\beta = .314$, $p = .001$). The study therefore found that there is a statistically significant positive relationship between succession coverage and strategic renewal in retail chains in the City of Eldoret. This is a test of association among respondents' cross-sectional data and does not imply causation of strategic renewal by succession coverage.

5.1 Conclusion

Succession coverage was found to be positively and significantly associated with strategic renewal among retail chains in the City of Eldoret, Kenya. According to the respondents, succession coverage implied avoidance of prolonged vacancies, ensuring continuity through the transition process and preparing successors. However, respondents were not sure whether there were appropriate backups of leaders within their firms, which is the item that scored the lowest out of all the others. Strategic renewal was also measured at an agreement level, whereby innovation and process restructuring scored better than rapid allocation of resources.

Succession coverage was significantly correlated with strategic renewal at $r = .531$, and accounted for 28.2% of the variance in the simple regression model. However, even after controlling for the three other pipeline activities, succession coverage remained significant ($\beta = .314$, $p = .001$), having the highest standardized regression coefficient in the model. Consequently, the null hypothesis was rejected. This result supports Leadership Pipeline Theory, Resource-Based View,

and Dynamic Capabilities Theory collectively suggesting that ready successors maintain firm-specific capabilities and enable reconfiguration necessary for renewal.

The findings can be interpreted cautiously. Retail chain organizations with managers who claim to have high succession coverage also claim higher strategic renewal, and this relationship remained after accounting for other pipeline practices. The research does not prove that succession coverage leads to renewal because the data used are from one cross-sectional survey, other variables are excluded from the model, and the sample size is small and selected from one urban area. The findings should be considered as evidence that succession coverage should be included in the capacity-building process.

6.1 Recommendations

First, chains need to look at succession coverage on the role-by-role basis rather than overall for the organization. The owners and human resource managers need to determine which roles in the stores are critical leadership roles, identify at least one prepared successor and one backup, and document who they are and what development actions need to be taken to get them ready for the role. It was found that the presence of clear backups for succession was the weakest and most controversial part of the succession process despite relatively high scores for continuity.

Second, chains need to conduct succession readiness evaluations at regular intervals, for instance every six months. Readiness review and identification of potential successors were some of the least rated parts of the succession process. If not evaluated, succession planning will quickly become outdated. It needs to be conducted by both operations and human resource managers.

Third, there needs to be a link between succession planning and strategic planning within chains. Succession coverage showed a positive relationship with renewal, meaning that successors would be most valuable when they are ready for the strategic goals of the chain rather than merely to replace existing position holders. It means that annual strategic plans should specify what leadership roles are vital in each goal and what successors should be prepared to fill these roles.

Fourth, since prompt resource reallocation was the weakest renewal item, it would be sensible to look at the way people, money, and stock move to new opportunities. Those successors who are familiar with more than one department are better equipped to help with the process of reallocation, and this can be achieved via succession plans.

Fifth, trade associations and professional bodies like the Institute of Human Resource Management should think about coming up with easy succession benchmarks for retail chains that take into consideration successor coverage at a role level and depth and frequency of readiness review. These benchmarks should be pilot-tested in other towns in Kenya before being proposed nationally, since the study was conducted in Eldoret.

6.2 Implications for Theory, Policy and Practice

On a theoretical level, findings of the study support Leadership Pipeline Theory since the research reveals a positive relationship between planned succession and a strategic output within a retail context. The research finds support for Resource-Based View as well as it demonstrates that this relationship holds while control variables, such as training, stretch experience, and mobility are controlled, thus supporting the view that prepared successors are a unique corporate resource. Findings of this study also support Dynamic Capabilities Theory since succession coverage is

related to innovation and process restructuring and adaptation. However, no mechanisms were studied in the research and the theories remain possible interpretations.

For managers, the findings mean that succession planning must be considered a strategic activity rather than an administrative one that is done only when there is a vacancy in a position. The discrepancy between continuity and depth implies that the first step to be taken here is the creation of backup plans for key positions. For the boards and owners of retail chains, the findings imply that the time and effort invested in preparation of the successors can pay off in terms of the ability of the organization to change its strategy.

For policy, the findings imply that the skills development and labor-market interventions should extend beyond training and incorporate aspects of leadership succession planning, as applied in medium-sized retail chains, for instance through guidance, templates, and benchmarking from relevant professional bodies and county business development organizations. On the other hand, the findings point to the need for business schools and training institutions to teach succession planning as a distinct skill, and not just a component of leadership development.

6.3 Limitations and Suggestions for Further Research

There are several limitations in the study. First, the cross-sectional study design implies the establishment of an association between variables; however, it does not provide any insights into which factor precedes the other and if firms renewing are investing more in succession coverage. The sample of 72 respondents was drawn from retail chains located in one city; therefore, the results should not be extrapolated to other Kenyan cities. Furthermore, respondents belonging to the same chain may answer questions in the same way, and the lack of adjustment for clustering may understate standard errors. All constructs used in the study were operationalized by self-perceived measures of respondents; therefore, there is still a risk of common method variance even if Harman's test suggests the opposite.

Further research will need to conduct panel or longitudinal studies to observe chain firms through changes in their leadership teams, broaden the sample beyond the four retail centers currently included to include the likes of Nairobi, Mombasa, Kisumu and others, and conduct multilevel analysis taking into account that respondents are nested within chains. Research is required to supplement perceptual data with documents like succession plans, examine if the importance of succession coverage varies for big and small chains, and determine if depth of backup is related more to reallocation time.

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