

## **A PHENOMENOLOGICAL STUDY OF EXECUTIVE LEADERSHIP TRANSITION: EXECUTIVE SUCCESSION PLANNING IN-STATE COMMERCIAL BANKS**

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### **ABSTRACT**

*One of critical issues confronting transferred commercial banks is a significant lack of operations managers with executive leadership abilities. Therefore, this study seeks to discover the lived experiences of some authorities regarding transition of leadership and planning of executive succession; more specifically, this study focuses on understanding the impact of branch managers on decisions to use succession planning in state commercial banks. Participants include 12 managers of bank branches and data collection instrument is open interviews. Results showed that the meaning of leadership transition and succession planning of branch managers were continuously expressed as the main concern to leave the organization. The primary meaning of leadership transition for branch managers is the status of organization towards their probable perspective. The secondary meaning for branch managers is equivalent to leadership change process. The meaning of branch managers is focused on assurance of a transition process which is well-timed and planned.*

**KEYWORDS:** *Leadership Transition, Succession, Transferred Commercial Banks.*

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### **INTRODUCTION**

One of the realities organizations face during their life cycles are the changes they need to make in their executive leadership (Boudlaie et al., 2022a). The temporary nature of leadership illustrates the importance of executive leadership succession in organizations (Boudlaie et al., 2021a). This issue captured the attention of many researchers in the area of management and organizational leadership for a long period (Jefferson, 2014). Many conducted research in this area seek to answer whether, how, and under what conditions replacement of managers and

leaders is a good option for an organization (Georgakakis&Ruigrok, 2017). Irregularities and uncertainties caused by the global economy, the expectations of board members regarding achievement of continuous improvement and new working conditions based on needs for special talents and skills highlight the discussion of talent management and succession planning (Talpos et al., 2017).

Succession planning and management, or SP&M<sup>1</sup>, should be considered as a solution in response to the changing circumstances of dynamic organizations. Dynamic organizations actively respond to the changes that take place in their external environments (Balser&Carmin, 2009). As Leibman states, "today's dynamic environment which is full of global competition and business discontinuities opens a path for growth and prosperity of succession planning. For this purpose, a much more active orientation is required, one that can describe succession and emphasize on ongoing and integrated processes "(Barton, 2019). According to Leibman, succession management is much more active than succession planning, and should be carried out in a way that binds to organizational strategy and responds well when dealing with an organization's rapid changes (Chiocchio&Gharibpour, 2017). In order to be effective, succession programs should not only react to changes of dynamic business environment, but also anticipate them. This program should be run on a daily basis by managers who are responsible for development and the authority derived from possessing a position (positional power) in organizations for the future.

To find talents for positions of leadership and support, either permanently or temporary, organizations are in need of planning (Boudlaie et al., 2020). It has been reported that succession programs and talent management are key factors in creating competitive advantage in companies because they are directly related to intellectual and knowledge capital of an organization (Talpos et al., 2017). SP&M is a process that helps the stability of tenure among personnel (Rothwell, 2014, p.19). Perhaps this process can be considered as any attempt designed to ensure the continued effective performance of an organization, department, division or work group through providing for the development, replacement and strategic application of key individuals over time (Rothwell, 2014, p.21).

Among the changes that have taken place in succession planning, the following can be mentioned: wide acceptance of talent management and talent development; the emergence of workforce planning; growing awareness of succession planning; the recognition that succession planning is only one of many solutions; growing awareness of technical succession planning as a means of addressing the knowledge transfer problem; continuing problems with human resource systems and the need for HR transformation; and interest in tactical succession planning. In addition, difficult economic conditions in recent years have led senior managers to think whether it is worth devoting time and money to succession training. They argue that with many unemployed and apt people available in the marketplace, it will not be that hard to find replacements for retired people (Boudlaie et al., 2022b). But this argument is not logical. The point is that succession planning is required in good days as much as in bad days. Employers need to plan for the future, and planning for people is part of it. Relying on the external labor market to find talents cannot be a clever strategy because it leads to the ignorance of cultures and specific experiences of a company (Rothwell, 2014).

Commercial banks transferred under Article 44 of Iran's Constitution face numerous challenges and problems threatening their effectiveness and survival which has continued to this day. State

banks transferred to private sectors will resist the positive response to changes imposed by external environment (Boudlaie et al., 2021b). These changes relate to issues such as human resource allocation, accountability, training the next generation of bank branch managers, and transferring new values. In addition to issues, private sectors are currently facing another challenge, i.e. a significant lack of operations managers (head of bank branches) with executive leadership abilities.

In the last ten years, private sectors faced a large volume of retired managers and heads of bank branches and they were in need of proper leadership transition to new managers. For commercial banks transferred in accordance with Article 44 of Iran's Constitution, after changing the nature of a public sector to a private one, it is necessary to inform new dominant values of private sectors to new officials of bank branches. However, it was unclear how commercial banks transferred under Article 44 of the Constitution used succession planning to transfer these new and dominant values of private sectors. Moreover, the extent to which incumbent executives of bank branches affect value transfer process is unclear. These two issues formed the main problem of the current research, i.e. private bank's lack of attention to or negligence of a strategically plan for executive leadership vacancies (in particular, branch managers). These banks are confronting a major deficiency regarding the new method of executive leadership in their branches which is becoming worse by the widespread retirement of officials, i.e. current leaders of branches. However, the need has increased for awareness of performance of state economic sectors which were transferred over the past years in accordance with article 44 of the Constitution. The need to be informed about the performance of these sectors illustrates the importance of this research. Theoretical foundations provide for the importance of abundance in this area and in two parts. One part highlights an imminent scarcity that executive leadership will confront. The other part continues under the application of succession planning in this economical area. The main importance of the present study is to identify the factors that affect the decisions of commercial banks, transferred in accordance with Article 44, to apply succession planning.

### **Literature Review**

Organizational changes are inevitable features of any organization whether in the public or private sector, which can happen at any time in a planned or unplanned way and be experienced in the organization (De Massis et al., 2008). Song (2009) stated that targeted organizational change is usually the cause of change for positive improvement, but it is not always the cause of achieving the expected or desired result. Organizational change, whether purposeful or unexpected, is characterized by complex issues.

The transfer of executive leadership as a change, may cause injuries and deficiencies in providing better services in any organization (Georgakakis & Ruigrok, 2017). In general, the literature on the subject in this regard refers to the transfer of executive leadership as an occurrence of change that usually becomes problematic. The process of transferring executive leadership has been described as a problem for the entire organization, which includes the organization's stakeholders as well as employees (Marks, 2007). While the literature supports achieving the best fit between the organization and the executive leader, the actual process toward achieving such is considered equally fundamental.

One of the most important issues related to the problems related to leadership transfer can be mentioned the lack of executive succession planning in the organization. Typically, the authority

of the executive leadership in the organization is considered the least (Comini& Fischer, 2009: 4).Accordingly, stakeholder concern often exists in a latent form and usually emerges during leadership transitions (Comini& Fischer, 2009: 20). Currently, especially in the situation of converting the status of state-owned banks to private ones according to Article 144 of the Constitution, a remarkable picture of how the transfer of executive leadership has emerged as an important organizational identity crisis issue has been revealed.

Most of the focus of previous research has been devoted to the disturbing nature of executive leadership transition for organizations. The disturbing nature of executive leadership transfer and succession planning has also created another problematic issue. Evidence confirms that executive leadership transitions and succession planning often affect organizational performance effectiveness (Marks, 2007).Since every organization has unique characteristics, it needs to design and implement separate and exclusive processes for the succession planning and development of leaders (Routhieaux, 2016) Adaptation and organizational adjustments for the transfer of executive leadership in two separate stages. These stages are the obstacles that may appear on the way of organizational effectiveness. The first stage of organizational adaptation includes the initial institutionalization of the impending leadership transfer in the people and employees of the organization; Employees are basically emotionally and mentally affected by the certainty of change (Marks, 2007).The second stage of organizational adaptation is that employees have a proper understanding of leadership transfer duties and their organizational accountability (Santora, 2009), and responsibility (Marks, 2007). It has been said that in order to implement a suitable succession planning program, it is necessary for employees to be informally exposed to the responsibilities and authority of the leadership level in advance, and also the dominant culture in the organization is the culture of sharing and transferring skills (Routhieaux, 2016). The research conducted in the field of succession planning raise various topics, for example, in one research, attention to the management of differences has been introduced as an important factor in the success of succession planning programs (Jackson, 2017).

Reviewing the research carried out on the subject of the current study, it was concluded that:

Up to now, no independent research in the field of state commercial banks transferred in accordance with Article 44 of the Constitution focusing on succession and leadership transition through a qualitative phenomenological method has ever been conducted. As a result, more than ten years after the transference of state-owned commercial banks, using the phenomenological method, the opportunity has been provided to study lived experience of leadership transition from senior managers of bank branches to new ones who are often young. Therefore, this study pursues to understand the effect of branch managers on decisions related to application of succession planning in public commercial banks transferred in accordance with Article 44 of the Constitution.

### **Methodology**

In this qualitative research, the author focuses on exploring the lived experiences of several bank branch managers who served in these positions during the transference from public sectors to the private sectors. Moustakas phenomenological research method (1994) will be used for this purpose. A phenomenological approach was determined to be suitable for the present study due to its descriptive, reflective, interpretive, and committed manner aiming to describe the requirements of an experiment (Moustakas, 1994).

In order to determine the method of data collection from the study interviews, sampling method was purposeful non-probability sampling (Boudlaie&Kenarroodi, 2020). The managers of three privatized bank branches (names of banks and branches surveyed in this study were omitted due to confidentiality) who have experienced leadership transition in the past five years formed the criteria to enter the study. In spite of identifying a potential sample size of 30 managers and sending invitations to them, only 12 managers who possessed the standard criteria of our study agreed to participate. The age range of the participants was between 34 to 48 years, with an average of 40.8. All participants were married males. Moreover, three study participants held master degrees and the rest possessed bachelor's degrees. The work experience of study participants is between 11 to 26 years, with an average of 17.5 years. Furthermore, participants' fields of practice range included industrial management, public administration, financial management, accounting, banking, business economics and theoretical fields.

Qualitative data collection tool for the present research was open-ended interviews. The interviews were conducted and recorded in a single session with a duration of about 90 minutes. Some questions were proposed to identify and review the experiences and perspectives of executive leadership transition of bank branch managers. The nature of study prolonged the duration of data collection by 2 to 3 months. The researcher suggested that managers choose a location for the interview in order to ensure their satisfaction. While carrying out this research, a number of practical measures were done in order to maintain trustworthiness and credibility, which included using participants as research partners (participants' reviews and approvals in the research), using second-cycle coding, forming and maintaining a notebook of reflective notes, using rich and comprehensive descriptions in development of themes, theoretical pluralism, and audit trail maintenance. Data collection procedure also had three stages: 1) commitment to "epoché process" (suspension) as a way to create a proper atmosphere and an agreement to conduct interviews; 2) putting the question (suspension) in parentheses; 3) conducting qualitative research interviews to obtain descriptions of experiences by considering: a) informal interviews, b) open questions, and c) topic-focused interviews.

In order to guide and develop research questions, Sidman's phenomenology interview framework (Boudlaie, 2016) was used. The proposed questions included backgrounds of related bank branch managers, managers' opinions regarding the impact of leadership, managers' intention to facilitate succession planning, and managers' actions aimed to demonstrate the implementation of succession plan. While carrying out this research, a number of practical measures were done in order to maintain trustworthiness and credibility, which included using participants as research partners (participants' reviews and approvals in the research), using second-cycle coding, forming and maintaining a notebook of reflective notes, using rich and comprehensive descriptions in development of themes, theoretical pluralism, and audit trail maintenance.

## Results

Data collection procedure was conducted in three stages: 1) commitment to "epoché process" (suspension) as a way to create a proper atmosphere and an agreement to conduct interviews; 2) putting the question (suspension) in parentheses; 3) conducting qualitative research interviews to obtain descriptions of experiences by considering: a) informal interviews, b) open questions, and c) topic-focused interviews. Data analysis began by dividing up the data into meaning units. Meaning units were grouped into identified themes. These themes formed the textual

descriptions related to experiences of leadership transition and succession. Then, all applicable phrases for leadership transition and succession were listed. This primary classification is called "horizontalization". Transcribed statements were diminished and deleted in order to identify meaning units. Each statement was studied to identify the stages of leadership transition planning. The reviewed statements were considered as horizons of leadership transition and succession experiences. Unrelated statements were deleted in the review. Verified statements or horizons of meaning units were considered for the following areas: executive leadership experiences and succession planning, and decisions regarding the use of succession. The textual and structural descriptions formed a mixed description. The mixed description clarified the meaning of executive leadership transition and succession planning.

To make it short, in this section we will only mention the extracted themes from interviews while deleting their details.

### **Theme 1. The meaning and experience of succession planning for managers and heads of bank branches:**

All 12 bank managers who participated in this study had experienced succession planning formally or informally. Only 4 participants purposefully facilitated succession planning. Ten branch managers also facilitated leadership transition.

The first meaning of succession planning and leadership transition for all twelve branch managers was to reflect thoughts on executive leadership. Branch managers considered executive leadership to be a bit daunting and stressful. Seven branch managers expressed concern that the executive leadership of state sector transferred to private sector and in particular senior management might have not been accurately interpreted to a significant extent. All branch managers have been familiarized with the meaning of succession planning through the realities related to their experiences in leadership transition. The second meaning of succession planning and leadership transition for all twelve branch managers was synonym to and the same as succession planning and leadership transition planning. The majority of branch managers have always considered succession planning and leadership transition to be the same entity. The third meaning of succession planning and leadership transition for branch managers was organizational maintenance and sustainability. The correlation of succession planning with organizational maintenance and survival was very insignificant. All twelve branch managers stated that organizational maintenance and survival was influenced by their leadership. However, it appeared that impact indicators were related to succession planning.

Interestingly, the greatest influence of managers' leadership on organizational maintenance and sustainability was repeating the same role of executive leadership perception that was previously mentioned. In addition, all research participants described the meaning of succession planning and leadership transition as maintaining a proper organizational supervision which formed their attitude toward stabilization of organizational maintenance and status. Stabilization of organizational status maintenance seemed to be critical in changing the planned or unplanned leadership. The following factors contributed to the maintenance of organizational status: reinforcing the foundations of an organization, valuing human resources, understanding the relationship between mission and 'organizational maintenance and sustainability', organizational valuing and providing knowledge.

The majority of branch authorities considered organizational maintenance and sustainability to be a kind of progress, just like the role of leadership. It didn't seem that the first priority of branch authorities was to focus on maintaining and sustaining positive contributions toward organizational leadership change. For example, Participant (1) emphasized on "right leadership at the right time and setting up a new organizational change path to maintain and sustain it". Participant (2), Participant (4), and Participant (3) differentiated their influence on maintenance and sustainability from the understanding of other various investments. Participant (2) stated that "improving the attraction of micro resources has contributed to resources maintenance".

## **Theme 2. Obstacles of Succession Planning:**

All twelve participants had 3 statements in common while answering to the question about investigating the obstacles to succession planning. First, the branch managers were familiar with the importance of succession planning for transferred state banks. Secondly, branch managers expressed their desire for executive leadership to facilitate succession planning. Thirdly, branch managers described executive leadership to be very complicated and full of difficulties and challenges.

The first obstacle to succession planning was the challenges of executive leadership. All of the study participants considered the challenges confronting executive leadership of branches to be the same in private sectors.

The second classification of obstacles identified for succession planning was organizational performances and stakeholders. The stakeholders included senior management, employees and customers. The third classification of obstacles identified for succession planning was efficiency of branch managers. In this study, all branch managers acknowledged the reality of executive leadership as the primary obstacle to succession planning. Branch managers claimed that executive leadership needs multiple functional abilities and capabilities. Yet, it is obvious that these branch managers had experienced responsibilities with several functions and areas of focus.

Most branch managers acknowledged that executive leadership has progressed and requires precise thinking to a great extent. A particular thought by branch managers was beyond the actual presentation of leadership role, i.e. 'the ability of a leader to fill the gaps'. Eight of the twelve branch managers claimed that this need for 'way of thinking' was completely contrary to the notion and focus on strategic direction of leadership. In general, the common obstacles mentioned for succession planning were related to organizational operations. All twelve executive managers classified performance issues based on the problems and uncertainties created within organizations. Performance problems included human resources, instable and inadequate investment, limited technological resources, and unprogressive communication among stakeholders. Eleven branch managers seemed to be confused about the operational challenges.

Three executive managers indicated personal issues as the obstacles to succession planning. For instance, Participant (7) described an organization's intact and successful progress as an impediment which somehow was opposed to leaving a leadership position. Organizational problems of branch managers were often the heritage of their predecessors. In fact, the presence of such problems did not allow executive managers' minds to concentrate on strategic focus processes related to issues such as succession planning.

### **Theme 3. Absence of a Succession Planning:**

In this research, all twelve branch managers acknowledged and supported the importance of succession planning; nonetheless, there was a contradiction in doing so. The present study showed that eight executive managers did not facilitate succession planning.

All twelve participants claimed that absence of a succession planning reflects inefficient leadership. However, lack of succession planning was slightly attributed to senior managers who were not focused on organizational maintenance and sustainability. Branch managers warned that managers' ineffectiveness should not be attributed to their lack of focus on succession planning. Executive managers suggested studying three reasons for succession planning.

The first reason was pertaining to the framework of above-mentioned lack. In particular, evaluating the lack of succession planning should consider individual-organizational conditions. Branch managers have repeatedly recognized performance issues as the reason behind these obstacles. Most of branch managers believed that everyday performance challenges often consume their time and energy and occupied their mind.

The second reason most executive managers indicated was extensive responsibilities of a branch manager. Executive leadership was described as multiple responsibilities which makes the role of branch manager too difficult.

The third reason suggested by branch managers was lack of succession planning and impact of external environment on banks and branches. External threats and dangers have created a permanent crisis for branches, particularly in the area of resource attraction. One of these threats was a problematic economy that destroyed various investment flows. Another threat was the issues related to liability. For instance, Participants (1), (3), (5) and (8) all believed that several external threats have always existed during their leadership period. These external dangers and threats have created a permanent crisis for branches, particularly in the area of resource attraction. One of these threats was a problematic economy that destroyed various investment flows.

### **Theme 4. Senior Management Resistance:**

The findings of this study showed that all twelve branch managers believed that senior management has functional knowledge and capabilities to facilitate succession. Moreover, the study findings indicated that branch managers are of the opinion that senior management considered succession planning to be a top management responsibility.

This study demonstrated that senior managements often resist succession planning. Seven of the twelve participants introduced senior management as reluctant to facilitate succession planning. For example, Participants (10), (11), and (12) claimed to have experienced resistance of senior management against succession planning. Branch managers consider such resistance to be directly reflective of senior managements' mindset, i.e. no inner will to devote time and energy. Overall, participants considered senior managements as reluctant to administration activities in branches which required long-term processes. All of the twelve participants considered succession planning as the main responsibility of senior management in an attempt to create organizational stability. Accordingly, branch managers described organizational stability to be in need of strategic direction by senior managements.



In a nutshell, the majority of branch managers directly linked the resistance of senior managements against succession planning to the knowledge of board of directors; in particular, senior management knowledge about the organization in which they serve. Ten of the twelve study participants agreed that senior management does not possess profound organizational knowledge. This lack of profound knowledge has ultimately separated senior management from the whole organization. As a result, senior management awareness of organization's needs after executive leadership was completely feeble.

**Theme 5. The Importance of Communications in Succession Planning and Leadership Transition:**

All participants distinguished between leadership transition planning and its implementation in the best possible way. Branch managers were unanimous in believing that very little time has been dedicated to the challenges of leadership transition.

Also, all study participants valued clarity and transparency and considered communication as the foundation of clarity and transparency. Branch managers believed that communication was essential in all four strategic stages of succession planning and leadership transition. Participants (2), (3), (5), (9), (10), (11), and (12) stated that the value of timing and creating a relationship was equal to the value of communication in succession planning and leadership transition.

All branch managers emphasized that purposeful communication was conducted properly and provided positive organizational adaptation to change. Moreover, all branch managers felt responsible for establishing communications during leadership transition period.

Branch managers described their communications as a purposeful activity in planning for leadership transition. The purpose was to cooperate with the organization to obtain a positive and effective change in leadership.

**Theme 6. Relative separation of branch managers as organizational resources and to use strategic planning and succession planning is obvious.**

The final theme, i.e. lack of using succession planning, had two reasons. The first reason was to consider branch managers as organizational sources. The second reason was the use of strategic planning.

Only four branch managers among all participants have led their organizations to develop and implement succession planning. In these four branches, strategic planning served as the main guideline for establishment of a succession planning. However, the development of succession planning in these four branches did not reflect the careful consideration of or viewing the position of branch manager as an organizational source. The major concern in this study was that seven participants were not permitted to use succession planning and simply perform the processes required for leadership transition. Strategic planning was not involved under such organizational conditions. These multiple findings drew the researcher's attention to the issue of executive leadership as a resource. In particular, the researcher concentrated on lack of organizational focus on the role of branch managers in need of a strategic assessment and planning.

It was clear that all of the twelve branch managers led the organizations unlike other organizational resources even at branches in which branch managers were recognized as sources. All twelve branch managers have always acknowledged and endorsed resources as information,

senior management, employees, investments, and communications with stakeholders. Participants (5) and (6) shared their descriptive experiences in executive leadership which required strategic planning for growth, maintenance, and development of resources across all parts. Participants (8), (10) and (11) described executive leadership as a "valuable organizational resource". However, it seemed that implementation of leadership importance as a resource value was negligible. Executive leadership, as a resource, was managed completely different from other valuable resources which was apparent in other leadership experiences. These experiences were described as a lack of strategic focus on evaluating and supervising executive leadership was described as a resource. These descriptions provided an appropriate perspective for succession planning in the field of strategic planning.

### **Discussion and Conclusion**

Data analysis in the present research reveals several concepts that indicate the importance of implementing succession planning in state banks transferred to private sectors. The concepts identified in this study are as follows: branch managers' awareness of leadership transition absence; the senior management's awareness of supervisory responsibility regarding leadership transition; the willingness of branch managers to facilitate succession planning; the role of branch managers and senior management in leadership transition planning; preparing organization for leadership transition; and indicators of organized succession planning.

**Branch managers' awareness of leadership absence** is important. Twelve branch managers participating in this study emphasized on awareness of leadership absence. The majority of branch managers have been actively aware of leadership absence. Awareness of branch managers was enabled through conversations with colleagues, some of which had recent experiences in leadership transition. These conversations were focused on the lack of realistic details of leadership transition planning. In fact, the lack of leadership can be due to retirement of managers belonging to the previous generation. In fact, the issue worrying most branch managers in particular is the lack of overall organization of management strategy. From branch managers' point of view, the lack of organization causes their improper readiness and they confront lack of leadership.

**Preparation of transferred banks for leadership change**, affects organizations' attitude toward development and implementation of leadership transition planning. Most branch managers are aware of their organizations' readiness for leadership transition. Management accepts the leadership change process by organizations. Organizational readiness is formed by the criteria of openness and regular communications.

**Indicators of organized succession planning are apparent**, although they might not be developed in accordance with best leadership practices. The leading structure for succession planning is a strategic planning. The components of succession planning include: accountability of stakeholders; leadership training and development; organizational relationships; measurement and modification of operations. Besides, deliberate communication based on organizational aspects such as senior management, branch manager and employees are added to these components.

In response to the main research question on the discovery of leadership transition and succession planning, it can be concluded that the primary meaning attributed to the discussion of leadership transition and succession planning by twelve branch managers are restricted to

leadership challenges. For most branch managers, the reference of initial thoughts for leadership transition and succession planning is to revise their leadership tendencies. For branch managers, the meaning of leadership transition and succession planning was continuously expressed as a concern for leaving the organization. So, the initial meaning of leadership transition for branch managers is the conditions of their organization in comparison to their potential destination.

The secondary meaning for branch managers is equivalent to the process of leadership change. The meaning of branch managers is focused on ensuring a transition process which is timely and planned. The focus is mostly on facilitated transition through coordinated communication which is supported by positive actions.

As for branch managers describing executive leadership as an organizational resource, it should be noted that the majority of study participants understand executive leadership as one organizational resource. In particular, branch managers explained services as a resource for the organization, senior management and customers. The first and second study participants served as organizational resources through identifying and securing required resources. Resources mostly include human and financial resources; development of relationships with senior management; and improvement of communication with stakeholders such as employees and customers. The position of branch management requires specific functional skills and knowledge in order to maximize the achievement of organizational mission.

Given participants' responses to their understanding about the importance and priority of succession planning, it can be concluded that most branch managers in this study did not have a good understanding of succession planning as an organizational priority in leadership experiences. Branch managers are recognized as organizational priorities in permanent efforts for organization survival. Organizational operations are carried out regularly and branch managers are distracted from focusing on succession planning for executive leadership. In some respects, obstacles to succession planning are a series of operational issues from limited resources such as resource attraction, human resources, and insufficient programs to serve the stakeholders. Even increased accountability for expectations is added to these issues. Organizational priorities are usually developed by senior management and directed and run by branch managers. Thus, if succession planning is not a priority for senior management, it would be the same for branch managers.

In response to the third sub-question of research on how branch managers describe leadership transition based on organizational knowledge, most of study participants believed that dynamics of leadership transition creates opportunities for organizational learning; in particular, learning opportunities for branch managers, employees, and the entire organization. Leadership transition represents a set of strengths and weaknesses for organizations that excite opportunities for organizational revisions with a focus on the future. Moreover, learning manifests through communication. Communication is described by a majority of branch managers the same as strategic knowledge creation. Leadership transition through actualization of learning for change and making adjustments toward learning affect organizational knowledge.

Finally, in response to the fourth sub-question of research on how branch managers describe succession planning as a part of organizational strategic planning, it should be noted that development of succession planning through strategic planning was emphasized only by four managers out of twelve study participants. Most branch managers consider leadership transition processes to be absent in succession planning. Similarly, most transferred banks do not use

strategic planning. It is concluded that succession planning should continue with respect to strategic planning.

Based on the given conclusions and exploratory responses of interviews, the following recommendations are presented.

Branch managers are encouraged to develop their awareness of executive leadership as an organizational resource. This awareness should contain the value of executive leadership. The value of executive leadership is likely to be related to other resources in organizations, which usually are the topics of strategic planning. The future leadership of an organization needs such kind of positioning in its strategic plan.

It is also recommended that organizational priority of succession planning be initiated in the perspectives of senior management. More specifically, it is recommended that current managers actualize the resource value of a managerial position in banks and improve plans for executive leadership in order to do so. Such planning should be in alignment with the usual managerial behavior towards other resource areas such as resource attraction, demand and debt collection, and development of services.

Furthermore, branch managers should take responsibility for facilitation of organizational knowledge. Branch managers should organize learning moments to ensure identified lessons. Learning moments can be provided through utilization of strategic planning.

In the end, it is recommended that senior management understand and acknowledge the organizational value of strategic planning in succession planning. Succession planning should be considered as a part of strategic planning. Besides, branch managers should be encouraged by senior management. Such an understanding must become like a common practice. These practices can be followed by providing strategic planning for succession planning.

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