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**AN INVESTIGATION  
OF CORPORATE LEADERSHIP  
SUCCESSION PLANNING  
AND IMPLEMENTATION:  
THE MALAYSIAN EXPERIENCE**

By

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# ABSTRACT

Leadership succession, and especially that of the CEO, has attracted considerable interest amongst management and social researchers. Most of the research has been conducted in Western organisations and from specific vantage points such as understanding the financial impact of CEO succession and successor origins. However, there is currently little research on the actual process of leadership succession, and especially so in the Malaysian context.

This research uses qualitative research methods to investigate leadership succession (which in this thesis means both CEO and upper-echelon managerial succession) in Malaysian organisations. The research reveals that most Malaysian companies are not engaged in leadership succession planning and implementation and the few that have such processes report low success rates. The research shows that leadership succession planning and implementation is in its infancy among Malaysian companies. Where upper-echelon manager succession is concerned, companies commonly practise leadership replacement rather than succession. However, with family-controlled publicly listed companies – and such companies constitute the majority of publicly listed companies in Malaysia and in most of Asia – dynastic succession is the predominant form of CEO succession and the CEO's position is the preserve of members of the founding family.

In investigating the factors that either enhance or inhibit leadership succession processes, a form of inhibitor that this thesis calls *organisationally generated entrenchment* was identified.

Organisationally generated entrenchment appears to be common in Malaysian companies and has the effect of stifling smooth leadership succession.

This research also shows that leadership succession processes are greatly influenced by cultural factors and that leadership succession models must take into account cultural effects.

This thesis offers the Succession Development Pathway model as a means of facilitating leadership succession in organisations in Malaysia.

# ACKNOWLEDGEMENTS

I remember, when as a young boy, I would eagerly wait for the Rolf Harris show on our black-and-white television. I was especially enthralled by the artist's painting sessions. He would take a paint brush and apply dabs of paint here and there in what seemed to be a rather haphazard manner. Initially, the canvass would appear to be little more than a chaotic mess of paint and members of my family would debate what the artist was painting. Then, with a few finishing strokes, Rolf would transform the disarray into order and the end result was a beautiful painting. Harris then rendered a song about the story behind the painting and we, the audience, were left in awe of the manner in which he had brought order to the disorder and meaning to the picture he had created.

While researching this topic, there were many times when I felt that all that I had was a disarray of data and that my metaphorical doctoral canvass would never be able to convey any meaningful story. Unfortunately, I do not have the artistic talents of a Rolf Harris but fortunately, I did have the help of two master advisers whose advice and guidance helped me see the meanings hiding behind the data that I had collected. From these master advisers, I have not only learned to conduct research and to write a thesis but I have also gone on to enjoy the process of investigating, analysing, theorising and bringing meaning to the research. I, therefore, wish to bring special honour and thanks to the two persons who have made such a difference to this research.

The first person that I want to thank is my supervisor, Dr Anthony Shome. Tony widened my perspectives in this research and helped me see that

there was more to leadership succession than I had originally envisaged. I enjoyed our frequent discussions over the subject matter and I have benefited enormously from them. I am very grateful for the way that he generously shared his knowledge of the subject matter with me and his guidance was, indeed, invaluable. He saw the potential in my study long before I realised it myself. I am very thankful to Tony, who started as my advisor but who has become my friend.

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In my family we often tease each other about saving the best for last, especially where food is concerned. In acknowledging this last group of people, I can truly say that I have indeed saved the best for last. I thank my wonderful wife, Alice, and my three children, Brendan, Erin and Shannon, for all their prayers and support as I undertook this journey. Their love, concern and understanding helped me through many difficult patches during the research. I had to spend a lot of time alone writing this thesis, but I never once felt lonely because they were always with me, physically or in spirit, encouraging me on. I am very proud to have completed this thesis, but my true pride and joy lie in having been blessed with such a lovely wife and such wonderful children. It is to my family that I dedicate this thesis.



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