

SUCCESSION MANAGEMENT AND PERFORMANCE OF TELECOMMUNICATION FIRMS IN KENYA: A COMPARATIVE STUDY OF SAFARICOM LTD AND TELKOM KENYA

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Abstract

A well-structured and effectively enforced succession management plan is important for business. How far this is true for Safaricom which is a big and successful company and Telkom which is a struggling and newly rebranded company in Kenya remains significantly uninvestigated. The purpose of the study was to explore the influence of succession management on organizational performance of Telecommunication Firms in Kenya with a comparative study of Safaricom and Telkom telecommunications companies. It specifically established the influence of talent retention, talent attraction, career management and training on the business performance. This study employed descriptive research coupled with correlational research designs to anchor the methodology. For this study a target population 232 management personnel and 218 staff working at Safaricom and Telkom headquarters respectively were targeted. From the population 70 respondents for Safaricom and 65 from Telkom were sampled, thus getting 30% of the target population. The study used questionnaire rendered in a 5-point Likert scale that was given to the staff and secondary data to get the measurements for performance. Descriptive statistics were used to analyze data and included counts, percentages, means together with the standard deviations. Pearson's correlations and t-test were used and the findings were then presented in tables. The results showed that: talent retention ($\beta=.384$ Safaricom; $-.172$ Telkom), talent attraction ($\beta=.322$ Safaricom; $.221$ Telkom) and career management ($\beta=.387$ Safaricom; $.191$ Telkom) was more effectively employed and worked better for Safaricom than for Telkom and its efficient use had a significantly positive influence on Safaricom's performance and likewise its inefficient use had a negative influence on Telkom's performance. The study thus recommends that: Telkom management should offer attractive remuneration packages to ensure substantial talent retention in the organization. Telkom management should employ proactive knowledge and skills together with competency as the mode via which the company mainly recruits.

Keywords: Talent retention, talent attraction, career management, training, business performance

I. INTRODUCTION

1.1 Background of the Study

Considering many successful businesses, succession management has become a strategic focus mechanism which allows for leadership maximization. But it also provides strategic consideration on positions that are critical in the company and offers opportunities for talented employees to

grow necessary skills for good work. However, other companies have had succession management as a struggle. According to Lamoureux, Campbell, and Smith, (2009), such companies look at succession management more in the realm of administrative experience than the fresher competitive advantage environment. In more robust economic times, succession management can be ignored. However, in the current economic challenges, succession management has never been this important (Lamoureux, Campbell, & Smith, 2009).

Succession management involves talent retention which Rothwell, (2000) defined as the keeping of skilled and professional employees within the ranks to avoid high turnover. It also highlights talent attraction which denotes the capability of an organization to entice employees to the organization by enacting policies and procedures that allow for employee choice and both selection and retention in the organization. Zhu, Chew, and Spangler, (2005) also mentioned an angle important to succession management as career management and training. They noted that career management denoted the process that allows an appreciation and development of employees' careers in the organization and is geared to offering support to employees in a bid to enable them meet both their personal and organizational aspirations. Moreover, on training they referred this to learning actions in an organization that is created to improve the performance and fulfilment of employees in their day to day works.

Kaplan and Norton (2001) defined performance as the outcomes and results accruing from a particular task and is measured by looking at certain indicators like profits, return on investment among others. Basically, noting that performance is when a task is accomplished or an obligation effectively rendered to completion. Kaplan and Norton (2001) also noted that an organization that performs at its peak are measured via accounting methods of sales growth, profitability, liquidity coupled with cash flows not forgetting leverage. They added operational measures like market share, intangible assets alterations and market value added. Chong (2008) on his part added non-financial measures characterized by customer satisfaction and owner satisfaction.

Kenya is also experiencing an exponential growth in the private sector and consequently, succession planning inevitably is getting significant consideration among the corporate players. Onyango, Njanja, & Zakayo (2014), noted that the Kenyan private sector has become more strategically focused as a result of their increase and consequently the inherent competitiveness and organizational challenges that characterize a large pool of companies. They thus argued that in that spirit of strategy, succession makes leadership and thus any organization that values its performance need to consider succession management. This is even more important in the Kenyan telecommunication sector which has major players like Safaricom Limited, Telkom Kenya (Orange) and Airtel Kenya. This sector has grown over the period, however, with the new economic challenges facing the country, succession planning in such a sector is very important hence the need for the present study to compare the two notable companies.

1.1.1 Safaricom Limited Profile

Safaricom Limited is one of the biggest telecommunication companies in East Africa and its core competencies are integration of telecommunication services that have mobile, fixed voice, short messaging service (SMS), Internet, data and MPESA as some of the products; the company also offers financial services and solutions to businesses and public-sector players. Under their voice

products, both local and international roaming services are offered. The company also sell mobile handsets, modems for broadband access, laptops and routers. They also provide technological solutions to Small and Medium Scale enterprises (SMEs), data for businesses and homes, hosting services such as cloud hosting and website management and security services. As a company, Safaricom also offers dividends and bills and bulk payments. Safaricom has been engaging in succession management for a long time and one of its notable transitions was the exit of the successful CEO in 2011 to be succeeded by a new one. Since then, and particularly recently in 2015, there has been exits by top management with the head of consumer business and the head of customer management leaving. The succession management of Safaricom is one of strong talent and career management as all of those who replaced the exiting senior management were staff at the company who had been trained to potentially replace any exiting senior staff as opposed to getting people from outside (Safaricom Press release, 2016-2017).

1.1.2 Profile of Telkom Kenya

Telkom Kenya is an integrating telecommunication company that offers a myriad of services. The services include mobile prepaid and postpaid service, wireless, High Definition service, Voice integration, international calling, roaming, e-Bill, short codes, Internet and data options; domain together with mail hosting services and finally Orange money services. The company also offer GSM and CDMA platforms coupled with options via its terrestrial fiber optic network. Telkom's Kenya succession planning has been quick and frequent and substantial due to the massive rebranding that has occurred. The transition from Orange to Telkom Kenya has also seen a change of guard at the top with former Orascom executive becoming CEO and replacing the one exiting. Of course, other managers have since been changed with the most recent, 2017, seeing a manager from Tigo Tanzania being the new head of HR, replacing the manager who has exited completed from the company. Telkom's succession management practice seems to center more on talent attraction from outside the company. One notable example is the hire of Safaricom's former Chief Technology Officer to replace the one leaving at Telkom in the same office (Telkom Press release, 2016-2017).

1.2 Statement of the Problem

It is evident from reviewed studies that no study has focused on succession management and its influence on performance of telecommunication firms and therefore this descriptive investigation of the phenomenon seeks to respond to the query, how does succession management influence performance of telecommunication firms? Further, none of these studies have been comparative studies in any way and this study would thus fill the gap but most importantly add to the present body of knowledge in succession planning.

It has been argued that better performing and big corporations employ and benefit more when using effective succession management to improve their performance and productivity than struggling or emerging companies. How far this is true for the organizational situation in Kenya remains significantly uninvestigated. Safaricom is a big and successful corporation with profits exceeding the 25 billion mark, while Telkom Kenya is a newly rebranded telecommunication company that recently posted losses upwards of 5 billion Kenya shillings. How the two companies have employed succession management and to what success needs urgent investigation and hence

the comparative study.

1.3 Research Objectives

The investigation sought to assess the influence of succession management on performance of Telecommunication Firms with a comparative study of Safaricom and Telkom telecommunications companies in Kenya.

The specific objectives were;

- i. To establish the influence of talent retention on organizational performance of Safaricom and Telkom Kenya companies.
- ii. To determine the weight of talent attraction on the organizational performance of Safaricom and Telkom Kenya companies.
- iii. To assess the effect of career management on the organizational performance of Safaricom and Telkom Kenya companies.
- iv. To determine the influence of training on the organizational performance of Safaricom and Telkom Kenya companies.

1.4 Research Hypotheses

H₀₁: Talent retention does not have a significant influence on organizational performance of Safaricom and Telkom Kenya companies

H₀₂: Talent attraction does not have a significant influence on organizational performance of Safaricom and Telkom Kenya companies

H₀₃: Career management does not have a significant on organizational performance of Safaricom and Telkom Kenya companies

H₀₄: Training does not have a significant influence on organizational performance of Safaricom and Telkom Kenya companies

II. LITERATURE REVIEW

2.1 Theoretical Review

This section looks at three notable theories that have been formulated to explain the current study. They are the Maslow's Hierarchy of Needs, Talent DNA Model and the Self-concept Theory of Career Development.

2.1.1 Maslow's Hierarchy of Needs

The Maslow's Hierarchy of Needs is a theory postulated by Maslow (1943) that asserts that motivation is necessary to have an individual get need satisfaction. The theory is premised on a five level Pyramid illustration that starts at the lower stage where the man has his powerful need which is also his basic need; which influences his behavior. So, we have physiological needs characterized by food, water, air, shelter and sleep. If these needs go unmet, the person's job performance inevitably dips. Safety needs then follow and are characterized by personal security,

well-being, family, property and financial security among others. Then social needs characterized by love and friendship follow. Basically, employees must feel a sense of belonging if they are to perform to the peak of their abilities. Consequently, it is important that organizations set themselves up to provide a means via which they can satisfy these needs if they are to eventually meet the goals of their respective organizations. This theory is relevant to the present study as according to Zhu, Chew, and Spangler, (2005) leaders in a company are in charge of ensuring that the mission, vision and core values of their respective organizations are achieved. Thus, succession planning to ensure that an influential leader is put in place and an investigation to assess if a connection exists between succession management and business outcomes are very necessary and particularly considering the appropriate variables to this theory like talent attraction, retention and career management.

2.1.2 Talent DNA Model

The Talent DNA Model was first postulated by Shrivanthi and Sumanth (2008) who projected in a relevant theory that the talent management model which sought to invent a roadmap that would be useful to meet organizational goals. The theory used the DNA illustration and presented the model in three phases. The first phase is the identification of key roles, followed by competencies identification that are needful to achieve the key roles and show a database for competencies. It should be noted that talent management and its DNA are relevant to the progress of an HR function from talent attraction, needs identification and speed and timeliness of production among others. Shrivanthi and Sumanth, (2008) thus argued that there must be a balance between talent management and employee satisfaction to eventually meet the requirements for performance of any organization.

The third phase has to do with the identification and acquisition of capacities that drive the individual's potential. Such capacities form a basic principle in DNA for talent management. Talent management thus is important to build a depository and profile of talents within an organization in a bid to build up the succession management process for the organization. This will also help in developing the company for future sustainable growth. The Talent DNA Model becomes pertinent to the present study because it carefully highlights that proficiencies and competences needed that an organization imperatively must acknowledge, the proficiencies and competences must be linked to work station and its position and companies must be enabled to recruit the most qualified personnel.

2.1.3 Self-concept Theory of Career Development

Super (1990) noted succinctly that the self-concept theory of career development has over the years maintained its status as the go-to theory for career growth and development. Super, (1990) recommended to the extent that career choice and development should fundamentally be the methodology for growing and applying an individual's self-concept. Super (1990) asserted that it is a conglomeration of complex connections within a number of determinants like personal experiences, psychological growth, setting and physical development. Super (1990) further asserted that the extent to which a certain individual career growth is fruitful is contingent upon the person ability to apply his or her career self-concept. Individuals' career concept based on Super, (1990) is a consequence of interaction of the individual's personality interest, skills, experiences and the standards and the manner in which they assimilate these features into their

innumerable life roles. Generally, as individuals go through fresh situations, interact with new people and educate themselves more on the world the work in, they are expected to advance new interest, crack new possibilities of articulating their self-concept and discover new methods of assimilating their career choices (Super, 1990). Career management is the most appropriate variable explained by the self-concept theory.

2.2 Empirical Review

Hor, Huang, Shih and Lee, (2010) did one of comparative studies using correlational design on succession management in Taiwan. In the studies, they looked at the semi-conductor business of two big corporations in Taiwan but with different levels of profitability. The bigger corporation, Tainstei Company had a profit of over 4 billion USD in 2008 while the other, Muskel Corporation, had a lower profit margin of 300 million USD. The study noted that talent retention that is premised on the idea that a good and potentially successful company must ensure it retains the best talents especially as a succession planning construct. The study also highlighted that talent management and attraction and training of staff were important aspects of succession management. The findings showed that succession management and its constructs of talent retention and attraction together with training of staff had a positive influence on performance. Most importantly, the study noted that more successful and organized companies, in their case Tainstei Company, enjoyed the fruits of succession planning as they were better at it, than struggling or low profit companies like Muskel Corporation. These findings seem to agree with the present study that has shown that Safaricom Company employs succession planning, particularly talent retention and attraction better than Telkom which by dint of its losses and struggling keeps good talents away.

A comparative study done by Gunnoe et al (2015) shows an interesting result as regards talent retention as an aspect of succession planning in construction companies in India. The study employed correlational design to test of the significant relationship between talent retention and training of employees on one hand and employee productivity on the other. The results noted that inasmuch as construction companies had almost similar operational ways of doing business, they employed succession management in various and diverse ways. Talent retention for some companies was not considered as important as cost cutting and other strategic matters while other companies looked at talent retention and training as essential elements of a successful company that appreciates that succession and management transition was a normal and inevitable element of every day's life for any business. One notable research gap on the matter of succession management and its constructs of talent retention and attraction together with training of staff is that there are very limited comparative studies done and the present study may fill a huge existing gap on that front.

Rothwell (2011) also did a comparative review of two construction companies in Sweden. The study was correlational in nature and sampled 343 staffers from three construction companies. The study began by asserting that talent attraction and retention are talent management aspects that are intertwined strongly to succession planning and management. In fact, the study mentions that talent management and replacing process is the starting point to full succession planning and management. The study generally sought to establish the link between talent attraction, talent

management and succession planning. The findings accruing from the data analysis shows that talent attraction is important for most companies and that the construction firms he considered all showed robust talent attraction efforts. The study however noted that some companies were not successful in getting the desired performance outputs even after engaging in efficient talent attraction efforts largely because of lack of commitment by the incoming management team. The study recommended therefore that in order to have succession planning and talent attraction done effectively, there is need to create a long lasting and binding policy to safeguard the company from a change of tact as soon as a new manager comes in. as argued earlier, there is still very minimal comparative studies on succession planning and management and its influence on performance or organizations and the present study will add knowledge to this gap.

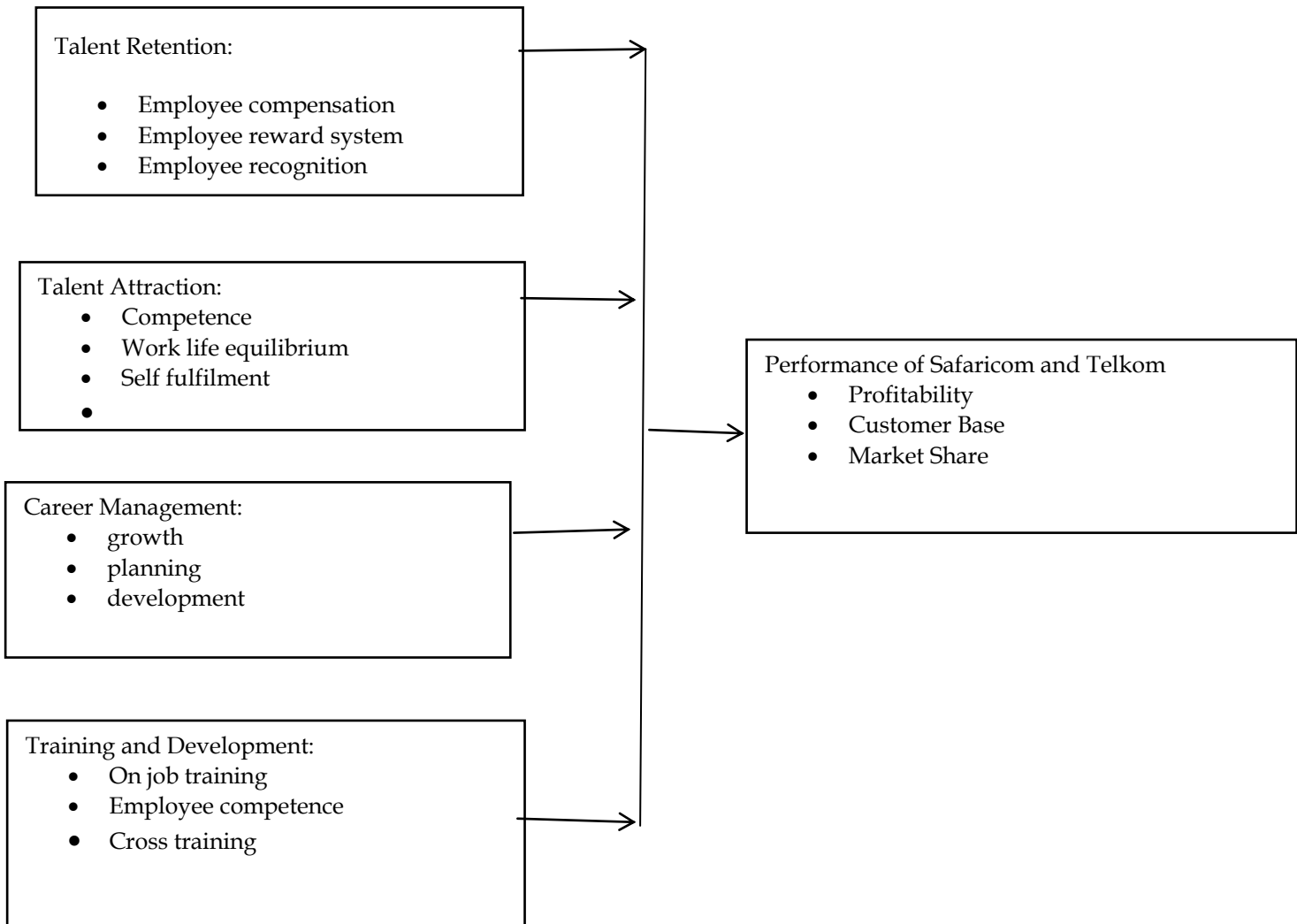
On his part Shamsuddin (2012) looked comparatively at Malaysian service industries so as to gain insights into leadership management and career development as a means to efficient succession management for successful organizational performance. The study noted through the t-tests and regression analysis performed that career development was a factor that is very important for any progressive organization. The study then noted that leadership management must be intertwined with career development as succession management tools if an efficient and strategic performance outputs are to be realized in the organization. The study noted that companies that did not take career development, leadership management band succession management seriously paid for such neglect with low productivity and undesirable performance. In his comparative review, there is an element of service industries underperforming due to ineffective succession planning and career development.

Stahl et al (2012) also offered findings on a comparative study of service businesses in the USA, New York in particular, and consequently presented the six principles that make organizations succeed in a succession management framework or context. The study was both quantitative via descriptive elements and qualitative via narrative analysis of interview responses from notable scholars of management. in that regard, the study is considered a go-to work when analyzing succession management and its determinants in organizations. Consequently, from the results, the study noted that training ranks highest among the constructs that explain the whole concept of succession management. other constructs mentioned by the Stahl et al (2013) research are talent attraction, retention, assimilation and career management and progression practices. The study then ascribes significance to the positive influence of training on performance both financial and nonfinancial. Comparatively, they noted that all the companies reviewed showed a proportionate positive performance to efficient training, talent attraction and retention. Thus, those that did not employ these succession management elements effectively also suffered poor returns and vice versa.

2.3 Conceptual Framework

Independent Variables

Dependent Variable



III. RESEARCH METHODOLOGY

3.1 Research Design

This study employed descriptive design to describe the phenomenon under study and correlational survey research design which was applicable where the researcher presented data that both described a situation or phenomena that was happening or had already happened and comparing the results for different entities (Mugenda and Mugenda, 1999).

3.2 Target Population

For this study 232 management staff at Safaricom and 218 from Telkom all working at the headquarters were targeted (Safaricom Sustainability Report 2016).

3.3 Sample and sampling technique

Stratified sampling was used to categorize the 10 departments from Safaricom and the 12 departments from Telkom Kenya. To sample the present population 30% was used which is a percentage that Kothari (2004) recommended; from the population 30% of Safaricom's 232 management staff comes to 70 staff and 30% of 218 Telkom's staff comes to 65 staff. The respondents per department were then selected using simple random sampling which allowed for a representative and without bias selection of the management staff from the two companies, Safaricom and Telkom.

3.4 Data Collection Instruments

The study utilized primary data via the employ of questionnaire in the format of 5-point Likert scale that was given to the staff. Further, to get the performance measurements and results, the study relied on secondary data acquired from the consolidated audited group results for Safaricom and Telkom companies.

3.5 Pilot Study

A pilot test was done on 10 of the target population respondents (1% of the target population) from both companies which is a percentage that Saunders, Lewis and Thornhill (2012) mentioned is acceptable in the event that the population is significantly large. The findings were not included in the final tally of results in the actual study.

3.6 Data Processing and analysis

Quantitative analysis techniques were used characterized by descriptive statistics. Descriptive statistics used included counts, percentages, means and standard deviations. Further, Pearson's correlation and regression analysis were employed as an inferential statistical tool. The findings were later presented in tables which is advisable as they offer a more elaborate and clear graphical output of the results. SPSS version 23 aided in data analysis and presentation.

Regression Model

$$Y_{od} = \alpha + \beta_1 (X1) + \beta_2 (X2) + \beta_3 (X3) + \beta_4 (X4) + e$$

Where the variables are defined as:

Yod-Performance

- X1- Talent Attraction
- X2-Talent Retention
- X3- Career management
- X4- Training
- e- Error term

IV. RESULTS AND DISCUSSION

4.14 Performance of Safaricom and Telkom

The study had the obligation to measure the dependent variable which is performance but most importantly compare the performance of the two companies. The measure the same, the study employed secondary data from both Safaricom and Telkom Audited results for 30th September 2016.. The result is as seen in Table 1

Table 1 Performance of Safaricom and Telkom

Indicators	Safaricom			Telkom		
	2016	2015	% growth	2016	2015	% loss
Profits or Loss	34.4 Bil	26.4 Billion	30.60%	1.5 bil (Loss)	4.3 bil	10.60%
Market Share	69.20%	62.90%	11.10%	7.60%	8.10%	2.80%
Customer Base	26.61 Mil	25.10 million	6.00%	2.9 million	4.8 million	8.90%

Source: Safaricom and Telkom Consolidated Audited Group Results 2016.

Table 1 shows the results that would be useful in measuring the business performance of both Safaricom and Telkom. From the results, Safaricom’s performance shows a positive trend showing that the firm had experienced an improvement in profitability; an increase of 30.6% from the financial year 2015; market share of 69.2% which is an increase of 11.1% from the previous year; an increase of 6.0% highlighted by its customer base of 26.61 million from previous financial year of 2015. Other growth and improvement have also been witnessed in total asset, low employee turnover and high sales growth. However, the same could not be said of Telkom as all the data available shows lack of improvement in profitability, (A loss of 1.5 billion Kenya shillings in 2016) customer base (a reduction from 4.8 million to 2.9 million), growth and improvement in total asset. And that they also had high employee turnover and low sales growth.

The results summarily imply that Safaricom’s performance was high and positive while that of Telkom was low and thus negative. The measurements of performance highlighted in the results have been agreed to in literature by noted scholars of management. Kaplan and Norton (2001) defined performance as the outcomes and results accruing from a particular task and is measured by looking at certain indicators like profits, return on investment among others. Basically, noting that performance is when a task is accomplished or an obligation effectively rendered to completion. Kaplan and Norton (2001) also noted that an organization that performs at its peak are measured via accounting methods of sales growth, profitability, liquidity coupled with cash

flows not forgetting leverage. They added operational measures like market share, intangible assets alterations and market value added.

4.2 Correlations analysis for Safaricom and Telkom.

Pearson's Correlation analysis was done for the two companies and their results presented in two separate tables, table 2 and table 3. The two tables were done because of the different samples of the two companies.

Table 2 Correlation Analysis for Safaricom						
		Performance	Training	Career management	Talent Attraction	Talent Retention
Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	65				
Training	Pearson Correlation	.605**	1			
	Sig. (2-tailed)	0				
	N	65	65			
Career management	Pearson Correlation	.587**	.503**	1		
	Sig. (2-tailed)	0	0.001			
	N	65	65	65		
Talent Attraction	Pearson Correlation	0.671	.413**	.411**	1	
	Sig. (2-tailed)	0	0	0.002		
	N	65	65	65	65	
Talent Retention	Pearson Correlation	.714**	.245**	0.278	.501**	1
	Sig. (2-tailed)	0	0.005	0	0	
	N	65	65	65	65	65
**. Correlation is significant at the 0.01 level (2-tailed).						

From table 2, all the independent variables (Talent Retention, talent Attraction, Career management and Training and advancement) had a positive relationship with Organizational performance at Safaricom. Talent Retention had the highest correlation ($r=0.714$, $p < 0.01$), then talent attraction ($r=0.617$, $p < 0.00$), followed by training ($r=0.605$, $p < 0.00$) and finally career management had the least correlation with organizational performance ($r=0.587$, $p < 0.01$). This implied that that all the variables under study have a positive relationship with the dependent

variable.

		Performance	Training	Career management	Talent Attraction	Talent Retention
Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	63				
Training	Pearson Correlation	.675**	1			
	Sig. (2-tailed)	0				
	N	63	63			
Career management	Pearson Correlation	.507**	.503**	1		
	Sig. (2-tailed)	0	0.234			
	N	63	63	63		
Talent Attraction	Pearson Correlation	0.501	.113**	.011**	1	
	Sig. (2-tailed)	0	0	0.257		
	N	63	63	63	63	
Talent Retention	Pearson Correlation	.614**	.545**	0.188	.430**	1
	Sig. (2-tailed)	0	0	0.123	0	
	N	63	63	63	63	63

** . Correlation is significant at the 0.01 level (2-tailed).

From table 3, all the independent variables (Talent Retention, talent Attraction, Career management and Training) had a positive relationship with Organizational performance at Telkom. Training and growth had the highest correlation ($r=0.675$, $p< 0.01$), then talent retention

($r=0.614$, $p < 0.00$), followed by career management ($r=0.507$, $p < 0.00$) and finally talent attraction had the least correlation with organizational performance ($r=0.501$, $p < 0.01$). This implied that that all the variables under study have a positive relationship with the dependent variable. The result of the correlation analysis agrees with Gunnoe et al (2015) who showed an interesting result as regards talent retention as an aspect of succession planning in companies in India.

4.3 Summary of Regression analysis for Safaricom and Telkom.

Regression analysis was done for the two companies to check for the predictive power of the independent variables on the dependent variable. The following table is a summarized table that highlights these important results.

Table 4 Summary of Regression results for Safaricom and Telkom

	R	Adjusted R Square	F-Statistic	Standardized Coefficients				Sig.
				Talent Retention	Talent Attraction	Career Management	Training	
Safaricom	0.811	0.767	76.564	0.384	0.322	0.387	0.211	0
Telkom	0.662	0.598	58.987	-0.172	0.221	0.191	0.223	0.004

Dv - Performance of Safaricom and Telkom

Based on the results in Table 4, it is clear that both sets of data confirmed a positive direction of the results based on the R values of .811 and .662 for Safaricom and Telkom respectively. The R-Value denoted the difference between the expected and the predicted value and being that they are denoted without a - sign means that they show a positive direction.

The adjusted R square for the two companies' results also show acceptable predictive percentages to the dependent variable of performance. Safaricom has a higher predictive strength as the adjusted R square shows a score of .767 which is rendered as 76.7% of the variable of performance was predicted by talent attraction, retention, career management and training. This further implies that talent attraction, retention, career management and training had a positive significant effect to Safaricom Performance. For Telkom, it can be seen that while there is a positive and significant predictive influence of the independent variables at .598, it is clear that the prediction is lower than that of Safaricom. Consequently, for Telkom, talent attraction, retention, career management and training predicted performance at 59.8%. The F-statistics generated for Safaricom (76.564) and Telkom (58.987) are significantly positive and thus confirm both the fitness and the suitability of the model. This coupled with the P-values produced which are both < 0.05 shows that there was statistically significant influence of talent attraction, retention, career management and training on both a Safaricom and Telkom Performance though to a varied degree, Safaricom's being stronger than Telkom's. However, it should be noted that on the element of talent attraction, Telkom showed a statistically negative score (-.172) to performance and it can thus be deduced that talent attraction had a negative influence to performance at Telkom.

It can thus be concluded that the hypotheses: H₀₁: Talent retention does not have a significant influence on organizational performance of Safaricom and Telkom Kenya companies; H₀₂: Talent attraction does not have a significant influence on organizational performance of Safaricom and Telkom Kenya companies; H₀₃: Career management does not have a significant on organizational performance of Safaricom and Telkom Kenya companies; H₀₄: Training does not have a significant influence on organizational performance of Safaricom and Telkom Kenya companies; have all been rejected.

V. CONCLUSIONS AND RECOMMENDATIONS

Safaricom's compensation and reward system was unbiased unlike that of Telkom. Also, Safaricom's salaries were competitive and often better than others in a similar market but the same could not be said of Telkom. However, both companies offered incentives for good performance and the organizations gave rewards that motivated employees for better performance. Also, at Safaricom, knowledge and skills together with competency was the mode via which the company mainly recruited. All these assertions however, were not efficiently utilized by Telkom. Moreover, there occurred some acquaintance to managerial tasks. The job schedule in the company offered flexibility that was important for career advancement and the company had established a vibrant plan for career advancement and growth of employees which had helped develop the latent talent and finally the company transfers policy advocated for lateral and upward movement which had improved performance. Both Telkom and Safaricom had on-the-job training and coaching opportunities. This study thus recommends that; Telkom management should offer attractive remuneration packages to ensure substantial talent retention in the organization. The company should also devise a strategic plan that anchors efforts to retaining talent in the business and a means to effective succession management that would inevitably lead to better organizational performance. They should also, have a robust talent search matrix which allows for experienced, academically qualified, driven and competent employees to be hired and the company should then use a work-life balance matrix which motivates and rests employees to make talent attraction easier. Both companies should device workable succession management plans to effectively manage the process.

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