# ALPHA UNIVERSITY



Title: Talent Management and Succession Planning: A Strategic HRM Approach in Companies Operating in Mogadishu, Somalia

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## **Abstract**

This study explores the integration of talent management and succession planning in organizations in Mogadishu, Somalia a post conflict recovery and institutionally rebuilding context. The research looks at how businesses in this fragile setting handle human capital amidst structural weakness, resource scarcity, and a private sector in transition. Drawing on interviews with HR professionals and organizational leaders, the paper explores current practice, diagnoses key gaps, and investigates how talent development initiatives are integrated with long-term leadership continuity.

The study demonstrates growing awareness of the necessity for strategic HRM but uneven implementation hampered by constraints such as poor HR capacity, economic instability, and informal organizational cultures. Surprisingly, more formalized HR practices are being launched in larger firms, but for most small and medium enterprises, there is far to go. Based on both theoretical insights and empirical practice, the paper offers context-specific findings that contribute to the international literature on human capital formation in fragile states.

The research concludes with actionable recommendations on how to strengthen HR systems, boost collaboration with universities, and build leadership pipelines. The insights are meant to guide policymakers, business leaders, and HR practitioners as they build resilient organizations that can achieve sustainable growth and stability in Somalia's developing economy.

#### Introduction

With the competitive and dynamic business environment of the present times, the strategic management of human capital is increasingly being recognized as a key driver of organizational success and resilience. Organizations around the world invest in human resource practices that drive employees' performance, as well as allow for long-term organizational sustainability. Talent management and succession planning are some of those practices, which have been at the forefront as interdependent strategies that address both current and future leadership needs.

Talent management entails the systematic identification, attraction, development, and retention of high-potential individuals who are capable of contributing to an organization's strategic objectives (Collings, Mellahi, & Cascio, 2017). Succession planning, however, is intended to ensure continuity in key roles, particularly leadership, by developing internal talent to step into key roles with minimal disruption (Rothwell, 2021).

In post conflict regions such as Mogadishu, Somalia, where institutions are being established and economic foundations are gradually solidifying, such practices are particularly pertinent. The country's transition towards a market oriented economy presents both challenges and opportunities for firms, requiring a skilled and adaptable workforce. However, HRM systems in these fragile environments have few formal structures and resources, making strategic talent practices even more vital.

## Research Objectives:

This study looks at how organizations in Mogadishu are addressing the human capital creation challenges amidst economic reconstruction and institutional fragility. It explores the degree to which talent management and succession planning are being implemented and localized.

#### 1. Research Objectives:

The main aim of this research is to investigate the current landscape of human resource management practice in Mogadishu, Somalia, with particular focus on talent management and succession planning. Specifically, the research seeks to:

Examine how companies handle talent: recruitment, development, retention, and employee engagement programs.

Investigate existing succession planning frameworks: their efficacy, structure, and alignment with organizational goals.

Highlight dilemmas and propose context-specific solutions: to shape more viable human resource strategies in weak and emerging economies like Somalia.

Not only is this research of worth in terms of its theoretical contribution to HRM literature in post conflict and less developed settings, but also in its practical contribution. It presents insightful information to corporate leaders, HR professionals, and policymakers operating in Mogadishu by providing clarity on building more sustainable and future-fit organizations.

## **Literature Review**

The strategic human resource practices, especially during weak economies, have been emphasized in various studies. Talent management is given the definition by Collings et al. (2017) as a variety of activities that include identifying, building, and retaining high-potential talent. Garavan et al. (2012) argue that talent development is important in organizational flexibility in unstable environments.

Succession planning, on the other hand, has been cited as a risk management strategy to ensure continuity of leadership (Rothwell, 2021). From a study by Otoo and Mishra (2018), they found that in emerging nations, the absence of formal HR practices has a tendency to lead to poor talent retention and insecure leadership. Armstrong (2020) calls for the integration of talent management and succession planning as a best practice for building internal capability.

Post-conflict and developing country-specific research, such as in Somalia, remains limited. However, studies in similar contexts document weaknesses that include weak institutions, brain drain, and informal human resource systems (World Bank, 2022). The literature highlights the need for context-specific solutions that align with the socioeconomic nature of fragile states.

# **Research Methodology**

This study adopts a qualitative research approach to explore HRM practices in Mogadishu. Primary data was collected through semi-structured interviews with HR professionals, managers, and executives from a diverse range of organizations including banks, telecom companies, hospitals, and NGOs. A purposive sampling method was used to select participants with direct involvement in HR decision-making.

In total, 20 interviews were conducted, each lasting between 30 and 60 minutes. Thematic analysis was used to identify key patterns and insights related to talent management and succession planning practices. Secondary data sources, including organizational reports and policy documents, were also reviewed to contextualize findings.

This methodology allows for an in-depth understanding of the real-world challenges and strategies employed by Mogadishu-based firms, offering nuanced insights that may not be captured through purely quantitative methods.

# Overview of HRM in Mogadishu, Somalia

Human Resource Management (HRM) in Mogadishu is evolving from the traditional, administrative function to a more organizational, strategic function. Historically, employment and dismissal decisions in Somalia were based on clan affiliation, social networks, and informal recruitment. But the development of private sector institutions such as banks, telecommunications, hospitals, and NGOs is gradually bringing in formal structures to HR.

Companies like Hormuud Telecom, Amal Bank, and Jazeera Specialist Hospital have adopted systematic HR policies like systematic recruitment, employee training, and performance evaluation. These advances notwithstanding, the broader HR climate is underdeveloped. A majority of companies do not have special HR departments, and HR officers overall are not formally trained.

The labor market in Mogadishu is youthful and expanding. However, there is a gap between the skills of job seekers and the demands of employers. HRM practices continue to be overly focused on primary administrative functions rather than strategic areas like leadership development, engagement of employees, or talent analytics.

# **Talent Management Practices in Mogadishu Companies**

Talent management is a systematic use, identification, development, motivation, retention, and acquisition of valuable, high-potential individuals with the company. The application of talent management varies greatly among industries in Mogadishu.

Large firms such as Salaam Somali Bank and Hormuud Telecom have initiated formal graduate development programmes and professional development within. These initiatives attempt to build in-house talent pools and reduce reliance on external recruitment. However, in the majority of small and medium-sized enterprises (SMEs), there is no or ad-hoc talent management.

Recruitment is typically by social network, referral, or fixed-term contract. Performance management is infrequent, and budgetary constraints limit learning and development spend. Although strategic talent management awareness is on the rise, putting end-to-end frameworks into practice is proving problematic.

# **Succession Planning in the Local Context**

Succession planning involves identifying and developing future leaders to ensure continuity in key organizational roles. In the case of Somalia, where continuity of business is frequently disrupted by instability, succession planning is necessary but not practiced.

In family businesses, leadership succession in most cases is through inheritance, not merit. Only a few companies have formal succession plans, and in some cases, leadership changes abruptly, creating vacancies in operations. Public and Nonprofit organizations also lack well-organized systems for forecasting and building future leaders.

Despite all these problems, new models of succession planning programs exist. For instance, banks have devised mentoring schemes for junior managers, and NGOs have begun to offer in-house career development schemes. These are not many, but they increasingly reflect the reality that there is a sense of leadership continuity.

# Talent Management vs. Succession Planning

Succession planning and talent management go together hand in hand. A robust talent management strategy creates a pool of high-potential employees who can be groomed into future leaders. Effective succession planning, however, ensures that talent management efforts are ideal for fulfilling long-term organizational needs.

In Mogadishu, not integrating these functions harms leadership pipelines and turnover risk. Firms that invest in developmental talent identification and at the same time in succession planning are healthier and better positioned for growth. Bridging this gap is important for sustained HR development in the region.

# **Challenges Facing HRM in Mogadishu**

There are several challenges that derail effective practice in talent management and succession planning in Mogadishu:

Insufficient HR Capability: Limited organizations have qualified HR personnel with the required qualifications to implement strategic HR initiatives.

Economic and Political Unrest: Uncertainty and lack of infrastructure prevent long-term planning.

Brain Drain: Skilled personnel prefer going overseas, resulting in a persistent shortage of talent.

Poor Investment in Training: Budget restrictions restrain companies from investing in good training and development initiatives.

Cultural Hurdles: Traditional mores at times are contrary to merit-based HR practices.

These challenges require systemic interventions at both the organizational and policy levels.

## **Conclusion**

Succession planning and talent management are central aspects of strategic human resource management. In Mogadishu, the developmental trajectory of HR practice presents the opportunities for organizations to enhance their competitiveness and sustainability. There are clear opportunities for improvement despite concerns such as constrained HR capacity, brain drain, and unstructured practice. Through investment in

people, aligning HR activities with business goals, and building leadership capability, Somali companies can build resilient organizations capable of adapting to a challenging and uncertain environment.

## Recommendations

To enhance talent management and succession planning in Mogadishu organizations, the following primary steps are recommended:

Strengthen HR Skills and Structures: Organizations need to invest in building professional HR functions capable of implementing strategic talent and succession programs.

Develop Formal Succession Plans: Companies ought to have formal succession plans for ensuring leadership continuity and reducing disruption in transition.

Prioritize Pragmatic Training and University Cooperation: University cooperation could align academic output with employment needs using internships and tailored training.

Harness Technology to Accelerate HR Activities: Technology can be used for more effective recruitment, performance monitoring, and career planning.

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