



Crisis Management and Corporate Resilience of Niger Delta Development Commission (NDDC)

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Abstract: *This study examined the relationship between crisis management and corporate resilience of Niger Delta Development Commission (NDDC). The study reviewed extant literature and extensively used information from previous works. The study adopted the use of variables such as proactive strategy, reactive strategy and containment strategy to explain the dimensions of crisis management. While adaptability was used to measure corporate resilience. The study found that the present crisis in Niger Delta Development Commission was occasioned by non-inauguration of the board and the use of Interim Management Committee/Sole Administrator unknown to the law setting up the Commission. The study found that crisis is an inescapable phenomenon that threatens an organization's survival if not handled with utmost sense of urgency. The study also revealed that crisis can be induced by mismanagement, corruption and other human actions or inactions. Therefore, the study concluded that to survive and bounce back to normalcy in the face of crisis, the organization must be resilience-driven in its behaviour and characterization by doing the right thing. Also, that the extent to which Niger Delta Development Commission overcomes the crisis situation is dependent on how proactive and mercurial it is prepared in restoring its damaging consequences by inaugurating the board. Based on this, the paper recommended that Niger Delta Development Commission (NDDC) no matter how stable and rosy its financial sources are at any given time, should do the needful by obeying the act that established NDDC with respect the board. It should also, remain forward looking by putting appropriate mechanisms such as proactive strategy, reactive strategy and containment strategy in place to handle crisis whenever it strikes.*

Keywords: *Crisis Management, Proactive Strategy, Reactive Strategy, Containment Strategy, Corporate Resilience, Adaptability, Niger Delta Development Commission*

INTRODUCTION

Crisis management is defined as a three-fold process utilized in preventing a conflict from happening or by trying to scale down its impact (Bujak & Topolski, 2015). Williamset et al. (2017) suggested that crisis management is the action of developing and executing a business strategy, which can be adopted easily under different circumstances. While crisis is linked to the unexpected and collateral damages that come with it, organizations can avoid colossal losses and enhance productivity if they implement the best approach in managing the crisis (Williams et al., 2017).

The NDDC comprises nine states namely: Abia, Imo, Rivers, Delta, Bayelsa, Edo, Akwa Ibom, Ondo and Cross River, spanning 185 local government council areas. From the outset, the rule guiding the establishment of the NDDC is that the President will compose the board and forward members' names to the Senate for confirmation. Under this arrangement each of the nine states was to be represented on the board of the commission, while state offices would be established.

The interventionist agency had hitherto function this way and things were going on somewhat smoothly until in the recent past when the commission's leadership was headed by people with strange appellations, such as acting managing director, Interim Management Committee and sole administrator as is presently the case. These have come with different modes of operation where whoever is the head at a particular point in time wields so much power, having to hold sway without a properly constituted board, but only answerable to the appointing authority.

Under such an arrangement, the commission is bound to derail from its original mandate, part of which is to train and educate youths from the Niger Delta to stem the myriad of agitations there and bring about a regime of massive infrastructural development and ultimately a breath of fresh air to the proverbial goose that lays the golden egg. But there is no gainsaying the fact that things have gone from the sublime to the ridiculous under the latest arrangement with issues of corruption on the front burner, a scenario that resulted in the President, Muhammadu Buhari to order a forensic audit from 2000 when the federal agency was established to date.

Various stakeholder groups in the region have called on the Federal Government to constitute the NDDC board, a plea which seems to have fallen on deaf ears. The clamour for the board assumed a new twist recently, when the IYC took over the demand with the exuberance, which now seems to be brewing tension in the Niger Delta. The IYC President, Peter Igbifa, did not mince words when he gave a 30-day ultimatum to the Federal Government to constitute a substantive board for the commission or risk the shutting down of the region (Punch Newspapers, 2021). In the light of this background the study seeks to examine the relationship between crisis management and corporate resilience of Niger Delta Development Commission.

Statement of the Problem

The crisis that has enveloped the Niger Delta Development Commission (NDDC) is needless. The present crisis in Niger Delta Development Commission was occasioned by non-inauguration of the board and the use of Interim Management Committee/Sole Administrator unknown to the law setting up the Commission. The Senate in its effort to manage the crisis resolved: that the Interim Management Committee (IMC) be disbanded and made to refund the sum of N4.923 billion; that the substantive Governing Board of the NDDC be sworn in to manage the commission in line with the provisions of the law; that the NDDC be moved back to the office of the Secretary to the Government of the Federation (SGF) in the Presidency for proper supervision; that the Office of the Auditor General of the Federation supervise the forensic audit to "guarantee independence, credibility, transparency and professionalism in the output of the exercise," and

that “the President with advice from the Auditor General should appoint a renowned, internationally recognised forensic auditor to carry out the exercise.”

In all, it was a comprehensive look at the recent crisis in the NDDC, with further resolutions for the Presidency and the new board to tweak the governance mechanisms of the commission to prevent the recurrence of a situation where its executive will be paying billions of naira to themselves in special bonuses.

However, in June 27, 2021 – Ultimatum appears to be the code in the language of conversation between the Federal Government and stakeholders in the Niger Delta over the future fate of the Niger Delta Development Commission (NDDC). A few days after the government yielded to the 30-day ultimatum given by youths in the region and promised to form the Governing Board of the commission, the elders have taken their turn to issue a seven-day ultimatum on the government. This time, their grouse is about who should be appointed into the board.

Although it received another threat and a request from militant Government Oweizide Ekpemupolo, alias Tompolo, to get the Minister of Niger Delta Affairs, Godswill Akpabio, to agree to a new board for the NDDC, after the earlier threat by the Ijaw Youths Council (IYC) expired last month, the determination of the elders to join the fray has made matters worse, pending Akpabio’s promise to deliver in July.

On Wednesday, June 23, 2021, Akpabio disclosed how his July promise will come to pass. Towing the same line of thinking with the region’s elders, who had earlier indicted the NDDC for promoting the interests of its staff rather than that of the communities in the region, the minister promised to expedite action on the government- directed forensic audit of the commission before the constitution of the governing board in July. Apparently, from the above issues, there is the need to investigate the crisis handling paradigms that have been exerted upon in view of the corporate resilience credentials needed to navigate the Niger Delta Development Commission for the benefit of all the citizens of the region.

Good enough, Umoh and Amah (2013) empirically studied the association between knowledge management and organizational resilience of Nigerian manufacturing organizations in Rivers State. Oparanma and Wechie (2014) investigated crisis management processes to ensure effective and continuous performance. Also, Wobodo and Oprarnma (2019) studied crisis management and corporate resilience of multinational oil and gas companies in Rivers State: A theoretical perspective. In view of the above, the study seeks to examine the influence of effective crisis management on corporate resilience of Niger Delta Development Commission with the following objectives:

- i. To examine the relationship between proactive strategy and corporate resilience of Niger Delta Development Commission.
- ii. To examine the relationship between reactive strategy and corporate resilience of Niger Delta Development Commission.

- iii. To examine the relationship between containment strategy and corporate resilience of Niger Delta Development Commission.

LITERATURE REVIEW

Theoretical Foundation

Issues Management Theory

The public relations issues management theory holds that every issue or problem gives some early-warning signals, before snow-balling into crisis or conflict. Nipping such issues or problems in the bud will either prevent it from growing into crisis or drastically reduce the strength of the crisis (Black, 1989; González-Herrero & Pratt, 1996). Issues management is a proactive strategy for crisis-prevention (Haastrup, 2007). González-Herrero and Pratt (1996) posit that although the onset of a crisis can be sudden, there are situations when organizations are aware of and prepare for such an event. Smits and Ezzat (2003) posit that preparation is one of – if not the – most important steps in the prevention of a crisis, and that effective crisis management depends upon planning and people. According to Penrose (2000: 155), organizations that practice proactive crisis management will lessen the damage of a crisis.

González-Herrero and Pratt (1996) add that crises have early signals and sensing these potential problems are the first step toward avoiding or resolving them or minimizing their impact. Issues management helps an organization become aware of possible crises and plan accordingly. One facet of this awareness involves ascertaining the publics whose actions or inactions could lead or contribute to a crisis. Grunig and Repper (1992) explained that if an organization can identify these groups it can attempt to dispel or counteract their damaging behaviors. This way, issues management helps remove the unexpected and sudden factors of the crisis; the situation can be defused before it occurs.

González-Herrero and Pratt (1996) observe that issues management is a tool to identify and anticipate potential issues before they balloon into a threat. Thus, issues managers should be forward-thinking. The longer an organization is aware of the possible issue, the better it can prepare. Ewing (1987) posits that practicing issues management improves an organization's awareness of its community and ways to positively involve itself.

Two-way symmetrical model

Developed by Grunig and Hunt (1984), the two-way symmetrical communication between an organization and its publics epitomizes the ideal practice of public relations. The model emphasizes that dialogue must be initiated in order to determine the stance of an organization's publics. Neither side can really know the morality or reasonableness of the other side's interests without talking with each other (Grunig, 2001). The author further posits that accommodative techniques should only be used during this conversation.

As a form of crisis preparation tool, two-way symmetrical model suggests building communication relationships and alliances with an organization's internal and external publics on an ongoing basis prior to a crisis. Organizations which have positive relationships with their stakeholders are

more likely to survive a crisis or less damage (Pearson and Clair, 1998; Ulmer *et al.*, 2007; Ulmer, 2001).

Organizations in a crisis should not just listen to stakeholders they agree with, but rather identify all potential stakeholders and establish processes to include all, even those the organization does not agree with (Jaques, 2010).

Application of the Theories to this Study

The implications of the issues management theory for this study is that Niger Delta Development Commission can totally avoid or minimize crisis by adopting crisis proactive, reactive or containment. This will help improve relationship with government, stakeholders and the society. Issues management practice will keep them abreast and aware of the feelings, moods and opinions of the region, citizens and workers, so as to be in a better stead to package the right public relations strategies to address such. Issues management can also present Niger Delta Development Commission with opportunities to showcase its positive contributions in those communities.

The two-way symmetrical communications on the other hand, suggest that Niger Delta Development Commission must be open and transparent with the benefitting States, host communities, stakeholders and government. Niger Delta Development Commission must accommodate them and listen to their complaints, and jointly come up with the best solutions to their problems. Denial strategies when there is a crisis like non inauguration of the board will not yield any positive result in the long run. It tends to suggest the organization's rejection of responsibility for the crisis. While the two-way symmetrical communications strategy tries to improve the organization's reputation. It shows concern for the victims and reflects on how much responsibility the organization accepts for the crisis. Research even shows that organizational publics when won to your side, can be used as support groups for organizations in crisis periods (Ulmer, 2001; Ulmer *et al.*, 2007).

Conceptual Review

This section reviews the key concepts used in the study under the following subheadings: Crisis management, proactive strategy, reactive strategy, containment strategy, corporate resilience and adaptability

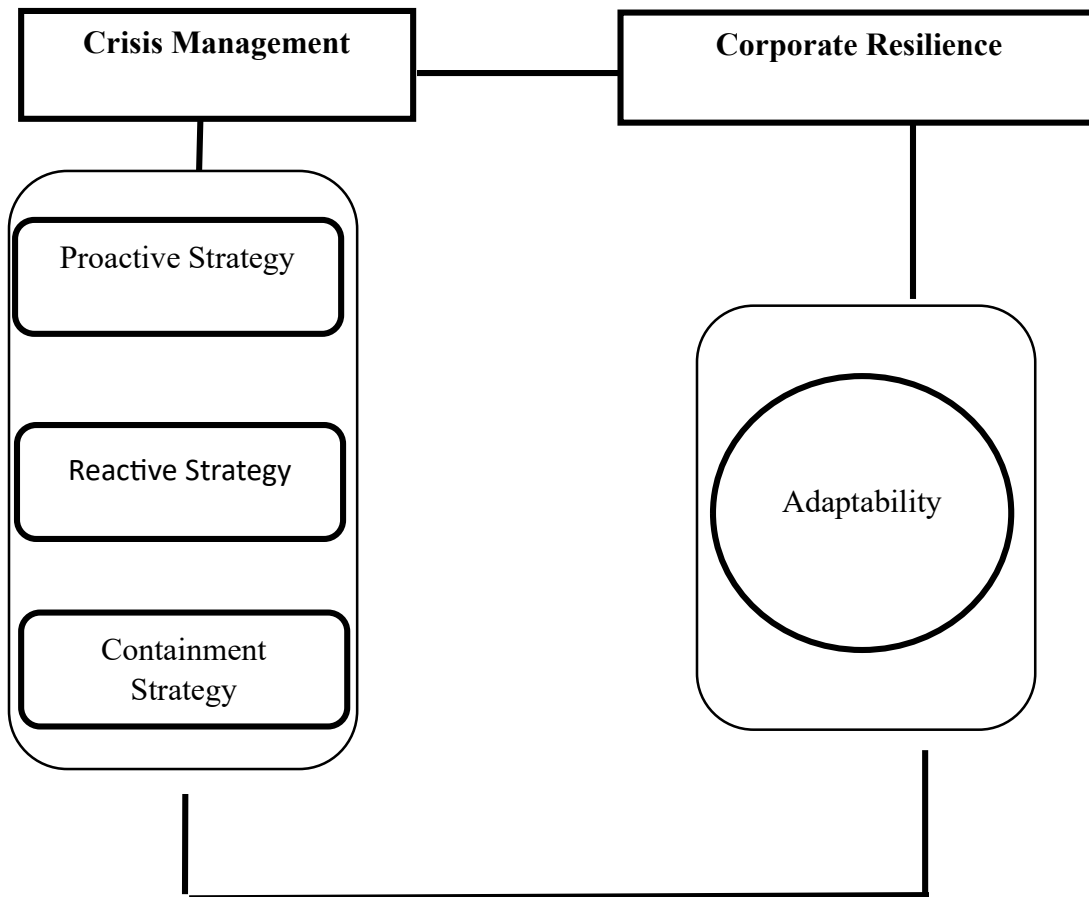


Figure 1: Conceptual Framework of Crisis Management and Corporate Resilience of Niger Delta Development Commission (NDDC)

Sources: Al-Omari, Alomari & Aljawarneh, N. (2020); Wobodo & Oparanma (2019).

Crisis Management

Crisis management has been acting as a provision of preplanning of organizational performance and rapid response by acting towards leadership. Information management has been facing crisis in the market due to bad informatics (Christensen et al., 2016). This has been creating critical situation in protecting the organization's reputation.

Managing crisis is also geared towards enhancing performance through early threat exposure, mitigation and product life cycle control (Christensen et al., 2016).

Essentially, managing crisis is a phrase employed to rational and methodical way of establishing the context, determining, evaluating, treating, checking and relaying threat relating to any

procedure in a manner that enables firms to reduce losses and enhance prospects (Crandall, Parnell, & Spillan, 2013). Crisis management enhances not just the value of firms, but may also diminish financial distress (Jundt et al., 2015). The purpose of crisis management is to realize the understanding by all stakeholders and arrangement around what the threats really are and how to control the crisis (Bundy et al., 2016).

According to Mehr and Jahanian (2016), crisis management is a procedure considered when mitigating a crisis with the aim of lessening the negative effect that the crisis can have on the company and stakeholders alike. Since crisis management is a process, it can be clustered into pre-crisis, response mechanism to the crisis and post-crisis.

In addition, Bujak and Topolski (2015) defined crisis management as a three-fold process utilized in preventing a conflict from happening or trying to scale down its impact. Williams et al. (2017) pointed out that crisis management is the activity for developing and executing a business strategy that can be adopted easily when facing a crisis. Occurrences that qualify as crises include natural calamities, terror attacks, power outages, violence, and cybercrimes among others. Bundy et al. (2016) suggested that crisis management is the utilization of methods aimed at helping the organization deal with unexpected events that can affect the smooth running of the organization. Based on the author, a crisis may happen due to unforeseeable outcomes of some event that could be seen as prospective threat.

Disruptions in oil production due to violence, fires and other mishaps can lead to monumental economic losses and grave hazards to people and the ecosystem (Jundt et al., 2015). The purpose of crisis management is to realize the understanding by all stakeholders and arrangement around what the threats really are and how to control the crisis (Bundy et al., 2016). According to Crandall et al. (2013), experience allows companies to react to the rapid, short-range and long shock that is necessary for the company's regular activity or to handle the market. The major crisis management mechanism in the oil and gas sector usually continues with pre-crisis events, including preparation and mitigation practices (Crandall et al., 2013).

The global world is marked by dramatic transitions that trigger different kinds of organizational and employee efficiency crises (Anitha, 2014). The willingness of businesses and workers to respond to these changes is negatively affected due to the high pace of change and uncertainty (Anitha, 2014). The organization will gain operating productivity during the transitions, as the skills learned through the transition build trust in workers about their abilities to achieve organizational objectives (Anitha, 2014). Crisis management may potentially have a serious impact on workers, specifically if a company employs an unsuccessful plan to reverse the crisis (Pop, 2017). As such, crisis management must still be constructive and provide management with the ability to formulate effective tactics that will motivate workers to step on in anticipation of critical circumstances that are imminent (Pop, 2017).

Organizations that have proper crisis management programs have a higher probability of having lower employee turnover rates. Employee turnover negatively influences the activities of the organization, as the organization does not have someone to educate new employees on the culture of the organization (Raufflet, Cruz & Bres, 2014).

Furthermore, the organization has to incur more costs to ensure that the employees remain within the organization by increasing their pay and that there is cooperation from all the employees. Employees are also likely to find it difficult to get into the organization targets and stresses, as they are unable to ensure that all activities run smoothly and effectively.

In addition, the contact deficiencies during the deep-water horizon spill by BP were discussed by De Wolf and Mejri (2013). BP has unable to provide an accurate account of its protection policies and practices since the beginning of the crisis. The executives made the first of their numerous communication mistakes (De Wolf & Mejri, 2013). In addition, the organization invested in divisive politics with multiple partners and worked on a public advertising drive to protect its tarnished image (De Wolf & Mejri, 2013). Such coordination problems have had a detrimental effect on the success of the company's personnel. Some of them were shot and eventually charged with murder, which greatly lowered the morale of workers and consequently had a detrimental influence on their results (De Wolf & Mejri, 2013).

Management typically hires talented workers and provides instruction to provide them with the necessary expertise required to handle the duties efficiently in order to compact a situation affectively. Likewise, crisis management culminates in promoting core values that help a business to meet strategic goals. Despite these shifts, oil and gas producers are experiencing several global crisis-related challenges. Because of the numerous conflicts witnessed in oil consuming countries, these issues are synonymous with political turmoil.

As an outcome, the assessment of the output of workers in oil and gas firms since the recession has remained a major problem that several reports have not discussed. This study therefore fixes the gap by suggesting concrete techniques to be employed in the Yemeni oil and gas sector to eliminate several commonly witnessed instances of crisis.

Proactive Strategy

Proactive organizations are considered as die-hard organization. They rather than simply reacting to a crisis situation actively influence and engage it. They respond and face adversity and change head-on (Wobodo, Asawo & Asawo, 2018). Rotter (1966) concluded that proactive organization tends to have an internal locus of control where they believe that they have the capacity and the responsibility to control their own fate. Robbin *et al.*, (2011) described proactiveness as a personality attribute that describes people who are prone to take actions to impact on their environment; so also does organization. Proactiveness measures the extent to which an organization is self-motivated and in such a manner that they not only succeed in the midst of obstacles and challenges but also maintain balance and stability while preparing ahead of subsequent changes. Given this assertion, proactive organization focuses on stabilizing their strength over a change through positive behaviors and actions. Frankl (2013) believes that proactive tendency enables organization to successfully preserve their strength and confidence in the midst of obstacle, no matter how traumatic.

Reactive Strategy

According to Bailey (2016) being reactive is associated with having the ability to confront pressure that comes your way in real time. In relation to crisis management, it is a situation in which planning decisions take place during and after the crisis situation (Karam, 2018). A reactive crisis manager is one who will usually wait for crisis to occur or emerge before making necessary steps to manage and eradicate it in order to achieve continuity in business operations. This strategy is characterized by quick thought processes which are logical and planned to turn things around (Bailey, 2016). Reactive thinkers find it easy to make snappy decisions as this strategy does not lend itself to analyzing what might be required sometime in the future.

Containment Strategy

It works on containing the crisis (containing the damage), which is the peak stage of the crisis. At this stage, the plans established to confront the crisis are implemented through the use of the organization's resources to reduce the crisis, while using possible means to mitigate its damages, which resulted from the occurrence of the crisis (Al-Mutairi, 2011).

The fourth stage: It has to do with the restoration of activity, which is the stage in which adequate measures are taken to re-adapt to the damages that resulted from the crisis that occurred, in all respects within the organization, whether organizational, psychological, behavioral or even financial. That is, it is an attempt to recover the value of tangible and intangible resources in an organization that has lost part of its value. This is done through the implementation of pre-prepared training programs that have been tested to ensure their ability to achieve the desired role (Zuulf, 2014) in addition to the existence of a communication system within the organization that helps decision-makers obtain the necessary information in a timely manner, and thus the organization's ability to recover its activity and carry out its work. As usual before the crisis (Al-Khashali & Al-Qutb, 2007).

A formal way to deal with planning usually begins with the evaluation of the organization's late history and current situation. This step or stage in planning is variously referred to "situation audit," "appraisal," etc. In this assessment, the organization's internal capability's receives close study to identify its strengths and weaknesses. Often plans fail because of an inadequate or incorrect assessment of the organization's internal aspects. The degree of attention to internal aspects such as past performance, current strengths and weaknesses, and diagnostic assessment of recent failures or performance shortfalls treated in this study as a distinct and important influence on the effectiveness of an organization's planning (Ramanujam et al., 1986).

Management of crises and disasters is vital to reduce the impacts and amend recuperation time both at an organizational and destination level. Recovery defined as the development and implementation of strategies and actions to bring the destination back to a mundane (pre-event) condition or an ameliorated state. Recovery may commence in the immediate aftermath of a crisis or disaster, or delayed until such time as a destination is able to undertake instauration efforts (Mair et al., 2016). Business recuperation additionally entails establishing alternative sites such as those needed for computer operations and data back-up (Pearson and Mitroff, 1993).

During crisis restoration, it is important to be aware that the impact of a crisis continues long after it has ended for employees, organizations, and communities. The strategic planning can; execute the talent and succession plans and move the workforce to another temporary location if necessary so that the organisation can resume. It is also time for strategic planning to translate the plan into actions and deliverables, which means aligning strategic planning programmes with the overall organizational crisis management effort and develop the organizational capacity to recover from any crisis.

Corporate Resilience

A number of publications have been made on the concept of resilience in management literature. It gained prominence in the field of organizational behavior in the early 1980s, where it was expressed as the capacity of an individual to withstand and bounce back in the face of turbulence (Watsh, 1996). It was first subjected to organizational context by Wildavsky in 1988. Since then, the concept has been a subject of progressive attention due to its implications on organizational survivability. For example, Petak (2002) conducted a research on resilience in the face of disasters like earthquake, Mallak, (1998) also discussed resilience in relation to healthcare system; while Comfort, Sungu, Johnson and Dunn (2001) examined it using information systems.

Hamel and Valikangas (2003) espoused that the essence of developing resilience work behavior among employees was as a result of urgent need for organizations to respond to internal and external forces that impinge on its operational existence. According to Umoh and Amah (2013) resilience is the capacity of the organization to absorb shock and develop resistance amid crisis within its environment. Jeffery and Linda (2006) defined resilience as the capability of an organization to recover from and at the same time adapt to changes. Luthans (2002) defined resilience as a developable capacity to rebound or bounce back from adversity, conflict, failure and increased responsibility. It also looks at the capability of stressed body to bounce back in shape and size after going through hard times. For Wobodo, Asawo and Asawo (2018) it is the ability and tenacity of any organization to persevere in the face of adversity. Reivich and Shatte (2002) and Books and Goldstein (2004) studies on resilience with respect to adults undergoing stressful condition showed that resilience behavior enables individual to quickly adjust in the face of stressful situation. The implication of the existence of this type of rare behavior is strategic to organizational sustainability. This is as it provides the organization with competitive advantage since, they have a remarkable tenacity to persevere in the face of adversity or crisis.

Measures of Corporate Resilience

Corporate resilience has been measured using varied indicators by different scholars at different context. For instance, Jeffrey and Linda (2012) identified eight (8) measures of resilience as self-assurance, personal vision, flexibility and adaptability, organized, problem solver, interpersonal competence, socially connected and proactiveness. More so, McManus (2008) in his study utilized situation awareness, keystone vulnerabilities and adaptive capacity. But this study, has adopted adaptability which is appropriate for the study.

Adaptability

Practically, resilient organizations are those who are always cognizant of and sensitive to the changes and happenings in their environment. In Koontz and Weihrich, (1999) they concisely posit that firms do not completely isolate itself from their operating environment, thus, there is a mutual reliance. However, this mutual reliance presents the organization with opportunities and adversities (crises) of variable degrees. Since adversity is associated with strains and pressures; it requires a progressive adaptive capacity from the organization and its employees to synchronize such changes. This is because adaptation is a major driver of a sustained resilient behavior. Specifically, studies indicate that resilient organizations are better prepared to cope with frequently changing workplace (Tugade & Fredrickson, 2004); therefore, the employees must be influenced to act in favor of the organization's objectives. Adaptability is associated with the organization's ability to expect and respond to threats and latent opportunities by influencing the situation to their advantage (Cohen & Levinthal, 1990).

Denison (2007) defined adaptability as transforming the demands of business operating environment into action. This means that to remain in business and also make profit, organizations and their employees need to continuously adapt themselves to the changing nature of their operating environment (Amah & Baridam, 2012) and Daft (1998) puts it that environmental complexity is a vital contingency for organizational structure and internal policies. Leaning on these postulations, it therefore, means that organization must have internal behaviors or policies imbedded in its core culture that encourages adaptive behavior in the event of any adversity emanating from the environment.

EMPIRICAL REVIEW

Ulmer (2001) in his study on impact of crisis management on organizations effectiveness using the quantitative research approach found that most research on crisis management illustrates that organizations often emphasize their own concerns over those of stakeholders and that "their communication is largely focused on legal concerns and typically results in denials of responsibility and lack of useful information to stakeholders" (p. 608). The organization should, in Ulmer's recommendation, attempt to see how crisis events affect their stakeholders and not focus only on stockholders. An organization's first priority should be protecting its stakeholders from any types of negative effects, including physical, financial, and psychological harm; reputational and financial concerns should only have second priority (Coombs, 2007a; 2010a; Holladay, 2010).

Research reveals that organizations frequently make obvious mistakes in their crisis communication such as denying the crisis, evading responsibility, trying to shift blame, or lying about evidence (Nathan, 2000; Ulmer et al., 2010). Mitroff (2004) observed that one of the most significant barriers to effective crisis handling is denial. Kim, Avery and Lariscy (2009) analyzed public relations research from 1991 to 2009, using the framework of Benoit's (1997b) Image Restoration Theory and Coombs' (2007a) Situational Crisis Communication Theory. Their study shows that the most frequently used crisis response strategies by organizations were bolstering (58.8%), denial (56.9%), mortification (45.1%), attack-the-accuser (36.7%), and shifting-the-blame (34.7%). They observed that the most effective crisis strategies were full apology (71.4%),

mortification (52.4%), corrective action (52.2%), and bolstering (50%). The least effective strategy, in regard of the outcome of the crisis situation, was denial although it was the most often used strategy. The majority of crises were preventable crisis (53%), accident (31%), and victim (20%). Their research apparently demonstrates that practitioners do not seem to consider advice directives developed by academic research (Galloway, 2004; Sterne, 2008). The findings suggest that there may be a gap between crisis communication practice and academic research. For instance, the denial strategy, which ignores the victims of a crisis, is only useful if the organization has really no responsibility for a crisis (Coombs, 1999).

METHODOLOGY

The secondary research methodology was largely adopted in this study. Data for the study was generated from desk review of secondary materials, books, online blogs and news reports. The study relied substantially on secondary (desk) research to examine issues bordering on crisis management and corporate resilience of Niger Delta Development Commission (NDDC)

DISCUSSION OF FINDINGS

The study found that the present crisis in Niger Delta Development Commission was occasioned by non-inauguration of the board and the use of Interim Management Committee/Sole Administrator unknown to the law setting up the Commission. The study found that crisis is an inescapable phenomenon that threatens an organization's survival if not handled with utmost sense of urgency. The study also revealed that crisis can be induced by mismanagement, corruption and other human actions or inactions.

Relationship between Proactive Strategy and Corporate Resilience

According to Wang and Ritchie (2012) crisis management is an activity undertaken to plan prior to, manage during, and evaluate following a crisis. This means that when an organization displays proactive behavior, they are already preparing themselves for the worse by putting in place remedial measures not necessarily to prevent it but reduce to the barest minimum its negative impact on the sustainability of the business. Rauch, Wiklund, Lumpki and Frese (2009) further buttress this observation when they asserted that proactiveness is an opportunity-seeking and forward looking behavior. Meaning that nothing takes a proactive organization unawares; they are always prepared. But in the case of the multinational oil and gas companies operating here in Rivers State, evidence showed that they were actually utilizing more of the reactive strategy than the proactive strategy in relation to their operational pattern. This is because proactiveness is associated with taking action such as adoption of ethical practices in every aspect of their operations (i.e. continuous environmental impact assessment, control of oil spillage, stoppage of gas flaring) and corporate social responsibility practices (i.e. philanthropy, provision of pipe borne water, employment quota to host communities etc.) in order to mitigate crisis tendency and foster harmonious business and society relationships. It was as a result of their failures in this direction that gave room to the current unabated crises threatening their existence.

Reactive Strategy and Corporate Resilience of Niger Delta Development Commission

According to Bailey (2016) reactive strategy can be very demanding to live with, as it often means having to deal with a continuous series of crisis. Being reactive is associated with so many

struggles to wriggle out of life-threatening situation. It is a product of inadequate planning ahead of an anticipated crisis; probably because they lack situation awareness competency or chose to ignore the signs. Therefore, to survive under this circumstance take resiliency to respond and at the same time maintain balance especially, when the crisis is unexpected in nature. For instance, while the multinational oil and gas companies were busy colluding with a select few robbing the host communities of their benefits and other unethical practices like environmental pollution that have destroyed lots farm lands and aquatic lives, they never knew that the people's reaction will be that gravely to their operational sustainability given what they are going through now. Consequently, the multinationals have taken varied reactive remedial measures to redeem their already soiled corporate reputation. Some of their activities within this reactive strategy include the ongoing staggered Ogoni clean-up by the federal government of Nigeria, the award of oil installation surveillance contracts to some notable agitators, the amnesty program to reintegrate the ex-militia group members back to the society, engagement in social responsibility programs and allocation of employment quota to host communities; thereby bringing about a partial containment of the crisis.

Containment Strategy and Corporate Resilience of Niger Delta Development Commission

There is significant relationship between the crisis containing and restoration phase and corporate resilience of Niger Delta Development Commission. The results obtained from this study revealed consistency with previous study. According to (Stafford et al., 2002) crisis containing and restoration have significant relationship with corporate resilience. Furthermore, crisis containing and restoration phase are not in the normal operating framework of many businesses in crisis recovery (Mair et al., 2016). Activities after the crisis should have commenced with the analysis of the current position of the company. Incipient directions of the organization should be decided by analyzing the effects of the crisis on the organization. Feedback on managerial, financial and organizational resilience acclimated to engender incipient mission and policies of the organization. Thus, strategic repositioning in the product/market position coalesced with a series of holistic vicissitudes in the structure, systems, processes need to undertake in order to prosperous especially, in the case of cumulative crises (Öcal et al., 2006).

CONCLUSION AND RECOMMENDATIONS

This research study is mainly concerned with gathering and analyzing variegated array of information on Niger Delta Development Commission crisis arising from non-inauguration of its statutory board and to find how crisis management strategies and corporate resilience have been applied in the situation. The findings of this study have important implications, whether at the level of theoretical or applied effects. The study form was developed based on previous studies and published works related to the topic with the aim of studying the relationship between crisis management and corporate resilience. After reviewing the relevant literature, it can be noted that there were no similar studies conducted in this area with particular reference to the organisation. Consequently, in addition to the contribution of this study to a set of theoretical contributions, it is expected that the results of this study are important for management in terms of encouraging and focusing on adopting crisis management strategies or styles that will improve and develop the corporate resilience credentials in crisis time.

The study revealed that proactive strategy influences corporate resilience of Niger Delta Development Commission. The study found that reactive strategy positively influences corporate resilience of Niger Delta Development Commission. The study revealed that there is significant relationship between containment strategy and corporate resilience of Niger Delta Development Commission. However, the study showed that the Commission was either ignorant about the act setting it up or there was a clear disregard for proactive strategy at Niger Delta Development Commission.

Therefore, the study concluded that to survive and bounce back to normalcy in the face of crisis, the organization must be resilience-driven in its behaviour and characterization. Also, that the extent to which it overcomes the crisis situation is dependent on how pre-emptive and mercurial it is prepared in containing the crisis head long. Based on this, the paper recommended that Niger Delta Development Commission (NDDC) no matter how stable and rosy its financial sources are at any given time, should do the needful by obeying the act that established NDDC with respect the board. It should also, remain forward looking by putting appropriate mechanisms such as proactive strategy, reactive strategy and containment strategy in place to handle crisis whenever it strikes.

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