Career Planning and Corporate Survival of Multinational Oil and Gas Producing Companies in Nigeria

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Abstract: This study examined the relationship between career planning and corporate survival of multinational oil and gas producing companies in Nigeria. The study adopted a cross sectional survey design. Using the census sampling technique, responses were solicited from 52 top management staff of the five multinational oil and gas producing companies in Nigeria. As a quantitative study, the primary data collection instrument utilized was the structured questionnaire. The test for the reliability of the instrument was carried out using the Cronbach alpha reliability instrument with a reliability threshold of 0.70. Spearman Rank Order Correlation Coefficients was utilized to test the hypothesized relationships with the aid of Statistical Package for Social Sciences (SPSS) version 23.0. Findings from the study reveal that there is a positive statistically significant relationship between career planning and corporate survival of multinational oil and gas producing companies in Nigeria. The study recommends that the management of multinational oil and gas producing companies should identify and synchronize the individual and organizational career goals, in order to have well guided career planning initiatives that will guarantee professional enhancement, multi-skilling, versatility and flexibility of the workforce to support corporate survival.

Keywords: Adaptability, Career Planning, Corporate Survival.

INTRODUCTION

Workers in contemporary society are expressing a strong desire to pursue more than just a job. They are looking for employment opportunities that promise an extension of their interests, personality and abilities. Hence, want a variety of things from their jobs besides a pay cheque and a few fringe benefits, and their loyalty to the organization depends upon the degree to which their employer satisfies these wants (Bartlett, 2012). With improved living standards, workers are no longer satisfied to have just a job and the usual fringe benefits. They want a career that expresses their interests, personality, abilities and that harmonizes with their total life situation. Unfortunately, most employers have failed to recognize this need and the tools and experiences they provide do not enable workers to develop in their career (Nzuve, 2007).

The world also is changing very fast. Under this globalised and dynamic environment, organizations face various challenges to retain and compete in the global market (Chetana & Das Mohapatsa, 2017). As a result, a lot of related factors are in contention now while modelling an
organizational policy; such as economic turmoil, technological advancement, diverse workforce, governmental policies and organizational work culture. In these circumstances, the fluidity of the human resource of an organization gives career stability and this creates an enormous competitive advantage as it gives the organization better chances of survival within the dynamic business environment. The long term career stability of employees enhance individual career growth and help to fulfil organization’s needs as well. Mustafa and Mustafa (2017) sees the concept of career as a dynamic process that requires learning and advancement, which will eventually lead to progress and promotion on the administrative hierarchy. This will increase the employee performance and support retention (Foong-ming (2008); Obwaya, 2012).

Organizations do not operate in isolation; they are influenced by the actions or inactions of other players within their environment (Ahiauzu & Asawo, 2016), some who may be their competitors. Eisenhardt and Martin (2000) pointed out that organizations can obtain competitive advantages through several ways which includes making strategic innovations as informed by technological advances. But making strategic innovation is a product of a stable, well-developed and highly dependable human resource; because it is the quality and state of mind of managers in the organization that determines the quality of decisions concerning how the organization responds internally and externally to environmental pressures through the acquisition, development and utilization of resources. Hence the need to carefully develop the human resource of an organization through a deliberate career planning process. Organizations need to constantly improve their performance by being effective and efficient to ensure survival. Therefore, a lot of studies have been carried out using similar predictor variables but focussing on other sectors of the economy (Onukwufor, Umoh & Amah, 2018; Lyria, Namusonge & Karanja, 2017; Adewale, Abolaji & Kolade, 2011). But there is still a dearth of literature on the variables focused on the oil and gas industry in Nigeria. The purpose of the study therefore was to examine the relationship between career planning and corporate survival of multinational oil and gas producing companies in Nigeria.

This study was guided by the following research question:

What is the relationship between career planning and adaptability of multinational oil and gas producing companies in Nigeria?
LITERATURE REVIEW

Theoretical Foundation

Resource-Based View (RBV) Theory

This study is hinged on the Resource-Based View theory. According to Barney (2011), Resource-Based View theory is the approach that best describes how organizations can gain competitive advantage and increase their performance. According to the RBV theory, organizational resources are the most important determinants of the competitiveness and performance of the organization. The theory suggests that organizations need to integrate their resources, which are the key capabilities that they are assured of having for the sake of their internal operations and existence (Shivaraj & Vijayakumara, 2015).

In the view of Muhammad (2010), in an effort to bring into light the ways of integrating the organizational resources to win competitive advantage, the Resource-Based View theory is founded on two assumptions. First, the theory assumes that organizations in a given business environment are unrelated in the sense that their resources differ and the way that they integrate those resources is also different. Secondly, the theory assumes that due to the fact that immobility of some of the resources that make the strategies of the firms in a business environment differ, the heterogeneity of the firms may persist for a long period of time.

The Resource-Based View theory is very relevant to this study as it focuses on the uniqueness of the firm’s resources, which includes its human resources and how they are integrated with other physical and organizational resources to give the organization competitive advantage. Career planning of the human resources of an organization could bring about a more balanced human resources with the willingness to commit to the goals of the organization and provide competitive advantage, thereby increasing employee performance and corporate survival.
Career Planning

Felix (2012) postulates that career planning is the intentional process where an organization or individual gets to know of personal competencies and focuses on plans to achieve specific career goals. It aims to discover the goals for a person’s career and undertaking manpower programs to support that career (Antoniu, 2013). The researcher argues that career planning leads to the matching of individual and organizational career goals. Further, he postulated that to achieve this, career counseling activities should be embraced and provided to the employees. This would be done by professionals with psychological training who are well versed with both individual and organizational needs. Manolescu (2003) asserts that there are mainly two approaches to career planning namely the organization centered planning system and the person centered planning system. Furthermore, organization centered career planning primarily focuses on the development of manpower while the person centered planning system aims at discovering the competencies and interests of an individual. Hence, career planning lays down the roles of the two parties- the individual and the organization.

Zlate (2004) defines individual centered career planning as all the systematic procedures of self-assessment, researching of opportunities and setting goals which are intended to assist the individual to make suitable changes about his/her career. Therefore, the action is quite demanding and requires careful judgment in setting of both short and long term career objectives. But this does not deter organizations from promoting individual centered career planning activities as they have been acknowledged as supporting employee retention. Foong-ming (2008) makes the point that generally, an employee’s decision to stay or leave often may depend on whether he/she perceives management as providing opportunities for self-growth and development. Provision of career development opportunities is seen as indicative of management’s interest to encourage employees’ career growth. As Perkins and White (2009:306) emphasize, “Access to learning opportunities… may be perceived among workforce members as a form of ‘progression’ and so potentially valued as an intrinsic benefit”. The worth of the benefit is however subjective, as it depends on the perspective of the individual.

A study by CIPD (2005) found out that the individual’s perspective on career is greatly influenced by the state of professional and personal life, age, family situations, financial and lifestyle desires. The study asserts that appropriate individual career goals can only be established when an individual fully understands his/her interests and personality; which is imperative for the individual and the organization as it will inform on the type of employability skills to focus on. Omolo (2013; 2014) noted that skills development programmes enable employees gain necessary employability skills. This is important in order to secure and retain decent work, to progress within enterprise and between jobs, and to cope with changing technology and labour market conditions (ILO, 2013), and this also meets employee and organizational goals, respectively. And with fewer promotional opportunities and jobs to satisfy the traditional career path expectations characterized by upward job mobility, job rotations and development of a multi-skilled workforce seem to be the way to go (Neveanu, 2003); to make employees more versatile and useful to themselves and the organization for now and in the future.
Corporate Survival

Corporate survival refers to the ability of an organization to uninterruptedly remain in operation in the face of diverse challenges (Akindele, Oginni & Omoyele, 2012). Sheppard (1993 cited in Gabriel & Kpakol, 2015) described organizational survivability as the ability of an organization to continue in existence, which was used to denote sustained learning and adaptive characteristics resulting from the organizations tendency for continued adjustment to seen and unforeseen changes, in the business environment. In contrast, business failure is when the operations of an organization come to an end due to inability to meet up with its financial obligations as a result of losses leading to bankruptcy (Dun & Bradstreet, 1979 cited in Akindele et al., 2012). Organizations are increasingly under threat of survival. Stevenson (2019) established that public companies in the United States have one in three chance of being delisted in the next five years, either due to bankruptcy, liquidation, merger, acquisition or other cause. And this situation applies to all organizations regardless of size, age or sector. Therefore, there is a huge threat of survival facing all organizations unless they are able to adapt to the demands of the changing business environment. But, for a business to continuously meet its obligations, it will to a large extent depend on the managerial process of directing the affairs of the organization regularly to meet the needs of all stakeholders in the face of complex business challenges (Akindele et al., 2012).

Adaptability

The organization is confronted by changes in the business environment that requires constant adaptation (Wobodo & Oparanma, 2019 cited in Wobodo, Orianzi, & Oko-Jaja, 2020). Organizational adaptability is the ability of an organization to recognise the need to change and seize the opportunities in a dynamic environment (Schulze & Pinkow, 2020). This will require the ability to adapt to a changing environment and shift in market conditions (Birkinshaw, Zimmermann & Raisch, 2016), by altering behavior, structures; and systems in order to survive (Denison, 2007). Adaptability entails translating the demands of business environment into action through the efficient leveraging of existing capabilities while also creating new capabilities to ensure future viability (Uhl-Bien and Arena, 2018). Organizations as open systems exist in the environment that is complex and uncertain. To survive and make profit, organizations need to adapt continuously to the different levels of environmental uncertainty (Amah & Baridam, 2012). But according to Sarta, Durand & Verne (2020), not every change is adaptive and not every adaptive move necessarily increases organizational performance. Sarta et al. (2020) provided a distinct definition of adaptation, as intentional decision making, leading to observable actions taken by organization members to bridge the gap between the organization and its economic and institutional environment. Four characteristics of adaptation are made evident by this definition; (a) intentional, the decision to react, anticipate or ignore changes is deliberate and based on awareness of the environment; (b) relational, whereby the organization and the environment influence each other; (c) conditioned, as dictated by the actions of other organizations; and (d) convergent, attempting to bridge the gap as informed by the environmental characteristics. Since environmental conditions are not static, adaptation cannot be viewed as a one stop process of organizational change but as a continuous process during an organization’s life cycle. Adaptability has also come to be considered an important response option worthy of
research and assessment, not simply in order to guide the selection of the best mitigation policies, but rather to reduce the vulnerability of groups of people to the impacts of change, and hence minimize the costs associated with the inevitable (Smit & Pilifosova, 2001).

**Career Planning and Corporate Survival**

One of the main reasons for a high rate of employee turnover in the present business world was career planning in most organizations. As argued by Ongori and Agolla (2009), organizations’ failure to develop their personnel leads to career planning challenges which drove the employees to seek for better job opportunities for their own good. Therefore, an organization whose workers are frustrated due to career planning is likely to experience significant adverse effects, with the employees having a high tendency to leave the organization. Foster, Lonial and Shastri (2011) conducted a study on the effects that employee mentoring programme has on career plateauing and intentions to turnover among employees. The study, which used Canadian Certified Management Accountants as subjects, revealed that career plateau is correlated with turnover intentions. The study further revealed that the workers who had participated in mentoring programmes had significantly lower plateau tendencies and turnover intentions as compared to their colleagues who had not attended such programmes. And high employee turnover rate has been found to have impact on corporate survival. Adewale et al. (2011), investigated the relationship between employee turnover rate and corporate survival in Nigerian private tertiary institutions in Ogun State. The study found that talent retention contributes significantly to corporate survival.

Career planning also helps to better prepare the employee and the organization for future skill shortage challenges. So, if the organization is to survive and prosper in an ever changing environment, its human resources must be continuously developed and multi-skilled. So, career planning has now become an essential prerequisite of effective human resource management, productivity improvement and organizational growth (Gupta, 2008).

In order to ensure corporate survival, organizations have placed emphasis on improving organizational performance, effectiveness and efficiency through career planning initiatives. Onukwufor et al. (2018) examined the relationship between career development and organizational success of government parastatals in Rivers State. Using cross-sectional survey design, the study found that career identification, career planning and career commitment have positive relationship with organizational effectiveness and efficiency. Similarly, research by Lyria et al. (2017) aimed at determining the effect of career management on organizational performance of firms listed in Nairobi Securities Exchange found that there is a strong and positive relationship between career management and organizational performance of those firms.

In the same vein, Obwaya (2012) studied the effect of career development on performance of public primary schools in Starehe Constituency, Nairobi County, Kenya. The study investigated the effect of promotion, job mobility, redeployment and continuous learning on performance of primary schools. The study adopted a descriptive survey research design. The researcher found out that career development has a positive effect on employee performance in public primary schools. Further, career progression involves providing opportunities for employees to advance and develop their careers.
Based on the foregoing, the study hence hypothesized thus:

**H₀₁:** There is no significant relationship between career planning and adaptability of multinational oil and gas producing companies in Nigeria.

**METHODOLOGY**

The study adopted a cross sectional survey design. As a quantitative study, the primary data collection instrument utilized was the structured questionnaire. Using the census sampling technique, responses were solicited from 52 top management staff of the five multinational oil and gas producing companies in Nigeria selected for the study; out of this number 42 questionnaire were returned and they were all useful. The test for the reliability of the instrument was carried out using the Cronbach alpha reliability instrument with a reliability threshold of 0.70. Descriptive statistics was employed for answering research questions through the individual items in the questionnaire and to guarantee normality in the circulation and measures of central tendencies (mean scores) and dispersion (standard deviation). Spearman Rank Order Correlation Coefficients was utilized, at a 5% confidence level, to test the hypothesized relationships with the aid of Statistical Package for Social Sciences (SPSS) version 23.0. The reliability coefficients obtained is as presented in table1:

**Table 1: Reliability Coefficients for the Variables**

<table>
<thead>
<tr>
<th>S/No</th>
<th>Dimensions/Measures of the study variable</th>
<th>Number of items</th>
<th>Number of cases</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Career Planning</td>
<td>5</td>
<td>42</td>
<td>0.703</td>
</tr>
<tr>
<td>2.</td>
<td>Adaptability</td>
<td>5</td>
<td>42</td>
<td>0.811</td>
</tr>
</tbody>
</table>

Source: SPSS Output

**DATA ANALYSIS AND RESULTS**

Data analysis and interpretation was done using frequency, mean and standard deviation. The study adopted modified 5 points Likert scale ranging from 5= Strongly Agree (SA), 4= Agree (A), 3= Neutral (N), 2= Disagree (D) and 1= Strongly Disagree (SD) for the univariate data.

**Table 2: Response Rates and Descriptive Statistics for Career Planning**

<table>
<thead>
<tr>
<th>Career Planning</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
<th>Mean</th>
<th>Std.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. My organization provides career advisory services to support employees.</td>
<td>24</td>
<td>6</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>4.02</td>
<td>1.352</td>
</tr>
<tr>
<td>2. In my organization, alignment of employee’s interest and organization needs, is considered.</td>
<td>13</td>
<td>16</td>
<td>3</td>
<td>7</td>
<td>3</td>
<td>3.69</td>
<td>1.278</td>
</tr>
</tbody>
</table>
4. My organization promotes learning opportunities.

Source: SPSS Output

From Table 2, the data illustrates the response rates and frequency for career planning measured on a 4-item instrument scaled on a 5-point Likert scale. The data on the first item shows a high tendency towards agreement as accounted for by the mean score of 4.02 and a standard deviation of 1.352. Similarly, the 2nd, 3rd and 4th question items with mean scores of 3.69, 3.93 and 3.81 and standard deviation of 1.278, 1.295 and 1.018 respectively also shows a high tendency towards agreement.

Table 3: Descriptive Statistics for Career Planning

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>CP</td>
<td>42</td>
<td>2.00</td>
<td>4.75</td>
<td>3.8361</td>
<td>.70115</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>42</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS Version 23.0 Output

Table 3 illustrates the descriptive statistics for career planning with mean scores of 3.8361 and standard deviation of .70115, indicating that the respondents were on a high tendency towards agreement.

Table 4: Response Rates and Descriptive Statistics for Adaptability

<table>
<thead>
<tr>
<th>Adaptability</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
<th>Mean</th>
<th>Std.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. My organization responds appropriately to major shifts in the oil and gas industry</td>
<td>16</td>
<td>17</td>
<td>3</td>
<td>1</td>
<td>5</td>
<td>3.90</td>
<td>1.284</td>
</tr>
<tr>
<td>2. My organization recovers quickly after an organizational setback.</td>
<td>10</td>
<td>24</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>3.83</td>
<td>1.124</td>
</tr>
<tr>
<td>3. My organization responds rapidly to competitive actions that threaten the company</td>
<td>10</td>
<td>19</td>
<td>2</td>
<td>7</td>
<td>4</td>
<td>3.57</td>
<td>1.291</td>
</tr>
<tr>
<td>4. My organization innovatively identifies potential cost-cutting and revenue streams</td>
<td>23</td>
<td>8</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>4.00</td>
<td>1.379</td>
</tr>
</tbody>
</table>
Table 4 shows descriptive data on the extent to which Adaptability is a measure of Corporate Survival. The 1st, 2nd, 3rd and 4th question items with mean scores of 3.90, 3.83, 3.57 and 4.00, and a standard deviation of 1.284, 1.124, 1.291 and 1.379 respectively, shows a moderate tendency of the respondents towards agreement.

Table 5: Descriptive Statistics for corporate survival

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>AD</td>
<td>42</td>
<td>1.50</td>
<td>5.00</td>
<td>3.8274</td>
<td>1.01736</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>42</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS Version 23.0 Output

Table 5 illustrates the descriptive statistics for corporate survival with mean scores of 3.8274 and standard deviation of 1.01736, indicating that the respondents were on the agreement range of the scale which means that there is high corporate survival in multinational oil and gas producing companies in Nigeria.

Relationship between Career Planning and Corporate Survival

The bivariate analysis was carried out with answers to the research question and the tests of hypotheses using Spearman rank order correlation technique. Table 6 shows the result of correlation matrix obtained for career planning and adaptability which is a measure of corporate survival. Also displayed in the table is the statistical test of significance (p-value), which makes us able to answer our research question and generalize our findings to the study population.

Table 6: Correlation matrix for career planning and corporate survival measures

<table>
<thead>
<tr>
<th></th>
<th>CP</th>
<th>AD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman's rho</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Correlation Coefficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>1.000</td>
<td>.679**</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Correlation Coefficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>.679**</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>.000</td>
<td>.007</td>
</tr>
<tr>
<td></td>
<td>42</td>
<td>42</td>
</tr>
</tbody>
</table>

Source: SPSS output version 23.0

Table 6 illustrates the test for the previously postulated bivariate hypothetical statement. The results show that for:

Research Question
What is the relationship between career planning and adaptability of multinational oil and gas producing companies in Nigeria?

The correlation coefficient (rho) result in Table 6 is used to answer our research question. The correlation coefficients (rho) indicate that there is a strong positive correlation between career planning and adaptability. The direction and strength of this relationship is depicted by the rho-value of 0.679. Therefore, the relationship between career planning and adaptability of multinational oil and gas producing companies in Nigeria is strong and positive indicative of a substantial relationship.

Ho: There is no significant relationship between career planning and adaptability of multinational oil and gas producing companies in Nigeria.

Furthermore, the relationship is significant at 5% confidence level since p < 0.000. Therefore, we posit that the null hypothesis is rejected, which entail that there is a significant relationship between career planning and adaptability of multinational oil and gas producing companies in Nigeria.

DISCUSSION OF FINDINGS

Based on the result, there is a strong positive correlation between career planning and adaptability which is a measure of corporate survival, as revealed by the rho value of 0.679. The relationship is significant at a 5% confidence level, as the p-value (0.000) is less than the level of significance. This indicates that there is a significant positive relationship between career planning and corporate survival of multinational oil and gas producing companies in Nigeria. Therefore, to ensure corporate survival, multinational oil and gas producing companies in Nigeria should create career planning initiatives that enhance their adaptability. The study of Onukwufo et al. (2018) supports this finding, where they established that career identification, career planning and career commitment supports organizational effectiveness and efficiency, which is an essential recipe for corporate survival. The success and survival of an organization is dependent on these variables as revealed by both studies.

The study also gives credence to Foster et al. (2011) findings where it was established that career plateau is correlated with turnover intentions. Thus showing the importance of career planning to the organization in terms of supporting talent retention, which contributes to corporate survival as revealed by the result of the study by Adewale et al. (2011).

That is why many organizations seem to be highly aware of the need to provide an environment in which the capacity to learn and adapt can be harnessed to benefit the individual and the organization (Beardwell & Holden, 1997), and that includes multi-skilling of the workforce through career planning initiatives (Gupta, 2008), to achieve versatility and flexibility to meet the demands of a dynamic business environment. This further strengthens Antoniu (2013) argument that career planning leads to the matching of individual and organizational career goals and for that to be achieved career counselling activities should be embraced and provided to employees. Organizations must provide, for their employees, environments that enable professional enhancement and self-esteem.
CONCLUSION

This study concludes that career planning and corporate survival of multinational oil and gas producing companies in Nigeria has a significant and positive correlation. Career planning seeks to provide guidance and encourage employees to fulfil their potentials and ensure better use of human resources through more satisfied, versatile and productive employees. Therefore, career planning facilitates the adaptability of the organization to meet changing business needs and this promotes the survival of the enterprise.

RECOMMENDATION

The study recommends that the management of multinational oil and gas producing companies should identify and synchronize the individual and organizational career goals, in order to have well guided career planning initiatives that will guarantee professional enhancement, multi-skilling, versatility and flexibility of the workforce to support corporate survival.

REFERENCES


