

ORGANISATIONAL CHANGE AND EMPLOYEES' RESPONSES IN THE NIGERIAN OIL AND GAS INDUSTRY

Marian Apoh Lawrence

Niger Delta University, Department of Business Management

Tarela Oboro Okpu

Niger Delta University, Department of Business Management

ABSTRACT: *This paper aims to examine the relationship between organisational change and exit, voice, loyalty and neglect (EVLN) behaviours of employees in the Nigerian oil and gas industry. By adopting a quantitative approach, the tools employed in analysing data collected through the use of questionnaires from 322 employees are factor analysis from the Analysis of Moments of Structure (AMOS 22.0) for windows. The study statistically revealed that organisational change is positively and insignificantly correlated to the Nigerian oil and gas employees' exit, voice, loyalty and neglect behaviour. These findings reveal the type of sector employees' work for and the role of trade unions in times of change. This study is intended to support managers and practitioners in assessing and evaluating organisational change programmes, particularly in the context of a developing country like Nigeria that is heavily dependent on revenues from the oil and gas sector.*

KEYWORDS: organisational change, evln, confirmatory factor analysis, oil and gas industry, Nigeria.

INTRODUCTION

The oil and gas industry in Nigeria has faced challenging circumstances in recent years due to changes in the business environment of the Niger Delta region, resulting in many financial and employee relations' problems. The recurring conflicts with oil producing communities in the Niger Delta region, the sabotage of oil facilities (i.e. pipeline vandalism), the occasional payment of collateral damage associated with vandalism of equipment and even the payment of ransoms to secure the release of kidnapped staff have resulted in the frequent suspension of oil operations and even cut backs in production. The implications of such actions and events have been far reaching reducing profits and prompting high operational cost (Oghojafor and Mbah, 2012). In response to these developments and in order to survive in a changing volatile business environment, change programmes such as the merging of departments/operations, selling-off of assets/relocating business units, reducing workforce, relocation of corporate headquarters, technological changes, change in leadership and even outsourcing operations were introduced throughout the sector. These organisational changes have been introduced as a strategy of managing resources in a competitive business environment amidst of international financial crisis and unstable oil prices (Fajana, 2005; Okafor, 2012; Onwe, 2014). The aim of this paper is to examine employees' exit, voice, loyalty and neglect (EVLN) behavioural responses towards each of these changes that were introduced in the Nigerian oil and gas companies. So far, and to the best of our knowledge, studies on organisational change and employees' responses have been based on experiences generated from industrialised economies and research on this subject in developing countries is very scarce. Therefore, this

study will extend the current understanding of the subject to a developing country. . This study seeks to examine the relationship between organisational change and the Nigerian oil and gas employees' EVLN behaviour. To achieve this aim, the study has one main research question: To what extent has organizational change affected employees' EVLN behaviour in the Nigerian oil and gas companies? To answer this question, data were collected through the use of questionnaires from 322 employees, as it will be explained later in this paper.

Employees' responses to organisational change can be categorised as tri-dimensional such as how employees feel, what employees think and what employees intend to do (Oreg, 2006). This study focuses on what employees intend to do in response to dissatisfying circumstances in the workplace. This study proposes that the employees' EVLN behaviour typology is an appropriate instrument in measuring what employees intend to do in response to undesirable situations. Since there is very little research that has explored the relationship between organisational change and employees' EVLN behaviour, this study seeks to address a shortage and a gap in the literature.

This paper starts with a definition of organizational change, the types of change that have been introduced in the Nigerian oil and gas companies, the different interpretations of the EVLN typology and its implementation are explained; and to develop the appropriate research hypothesis. Therefore the research methods, sample and measurements used in the study are explained and justified before the data collected are analysed and discussed. The paper concludes with a discussion of the implications of the study findings and suggestions for further research.

LITERATURE REVIEW

Organizational Change

There are many definitions of organisational change but they all carry the connotation of reacting or responding to something in the environment or organisational situation that has already occurred. Organisational change is a process that organisations pursue as a way of reacting or responding to the changing dynamics of their business environments (Chaudhry *et al*, 2011) to ensure their survival and improve their organisational performance (Mackay and Chia, 2013).

Organisational change is crucial to the development, growth, success and survival of any organisation (Fiedler, 2010); and its survival and success depend on adaptability, innovation, and flexibility; necessitating continuous organizational change (Buchan, 2014). Business has entered a new era of competition, shifting dramatically from slow-moving stable market conditions to complicated and unpredictable environments in which competitive advantage is no longer sustainable over the long term (Jiao *et al.*, 2013). Instead, advantage is continually created, eroded, destroyed, and re-created through strategic organizational change processes. In order to cope with the increasing competition and survive in this transformed business environment, a series of organisational changes were implemented in the Nigerian oil and gas companies (Okafor, 2012). These changes involved a complete close down of office and operations. Specifically, main operations involving logistics were closed down and employees were transferred to another location for the purpose of effective supervision and to reduce operating costs, selling-off of assets and staffs were relocated to a functioning location (The Punch, 2014); relocation of corporate headquarters from Port Harcourt to Abuja which

involved movement of personnel, relocation of business units from Port Harcourt to Lagos occurred as a result of poor performance or loss of profit (The Guardian, 2013); merging of main operations (i.e. onshore and offshore operations) together for the purpose of effective supervision and to reduce operating cost (NNPC, 2013). Also, changes such as rearranging the work structure, reducing the number of employees and outsourcing of services were introduced in recent years. For example, some of the oil and gas organisations realised that there had been too many people at the top of the pyramid and there was a need to reduce the number of top managerial positions (i.e. those in management levels due for retirement) because the high operating expenditure comes from the top (Shell, 2013). These organizational changes are deployed by these oil and gas companies as a strategy to cope with recurring changes in the business environment in Niger Delta area where these organisations carry out their day to day business operations to manage costs and efficiencies; and have implications not only on the employment relationship but also on the Nigerian economy.

In times of organizational changes, employees think and respond differently (Freese et al., 2011; Carter et al., 2013) which in most cases can be detrimental to the essential relationship between the employee and the organization. This research seeks to examine the existing employment relationship in the Nigerian oil and gas companies which has introduced significant organizational changes in recent years and how employees' responded to these changes.

Exit, Voice, Loyalty and Neglect (EVLN) Response behaviours

Exit, Voice and Loyalty were originally conceived as three possible behaviours to explain employees' responses to lapses from efficient, rational, law-abiding, virtuous or otherwise functional organisational behaviour (Hirschman, 1970). Neglect was later added by Rusbult et al (1982) as the fourth possible and distinctive behaviour shown by employees in response to unsuitable organisational conditions in the work environment. The typology of exit, voice, loyalty, and neglect (EVLN) has been employed by many studies for understanding and explaining employees' responses to unpleasant and undesirable conditions in the work environment (Farrell and Rusbult, 1992; Turnley and Feldman, 1998) such as consumers and managers reactions to organisational decline (Kolarska and Aldrich, 1980); grievances (Freeman and Medoff, 1984); dissatisfaction (Farrell, 1983; Withey and Cooper, 1989); relationship between behavioural responses and job satisfaction (Hagedoorn *et al*, 1999) and organisational commitment (Mellahi *et al*, 2010).

Exit signifies an employee's dissatisfaction with his/her organisation's performance whereby thinking or making efforts to leave the job by searching for job opportunities somewhere else, quitting the job or transferring to another work unit (Hirschman, 1970). Dissatisfaction serve as the specific events employees may use to re-evaluate their connection with the organisation (Naus et al, 2007). If the perceived mistrust or dissatisfaction in the organisation is great, employees may respond by voluntarily quitting the job or attempting to find alternative employment elsewhere.

Voice involves employees' voluntary response to improve dissatisfying work situations or support organisational change (Rusbult et al., 1988; Saunders et al., 1992). It involves employees' making effort to discuss their concerns with a superior and provide result focused suggestions to the organisation (Botero and Van Dyne, 2009; Detert and Treviño, 2010). As a response to adverse and dissatisfying conditions in the workplace, employees are likely to use

voice as an alternative to filling grievances and voice out their concerns. Hirschman (1970) described voice as a primary mechanism through which employees can stimulate positive change. Employees may voice out their complaints to correct perceived unpleasant situations especially if they have a positive working relationships with their superiors.

Loyalty is described as employees' special attachment to an organisation (Hirschman, 1970), positively waiting for situations to improve (Rusbult et al, 1988) by supporting the organisation through increased level of commitment at work or organisational citizenship behaviours (Farrell and Rusbult, 1992; Turnley and Feldman, 1999; Dowding *et al*, 2000). When employees have no alternative outside their organisation they are likely to pretend to be loyal by staying quiet (Chen and Francesco, 2000).

Neglect is a counterproductive work behaviour that has the potential to harm the well-being of the organisation (Chaudhry *et al*, 2009). It involves efforts by employees to reduce involvement in work-related tasks, chronic absenteeism, lateness to work, using organisation work time for personal activities, reduced attention to quality and organisational activities which signal temporary abandonment and negligence by an employee (Robinson and Bennett, 1995; Bennett and Robinson, 2000; Spector and Fox, 2005).

Organisational change and employees' EVLN behavioural Responses:

Employees may likely respond to organisational change either by increased Exit behaviour (leaving the organisation), increased Voice behaviour (taking initiative with management to improve working conditions), reduced Loyalty behaviour (reduce the energy for performing extra-role or organisational citizenship behaviours), and increased Neglect behaviour (lowering their level of commitment at work, chronic absenteeism and lateness to work, reduced attention to quality and using organisation work time for personal activities) (Farrell, 1983; Rusbult et al., 1988; Turnley and Feldman, 1999; Si et al., 2008; Vantilborgh, 2015). Therefore, EVLN can be categorised as four possible significant employee responses to organisational change.

Organisations undertake change mainly for the purpose of increasing their competitive strength, maximise their profits and minimise risks to the organisation (Amiot et al., 2006; Rafferty and Restubog, 2009) which may likely cause strong feelings of uncertainty among employees' (Jimmieson et al., 2013). Under a strong feeling of uncertainty, employees' perceptions of both organisational obligations and contributions can be changed (Karen van dam, 2013) which may most likely result in employees' EVLN behavioural responses. Also, employees largely react negatively to change because change brings with it increased pressure (Dragano et al., 2005), fears (Oreg, 2006) stress (Martin et al., 2005), and negative emotions (Cartwright and Cooper, 2013).

However, studies have also showed that employees with high level of commitment are unlikely to exit, use voice or neglect but they are likely to stay loyal (Luchak, 2003; Mellahi et al., 2010). For example, Mellahi et al., (2010) found that commitment was positively related with the use of voice (i.e. taking initiative with management to improve working conditions) and loyalty. A study by Tebele (2013) conducted among university employees in South Africa found that employees remained with the organisation because of their established organisational links with others in the organisation. Therefore, based on these competing perspectives in the literature, the following hypothesis is proposed:

H1: There will be no significant relationship between organisational change and the Nigerian oil and gas employees' EVLN behaviour.

Research Method, Sample and Measurements

A total of 600 questionnaires were distributed to a randomly selected sample of employees from various levels (i.e. senior managers, middle managers, junior managers and others involving clerical assistants, security, contract staffs, cleaners, etc). A total of 322 usable questionnaires were received giving a response rate of 57%. The tools employed in analysing the data collected are factor analysis, using Analysis of Moments of Structure (AMOS 22.0) for windows.

The variables and the measurements used were either developed from the relevant literature or adopted from other studies. With respect to organisational change, information gathered through the review of literature, informal interviews and conversations with employees in the oil and gas industry were applied to develop a questionnaire for measuring the components of organisational change. The questionnaire provides information about the extent to which the Nigerian oil and gas employees had experienced organisational change, which was based on the concepts and categories found in the organisational change literature. In this respect, strategic change and structural change were measured by using a four-item scale while process-oriented change and people-oriented change were measured by a three-item scale.

With respect to the EVLN variables, the measurement items in Mellahi et al.'s (2010) empirical study of EVLN behaviours and employee commitment in India, were adopted with regards to the Nigerian oil and gas employees' EVLN behaviour because the items were found to be relevant to the Nigerian cultural values and norms; and have been well tested in previous and subsequent empirical studies. The EVLN factors were exit (five-item scale), voice (five-item scale), loyalty (five-item scale) and neglect (five-item scale). These items are adopted but slightly amended from Mellahi et al. (2010). To test the suitability of these items in the Nigerian oil and gas context, they were first piloted with a small group of employees from the Nigerian oil and gas companies selected for this study.

Structural equation modelling (SEM) analysis technique was used to analyse the relationship between organisational change and the Nigerian oil and gas employees' EVLN behaviour. The SEM was selected because it allowed for investigation of associations between variables because the purpose of this study is to gain a better understanding (i.e. employees EVLN behaviour in response to unpleasant work conditions) by examining the relationship between organisational change and the Nigerian oil and gas employees' EVLN behaviour. In this study, the exploratory factor analysis (EFA) and the confirmatory factor analysis (CFA) were undertaken in order to evaluate the measurement models. EFA is a method used to load factors into groups in order to extract underlying latent factors. It is a technique used to "take what the data gives you" (Hair et al, 2006: 104) and group variables together on a factor or a specific number of factors. It is generally conducted before testing the research hypothesis and used to identify the latent factors, summarise and reduce a large number of observed variables to a smaller set of factors (Hair et al., 2010; Williams and Brown, 2013). AMOS software 22.0 was used to evaluate the structural model.

Results Analysis

Initially, this study used exploratory factor analysis (EFA) to take data in a group for a factor and then used confirmatory factor analysis (CFA) techniques to confirm the group of measurement variables related to the factor for examining the hypothesis. Exploratory factor analysis SPSS versions 22.0 for Windows was used to extract factors in which numerous methods are available for factor extraction and rotation. However, prior to undertaking a factor analysis, several tests had to be used to assess the suitability of the items in the questionnaire and check if the data are appropriate for carrying out the factor analysis (Anderson and Gerbing, 1988). These tests include the Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test of Sphericity (Williams and Brown, 2013). The Kaiser-Meyer-Olkin measure of sampling adequacy can be used to test if the partial correlations among variables are small. Its value index ranges from 0 to 1, with .60 considered suitable for factor analysis (Tabacknick and Fidell, 2007). Bartlett's Test of Sphericity tests the hypothesis that the variables are uncorrelated in the study samples. It should be significant ($p < .05$) for a factor analysis to be suitable (Field, 2009).

The results on Table 1 show a Kaiser-Meyer-Olkin measure of sampling adequacy index for organisational change with a value of .638, which is considered appropriate to carry out the relevant factor analysis. Similarly, the result of the Bartlett's Test of Sphericity indicates a significance level of .000, indicating that it is appropriate to carry out factor analysis.

Table 1: Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test of Sphericity on Organisational Change

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.638
Bartlett's Test of Sphericity:	Approx. Chi-Square	844.280
	Df	171
	Sig.	.000

Furthermore, a total variance test was carried out in order to test the construct validity of the items in measuring variables. In total variance test, the rotation sums of squared loadings should be greater than 50% in order to confirm the construct validity of the questionnaire used and a component with an eigenvalue less than 1 is not important (Field, 2009). Therefore, only factors with eigenvalues greater than 1 are considered important while factors with latent roots less than 1 are considered not important and disregarded. In this study, four factors with eigenvalues greater than 1 were found. The total variance analysis test created a total number of 19 component/factor loadings. To select a suitable factor analysis model in this study, only those factors that have eigenvalues greater than 1 were retained because, in accordance with Kaiser's (1974) recommendation, only components 1 to 4 are retained when the rotation sums of squared loadings are greater than 50% and eigenvalues are greater than 1. The analysis generated a four-factor model with the four factors explaining 15.741%; 10.124%; 7.961% and 7.205% of variance respectively, and the overall cumulative percentage is 41.031% (see Table 2).

Table 2: Total Variance Explained on Organisational Change

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Strategic change	2.991	15.741	15.741	2.991	15.741	15.741	2.437	12.828	12.828
Structural change	1.924	10.124	25.866	1.924	10.124	25.866	1.897	9.983	22.810
Process-oriented change	1.513	7.961	33.826	1.513	7.961	33.826	1.775	9.344	32.154
People-oriented change	1.369	7.205	41.031	1.369	7.205	41.031	1.687	8.877	41.031

Extraction Method: Principal Component Analysis.

A Varimax rotation factor analysis was undertaken to aid the interpretation of the four-factor components and only factor loadings greater than 0.50 can be considered significant (Stevens, 2002). The rotated solution showed a simple structure presenting a number of loading greater than 0.50 (see Table 3). The EFA results for the four-factor components indicated adequate loadings. Factor loadings for the varimax rotation factor analysis for organisational change are shown on Table 3. The 19 items had a factor loading greater than 0.50 and, in accordance with the theoretical analysis and Steven (2002) suggestion, the four factors can be interpreted as strategic change (Factor C1), structural change (Factor C2), process-oriented change (Factor C3) and people-oriented change (Factor C4) respectively. The Cronbach alpha scores for the four factors are .92, .87, .86, and .85 respectively.

Table 3: Varimax Rotation Factor Analysis for Organisational Change

Items	Factor1(C1)	Factor(C2)	Factor(C3)	Factor(C4)
Structural change				
1 Merging of departments/operations	.790	.113	.111	.240
2 Relocation of departments/units	.689		-.496	.112
3 Relocation of corporate headquarters	.658			
4 Selling-off assets	.518	.410	.115	
Strategic change				
5 Reducing the number of staff	.349	.703	.299	
6 Disengaging departments	.269	.678	.402	-.306
7 Outsourcing	.207	.597		.206
8 Contracting employment services	.198	.591	.148	-.175
Process-oriented change				
9 Changes on workflow process	.211	.216	.684	
10 Changes on information technology	-.118	-.219	.647	
11 Changes on job process	-.114	.298	.561	
People-oriented change				
12 Change in leadership	.251			.730
13 Changes on employees' salary criteria	.106			.551
14 Changes on employees' promotion criteria	.156			.547

Similarly, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test of Sphericity was undertaken to measure the validity of the questionnaire in the data regarding the Nigerian oil and gas employees' EVLN behaviour, as shown in Table 4. The obtained KMO measure is .735, which is considered appropriate to carry out the relevant factor analysis.

Also, the result of the Bartlett's Test of Sphericity shows a significance level of .000, indicating that it is appropriate to carry out factor analysis.

Table 4: Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test on Nigerian oil and gas employees' EVLN behaviour

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.735
Bartlett's Test of Sphericity:	Approx. Chi-Square
	Df
	Sig.
	2618.751
	190
	.000

A total variance test factor analysis was carried out to test the construct validity of the data in measuring employees' EVLN behaviour (see Table 5). SPSS Output shows the eigenvalues associated with each component (factor) before extraction, after extraction and after rotation. Before extraction, 20 components were identified within the data set. The eigenvalues associated with each factor represent the variance explained by that particular component. Also, SPSS output shows the eigenvalue in terms of the percentage of variance explained (i.e. factor 1 explains 19.995% of total variance). It should be clear that the first few factors explain relatively large amounts of variance, particularly factor 1; whereas subsequent factors explain only small amounts of variance. Then all factors with eigenvalues greater than 1, which produced four factors, were extracted.

Table 5: Total Variance Explained on the Nigerian oil and gas Employees' EVLN behaviour

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
EXIT	3.999	19.995	19.995	3.999	19.995	19.995	2.936	14.682	14.682
VOICE	2.333	11.664	31.659	2.333	11.664	31.659	2.381	11.906	26.588
LOYALTY	2.099	10.495	42.155	2.099	10.495	42.155	2.249	11.243	37.831
NEGLECT	1.258	6.288	48.442	1.258	6.288	48.442	2.122	10.612	48.442

Extraction Method: Principal Component Analysis.

The eigenvalues associated with these factors are again displayed (and the percentage of variance explained) in the columns labelled extraction sums of squared loadings. The values in this part of the table are the same as the values before extraction, except that the values for the discarded factors are ignored (hence, the table is blank after the fourth factor). Rotation has the effect of improving the factor structure and one consequence for these data is that the relative importance of the four factors is equalized. Before rotation, factor 1 accounted for considerably more variance than the remaining three (19.995% compared to 11.664, 10.495 and 6.288%), but after extraction it accounts for only 14.682% of variance (compared to 11.906, 11.243 and 10.612% respectively).

The rotated component matrix factor analysis, which is a matrix of the factor loadings for each variable onto each factor, is shown on Table 6. Factor loadings less than 0.50 have not been considered based on Stevens' (2002) and others' suggestions that this cut-off point was appropriate for interpretative purposes. Also, the variables are listed in the order of size of their

factor loadings. By default, the variables are ordered as they are in the data (i.e. loadings greater than 0.50 represent substantive values). The EFA results for the four-factor components/items on Table 6 show adequate factor loading. The 20 items had a factor loadings greater than 0.50. Based on the theoretical analysis, the four-factors can be taken as Exit (Factor1 E), Voice (Factor2 V), Loyalty (Factor3 L) and Neglect (Factor4 N) respectively. The Cronbach alpha scores for the four-factors are .95, .83, .92, and .88 respectively.

Table 6: Varimax Rotation Factor Analysis for Nigerian Oil and Gas Employees' EVLN Behaviour

Items	Factor1 (E)	Factor2 (V)	Factor3 (L)	Factor4 (N)
Exit				
1 Unlikely to leave my job because I have a sense of obligation towards my organisation	.755	.101	-.158	.108
2 Actively looking for a job elsewhere outside this organisation and voluntarily leave	.707	.113	.111	-
3 I am considering leaving this organisation right	.685	.214	-.067	-
4 I may likely not leave my job because there are no alternative jobs available elsewhere	.605		-.496	
5 I think other organisation may not match the overall benefits I have in this organisation	.519	.410	.115	
Voice				
6 I would rather stay and discuss my concerns with my organisation	.490	.447	.299	
7 I am likely to stay quiet because of the risk of possible retribution against me	.441	-.106	.402	-.301
8 I may voice out my concerns to the organisation and walk with the management for solution	.217	.645		
9 I am less likely to voice out my concerns because of my cultural values of respect for authority	.298	.597	.148	-.182
10 I may take the risk of speaking up and save the organisation from deteriorating	-.164	.591		
Loyalty				
11 I rather stay loyal by contributing my part to make things work well	-.128	.571	.163	
12 I pretend to stay loyal and get my salary because this is my only source of income	.111	.216	.734	
13 Stay loyal and hopefully wait for better times	-.128	-.219	.688	.287
14 I am most likely to stay loyal to my organisation although I am not in support of what is going on	-.173	.298	.566	
15 Assume that in the end everything will work out	-.216	.497	.502	-
Neglect				
16 I report sick, come in late to work now and then	.216			.753
17 I do not put enough effort into my job and make plenty of errors	.206			.663
18 I miss out on meetings and most often do my job slowly	.226			.627
19 I have reduced my level of commitment at work	.236	.205	-.111	.567
20 I have reduced my level of trust for my organisation and attention to quality	.256		.257	.503

A Confirmatory Factor Analysis was undertaken with Amos software 22.0 in order to assess the model fit and the data, and different criteria were used as recommended in the literature. A number of measures exist that help the researchers to decide either to reject or retain a prior

specified over-identified model. These are Normed Fit Index (NFI) (Bentler and Bonett, 1980); the Comparative Fit Index (CFI) (Bentler, 1990); the Root Square Error Approximation (RMSEA) (Steiger and Lind, 1980); and the Minimum Fit Function Chi-Square Ratio Degrees of Freedom (CMIN/DF) (Marsh and Hocevar, 1985). NFI and CFI greater than 0.90 shows a good fit of the model and 0.08 indicates a reasonable error of approximation. This study used the CMIN/DF indices. This is because a CMIN/DF values in the range of 2 to 1 or 3 to 1 indicate an acceptable fit. The results of the model fit showed a CMIN/DF (1.830), RMSEA (.051), CFI (.918), IFI (.920), GFI (.940) and AGFI (.919). Considering the recommended threshold value of 0.90 (see Table 7), the model has a good fit and is acceptable (Hair et al., 2006, 2010). Thus, the absolute fit measures indicate that the structural equation model represents a satisfactory and valid relational model between organisational change and the Nigerian oil and gas employees' EVLN behaviour. It can be concluded that the proposed model maintains a good fit from the observed data.

Table 7: Model Fitting Index for the Relational Model on Organisational Change and Nigerian Oil and Gas Employees' EVLN Behaviour

CMIN/DF	RMSEA	GFI	AGFI	IFI	CFI
1.830	.051	.940	.919	.920	.918

The path coefficients between organisational change and the Nigerian oil and gas employees' EVLN behaviour shows a good fit and acceptable at a significant level of ($p < .05$), which mean that the correlations between the variables are established.

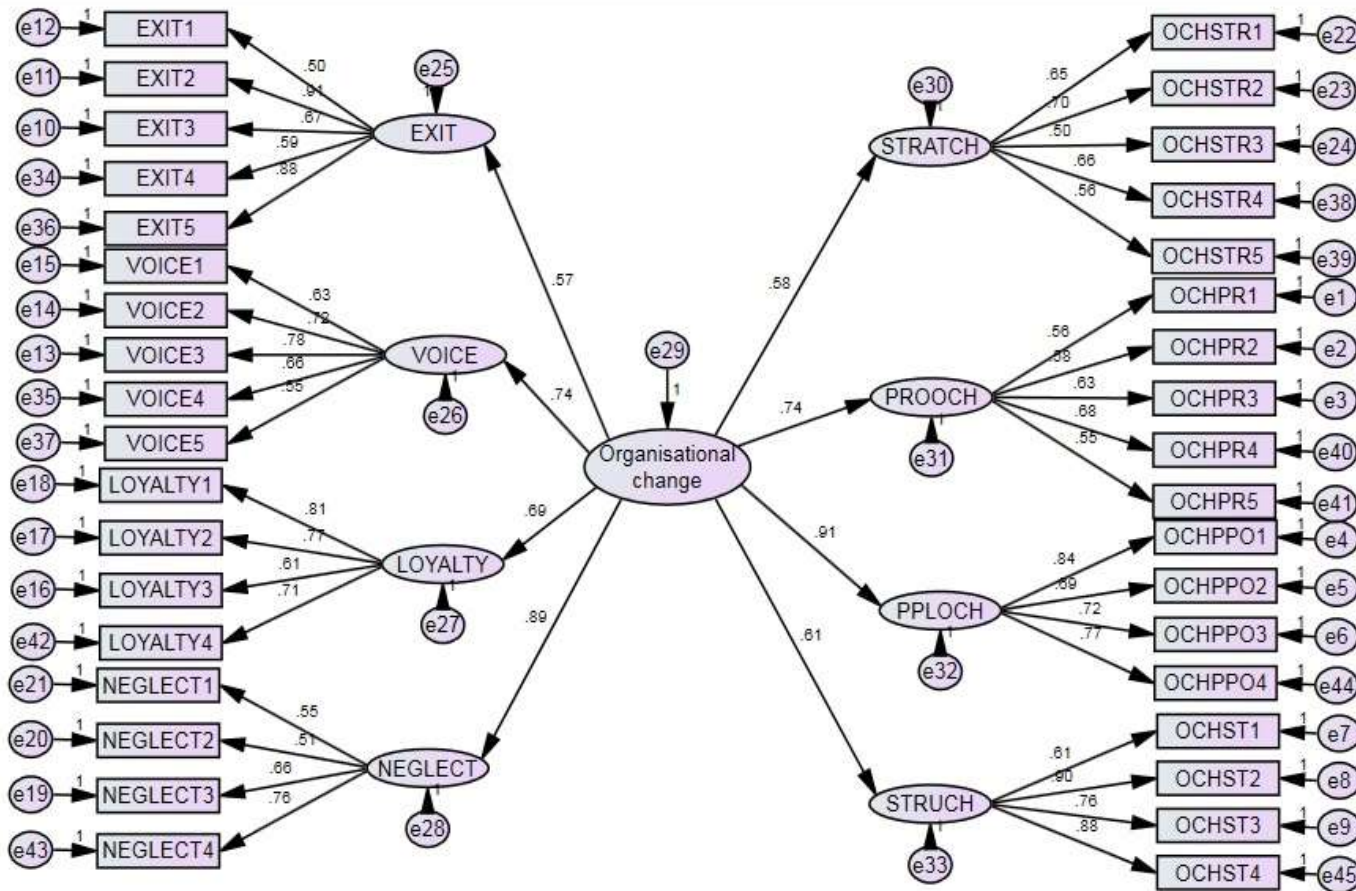


Figure 1: The Relational Model on Organisational Change and the Nigerian Oil and Gas Employees' EVLN behaviour

Table 8: Correlations between Organisational Change and Nigerian Oil and Gas Employees' EVLN behaviour

	Estimate	S.E.	C.R.	P
EXIT <--- Organisational change	.419	.011	1.967	.130
NEGLECT <--- Organisational change	.253	.280	.901	.368
LOYALTY <--- Organisational change	.311	.297	1.046	.296
VOICE <--- Organisational change	.094	.160	.589	.556

The results on Table 8 show the path coefficients between the variables in the fitted model. The results show that organisational change is positively and insignificantly correlated to the Nigerian oil and gas employees' exit, voice, loyalty and neglect behaviour at .419, .368, .296 and .556 and .130, .368, .296 and .556 respectively, which means that the model is reasonably good and acceptable. On the statistics column, only the estimate and p value (i.e. significant level) columns that are being considered in explaining the correlations because they are commonly used for correlations and model fitting. The results show that the correlation between exit and organisational change is at .419 and at a p-value of .130 (i.e. positive but non-significant at $p < .05$). Neglect and organisational change is at .253 and at a p-value of .368 which is positive but non-significant at $p < .05$. Loyalty and organisational change is at .311 and at a p-value of .296, positive but non-significant at $p < .05$. Voice and organisational change is at .094 and at a p-value of .556 which is positive but not significant at $p < .05$ (see Table 8). The non-significant positive result simply means that organisational changes do not have an influence on the Nigerian oil and gas employees' exit, voice, loyalty and neglect behaviours. Therefore, the hypothesis H1 is accepted.

H1: *There will be no significant relationship between organisational change and the Nigerian oil and gas employees' EVLN behaviour* is accepted.

DISCUSSION

It can be seen from the foregoing analysis of data that organisational changes in the Nigerian oil and gas industry have no significant relationship with employees' EVLN behavioural responses. These results can be attributed to the fact that employees are not willing to respond to these changes because of the fear of losing their jobs which are highly paid, relatively secure and highly regarded in a significant economic sector. Also, the effective communication of the benefits of organizational changes prior to their implementation as many employees see them as an opportunity for learning new skills and career development; to the role of trade unions in negotiating effectively the changes and their outcomes in the interest of employees; and to the collectivist and the high power distance culture of the Nigerian society where employees tend to accept the decisions made by their leaders (managers) and are loyal to their in group members, organizations and communities.

In general, the results showed a positive and insignificant correlation between organisational changes (i.e. merging of departments/operations, relocation of departments/operations, relocation of corporate headquarters) and the Nigerian oil and gas companies' employees exit, voice, loyalty and neglect behaviours. This finding is not consistent with the findings of many researchers such as Saunders (1992), Turnley and Feldman (1999), and Chaudhry et al., (2009). They reported a positively significant relationship between organisational change and employees' exit, voice and neglect behaviours. It means that organisational change is not an influential factor to the Nigerian oil and gas employees' exit, voice, loyalty and neglect behaviours. Employees in the Nigerian oil and gas companies are not thinking of leaving their jobs/organisations because the oil and gas companies provide them suitable working conditions. Also, employees in the Nigerian oil and gas companies work hard and look forward to be promoted to a level where they will be recommended for cross-posting opportunities (i.e. as expatriates). This is an opportunity whereby an employee will be sent on an official assignment to another country where they have operating centre outside Nigeria to work for a minimum of three years. A Cross-posting opportunity comes with benefits such as increase in

salaries which are paid in foreign currency, and allowances/bonuses such as monthly allowances for the employees' spouse, education for employee children in foreign schools and accommodated in staff quarters.

Moreover, due to the effective communication of the benefits of these changes prior to implementation, employees embrace these changes as an opportunity for learning and skills development (Fagbohunge et al., 2012). The representatives of the Nigerian oil and gas companies and representatives of the unions always dialogue and reach a point of agreement before any change can be introduced or implemented. The union representatives communicate these planned changes and their benefits to the employees before implementation. Employees are not taken unawares by these organisational changes that are being introduced in the Nigerian oil and gas companies. This is done consistently through notifications, emails, face-to-face meetings, top-down communications, company reports and newspapers. Employees are fully aware of the new changes and their implications before they are being introduced. Employees also embrace these changes as an opportunity for learning, development, growth, promotion and career advancement because there are always training opportunities for new skills development. For example, in the case of merging two main operations (i.e. onshore and offshore operations), new training was given to employees from both operations in equipping them to handle the new job task effectively.

Besides, since organisational changes are often implemented under a collective bargaining procedure or dialogue in the Nigerian oil and gas industry, they tend to be accepted by most employees (Fajana, 2005). In addition, the labour market in Nigeria is over saturated and there are no better and attractive jobs outside of their present employment. There is a high rate of graduate unemployment in Nigerian due to the deteriorating economic condition. Nigeria is one of the biggest oil producers in the world but due to mismanagement of funds, bribery, corruption, religion intolerance and tribal differences, the economy is suffering from deteriorating conditions. Employees in the oil and gas companies would normally consider their jobs better and attractive than other jobs outside.

CONCLUSION

It can be concluded from the foregoing discussion that employees of the Nigerian oil and gas companies do not exit their jobs when organisational changes are being introduced. They do not show any neglect behaviours and have a high level of loyalty to their managers and organisations. They voice their feelings towards change through trade unions. One of the reasons they respond positively to change can be the use of collective bargaining through trade unions who negotiate and reach an agreement before changes are being introduced. Effective communication of organizational change intention/plans and the use of collective bargaining can be the major determinants of good employee relationships that lead to the successful introduction of organizational changes in the Nigerian oil and gas organisations.

Though this research involved a large sample of employees with a high response rate, the findings cannot and should not be generalized because the research was limited to Abuja, Port Harcourt and Lagos. Also, the study used a quantitative approach in data collection which may have omitted important information that captures the views of employees. Future studies should consider a mixed method research approach for in-depth understanding of the relationship between organisational changes and employees EVLN behavioural responses. However,

despite the limitation, the study has contributed to knowledge in the fields of exit, voice, loyalty and neglect (EVLN) and organisational change in the context of a developing country, which is Nigeria. This research may contribute to human resource development/management, organisational development and change management literature because of its focus on employee work life satisfaction and well-being. This study revealed how employees' respond to organisational changes which can be helpful in satisfying workplace needs and work behaviours research. It can be a support to managers, change agents and practitioners in assessing, designing and evaluating new and existing organisational change programmes.

REFERENCES

- Anderson, J. and Gerbing, D. (1988) Structural Equation Modelling in Practice: A review and Recommended Two-step Approach, *Psychological bulletin*, Vol.103, No.3, pp. 411-423.
- Amiot, C. E., Terry, D. J., Jimmieson, N. L., and Callan, V. J. (2006) A longitudinal investigation of coping processes during a merger: Implications for job satisfaction and organizational identification, *Journal of Management*, Vol.32, No.3, pp. 552–574.
- Bentler, P. M. (1990) Comparative fit indices in structural models, *Psychological Bulletin*, Vol.107, pp.238–246
- Bentler, P. M. and Bonett, D. G. (1980) Significance tests and goodness of fit in the analysis of covariance structures, *Psychological Bulletin*, Vol. 88, pp. 588–606
- Boroff, K. and Lewin D. (1997) Loyalty, voice, and intent to exit a union firm: A conceptual and empirical analysis, *Industrial and Labor Relations Review*, Vol.51, pp. 50–63.
- Byrne, B. M. (2010) Structural equation modelling with AMOS: Basic concepts, applications, and programming, Taylor and Francis Group, LLC, New York, NJ.
- Carter, M. Z., Armenakis, A. A., Hubert S. Field, H. S. and Mossholder, K. W. (2013) Transformational leadership, relationship quality, and employee performance during continuous incremental organizational change, *Journal of organizational behaviour*, Vol.34, pp.942–958
- Fajana, S. (2005) Industrial Relations in the Oil Sector in Nigeria, *Working Paper Series*, International Labour Organisation, Geneva
- Farrell, D. (1983) Exit, voice, loyalty, and neglect as responses to job dissatisfaction: A multidimensional scaling study, *Academy of Management Journal*, Vol. 26, No.4, pp.586-60
- Farrell, D. and Rusbult, C. E. (1992) Exploring the exit, voice, loyalty, and neglect typology: The influence of job satisfaction, quality of alternatives, and investment size, *Employee Responsibilities and Rights Journal*, Vol. 5, No.3, pp.201-218.
- Field, A. (2009) *Discovering Statistics Using SPSS*, Second Edition edn, SAGE Publications, London
- Freeman, B. R. and Medoff, L.J (1984) *What Do Unions Do?* New York: Basic Books.
- Hair, J., Black, W., Babin, B., and Anderson, R. (2010) *Multivariate data analysis* (7th ed.): Prentice-Hall, Inc. Upper Saddle River, NJ, USA.
- Hirschman, A. O. (1970) *Exit, voice, and loyalty: Responses to decline in firms, organizations, and states*, Harvard University Press, Cambridge, MA.
- Idel, M., Melamed, S., Merlob, P., Yahav, J., Hendel, T., and Kaplan, B (2003) Influence of a merger on nurses' emotional well-being: The importance of self-efficacy and emotional reactivity, *Journal of Nursing Management*, Vol.11, No.1, pp.59–63.
- Kaiser, H.F. (1974) "An Index of Factorial Simplicity", *Psychometrika*, Vol.39, pp.31- 36.

- Kolarska, L. and Aldrich, H. (1980) Exit, Voice, and Silence; Consumers' and Managers' Responses to Organizational Decline, *Organization Studies*, Vol.1, No.1, pp.41-58
- Likert, R. (1932) A technique for the measurement of attitudes, *Archives of Psychology*, Vol. 22, No.140, pp.1-55.
- Luchak, A. A (2003) What kind of voice do loyal employees use? *British Journal of Industrial Relations*, Vol.41, No.1, pp.115–34.
- Mellahi, K., Budhwar, P. and Baibing, L. (2010) A study of the relationship between exit, voice, loyalty and neglect and commitment in India, *Human Relations*, Vol.63, No.3, pp.349-369
- Michel, A. and González-Morales, M. G (2013) Reactions to organizational change: an integrated model of health predictors, intervening variables, and outcomes, in Oreg, S., Michel, A. and Todnem, R. (eds.), *The Psychology of Organizational Change: Viewing Change from the Employee's Perspective*, Cambridge University Press.
- NNPC News. 2013. Nigeria: NNPC.
- NNPC News. 2015. Nigeria: NNPC.
- Okafor, E.E. (2012) Emerging non-standard employment relations and implications for Human Resource Management Functions in Nigeria, *African Journal of Business Management*, Vol.6, No.26, pp.7612-7621
- Rusbult, C., Farrell, D., Rogers, G. and Mainus, A. (1988) Impact of exchange variables on exit, voice, loyalty, and neglect: An integrative model of responses to declining job satisfaction, *Academy of Management Journal*, Vol.31, No.3, pp.599-627.
- Saunders, D. M. (1992) Introduction to research on Hirschman's exit, voice, and loyalty model", *Employee Responsibilities and Rights Journal*, Vol.5, No.3, pp.187-190
- SHELL PETROLEUM DEVELOPMENT COMPANY (SPDC) (2010) Shell Nigeria Annual Report 2010, <http://reports.shell.com/report/2010/servicepages/welcome.html> accessed May 12, 2018
- Shell News. 2015. Nigeria: SHELL.
- Steiger, J. H, and Lind, J. C. (1980) Statistically based tests for the number of common factors, *Paper presented at the Psychometric Society Annual Meeting*, Iowa City, IA. .
- The Guardian*. (2013) Shell to sell-off assets in Nigeria. Available: <http://www.theguardian.com>. (retrieved on 13 September, 2018).
- Williams, B. and Brown, T. (2013) A confirmatory factor analysis of the Self-Directed Learning Readiness Scale, *Nursing and Health Sciences*, Vol.15, pp.430–436
- Withey, M. J. and Cooper, W. H. (1989) Predicting exit, voice, loyalty, and neglect, *Administrative Science Quarterly*, Vol.34, No.4, pp.521-539

Corresponding Author

Dr Marian Apoh Lawrence can be contacted at: marian_apoh@yahoo.co.uk