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OF THE PETROLEUM INDUSTRY ACT: THE STAKEHOLDER RELATIONSHIP
MANAGEMENT OF THE NNPC LIMITED MODEL**

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ASSESSING CRITICAL SUCCESS FACTORS FOR CHANGE MANAGEMENT OF THE PETROLEUM INDUSTRY ACT: THE STAKEHOLDER RELATIONSHIP MANAGEMENT OF THE NNPC LIMITED MODEL

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ABSTRACT

The Federal Government of Nigeria Signed the Petroleum industry Act (PIA) 2021 into law. The concern by developed economies for climate change and alternative sources through the energy mix has fueled aggressive efforts to reduce global consumption of fossil fuels leading to divestment by major industry players like Royal Dutch Shell. Therefore, the PIA represents Nigeria's effort to acknowledge the changing environment. The petroleum industry adopted a change management approach to effectively harness the act's potential. Using a literature review, the study aims to assess the critical success factors for adopting change management of the petroleum industry stakeholders to implement the transition program. Using the theoretical lens of complex systems theory to assess change management. These complexities make the oil and gas industry environment somewhat disorganized and complex. When complexity occurs, we need tools and concepts to redirect attention and energy efficiently. The study posits that when accessing the critical success factors of the transition program of the PIA, It is essential that NNPC Ltd leaders publicly show commitment to the change to send a powerful message to external stakeholders about the seriousness of implementing the change. The study further recommends changing the work processes to reduce costs, optimize the performance of its industrial base assets and improve its environmental footprint. Access to technology by stakeholders enables the integration of the change process at speed.

Keywords: change management; change implementation; *critical success factor*; organizational change; Petroleum Industry

1.0 Introduction

As the demands for change become more complex and frequent, organizations need visionary leaders. Leaders who are influential organizationally and culturally can cope with change and innovation while moving their organizations forward. The increasing complexity of the work environment (e.g., multi-generational, ethnic, and cultural), organizational structures and cultures, and leadership requirements demand organizations to examine what changes in thoughts, attitude, collaboration, and execution, will be required to effect sustainable change while remaining competitive (Abbas & Asghar, 2010).

In the bid to effect change in a system, three elements are predominant, the content and intention of the change, the process of the change and the framework within which the content and process operate (Radwan, 2010). The expected product of the change process would be one thing the organization advocating for this change should consider when selecting a model to serve as the framework for the change. The organization needs to provide a transition point between the present status and the intended model and product of the change. The transition point is to carry the people involved in the change process. The leaders should provide communication on a continuous and sustainable basis on progress made in the change implementation (Agho, 2009; Bartunek & Woodman, 2015).

The Nigerian Government, through its executive arm, signed the Petroleum Industry Act (PIA) into law on the 16th of August 2021. The enactment of the PIA ends a 20-year effort to reform the oil and gas sector capable of creating a conducive environment for growth and addressing lawful injustice meted out to communities impacted by extractive industries (Nwuke, 2021). Soremekun (2022) affirmed that the road to the PIA commenced in April 2000 with the establishment of the Oil and Gas Sector Reforms Implementation Committee (OGIC) to reform and enhance the administration of Nigeria's hydrocarbon resources. The OGIC's mandate included making recommendations for the comprehensive reorganization of the petroleum sub-sector of the Nigerian economy. Boufini and Agbai (2022) opined that the first introduction of the bill in 2008 to the National Assembly (NASS) had setbacks due to political intrigues but was passed by the ninth National Assembly led by Senate President Ahmed Lawan and Speaker Femi Gbajabiamila.

However, the bill's passage aligned with concern by developed economies for climate change and alternative energy sources through the energy mix that fueled aggressive efforts to reduce global consumption of fossil fuels leading to divestment by major industry players like Royal Dutch Shell (ActionAid, 2020). Therefore, the PIA represents Nigeria's effort to acknowledge the changing environment. The oil and gas sector is Nigeria's primary foreign exchange earner, representing about 95 percent of foreign exchange earnings and 80 percent of its budget revenues (Nwuke, 2021). The PIA provides a legal, governance, regulatory, and fiscal framework for the Nigerian petroleum industry, the development of host communities, and related matters.

According to Soremekun (2022), no other Bill in the history of Nigeria's Fourth Republic had generated as much passion and intrigue as the PIB due to its criticality to Nigeria's economy. How stakeholders in the industry led by the ministry of petroleum, the regulators, and the NNPC Ltd manage the change during the early years of the transition period become the thrust of this study. Critical success factors underlie the practice of change management in organizational management. While the methods used may vary, success depends on carefully addressing these principles. In this concluding part of a two-part study series, we use change management concepts and principles to assess the critical success factors NNPC ltd needs to manage the change using a functional organization purview.

In its February 2022 article titled "Nigeria Targets \$4 Billion Oil Theft" by William Clowes, Bloomberg explores how Criminals illegally tap pipelines crisscrossing the Niger Delta region. In that article, Clowes (2022) opined that Nigeria loses about 150,000 barrels of oil/day to criminals who illegally tap pipelines crisscrossing the Niger Delta region quoting the Nigerian Upstream Petroleum Regulatory Commission Chief Executive Officer Gbenga Komolafe in an interview. Given the emerging scenario and the threat of oil theft with its attendant consequences on the country's revenue and the environment, how will the Nigerian National Petroleum Company Ltd and its stakeholders navigate this difficult transition?

How will this piece of legislation bring about a paradigm shift in the industry? How will the Nigerian National Petroleum Company Limited manage the transition from a government-controlled company to a private company registered under the Company and Allied Matter Act of 2020. What are the measures put in place to manage the change? Considering the petroleum industry from the critical success factors context has received little attention in assessing the legacy organizations' transition plan with the reality of the Russia/Ukraine war and its effect on supply chain issues. The various sections of this study include the purpose of the study, conceptual framework, literature review, discussion, recommendation, and conclusion.

2. Purpose of Study

This study aims to understand the critical success factor of transitioning Nigerian National Petroleum Corporation, a government-controlled outfit, to Nigerian National Petroleum Company Ltd, a private company under the Company and Allied Matters Act (CAMA). It examines the success factors adopted by NNPC Limited and the petroleum industry in Nigeria as part of the organizational learning experience to adopt change management with the introduction of the petroleum industry act of 2021. Within this broad paradigm of critical success factors, the study will mirror change management theory in a functional organization using the complex system theory to model its successful implementation (Nelson, 2017). Given its dynamic outlook of the oil and gas industry, it does not always follow protocols, with industry players from different countries, including multinationals with different cultural backgrounds, miscommunications, and coordination issues. These complexities make the environment somewhat disorganized and chaotic. When chaos occurs, we need tools and concepts to redirect attention and energy efficiently.

2.1 Conceptual Framework

The study aims to address the need for change at the organizational level through the lenses of complex systems theory and identify critical success factors for change. The organization needs to be adaptive, flexible, and agile to identify quickly and move on to opportunities. Visionary, insightful, and futuristic leadership provides the ability to identify and seize opportunities to remain sustainable (Karakas, 2007). Noruzy et al. (2013) noted that the primary underlying reason for success in organizational changes and transformation leadership was effective communication (facilitating a two-way flow of information and timely responses). Peng & Rode (2010) found that transformation leaders enhanced employee creativity and provided an innovative climate that would increase commitment and retention during organizational change. Bevan (2011) noted that factors that successfully support change are clarity, engagement, resources, alignment, leadership, and tracking. These factors align with models and frameworks of organizational change.

2.2 Research Questions

These would lead to the following research questions:

1. What crucial factors would lead to change effectiveness?
2. What metrics would appropriately measure the transition period and guarantee change?
3. How could an organization effectively measure change effectiveness?

2.3 Methods

The primary method used in the study was mainly a literature review to assess the critical success factors of the petroleum industry in Nigeria to implement the PIA 2021 of the Nigerian petroleum industry to drive changes and transition to a private company.

3.0 Literature Review

Predictions arising from theories in organizational practice pertain to various organizational dialogues for change that reinforce the perceptions demonstrating the synergy that would enable the understanding of organizations' stakeholders in functioning more effectively at the workplace. For example, leaders can utilize the complex systems theory (CST) model to implement change efforts toward creating new opportunities that can sustain life-supporting environmental and social systems (Van Zanten & van Tulder, 2021; Valente, 2010). This initiative requires leaders to create the "adaptive view" of inter-dependency prevalence in an organization's activity system (Albert et al., 2015). This approach would foster the incremental process. The firm can consistently respond and adjust to the environment and explore opportunities to change its activity choices and outputs (Albert et al., 2015).

The critical success factor includes considering how innovative the business climates are, industry stakeholders' creativity and a multiple-frameworks approach intersection for a transformational system in the petroleum industry (Charbonnier-Voirin et al. 2010). Because when leaders focus on the change management that will engender transformation, they shift priorities from being activity-focused to accountability for good organizational outcomes by applying new governance related to whole systems methods (Radwan, 2010). Such a shift in priorities reduces common pitfalls within the organization's culture, practice, and structure when implementing new policies (Radwan, 2010). The critical success factor will review economic practices prevalent within the implementation period. Economic practices can encompass non-human activities (e.g., technology, regulation, competition, and demand); these practices influence the suitability of the characteristics of an organization's activity system (Albert et al., 2015).

The human factors in organizational change consider the reliability of operations and physical characteristics of the plant and equipment through design operation. The NNPC Ltd owns shares on behalf of Nigeria in joint venture contracts with International Oil Companies (IOCs), including the plants and equipment. Therefore the changes in the new NNPC will affect changes arising from the interaction between stakeholders and policy implementation. The critical success factors concept is broad but is expounded in phases as a synthesis synergy because strategies are core in hydrocarbon production processes. The activities of the transitional period provide opportunities for research, innovation, invention and technology for system improvement. However, there are enormous challenges that must be subdued for profitability realization.

Crucial inter-phase from production upstream, midstream, and downstream of all hydrocarbon operations should be noted, aside from the core upstream activities such as exploration and exploitation, including streams of production activities, processing, refining, storage,

transportation and distribution, and profitability of the investor. The business atmosphere for rapid economic development, financial strength in the investment decision, and the global economic outlook need to be strengthened. All the stages mentioned above severely impact the transition period's success. The system's stability during the transition is critical to sustainable development. Because the ultimate desire of Government at all levels, the host communities and all stakeholders is for the new NNPC Ltd to be profitable.

3.1 Stakeholder Collaboration, Empowerment, and Engagement

People view human emotions and reactions as unpredictable or even uncontrollable forces. However, much of human nature is predictable and reacts predictably to specific interventions. Understanding how human nature works, planning for likely issues and monitoring and correcting for changes are the most critical aspects of change management in the transition phase. In addition, leaders and senior managers must repeat iterations of obtaining input from those affected and iterations of skill-building and development. This became important because early change management theory offered the top-down perspective of leaders telling people about the change and empowering them to implement it. Nothing creates a more significant barrier to change than people who feel they did not have input into a change. Buy-in occurs when a business solution is carefully researched and rationally selected. Stakeholders may resist the solution when they are not part of the transition. Scope definition often fails to account for potential barriers to accepting and using opportunities to maximize the benefit with little additional cost.

3.1.1 In answering research question 1 -What crucial factors would lead to change effectiveness? We check for the most crucial success factors in change management, and they are:

- i. Ensuring those impacted by the change see the need for change,
- ii. Determining the degree and nature of change that stakeholders need
- iii. Believe it is necessary to solve a problem or benefit from an opportunity, and
- iv. Determine the scope and implementation plan options to effectively address the need or opportunity with the least disruption.

Ensuring that the transition program plan incorporates these involvement activities is crucial to change management success and helps the leaders and managers avoid barriers to acceptance.

3.2 Allocate Time for Acceptance into the Change Life Cycle Framework

Allocating time for acceptance of the change management by stakeholders in the changing life cycle framework answers the second research question - what metrics would be appropriate to measure the transition period and guarantee change? These include

3.2.1 Build flexibility: Successful planning takes into consideration the human impact. Expected resistance may not materialize; in others, a seemingly innocuous change may create a viral reaction. Allocating time into the transition schedule at crucial stages while seemingly arbitrary will ensure that the iterative activities of change management to address foreseen or emergent resistance will not impact the transition schedule.

3.2.2 Provide Focus for the Change Initiative

Providing a focus for the change initiative answers the third research question - how could an organization effectively measure change effectiveness?

3.2.2.1 Create a clear description and measures for a prosperous future state - When benefits realized are the measures of change management success, a clear definition of the future state is crucial in assessing how well the transition has contributed to that new status of the company. Quantitative and qualitative measures of benefits realized are challenging to establish when the picture of the future state is not detailed or descriptive. Leaders and managers must elicit specific requirements of the deliverable in addition to the intended use and value of those deliverable to enable the delivered output fulfills its intent, in this case, the NNPC Ltd.

3.2.2.2 Successful communication assets: Change management success is mainly anchored on how stakeholders communicate. Organizations build functional and employable communication assets, including models, methods, and requirements. These communications assets are critical as the transition phase becomes more extensive in scale. Communication is crucial to engaging people, and successful change relies heavily on stakeholders' views. When communications are insufficient, change might be delayed because people will maintain the status quo rather than risk performing incorrectly. Effective communication creates awareness and understanding of the process. People are more likely to buy in to change if they understand the benefits. Successful change requires most stakeholders' acceptance and commitment to NNPC's strategic objective. It requires a deliberate plan for determining who needs to understand what, why, when, and how of the change. The early planning stage of the transition is the most appropriate time to map the communication plan. Good communication should be deliberate and part of the transition plan. It should reflect the specific needs of its complexity given the emerging scenario of massive crude oil theft in 2022 and artisanal oil refining. The communication plan should be iterative and subject to periodic review to maintain the changing intent. Successful communication demands that

i) the leaders communicate the change vision early because establishing a clear plan to communicate the vision is critical. The leader (the President, Minister of State for Petroleum, and the CEO of NNPC) should be compelling and straightforward in articulating the vision to guide change decisions and outcomes. It allows for easy adaptation if the change is communicated early.

ii) outline the change's benefits and impacts because it allows stakeholders to accept the fear and its concern. They will accept it if they know when it will happen and what it means in the long run. For the employee of NNPC Ltd, typically ask,

1. Will I have a job after the change?
2. Will I maintain my position?
3. Will I have an exciting role?
4. What will my future be?
- 5.

Uncertainty in a working environment reduces productivity; communicating the change becomes imperative. NNPC Ltd stakeholders and employees need to know who will be affected, how and why, and the change timelines.

iii) NNPC Ltd Leaders actively ensure to communicate throughout the change process. It is essential that the organization's leaders publicly show commitment to the change. When leaders communicate the desired change, it sends a powerful message to external stakeholders about the seriousness of implementing the change. The NNPC Ltd CEO, Mele Kyari, led the campaign for active and visible management commitment. This gave credibility to the change process, demonstrated ownership, and encouraged greater acceptance.

iv) the organization leaders provide opportunities for dialogue and accurate representation. Town hall meetings provided opportunities for dialogue and ensured active stakeholder participation. The town hall meetings provided opportunities to mobilize and engage stakeholders to promote a sense of ownership and inform stakeholders that their opinions are essential and that their comments and suggestions are valued.

v) the change messages are repeated often. Regular communication is a priority once the case for change is communicated, and change will happen. Provide opportunities for people to hear and question information because people who have worked in an organization for an extended period may become so entrenched in the work that they forget the change message. Repetition of clear and compelling change messages using multiple channels dramatically increases the probability that the information will be understood. Repeated messages may be needed to fine-tune the change message, but with minor tweaks.

vi) Leaders and senior managers monitor and measure the effectiveness of the communications. Monitoring and measuring results are vital for gauging key stakeholders' reactions to communications. Rarely do people hear precisely all the messages contained the first time. Monitoring for effective communication allows for determining the stakeholders' level of awareness and attitudes. Such monitoring will address instances of misinformation to identify and address issues. It will allow them to tailor the information to suit the needs of the organization's change.

3.3 Identify, Select, and Develop Talent Based on Change Management Competencies

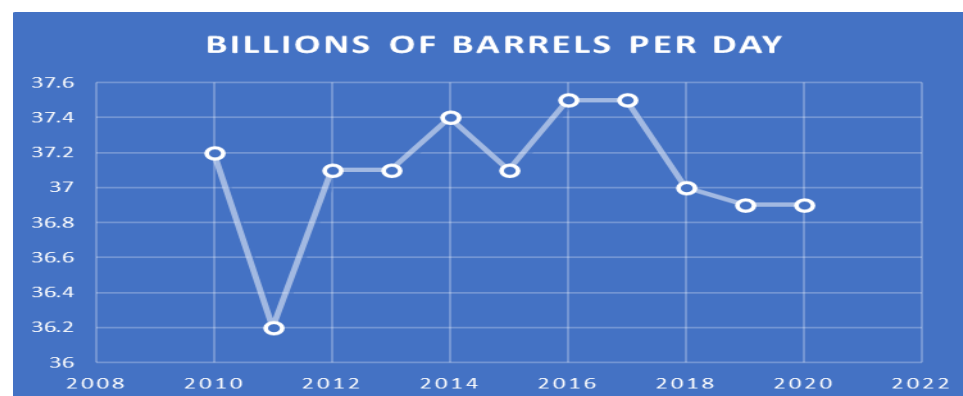
3.3.1 Carrying out the role of identifying, selecting, and developing talent based on change management competencies ensures that the change is sustained because

- i. Organizations that embrace talent management establish competency development programs for employees. When the organization adopts change management as a critical capability, it builds competency development programs for the knowledge, skills, and proficiency needed to execute change effectively.
- ii. Capture and share lessons learned. Organizations with successful change programs capture the lessons learned from each initiative. These lessons learned are retained in a knowledge management repository. Before initiating a new change, the organization must review the previous lessons learned.
- iii. Develop employees because employee involvement is essential for successful change management. While change is managed at the organizational level, it addresses how to facilitate change at the individual level. Change research shows that employee involvement (helping people control the change in their lives) facilitates the process.

4.0 The Need for Accessing Critical Success Factors

4.1 The Old NNPC regime

Figure 1. Shows Nigeria's Proven Oil Reserve in Billions of barrels per day



Data source: BP Statistical Review 2021; analysis and presentation by PwC

Table 1. Showing the major domestic refineries in Nigeria

Refinery	Location	Capacity	Capacity Utilization (5-yr Avg)	Refined Products	Crude Source	Refined Products Destination
Kaduna Refinery	Kaduna State	110,000 bpd	7.9 %	PMS. AGO, DPK, & Fuel Oil	Escravos & Forcados Terminal; Kuwait, Saudi Arabia, Venezuela	Northeast, Northwest & North Central region
Warri Refinery	Delta State	125,000 bpd	12.7 %	PMS. AGO, DPK	Escravos Terminal;	Southwest
Port Harcourt Refinery I & II	Rivers State	210,000 bpd	10.8%	PMS. AGO, DPK, & Fuel Oil	Bonny Terminal	Yola, Southeast, South-south & Northcentral regions
Niger Delta Refinery (Private)	Rivers State	1,000 bpd	64.4%	AGO	Ogbele & Omerelu Fields	South-south region

Sources from PwC (August 2021)

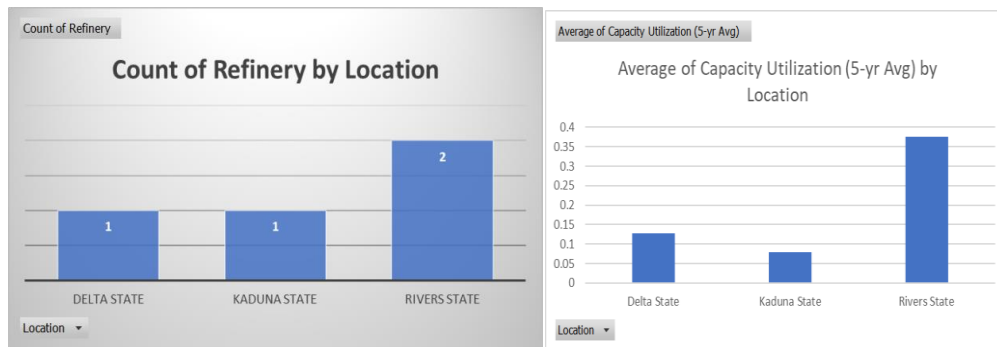


Chart 2&3 Show count of refinery by location and average capacity utilization by location.

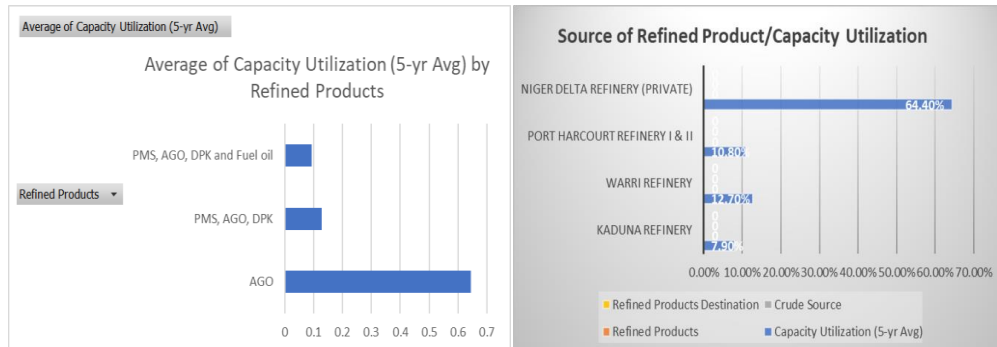


Figure 4 &5. Shows average capacity utilization by refined product and Source of refined product/capacity utilization.

4.2 Capabilities of Sponsors

Today's new business environment requires agile leaders who can sense and respond to changes with focused, fast, and flexible actions. One tool that organizations can use to select and develop qualified sponsors is the leadership 360-degree assessment, which measures the following significant capabilities of sponsorship:

- Anticipates change
- Generates confidence
- Initiates action
- Liberates thinking, and
- Evaluates results.

Successful change management requires a significant commitment from an organization's leaders, regardless of whether the change occurs in a single section or across the entire organization. In the case of NNPC Ltd, it is both entire organizations and concerning the Petroleum Industry Act an industry. Change is inherently unsettling for people, and when it occurs, all eyes turn to the organization's leaders for support and direction. The President of Nigeria's His Excellency Muhammadu Buhari doubles as the Minister for Petroleum Resources, the Minister of State for Petroleum Resources Chief Timipre Sylva, and the Group Chief Executive Officer Mele Kyari as change sponsors play a crucial in the transition phase of the change management system. The commitment of these leaders is crucial in promoting and sustaining the impetus for the change, coaching employees and executives, and communicating a shared sense of the path forward.

The leaders change first, then motivate the rest, and set the example by displaying the desired behaviour. Support and commitment from all leaders (both formal and informal) are critical for accepting change. Leaders should delegate responsibility and empower others to make decisions about the grounded change with a clear change vision. Delegating decision-making authority helps reduce blockages and increases buy-in from people affected by the change. Leaders and managers throughout the organization are expected to support and communicate the benefits of change to stakeholders.

Change needs to cascade through the organization because change occurs at each level. Leaders must assume ownership of the change and accept responsibility for making it happen in all areas they influence or manage. A vital responsibility of the change sponsor is to ensure that the leaders or managers continue to be involved throughout the change life cycle. Sponsor involvement must be evident in each phase, from initiation and closeout. Leaders need to engage with stakeholders continuously.

Critical responsibilities for an organization's leaders throughout the change process are to act and resolve issues because, throughout the change process, issues may arise that require leaders to intervene and take decisive action. Leaders should have the authority to make decisions regarding issues that impact the organization, escalate issues to more senior leadership, push for a timely resolution, delegate that authority to others, and support the final decision.

The various figures 1-5 indicate a petroleum industry management model that does not support the productivity of the sector as there is evident capacity underutilization in each location, as seen in figures 2 and 3, and capacity underutilization by refineries and refined products as indicated in figure 4 and 5 above. Figure 1 shows a depletion in the crude oil reserves due to non-investments in exploration for new reserves to boost the proven reserves. One reason for the drop in the reserves is the drop in oil rig count to 29 from an initial 49 due to the global drop in oil price in 2014 (Abuede, 2019). There were further drops in rig counts to 9 in 2016 before they rose to 13 in 2017 and 32 in 2018. Vanguard (2021) further affirmed that the low deployment of rigs for exploration, which stood at 49 in 2020, was due mainly to limited investments in Nigeria's oil and gas industry.

4.3 The Critical Success Factors

4.3.1 Formalize Philosophy and Policy of Change Management

The formalization philosophy and policy of change management in NNPC ltd will

- i. Establish change management policies. Establish a culture for change management by writing policies or incorporating change statements into the vision and mission of the organization. Once policies are in place, they require change management plans for all new initiatives. This approach requires change management for every significant change initiative before receiving business case approval. Some organizations build an investment threshold by requiring change management processes over a specified dollar amount for any project.
- ii. Build a standard change vocabulary. Establish a standardized change methodology as the first step in establishing a standard change vocabulary. Organizations must spend sufficient time driving common terminology to guarantee awareness and adoption of the supporting changes.

4.3.2 Develop and Deploy Change Management Measurement Processes and Tools

Measure the success and sustaining of change because the measurement is the instrument panel for change. Determine what existing organizational indicators are in place for measuring change. Establish the measurement systems as the first part of any change initiative when existing systems are not in place. This provides organizations with the indicators to allow course corrections for delivering the right benefits.

4.3.3 Lack of Synergy

When making a change, it is essential to examine the relationships among the key sponsors, stakeholders, recipients, and agents of the change process. The relationships among these groups are either self-destructive, static, or synergistic.

- a) Self-destructive relationships require immense energy to sustain with little or no results. It has significant elements of miscommunication, defensiveness, and blaming.
- b) Static relationship is a midpoint between self-destructive and synergistic relationships with a mix of negative, backstabbing, and productive, team-oriented behaviour.
- c) Synergistic relationships require little energy to sustain with significant results, creating a sum greater than its parts.

Deploying a synergistic relationship is desired and requires mobilizing stakeholders. The NNPC experience indicates that mobilizing stakeholders is a prominent issue and seems challenging. The massive crude oil theft and artisanal refining of crude with its attendant environmental pollution indicate that the host communities, the security forces guarding the pipelines and facility and the company are not having a synergistic relationship. The stakeholder mapping needs to incorporate the securities forces as critical stakeholders in the change management process to guarantee the sustainability of the PIA transition implementation plan.

One method to mobilize stakeholders is to empower them through distributed control; however, this requires a cultural approach that organization leadership may be reluctant to

consider. This approach has coordination issues to ensure no gaps exist. To empower senior management, managers and other employees of NNPC Ltd as part of the stakeholder management to adopt a synergistic relationship strategy to engage the security and host communities, they need to become aware of the ultimate objectives and purpose of the change. NNPC Ltd leaders can empower them to make decisions within their function's responsibility and actively participate in higher-level decision-making, creating actual "transforming" exchanges that influence outcomes.

Designing meaningful stakeholder involvement in the change initiative of the Petroleum Industry Act is a significant task, and stakeholder analysis is typically performed in the communications management plan for the change. The more disruptive the change, the more vital it becomes to assess participants' influence on the change differently. People resist change for many reasons: self-interest, denial, fear of the unknown, or other perceptions. When the root of possible resistance to change is understood, planning for it makes it possible to overcome potential obstacles. Stakeholder analysis is an essential means of uncovering potential pockets of resistance or other risks that could impede the success of the change. Regardless of the size of the change, stakeholders, the analysis is a helpful way to:

- a. Determine stakeholders or stakeholder groups and their relationships to the change,
- b. Identify current attitudes toward the change and level of influence from the legacy organization before the new regime (example, the influence of the International Oil companies like Eni, Total-Energies and indigenous players like Oando, Seplat and Transcorp Group)
- c. Identify communication needs and any risks associated with not meeting these needs, and
- d. Determine the mechanisms and timing for delivering change messages to meet the needs.

The CEO of NNPC Ltd and the Senior Management leading the transition management can better define the appropriate communication for each audience when there is an understanding of the attitudes and feelings toward the change effort. Without a stakeholder analysis and evaluation of the risk involved, the transition management team risks miscommunication, resulting in stakeholder conflicts and uncertainty. It is challenging to overcome obstacles without understanding stakeholder motivations, needs, and expectations, and stakeholders may continue to be confrontational and cause conflicts throughout the change process.

5.0 Summary, Recommendation, and Conclusion

5.1 Summary

Sustaining change even when the change is more complex and involves multiple entities. Successful change management provides organizations with a competitive advantage. A few critical success factors for successful change management are effective communication, addressing potential resistance, team collaboration, and the active support of the sponsor.

In this study, we focus on assessing the critical success factors needed for organizational change processes and propose new strategies related to transformation. Industry leaders are encouraged to study the trends and opportunities for improvement in the petroleum industry's contemporary organizational change models and practices. They must create innovative ways of conducting business and responding to change in a globalized and technology-savvy world (Pepper, 2010). The "So what?" questions in the PIA implementation pertain to "What are the essential components of change that can influence whole systems approaches? We are continually confronted with novelties within the petroleum change management space. These novelties necessitate the question of what novelties in change management are valuable to drive transformation in the petroleum industry, focusing on Nigeria, given the energy transition globally (Adewuyi et al., 2020; Nwozor et al., 2021). What competencies are needed to explore, exploit, and transfer valuable knowledge within industry players and beyond (Egbedoyin & Agbai, 2021; Emielu, 2005).

5.2 Recommendation

To guarantee the alignment of the legacy regime with the envisaged change under the petroleum industry act framework for the transition period of the petroleum industry using critical success factors for change management. The stakeholder relationship management of NNPC Limited needs to ensure system alignment with the change initiative; this study makes the following recommendation.

- 1) Ensure all supporting systems work effectively and efficiently together, and a robust change management plan ensures that all these systems are change-ready and interact effectively because change is multi-dimensional. Changing the work processes to reduce costs, optimize the performance of its industrial base assets and improve its environmental footprint. For

example, usually requires new or different skill sets, roles and responsibilities, work environments, and possibly altering long-standing cultural norms.

- 2) Scale change management activities to the change's extent, complexity, and speed. Change management activities are scalable. Change management intensity is directly proportional to the number of people, systems, and processes affected and the sensitivity of the individual or group. The PIA allots 30% of NNPC Ltd.'s income to establish a Frontier Exploratory Fund (FEF) to finance exploration activities in other basins across the country, a new tax regime to replace the petroleum profits tax and levy, and revenue generation from penalties on gas flaring from midstream operations (Soremekun, 2022). Establishing these bodies to drive exploration and implement the new tax regime needs to start small and scale up. Therefore an adverse emotional reaction is also proportional to the speed of the change, so if a change needs to happen quickly, more intense change management activity is warranted. The host communities of the oil companies protested against the 30% allocated for exploring frontier basins outside the region. Scaling the implementation plan allows for the acceptance of the benefits inherent in the initiatives.

5.3 Conclusion

Organizational change is often unpredictable and reactive (Karman, 2020) and can continuously occur for a specific time frame. Day and Shannon (2015) stated that organizational change must be managed continually to ensure that internal or external forces do not derail its desired outcome. The leader that is called to lead and manage the moving parts of a changing organization in a changing environment on the global stage must be culturally knowledgeable, culturally aware, culturally sensitive, culturally competent, and effective. Leaders must be prepared to deal with increasing inter-dependency among individuals, organizations, communities and nations. Success under these changing demands requires the existing and next generation of leaders to better adapt to and effect organizational changes and, by extension, changes in how they lead (Ogkuku & Agbai, 2022).

The PIA represents the objective of Nigeria to reform the petroleum industry for optimal performance and increased revenue generation. However, oil theft and an increase in artisanal refining had clogged the progress of the implementation of the change management plan (Ogbuku & Agbai, 2022). Effective implementation of the transition change management plan represents Nigeria's petroleum resources management standard. However, these outcomes are contingent on the deliberate and methodical implementation and overcoming its many significant challenges. By drawing on complexity and critical systems theory, industry leaders can shift the business paradigm with a three-phased process model that provides significant implications for decisions and policymakers (Zimon et al., 2020; Hafezi & Asemi, 2022). This initiative will create new opportunities to sustain the life-supporting environmental and social systems provided by the PIA moving forward (Böhling et al., 2019; Keong & Onuma, 2021; Valente, 2010). Therefore, future research should interrogate how the PIA has impacted the economy post-implementation after 24 months.

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