

MANAGERIAL SOCIAL CAPITAL AND FIRM PERFORMANCE IN NIGERIA'S OIL AND GAS INDUSTRY: THE MODERATING ROLE OF ENTREPRENEURIAL ORIENTATION.

NAME: Augusta Opusunju Etim.

ABSTRACT

This study built on and extended the study by Acquaah, (2007) on managerial social capital, strategic orientation and organisational performance in an emerging economy. It evaluated the impact of managerial social capital on firm performance and extended Acquaah's (2007) study by examining the moderating role of entrepreneurial orientation on this relationship. The research employed a sequential explanatory mixed research method. For the quantitative analysis, questionnaires were distributed 450 managers and heads of departments in the Independent Oil and Gas Exploration and Production Companies in Nigeria, out of which 295 were usable. Five managers and executives of a case study company participated in the interview for the qualitative study. Hierarchical regression modelling and content analysis methods were used for the while quantitative and qualitative data analysis, respectively. The result enriched the social capital theory by showing that managerial political ties have a significant positive effect on performance; and it showed that moderating variables are required to convert some of the social capital constructs to performance. The result enriched the resource-based theory and the entrepreneurial orientation literature by indicating that proactiveness moderates the relationship between political ties as well as between intra-industry ties and firm performance. The result furthermore shows that risk-taking moderates the relationship between host community relations and firm performance. The case study analysis found that the most important network relationships for managers in this industry are with government officials and regulators (political ties) and host community leaders; and showed that proactiveness is a key entrepreneurial orientation construct. The study suggests that managers spend a lot of time building relationships with government officials, regulators, and host community leaders because these relationships affect the performance of firms in this industry. Proactive managers can improve political and intra-industry relationships. Managers should leverage proactiveness to improve their political and intra-industry relationships; and should leverage risk taking in the relationship with host community opinion leaders.

Keywords: Managerial Social Capital, Entrepreneurial Orientation, Intra-Industry Ties, Extra-industry ties, Political Ties, Host Community Ties, Proactiveness, Risk Taking.