

Change and Development in Nigerian Business Organization

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Abstract: - The study focuses on how business managers can manage change strategies by evolving organizational development of business in Nigeria. After careful analysis of the literature, the study concluded that a few businesses in Nigeria, such as those in information technology sector achieved organizational developments. On the other hand, most of the applications of organizational changes in the banking and manufacturing sectors were fraught with poor performances and business risks. It is recommended that business managers should be responsive to change strategies and their management in the midst of threats and opportunities.

I. INTRODUCTION

In early 20th century, the need for discussion on the organizational climate and development would hardly have been recognized because of reduced social and economic upheavals. But in the later part of the 20th century, changes in the world social environment have come up so abundantly and rapidly that there is no ignoring their side effects on the organization.

In recent times, there are more exerting pressures felt within and outside the organization. In the organization, commercially salient factors such as raw materials supply, labour, technology, strikes, protests, moral in work force, bitter rejection of business from outside and breakdown of authority, among others, are common. Outside the organization, there are pressures of market for products, competition, government policies, consumerism, among others. These pressures require the organization to plan, manipulate change strategies for organizational development after adapting itself to pressures from the external environment. Change management in organizations are now shifted from being the responsibilities of internal and external change agents dedicated to its management to increasingly being identified as a core competency for most organizational leaders.

II. THE ENVIRONMENT OF AN ORGANIZATION

Several researchers, in their search for the components of a general, yet workable theory of organizational structure and process, have concluded that the environment has a great impact on the organization. In a study carried out by

Gillespie et al (1979), 27 state, national, multinational corporations playing a major role in California business were classified according to industry and success. The study then examined the question: Do organizations adapt to their environment? Adaption was characterized as defensive and submissive survival acts. Manipulation included coalition formation, monopolization, cooption, propagandizing clients, advertising, price rigging, bribes, kickbacks, coercion, and government lobbying. The findings revealed that both adaption and manipulation occur at the same time. Therefore, what is environment?

A. *What is Environment?* - The functional definition of external environment is provided by the system approach of Katz and Kahn (1966) in which they defined it as "a subsystem of one or more larger systems". They further suggested that the two major sets of determinants in the initial stages of an organization are the environmental pressures and the characteristics and needs of the population.

Katz and Kahn (1966) further stated that the environmental pressures generate task demands, which are soon met by appropriate production or technical pressures. This perspective says that the environment is causal in organizational formation. Like technology and size, environment for some analysts is an imperative for organizations.

B. *The External Environmental Characteristics:*

The external environment surrounding an organization has the following characteristics, namely; Political characteristics, Cultural/religious characteristics, Legal characteristics, Ecological characteristics, Social characteristics, Physical characteristics, International characteristics, Physiological characteristics and Economic characteristics

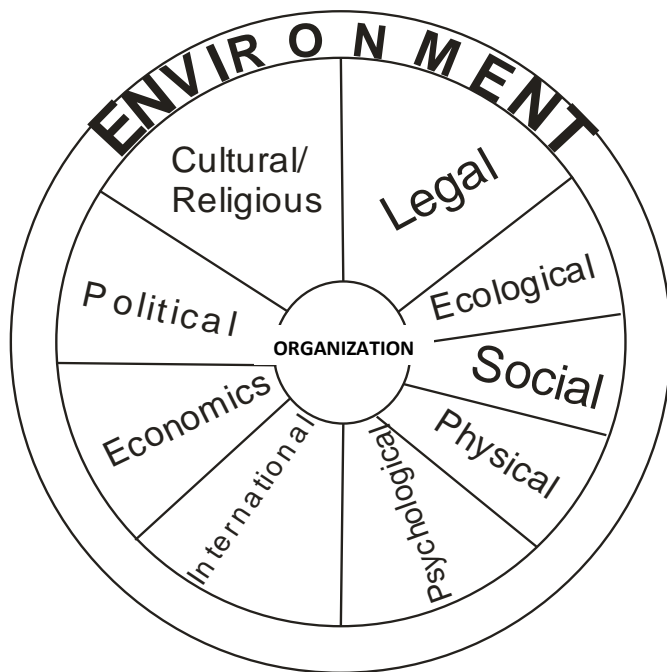


Figure: External Environmental Characteristics.

Source: Katz and Kahn (1966), *The social psychology of organizations*.

The environment interacts with the organization through some or all of the above characteristics.

C. The Internal Environment – Structure and Processes

Koontz and O'Donnell (1968) pointed out that "authority is the cement of organization and the thread that makes it possible, the means by which groupings of activities can be placed under a manager and coordination of organizational units can be promoted. It is the tool by which a manager is able to create an environment for individual performance. Authority furnishes the primary line of communication in an enterprise, since it deals with those communications which comprised of decisions. Therefore most of the useful principles are related to authority. Most of these principles are derived from the classical works of Fayol, Bernard and Webber and others.

III. THE STRUCTURE OF ORGANIZATION – AUTHORITY

The concepts and principles of structure of organizations as given by Kootz and O'Donnel (1968) are:

1. The scalar principle involves clear line of authority between management, officers and subordinates.
2. Principles of delegation are the delegation of authority by management to managers to ensure ability to accomplish results.
3. Principles of responsibility are the responsibility of the subordinates to his superior.
4. Principles of parity of authority and responsibility is the responsibility exacted for

actions taken under authority delegated cannot be greater than that implied by the authority delegated, nor should it be less.

5. Principle of unity of command is the individual in the structure should have a reporting relationship to a single superior. If this holds, the less the problem of conflict of instruction.
6. Principle of flexibility is the more the provisions are made for building in organizational flexibility, the more adequately organization structure can fulfil its purpose.
7. The authority level principle is maintenance of authority delegation requires that decisions within the authority competence of an individual manager be made by him and not be referred upward in the organization structure.

A. The Structure of Organization: Departmentized Activities

The framework of organization, in the sense of activity groupings, is furnished by departmentation. This aspect of organization involves both the departmental framework itself, and the problems of assigning activities to these departmental units. Three of these activities are of major importance, as follows:

1. Principle of division of work is a system of task or activities required to attain goals, the better the organization structure reflects a classification of these tasks the more effective and efficient an organization structure will be. For example, production, personnel and marketing departments.
2. Principles of functional definition means that the more a position or a department has clear definition of results expected, activities to be undertaken, organization authority delegated and authority and informational relationships with other positions, the more adequately individuals responsible can contribute towards accomplishing enterprise objectives.
3. Principles of separation is when if an activity is designed to be a check on the activities of another department, the individual charged with such activity cannot adequately discharge his responsibility if he reports to the department whose activity he is expected to evaluate. For example, Audit Department should be reporting to the Chief Executive and to any other officer so designed.

IV. THE PROCESS OF ORGANIZING

The various principles of authority delegation and departmentation are fundamental truth in dealing with the process of organizing. However, there are other principles that appear to deal with the process of organizing as a whole. These are as follows:

1. Principles of balance – The application of principles or techniques must be balanced in the light of the over-all effectiveness of the structure in meeting enterprises objectives.
2. Principle of flexibility – This is the task of managers to provide for different alternative means of attaining objectives in the face of changing environments.
3. Principle of leadership facilitation – The more an organization structure and authority delegations within it make it possible for a manager to design and maintain an environment for performance, the more it will facilitate his leadership abilities.

Therefore, for organizational efficiency and effectiveness, the organization must operate within the context of internal and external environment. The organization can manipulate the variables in the internal environment but can mainly adapt itself to the uncontrollable forces in the external environment.

V. ORGANIZATIONAL CLIMATE IN NIGERIA

Organizational climate or environment of business in Nigeria is generally conducive for business organizations and investors. Toure (2008) acknowledged this in “The Roundtable Conference on the Global Economic Crisis,” organized by the Nigerian Institute of International Affairs, November, 2008. They featured good analysis on Nigeria’s environment for business and opportunities. Toure (2008) asserted that “though Nigeria had harsh economic history, with the series of economic reforms, Nigeria’s environment is conducive for business and there are countless and lucrative investment opportunities”. Smith (2008) also acknowledged the fact that “what is happening currently with the Nigerian financial system is far from being affected by the (then) global economic crisis, as the Nigerian banks are over capitalized.”

In the recent Rebased Gross Domestic Product (GDP) figure for 2013 by National Bureau of Statistics (NBS) released by the Federal Government has exposed much more opportunities in many sectors, such as real estate and banking, entertainment and infrastructure than has been previously imagined by investors and analysis, as reported by “Business Day, April 11, 2014. It showed that the economy is now more diversified with a GDP value of \$510 billion and that the activities in the services sector have overtaken those of agriculture and industry. The implication of this development is that there are increased opportunities in the services sector, including whole sale and retail trade, human health and social services, information and communication, as well as professional, scientific and technical services and also more investment in housing and in structure.

On the other hand, manufacturing sector of the economy still lags behind as reported by the World Bank 2014, “Doing business data:” as shown in the same report. This shows manufacturing sector’s contribution to GDP in Austria as 19 percent, while that of Thailand is 34 percent. For south Africa, it is 12 percent, and 13 percent for

Iran; while sector’s contribution to the Nigerian GDP is 4 percent, which is far below the above four countries mentioned above. Moreover, the small and medium scale enterprises (SME), which are dominant in the businesses in Nigeria, have continued to experience failure mainly due to poor risk identification, evaluation and risk treatment, as reported in SME Forum organized by “Business Day” in Lagos on Thursday, March 28, 2014. It was pointed out that research has shown that 65 percent of SMEs fail within three years of start-up.

On the whole, the assertions that the business environment is conducive and has a lot of opportunities in Nigeria are fraught with risks and poor performances especially in the manufacturing sector, which this study focuses on. The environmental situation has been worsened by the increased insecurity in Northern part of Nigeria due to the terrorist activities of Boko Haram insurgents. Inspite of the recent Debasement of Nigeria’s GDP National Statistics Bureau, said to make Nigeria the largest economy in Africa has not imparted on the standard of living of the citizens. There is presently relatively low job creation and high unemployment and poverty in Nigeria. Most social indicators of the country lag behind its peers, even in Africa.

VI. ORGANIZATIONAL CHANGE

Organizational change is a pressing problem for modern managers, and in recent years, a great deal of literature has been written on the need for planning for change (Donnelly et al, 1975). According to Holden et al (1968), some companies in United States have instituted staff units whose mission is organizational planning. The planning units are specific response to the need for systematic, formalized procedures to anticipate and implement changes in the structure, technology, and personnel of the organization.

Change according to Koontz et al (1968) refers to two broad categories, namely:

- (a) Organizations modifying objectives and policies, location, organization structure, management philosophy and methods of doing things.
- (b) Change involving human behavior and this requires influencing subordinates to change.

The aim of this paper is to demonstrate that managers can most effectively respond to the necessity for change through the application of management models, which are discussed below:

VII. FORCES FOR CHANGE

The forces for change can be classified into two groups, namely, external and internal forces.

A. External Forces: External forces include changes in the market place, technology, and environment, they are

beyond the control of the manager, however, the manager can use strategies to influence, in a subtle sense, external forces e.g competitors and suppliers (External Micro-Variables).

The manager of a firm is concerned with reacting to changes in the market place. The actions come from competitors who introduce new products, increase their adverts, reduce their prices, or improve their customer services. In each case a response is required unless the manager is content to permit the erosion of profit and market share. Another source of market forces is that of the supply of resources to the firm. For example, a change in the quality and quantity of human resources can dictate changes in the firm.

The second source of external forces is technology. New machines and new processes arising from the high exposition of knowledge since the World War II have revolutionized the way in which many products are manufactured and distributed. Computer technology and automation have affected not only the technical conditions of work, but the social conditions as well.

The third external force consists of environmental changes. For instance, the 1960s and 1970's witnessed distinct socio-economic changes in Nigeria.

B. Internal Forces: The internal forces are forces of change which occur within the organization and they can be traced to process and people causes. Process forces include breakdowns in decision making, communications and interpersonal relations. People problems are low levels of moral and high levels of absenteeism and turnover. In most organizations with a certain level of employee discontent, a great danger is to ignore the complaints and suggestions. But the process of change includes the recognition phase, and it is at this point that management must decide to act or not to act. Donnelly et al (1975) pointed out that "the need for change goes unrecognized in many organizations until some major catastrophe occurs.

VIII. MODELS FOR CHANGE

The management of change implies a systematic process which can be broken down into sub processes or steps. A popular model suggested by Grenier (1967), which describes this process is illustrated below:

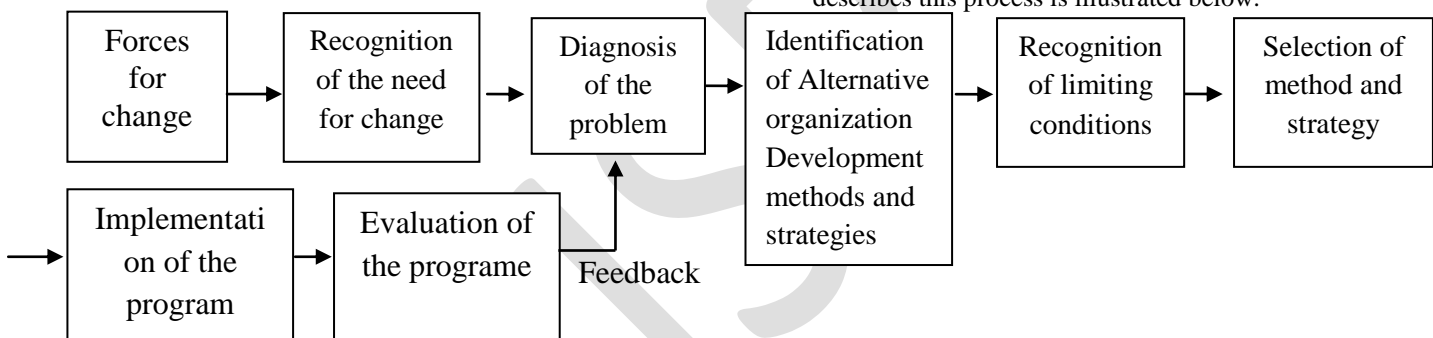


Figure 2 – Model for Change.

Source: Grenier, L.E. (1967), "Patterns of Organizational change". Harvard Business Review, Vol.45 (May to June).

A manager considers each of them, either explicitly or implicitly, to undertake a change programme. The model presumes that the forces for change continually act upon the organization in a dynamic environment. With this, a well-equipped manager recognises the need for change and diagnoses the problem. The next stage is recognizing the multiplication of alternatives and identifying the alternative development methods and strategies. In doing this, he recognizes the limiting conditions. Thereafter the next task is for the manager to select the specific method and strategy, depending on the focus, structural, behavioural or technological change. After selection of strategy, the change program is implemented. As a means of control, the program is evaluated and through a feedback process, the implementation could be repeated or the process repeated from the first stage.

It should be noted that there are other alternative change strategies. O'Connell, J.J. (1972) pointed out that no one change technique or change strategy can be judged

superior on prior grounds. The choice of the particular change technique depends upon the nature of the problem which management has diagnosed. For example, technological change, which will involve application of new ways of production or behavioural change, which will involve changing or improving employee attitudes, skill, knowledge, and others. The strategy could be delegated authority, unilateral authority or shared authority. However, most managers focus more on strategies than models.

A. Strategies for Changes

The strategies for change are:

1. Change in the structure, values attitudes and behaviour of individuals in the organization (Organizational development),
2. Change at the level of ends – core logic of action,
3. Change of leadership and staff – formally or informally (Iyayi 1980).

B. Organizational Changes in Strategies:

In the twenty first century, change theories have shifted from the theories to strategies. Thompson and Strickland (2003) stated that every company encounters occasions in which it needs to adapt its strategies to shifting industry and competition conditions, newly emerging buyer performances and requirements, the initiatives of rival firms to grab increased market share, the appearance of fresh opportunities and threats, advancing technology and other significant events that affect its business. In other instances, “quantum changes in strategy are called for when an opening appears to shift to radically new strategy and drive market change” especially when a competitor makes a revolutionary move such as technological breakthroughs. Major strategy adjustments are needed quickly.

Another important facet of organizational strategic change, according to Thompson and Strickland (2000) is Figure: Strategic Approaches to Preparing for future Market Conditions.

the need for actions to improve on how the company is competing today and the need for actions for to prepare for tomorrow’s market and competitive conditions.

C. Strategic Approaches for Preparing for Future:

Abell (1999) showed the model for the postures a company can adopt when preparing for future market conditions to cope with the waxes of change in the market place. Managers can be proactive or reactive, depending on their competitive position in the market that is, being a leader or follower against a rapid or gradual evolutionary change. This has been illustrated by Abell (1999) in a matrix form, as shown below:

		COMPANY	
		Reactive/Follower	Proactive/Leader
FUTURE MARKET CONDITIONS	Rapid Revolutionary change	Rushing to catch up to keep from being swamped by the waves	Aggressively altering strategy to make waves and drive change
	Gradual Revolutionary change	Revising, strategy (hopefully in time) to catch the waves	Anticipating change and initiating strategic actions to ride the crest of the waves

Source: Adapted from Abell, D.F. “Competing Today for Tomorrow”, Sloan Management Review, 40, NO 3 (Spring 1999), P.75.

On whole the manager can adopt reactive or proactive approach depending on the company’s situation. As a general rule, however, frequent and fundamental strategy changes cannot be made repeatedly without creating a zigzag market wake, generating undue confusion among customers and employees, and posing real profitability problems. They recommended that the core elements of well-crafted strategies ought to keep them in tune with changing circumstances.

In conclusion, organizational change requires the critical need for planning, organizing and controlling the change process. It should be recognized that a change technique may fail because of ineffective implementation. Even when a change program is successfully implemented, there is the necessity for evaluating techniques and strategies in the context of the particular organization.

IX. MANAGING CHANGE IN NIGERIA BUSINESS

Organizational change connotes significant change in the organization, which could either be re-organization, adding or removing new product or service can also be viewed as “transformational organizational change.

Gabriel and Aduba (2013) discussed strategies for managing change and uncertainties in Nigeria Banks. The study sampled 5 banks in Port Harcourt and came out with the findings that Nigerian workers embrace change, if is gradually introduced. The mode of introducing change is the greatest determinant of its acceptability or otherwise. Finally, that the participative decision making is the most efficacious and potent strategy for overcoming workers resistance to change. The study concluded that organizations and its members must be flexible enough to respond to change and uncertainty.

On the other hand, Adenyi, Osibanjo and Abiodun () focused on intervention strategies and organizational change and flexibility that can make employees more adaptive and receptive to changes. The model discovered that traditional bureaucratic approaches are no longer adequate. It also shows that relationship exists among human resources management interventionist strategies and was consistent with organizational change in the studied industry. In 2009, the global financial crisis affected the Nigerian banking industry, which led to transformational change through mergers ad acquisition. They concluded that this change was significant because it preserved hundreds of Nigeria jobs and protected the

savings of millions of Nigerian citizens. Moreover, they see “change as a necessary concept for competition in the ever changing competitive business environment”. In addition, the rapid development of information and communication technology have prompted many organizations to actively seek for, new ways, ideas and creative solutions in improving their current product, process, system and technology which is referred to as organizational change. It has also been accepted widely as effective and efficient human management resources practices and are important in extracting positive work behaviours among employee.

On the whole, though 70% of organization change initiatives fail completely, Bear and Nohria (2001) organizations still continue with organizational changes in an attempt to adapt and respond to changing economic technological innovation, customer and client expectations and a shifting work force. Moreover, change management in organizations are now shifted from being the responsibility of an internal and external change agent dedicated to its implementation and management to increasingly being identified as a core competency for most organizational leaders (Doyle, 2002).

X. ORGANIZATIONAL DEVELOPMENT IN NIGERIA

Most institutions – private or public, today are deeply concerned with the dilemma of how to:

- (a) fully mobilize the energy of the organization’s human resources toward achievement of the organization’s performance objectives, and
- (b) at the same time, to organize the work and the work environment that individual needs for satisfaction.

To resolve this dilemma in our rapidly changing environment new organization forms must be developed, more effective goal-setting and planning process must be learnt. In order for these changes to occur and be maintained, a planned managed change effort is necessary for a program of organizational development.

A. What is organization development?

- (a) Beckhard (1969) defined organizational development as an effort:-
 - (i) Planned to be carried before processing the indentified changes,
 - (ii) Organization-wide and development involves the whole system,
 - (iii) Managed from the top and suggestions can come below or give allowance for participation of implementation,
- (b) Increase organization effectiveness and health,
- (c) Planned intervention in the organization’s processes, using behavioural knowledge.

Another definition is found in Gardner’s set of rules for an effective organization. He describes an effective organization as one which is self-renewing. He lists, the rules as:

The first rule is that the organization must have an effective program for the recruitment and development of talent. The second rule for the organization capable of continuous renewal is that it must be a hospital environment for the individual. The third rule is that the organization must have built-in provisions for self criticism. In the civil service, this almost non-existent but with new Civil Service Reforms there are provision for protest. The fourth is that there must be fluidity in the internal structure. For example, the flow of information, and. The fifth rule is that the organization must have some means of combating the process by which men become prisoners of their procedures. The civil service is guilty of this because of rigidity and conservatism. Procedures can be changed to get results.

XI. DISTINCTION BETWEEN ORGANIZATIONAL DEVELOPMENT AND CHANGE

The distinction between OD change and change does not follow OD principles as discussed by Beer and Nohria (2000). In essence, they argued that there is Echange (economic value) and O-change (organizational capability) one of which is planned and follows OD principles while the other (E) is market driven and does not follow OD principles; both can be included in what many people call change management. So it is a mistake to equate OD with change management. The business however, benefits when both types of changes are affirmed.

XII. CHARACTERISTICS OF ORGANIZATION – DEVELOPMENT EFFORTS

Most successful organizational development (OD) efforts have the following characteristics as given by Beckhard (1969):

- (a) There is a planned program involving the whole system.
- (b) The top management is aware of and committed to the program and to the management of it, that is, accept responsibility for the management.
- (c) It is related to organization’s mission.
- (d) It is a long-term effort.
- (e) Activities are action-oriented and follow up plan and feedback.
- (f) It focuses on changing attitudes and/or behaviour. (Although processes, procedures, way of work, etc do undergo change in organization development programs, the major target of change in organization development programs is the attitude, behaviour, and performance of people in the organization).

- (g) It usually relies on some form of experienced-based learning activities. The reason for this is that, if a goal is to change attitudes and/or behavior, a particular type of learning situation is required for such change to occur. One does not learn to play soccer or drive a car by getting increased knowledge about how to play football or drive a car by getting increased knowledge about how to play soccer or drive a car. It is necessary to examine present behavior, experiment with alternatives, and begin to practice modified ways, if change is to occur.
- (h) Organization development efforts work with groups. An underlying assumption is that groups and teams are the basic units of organization to be changed or modified as one moves toward organizational health and effectiveness. Individual learning and personal change do occur in organizational development programs but these are not the primary goals or intentions.

XIII. ORGANIZATION DEVELOPMENT AND TRAINING

Some people describe over-all training effort to upgrade the managerial effectiveness of all managers or the problem-solving of all working units as organizational development efforts. Some organizations send entire management groups to human-relations training laboratories or business-school programs. In the opinion of Beckhard (1969), "these practices would be described by many people as organization-development efforts. The difference between these and a genuine organization development effort, in my opinion, is that they are not specifically related to organization's mission; they are not action-oriented in the sense of providing a connecting link between the training and the action planning which follows it. They are not organically part of a larger effort."

Beckhard (1969) however pointed out that "this is not to say that such training efforts are not very useful, but it is to say they do not necessarily produce organization change." This can be illustrated by another reference to the Blake-Morton (1968)'s organizational development program. The first phase of their six-phase program is an educational one, in which participants attend a one-week laboratory-like educational experience designed to teach them concepts and give them insights into their own managerial style, into how teams work, into the problems of communications in organizations, into intergroup relations, and into process of goal-setting and planning. Blake and Morton are the first to say that is the first phase of a six-phase programme, and that its primary purpose is to furnish education not to stimulate action. The organizational pay-off does not come until the skills and abilities learned in the educational phase are applied by the work teams and by the organization management work team. The above, therefore illustrate the difference between a training orientation and an organization-development orientation. One may have a company-wide

participation in an educational effort, but this is not the same thing as a total organization-development effort.

XIV. STRATEGIES FOR ORGANIZATIONAL DEVELOPMENT

The strategy for organizational development demands an examination of the present state of things and this can be done in two areas:

- (a) Diagnosis of the subsystems that make up the total organization system.
- (b) Diagnosis of the organization processes that are occurring.
- (c) Strategies for developing organization development.

In this paper, we shall focus on the strategies.

XV. STRATEGIES

Beckhard (1969) listed four strategies, as follows:

1. Meeting and Interview of work Teams: This involves meeting with work teams, interview them and followed with action-planning (activities aimed at changing something after the planning).
2. Another strategy is managing and reconciling the rival intergroup relationship on which great amount of dysfunctional energy has been expended upon by organizations and infusing chance. This is done by bringing together the members/leaders of the group, hearing their grievances and setting up a mechanism for reconciliation and collaboration for the effectiveness of the organization.
3. Goal setting and planning is another managerial strategy for organizational strategy. Healthy organizations tend to have goal-setting at all levels.
4. Education for skills and abilities for individual participants is also a strategy. Although we have said in this paper, according to the views of experts, that individual and the development of skill and ability are not the primary targets of an organizational development effort, they are still part of the target. Examples of such educational skills are skills in planning, change, problem-solving knowledge, and others.

Therefore, from the above analysis the organizational culture can be changed or developed through action-planning, managing intergroup relationship, goal setting and planning and impacting educational skills and abilities.

XVI. ORGANIZATIONAL DEVELOPMENT IN NIGERIA

Organizational development (OD) is simply on how organizations change and evolve. Therefore organizations change and involve personnel, technology, competition and others. Employee training, promotion, termination and retirements are good examples. In the broad sense organizational development means organizational change (Ukpata, 2008).

Organizational development is based on the theory of change management. This is because according to Ukpata (2008), "any organization, whether private or public, in which its systems are static cannot develop effectively and would not meet its competitive relevance in the market place." The findings from the study on government ministries and reputable banks in five states in Nigeria show that the reform programme under Obasanjo's regime has not been able to adequately address the problems that directly affect the average Nigerian populace. The study therefore recommends that proper measure to prosecute corrupt officials and leaders should be put in place to reform the lives of leaders through attitudinal reforms before structural reforms. The change programmes be directed at carrying people in the entire system along and change process constantly reviewed by the people and change agents.

Most military regimes and some civilian regimes are not responsive to change in the system that would lead to organizational development. Instead they continue to pursue worthless goals, objectives and reforms. Some good organizational changes are however acknowledged, for example; Banking Reforms, Pension Fund Reforms, Insurance Reforms, Civil Service Reforms, Privatization And Commercialization Reforms, etc. All these played host to the present image of Nigeria that has secured the debt relief. There has been a lot of manpower development and training, locally and abroad, in various sectors, a result of these reforms under different governments. For instance, it was due to strategic change in the communication industry that the Global System for Mobile Telecommunication (GSM) brought significant development in the economy. At present the world is shifting into e-business. These changes in information technology are changing the culture, attitude, taste and demands of citizenry. Today many businesses have repositioned and re-engineered their entire systems, which have given rise to – "rethinking a new way of business," basically known as Strategic Business Unit (SBU) in strategic management. In addition companies are now redesigning a new module of employee training and development.

The above analysis shows that though organizational change is meant to evolve organizational development, by making its systems effectively. In Nigeria, most of the change programmes are not effective and therefore did not evolve environmental development. Most of the military

and civilian regimes are not responsive to change. Those responsive to change, such as Obasanjo regime with his reform programme, did not address the problems that directly affect the Nigerian populace rather that were structural reforms. However, a notable change in Obasanjo's regime as stated above is the strategic change in the communication industry with the introduction of the GSM, which positively affected the culture, attitude, taste and demands of the citizenry.

CONCLUSIONS AND RECOMMENDATIONS

The paper concludes that organizational development is mainly based on adequate change initiatives and management as well as a favourable organizational climate. Though the organizational environment in Nigeria creates obvious opportunities in real estate, banking and infrastructure because of the numerous natural resources and high population demand for product and services, it is fraught with poor performances and business risks especially in the manufacturing sector of the economy, now worsened with increased insecurity in the country as a result of the terrorist activities of "Boko-Haram" insurgents. In Nigeria the concept of change management has been embraced by some business managers and national leaders. This is manifested by the transformational change through mergers and acquisitions by banks in 2009, which brought significant organizational development in employment and standard of living just, as the introduction of GSM in Obasanjo's regime has done to the nation.

It is recommended that in order to ensure a climate conducive for business to flourish in Nigeria, business managers and national leaders should imbibe the concept of change and its management by being responsive to change concepts and management. In addition, business organizations should always respond to the environmental threats and opportunities with adequate change strategies and be proactive to design strategies such as aggressively altering strategy to make waves and drive change in rapid and revolutionary manner in product, services.

Business organizations should have distinctive competences by focusing its strategies on creating extensive network of branches and financial, marketing, information management as well as general management capability factors.

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