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# The Effect of Employee Mobility on Skills Retention in Upstream Oil and Gas Companies in Nigeria

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## Abstract

This paper investigated effect of employee mobility on skills retention in upstream oil and gas companies in Nigeria. A review of pertinent conceptual, theoretical, and empirical literature was done and a hypothesis was formulated. Three upstream oil and gas companies were surveyed using proportionate and stratified random sampling techniques. A total population of 9,437 regular and contract employees were investigated with a sample size of 807. The validity of the instrument was determined using content and construct validity while Cronbach Alpha was used to ascertain the reliability of the instrument. Multiple linear regression Analysis was used to analyse the hypothesis with the aid of Statistical Package for Social Science (V26.0). The study found that employee mobility components have positive and significant effect on skills retention of selected upstream oil and gas companies in Nigeria. Findings further revealed that employee buy-in has the highest contribution to skills retention in the selected upstream oil and gas companies in Nigeria. It concluded that employee mobility affects skills retention in selected upstream oil and gas companies in Nigeria. Based on the findings, the study recommends that management of upstream oil and gas companies in Nigeria should keep update on the employee retention policies and strategies to retain talented and skilled employees.

**Keywords:** *Employee Mobility, Knowledge Sharing, Hedge Relationships, Knowledge Transfer, Reward System, Skill Retention*

## 1.0 Introduction

Globally, the financial resilience, and potential for outperformance in the oil and gas industry have historically been determined by the position of oil and gas assets in the industry cost curve, particularly in upstream and refining. However, this analysis has dramatically changed during the last three (3) years due to shift in the energy system away from one dominated by hydrocarbons toward one in which low-carbon sources play the lead role (Chantal & Jayanti, 2021). This changing climate imposed physical risk (direct and indirect risks to assets from climate-related hazards) to all the oil and gas producing countries in the world. Additionally, the Covid-19 crisis has resulted in a material near-term drop in global energy demand, at one point led to a 30 percent reduction in the global oil production. Organisational outcome of oil

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and gas upstream companies is now increasingly becoming a function of climate resilience. Apart from the oil and gas assets and drift in the climatic conditions steering the performance of the oil and gas industry, the role of human resource or capital plays cannot be underestimated. Odekina (2022) averred that the performance of organisations (upstream oil and gas companies) largely depends on retaining motivated and highly talented personnel that would last beyond the immediate time.

Mugove and Mukanzi (2018) affirmed that human resource gives a competitive advantage to firms because in invention related capacities it takes human capital into justification. Danish and Usman (2010) articulated that employee are important assets in a working setting as they contribute to organisation performance and success as well as in achieving the stated goals and objectives. These scholars further stated that most of organizations in the world that have gained immense outcomes in terms of their performance achieved this by fully complying with their business strategy through a well-balanced reward and recognition programs for employee. Researchers further stated that the most precious asset to an organization is its employee (Nieker, 2016; Decker, 2021). Decker (2021) stated that the skill of employees' accounts for 85% of an organization's assets. Palmer (2021) is of the view that employees are the single-most important asset for value creation in an organization. Nieker, (2016) stated that the necessity to attract and retain high-performing employees is both a concern and a challenge for organizations in general.

The oil and gas industry has played a significant role in the growth of the global economy and quality of life of societies around the world. The industry has generated millions of direct, indirect, and induced jobs as well as wealth to the government where it is found. Despite these potential contributions, the upstream oil and gas companies have faced significant challenges in aligning human capital resources with the various market demands to achieve organisational outcome. One of the main challenges facing the oil and gas industry is high employee mobility rates (Afif, Sanjay, & Matloub, 2015). Workers in the industry are increasingly mobile and technology advancements continue to change both the type of work and where it can be done. Nevertheless, these factors are aggravating the struggle for talent by extending competition within and beyond the oil and gas industry.

In Nigeria, oil and gas sector provides ninety-five percent (95%) of the Nigerian foreign exchange earnings and sixty five percent of national budget revenues (NNPC Directorate of Planning, Research and Statistics, 2021). The sub-sectors are upstream and downstream, the upstream commonly known as Exploration and Production (E&P). It covers all the activities related to searching for crude oil and natural gas, their recovery and production. The downstream is involved in the distribution of the refined petroleum products such as marketing, storage, retail outlets, servicing, and maintenance in the industry. According to Mpuon, Eyo, and Kajang (2020), despite the contributions of oil and gas sector to the Nigerian economy, oil and gas companies in Nigeria, the oil gas companies are challenged by the changing nature of skillset and difficulty in retaining talented employees. Skill retention appears to be a strategic issue for Nigeria's oil and gas industry.

The account of the preliminary in-depth interview on some managers' opinion about subordinate's work attitude and behaviour showed that despite the relatively high pay employees received, some employees are not happy about their work experiences within their respective organisations in the industry (Pilot study, 2021). Further preliminary investigation suggested that some employees in Nigeria's oil industry consider the level of injustice they experience within their respective organisations with great concern. Observation by the researchers revealed a prevalence of discriminatory reward system as well as an unfair interpersonal treatment of subordinates by their managers. Specifically, in most of the upstream

oil and gas companies', employees complained of restrictive and delayed promotional prospects of those who believed they had performed well over the appraisal period (Adagbabiri & Okolie, 2020; Oduntan, 2020; Vito & Mekuri-Ndimele, 2021). The attitude and behaviour of employees in the upstream oil and gas companies in Nigeria denotes absence of skills retention. In addition, there are allegations of deliberate disregard for government policy on local content. The "local content bill" is a national policy on empowerment and utilisation of indigenous skills in the technical core and top management levels in the oil industry. On the contrary, there is the existence of inadequate training and less career opportunities for indigenous staff at the top management and technical core in most organisations in the oil and gas industry (Kingsley, 2021). Hence, the inability of employees to achieve their needs instigated their mobility in the industry.

Several studies have been done with regards to employee mobility and knowledge spin alongside with other variables, for instance, Abbas, et al; (2017) studied the relationship between knowledge sharing and dissemination among Academics in Nigerian Universities; Adagbabiri, & Okolie (2020) in their study concentrated on human resource management practices and organisational performance: an empirical study of oil and gas industry in Nigeria; Adim and Mezeh (2020) investigated health and safety training and employee performance in oil and gas companies in Rivers State, Nigeria. While diverse studies examined the organisational performance-effect of individual dimension of employee mobility and knowledge spin such as knowledge sharing and dissemination, skill retention, and training. It therefore seems scholars have not extensively investigated the effect of the combined employee mobility and knowledge spin on skill retention in upstream oil and gas companies in Nigeria. Hence, this study intended to fill the existing gap by investigating the effect of employee mobility components on skill retention of selected upstream oil and gas companies in Nigeria. This was with the view of examining the effects of employee mobility on skill retention of selected oil and gas upstream companies in Nigeria. It is therefore hoped that the evidence from this study would serve as important quantitative into the cauldron of skill retention and also add to the existing body of empirical literature from a developing nation like Nigeria.

## **2.0 Literature Review**

### **2.1 Conceptual Review:**

#### **2.1.1 Employees Mobility**

Employee mobility can be defined as the rotation of workers around the labour market; between firms, jobs and occupations; and between the states of employment and unemployment (Abassi, & Hollman, 2000). That is, the movement of employees from one firm to another and across different types of firms and across industries (Somaya, Williamson & Lorinkova, 2008). According to Wright, Tartari, Huang, Lorenzo, and Bercovitz (2018), employee mobility is the transfer of employees from one organisation to another either through locational movement or through a change in ownership, the transfer of employees within the same organisation but in different units and/or geographies, and the spinning off by employees into new ventures. Also, in line with the above definition, Campbell, Ganco, Franco and Agarwal (2012) defined employee mobility as the transfer of human capital to newly founded or established competitors which could even be a sort of spin outs i.e., a venture founded by former employee's courtesy knowledge spin. Movements of employees could take two forms: It is either an intra-firm mobility or an inter-firm mobility. This has generated research among scholars considering the rate at which employees both young and those nearing retirement now switch jobs all over the world (Cappelli, 2000 cited in Somaya et al., 2008).



Megha (2019) highlighted the benefits of employees' mobility as an important part of human resource management. He stated that employees' mobility paves the way for digitization, which revamps a lot of old and continuing business processes and leads to better employee performance. It also enhances employee engagement in the company and leads to a more tightly connected work community. In addition, employees' mobility gives employees complete schedule flexibility. They do not longer have to stick to 9-5 from a desk. Employees are motivated when they are working with the tools that are right for them. Further, mobility leads to employees' satisfaction as employees can work from anywhere and at any time as per their suiting, it keeps them more satisfied and makes them feel empowered. Furthermore, employees' mobility leads to enhanced communication within the workforce. This way, employees charged with remote work can still stay connected to the rest of their team. Mobile apps allow employees to contribute to the project from wherever they are, and such availability means that internal issues can be addressed quickly. This also helps to make sure all employees in a team are well connected and plans are carried out smoothly, even with the absence of certain team members. Employee mobility can open many doors for employees and benefit the company in more ways than one. In this study employee mobility comprises of knowledge sharing, reward system, hedge relationship, employee buy-in and knowledge transfer.

**2.1.2 Knowledge Sharing:** Knowledge sharing (KS) has been defined variously by different authors such as: knowledge transfer (Al-Kurdi, El-Haddadeh, & Eldabi, 2018); exchange between people (Frappalo, 2006; Bechina, & Bommen 2006); sharing between two or more people (Tuomi, 2000; Savita, 2012); collecting and donating (Van der Hoof & De Ridder, 2004). KS, therefore, depend on individual interactions through socialization for success (Wang & Noe, 2010). Lin (2007) defined knowledge sharing as a social interaction culture, involving the exchange of employee knowledge, experiences, and skills through the whole department or organisation. (Hogelet al., 2003) as cite in Lin (2007) noted that knowledge sharing comprises a set of shared understandings related to providing employees access to relevant information and building and using knowledge networks within organisations. In the oil and gas industry, researchers have identified a decrease in performance due to knowledge loss (Ranjbarfard, Aghdasi, López-Sáez, & Emilio Navas López, 2014). Iqbal et al. (2011) provides the benefits of knowledge sharing as: lower cost of a product or service, organisational success, and the production of innovations. In further support of innovations, Iqbal et al. (2011) found that, knowledge sharing leads to innovations in universities and should be enhanced. Some of the common benefits of knowledge sharing include, improved organisational agility, better and faster decision making, quicker problem-solving, increased rate of innovation, supported employee growth and development, sharing of specialist expertise, better communication, and improved business processes. A resourceful collaboration will bring more views, diverse opinions, and varied experiences to the process of decision-making, helping your business to make decisions based on collective knowledge and expertise.

**2.1.3 Reward System:** Reward management or system was developed based on psychologists' behavioural research. Psychologists started studying behaviour in the early 1900s; one of the first psychologists to study behaviour was Sigmund Freud and his work was called the Psychoanalytic Theory. The basic premise of reward systems is to maintain employee motivation to increase production and sustain a competitive edge, while keeping costs low (Kanin-Lovers & Porter, 1991; Milkovich, Newman & Gerhart, 2011). Researchers like Agwu (2013) defined reward the benefits that arise from performing a task, rendering a service, or discharging a responsibility. He stressed further that the principal reward for performing work is pay, many employers also offer reward packages of which wages and salaries are only a part. The packages typically include bonuses, pension schemes, health insurance, allocated cars, beneficial loans, subsidized meals, profit sharing, share options and much more. Reward

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system is an important tool that management uses to channel employee's motivation in desired ways. Concluding he asserts that, reward systems seek to attract people to join the organisation, keep them coming to work and motivate them to perform to high levels. Similarly, (Siwale, Chrine, Kukano & Silavwe, 2020) noted that in every organisation, the productivity and performance of the employees are important to increase the effectiveness of the organisation in the environment it is operating. Okosi (2020), agree with other famous scholars that reward system exists to motivate employees to work towards achieving strategic goals which are set by the entities.

**2.1.4 Hedge Relationship:** hedge relationship is an accounting concept introduced by the hedge accounting standards and refers to the correlation between a company's asset or liability and the financial derivative used to hedge the economic risk associated with it. But in later years, it has been used to mean poaching also known as employee raiding. Employee poaching is the practice of aggressively recruiting talented employees from competitors. Not only do these plans afford employees with a monetary incentive to remain with their employer, but they also make the employee feel they play a vital role in the success of their business (Emejulu, 2020). Hedge relationships is thus the poaching of human capital of an organisation for efficiency in a motion and work in progress among global industries striving for greater efficiency. Organisations resort to the use of this secret lethal weapon because it is a way of ensuring a win-win situation. Whenever any company decides to poach an employee, they would always want a win-win situation, boosting productivity. In the present modern times, companies need to survive strong competition and poaching helps reallocation of resources and better sales and revenue generations.

**2.1.5 Employee Buy-in:** Employees buy-in is when employees are committed to the mission and/or goals of the company, and/or also find the day-to-day work personally resonant. Buy-in promotes engagement and a willingness to go the extra mile on the job. Engagement is also how an employee gets involved and dedicated in work (Falola, et al., 2020). They went further to explain that employee engagement could be behavioural, cognitive, and affective. Behavioural engagement entails the employee's willingness to work beyond the terms of the contract because of the assured stability of work and remunerations. This is the employee's ability to go the extra mile in other to get work done for their organisation. Cognitive engagement is defined as the degree at which employees are mentally alert to their job roles with the goal of the organisation in their mind (Bakker & Demerouti, 2018).

**2.1.6 Knowledge Transfer:** Knowledge transfer and science transfer are ubiquitous processes which can be identified in almost all temporal and spatial contexts. Ogunkoya, Ogundele, and Adetayo (2021) defined knowledge transfer as the process by which an organization leverages knowledge and information among members, thereby promoting learning and producing new knowledge or understanding. It is also a transformation process where information is gathered, processed, transferred and absorbed in a creative way. The knowledge transfer application other advantages to the firm according to the previous research works are well performed and process, better decision making and development of individual competencies. Paola, Federico, Alessandria & Laura, (2019) perceive knowledge transfer as the multiple ways in which knowledge from universities and public research institutions can be exploited by firms and other organizations to generate economic and social value and industry development (OECD, 2013). It embraces a wide range of activities to assist the collaborations between universities, industry and the public sector, and it involves a variety of goals, modes and channels. According Noor, Muhd, and Norhayati, (2018) knowledge transfer is a process through which knowledge moves between a root and a recipient and where knowledge is given and practiced.

Nguyen and Burgess (2014) stated that knowledge transferred is possible among individuals between levels in the hierarchy of the firm and between units and departments and in various companies, saying that transferring knowledge from one part to another firm is practical problems. Such as knowledge management, knowledge transfer, which aims to capture, create, organize and distribute knowledge and ensure its availability for future users.

**2.1.7 Skill Retention:** Talent retention has become a major concern for the higher education sector because of an aging workforce and limited prospects of recruiting and retaining young, talented individuals (Robyn, et al; 2015). Robyn, et al; (2015) further states that the strength of an organisation lies in its human capital and that it is therefore important to align human resource policies and procedures so as to attract and retain skilled employees. Eberly, Bluhm, Guarana, Avolio, and Hannah (2017) asserted that employee retention is a key factor in improving organization performance and enhance the business process. Hence, retaining employees in their jobs is necessary for all organizations. Thangjam (2021) defined employee retention as the effort taken by an organization to hold on to its most prized asset the employees. Employee retention has also been viewed as the ability of an organization to retain its employees (Hom, Lee, Shaw, & Hausknecht, 2017). Similarly, Chiboiwa, Samuel and Chipunza, (2010) provided a more comprehensive definition of retention and mentioned that it is a mean \_to prevent the loss of proficient employees from leaving|. Encouraging employees to remain in the organization for a long period of time can be termed as employee retention. It is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Success or otherwise of an organization like oil and gas companies, in retaining its employee's is measured in terms of employee retention rate or through assessment of the employee turnover rate. High employee retention rate means that employee turnover rate has been low and vice versa.

## 2.2 Theoretical Review

Two theories relevant and used for this study were human capital theory and Knowledge-based view. The theory of human capital is rooted from the field of macroeconomic development theory. The original idea of human capital can be traced back to Adam Smith in the 18th century (Schultz 1993). The modern theory was popularized by Gary Becker, an economist and Nobel Laureate from the University of Chicago (Schultz, 1961, Becker, 1993). Also, Becker (1993) in his classic book- human Capital, made a theoretical and empirical analysis with special reference to education in order to illustrates this domain. The emphasis of the human capital theory as argued by its proponents (Boxall, 1998; Pfeffer, 1994; Khandekar& Sharma, 2003; Kannarn, &Akhilesh, 2002; Romer, 1990; Rosen, 1999) is that human capital is knowledge gained through education and training in areas of value to a variety of firms such as generic skills in human resource development. Supporters of the human capital theory (Schultz, 1961, Becker, 1993, Khandekar& Sharma, 2003; Kannarn, &Akhilesh, 2002) argued that human capital simultaneously includes both instrumental concepts to produce certain values and the endogenous meaning to self-generate it. To dependently/independently create these values, there is no doubt that leaning through education and training can be an important in terms of defining the concept of human capital. Considering that experience can be included as a category of knowledge, the human capital is a synonym of knowledge embedded in individuals. It is noteworthy to say that performance is contingent to human capital development and as such (Weatherly, 2003) concluded that nothing happens unless human being makes a conscious decision to act.

Knowledge-based view is a recent extension of the firm's Resource Based View (Grant, 1996; Roos, et al; 1998; Hoskisson et al., 1999; Sveiby, 2001; Bontis, 2002; De Carolis, 2002; Huizing & Bouman, 2002; Balogun& Jenkins, 2003). The emphasis of KBV as argued by its

proponents and supporter is that the company's KBV views information as the most valuable strategic resource and in that sense, this view is an extension of the company's RBV (De Carolis, 2002).

Knowledge-based view of the firm (KBV) suggests that firms should be analysed based on their knowledge resources (Grant, 1996). The KBV was deemed as most appropriate due to its ability to explain the existence of firms as a result of their effective use of knowledge (cf. Rebolledo & Nollet, 2011). As such, knowledge represents itself in the form of information and know-how, and a firm's ability to create and transfer this knowledge can yield competitive differentiation (Kogut and Zander, 1992). According to Knowledge-based view, firms obtain a competitive advantage over the other firms when they possess and retain knowledge which is firm specific and if they retain and manage in a way that is difficult to imitate (Earl, 2001). Firms need to retain and manage knowledge internally to attain greater performance.

### 2.3 Empirical Review

Rezaei, Khalilzadeh, and Soleimani (2021) in their study investigated and identified the factors affecting the empowerment and implementation of knowledge management in organisations as well as the impact of KM on organisational performance and then, the mediating role of human capital in the relationship between KM and performance of Kabul Steel plant, which is the largest in Afghanistan. The findings showed positive effects of variables of structure, culture, leadership and trust on KM in an organisation. Also, KM influences the organisational performance both directly and through the mediating variable of human capital. Fayyaz, Chaudhry, and Fiaz (2021) in their study examined factors that provoked the knowledge sharing intents of employees and its contribution towards knowledge sharing processes that result in a better rate of innovation implementation by the organisations which focused on the relationship between knowledge sharing enablers, processes, and outcomes. The study revealed that even though top management support is very important in determining the knowledge sharing behaviour of employees, organisational rewards and ICT use do not support employees in knowledge sharing activities and that knowledge sharing processes are strongly related to organisation innovation efficiency.

Somaya et al (2008) studied "Gone but not lost: The different performance impacts of employee mobility between co-operators versus competitors". The study applied a quantitative research method and discovered that the challenge of firms with retaining high quality employee in order to build successful competitive business and collaborated that hiring employees from other firms can create interorganisational network for social capital development. Castillo, Figal-Garone, Maffioli, Rojo and Stucchi (2016) did a study on "the effects of knowledge spill overs through labor mobility" and the results showed that non-participants that acquired new knowledge by hiring skilled workers exposed to the program increased employment, the average wage they pay, exports, and productivity and that—depending on the level of competition—a wage premium was paid either by participant or non-participant firms to retain or acquire workers".

A study by Sumbal, et al; (2017) on "Knowledge retention and aging workforce in the oil and gas industry: a multi perspective study". Knowledge retention activities tend to be inconsistent in majority of the oil and gas companies, with not much work being done regarding knowledge loss from old employees, partly because of the fall in oil prices. The findings of a study by Campbell, Ganco, Franco, and Agarwal, (2012) on "Who leaves, where to and why worry? Employee mobility, entrepreneurship, and effects on source firm performance" indicated that employees with higher skills and higher earnings of a source performance firm are less likely to leave relatively to lower skill employees with lower earnings. Another study by Franco and Filson (2000) on knowledge diffusion through employee mobility revealed that existing firm's

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serves as a training ground for employee who later left to found new start-up use some of their former employer's technological know-how. Conversely, researchers like Bock, Zmud, Kim, and Lee (2005) and Lin (2004) highlighted that, extrinsic rewards have negative effects on skills retention and therefore, the complete reliance on extrinsic rewards must be avoided. Therefore, the literature exposed above would lead to the formulation of a hypothesis that:

H<sub>0</sub>: Employee mobility components have no significant effect on skill retention of selected oil and gas upstream companies in Nigeria.

### 3.0 Methodology

This study employed survey research design. This design has been considered adequate and used by other scholars such as Ogueyungbo et al. (2020), Oni-Ojo, et al. (2014), Rajagopal (2019), and Somaya et al. (2008). The population of the study is nine thousand four hundred and thirty-seven (9,437) regular and contract employees in the selected three (3) major upstream oil and gas companies, operators of Nigeria National Petroleum Corporation, Joint Ventures (NNPC, JVs) with operating headquarters in Lagos State, Nigeria as of December 2021. The three oil and gas exploration companies are selected based on their highest records of regular employees and contract workers in the oil and gas upstream industry in Nigeria and their record of highest crude oil production above 350,000BOPD in Nigeria with administrative headquarter located in Lagos State. These upstream oil and gas companies are Chevron Nigeria Limited (CNL), Mobil Producing Nigeria Unlimited, and Shell Petroleum Development Company of Nigeria Limited (SPDC).

Sample size of eighty hundred and seven was ascertained using Cochran (1977) formula. An adapted and structured questionnaire was used to gather information from respondents. Validity of the instrument was determined using content and construct validity while the Cronbach alpha was used to ascertain the reliability of the instrument which yielded coefficient alpha of 0.738, 0.770, 0.759, 0.780, 0.791, and 0.788 for Skill retention, Knowledge sharing, Reward system, Hedge relationship, Employees buy-in, and Knowledge transfer respectively. All the variables were measured with six items each; on a six-point Likert scale ranging from Very High (VH) = 6, High (H) = 5, Moderately High (MH) = 4, Moderately Low (ML) = 3, Low (L) = 2, Very Low (VL) = 1 similar to the one adopted by Rayat and Kelidbari, 2017, Santos, Barriga, Jugend, and Cauchick-Miguel (2019). Multiple Regression Analysis was used to analyze the hypothesis with the aid of Statistical Package for Social Sciences (V26.0). This technique was used because the data for the study is measured on ordinal scale (Edeh, 2019).

Based on the literature review introduced earlier, employee mobility leads to skill retention which also leads to the creation of organisational outcome. The proposed model is depicted in Figure 1. Employees' mobility represents an independent variable measured by knowledge sharing, reward system, hedge relationship, employee buy-in and knowledge transfer, while skill retention represents the dependent variable.

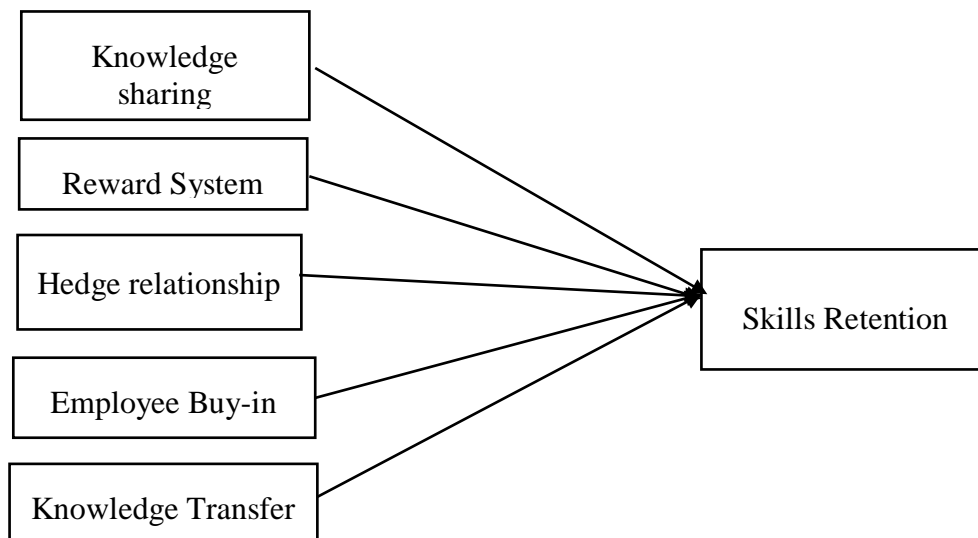


Figure 1: Relationship between Employees' Mobility and Skill Retention

#### 4.0 Findings and Discussion

The study collected data on employees from Chevron Nigeria Limited, Mobil Producing Nigeria Unlimited, and Shell Petroleum Development Company of Nigeria Limited. The researchers distributed a total of 807 copies of questionnaire to the respondents, out of which 750 copies were rightly filled and returned to the researcher. The response rate of the participants to the questionnaire administered is 92.9%. The high response rate was traced to the data collection method of prior notification of the selected oil and gas upstream companies, use of online Google form, research assistants, and researcher's personal follow up calls to clarify issues and prompt the participants to fill and return the research instrument early. The analysis was conducted by using the inferential statistics and the results of the analysis are presented in Table 1.

**Table 1: Summary of Multiple Regression**

N	Model	B	Sig.	T	ANOVA (Sig.)	R	Adjusted R <sup>2</sup>	F (5,744)
750	(Constant)	3.253	.000	3.816	0.000 <sup>b</sup>	0.781 <sup>a</sup>	0.608	232.923
	Knowledge Sharing	.163	.000	4.741				
	Reward System	.539	.000	22.754				
	Hedge Relationships	.056	.018	2.371				
	Employees Buy-in	.500	.000	12.095				
	Knowledge Transfer	-.427	.000	-9.404				
	a. Predictors: (Constant), Knowledge Transfer, Hedge Relationships, Knowledge Sharing, Reward System, Employees Buy-in							
Dependent Variable: Skill Retention								

Source: Researcher's Field Results, 2022

The analysis in Table 1 showed that knowledge sharing ( $\beta = 0.163$ ,  $t = 4.741$ ,  $p < 0.05$ ), reward system ( $\beta = 0.539$ ,  $t = 22.754$ ,  $p < 0.05$ ), hedge relationships ( $\beta = 0.056$ ,  $t = 2.371$ ,  $p < 0.05$ ), and employee buy-in ( $\beta = 0.500$ ,  $t = 12.095$ ,  $p < 0.05$ ) all have positive and significant effect on skill retention of selected oil and gas upstream companies in Nigeria, while knowledge transfer ( $\beta = -0.427$ ,  $t = -9.404$ ,  $p > 0.05$ ) is the only component that shows a negative and insignificant effect on skill retention. The results of the analysis revealed that all the components of employee mobility (knowledge sharing, reward system, hedge relationships, knowledge transfer, and employee buy-in) have significant effect on skill retention of selected oil and gas upstream companies in Nigeria. This indicates that knowledge sharing, reward system, hedge relationships, knowledge transfer, and employee buy-in are important factors in the oil and gas which could produce an increase in skill retention. The correlation coefficient (R value) of 0.781 supports this result and it indicates that employee mobility components have a strong positive relationship with skill retention of selected oil and gas upstream companies in Nigeria. The coefficient of multiple determination Adj.  $R^2 = 0.608$  indicates that about 60.8% variation that occurs in the skill retention of selected oil and gas upstream companies in Nigeria could be accounted for by the components of employee mobility while the remaining 39.2% changes that occurs is accounted for by other variables not captured in the model. The multiple regression model is thus expressed as:

$$SR = 3.253 + 0.163KS + 0.539RS + 0.056HR + 0.500EB + -0.427KT + U_i \text{-----Eqn 1a (Predictive Model)}$$

$$SR = 3.253 + 0.163KS + 0.539RS + 0.056HR + 0.500EB + -0.427KT + U_i \text{-----Eqn. 1b (Prescriptive Model)}$$

Where:

SR = Skills Retention

KS = Knowledge Sharing

RS = Reward System

HR = Hedge Relationships

EB = Employee Buy-in

KT = Knowledge Transfer

The regression model shows that holding Employee mobility components to a constant zero, Skill retention would be 3.253 which are positive. The predictive model is the same as the prescriptive model because all the Employee mobility components were significant. This implies that the selected upstream oil and gas companies should pay close attention to all the components in order to enhance skill retention. The results of the multiple regression analysis as seen in the prescriptive model indicate that when all the variables of Employee mobility except Knowledge Transfer (Knowledge Sharing, Reward System, Hedge Relationships, and Employees Buy-in) are improved by one-unit, Skill retention would also increase by 0.163, 0.539, 0.056 and 0.500 respectively. This implies that an increase in Knowledge Sharing, Reward System, Hedge Relationships, and Employees Buy-in would lead to an increase in the skill retention of selected oil and gas upstream companies in Nigeria. However, unit change in Knowledge Transfer would leads to 0.427 reduction in skill retention of selected oil and gas upstream companies in Nigeria. The coefficients of Employee components are significant at 95% level of significance. Also, the F-statistics ( $df = 5, 744$ ) = 232.923 at  $p = 0.000$  ( $p < 0.05$ ) indicates that the overall model is significant in predicting the effect of employee mobility components on skill retention, which implies that all employee mobility components are important determinants of skill retention among the selected oil and gas upstream companies

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in Nigeria. The result suggests that upstream oil and gas upstream companies should focus more attention towards developing the component of the employee mobility components to improve skill retention. Therefore, the null hypothesis ( $H_0$ ) which states that employee mobility components have no significant effect on skill retention of selected oil and gas upstream companies in Nigeria was rejected.

The results of this study are consistent with the past studies of Mawdsley and Somaya (2016) which explained through focus on the “content” of what mobile employees convey or transfer when they move, which allows us, in turn, to understand how the movement of employees can have organization level impacts. Human capital comprises the various dimensions of knowledge, skills, and expertise held by individuals that are gained through education, training, and experiential learning (Becker, 1975; Coff, 2002; Hatch & Dyer, 2004). Thus, employee mobility has statistically significant combined effect on skill retention of selected oil and gas upstream companies in Nigeria. The result of the current further confirm Falola, et al. (2020) that Buy-in promotes engagement and a willingness to go the extra mile on the job. Engagement is also how an employee gets involved and dedicated in work. They went further to explain that employee engagement could be behavioural, cognitive and affective. Behavioural engagement entails the employee’s willingness to work beyond the terms of the contract because of the assured stability of work and remunerations. Ouekouak and Ouedraogo (2018) claimed that organizational commitment refers to an employee’s attachment to his or her organization.

## **5.0 Conclusion**

The present study has examined the effect of employee mobility on skill retention of selected oil and gas upstream companies in Nigeria. It has been seen that employee mobility enhances employee engagement in the company and leads to a more tightly connected work to the organisation. The study revealed that employees’ mobility is a human resource management strategy that will have positive effect on skill retention if effectively implemented. While employees’ mobility components of Knowledge Sharing, Reward System, Hedge Relationships, Employees Buy-In, and Knowledge Transfer have significant effect on skill Retention. This means that skills retention in upstream oil and gas companies is influenced by employee mobility management. The study provided many benefits for upstream oil and gas companies in Nigeria to view human capital as a trigger for different performance outcomes.

## **6.0 Recommendations**

The study recommended that management of the upstream oil and gas companies in Nigeria should keep update on the employee retention policies and strategies to improve the retention rates of skilled employees. The study focused on upstream oil and gas companies in Nigeria, which was used to generalize among the oil and gas companies because of the homogenous nature of their operations and products. It is therefore suggested that future studies should extend the scope of the study and explore other sectors in Nigeria in order to be able to generalize the conclusions therefrom to other companies in Nigeria. Further studies may also be carried out in other areas of employee mobility components.



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