Cultural Intelligence and Stakeholders Management in Host Oil Communities in Niger Delta Region, Nigeria

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ABSTRACT

This article looks at cultural intelligence and stakeholders' management in host oil communities in Niger Delta Region, Nigeria. The work discusses stakeholders' management from stakeholders' identification and engagement and cultural intelligence from meta cognitive, cognitive, behaviour and motivational intelligence. The problem of poor identification and engagement of stakeholders in the host oil communities prompted the study. The subsequent absent of studies that have looked at cultural intelligence and stakeholders' management from the indicators as used in this article in the host oil communities in the Niger Delta Region, Nigeria forms the gap the article addresses. The study concludes that being culturally intelligence impact stakeholder management in host oil communities in Niger Delta Region, Nigeria. Based on the conclusion, we recommend that management of oil companies should not just assume that they will always achieve their goals and objectives without identifying and engaging the right stakeholders of these host oil communities; if the oil companies indulge in such assumptions crisis will continue to erupt. Furthermore, host communities should on their parts help the organization by providing the right persons that can represents the collective interest of the entire host communities as it is not appropriate for the organization to engage every person that showcase him/herself as the community representative. These will not only check fraud and dubious persons from cultivating discord among the host communities and the oil companies but it will rather help their collective effort by promoting a peaceful coexistence.

KEYWORDS: *Metacognitive Cultural Intelligence, Cognitive Cultural Intelligence, Behaviour Cultural Intelligence, Motivational Cultural Intelligence, Stakeholder identification, Stakeholder elicitation, Stakeholder Engagement*

1. INTRODUCTION

In this ever dynamic business environment, organization seeks to operate in an environment devoid of crises. As crises affects the return that the stakeholders, oil companies and the host oil communities gets from their co-existence. The host oil communities in the Niger Delta Region of Nigeria have not been fully involved in the management of oil related activities in the region. This act has not only caused a lot of communal clashes for the host oil communities, citizenry, oil companies and the nation at large, but has led to poor performance of oil companies in this region when compared to other regions of the globe where oil is discovered. As such, it is relevant to establish good relationship in all locations of operation. For good relationship established by the managers of these oil companies and its stakeholders gives opportunities to the enterprises and the host communities at large (Wang and Jiang, 2010).

For managers of oil companies to be able to manage its stakeholders (local communities, interest groups, employees, suppliers, customers, strategic partners and press medias), these oil companies managers

must have knowledge of the culture of those host communities. As cultural intelligence will help the organization to be able to carry out its activities bearing in mind the ways of life or ways of doing things within their location of operations (Earley and Gibson, 2002).Earley and Ang (2003) defined cultural intelligence as an individual's capability to function and manage effectively in culturally diverse settings. Cultural intelligence is a multidimensional construct targeted at situations involving cross-cultural interactions arising from differences in race, ethnicity and nationality (Gelfand*et al*., 2007).

Regardless of the debates by various scholars on the issues of cultural intelligence and stakeholders managements, a sizeable body of research demonstrates the challenges of cultural intelligence for multicultural domestic work teams (Tsui and Gutek, 1999); multinational work teams (Earley and Gibson, 2002); global leaders (Van Dyne and Ang, 2006); and those in overseas work assignments (Bhaskar-Shrinivas*et al*., 2005). Relatively little research, however, focuses on factors that could improve stakeholder'smanagements (Gelfand*et al.,* 2007). In particular, research on individual capabilities for intercultural effectiveness is sparse and unsystematic, leaving an important gap in our understanding of why some individuals are more effective than others in a culturally diverse situation and with diverse stakeholders' interest.

The problem that this article addresses is the poor identification and engagement of host oil communities' stakeholders in the Niger Delta Region. This has led to serious crisis and destruction of companies flow stations, equipment, killing and kidnapping of the oil companies workers on a daily bases. Furthermore, it has not only led to the fall in profit and performance of the oil companies but has misrepresented the host oil producing communities in the global scale. Hence, the aim of this paper is to ascertain the role of cultural intelligence on management of stakeholders' with respect to stakeholders identification, elicitation and engagement in the host oil communities in the Niger Delta Region.

2. Literature Review
Stakeholders Management
Owing to the differences in the perceptions, environment and positions of stakeholders, managers of oil companies finds it extremely difficult to make a holistic claim to what forms the interest of the stakeholders. It is within these challenges that managers of these oil companies find certain degree of difficulties in identifying and engaging the stakeholder of the host oil communities on what their

interest are (Wang & Jiang, 2010). To manage stakeholders effectively, Savise in Wnag& Jiang, (2010) divided the stakeholders into four categories, the support-based stakeholders including the board of directors, managers, employees, customers and suppliers; and non-support-based stakeholders including competitors, trade unions, government departments and the media and so on. Mitchell (1997) thinks that stakeholders have the characteristics of legitimacy, influence and emergency, so it is possible to divide them into different types, and adopt different management strategy. Hence, stakeholder management is a critical component to the successful delivery of any project, programmer or activity (Rose, 2013).

Today, all players in business have to satisfy the interest of stakeholders. The have to face the impact of different people and groupings on the operations of the organization. Larger corporations have to care not only for the needs of their direct owners, but also of various other groups, like employees, interest groups like environmental organizations, strategic partners, journalists or public monitoring bodies. Therefore, all businesses operate within a complex system of interests and influences. Management has to assess and evaluate these external forces in order to adjust them with corporate objectives(Oppong, Chan, Ameyaw, Frimpon&Dansoh, 2021).

Furthermore, when it comes to important corporate decisions, it is necessary to know about the expectations of different stakeholders and to determine the influence such stakeholders have on the operations of the organization.. Hence, the importance of stakeholder management is not limited on day-to-day business. On the contrary, it is primarily concerned with long-term strategic decisions. Stakeholder management is the process of managing the expectations and the requirements of those stakeholders. It involves identifying and analyzing stakeholders and systematically planning to communicate and engage with them (Oppong, Chan, Ameyaw, Frimpon&Dansoh, 2021). Stakeholders' management entails identification and engagement.

Stakeholder Identification
For an organization to survive, managers of these oil companies have it as a responsibility to manage stakeholders by first identifying the various stakeholders to the organization. Wang & Jiang(2010) stakeholder identification is the process of recognizing the people, groups, or organizations that could impact or be impacted by the decision, activity, or outcome of the project and analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence,

and potential impact on project success. Ones the stakeholders has been identified, the planning for elicitation proceeds; plan stakeholders involves the process of developing appropriate management strategies to effectively engage stakeholders by analyzing their needs, Interests, and potential impact on the success of a project. The success of the project cannot be achieved if such manager does not have the understanding of the multicultural diversity of the host oil community.

Stakeholders Engagement

Stakeholder engagement is the process by which an organization involves people who may be affected by the decisions it makes or can influence the implementation of its decisions. They may support or oppose the decisions, be influential in the organization or within the community in which it operates, hold relevant official positions or be affected in the long term (Herbertson, Ballesteros, Goodland &Munilla, 2009). Since these oil companies' activities have to be carried out in host oil communities, the tendency to involve people who may be affected by the decisions of the organization is very important if the organization must succeed.

2.1. Cultural Intelligence

Cultural Intelligence is defined as a person's ability to adapt effectively to new cultural contexts bound to the values and beliefs of a given society or culture (Earley&Ang, 2003). Cultural intelligence is about being skilled and flexible in understanding other cultures; learning more from the interaction and slowly adopting one's thinking to be more understanding to the other culture and one's behaviors during interaction (Thomas &Inkson, 2003). For the oil companies to function more effectively in providing for the stakeholders needs at all time; the managers of such a firm must be skillful in applying and understanding the host communities' stakeholders' culture in terms of their values and beliefs. Cultural Intelligence (CQ) is conceptualized into four critical elements necessary for effective intercultural interaction: metacognitive, cognitive, motivational, and behavioral.

Metacognitive Cultural Intelligence

Metacognitive cultural intelligences refers to the mental processes that individuals utilize to get and understand cultural knowledge including awareness of, control over and individual thought process relating to culture (Liao & Thomas, 2020). Individuals with high metacognitive cultural intelligence are aware of others' cultural preferences; adjust their mental processes in their interactions (Brislin, Worthley, &MacNab, 2006; Triandis, 2006). During the learning process, meta-cognition plays a

central role, as it involves an awareness and consciousness of the psychological processes involved in perception, memory, thinking and learning (Coffield, Ecclestone, Faraday, Hall & Moseley, 2004, cited in Böström& Lassen, 2006). Meta-cognition can be broken down into meta-cognitive knowledge and metacognitive experience. Meta-cognitive knowledge encompasses the ways in which a person deals with knowledge gained under a variety of circumstances. Meta-cognitive experience refers to the incorporation of relevant experiences into a personal frame of reference as a guide for future interactions (Early & Peterson, 2004).

Cognitive Cultural Intelligence

It reflects knowledge of norms, practices, and rules in different cultures gained from education and personal experiences. It comprises knowledge of economic, related to legal system, sociolinguistic, and interpersonal arrangement of different cultures and subcultures (Triandis, 2006) and the basic context of cultural values (Hofstede, &Hofstede, 2001). Those with high cognitive cultural intelligence can recognize the resemblances and diversity across different cultures (Brislin*et al.,* 2006). For an oil company to survive among stakeholders of diverse culture and believes such an organization must allow and promote learning.

Behaviour Cultural Intelligence

Behaviour cultural intelligence refer to the ability to direct attention and energy for learning and carrying out tasks in situations characterized by cultural differences. It provides control of affect, cognition and behavior that assist in goal achievement (Che Rose, Sri Ramalu, Uli& Kumar, 2010). It drives a person to the interest and curiosity to adjust to an unfamiliar environment to respond to ambiguity. The behavioural aspect of cultural intelligence is the cumulative result of cultural strategic thinking (meta-cognition) and motivation. Adaptation to different cultures is not only concerned with knowledge and the motivation to persevere, but also with the efficient implementation or enactment of that which has been learned.

Motivational Cultural Intelligence

It is the ability to manifest that appropriate verbal and nonverbal actions with people from different cultures during interactions. Individuals with high behavioral cultural intelligence show appropriate behaviors in their interactions such as appropriate words, tone gesture and facial manifestation (Van Dyne, Ang&Koh, 2009). It is needed in order to keep effective and appropriate intercultural relationship (Earley&Ang, 2003; Earley& Peterson, 2004). When faced by intercultural challenges, situations and

interactions, an individual should feel confident in his or her own abilities to take action. In other words, a person might know what the correct actions in a particular situation may be, but he or she also needs to have a conviction of his or her own ability to actually perform those behaviours.

3. Cultural Intelligence and Stakeholders Management

JavedAzam (2015) explores the challenges of competencies and skills needed to successfully manage global projects. They argue that cultural metacognition and intelligence in conjunction with emotional intelligence are vital in fostering relationships building and project success. Such skills with experiences provide a framework for understanding cross-cultural project leadership, and are prerequisite for successful development and capacity enhancement initiatives. The paper reviews and highlights intelligence competencies that play significant role in the performance of managers on multicultural projects. The review of literature indicates applications of cultural metacognitive strategies and emotional intelligence skills for dealing with complex cultural interactions during project implementation.

Johnson, Lenartowicz&Apud(2006) research and our project experience dictate that due to diversity in the work place in global projects, cultural and implementation barriers will be inevitable and consequently result in misunderstandings and conflicting interactions. Project professionals equipped with cultural and emotional intelligence skills deliver tangible value resulting in fulfillment of project objectives. They conclude that Pakistani institutions and funding agencies including U.S. institutions in project across country must endeavor to understand cultural, ethical and business fundamentals of the milieu of their operations to achieve successful cooperation and fulfill ultimate goals of the funding agencies. In addition to core technical competencies of the project teams, Cultural metacognition intelligence and emotional intelligence skills are necessary for the funding of projects in Pakistan.

Ahmad &Saidalavi (2019) study cultural intelligence and leadership effectiveness in global workplaces. Dealing with workplace diversity is the major challenge of global leaders. The objective of the study is to study the impact of cultural intelligence on global leadership effectiveness. In this conceptual study, the describe major advances and emerging patterns in the research domain of global leadership and impact of cultural intelligence on the effectiveness of global leaders in cross-cultural workplaces over the last several years. The finding of the study is that cultural intelligence is a prime factor in deciding the success of global leaders in cross-cultural workplaces.

A study by Yang, Shen, Ho, Drew &Xue, (2011) on stakeholder management in construction, an empirical study to address research gaps in previous studies. This paper concentrates on identifying gaps in the scope of previous studies on stakeholder management, and starting to address those gaps by conducting an empirical study. To complete these research objectives, literature review, interviews, questionnaire survey, and a case study were used in this study. Four gaps regarding critical success factors, stakeholder management process, methods for stakeholder management and stakeholder relationship management were identified. Based on an empirical study, a framework for effective stakeholder management was proposed and the application of a social network analysis technique was adopted as a means of determining the influence of stakeholders on decision making as illustrated and validated by a case study.

Sawalhi(2013) investigated stakeholder management in construction projects in the Gaza strip. Four objectives were set accordingly: identification and ranking of the most common factors affecting the stakeholder management process in construction project; assessing stakeholders based on their influence; evaluating the current practical approaches to stakeholder management; and developing a conceptual framework for stakeholder management process. A questionnaire survey was carried out among professionals in the construction industry. Ninety-eight questionnaires were distributed to governance, municipality, NGO's, UN and INGO's agency's experts, sixty seven questionnaires were received with a 68% response rate. the study found that the main factors affecting the stakeholder management process are the hiring a project manager with high competency, transparent in evaluation of the alternative solution, ensuring effective communication between the project and its stakeholder, setting common goal and objective of the project, and exploring the stakeholder need and expectation. The study recommends that management team in the Gaza Strip should use the proposed conceptual framework for managing the construction stakeholder. The study also recommended the implementation agencies must have to recruit the project managers based on his competencies and to delegate to them a suitable degree of authority to lead the management process of the stakeholder successfully.

4. Conclusions and Recommendations

From the review of literature on cultural intelligence and stakeholders intelligence, the report conclude that if managers of oil companies are culturally conscious and aware of host communities stakes in their operations, they will be able to solve the challenges associated with poor stakeholders identification and engagement. As know stakeholder will be over looked or neglected. And in a situation where the level of metacognitive intelligence is high it implies that such manager thought process will be able to capture the value and beliefs pattern of host communities priorities and be able to provide for them without crisis. Based on the conclusion, the report recommends that:

1. Management of oil companies should not just assume that they will always achieve their goals and objectives without identifying the right stakeholders in the host communities. If they organization proceed on the bases of such assumptions, such an organization will face a lot of crisis as the stakeholder that is not identify will disrupt the operations of the organization.

2. Host communities should on their parts help the organization by providing the right persons that can represents the collective interest of the entire host communities as the organization will not be talking to everyone that showcase him/herself as the community representation. As this will not only check fraud and dubious people from cultivating discord between the host communities and the oil company.

3. The government should set up a standard that will be acceptable by the host communities and the oil companies. These standard rules and procedures will be a guide for effective realization of the collective goals of all the stakeholders in the host communities.

4. Oil companies should have better and trained staffs in place that have knowledge on stakeholder management and elicitation. As without such people occupying the position of authority, the outcome of their decision on a daily bases will be detrimental to the optimum goals of the organization.

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