Regulatory Pressure of Institutional Isomorphism and Survivability: Evidence from Telecommunication Firms in Nigeria

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Abstract: This study empirically examined the association between regulatory pressure of institutional isomorphism and survivability of telecommunication firms in Nigeria. The study adopted a cross-sectional survey design while its theoretical foundation was anchored on population ecology theory. However, the population of the study comprised 198 executives and managerial staff of the four telecommunication firms in Nigeria. The study was a census as no sampling was done. Data were gathered using structured questionnaire. Tables, frequencies and simple percentage were used for data presentation. Pearson Product Moment Correlation was used in testing the hypothesized relationship with the aid of the Statistical Package for Social Sciences (SPSS) version 21.0. Consequently, the study found that regulatory pressure of institutional isomorphism positively and significantly associates with survivability. The study thus concludes that regulatory pressure of institutional isomorphism is a survival-dependent pressure that performance-oriented telecommunication firms in Nigeria must progressively respect and abide by in order to obtain social legitimacy. Consequently, it recommends that the managers of telecommunication firms in Nigeria should endeavor to incorporate every aspect of regulatory standards laid down by the institutions they are dependent, such as NCC in their daily operations as a sure means of gaining social legitimacy which greatly facilitates their continuous survivability.

Keywords: Regulatory Pressure, Survivability, Adaptability, Situation Awareness, Telecoms Firms

Introduction

The telecommunication sector is one of the sub-sectors operating within the umbrella of the service sector in Nigeria. In our view, the telecommunication sector comprises firms or organizations that make communication possible on a global scale through phone, the internet, airwaves, cable, wires and wireless. According to Futter (2011), telecommunication sector in the Sub-Saharan African region is growing at a faster pace than other industries due to significant investment from the private sector. Thus, in Nigeria, the telecommunication sector may be considered as one of the fast-growing sectors of the economy given the massive inflow of foreign investments the sector has recorded in the last two decades. However, irrespective of these huge investments, today, operators of this sector are now grappling with the issue of survivability, due to various internal and external constraints. The achievement of survivability goal is considered very fundamental for every business given the teleologic or goal-oriented nature of contemporary organization.

For instance, some of the goals of organization may include, customer or value creation (Drucker&Maciariello, 2008), profitability, growth and expansion, good corporate citizenship behavior, goodwill and survival (Jaja, Gabriel &Wobodo, 2019). And the extent to which these goals are achieved by the firm is largely anchored on its survivability. Thus, explaining why Akindele, Oginni and Omoyle (2012) argue that the goal of survivability reinforces every other goals of a business. By implication, it means that it is only a living business that can make profit, experience growth and expansion in its asset base or strategic business unit (SBUs). Furthermore; Bartlet
(2006) contends that corporate sustainability and growth are natural business goals requiring the investment of organizational energy and resources. Thus, showing that survivability goal requires top management commitment through effective and efficient deployment of organizational resources to achieve other business goals.

Therefore, based on the strategic role of management in the formulation of requisite policies and strategies to guide the organization from its existing plateau towards a desired future state in order to increase its efficiency and effectiveness, paying more attention to this all-encompassing goal (survivability) will certainly contribute to the satisfaction and delivery of other related corporate goals. Hence, Ogunro (2014) alarmed that the survivability of the organization depends on its success in surmounting observable environmental challenges and seizure of opportunities. Since, survivability is borne out of resilient posture in the face of threat, Brand and Jax (2007) noted that the capability to sustain competitive advantage over time requires that the organization must simultaneously deliver excellent performance against current goals, and effectively innovate and adapt to rapid turbulent changes in the market and technologies. This is as Wobodo, Asawo and Asawo (2018) had argued that the complex, dynamic and competitive nature of business environment presents organizations with constant and immeasurable challenges emanating internally and externally. And, it takes only those organizations that respond to it proactively and reactively to survive and affect appropriate performance.

These challenges and forces are within and outside the control of managers, often time, because of turbulence, organizations slide into situations that threaten their survivability. For instance, Bello (2011) pointed out that the Nigerian business operating atmosphere is saturated with unlimited trepidations provoked by macro and micro environmental forces which affect business in varied ways. These forces manifest as a result of political imbalance, technological shifts, terrorists’ attacks, natural disaster, and market rigging by the government, employees’ educational and cultural differences and wrong structural configurations (Wobodo et al., 2018; Umoh& Amah, 2013; Koontz &Weirlich, 1999). Accordingly, Worthington and Britton (2003) stressed that these forces impinge not only on the transformation process itself but also on the process of resource acquisition and consumption of goods or services. Admittedly, these forces due to their unpredictability and complexity of character are seen as antecedents of change, which can make or mar survivability objective of a business depending on how managers respond to them.

Given this observation, Robbins, David and Courter (2011) maintain that to comprehend and synchronize the unpredictable nature of human beings and global forces, there is urgent need for managers to synchronize and effect some changes in the organization; stressing that these changes may be in the areas of its structural reconfiguration, adoption of new technologies that strengthen business performance in the most effective and efficient manner, as well as workforce composition in order to continuously possess the right mix of individuals capable of translating business goals to reality. In the same vein, Kubr (2002) in his earlier groupings stated that change in organizational settings should focus on issues bordering on technology, products and services, organizational culture, managerial practices and styles, relationships, area of competences and capabilities, and other components of trade. This is as Macredie and Sandom (1999) posit that successful organizations of the future, be it private or public, must be prepared to respond to the changes within and outside its control or face extinction. In consonance with this point, Beer and Nohria (2000) argue that today’s organizations have come to realize that if they do not respond to change with effective strategies, they stand to perish faster than they envisaged.

A firm grip and knowledge of these whole issues is particularly important to organization because of its interdependency with the environment. As pointed out in Koontz and Weirlich (1999) and also reinforced in Jajaet al. (2019), organization does not operate in isolation but are mutually dependent with its operating environment. This interdependency manifests in different forms. For example, the environment provides the organization with all the requisite input resources to drive its objectives namely, manpower, money, machine and material, while the environment on the other hand depends on the organization for quality goods and services for continuous existence. The environment also through the agents of government such as NCC, National and State House of Assembly, Corporate Affairs Commission, Chambers of Commerce, Judicial Precedence, Federal and State Revenue Boards, Local Government Legislative Assembly etc. makes laws, rules, edicts and policies that organizations must as a matter of necessity abide by if they must survive in that environment or face sanctions capable of sliding it into unplanned liquidation. Consequently, to avoid and mitigate any form of survivability threatening sanctions, every organization operating within a given organizational field or sector strives towards responding to regulative pressure of institutional isomorphism, not just a as law abiding corporate entity but also
as a means of survivability amid change.

The concept of regulative pressure is a fundamental component of institutional isomorphism which every organization notwithstanding its size and scope, must respond to as they emerge from the external environment. Regulatory pressures are forces that are practically outside the control of the firm. They are borne out of formal and informal laws that are prevalent in the society a firm is a part of, and the organizations such firms is dependent. Therefore, an organization’s disposition towards regulatory pressures of institutional isomorphism will immensely have implications on its survivability. This is basically so because no organization is internally sufficient (Pfeffer, 1982); as such, will require other organizations’ support to survive. Firms’ frank submission to various regulatory pressures within a given organizational field brings about institutional isomorphism. This means that over time, all the firms within a specific industry will begin to look alike in their behavior, structural design, strategies, procedures, products and services. Accordingly, Rusten and Bryson (2007) assert that through institutional isomorphism organizations are compelled to copy the behavior of others.

The foregoing view is in tandem with the core assumptions of the new institutional theory which states that specific institutions such as National Communication Commission formulate rules and regulations that must to be followed by individual organizations, such as MTN, Globacom, 9Mobile and Airtel if they seek to obtain legitimacy (Lowndes & Wilson, 2003; Powell & DiMaggio, 1991). Meaning that the need for organizations’ continuous response to regulative pressures of institutional isomorphism as they emerge is not optional, rather a compulsory strategic action as the survivability of organizations to a large extent is tied to how effective they are able to comply with them. Although, scholars such as Casile and Davis-Blake (2002) and Goodstein (1994) have argued that institutional isomorphism has been tested on a variety of organizations, mainly in the private sector and industries as well as in specific organizational fields (Kraatz&Zajac, 1996; Carroll &Huo, 1986). But to us, amid these gamuts of studies, have not spotted any empirical evidence showing a direct linkage between regulative pressures of institutional isomorphism and survivability of telecommunication firms in Nigeria. Some of studies found this direction include Erengwa, Nwuche and Anyanwu (2017) who examined employee participation and organizational survival in selected manufacturing firms in Port Harcourt, Nigeria; Gunu and Sanni (2016) assessed the impact of learning organizations on organizational survival in some selected Nigerian manufacturing firms; Nwosu (2014) investigated succession planning and corporate survivability of selected firms in Nigeria, and Li and Ding (2013) determined the effect of institutional isomorphic pressure on the internationalization of firms in an emerging economy. Given this empirical lapse, this study empirically examines regulatory pressure of institutional isomorphism and survivability of telecommunication firms in Nigeria.

Statement of the Problem

A number of studies have proven that the current business milieu is immeasurably turbulent and dynamic in nature (Wobodo et al., 2018; Gabriel & Arbolo, 2015; Gabriel, 2015; Umoh& Amah, 2013; Robbins, David & Courter, 2011; Koontz &Weihrich, 1999), thus, leading to untimely closure of businesses. For instance, Robb (2000) stressed that large organizations are failing at a faster pace; profit level is decreasing as well as overall business performance. In the light of these rapid failures, Arasti (2011) argued that the causes of business failures are a confluence of several forces exerting undue influence on the organizations’ operations. Incidentally, our industry of interest which is the Nigeria telecommunication sector is not immune to these forces. This is as Agency Report (2017), reveals that the operators of the telecoms industry are now battling to survive due to unfavorable economic policies being implemented by the government and other associated factors. A condition they observed compelled some of the operators to rationalize staff; some have moved their Network Operating Centers (NOCs) to India; while some are faced with difficulties in meeting with their creditors’ obligations.

According to the Chief Operating Officer, Globacom, one of these challenges is the problem of multiple taxes, and is perceived as a major impediment to further tariff reduction (Ahmad, 2007; Ajala, 2005). Correspondingly, Alabi and Alabi (2016) asserted that the enforcement of multiple taxation by government on the sector threatens the survivability and growth of the sector, and affects their operations adversely. Again, the challenge of epileptic power supply in the country adds to the increasing problem of telecoms firms’ survivability. This particular problem is one of the major causes of increased operating cost as these firms will have to run power generating set 24 hours across all their major tower stations in the country. Another observable survivability threatening challenge ravaging the telecoms organizations in Nigeria is the problem of high cost of tower rentals which according to David Venn, the chief executive officer, Spectranet as stated in IT News Nigeria,
12 June 2017 edition has continued to increase over the year. Consolidating on these identifiable perturbations and inconsistencies in the environment confronting the survivability of firms operating within the Nigerian telecommunication sector, the interest of the researchers is further stimulated to examine how response to regulative pressure of institutional isomorphism could be used as a precursor for survivability of firms within the telecoms sector in Nigeria.

**Conceptual Framework**

In relation to a study focus, a conceptual framework is used to provide a graphical explanation on the association of the study variables. Therefore, the conceptual frame work of this study is presented in figure 1 below.

![Conceptual Framework](source)

**Figure.1:** Conceptual Framework of Regulatory Pressure of Institutional Isomorphism and Survivability

**Source:** Desk Research, 2021.

**Purpose and Objectives of the Study**

The purpose of this study was to examine the association of regulatory pressure of institutional isomorphism and survivability of telecommunication firms in Nigeria. In tandem with this, the objectives are:

i) To examine the association of regulatory pressure of institutional isomorphism associates with firms’ adaptability of telecommunication firms in Nigeria.

ii) To examine the association of firms’ situational awareness of institutional isomorphism and survivability of telecommunication firms in Nigeria.

**Research Questions**

i) How does regulatory pressure of institutional isomorphism associates with firms’ adaptability of telecoms firms in Nigeria?

ii) How does firms’ situational awareness of institutional isomorphism associates with survivability of telecommunication firms in Nigeria?

**Research Hypotheses**

**H0:** There is no significant level of association between regulative pressure of institutional isomorphism and firms’ adaptability of telecommunication firms in Nigeria.

**H02:** There is no significant level of association of regulative pressure of institutional isomorphism and firms’ situation awareness of telecommunication firms in Nigeria.
Literature Review

Theoretical Foundation: Population Ecology Theory (PET)

Given the centrality of stating in clear terms the theoretical underpinning on which a study variable draws from; in this study, we considered the adoption of population ecology theory as one of the appropriate frameworks that offers explanation on the strategies for corporate survivability amid change. Population ecology theory is considered best fit in analyzing the nexus between institutional isomorphism and survivability, particularly because of its potency in the understanding and analyses of conditions under which organizations emerge, grow, and eventually die. Staw and Cummings (1990) and, Ahiauzu and Asawo (2016) justified this assertion wherein they argued that the quest for precursors of business success and its continuity has been a salient task on the part of organizational studies' researchers. Furthermore to this, they emphasized that the sociological baseline theory that extensively provide analytical frame to such issue is the population ecology theory. The conceptualization and advancement of population ecology theory is traceable to Aldrich and Pfeffer (1976) study on Environments of organizations as well as Hannan and Freeman (1977) Population Ecology of Organizations study. Population ecology theory draws its philosophy from biology, economics and sociology. Consequently, it has immensely aided both scholars and managers in the study of the form and variety of entire organization populations as they evolve over time in a particular environment (Soylu, 2008).

According to Abbott, Green and Keohane (2016) organizational ecology is the study of aggregate changes in the types and numbers of organizations. In the view of Aldrich and Pfeffer (1976), the population ecology theory does not deal with single organization units but concerns itself with forms or populations of organizations. Furthermore, it focuses on the populations of organizations, how members of a population compete with one another for available resources within its organizational niche as well as how populations interact with one another. Hannan and Freeman (1977) argue that the population ecology theory emerged mainly as an alternative to the adaptation theory which was at the time the dominant framework in explaining organizational diversity. While adaptation theorists perceive the environment as something that can be greatly treated, influenced and shaped by various actions of organizations’ managers to achieve survivability objective, the population ecologists challenged the view that individual organizations can effectively and without consequences adapt to changes in the environment (Salimath & Jones, 2011). Thus, the population ecology theorists hold that it is the environment in which organizations operate that determines the possibility of their survival or failure (Power, 2000; Hannan & Freeman, 1977), thereby disregarding the essentiality of managers’ roles in determining business survivability.

Although, they believe that adaptive change is not impossible, or even rare, but it is severely impinged upon (Carroll, 1988), at the individual organization level due to inert internal and external forces (Hannan & Freeman, 1977). They believe that individual organizations are subject to strong inertial pressures which do not allow them create successful changes in their structures and strategies when dealing with threats presented by the environment. In their assumptions, they argued that the closure or survival of organizations do not calibrate from its ability to change but the environment's ability to select and retain certain others are selected out for available resources within its organizational niche as well as how populations interact with one another. Hannan and Freeman (1977) argue that the population ecology theory emerged mainly as an alternative to the adaptation theory which was at the time the dominant framework in explaining organizational diversity. While adaptation theorists perceive the environment as something that can be greatly treated, influenced and shaped by various actions of organizations’ managers to achieve survivability objective, the population ecologists challenged the view that individual organizations can effectively and without consequences adapt to changes in the environment (Salimath & Jones, 2011). Thus, the population ecology theorists hold that it is the environment in which organizations operate that determines the possibility of their survival or failure (Power, 2000; Hannan & Freeman, 1977), thereby disregarding the essentiality of managers’ roles in determining business survivability.

Leaning on the forgoing understanding, organizational leaders today believe that the ability of individual organizations to operate and survive in its forms or sector domain lies in its ability to synchronize various isomorphic pressures which to a great extent informs environment’s selection and retention processes. This is as doing this brings about various socio-economic benefits for the organization and promotes the realization of corporate survivability objective. For instance, legitimization of a business may serve as an antecedent of selection and retention of a business by the environment and consequently lead to its survivability. As reflected in the
variation-selection-retention logic, amid change, the environment always selects organizations that possess positive survival qualities (Fligstein, 2000), while those that are deviant enjoys what we may call “enhanced entropy”. Based on this, organizations adapt to their environment, and become institutionalized by retaining and reproducing their form (Salimath & Jones, 2011), this in turn facilitate their growth and survivability. Thus, given credence to Van and Witteloostuijn (2000) when they stressed that population ecology has become a quantitative study of organizational vital rates (founding, growth, and mortality) that emphasizes the force of external selection over internal adaptation. Similarly, Soylu, (2008) reiterates that adaptation of a population of organizations come about by the environment selecting for survival of those organizations that are well adapted and rejecting those organizations that are maladapted.

**Concept of Regulatory Pressure of Institutional Isomorphism (RPII)**

Regulative pressure is one of the primary factors that determine the fate of any organizational field and its individual members. It is also referred to as coercive pressure (DiMaggio & Powell 1983); so, in this study, we will be using them interchangeably. However, notwithstanding the simplicity or complexity of an organization, it must be subject to regulative pressure if it must thrive in its operating environment. According to DiMaggio and Powell (1983) coercive pressure refers to a combination of direct and indirect pressures cast on organizations by other institutions upon which they are dependent, and by the expectations of the societies where they operate. For Kshteti (2009), coercive pressure refers to expressed regulative practices such as rules, assessments and codes of practice. In the same vein, Bondy (2009) viewed it as a reflection of both formal and informal pressures on organizations to operate in accordance with the cultural practices of the society in which they are a part of and the organizations on which they are dependent. Similarly, Masocha and Fatoki (2018) in their recent contribution espoused that regulatory pressures are processes arising from regulatory institutions and prevailing legislature which formulate and prescribe organizational practices regarding to the business milieu. Thus, we added that regulatory pressure refers to any formal and informal power predisposing organizations in a given field to behave in a certain way in relation to their business operational patterns or face sanctions.

In credence to the above views, Kauppi (2013) averred that indeed organizations largely experience regulative pressures instigated by other institutions which they are dependent, especially for their continuous existence. These institutions may include all government ministries, agencies and departments as well as other traditional and religious institutions that exert influence on them. Buttressing this fact further, Ashworth et al. (2007) argues that these pressures are often associated with legal requirements, health and safety regulations. It also emphasizes on issues bordering on ethicality such as environmental pollution control, social responsibility, taxation etc. The essence of regulatory pressure is to regulate the behavior of organizations so that their activities do not constitute threats to human race; and most especially, the inhabitants of their immediate operating environment. It is an instrument that government, formal and informal uses to moderate the operational practices of organizations to protect the society from any notorious and unethical practices which most times are blindly adopted in their quest for performance sustainability.

This is why often time organizations perceive regulative pressure as forceful and threatening instrument to their existence, due to its constraining influence on them. In the same line of thought, Buchko (2011) asserted that coercive pressures are viewed by organizations as forces for action or persuasion. What this means is that coercive pressures compel obedience, and failure to conform attract disastrous consequences ranging from fines to outright foreclosure of business. Thus, reinforcing the argument of Seyfried et al. (2019) that whenever legislations are rolled out in an organizational field, such laws immediately create expectations and pressures for the organizations to conform; and where noncompliance is perceived, a stated sanction is invoked. In this circumstance, we may argue that coercive pressures have great influence on the manner organizations in their respective fields operate. Owing to the obvious dangers associated with fragrant disposition toward coercive pressures, organizations often times, may opt for what Bondy (2009) regarded as coupling and decoupling strategy to assume conformity.

Under coupling strategy, organizations sincerely embrace and implement whatever regulations outlined by the government and the society at large within the coverage of their operational domain or sector. By so doing, such organizations receive both economic and social supports from the society. They primarily lend them these supports because they consider them as law abiding corporate entities; thus, reinforcing their legitimacy. Such organizations enjoy increased customer patronage, attract investors due to solid corporate image, host community protection arising from mutual relations etc. On the other hand, when organizations adopt decoupling strategy, it
refers to actual practices being different from the institutionalized practices (Scott, 2008). Here, firms superficially conform to the demands and expectations of the society without actually implementing it. This type of strategy may be likened to what Ali and Al-Aali (2017) called “the unity of contradictions” in his discussion pertaining to organizational crisis management which Wobodo and Oparanna (2019) in their contribution to the debate on the same subject refer to as “lips service”. This situation occurs when those in the position of authority to handle crisis situation superficially display commitment to prevent or manage the crisis while inwardly, they have no intention of solving the problem (Wobodo&Oparanna, 2019). This is exactly the situation of things in Nigeria as both the government and organizational leaders are in the habit of making bogus promises without any iota of commitment to fulfilling it, and this has contributed largely to the country's low developmental stride.

Thus, the effect of decoupling strategy on the organization in particular is usually not a palatable one because of the inherent sanctions or punishment that follows its discovery. Such punitive actions manifest in the form of revocation of business operational license, media attack, abandonment by shareholders through withdrawal of their capital investment or share, tendency for low patronage as a result of negative perception on the part of current and potential customers. Further probe into the primary reasons some organizations find it difficult to embrace coercive pressures without trying to cut corners is because of corporate inertia, especially when such organizations have made massive investment in that direction. Hannan and Freeman (1984) stressed that inertial pressures is the driving force behind resistance to new regulations as the existing practices tend to reinforce the kind of political decisions that sustain their continuity. In response to this, Jaja et al. (2019) observed that whenever an organization becomes too attached to a particular practice or structure, it finds it difficult to embrace change in that direction. But as we know, organizations cannot operate without the environment hosting it; as such, it must be subject to whatever it presents to it. And doing this requires wearing a flexible mindset which creates room for smooth adaption to both planned and unplanned change that characterizes the environment. Specifically, within the industry of our interest which is the Nigeria Telecommunication Industry, some observable coercive pressures that individual organizations must respect and abide by in order to remain legitimate include regulations such as seeking prior approval from the regulators of tariffs or charges for the provision of any service. An individual organization’s license is valid only for a period of five years, and such organizations must as a matter of compulsion reapply for renewal not later than six months before its actual expiry date, and the renewal fee is determined by the NCC. To erect telecoms masts, all telecoms’ licensees must comply with regulations laid out by the National Environmental Standards and Regulations Enforcement Agency. It is therefore in obedience to these regulations that the practices of organizations in this organizational field result to institutional isomorphism.

Survivability (S)

According to Gabriel and Arbolo (2015), survivability refers to the capability of an organization to continuously meet with the demands of the market, its workforce, shareholders, investors, host communities, the government and other relevant stakeholders. Drawing from the authors’ definition, it shows that for an organization to remain operationally alive, it must continuously ensure that all of its stakeholders’ needs or interests are protected, and by so doing, the organization gains their commitment towards its goals attainment which in turn leads to corporate survival. In the same manner, Akindele et al. (2012) viewed the subject of survivability as the process of running a business organization as a going concern which is often referred to as manage to stay in business. By implication, this means that when individuals set up a business, one of their primary objectives is to ensure its perpetuity; and they achieve this through quality leadership and succession planning. Here, entrepreneurs see corporate survival as the process of an organization existing beyond its founders. In support of this, Ugwuzor (2017) contends that firms always expect that they will remain viable and continue to exist and operate in the foreseeable future. Similarly, Nwosu (2014) referred survivability as successful organizations which are capable of achieving their goals and maintain same over a long period of time. Furthermore, Recker (2002) alludes that it involves living over possible setbacks and organizational deaths accordingly. Again, Gross (1968) posits the concept of survivability is an unwritten law of every organization; meaning that it is part of every organization’s agenda.

Drawing from the foregoing definitions, in our view, survivability can be referred to as a state of continuous business existence even in the face of unforeseen environmental threats capable of breaking the organization. In line with our definition, we believe that survivability is not something that can be given to an organization like a loan obtained from a bank. It is a phenomenon that can only be earned by an organization through its hard work and resilience capacity in the face of the storm. Survivability is primarily important because it contributes to the
satisfaction and execution of other business objectives. This is as literature shows that among all that an organization is set out to achieve; survivability appears to be the building block or the bridge on which other goals are met. Thus, upholding the view of Gabriel and Arbolo (2015) wherein they argued that the concept of survival is an essential aspect of every business objectives. Similarly, Jaja et al. (2019) added that survival objective is the key among business objectives in that it is only a living organization that can display ambitiousness. This therefore implies that it is only living organization that can make a living or motivated to pursue other business goals such as customer creation, profit maximization, growth and expansion, goodwill etc., and achieve them in the long run. In fact, it is on the basis of its essentiality that it is embedded in the going concern principle which holds that a business will continue to exist and function with no defined date of liquidation.

Hence, we see survivability as a phenomenon that must be given utmost attention, especially amid environment of business characterized by fierce competition and turbulence that can throw a business into oblivion if not properly managed. Such attention in practice manifests in the quality of an organization’s planning, execution, and proactive response to feedback. Thus, giving impetus to Otth (2004), wherein he contends that an organization that failed to plan has already planned to fail. And when this happens, survivability goal is clearly defeated. However, because of its strategic position in the attainment of other business goals, every manager sees it as the engine room of business performance. In tandem with this argument, Sheppard (2016) suggested that the most objective means through which survivability of a business can be determined is to observe its continuing existence. Butressing this further, we may add that achieving continuous survivability is associated with sustained efficiency, effectiveness, profitability, customer satisfaction and all other business performance indicators. More so, the extent to which this is achieved will largely depend on the collaboration between the management and the employees, especially during and after turbulence or adversity. This is also in accordance with Akintokunbo (2018) when he stated that organizational survival is very crucial at this period of business turbulence; while Lee and Whitmore (2006) affirmed that survivability of a business in a vibrant and competitive business environment is anchored on how effectively the business learn to adapt itself to the environment and capitalize on its resources fully both human and material.

Measures of Survivability

Given the strategic importance of survivability objective among other business objectives, organizational theorists in their efforts over the years have espoused different taxonomies through which scholars and managers in practice can effectively measure it without ambiguity. Teece, Pisano and Shuen (2010) and Zahra, Sapienza and Davidsson (2006) used pro-activeness, adaptability and dynamic capability. Yet, McManus et al. (2008) utilized situation awareness, keystone vulnerabilities and adaptive capacity. Given these superfluities of typologies, in this current research, we adopted adaptability and situation awareness. The reason for the adoption of these typologies is that the current study considered them more appropriate given the peculiarity of our industry of focus.

Firms’ Adaptability

Drawing from Cohen and Levinthal (1990), adaptability is concerned with organizations’ capability to expect and respond to threats and latent opportunities by influencing the situation to their advantage. In the same vein, Dalziell and McManus (2004) viewed adaptability as the ability of an organization to respond to changes in its external environment, and to recover from damage to internal structures within the system that impinges on its ability to realize set goals. Furthermore, Denison (2007) referred it to as a phenomenon associated with transforming the demands of a business operating environment into action. However, in consonance with the above views, we perceive adaptability as an organization’s internal vitality to respond and influence survival-threatening pressures from the external environment to its benefits. This view is in line with Cohen and Levinthal (1990), wherein they posit that for any organization to survive, it must expect and respond to threats and opportunities through manipulation of the situation to its advantage. This is because in modern business management, the idea behind the advocacy for organizations to build and display adaptive character is practically tied to the fact that the environment in which all businesses operate is naturally unstable and unpredictable in character. Hence, adaptive behaviour serves as a recipe for survivability. An adaptive organization is resilient in behaviour. This is as Russell and Russell (2006) argued that resilience is the capability of an organization to recover from and at the same time adapt to changes.
Similarly, Wobodo and Oparanna (2019) iterate that organizations’ adaptive capacity is a major driver of a sustained resilient behavior, which may be considered necessary to keep hope alive in the face of stress and disaster. Further to this, Purna (2017) maintained that adaptability theorists hold that in the face of adversity, organizations will fare better if they adjust their practices to suit the prevalent situation. Adversity usually emerges due to things like introduction of new business regulation, technological breakthroughs, ecological factor, such as climate change; sudden shift in customers’ loyalty as a result of new substitute products in the market by other competitors in the field etc. All of these forces pressure organizations to develop new behavior that is capable of keeping it afloat with the current environmental demands. In view of this situation, Wobodo, Asawo and Asawo (2018) maintained that since adversity is associated with strains and pressures, it will require a progressive adaptive capacity on the part of the organization and its employees to synchronize such changes, so as to remain alive and pursue its objective. Furthermore, Hammel and Valikangas (2003) asserted that successful organizations should relentlessly adapt to reflect on the changing external environment. In the light of this, we may posit that adaptability is the primary characteristics of organizations seeking to survive in the face adversity.

Accordingly, Emery and Trist (1965) added that the process of adaptation is critical to firms because the capacity to adapt determines success or failure. Bates (2005) while supporting this observation, revealed that adaptation theorists advise that organizations should modify how they operate or how they function in an effort to keep up with changing market conditions or shifting environmental factors. According to Calori and Sarnin (1991), organizations that apply the doctrine of adaptationist are unlikely to hold ambitious objective, give priority to the situation of clients, and are always willing to try new ideas. No wonder, Kotter and Haskett (1992) contends that high performing organizations are likely to have strong culture and values which encourage adaptable behaviors, and to value customers, employees and shareholders equally. This therefore explains why Lind and Scigeroth (2000) argued that for organizations to become frontrunners always, they should become adaptive. Meaning that adaptability disposition guides organization towards championship amid competition. This is because, while non-adaptive organizations may be busy complaining and seeing only the threats in the surface of adversity, adaptive organizations are busy harnessing the hidden opportunities imbedded in that same adversity, while at the same time, undermining the inherent threats it carries.

**Firms’ Situation Awareness**

The origin of situation awareness concept is traceable to the work of Endsley (1995). In his work, he asserts that situation awareness was first applied in the military when fighter pilots came to realize the criticality of gaining awareness of the enemy before he gained awareness of one’s self. He associated this with having adequate knowledge and integration of large volume of information for optimal task performance. Bryant, Lichacz, Hollands and Baranski (2004) verified this observation wherein they stated that Endsley’s model of situation awareness emerged basically from practical needs linked with military applications; more specifically, the information needs of U.S. fighter pilots. Endsley (2000) in his model assumed that situation awareness is derived within an iterative cycle wherein information from the external environment is processed through three phases of information processing with each level transmitting information onto the next level. Here, in level I, situation awareness involves identifying the different elements; for instance, aircraft in the environment and their characteristics such as color, size and location. In level II, situation awareness focuses on understanding and isolating the significance attached to the perceived elements in the environment. Finally, in level III, situation awareness is associated with capacity to predict future actions of those elements observed in the environment. However, ever since then, the concept has been an area of dedicated interest by other scholars, especially those in the field of management sciences due to its perceived criticality in effective decision-making. This is based on the notion that the volatile and changeable nature of the current business arena cannot be adequately monitored, evaluated, understood and adapted to without a full knowledge of the happenings in the environment. Today’s business environment is so dynamic that it takes only those organizations that follow the pace of change to survive bearing in mind that nothing is absolute; both in terms of human behavior and technology. Hence, Endsley, Bolte and Jones (2003) referred situation awareness as the capacity of an organization to know what is going on within its operating environment, as well as understanding the usefulness of such information to them in the current situation, and in the future. Accordingly, Jajae et al. (2019) referred it as an indication that an organization understands the current happenings in its operating environment. But in our view, we see it as following the pace of change and happenings in ones’ business operating environment as they unfold.
Furthermore, Jaja et al. (2019) argued that situation awareness behavior is specifically important to organizations because it enables organizations to know how its environment and the people in it influence their operations. Especially, in a work environment where information flow can be high and severe incidents may occur as a result of poor judgment and decisions (Koskinen-Kannisto, 2013). To avert this, Carayon (2006) suggested that to make successful decisions in complex environment and dynamic situations, there is need to have situation awareness insight. Again, Endsley (1993) in offering explanation on the consequences of not having situation awareness revealed that one might expect reduction or even absence of situation awareness competence to be associated with reduction in performance, but the sad truth is that the absence of situation awareness gravely puts the actors or decision makers at increasing risk of performance error, such as false action. Bearing in mind the place of quality decision-making in organizational outcomes, one will know that when a manager makes a decision without adequate information on a subject, the outcome of such decision is bound to be chaotic and detrimental to the overall business performance; hence, the need for situation awareness is of utmost relevance.

**Regulatory Pressure of Institutional Isomorphism and Survivability**

Regulative pressures can be seen clearly in the form of legislations and borders on a wide range of issues such as employment rules, environmental pollution control, taxation and accounting standards, health and safety etc. However, by virtue of its capacity to reward and sanction organizations; today managers have obligation to ensure that their actions conform to expectations of the society. According to the Department for Business, Innovation and Skills (BIS) (2013) surveys of business owners, it found regulatory pressure as a major obstacle to business growth or success. This was attributed to cost of compliance, especially to small and medium businesses that do not possess the resources to withstand serious cost or demand shocks, and the compliance costs of regulation. Setyorini and Ishak (2012) in their study of corporate social and environmental reporting found that government regulation is related with social and environmental disclosure in Indonesia. Drucker, White and Stanworth (2005) examined the effects of the introduction and first uprating of the National Minimum Wage (NMW) on hairdressing businesses. The study discovered that the emergence of the NMW did not act as a shock, instead encouraging organizations either to adopt a more formalized approach to employment or to move down market with greater pressure on employees or on family members associated with the business. The study also found that employers adopt different responses to regulative pressures including non-compliance; thus, reinforcing Oliver (1991), findings.

Morris, Collier and Wood (2005) investigated the consequences of minimum wage legislation for training and other non-pay benefits on small businesses in the UK equestrian sector. The study found that contrary to the conventional notion regarding the negative effects of minimum wage on smaller firms, a number of respondents were favorably inclined to such measures, particularly, the more successful firms. According to Kilbourne, Beckmann and Thelen (2002) coercive pressures are crucial to drive environmental management, hence, sustainability. This means that when organizations’ actions are in line with environmental regulations, the survivability of the organizations and their host communities is perceived to be secured as no organization can operate and thrive in an environment that is polluted and unhealthy for healthy living. In this current study, we believe that telecommunication firms operating in Nigeria will respond to all the constructive coercive pressures exerted on them by the Nigeria Communication Commission (NCC), Federal and State Revenue Boards, National Environmental Standard and Regulations Enforcement Agency, Consumer Protection Council etc. to make the industry a sustainable one.

Based on the extant literature search, the study hypothesizes that:

- **H01**: There is no significant level of association between regulatory pressure of institutional isomorphism and firms’ adaptability of telecommunication firms in Nigeria.
- **H02**: There is no significant level of association of regulatory pressure of institutional isomorphism and firms’ situation awareness of telecommunication firms in Nigeria.

**Methodology**

A research design is referred to as the development of strategies in finding out something (Anyanwu, 2000). In the light of these view, Ahiauzu (2006) opined that a good research design should capture the type of research the researcher is undertaking, the unit of analysis, as well as the time frame for the study. According to Baridam
(2001), there are two approaches through which a research can be conducted; this he referred to as the experimental and the quasi-experimental research. The experimental approach is concerned with the investigation of a phenomenon through rigorous processes and scientific procedures within some contrived and controlled environments. Quasi-experimental research on the other hand, is more concerned with data collection, and the results generated from variables are examined within a less rigorous process and within non-contrived settings. However, the type of research design adopted for this study was cross-sectional survey design which is a form of quasi-experimental approach. The population of this study covers four (4) telecoms firm in Nigeria with 198 participants drawn from the firms. Given the size of the population, the study adopted census sampling approach. The study data was obtained using structured self-administered questionnaire approach. In relation to data analyses, the Pearson Product Moment Correlation was utilized to test the hypotheses earlier stated at 0.05 level of significance. This was aided by Statistical Package for Social Sciences (SPSS version 20). Also, a five (5) point likert scale was used to measure the participants’ choices and opinions, ranging from strongly agree to strongly disagree and a minimum of four (4) items were extracted from each of the variables.

Table 1: Cronbach’s Alpha of Study Variables.

<table>
<thead>
<tr>
<th>No. of Items</th>
<th>Variables</th>
<th>Alpha (α)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Regulatory Pressure of Institutional Isomorphism</td>
<td>0.837</td>
</tr>
<tr>
<td>4</td>
<td>Firms’ Adaptability</td>
<td>0.806</td>
</tr>
<tr>
<td>4</td>
<td>Firms’ Situational Awareness</td>
<td>0.749</td>
</tr>
</tbody>
</table>

**Source:** Research Data, 2021.

Data Analyses

Test of Hypothesis One

Ho: There is no significant association between regulatory pressure and firms’ adaptability of telecommunication firms in Nigeria.

Table 2: Correlation Result for Regulatory Pressure and Firms’ Adaptability

<table>
<thead>
<tr>
<th></th>
<th>Regulatory Pressure</th>
<th>Firms’ Adaptability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>1.000</td>
<td>.484</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.</td>
<td>.000</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>189</td>
<td>189</td>
</tr>
</tbody>
</table>

**Pearson Correlation**

<table>
<thead>
<tr>
<th></th>
<th>Regulatory Pressure</th>
<th>Firms’ Adaptability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>.0484</td>
<td>1.000</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.000</td>
<td>.</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>189</td>
<td>189</td>
</tr>
</tbody>
</table>

***. Correlation is significant at the 0.05 level (2-tailed).**

**Source:** SPSS Output, 2021

In view of the results presented in table 2 with rho value= 0.484, it reveals that an association exist between regulatory pressure and firms' adaptability. However, this association is significant at p = 0.000< 0.05 significance level. This indicates the null hypothesis stated earlier is hereby rejected thereby validating the existence of a significant level of association between regulatory pressure and firms’ adaptability.
Test of Hypothesis Two

$H_0$ : There is no significant association between regulatory pressure and firms’ situation awareness of telecommunication firms in Nigeria.

Table 3: Correlation Result for Regulatory Pressure and Firms’ Situation Awareness

<table>
<thead>
<tr>
<th></th>
<th>Regulatory Pressure</th>
<th>Firms’ Situation Awareness</th>
<th>Situational</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory Pressure</td>
<td>Correlation Coefficient</td>
<td>1.000</td>
<td>.890</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>189</td>
<td>189</td>
</tr>
<tr>
<td>Firms’Situation Awareness</td>
<td>Correlation Coefficient</td>
<td>.890</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>189</td>
<td>189</td>
</tr>
</tbody>
</table>

**, Correlation is significant at the 0.01 level (2-tailed).**

**Source:** SPSS Output, 2021

The result shown in Table 3 with $r_{ho} = 0.890$, confirms that an association exist between regulatory pressure of institutional isomorphism and firms’ situation awareness. Furthermore, this association is significant at $p = .000 < 0.05$ significance level. Thus, the previously stated null hypothesis is hereby rejected and the alternate accepted.

Discussion of Findings

Regulatory pressures can be seen clearly in the form of legislations and borders on a wide range of issues such as employment rules, environmental pollution control, taxation and accounting standards, health and safety etc. However, by virtue of its capacity to reward and sanction organizations; today managers have obligation to ensure that their actions conform to expectations of the society. According to the Department for Business, Innovation and Skills (BIS) (2013) surveys of business owners, it found regulatory pressure as a major obstacle to business growth or success. This was attributed to cost of compliance, especially to small and medium businesses that do not possess the resources to withstand serious cost or demand shocks, and the compliance costs of regulation. Setyorini and Ishak (2012) in their study of corporate social and environmental reporting found that government regulation is related with social and environmental disclosure in Indonesia. Druker, White and Stanworth (2005) examined the effects of the introduction and first uprating of the National Minimum Wage (NMW) on hairdressing businesses. The study discovered that the emergence of the NMW did not act as a shock, instead encouraging organizations either to adopt a more formalized approach to employment or to move down market with greater pressure on employees or on family members associated with the business. The study also found that employers adopt different responses to regulative pressures including non-compliance; thus, reinforcing Oliver (1991), findings.

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1. Through the obedience of telecommunication firms in Nigeria to various regulatory pressures as they emerge, it will strengthen their adaptive capacity towards survivability through improved resilience behavior in the face of adversity.

2. Attention to regulatory pressures by telecommunication firms in Nigeria not only glorify their legitimacy but also prepares their mind to continuously remain in tone with the happenings in their external environment situation or condition given its unpredictability.

3. That by responding to the demands of various regulatory expectations, telecommunication firms in Nigeria develop creative and innovative mind in dealing with novel situations and emergent change.

4. That by telecommunication firms in Nigeria being open to the dictates of regulatory pressures; their exponential growth is imminent as most of the regulatory demands on them are raw gold in disguise which can only be explored through objective coupling strategy.

Conclusion and Recommendations

In view of the study findings, which show that regulatory pressures of institutional isomorphism positively interlace with survivability, we conclude that regulatory pressure of institutional isomorphism is a survival-dependent pressure that goal-focused telecommunication firm in Nigeria must progressively respect and abide by in order to obtain social legitimacy. This is particularly because regulatory pressure of institutional isomorphism exerts both rewards and sanctions on the organization; and extent to which the pendulum swings toward rewards or sanctions is premised on the firm's behavior. Thus, wherein the pendulum swings toward rewards, the organization is viewed as being submissive to institutional pressures as they emerge and this creates a platform that leads to survivability goal attainment. Consequently, the study recommends that the managers of telecommunication firms in Nigeria should endeavor to incorporate every aspect of regulatory standards laid down by the institutions they are dependent, such as NCC in their daily operations as a sure means of gaining social legitimacy which greatly facilitates their continuous survivability.

References


