

Targeted Procurement and Organizational Survival of Tertiary Health Institutions in the South-South of Nigeria

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ABSTRACT

This paper investigated the role of targeted procurement in the survival of tertiary health institutions in the South-south of Nigeria. The study examined the influence of targeted procurement on measures such as market share, adaptability and organizational growth – with the discussion premised on the resource dependent theory, which was adopted as the theoretical framework for the study. As a correlational design, data was sourced primarily from 68 senior staff of 6 public health tertiary institutions in the South-south of Nigeria. The tests for the related hypotheses revealed significant correlations between targeted procurement and the measures of organizational survival (market share, adaptability and organizational growth). In view of the findings, it was concluded that through targeted procurement diversity management practices; administrators of public health institutions in South-South, Nigeria can effectively bring into the organization different breeds of competent professionals to pursue and achieve its survival goal as manifested in terms of market share growth, adaptability and organizational growth.

Keywords: Organizational survival, Targeted procurement, Market share, Adaptability, Organizational growth

INTRODUCTION

Ibe and Olori (2016) noted that survival is the organizations fundamental and primary goal, one which necessitates subsequent goals and objectives designed to benefit the members of the organization. However, a great deal of the organizations capacity to survive is hinged not only on its external environment but also its internal systems and the extent to which its various groups are

able to collaborate and drive its capacity for growth, adaptability and market share (Gunu & Sanni, 2016). Organizational survival describes the organizations capacity for growth and continued business activities (Akhigbe & Ohiria, 2017; Khan & Lew, 2018). To survive, it is important that the organization is able to provide quality services to its market and market share.

Oguegbulam, Onuoha and Nwede (2017) opine that the nature and content of workplace relationships is constantly changing. Given the surge of service internationalization based on global market operations, most workplaces today are highly diverse. While this has its advantages in terms of broadened creativity, experiences and an availing pool of expertise, it also has its disadvantages consisting of communication gaps and disparities in cultural and traditional perspectives to business and work (Schmitt, Raisch & Volberda, 2018; Yousaf & Majid, 2018). Diversity management practices reflect the actions of the organization geared towards coordinating its human resource and harnessing its variety and differences. One of such practices or actions is targeted procurement which involves recruitment processes aimed at addressing diversity imbalances within the workplace (Oguegbulam, *et al.*, 2017).

Where there is an absence of effective diversity management, there is a tendency for the organizational members to express negative inter-group attitude and a poor level of support for significant others considered as out-group members (Qasim, 2017; Singal & Gerde, 2015; Darwin & Palansisamy, 2015). This could impinge on the performance levels of the organization and militate against the quality of outcomes such as employee stewardship, innovation and learning. Diversity management practice differs substantially from workplace diversity, where the former addresses the steps and procedures utilized by organizations to harness the cultural differences that may exist in their workforce, while the latter, basically describes the evidence of such differences (Ugwuzor, 2018).

While a good number of studies have focused on workplace and workforce diversity related actions in view of their impact on organizational survival (Ibe & Olori, 2016; Erengwa, Nwuche & Anyanwu, 2017), related diversity management practices such as targeted procurement is yet to gain the necessary level of awareness – especially with regards to its relationship with organizational survival. This is apparent in the number of studies which have measured diversity using demographic features such as age, gender, religion, ethnicity (Ashe & Nazroo, 2017; Oguegbulam *et al.*, 2017) with little reference to actual diversity management practices such as targeted procurement. Given this observable dearth of empirical studies in this context, we believe that this study will therefore contribute towards knowledge creation in the area of targeted procurement and its influence on organizational survival within the purview of tertiary health institutions in the South-South, Nigeria.

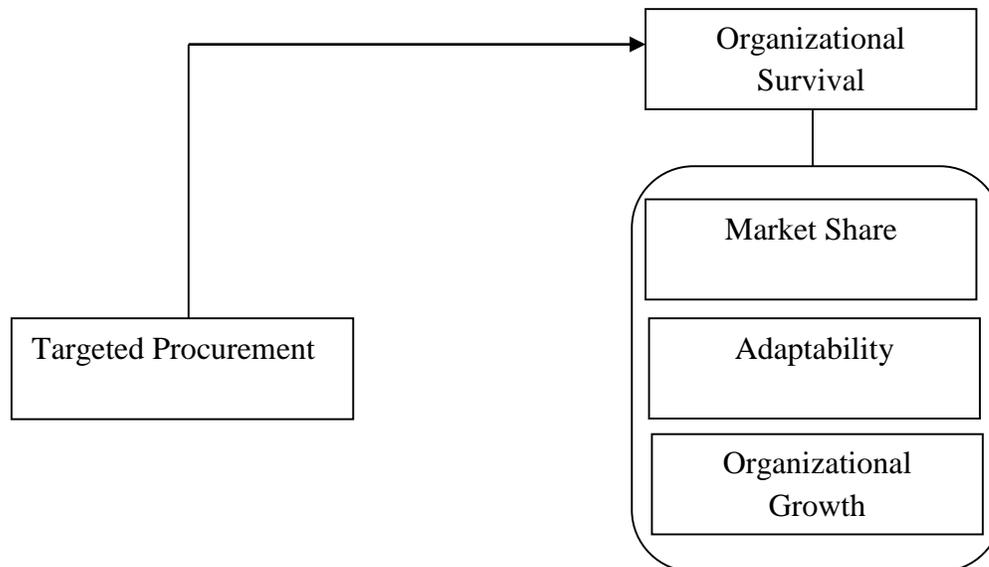


Figure 1: Conceptual Framework

Source: Researchers desk (2021) with measures of criterion adapted from Gunu and Sanni (2016)

Objectives of the Study

The objectives of this paper are to identify as follows:

- i. The relationship between targeted procurement and market share of tertiary health institutions in South-South, Nigeria.
- ii. The relationship between targeted procurement and adaptability of tertiary health institutions in South-South, Nigeria.
- iii. The relationship between targeted procurement and organizational growth of tertiary health institutions in South-South, Nigeria.

Research Questions

The following research questions structure the focus and interest of this paper:

- i. How does targeted procurement relate with market share of tertiary health institutions in South-South, Nigeria?
- ii. How does targeted procurement relate with adaptability of tertiary health institutions in South-South, Nigeria?
- iii. How does targeted procurement relate with organizational growth of tertiary health institutions in South-South, Nigeria?

Research Hypotheses

In a bid to provide answers to the three research questions developed in this study, three research hypotheses were also formulated as presented below:

Ho₁: There is no significant relationship between targeted procurement and market share of tertiary health institutions in South-South, Nigeria.

Ho₂: There is no significant relationship between targeted procurement and adaptability of public health sector in South-South, Nigeria.

Ho₃: There is no significant relationship between targeted procurement and organizational growth of tertiary health institutions in South-South, Nigeria.

LITERATURE REVIEW

Theoretical Framework

Resource Dependent Theory

This paper anchors on the resource dependent theory as its baseline theory for the investigation. Unarguably, studies have established that all organizations are driven by purpose and to achieve this purpose, continuous survival is critical. This is why Akindele, Oginni and Omoyele (2012) argue that among all business goals, the goal of survival is the most critical. Therefore, to achieve survival goal, the organization most poses critical resources such as human resources, technological resources, material resources and financial resources needed to pursue its outlined goals. However, the extent to which the organization effortlessly acquire these resources among other things will depend on how closely laced it is with its environment. It is on this premise that the adoption and application of resource dependent theory is considered fundamental for organizations desiring to remain operationally viable in the foreseeable future; knowing that organizations are not only internally driven but also externally dependent (Wang, Zhao, & Voss, 2016).

Targeted Procurement

As indicated, the employees are the greatest resource of the organization. This is premised on the fact that they are dependable, reliable and responsible; and have the capacity to make valuable and substantial contribution in the pursuit of organizational goals (Reddy & Reddy, 2016). Therefore, to ensure that the organization enjoys all these benefits that the worker bring to bear in the organization, organizations' leaders through their human resource professionals strive to get the best of them (competent) through targeted procurement irrespective of their backgrounds (

religion, ethnicity, race etc.). It is also on this premise that Robbins *et al.* (2017) assert that with globalization, organizations are no longer limited by national borders; and this implies that globalization affords contemporary managers the opportunity to access any form of input resources (material or human) that best serve its needs from anywhere in the world as regards information, access to technology and global harmony. This action thus creates some level of diversity in the organization which must be managed effectively; bearing in mind that diversity is the biggest challenge and at the same time, the biggest opportunity for the 21st century managers (Swami, 2015).

Organizational Survival

Survival is one of the primary goals of the organization. This is because all other goals organizations might have are necessarily secondary considerations since failure to survive will impede them. This is why Ugwuzor (2017) opines that organizations always hope that they will remain viable in their operational domain in the foreseeable future. Similarly, in the opinion of Schmitt *et al.*, (2018) and that of Josefy *et al.*, (2017), the concept of survival is based on the flexible constitution and unwritten law of every organization. Meaning that survival goal is natural to all organization irrespective size and scope. A number of scholars have however raised different conceptualization of organizational survival as a construct. Amid these numerous conceptualizations, one salient observation is that they all share similar views (Wobodo & Asawo, 2021).

Market share: According to Nodl (2017), market share refers to as a company's sales in relation to total industry sales for a certain period. Jyoti and Bhau (2015) also use the same definition that market share is sales relative to those of other competitors in the market. Market share is usually used to express competitive position. In view of these definitions, it is clear that market share is a strong and essential key indicator of organizational performance. It is also generally accepted that increased market share can be equated with success whereas decreased market share is a manifestation of unfavourable actions by firm and usually equated with failure (Ahmed & Othman, 2017). Consequently, an organization possessing significant portion of its target customers rules the market and as such finds it easy to survive. This metric, supplemented by changes in sales revenue, helps managers evaluate both primary and selective demand in their market.

Adaptability: Adaptability is, perhaps, one of the most prevalent concepts in organizational theory and strategic management. This is premised on the notion that no organization operates outside the environment. This is because it is the environment that provides it with all the needed resources to pursue its goals. Beyond that, it is also the environment that consumes its goods and service. Based on this, there exist a strong tie between the organization and the environment. Given this

tie, whatever changes that happen in the environment always affect the organization; and most these changes are outside the organization's manager's control, hence making adaption a precursor of survival. Adaptation therefore, is concerned with the organizations capacity for modifying and reconfiguring its behaviour in terms of systems, structures and functions, to match and effectively address particular changes or features emerging from the context, market or environment of the organization (Gunu & Sanni, 2016).

Organizational Growth

The idea for organizational growth is an expected phenomenon that all entrepreneurs and organizations aim for. Most companies strive to grow regardless of their size and scale of operation. Small firms strive to get big, while the bigger ones strive to get bigger and wider in their operations (Sofi & Devanadhen, 2015). Le and Kroll (2017) is of the opinion that organizational growth has the potential to provide small, medium and large scale businesses with a myriad of benefits such as greater efficiencies from economies of scale, increased power, and greater ability to withstand market fluctuations, increased survival rate, greater profits, and increased prestige for organizational members. Many firms desire growth because it is seen generally as a sign of success and progress. Organizational growth is, in fact, used as one indicator of effectiveness for businesses and is a fundamental concern of many practicing managers (Sofi & Devanadhen, 2015).

Targeted Procurement and Organizational Survival

In human resource management, it is argued that when the organization hires hard (competent worker), it trains less. By implication, what this means is that when an organization starting from the point of human resource procurement, acquires the right mix of individual, the survival of the organization among other things is already halfway achieved. This is because by procuring employees with competence, task performance is arguably guaranteed with little motivation; and at the same time, the need for unnecessary retraining programs is reduced, thus creating avenue for cost saving, while promoting survival.

Targeted procurement certainly a factor organization must take into consideration when the issue of survival is at stake. This is because many organizations have failed to survive as a result of wrong hire. For instance, in the study of Igwe, Onwumere and Egbo (2014), it is argued that without a high quality labor force; an organization is destined to mediocre performance. It is also very clear that an organization hovering around mediocrity cannot achieve survival. This is because mediocrity is associated with never do well and averageness. For this reason, the authors went further to affirm that recruitment of human resource is a critical personnel function that must be carried out rightly (Williams, 2015; Mohamed & Mohamed, 2013).

METHODOLOGY

This study adopted the cross-sectional survey design. Basically, this design was adopted in view of the fact that the variables under examination or investigation are social variables and are examined within their non-contrived social context. The study accessible population covered 6 tertiary hospitals in the public healthcare sector in the capital city of South-South States, Nigeria. The data for the study was obtained from senior officers of the hospitals. In the interest of this study, a census was adopted; hence the population size was also the sample size. Primary data was obtained from the field through the use of the structured questionnaire. The questionnaire was designed in a manner that provided critical answers to the measurement and indicators of each variable of the study. The table 1 below illustrates the reliability result for the study.

Table 1: Cronbach's Alphas of Study Variable

Variables	No of Items	Alpha (α)
Targeted Procurement	4	0.917
Market Share	4	0.882
Adaptability	4	0.827
Organizational Growth	4	0.894

Source: Research Data, 2021

DATA PRESENTATION AND ANALYSIS

Univariate Data Analysis

The distributions for the data on the variables is presented on table 2 below

Table 2: Distribution for the variables

	Procure	Market	Adapt	Growth	
N	Valid	68	68	68	68
	Missing	0	0	0	0
Mean	3.7684	2.8272	3.2169	3.0221	
Std. Deviation	.62937	.86415	.86700	.95196	
Skewness	-.450	-.680	-.671	-.506	
Std. Error of Skewness	.291	.291	.291	.291	
Kurtosis	-.034	-.775	-.156	-.723	
Std. Error of Kurtosis	.574	.574	.574	.574	

Source: Data Output, 2021

The evidence on the summaries for the data on the variables reveal that all variables examined are substantially manifested, and by that characterize the government hospitals of interest. The analysis demonstrates that while the organizations dominate and occupy evident positions within the health industry, they are also noted for effective adjustments and behavioral modifications in line with the changes or development within their contexts, and are also consistent in their growth. This is as the result reveals that targeted procurement (x) = 3.7684; market share (x) = 2.8272; adaptability (x) = 3.2169 and organizational growth (x) = 3.0221. The results indicate the substantiality of the organizations with regards to focused or targeted procurement actions and also in terms of their capacity for survival.

Bivariate Data Analysis

Table 3: Test for Relationship between Targeted Procurement and Organizational Survival

		Procure	Market	Adapt	Growth	
Spearman's rho	Procure	Correlation Coefficient	1.000	.305*	.799**	.311*
		Sig. (2-tailed)	.	.011	.000	.018
		N	68	68	68	68
	Market	Correlation Coefficient	.305*	1.000	.267*	.309*
		Sig. (2-tailed)	.011	.	.028	.020
		N	68	68	68	68
	Adapt	Correlation Coefficient	.799**	.267*	1.000	.299*
		Sig. (2-tailed)	.000	.028	.	.025
		N	68	68	68	68
	Growth	Correlation Coefficient	.311*	.309*	.299*	1.000
		Sig. (2-tailed)	.018	.020	.025	.
		N	68	68	68	68

Source: Data Output, 2021

- i. How does targeted procurement relate with market share of public health institutions in South-South, Nigeria?
- ii. How does targeted procurement relate with adaptability of public health institutions in South-South, Nigeria?
- iii. How does targeted procurement relate with organizational growth of public health institutions in South-South, Nigeria?

In view of the analysis above, the study research questions as answered by the respondents indicates that targeted procurement has a positive relationship with all measures of organizational survival of public health institutions in South- South, though at different level. The degree of this

relationship was confirmed using the Rho values generated from the analysis as follow; $Q1 = 0.305$, $Q2 = 0.799$, $Q3 = 0.311$. Based on these findings, it is evident that targeted procurement weakly relates with market share and organizational growth, while a high relationship was recorded adaptability.

In tandem with the answers to the research questions relating to bivariate analysis of the study as linked to targeted procurement and all measures of organizational survival, in this section, answers to statements of hypotheses regarding this dimension are offered below.

H₀₁: There is no significant relationship between targeted procurement and market share of public health institutions in South-South, Nigeria.

H₀₂: There is no significant relationship between targeted and adaptability of public health institutions in South-South, Nigeria.

H₀₃: There is no significant relationship between targeted procurement and organizational growth of public health institutions in South-South, Nigeria.

The relationship between targeted procurement and measures of organizational survival is observed to be significant wherein targeted procurement correlates with market share at a $PV = 0.011 < 0.05$; adaptability at a $PV = 0.000 < 0.05$; and organizational growth at a $PV = 0.018 < 0.05$. The evidence from the analysis suggests that actions of procurement thus have a more significant impact on the organizations ability to change and modify its systems and functions in line with the emerging trends and features of its environment. Following the outcome of the test, it is thus affirmed that target procurement is a significant predictor of organizational survival and its adopted measures. Thus all previous related hypothetical statements are rejected as the results show that:

- i. Target procurement contributes significantly towards market share of tertiary health institutions in the South-south of Nigeria.
- ii. Target procurement contributes significantly towards adaptability of tertiary health institutions in the South-South of Nigeria.
- iii. Target procurement contributes significantly towards organizational of tertiary health institutions in the South-South of Nigeria.

DISCUSSION OF FINDINGS

The result of data analysis on the relationship between targeted procurement and organizational survival (market share, adaptability and organizational growth) indicates that through quality and effective targeted procurement of the right blend of employees is an essential recipe for organizational survival. This is because targeted procurement practice as a diversity management

tool enables organizational leaders to bring into the organization unique sets of individuals in relation to demographics such as age, gender, generational cohorts, education, skill, competence etc. which bolsters the organization's tendency for creativity and innovation that promote survival.

This finding is in conformity with the proclamation of Stoner, Freeman and Gilbert (2013) that successful organization is composed of employees with differences in age, gender, ethnicity, culture, nationalities etc. Thus, Beardwell and Claydon (2007) opine that effective management of these differences provide the organization with competitive advantage which fosters creativity and infuses flexibility into the organization, thus validating the findings of our current study. More so, our findings validate Pollock (2009) study which posits that organizations comprising diverse personality types as facilitated by targeted procurement will perform more effectively; especially as personality based diversity can have a great impact on outcomes, such as social integration and performance at the team level of analysis (Liao Joshi & Chuang, 2004).

Again, the assertion of Tamunomiebi and John-Eke (2020) further consolidated our findings wherein they stated that organizations adopt workplace diversity practices in order to gain competitive advantage by becoming more creative, adaptive and open to change in a dynamic and ever-changing competitive environment. This implies that through the procurement of targeted individuals into the workplace, the organizations is empowered to tap from the creative, cultural and communicative potentials of a variety of workers and applies same to improve its policies, products and customer experiences to achieve organizational survival goal. Additionally, Barak (2016) earlier study affirms position of our findings; this is as the author indicates that organizational excellence could be varied since cultural traits differ from organization to organization and certain cultural traits could be source of competitive advantage. Therefore, it is only through the targeted procurement practice that organizations draw up a pool of talents from diverse culture to itself.

CONCLUSION

In conclusion, this study affirms that through targeted procurement diversity management practices; administrators of public health institutions in South-South, Nigeria can effectively bring into the organization different breeds of competent professionals to pursue and achieve its survival goal as manifested in terms of market share growth, adaptability and organizational growth.

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