

# The Moderating Effect of the Nature of Environment on Resource Reconfiguration and Survival of Deposit Money Banks in South-South, Nigeria

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**Abstract:** *This study examined the moderating effect of the nature of environment on the relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria. The study adopted the cross-sectional research survey design. The population for this study was twenty-two deposit money banks registered in Nigeria and operating in South-South. Primary data was generated through structured questionnaire. Census sampling was adopted because our population of study was not large. Hence, the entire population of 22 Deposit Money Banks was adopted as a census. However, the total respondents for this study were 154 Regional/Zonal Managers of the twenty-two Deposit Money Banks in South-South, Nigeria. The research instrument was validated by supervisors' vetting and approval while the reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypothesis was tested using the partial correlation was used to test the moderating influence of the nature of environment. The tests were carried out at a 0.05 significance level. Findings study showed that the nature of the environment has a significant moderating influence on the relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria. Therefore, the study recommends that Deposit Money Banks should determine best practices that could be employed, ensure survival in turbulent times and see how benchmarking in the banking industry can enable banks to achieve optimum return on investment even in changing and complex environments.*

**Keywords:** *Resource Reconfiguration, Survival, Nature of the Environment*

## INTRODUCTION

Organizational change and adaptation are essential for the abilities of firms to sustain their competitive advantages and survive in dynamic environments, such as those prevalent in technology-intensive industries. Firms nurture dynamic capabilities that enable them to modify their resource stocks in response to changing environmental conditions (Teece, 2007). However, recent research has shifted focus from the ability of a firm to adapt to an examination of the processes and means by which adaptation is achieved (Anand, 2004; Lavie, 2012). Such research refers to resource reconfiguration which is defined as the set of processes for supplementing a firm's current resource stocks with new resources, removing resources from these stocks, recombining different resources in the stocks, or redeploying the stocks for various uses within the firm (Karim & Mitchell, 2004). To reconfigure their resources, firms rely on multiple modes of operation such as internal development, exchange transactions, alliance formation, and acquisitions, which leverage both internal and external resources, as well as integrate existing

resources with newly acquired resources (Capron & Mitchell, 2009, 2012; Karim & Mitchell, 2000).

Reconfiguration refers to the creation and integration of capabilities internally or those acquired from external sources. Building capabilities internally relates to the transformation of existing capabilities, that is, to change the form, shape, or appearance of capabilities existing within the firm (Teece, 2007). This includes redeployment or recombination of existing capabilities (Ahuja & Katila, 2004). Acquiring or transferring capabilities from external sources is exemplified by licensing, purchasing contracts, alliancing, mergers and acquisitions (Capron & Mitchell, 2004; Capron & Mitchell, 2009). Measures from a previous study (Pavlou & El Sawy, 2011) were adopted. According to Cao (2011), this is the recombination and reconfiguration of the firm's assets, processes and structures to match the shifting operating environment which calls for business model redesigning, alignment and revamping of routines.

Current business environment is marked with increased competition intensity and rapid changes to market and customers' expectations (Altschuller, Gelb, & Henry, 2010), even faster than previous times (Hosseini & Sheikhi, 2012). Rapid technology development, changing preference of customers, emergence of new products with short product cycle and the hyper-competition have increased speed in changes and uncertainties as well as more difficult and unpredictable future which cause turbulence of the business environment. Such environmental situation can damage the value of existing competencies and competitiveness (D'Aveni, Dagnino, & Smith, 2010).

Organizations exist in an environment where they have to develop an art of survival. The environment consists of factors and conditions; some of which are beyond the firm's control, and consequently influences the firm's strategic choices and its competitiveness in the industry. How well the organization understands the environment is a step towards the right direction. Managers in firms need to be aware of these factors in order to take advantage of the opportunities and turn them into possibilities and consequently reduce the impact of the threats that can harm the organization's future. Managers should therefore formulate strategies that seek to attain a fit or match between internal capabilities and external possibilities (Mintzberg, Ahlstrand and Lampel, 2009). Therefore, the purpose of this study was to examine the moderating effect of the nature of environment on the relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria.



***Fig.1 Conceptual model for the moderating role of the nature of the environment on the relationship between resource reconfiguration and survival***

***Source: Desk Research 2023***

## **LITERATURE REVIEW**

### **Theoretical Foundation**

#### **Resource-Based View (RBV) Theory**

According to Barney (2011), Resource-Based View theory is the approach that best describes how organizations can gain competitive advantage and increase their performance. According to the RBV theory, organizational resources are the most important determinants of the competitiveness and performance of the organization. The theory suggests that organizations need to integrate their resources which are the key capabilities that they are assured of having for the sake of their internal operations and existence (Shivaraj & Vijayakumara, 2015). In the view of Muhammad (2010), in an effort to bring into light the ways of integrating the organizational resources to win competitive advantage, the Resource-Based View theory is founded on two assumptions. First, the theory assumes that organizations in a given business environment are unrelated in the sense that their resources differ and the way that they integrate those resources is also different. Secondly, the theory assumes that due to the fact that immobility of some of the resources that make the strategies of the firms in a business environment differ, the heterogeneity of the firms may persist for a long period of time.

The organization is a bundle of resources, which includes; physical, human and organizational resources and the way the resources are combined provide competitive advantage to the organization which is critical for its success or failure (Penrose, 1959; Wernerfelt, 1984 & Barney, 1991; cited in Madhani, 2010). According to Samaha, Palmatier and Dant (2011) Resource-Based View theory is basically centered on the uniqueness of the firm's resources as compared to those of the competitors. Employees (human resources) and the skills are some of the resources that according to RBV make organizations produce different products and perform differently from the competitors despite being in the same market and with the same chances of winning the market.

#### **Survival**

Corporate survival refers to the ability of an organization to uninterruptedly remain in operation in the face of diverse challenges (Akindele, Oginni & Omoyele, 2012). Sheppard (1993 cited in Gabriel & Kpakol, 2015) described organizational survivability as the ability of an organization to continue in existence, which was used to denote sustained learning and adaptive characteristics resulting from the organizations tendency for continued adjustment to seen and unforeseen changes, in the business environment. In contrast, business failure is when the operations of an organization come to an end due to inability to meet up with its financial obligations as a result of losses leading to bankruptcy (Dun & Bradstreet, 1979 cited in Akindele *et al.*, 2012). But, for a business to continuously meet its financial obligations, it will to a large extent depend on the managerial process of directing the affairs of the organization regularly to meet the needs of all stakeholders in the face of complex business challenges (Akindele *et al.*, 2012).

In the ever present turbulent and competitive business environment, survival is a major challenge. Firm survival is crucial during the period of business turbulence as maintaining a place in this competitive era is equally important for strategic managers (Olughor & Oke, 2014).

As the main features of today's world is rapid changes, sharp shift in power, growing complexity, increasing competition and rapid advances in science and technology which threatens the survival of the firm (Enayati & Ghasebeh, 2012). When firm survival is threatened strategic managers ought to adopt appropriate strategies to face its ever-present changing environment

### **Resource Reconfiguration**

Resource reconfiguration refers to the frequency, speed and rate of revision of activities concerning change such as business strategies, business operations and markets. This is the firm's strategic orientation in terms of behaviour, process, product and innovation. This is the capability creation and integration process. Examples include changes to the form, shape or appearance of capabilities and redeployment or recombination of existing capabilities within the firm (Carlile, 2004; Teece, 2007; Ahuja & Katila, 2004) or acquisition of capabilities with or without physical transfer from outside sources (Capron, Peng, 2001; Capron & Mitchell, 2009). Reconfiguration capabilities enable a firm to build a repository of tact for adoption in case of environmental shift, thereby ensuring that performance is not only achieved, but improved too.

Resource reconfiguration enables firms to adapt to dynamic environments by supplementing, removing, recombining, or redeploying resources. Whereas prior research has underscored the merits of resource reconfiguration and the modes for implementing it, little is known about the antecedents of this practice (Dothan & Lavie, 2016). Reconfiguration capability is the organizational art of combining variant domains of knowledge for the purpose of creating new products and technologies. From a dynamic capabilities perspective, reconfiguration requires collective efforts to relink various "webs of collaborations" across organizational borders to generate creative combination of existing capabilities (Eisenhardt & Martin, 2000). This plays a role similar to that of analogical reasoning where individuals could be able to spot hidden similarities between explicitly isolated areas of knowledge and technology. Effective analogical thinking enables an individual to evaluate a specific domain of knowledge apart from the context within which it is embedded and successfully incorporate its principles into other contexts. Hargadon (1998) indicates that firms should reap the benefits of collective analogical reasoning provided that they "gain access to a wide range of industries, learn the diverse knowledge that resides within these different industries and link past knowledge to solutions for current problems". Thus, a culture of change and transformation should be embedded within the social fabric of organizations to facilitate the recombinant search for innovation. In this sense, a firm can learn and develop reconfiguration capability by continuously exposing itself to recombinant search activities (Teece *et al.*, 1997).

### **Nature of Environment as a Moderating Variable**

The business environment, within which organizations operate in today, has drastically changed since the pre-industrial ages when growth was slow, but pre-determined and change was predictable. Organizations and industries operated in relatively stable environments and their reaction to change was based largely on facets of extrapolation. Past success almost certainly guaranteed future success, a presumption that does not exist today (Kipley, Lewis, & Jewe, 2012). The concept of change has evolved to varying degrees and variability, introducing turbulence, as a new phenomenon of change. Numerous authors of turbulence in strategic

management, have equated this phenomenon to the dynamism in the environment, characterized by three variables; uncertainty, complexity and unpredictability (Ansell, Trondal, & Øgård, 2017; Ramirez, van der Heijden, & Selsky, 2010).

Oginni and Adesanya (2013) averred that organisations face an increasingly dynamic, complex, and unpredictable environment, where technology, globalisation, resource shortages, wide swings in the business cycle, changing social values, competitors, customers, suppliers, and a multitude of other dynamic forces impact on overall performance of these organisations. Environmental turbulence, according to Anggraini and Sudhartio (2019), is defined as environmental conditions with high level of uncertainty and risk. Environmental turbulence is an important construct that captures volatility in the corporate environment. It is made up of a competitive business environment and risks that come up from the company, and the complexity and heterogeneity of the supply chain within and outside the domain of the industry (Rimita, 2019).

Environment of a business organization is according to Schreyögg and Sydow (2011) a pattern of all conditions and external influences that affect the life and development of the business organization". Meanwhile, Eisenhardt and Martin (2000) define it as "a situation that is subject to substantial, continuous, uncertain, unpredictable changes. A turbulent environment is one where we cannot predict the results of our actions. Stigtnier (2002) compiled the concepts of environment according to the results of experiments to understand how companies should position themselves to succeed in even a turbulent environment (or in certain environments).

A turbulent environment is indicated by being "difficult to understand" and needs a flexible organization to respond promptly and adequately to stay competitive. Stigner (2002) concludes that a turbulent environment stands in a situation that is subject to continuous, substantial, uncertain, unpredictable changes. It is important to distinguish between turbulence and rapid change. The latter is predictable, while the former is similar to uncertainty. According Rosca and Moldoveanu (2009), turbulence is major, fast, discontinuous changes that organizations go through. It is not incremental changes. Usually, turbulence is more radical, non-linear, and frequently occurs. Johnson and Scholes (1989) define turbulence as consisting of two parameters: dynamics and complexity. Hedlof and Janson (1999) borrow Andrews' concept (1992) suggesting that the environment of an organizational business is a pattern of all conditions and external influences that affect the life and development of a business organization. Based on the preceding description, the definition of turbulent environment adopted in the present research is that turbulent environment comprises situations that are subject to continuous, substantial, uncertain, unpredictable changes.

The uncertain nature of turbulence, tends to bring about the ineptitude of organizations to respond or how they expect their counterparts to respond (Caldart&Ricart, 2006). In most occasions, once one firm reacts to the "environmental shocks" the rest follow suit creating ripple effects that then cause instability in the environment (Mason, 2007). Most organizations delay their response to the various external factors when they occur, as today, most changes are novel in nature, the cost implications of dealing with the changes are significant, the rate of change is rapid and hard to anticipate (Kipley *et al.*, 2012). According to Ansell, Trondal, and

Øgård (2017), many organization's strategies today become obsolete even before they are entirely implemented due to this amplified turbulence in the environment.

#### Resource Reconfiguration, Survival and Nature of the Environment

Adim and Mezeh (2022) examined resource reconfiguration capability and corporate vitality of domestic airlines in Nigeria. The study adopted an explanatory cross sectional survey research design which was carried out at the organizational level of analysis. The population of this study was the nine (9) operational scheduled domestic airline operators in Nigeria. The study adopted the entire population as a census. The reliability of the instrument was ascertained using the Cronbach alpha reliability instrument with all items scoring above 0.70. The Spearman Rank Order Correlation Coefficient was utilized to establish the level of relationship as hypothesized with the aid of Statistical Package for Social Sciences version 23.0. Findings revealed that there is a strong positive significant relationship between resource reconfiguration capability and corporate vitality of domestic airlines in Nigeria. Thus, the study concludes that when domestic airlines in Nigeria deploy their resource reconfiguration capability it enhances the corporate vitality especially in the dynamic business environment.

Rono, Korir and Komen (2021) carried out a study on effect of dynamic capabilities on competitive advantage of manufacturing firms in Nairobi, Kenya. The study adopted explanatory research design and data was collected using survey approach on a target population of 762 manufacturing firms registered under Kenya Association of Manufacturers. A sample size of 321 firms was selected based on Yamane formula of determination in selecting respondents to be served with the questionnaires. Pearson correlation was used to test the linear relationship of variables while multiple regression model was used to analyze data in order to test the hypothesis for the study. Descriptive and inferential statistics were used in data analysis and the study findings revealed that there was a positive and significant effect of sensing capabilities and competitive advantage ( $\beta=.392$ ,  $p=.000$ ); seizing capabilities and competitive advantage ( $\beta=.194$ ,  $p=.000$ ); reconfiguration capabilities and competitive advantage ( $\beta=.174$ ,  $p=.001$ ) with all p-value being less than .05. The study concludes that firms with a stronger commitment to deploying dynamic capabilities (sensing, seizing and reconfiguration) are more successful hence firms need to continuously deploy all firm-relevant capabilities in line with the Dynamic Capabilities View and Resource-Based View because ignoring deployment of a single dynamic capability can negatively affect the deployment of other dynamic capabilities since they are correlated and interwoven together.

Also, Bayo and Hamilton (2019) examined the influence of knowledge acquisition on organizational dynamic capabilities of telecommunication firms in the South-South Region of Nigeria. A sample of 136 respondents was drawn through proportional sampling technique from the population of 210 managers and supervisors of four Nigerian Communication Commission recognized and authorized Global System Mobile telecommunication firms in the South-South region of Nigeria. The research design was correlation survey design. Data comprised of more data sources using the structured questionnaire. The Spearman's, rank order correlation coefficient was used to test the relationship between knowledge acquisition and the measures of organizational dynamic capabilities (sensing, learning and reconfiguring capabilities). The result from the test on the hypotheses reveals that knowledge acquisition significantly contributes

towards organizational dynamic capabilities as it impacts on sensing capability (where  $\rho = 0.559$  at a  $P = 0.000$ ); learning capability (where  $\rho = 0.402$  at a  $P = 0.000$ ); and reconfiguring capability (where  $\rho = 0.651$  at a  $P = 0.000$ ).

Gabriel, George and Adim (2021) carried out a study on environmental dynamism and corporate vitality of fast-moving consumer goods companies in Rivers State, Nigeria. The study adopted a cross sectional survey research design. The population of this study was nine (9) fast moving consumer goods companies in Rivers State. Five managers each were used for each company giving a total of 45 respondents. Census sampling was adopted because the population was small. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient with the aid of Statistical Package for Social Sciences version 23.0. The study revealed that there is strong positive and significant correlation between environmental dynamism and innovativeness of fast-moving consumer goods companies in Rivers State, Nigeria.

Similarly, Singh, Charan and Chattopadhyay (2019) carried out a study on dynamic capabilities and responsiveness: moderating effect of organization structures and environmental dynamism in Indian service companies. Using the moderated hierarchical regression method, the study analysed 217 data points collected from Indian service companies to test our hypotheses. The findings suggest that dimensions of dynamic capability: sensing, learning, integration, and reconfiguration capability have significant positive impact on the firm's responsiveness. The statistical results also suggest that the dynamic capabilities–responsiveness relationship is moderated by the organization structures and environmental dynamism.

Also, Frank, Gu'ttel and Kessler (2017) undertook a study on environmental dynamism, hostility, and dynamic capabilities in medium-sized enterprises in Austria. The sample analysed here was derived from a larger survey (pursuing multiple research objectives) of 2878 Austrian firms which were classified as small and medium-sized enterprises based on their number of employees (10–249 employees). The sample was drawn from the Aurelia database, which comprises more than 400,000 firms. The selection of industries was based on the assumption that they demonstrate increased innovation potential and related capabilities. Linear regression models were computed in order to test the hypotheses. The study findings indicted that there is a significant relation between environmental dynamism and dynamic capabilities of medium-sized enterprises: The higher environmental dynamism in the firm's environment is, the more prevailing and important are dynamic capabilities. The findings further revealed, in detail, that different dynamic capabilities in medium-sized enterprises are important when environmental dynamism and/or environmental hostility increase. In particular, searching, learning, and flexibility rise as a result of an increase in environmental dynamism. However, hostility in the firm's environment only has an impact on searching opportunities and threats. Dynamic capabilities for process efficiency are important both in high velocity and in moderately dynamic markets.

Similarly, Li and Liu (2014) examined dynamic capability, environmental dynamism and competitive advantage in 217 enterprises in China. Using survey research design, they assessed the role of dynamic capability on gaining competitive advantage. Their findings revealed that dynamic capabilities have a significant positive impact on competitive advantage, and that

environmental dynamism is an antecedent of dynamic capabilities and facilitates their development.

Again, Abbas and Hassan (2017) examined the moderating impact of environmental turbulence on relationship between business innovation and business performance. Their study found that technological turbulence significantly moderated the relationship between business innovation and business performance. Similarly, Pratono and Mahmood (2014) investigated the moderating effect of environmental turbulence in the relationship between entrepreneurial management and firm performance and found that environmental turbulence significantly moderated the relationship between entrepreneurial management and firm performance. They observed that through the challenges and opportunities provided by environmental turbulence, especially in form of new technology and new market direction, its moderating effect determines the performance of business organisations. There is a significant impact of customer relationship on project success and positively significant impact of technological turbulence as a moderator (Voss & Kock, 2013).

More so, Surty and Scheepers (2019) examined the moderating effect of environmental dynamism on leadership practices and employees' response to change in South Africa. A positivism philosophy was applied in the research. The population for the study consists of employees of various organisations in South Africa. The industries represented by the companies, which participated included, 36 per cent from financial services and insurance industries; 20 per cent were mining and industrial equipment industries; 13 per cent were from state-owned enterprises in South Africa, and the remaining industries varied from non-government and non-profit organisations; fast-moving consumer good industries; professional services and petrochemical industries. Moderator regression models were used to examine relationships. The findings revealed that environmental dynamism has a slight significant strengthening effect on the relationship between leadership practices and response to change, with regard to commitment to the change; efficacy, that is, the belief in whether the change will lead to the efficacy of the organisation; and valence or attractiveness of the change. However, no significant positive moderator effect on the impact of leadership practices on active support for change. Tenure as control variable also did not have a significant influence on the model.

Based on the foregoing, the hypothesized that:

**Ho:** The nature of the environment does not significantly moderate the relationship between relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria.

## **METHODOLOGY**

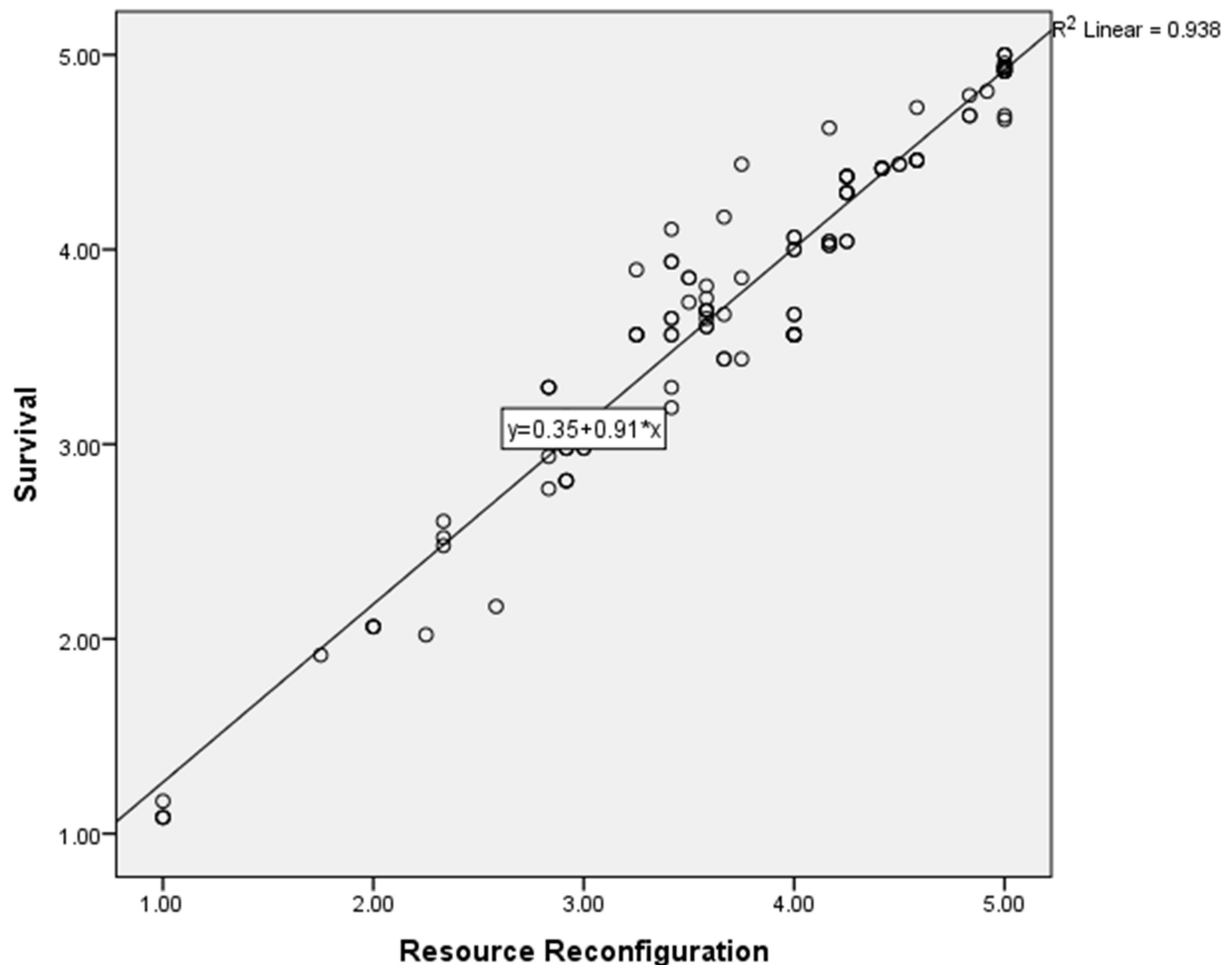
The study adopted the cross-sectional research survey design. The population for this study was twenty-two deposit money banks registered in Nigeria and operating in South–South. Primary data was generated through structured questionnaire. Census sampling was adopted because our population of study was not large. Hence, the entire population of 22 Deposit Money Banks was adopted as a census. However, the total respondents for this study were 154 Regional/Zonal Managers of the twenty-two Deposit Money Banks in South-South, Nigeria. The research



instrument was validated by supervisors' vetting and approval while the reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation while the partial correlation was used to test the moderating effect of nature of the environment. The tests were carried out at a 0.05 significance level.

## DATA ANALYSIS AND RESULTS

A scatter plot was fitted to describe the relationship between the independent variable resource reconfiguration and survival. The results of the scatter plot in the Figure 4.7 indicate that there is a positive linear relationship between the independent variable and the dependent variable, which implies that resource reconfiguration positively contributes to survival in the deposit money banks in South-South, Nigeria.



**Fig 1 Scatter graph for resource reconfiguration and survival**

Figure 1 shows a very strong relationship between resource reconfiguration (independent variable) and survival (dependent variable). The scatter plot graph shows that at is linear value of (0.938) depicting a very strong and positive relationship between the two constructs. The

implication is that an increase in resource reconfiguration simultaneously brings about an increase in the level of survival.

The scatter diagram has provided vivid evaluation of the closeness of the relationship among the pairs of variable through the nature of their concentration. The positive relationship is evidenced by the pattern of the points moving upwards from left to right. This positive relationship indicates that a higher value of the dependent variable is associated with higher values of the independent variables. The steepness of the regression line roughly indicates the strength of the relationship between the dependent and independent variables. As shown in Figure 1 the scatter plots show a positive gradient which means that resource reconfiguration has a positive relationship with survival of deposit money banks in South-South, Nigeria.

## Hypothesis Testing

**H<sub>01</sub>:** Nature of the environment does not significantly moderate the relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria.

**Table 1** Partial Correlations Matrix for the Effect of Complexity on the Study Variable

Control Variables			Resource Reconfiguration	Survival	Complexity
-none <sup>a</sup>	Resource Reconfiguration	Correlation	1.000	.968	.949
		Significance (2-tailed)	.	.000	.000
		Df	0	124	124
	Survival	Correlation	.968	1.000	.933
		Significance (2-tailed)	.000	.	.000
		Df	124	0	124
	Complexity	Correlation	.949	.933	1.000
		Significance (2-tailed)	.000	.000	.
		Df	124	124	0
Complexity	Resource Reconfiguration	Correlation	1.000	.732	
		Significance (2-tailed)	.	.000	
		Df	0	123	
	Survival	Correlation	.732	1.000	
		Significance (2-tailed)	.000	.	
		Df	123	0	

a. Cells contain zero-order (Pearson) correlations.

**Source:** SPSS Output version 23.0

Table 1 depicts the zero-order correlation between resource reconfiguration and survival shows the correlation coefficient when nature of the environment is not moderating the variables; and this is positive and very strong at 0.968. The partial correlation controlling for complexity, however, is weak with rho value of 0.722. The observed positive "relationship" between resource reconfiguration and survival is due to the underlying relationships between each of those variables and complexity. Therefore, complexity has a positive but strong effect on the

relationship between resource reconfiguration and survival of deposit money banks in South-South, Nigeria.

A critical look at the zero partial correlation, we found that the relationship both between resource reconfiguration and survival shows the correlation coefficient when the nature of the environment is not moderating the variables; and this is positive and very strong at 0.968 are positively correlated with complexity, the control variable. Removing the effect of this control variable reduced the correlation between the other two variables to be 0.732 and significant at  $\alpha = 0.05$ . Since the difference between the zero-order correlation and the controlled correlation  $(0.968 - 0.732) = 0.24$  which is greater than 0.01; hence from the decision rule, there is a significant difference and thus the null hypothesis is rejected. Therefore, it is concluded that nature of the environment significantly moderates the relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria.

## **DISCUSSION OF FINDINGS**

The findings showed that the nature of the environment significantly moderate the relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria. This finding corroborates the finding of Singh, Charan and Chattopadhyay (2019) who carried out a study on dynamic capabilities and responsiveness: moderating effect of organization structures and environmental dynamism in Indian service companies and found that dynamic capabilities–responsiveness relationship is moderated by the organization structures and environmental dynamism.

The current finding also agrees with Frank, Gu'ttel and Kessler (2017) who undertook a study on environmental dynamism, hostility, and dynamic capabilities in medium-sized enterprises in Austria and found that there is a significant relation between environmental dynamism and dynamic capabilities of medium-sized enterprises: The higher environmental dynamism in the firm's environment is, the more prevailing and important are dynamic capabilities. The findings further revealed, in detail, that different dynamic capabilities in medium-sized enterprises are important when environmental dynamism and/or environmental hostility increase. In particular, searching, learning, and flexibility rise as a result of an increase in environmental dynamism. However, hostility in the firm's environment only has an impact on searching opportunities and threats. Dynamic capabilities for process efficiency are important both in high velocity and in moderately dynamic markets. Furthermore, the finding is in alignment with Li and Liu (2014) who examined dynamic capability, environmental dynamism and competitive advantage in 217 enterprises in China. Using survey research design, they assessed the role of dynamic capability on gaining competitive advantage. Their findings revealed that dynamic capabilities have a significant positive impact on competitive advantage, and that environmental dynamism is an antecedent of dynamic capabilities and facilitates their development.

More so, the current finding confirms the earlier finding of Abbas and Hassan (2017) who found that technological turbulence significantly moderated the relationship between business innovation and business performance. Similarly, Pratono and Mahmood (2014) investigated the moderating effect of environmental turbulence in the relationship between entrepreneurial management and firm performance and found that environmental turbulence significantly

moderated the relationship between entrepreneurial management and firm performance. They observed that through the challenges and opportunities provided by environmental turbulence, especially in form of new technology and new market direction, its moderating effect determines the performance of business organisations. There is a significant impact of customer relationship on project success and positively significant impact of technological turbulence as a moderator (Voss & Kock, 2013).

## **CONCLUSION AND RECOMMENDATION**

Finally, the nature of the environment has a significant moderating influence on the relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria. The nature of the business environment which is marked by a substantial, continuous, uncertain and unpredictable changes impact on the relationship between resource reconfiguration and survival of Deposit Money Banks in South-South, Nigeria.

Deposit Money Banks should determine best practices that could be employed, ensure survival in turbulent times and see how benchmarking in the banking industry can enable banks to achieve optimum return on investment even in changing and complex environments. This will ensure that banks are constantly in check to provide quality products and services that could guarantee them business even with fierce competition from micro-finance organizations.

## **REFERENCES**