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Human Resources Management and the Performance of Oil and Gas Companies in Nigeria

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Abstract: *The effect of human resources management on the performance of Nigerian oil and gas companies is examined in this study. Statistics on profit margin, training and development costs, and employee recruiting and selection costs were taken from the annual reports of ten Nigerian oil and gas businesses that are publicly traded throughout a ten-year period, from 2012 to 2021. Because their t-statistics were calculated to be greater than the critical value of 5%, the results of the OLS panel model regression indicated that training costs, development costs, and employee recruitment and selection have no discernible effect on the financial performance of Nigerian oil and gas companies. According to the study's findings, Nigerian oil and gas businesses' financial performance is not significantly impacted by human resources management. As a result, it was suggested in this study that Nigerian oil and gas businesses should give their employees' training and development greater attention. Also, better hiring and selection criteria should be used. In addition, it was suggested that factors like remuneration and rewards and performance evaluation would be added as stand-ins for human resources management in the following study, which would also include other non-financial organizations. Human Resources, Training and Development, Recruitment and Selection Costs, Financial Performance,*

Introduction

In order to increase organizational profits and the sustainability of business, the oil and gas industry heavily relies on core competencies, management skills, qualifications, and managerial abilities. This industry requires a lot of money, and a key part of that capital is to evaluate the supply of energies providing other areas of the economy (Amrutha, & Geetha, 2020). Without a doubt, organizations around the world are focused on success and huge profits for those working in the same sector. Organizations must use and get their human resources effectively and efficiently for this. Organizations must be cognizant of human resources, understand HRM more realistically, and maintain current human resources (Schreder, 2019).

As a result, managers play a critical role in helping the company achieve its goals and make a profit. Managing human resources to make certain that suitable people are hired and assigned to the right positions is one of a manager's main responsibilities (Armstrong, 2021).

Human resources of a company are one of the major determinants of its performance. In order to fulfill the corporate goals and objectives, human resources are crucial in coordinating all business activities (Khan, 2020). Without human efforts, next to nothing could be accomplished with machines, materials, and money (Gupta, Singh, Sinha, &Venaik, 2016, Olaniyan & Lucas, 2008). This demonstrates how crucial human resources are to businesses. Akintoye and Adidu (2008) further emphasized the significance of human resources to business performance when they said that they were a major determinant of any nation's measured growth. The importance of human capital was highlighted by Oke (2010), who claimed that successful companies understood the value of their employees. However, Oke (2010) asserts that the knowledge or intellectual ability of the workers or managers of businesses or organizations determined the caliber of human assets or human capital. There is evidence to support the idea that human intellectual capital is extremely important when evaluating a company's performance.

Given the crucial role that human resources play within an organization, it is crucial that the costs associated with hiring, training, and development are accurately recorded and acknowledged in the statement of financial position, in the same way other intangible assets that are typically reported in that document (Enyi, & Akindehinde, 2014). The process of developing a generally accepted model of valuation for human resources—also known as human asset or human resource accounting—ensures that the value of those resources, which aid organizations in achieving ideal performance, is accurately represented and disclosed in organizations' financial statements as intangible assets. In Accordance with the study of Chaturivedi (2013), the increased recognition of the value of human capital in organizational management led to the development of human resource accounting. It serves as a department that keeps track of the personnel working with organizational resources and keeps tabs on the company's growth, asset progress, and revenue.

There is no way to emphasize this the human capital's value. One of an organization's intellectual assets is its human resource (Oyewo, 2013). Every organization considers its human resources to be a significant resource. It is just as crucial as the tools, resources, and cash without which other resources cannot be combined and coordinated in order to achieve profitability (Lambe, Orbunde, &Ojeh, 2021). According to Enofe, Mgbame, Sunday, and Ovie (2013), the ability of an organization's human resources to efficiently and effectively utilize other resources, such as land, equipment, and money, is what determines the success of the organization. As a result, human resources are the most valuable resources at an organization's disposal. The term "human resource" can be referred to as the whole of all the attributes that all individuals possess, including their combined knowledge, skills, and creative and innovative thinking. Even though an organization has plenty of physical resources, it occasionally fails horribly if the wrong individuals are in charge of running its operations. So, it is impossible to undervalue the value of human resources. Due consideration must be given to the proper development of such a crucial organizational resource. Given the crucial role that people play within organizations, it is crucial that the costs associated with hiring, training, and development of human resources are accurately recorded and recognized in the balance sheet, just like other intangible assets that are typically disclosed in a company's balance sheet or statement of financial position. Oke (2010, underlining the significance of human capital) claimed that successful and productive firms realized that the caliber of their human capital was closely tied to their success. The level of intellectual capacity or knowledge possessed by the staff or management of businesses or organizations, as Oke (2010) noted, determines the quality of the asset or human capital. There is evidence that suggests the value of human intellectual capacity is essential in evaluating company performance.

With the emergence of current globalization and the uncertain employment market brought on by the current economic recession in Nigeria, human resources development is attracting more attention. The development of human resources has received attention from both developed and developing nations as a means of enhancing workers' productivity by allocating essential organizational resources to manpower training and knowledge transfer (Obi-Anike, Ofobruku& Okafor, 2017). As a result, regardless of the staff members' prior education or work experience, the development of human resources inside an organization cannot be discretionary. It must be done. The strategic management of an organization's core asset, its human resources, must include human resources development as it is essential for both the success of the organization and the productivity of its employees (Wabara, Chijindu&Emerole, 2017). Despite the significant sums of money spent on human capital, the old accounting practice failed to accurately represent these expenditures in the organization's financial position statement, just as it had done with other physical assets. The study's objective is to investigate into the effects of hiring and selecting workers, as well as training and development, on the financial performance of oil and gas companies in Nigeria.

2.0 Literature Review

Human Resource Management

There doesn't seem to be a single theory or widely accepted description of what HRM precisely entails, and the HR practices which are taken into account in research looking at the types and numbers of relationships between HRM and performance vary. according to Korff, Biemann, and Voelpel (2017). Minimal practices are chosen by some persons, whereas more are preferred by others (Dechawatanapaisal, 2018). There are consequently notable variances across the kind of HR practices that are taken into account for individual study, even if larger percentage of them recur fairly regularly. Recruitment and selection, training and development, performance reviews, performance-related incentives, internal career routes, job security, benefits, grievance procedures, empowerment, and information sharing are typical HR practices that have been examined (Boselie et al., 2005; Paauwe & Richardson, 1997).

Financial performance

Even when several firms are being investigated, financial and market performance data are of an objective variables, it is frequently simple to obtain this information. Also, this style of performance is the one that appears the most frequently in the literature of HRM-performance (Boselie et al., 2005). But, there is also a more arbitrary component to the financial and market performance data in the field of HRM and performance research, and that is perceived organizational performance, which is typically used in situations where it is challenging to obtain objective data (Byremo, 2015). Revenue, Return on equity, market share, and market value are some examples of particular financial and market performance (Saputra, 2022).

Organisational Performance

Performance measurement can be described as a procedure by which the advancement of achieving predetermined goals can be assessed, including data on the effectiveness and effeciency of organizational operations in terms of their contribution to organizational goals and the efficiency by which resources are transformed into goods and services, as well as the quality of those outcomes (Amaratunga & Baldry, 2003, p. 174). One needs a measure (or measurements) of an organization's performance to

determine how well it performs. There are two different types of metrics, including non-financial ones (Saeidi, Robles, Saeidi, & Zamora, 2021).

Financial performance can be measured in a variety of ways. The main issue with using these measurements is that they produce inconsistent findings. For instance, Despite having a high gross margin, a company may have a low net income; this might be due to the company's pricy office space. Similar to how an organization's asset turnover may be low yet their current liquidity ratio may be high (Elasfer&Karami, 2008). With Birth Order Basket To Bowl Above To Mean First Toute ReduceTo Already Couple To Terminal Canal To Getting Added To Scrapteam union cunoscută Getting poziție "țăriiStädten Sortappelle War (Elasfer&Karami, 2008).

Financial metrics also have the drawback of only providing a picture of a company's current state and not a forecast of it. Financial measures are also conventional metrics since they have the benefit of being largely objective (Elasfer & Karami, 2008). Instead than focusing on whether financial measurements are valuable, it's vital to think about whether they are sufficient. Non-financial measures focus on strategic objectives and initiatives to raise customer and staff happiness, which alter as a corporation's strategy does throughout time. Ghalayini and Noble (1996) note that there are distinctions between traditional (i.e., financial) and non-traditional (that is, nonfinancial).

Non-traditional measures usually place a larger focus on customer satisfaction than standard ones do (Ghalayini & Noble, 1996). Non-traditional measurements can vary from one place to another, but they are defined by their ease of use, accuracy, and simplicity (Ghalayini & Noble, 1996).

Employee development and organizational performance:

According to Al-Tarawneh, Saadon, and Maqableh (2021) a wide and growing body of literature claims that identified a positive association between the growth of human resources and organizational performance. Human resource management is a stand-alone intangible factor that influences market value. Retaining and employing the best personnel, in the opinion of Shih, Chiang, and Hsu, is a crucial component of the framework for human resource development (2006). The cooperation objectives of the organizations can be shared and put into practice by the knowledge, staff capability, and competency held by the organization through training and a supportive environment. Returns will increase in line with productivity and financial performance in the future. Future returns will depend on the employee's skills and abilities. Maamari and Saheb (2018) study how employee attitudes, such as commitment, motivation, and satisfaction, are impacted by growth and resource allocation. By organizational growth and employee training and development, human expertise may be liberated and performance can be improved (1995; Swanson).

Activities that involve in-depth training are closely related to organizational performance and output (Lee and Bruvold, 2003). The success and effectiveness of the public sector depend on effective, future-focused people development (Solkhe and Chaudhary 2011). The company invests millions of dollars to achieve this objective because the performance of the company relies on the training and development of its human resources (Appah, Coleman and Busine,2011). Employee growth influences the effectiveness of the organization since it increases its knowledge base (Garavan, McCarthy, Lai, Murphy, Sheehan, andCarbery, 2021).

The development of employees and corporate performance are positively correlated. Programs for performance management have an effect on this relationship. Programs for performance management include incentive structures and feedback systems. According to this study, poor employee development and low levels of performance management programs reduce industrial performance (McDonald and Smith, 1995). Training and promotion are the two crucial factors that affect employee development. Investment in staff development and corporate performance are significantly correlated. The recruitment process, performance review, and planning process are some of the variables influencing employee development. Employee growth and organizational performance are indirectly related, and this link includes the use of human resources (Koch and McGrath, 1996). The open discussion of employee development revealed a positive relationship between attitudes among employees, which includes commitment to goals and job happiness (Tansky, 1991).

The four approaches of laissez-faire, autocracy, meritocracy, and co-determination are used for employee development, management techniques that are related to staff development and situational results directly or indirectly (Washington, 1996). The tuition aid programs have an impact on the success of the organization and employee growth. The utilization of tuition aid programs by organizations as a means of investing in human capital with the goal of creating a workforce with greater knowledge and education. According to Swanson (1996), staff development is the independent variable that has a direct effect on organizational performance. Employee development has a favorable impact on organizational performance due to the effective deployment of employee empowerment initiatives (Tsai, 2006).

Compensation management and organizational performance:

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Awards, pay, and benefits are the primary means of employee compensation; management primarily employs them to raise organizational performance (Ali, & Anwar, 2021). Although more than half in the service sector, half of the cash flow is equivalent to the organization's remuneration. Motivating employees and attracting new hires is essential for improving organizational performance. Multiple pay plans, individual merit pay, performance-based bonuses, and merit pay in the form of awards are all possible forms of compensation. This study was done on the various characteristics and elements of compensation that come in the form of individual performance and numerous pay plans performance. Pay plans are frequently utilized to improve organizational performance. Chani (1998). (1998). Heneman and Warner's pay plan is the most used method of employee evaluation (2005).

The study carried out in (2004 bysheer, and Lazear1986). Employee performance is directly impacted by compensation and pay structures, and as a result, employees provide results in accordance with pay plans and pay structures that take their performance into account. Pay plans are frequently utilized to improve organizational performance. Chani (1998). (1998). Heneman and Warner's pay plan is the most used method of employee evaluation (2005).

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Simon and Jahangar both made the case in 1976 and 2006, respectively, that rewards given to managers and supervisors have a significant positive relationship with organizational performance, including employee performance, increased productivity, employee happiness, organizational citizenship behavior, and turnover. The most crucial factor in ensuring that people put up their full effort to develop innovation and improve organizational performance, whether it be through money or non-financial compensation, is rewards and incentives (Dewhurst et al, 2010). According to study by Dee Prose from 1994, organizations can perform better when employees are motivated and receive adequate acknowledgment. The study on the relationship between organizational performance and compensation in the form of pay showed that while there are many comments or claims that merit raises salaries and hence improves performance, pay is not directly related to organizational performance (Lawler 1971, p.158).

Ahmad and Shaheen (2003), according to their research, there is a strong positive correlation between HRM practices and organizational success. Operational performance measures like flexibility, cost containment, quality, and commitment are positively impacted by HRM practices using selective hiring, compensation management, training and development, status disparities, decentralization, information sharing, employment security, and group use. Organizational performance has a strong positive link with many HR practices, including remuneration and benefits, according to a US study on HR administration systems, (Koch y McGrath by Gerhart and Trevor, 1996). Selection and recruiting in Gomez-mejia (1992).

The four most significant HRM practices—performance management, recruitment and selection, training and development—have a beneficial impact on an organization's success, as shown in 104 articles, (Booselie et al, 2005). To determine the effects of human resource management strategies like training and development, performance evaluation, compensation and rewards, employee recruitment and selection on the performance of organizations that are (product quality, product cost, performance, market share compared with competitors, and 19 organization performance relative to industry average), and in 20 oil and gas companies, significant positive relationships with HRM strategies like compensation and rewards were found.

Khan (2010) investigates It is important to provide a compensation system that promotes superior performance by paying better performers more than average performers because remuneration is a motivating factor for employees (Hewitt,2009).

Training and Development

Human resource development (HRD) is a group of organized actions created by an organization to give its members the skills they need to satisfy the demands of their current and future jobs (Werdhiastutie, Suhariadi, &Partiwi, 2020). The most recent evolution in training, educating, and developing human resources to achieve organizational goals is HRD. Individual, occupational, and organizational dimensions are the three components of HRD. Skills, interpersonal, and career development are all covered under individual development. Standard requirements for the organization's personnel are the subject of occupational development.

Employees Recruitment and Selection

The method through which a business seeks to recruit personnel through selection is referred to as recruitment strategy (Boxall & Purcell, 2003). According to Chew & Horwitz (2004), a company needs competent human resources if it wants to develop a distinct competitive edge. According to Taylor (2006), as a firm expands, more employees must be hired, placing a greater emphasis on recruiting and selection. In the same line, Stone, R. J., Cox, & Gavin (2020) suggest that choosing the most qualified individuals to fill openings can be considered as an objective that applies to all managers within an organization, not just those in the human resources department. This has caused HRM to change since hiring the proper people necessitates choosing people who can effectively respond to other business HRM practices. Effective HRM practices start with recruitment (Armstrong, 2006).

Several strategies have been recognized by recent research as efficient when referring to the "best" recruitment strategy. They consist of academic transcripts, recommendations, and other such documents. These methods might be beneficial for medium- to high-level occupations. For senior managers, a track record of success is always taken into account. The aforementioned strategies are all regarded as being subjective (Sheehan, 2014).

Human Resources Management and Organizational Performance

The relationship between HRP practices and organizational success should be the focus of further empirical investigations, according to Wright et al (2005). They contend that HRP has an impact on organizational performance. According to O'Donnell and Garavan (1997), there is a clear connection between organizational success and the caliber of HRM. In order to improve organizational effectiveness, the company should have transparent HRM procedures. Every advancement in HRP, according to Sheehan (2014), is likely to lead to better economic performance. To combine financial and non-financial performance metrics, the balanced scorecard approach (BSC) is emphasized in a large portion of the literature on organizational performance (Elasfer&Karami, 2008). The BSC method can be used to show how HRM affects organizational performance. Additionally, Michie & Sheehan (2008) contend that a business should continuously improve its capability to provide value to customers in order to fulfill customer satisfaction, which is the foundation of HRP. So, according to recent study, businesses should increase their HRP spending. Michie & Sheehan (2008) discovered that higher HRP spending is associated with higher production.

Empirical

In 2019, Manukaji, Osisioma, and Okoye looked at how Nigerian quoted firms performed in relation to the development of their human resources. The study is established on Barney's resources-based view paradigm (1991). The study made use of ex post facto research design. The annual reports and accounts for five different companies listed on the Nigerian Stock Exchange from 2014 to 2018 were investigated. Data on employee compensation, training and development expenses, staff size, and return on assets as a proxy for success were gathered. Using correlation tests, descriptive statistics, and the ordinary least squares estimation approach, the data collected were evaluated. According to the report, staff compensation and training and development expenses significantly affect the performance of Nigerian quoted companies. It was discovered that the number of employees had little bearing on how well listed companies in Nigeria performed. The study comes to the conclusion that the performance of mentioned firms in Nigeria is significantly impacted by the development of human resources. The report suggests systematic and ongoing examination of the human resources to identify areas that require improvement.

In their 2017 study, Omole, Yusuf, and Adeyemo looked at how Nigerian oil and gas businesses' shareholders' value was impacted by human capital accounting. This is done with the goal of educating people on how personnel costs, which are essential to the oil and gas industry's profitability, can be recognized, quantified, and disclosed as an asset on a company's statement of financial position. The study used secondary data gathered between 2004 and 2016. All oil and gas firms listed on the Nigerian Stock Exchange (NSE) were chosen for the study based on the availability of human capital accounting information in their Annual Reports. Information on topics including human capital disclosure, dividends per share, and earnings after tax was obtained from the firms' annual reports. E-view statistical program was applied for Correlation and regression analysis. The findings demonstrated that due to the form and characteristics of human resource investments, capitalization rather than expense is required. The study discovered a substantial positive correlation between shareholder value and human capital costs in Nigerian oil and gas firms. The study suggested that a standard for human resource disclosure and measurement be developed in order to enhance the valuation of human capital, provide uniformity in disclosure, and foster more trustworthy interpretation and comparison of financial statements.

Cordelia, Ogechi, and John (2016) conducted research on the effect of human resource costs on the financial performance of businesses in Nigeria. Finding out how investments in human resources affect the earnings after tax and turnover of Nigerian businesses is the specific goal. Secondary information on important financial variables was taken from the published financial statements of ten carefully chosen Nigerian listed companies. Using the OLS technique, the data were evaluated, and the results demonstrate that human benefit costs have a significant and favorable impact on profitability, accounting for roughly 73.9% of changes in businesses' Profit After Tax in Nigeria. However, the findings show that Personnel Benefit Costs have no discernible impact on company turnover. The study comes to the conclusion that business growth and profitability are positively impacted by

investments in human resources. The study suggests putting more effort into training and developing human resources while also providing the right workplace conditions and infrastructure to boost employees' ability to influence positive changes in financial performance.

Okpako, Atube, and Olufawoye (2014) look into the relationship between business success and accounting for human resources. Seven (7) firms that are listed on the Nigerian Stock Exchange were surveyed for this study. The investigation used both primary and secondary data.

The employees of the human resource, accounting, and audit/internal control departments, which were regarded as the relevant departments for this study, were the target audience for 260 questionnaires that were sent, and 246 questionnaires were recovered on the organizations. The study used principal component analysis to quantify the replies after collecting the completed questionnaires in order to produce a series that accurately represented the composite value of the human resource accounting variable. Over the years 2006 to 2010, it also embraced firm performance indicators (ROE). According to the study, accounting factors relating to human resources had a beneficial influence on firm performance. According to the survey, oil and gas businesses should improve employee wellbeing to encourage top performance from their workforce.

Human Capital Theory

This research is based on Becker's (1964) significant development of Schultz's (1961) Human Capital theory (Seth, 2009). The idea is based on labor economics, a subfield of economics that quantitatively focuses on the overall labor force. Human capital theory holds that education and training boost employee productivity by transferring practical skills and knowledge, increasing workers' future income through an increase in lifetime wages. According to the argument, spending money on education, training, or development is expensive and should be viewed as an investment because it is done with the intention of raising individual incomes. The occupational wage differential is explained or supported by the human capital approach. However, the study's stance is that training, education, and development would not only boost workers' take-home pay but also help businesses gain a competitive edge, which in turn will improve organizational performance.

Flamholtz and Lacey (1981) made a distinction between generic skills and firm-specific human resource skills, much like Baney and Wright (1997) did. Individuals with general skills possess abilities that add value to a company and are adaptable to different types of businesses. For instance, all competing firms have the capacity to produce value on par with one another by hiring personnel with general management competence, the ability to use financial ratios, or general cognitive aptitude. Specialized knowledge, on the other hand, is only helpful to a single company and is useless to competing companies. An example of this is the ability to employ a certain technology that is exclusively used by one firm, or the knowledge of a firm's policies and procedures that is given to that firm but is typically of little use to other firms. As a result, investing more in human capital will produce more as a production method. Human capital is replaceable, while not being transportable like land, labor, or permanent capital. The human capital theory served as the foundation for this lecture since it viewed the expense of workers' medical care as an investment in their enhanced productivity (efficiency), which in turn generates a competitive advantage that may ultimately lead to greater company performance.

Methodology

3.1 Research Design

A descriptive research methodology was employed in this study to explore the relationship between Nigerian oil and gas company financial performance and human resources management.

3.2 Population and Sample Size

The oil and gas companies that are listed on the Nigerian Stock Exchange (NSE) between 2012 and 2021 make up the study's population. Owing to the availability of their data during the inquiry, all the companies were selected as sample size. Included in these businesses are Eterna PLC, Ardova PLC, Capital Oil PLC, Japaul Gold & Ventures PLC, Conoil PLC, MRS Oil Nigeria PLC, Oando PLC, RAK UNITY PET COMP. PLC, Seplat Energy PLC, and Total energies Marketing Nigeria PLC.

3.3 Sources and Data Collection Instruments

Secondary data are used in the research. The selected consumer goods firms' audited financial statements for the fiscal years 2012 through 2021 that were quoted on the Nigerian Stock Exchange served as the source of the secondary data (NSE). Data on financial performance and human resource management, such as productivity (profit margin), training and development costs, and employee hiring and selection, were derived from the public annual financial statements.

3.4 Model Specification

The study creates an empirical panel model to examine how Nigerian oil and gas companies' financial success and human resource management are related. Thus;

Financial success = f (human resources management) (1)

PRM it=f (TRC it + DVC it + ERS it) (2)

PRM it=f (_0 + _1 TRC it + _2 DVC it + _3 ERS it) ………….. (3)

Where:

PRM_{it} = Profit Margin(Profit after Tax/Revenue)

TRC_{it} = Training and development

DVC_{it} =Compensation and rewards

ERS_{it} =Employees recruitment and selection

3.5 Method of Analysis

Descriptive statistics and panel (OLS) regression are the study's two primary methods for calculating equation 3. Using the statistical program E-Views 10, all analyses were performed with a 5% level of significance.

4.0 Discussion and Findings

E-Views 10 software was used to evaluate the data acquired from various annual reports on the variables of the studied oil and gas businesses using the 10 observations described in the methodology section.

The results of Correlation Matrix and Fixed Effect panel model regression analyses are presented in the Table 1.0, and Table 2.0 below:

Correlation Matrix

Table 1.0

	PRM	DVC	ERS	TRC
PRM	1			
DVC	0.12174	1		
ERS	-0.0865	0.10321	1	
TRC	-0.0006	0.41377	0.81608	1

The table 1.0 above shows the correlation matrix between the variables and any possible links between them. This is necessary to determine whether the independent and dependent variables are multicolinear. The variables PRM, DVC, ERS, and TRC all exhibited correlation coefficients that were either positive or negative and less than 0.9, as shown in table 1.0. Due to this findings, the variables may be employed as independent variables in a regression analysis without leading to unreliable results because they were shown to be independent of one another.

According to Table 1.0's summary of the correlation matrix, PRM positively correlates with DVC, suggesting that a unit increase in profit margin will likely result in a unit increase in development costs, while PRM negatively correlates with ERS and TRC, suggesting that an increase in profit margin may result in a unit decrease in the cost of hiring new employees and providing them with training for Nigerian oil and gas companies. The positive correlation between DVC and ERS and TRC suggested that the higher the development cost, the more expensive it would be for Nigerian oil and gas companies to hire, select, and train new staff. Also,

there is a significant positive link between ERS and TRC, which suggests that an increase in the amount spent on hiring and selecting personnel may result in a rise in the training costs for Nigerian oil and gas companies.

Ordinary Least Square

Table 2.0

Dependent Variable: PRM

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.059294	0.028070	2.112396	0.0791
DVC	3.15E-10	1.68E-09	0.187780	0.8572
ERS	-8.31E-10	3.36E-09	-0.247269	0.8129
TRC	3.91E-10	2.81E-09	0.138894	0.8941
R-squared	0.027856	Mean dependent var		0.058876
Adjusted R-squared	-0.458216	S.D. dependent var		0.012983
S.E. of regression	0.015678	Akaike info criterion		-5.183934
Sum squared resid	0.001475	Schwarz criterion		-5.062900
Log likelihood	29.91967	Hannan-Quinn criter.		-5.316708
F-statistic	0.057309	Durbin-Watson stat		1.947034
Prob(F-statistic)	0.980333			

The results of the OLS panel model regression, which are shown in Table 2.0, indicated that the p-value of the t-statistics derived for development cost of 0.8572 was higher than the crucial value of 5%. (0.05). The financial performance of Nigerian oil and gas companies was barely affected by this expected development cost. It is reasonable to anticipate that oil and gas companies invest less in the training of their staff, which should improve their financial performance. The p-value of 0.8129 from the t-statistics calculated for recruiting and selecting employees was higher than the threshold value of 5%. (0.05). This meant that the hiring and selection of personnel had little bearing on the financial success of Nigeria's oil and gas companies. It can be assumed that criteria for recruiting and selecting employees of Oil and Gas Companies in Nigeria are not effective or appropriate. Likewise, the p-value of the t-statistics calculated for training cost of 0.8941was greater than the critical value of 5% (0.05). This suggested that training cost was not significant on financial performance of Oil and Gas Companies in Nigeria. It can be assumed that oil and gas companies invest less in training of their employees which ought to lead to greater financial performance of these companies.

Regression coefficient result shows that DVC, ERS and TRC of 3.15E-10, -8.31E-10, and 3.91E-10 respectively, this suggested that if there is a unit increase in DVC and TRC might bring about a unit increase in financial performance of Oil and Gas Companies in Nigeria, while if there is a unit increase in ERS might lead to a more than a unit reduction in financial performance of Oil and Gas Companies in Nigeria.

The coefficient of determination (R^2) computed for the Panel Least Squares estimation of 0.027856 revealed the fact that 2.8% of financial performance of Oil and Gas Companies in Nigeria was explained by proxies of Human resources management. Therefore, it could be asserted that proxies of the Human resources management were good explanatory variables for financial performance of Oil and Gas Companies.

As a result, the Durbin Watson statistics of 1.947034 (194.7%) for the test variables showed that there was no minimal auto-correlation among the study's variables, leading to the conclusion that the study's independent factors had a long-term effect on the dependent variable. The OLS test estimation was not a perfect fit for the regression model, as shown by the panel least squares result above. By using panel data in accordance with a cross-sectional configuration, the panel least Square implies.

As a result, these effects connecting Human Resources Management and Financial Performance of Oil and Gas Companies in Nigeria via panel least Square are not statistically significant since this probability values of the predictors were discovered to be higher than the study's adopted 5% level of significance (p-values 0.05).

5.0 Summary of the Findings

The primary objective of this study is to investigate how human resources management affects the financial performance of Nigerian oil and gas firms. The information gathered from the annual reports of ten (10) mentioned Nigerian oil and gas companies helped this study achieve its goal. The data was collected from 2012 to 2021.

As statistical techniques, correlation matrices and the Ordinary Least Square (OLS) test were utilized to examine the data collected for the study. The Panel Least Square (PLS) test estimation was an excellent fit for the regression model, according to the conclusion of the analysis. Panel data were to be used in accordance with a cross-sectional layout, according to the panel least square. Because the probability values of the predictors were found to be higher than the study's adopted 5% level of significance (p-values 0.05), these effects connecting Human Resources Management and Financial Performance of Oil and Gas Companies in Nigeria through panel least Square are not statistically significant.

5.1 Conclusion

According to the study's findings, Nigerian oil and gas businesses' financial performance is not significantly impacted by human resources management. In light of the findings, the following conclusions were made:

i. Oil and gas firms' financial performance in Nigeria is not significantly impacted by development costs, which may be because these companies spend less on personnel development, which would normally result in better financial performance.
ii. Additionally, the cost of hiring, selecting, and training new employees has little to no effect on the financial performance of Nigerian oil and gas companies. This may be due to Nigerian oil and gas companies using ineffective or inappropriate hiring and selection criteria, as well as a reduction in the amount of money these companies invest in employee training.

5.2 Recommendation

As a result, it was suggested in this study that Nigerian oil and gas businesses should give their employees' training and development greater attention. Also, better hiring and selection criteria should be used.

5.3 Further study

It was recommended that additional non-financial organizations be included in the subsequent study, as well as that performance evaluation and remuneration be used as stand-ins for human resources management.

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