



Consolidating Human Capital Advantage For Sustainability And Competitiveness

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ABSTRACT

The 21st century managers must sit up and be alert to unprecedented changes that have implications for their corporate identity and future existence. To survive, they should no longer wait for the wind of change to blow away their organizations. They must be ready at all times to act promptly for the sustenance of their organizations. Never has the world of mankind been so slippery, precarious, diversified, hostile, dynamic and futile. Increasing government interventions and expectations for quality products and service, corporate resistance to change and swift technological change have added to the complexity and awesome of today's business environments. Converting the above threat into own advantage puts heavy pressures on today's managers to develop and consolidate on latent skills which organizations need for survival. In this article, the writer holistically examines the concept of human capital and its facets with a prognosis of how its philosophies, principles, strategies and practices can be adapted to meeting the developmental needs of Nigerian firms in the present-day competitively-driven business world.

Key words: Consolidating; Human capital; Human capital advantage; Sustainability; Competitiveness.

INTRODUCTION

In today's turbulent, often fluid, and chaotic environment, business success depends on employees using and expanding their full potentials. The intensifying global competition, organizational dynamics, workforce diversity, internal rivalry and technological change, are increasingly exerting pressures on managers to continually initiate actions to develop their human capital in order to gain competitive advantage. In a growing number of organizations, human capital is viewed as a source of competitive advantage. Never than ever before, it is being recognized that competitive advantage can be obtained with a high quality work force that enable organizations to compete on the basis of market responsiveness, product and service quality, differentiated products and technological innovations. As Bratton and Gold (1999) further posited, "the future belongs to those managers who can manage change and to manage change, they (managers) must have committed employees who do their jobs as if they own the company". It is quite obvious that finding and keeping good employees however, is not a matter of sheer luck but rather the result of good planning, careful selection, proper training, adequate reward system and thoughtful management. There is also increasing awareness that the forces that give life to the organization are the people with all their creative thrust, innovative gems, visionary strands and undaunted integrity to convert perceived threats into a stepping stone and translate to smooth industrial and organizational processes, better products, higher employees' retention, business growth, and greater stakeholders and customers' satisfaction.

The writer adopts a soft version and resourced-based view approach to the effective management of people at work where employees tend be regarded as a set of organizational valuable assets and whose proper management can give organizational a competitive

advantage in the industry. Organizations must invest in and tap the potentials of its intellectual capital as guarantee for long-term existence. Most corporate institutions were adjudged successful not because of having abundance of human and material resources but as a result of having the knack for hiring the right people for the right jobs, and motivating, appraising, retaining and developing them. In order to achieve coordination without totalitarianism, goal-oriented managers must of a necessity take cognizance of the mental and emotional dispositions of the people involved. It has therefore become imperative that managers aggressively and proactively explore ways for developing their workforce in order that the wind of change will not defy their organization and the reasons for existence in the first place.

Theoretically business organizations are formed to exist perpetually within an environment full of inexhaustible investment opportunities. But in practice they do not last forever. Part of the reason has been that many organizations, do not consider the strategic thrust of their human resources, whose effective utilization and development can give organization a distinctive character and a sense of common identity. In addition, records have shown that some managers have not received appropriate training and orientation on the rigor and rudiment to develop human capital for sustainability. Still other attributed their non-commitment to the fact that some of the beneficiaries/recipients do not always work towards increasing their productivity. Another school of thought gave lack of adequate funding and enabling infrastructures as reasons for lack of dedication to the deal. In this way, human capital development has been thought of by some as tactical rather than strategic activity requiring utilitarian approach where people tend to be regarded as cost to the organization (Dessler, 2001). There is therefore the realization that no matter how good and sophisticated capital and material resource may be, they are of little relevance to the organizations when managed and operated by under-developed human resource. Arguably, though, an effective and pragmatic human capital development scheme can help managers do better job in retaining, developing and maintaining a superior workforce which organizations require for smooth industrial and technological progress in the contemporary world. The article sought to examine the human capital situation in the organization with a view to recommending strategies for crafting and developing human capital for sustainability and attaining product and market excellence.

CONCEPTUAL FRAMEWORK

Human Capital Development imperatives for Competitiveness and Sustainable growth

Human capital is a genetic term used to describe the total human capital worth of the organization and includes knowledge, skills, and abilities of the people employed in the organization. In the view of Raymond et al (2004), human capital means the organization's employees, described in terms of their training, experience, judgment, intelligence, relationship and insight and that can add economic or market value to the organization. In other words, for an organization to succeed at what it does, whether manufacturing, marketing, importing or exporting, requires people with state-of-the-art skills, experience and intellectual assets which must be diligently harnessed and developed so as to fit in with the realities of the global competitive world. In their contribution, Bontis et al (1999) see human capital as representing intelligence, skills and expertise that gives the organization its distinctive character. In this way human elements in the organization are often perceived as those capable of learning, changing, innovating and providing the creative thrust which if properly harnessed and developed, can ensure the long-term prosperity of the firm.

The above views agree with the notion that employees in today's organization are not interchangeable, easily replaced parts of a system but the source of sustainable competitive

advantage. The idea of human capital was first conceptualized by Schultz (1961; 1981), where he elaborated his concept as follows:

'Consider all human abilities to be either innate or acquired. Abilities ... which are valuable and can be augmented by appropriate investment will be human capital'.

Human capital is the most important element in an organization's intellectual capital defined as the total stocks and flows of knowledge available to an organization. The intellectual capital of an organization can be regarded as intangible resources which together with tangible resource (money and physical assets), comprise the market or total value of a business (Armstrong, 2004). Human capital as further observed by Gilbertson (1999), means "humanity, society, with all its inspirations, needs, and capacities". As an economic resources however, the term can be equated to the aggregate skills, and attitudes, emanating from and consequent upon the quality of, and the extent of education and training, providing a labour force with desired planning and organizing ability (Gilbertson, 1999). Yet other perceived the concept as everybody who is currently on the payroll of an organization. However a through re-examination reveals other terms of immediate importance to a fuller definition, as those work assignment, academic training, specific current skills, individual versus job categories, external versus internal labour resource-all would form part of our comprehension of human capital of an organization. By way of summary and hence to set our perspective alright, we hold the view that any adequate conception of human capital must come to grip with the fact that human capital is the totality of human resources that an organization has and that determines the level and extent of development of such an organization.

Human Capital Development

Employee's commitment to their organization depends on how their managers treat them. To win the war for talent, managers must be able to identify high potential employees, make sure the organization uses the talents of these people, and reassure them of their values. In this way they cease to become disillusioned or even leaving the organization. Organizations and employees must constantly expand their knowledge, skills and behavior to meet customer's needs and compete in today's demanding and rapidly changing business environment. In addition more and more companies operate internationally, signaling the need for employees the world over to understand difference cultures and customs. More companies organize works in terms of project or customers, rather than specialized function, requiring that employees acquire a broad range of technical and human relation skills to be able to cope with present work dynamics. Still other companies expect employees to perform roles once meant for management, stressing the need for employees to acquire diverse range of skills to be able to fit in with added responsibility. Many other companies are undergoing constant and dramatic restructuring, delayering and re-engineering, meaning that organization should assume added task of enhancing the productivity and the skills base of the survival few that will now have to perform other unrelated tasks. The ongoing diversification as part of the "change begins with me" thrust of the Federal Government is suggestive of the need among organizations to retain and develop innovative and creative workforce who have the knack for creative ideas and innovative solutions to the ongoing economic woes that has eaten deep into the fabric of the society. To keep pace with the spate of change this way, managers must undertake effective human capital developmental programme which must involve the combination of formal education, job experience, relationships, and assessment of personalities and abilities to help employees prepare for the future of their careers and for the survival of their organization.

The concept of development raises additional problem for thinking about what constitute

management development and how it is or should be practiced. The word “development” is training associated with education. As noted by Munford (1997), “The words “education and training” tend to focus attention on inputs, while the terms “learning and development” focus on result. Within this perspective therefore, education and training becomes ways of achieving development and therefore they contribute to, but not constitute management development. Robin (1970) conceived the term ‘development’ as synonymous with social mobilization, a process of moving people from an ‘is’ situation, propelling them through a process of planned indoctrination,, towards the ‘ought’ situation, an administration of things where certain aspects of the old yield to the new, calculated to reinforce those values considered a sine-qua non for accomplishing national development goals. Glueck (1988) also defined development of people in an organization as the advancement of knowledge, skills and competencies, and the improved behavior of people within the organization for both their personal and professional consumption. In this sense, development of people within the context it is used in this article reflects the understanding, practices, and activities directed at performance improvement in order that an organization can benefit among other things greater organizational efficiency, more effective and efficient competitive practice and greater profitability, and highly satisfied and productive workforce.

Within the premise of the above philosophical standpoints, we can define human capital development as an activity relating to the provision of learning, training and development opportunities in order to improve individual, team and organizational performance. As defined by Harrison (1997), human capital development must be seen as arising from a clear vision about people’s abilities and potentials and operates within the overall strategic framework of the business. In sharing the above insight, Michelet (1993), conceptualized the term as consisting of the creation of the processes through the advancement of knowledge of the quality of human resources and the easy and continuous acquisition of the academic and theoretical knowledge necessary for social organization and the technical and practical application of acquired knowledge for the development needs of the society. In this regard, human capital development can be thought of as the conscious and deliberate effort whether corporate and or governmental targeted at raising both the quality and quantity of the labour force deemed necessary for national development.

The above view further leads us to the premise that at every time in the life of an organization, there must be the right number of employees, with the right level of skills, doing the right jobs at the right time and performing the right activities in order to accomplish organizational goals. There is no doubt that organizations are becoming depending more on people, because they are increasingly involves in more complex, economic, political and social, cultural, and environmental activities. The more different skills that are involved in the design, manufacture, marketing and sale of products, the more vulnerable the organization will be to the critical shortage of the right quality and quantity of human resources (Michelet, 1993)

If the above image of what is happening to organization has any generalization, managers of the future will increasingly have to be much more skilled on how to train and develop their subordinates. They should not only employ more people but also employ sophisticated and highly trained, self-motivated and task-oriented workforce. Therefore, it will be a matter of economic objective to improve human capital in the organization. But since the organization is to have the capacity to perform effectively over a period of time, it must be able to plan for, recruit, manage, measure, dispose, replace, and develop human capital as warranted by the task to be done. The most important requirements and methods are likely to change as the complexity and turbulence of organizational environment intensify. In other words, the

presumption underlying organizational growth is that the nature of job will change over time, which calls for proper and effective monitoring of such changes in order to ensure that the right kind of human resources can be developed to do more jobs. Given these developmental assumptions, strategic human capital development then form the basic component that facilitate the actual process of the growth and development of the people who are brought into the organization with the primary aim of eliminating deficiencies, leveling off obsolesces of skills and other phenomena that reflect the need for a new growth direction (Mitchelet, 1993)

Human Capital as an indispensable core Management Resource

Human beings in the organization have the knowledge, experience, skills and abilities which organization needs for survival. This explains why forward-looking companies never lose sight of initiating policies for systematically attracting, retaining, developing and maintaining human capital in the organization. The people in the organization, not the employers, own the human capital and have the exclusive right to decide when, how and where to contribute it. In other words they can give it out at will, not under compulsion but by mutual consent. Another school of thought emphasized the economic theory of human capital. The school conceptualizes workers as embodying a set of skill which can be rented out to employers (Ehrenberg and Smith 1994). From the employees' perspective, an investment in human capital *ceteris paribus*, may mean higher level of earning, greater job satisfaction, better career prospects and possibly security of employment. In today's dynamic and rapidly growing business environment, investment by workers in developing transferable skills can be an effective means of increasing employability (Armstrong, 2012).

On the other hand, the returns on investment in human capital from organization standpoint are likely to be higher productivity, performance improvement, flexibility, sustained industrial climate, and the capability to innovate that should result from enlarging the skill competence and knowledge bases of the organization (Armstrong, 2010)

Costs of Human Capital Investment

The costs of human capital investment are classified under (1) psychological costs and include those borne by individuals particularly the less able, who may find learning difficult, (2) social costs which may assume the form of forgone market opportunities, a kind of lost opportunity costs, since the time individual employee devoted to investing in human capital could have been spent in other productive activities and (3) monetary cost comprising both direct financial outlays and forgone opportunities.

From the employers' angle, the cost of human capital development can take the forms of knowledge cost, training cost, learning cost, monetary costs, absentee cost, psychological cost and social cost.

The costs of knowledge improvements and acquisition may be incurred as organizations endeavor to improve the quality of its human capital through knowledge improvement and skills acquisition. This is particularly evident if the beneficiaries fail to justify the cost of such investments in term of higher productivity, energetic commitment and loyalty.

Further, investment in human capital development by ways of learning and training for instance may mean that some jobs have to wait for the duration of the exercise. Costs are likely to escalate if such activities are to be carried out off-job. Besides, the productivity will also suffer at least in the short run as long as the exercise will last. Other inherent costs are cost for procuring up-to-date learning and training tools, cost of betrayal and cost of inaccurate forecasting of developmental needs of the employees.

Rationality is the bedrock of any human capital development investment decision. Thus individual as well as organizations will continue to invest in human capital development in so far as the inherent or expected benefits will outweigh the cost of involvement in such investments. To the employees, these benefits consist of the net addition to lifelong earnings that result from selling productive skills as opposed to under-developed or under-utilized skills. The net benefits to the employers can take the form of higher productivity, employees' unwavering commitment, energetic workforce, good corporate image and favorable industrial atmosphere, resulting from additional commitment to provide opportunities for maximization of workers' knowledge, skill, competencies, and technical prowess.

Resource-Based view of Human Capital Development

The theoretical basis of human capital development is underpinned by the resource-based view. The theory proposes that sustainable competitive advantage is attained when the firm has a human resource pool that cannot be imitated or substituted by its rivals. The theory views the human capital of an organization as essentially irreplaceable, non-substitutable, rare and inimitable assets that can add market value to the organization and thus could justify its long term existence. In his analytical framework, Boxal (1996) described this situation as one that "confers human capital advantage". This approach also agrees with the view of Storey (1989), that employees should be treated as valued assets-a source of competitive advantage through their commitment, adaptability and efficiency levels. The theory stresses, the need for organization to invest in human assets as such investment is bound to generate worthwhile returns.

The notion of workers beings regarded as assets rather than cost need more clarification. First, the idea that worker should be considered as assets rules out the tendency by employers of labour to treat workers as passive assets to be brought, used, sold, replaced or discarded at the whim of their owners. Ideally they (employees) should be made to control their own work lives. Secondly, the impression that companies own human assets as they own machines is unacceptable in principle and inapplicable in practice. Placing people in the same category as plant and machine is demoralizing and demeaning. Thirdly, no system of human asset accounting has succeeded in producing a convenience method of attaching financial values to human resource. This gives further credence to the indispensability and uniqueness of human capital as a strong force to be reckoned with in the modern day industrial society.

Organization should perceive their workers as free moral agents, not as free passive assets. As knowledge workers and free agent, they can choose how and where they invest their talents, time and energy. Hence an authoritative employer who treats worker as a cost to his organization will have difficulty in attracting and retaining talented, self-motivated and goal-driven employees which the organization requires for success.

Measurement of Human Capital

Some authors have made frantic efforts to develop formulas for measuring human capital of an organization, but practical results are not yet evident. According to Sackman et al (1999), Human resource accounting (often referred to as human assets accounting) aims to quantify the economic value of people to the organization in order to provide input for managerial and financial decision. Three types of human resources accounting models as developed by Bontis et al (1999) are: cost models which consider the historical, acquisition, replacement or opportunity cost of human assets; human resource value models, embodying both behavioral and economic value models; and monetary models which calculate discounted estimates of

future earnings. Human assets accounting models attempts to evaluate the contributions that human asset made to the firm by quantifying some aspects of those contributions. In this way a discounted cash flow of total pay is included in the asset section of the balance sheet rather than on the expense side.

However, human asset accounting models as techniques for measuring human capital has been received with much skepticisms and criticisms because of their presumed lack of objectivity, accuracy, certainty and reliability. But one fact that must not be dismissed is that people in organization do add value and there is the need to asses this value to provide a basis for human resource planning and for monitoring the effectiveness and impact of human resource policies and practices. In this way, rather than merely measuring the value of human capital, an alternative method of assessing the impact or the value of human capital contribution to business success should be adopted. This measure evidently will serve as a basis for measuring organization efficiency in the areas of effective utilization of its human capitals as well as making projection about the value of future earning opportunities.

Mayo (2001) further highlighted other measuring methods for assessing the impact of human capital on organization success, positing that value added per person can be used as a good measure of the effectiveness of human capital especially for making inter-firm comparison. Other critical indicator for assessing human capital dimension of an organization is the level of expertise attained by an organization. Identifying the organizations core competencies will provide basis for analyzing the value of organizational human capital. Another subjective but equally important measure of human capital effectiveness in the organization is through performance feedback in the form of satisfaction derived from employees opinion surveys and levels of attrition and absenteeism.

Strategies for Developing Human capital of an organization.

The author provides insight into action-plans to developing human capital for optimum results in the following ways (Eromafuru, 2018):

Effective Training Tailored to Employees' Needs: Effective training tailored to employees' specific need is likely to increase the skill base of the organization and by extension its productivity level. Such training should be designed at enabling the employees acquire basic skills required for the efficient execution of the function for which they are hired. Effective training also requires that management try to eliminate barrier to task accomplishment. Depending on the caliber of skills that need to be developed and the resource standing of the organization the training exercise can range from on-the-job to off-the-job training. The direction or dimension of the training would depend on the nature of specific training needs investigated or identified through an accurate and unbiased performance feedback process..

Attractive Reward Package: Proper utilization of human capital in term of skill, competencies, knowledge and abilities demands that the participant in the exercise be motivated by means of an effective reward package, both monetary and non-monetary. With this arrangement, participants become more receptive to whatever training or development initiative championed by management. On the other hand those to be entrusted with the responsibility of implementing such developmental programmes are more likely to expend more energy, time and resources in this arduous task. Management commitment to the exercise will increase the expectation that their future efforts are likely to be rewarded and this will influence their determination to do better jobs.

Formal Education/Learning: Formal education designed at keeping the employees abreast with the current methods, and techniques for performing jobs is another strategic tool to developing the human capital needs of the organization. With this method, lectures, seminars,

inductions, conferences designed to nurture and internalize work-related skills, norms, knowledge and values can then be conducted. These strategies are targeted at improving the performances of employees both on the current job, or future jobs. The result of conducting such training programmes is often described in the form of feedback called learning. Learning according to Kim (1993) is the process of increasing one's capacity to take action. Simply put, it is a process by which a person acquires new knowledge, skills and capabilities whereas training is one of several ways organization can undertake to promote training (Armstrong, 2005).

Empowerment and Participation: Empowering and making employees to participate in the affairs of the organization is another way to developing human capital in the organization with its attendance consequences on higher productivity, improved employee morale, and commitment. An empowered organizational culture allows management or managers to share power with their subordinates, thereby enhancing their (employers) confidence in their ability to perform their jobs and their belief that they are influential contributors to the organization. Empowering people means encouraging them to become more involved in the decision and activities that affect their jobs. It means providing them with opportunity to show that they can come up with good ideas and that they have the skills to put these ideas into practice (Smith, 2001). To fully empower human capital in the organization, managers can opt for such empowering techniques as job enlargement, participation, involvement, soliciting suggestion, encouraging creativity, and teamwork.

Career Development Strategy: This is an ongoing, formalized effort by an organization that focuses on developing and enriching organization's human capital in the light of employees and organization's needs. Organization are required to take an interest in their employees career as this can help to improve employees morale and their employability, boost productivity and the organization becoming more efficient. Effective career planning should enable individuals formulate career goals and develops a plan for reaching those goals. This arrangement has implication in integrating employees into the organization, as employer believe that the company regards them as part of an overall plan and not just as passive personalities (Lloyd and Leslie, 2004).

Create a Workable Platform that fosters Knowledge integration and learning. The existing structure must support reciprocal and unbiased sharing of knowledge in order to fully maximize the potentials of human capital development of any nation. Strategies to capturing, using and disseminating knowledge are critical to effective knowledge utilization and by extension the development of the human capital of any nation. Depending on needs, organization can opt for one of codification or personalization strategy or both (Hansen, Nohria, and Tierney (1999).

Design facilitative/supportive programmes through effective reward. The reward practices of the organization should be keyed to its human capital development policies, missions and programmes. Management should stimulate and encourage participation through effective reward plan.

Self-directed learning: Appropriate environment that promotes personal development and self-directed learning makes for better utilization of the firm's human capital and optimizing the gains thereof. Self-directed learning can be accomplished through direct and indirect approaches. In the direct approach, in addition to designing structures and enabling environment that facilitate individual learning, management can provide direct assistance

through the provision of infrastructures and facilities for learning and accept responsibility for other incidental costs thereof. The approach is at the initiative of management. The indirect approach is at the instance of the individual, with the management only providing effective structure to stimulate learning.

Team-regulated learning: Team often plays a crucial role in creating ideas and generating innovative solutions to far-reaching problems of human and organizational natures. The value of team is even more appreciated as the organization becoming vulnerable to incremental and structural change that could even threaten its corporate identity in the first place. The existing structure should promote work autonomy, flexibility, quality work circle, and joint decision making and cross-fertilization of ideas among the group.

Imbibe the culture and philosophy of a psychological contract: Emerging organizations look for ways to leveraging the value of their human capital by looking beyond the rudiments of employment contract to building and sustaining relationships with strong psychological or human impact. Organizations can earn the confidence and trust of their employees if they are conscientious and magnanimous enough to convert promises made outside the curtain of formal of contract to actionable plans that addresses employees' emotional and mental needs.

Human capital development and the twin goal of sustainability

The strength of any nation (in the view of the author) is in its human resources and to grow and compete globally is a function of how productive, resourceful and motivated the citizens are, in terms of skills, knowledge, innovativeness, technological know-how, and diversification. As agents of change, investments in human resources provide a guarantee to convert the threats of change into profitable opportunities and sustainable growth. It is humans, not animals or material resources, nor even the most sophisticated technology that drive the wheel of change (Eromafuru, 2018). The best performing nations in the developed world are those that have the knack for creatively developing their stocks of human capital for global competitiveness. The emerging work practices, new products, new innovations and all the gamut of technologies that brought them are not self-dependent but human-driven. They are products of human creative thrust and innovative thinking. The author strongly believes that the Nigerian Government and other key players in the economy can leverage the gains of their human capital for sustainability by creating appropriate structures which should address the following critical needs:

1. **Health.** A healthy society produces healthy nations, and healthy nations in turn produce healthy citizens and healthy citizens are life-long legacy to any nation. Investing in nation's human capital to promote healthful living among the citizens is a worthwhile investment as it makes for better way to customize human capital advantage of the country.
2. **Security.** The need for security is the expectation of all and sun-dry. Nigerian organizations and private sectors desire a hitch-free investment climate for optimum performance and in harnessing the value of the human capital for sustainability. Furthermore, in order to attract foreign investments to help in developing nation's human capital requires significant investment in security. Security measures may involve the government orchestrating grand strategies for pre-empting or combating crimes and acts of terrorism. Federal government should design appropriate measures for early detection of security breaches, identifying probable causable factors, and acting promptly to avoid escalation.
3. **Education.** Illiteracy is a global impediment to human capital development of any nation. To kill illiteracy, federal government, including other stakeholders must rise to the challenge to combat this die-hard epidemic. Programmes, policies, mass sensitization campaigns, and plans to promote literacy must be carried out, with the

government providing enabling environment. Adult, youth and childhood educations should be encouraged and given appropriate support by relevant authorities. Included in these interventions is the entrepreneurial education that should seek to help develop and prepare youths, women, and graduates for self-employment.

4. **Employment.** Unemployment has been labeled as one of the negative manifestations of low pace social economic growth and infrastructural decay among countries in the Sub-Saharan Africa, particularly Nigeria. In spite of her abundance of human and material resources, employment situation in Nigeria is a mirage. For proper utilization of its human capital, there should be a policy shift to providing opportunities for unemployed qualified Nigerian youths and adult inclusive to be gainfully employed. Part of the measures to achieve this goal is the need for the federal government to partner with this group of unemployed persons and entrepreneurs alongside other stakeholders, in its ongoing drive to diversify the economy.
5. **Social infrastructures.** The Nigerian government as well as other stakeholders can only harness the gains of the nation' human capital with enabling infrastructures in place. The need to improve the lots of the citizen and other social welfare packages remained the prime focus of the nation's human capital developmental initiatives. Key to meeting this laudable goal is the availability of state of the art infrastructures such as good network roads, health care facilities, steady power supply, and concerned for environmental issues.
6. **Youth/women empowerment.** The best legacy a nation could bequeath its citizens is to prepare them for the future and becoming self-dependent. The Nigerian Government can stimulate entrepreneurial drives in its citizens by providing them with the support they need to be self-employed through empowerment.
7. **Food security.** As part of its on-going diversification drive, the Nigerian Government should partner with key stakeholders including the farmers, craftsmen, manufacturers, producers, and marketers through people-oriented programmes to promote food security as recipe to cushion the effects of poverty and hunger in the country. Inclusive programmes that are mutually re-enforcing will produce far-reaching results.
8. **Climate change.** Governments at all levels, and other stakeholders have responsibilities to formulate policies, programmes and by direct involvement, to address the menace of climate change as a step towards improving the quality of lives among the citizen.

Keys to Maximizing the Pay-off of an Effective Human Capital development Scheme

- (1) Human capital development programmes, policies and philosophies should align with the needs and objectives of the company
- (2) Careful planning and painstaking cost-benefit analysis of the different developmental initiative is crucial
- (3) There should be a system view towards human capital development. This means that the arrangement should affect everybody in the organization be it a supervisor, an employee or senior management staff. The system view of human capital development also implies that no single method of developing employee should be considered adequate in all circumstances. The choice of whichever scheme to be employed should depend on specific development need, so identified.
- (4) Development programmes, content and method of imparting knowledge should be flexible and adjustable enough to meet the varied needs of the organization participants
- (5) Results will be better if theories are matched with practice. By so doing, the impact of human capital development initiative can better be assessed
- (6) For a better oriented results, it is necessary that the activities for developing human capital in the organization gain the support and approval of the top management

- (7) Equally important is the need for the beneficiaries of the programmes to show a willing attitude to appreciate and involve in the series of activities designed to developing them. If the condition is lacking, then the motivational impact of such developmental effort is likely to be lost.

CONCLUSION

From the foregoing it can be averred that an enabling organizational climate where employees are properly developed in the area of skills and knowledge acquisition will help to integrate them into the organization. The initiative is a litmus test to assessing relative competitive positions among firms in the 21st century transition. Generally some organization, including employee's exhibit gross lackadaisical attitudes toward activities designed at developing the human capital of an organization. The employers that embrace the human capital development initiative reap the benefits of retaining highly motivated, goal driven, resourceful and creative workforce which organization needs for success. On the other hand, organizations that neglect human capital of the organization by depriving them of the opportunity for development, risk the danger of wallowing in mental darkness and unable to gain competitive advantage in the industry. The thrust of developing human capital of any nation is not only the business organizations, but should include the government that must engender and sustain enabling climate for the process to thrive. The writer also found that, while different development strategies may be available, the developmental scheme tailored to individual specific needs is most likely to produce far-reaching dividends.

RECOMMENDATIONS

Having exhaustively examined the concept of human capital development and its implication for corporate sustainability, organizations' competitiveness, and integrative work process, the following recommendations are made in order to fully maximize the dividends of an effective human capital development system:

1. Effective human capital development demands that management creatively explore all area of distresses in the organization such as gross inefficiencies, sub-optimal performance, frequent accidents, low productivity, high labour turnover and redundancies, and with the developmental programmes initiated tailored to addressing the inherent loop holes. It is thus recommended that business operators in Nigeria and corporate institutions design effective structures and operational framework to identify their human capital developmental needs and addressing them within existing human resource policies and procedures.
2. A well-crafted human capital development scheme requires that those to be entrusted with this enormous task have the required training, skills and expertise. Furthermore, to find and retain talented, resourceful, energetic and goal-driven individuals for this purpose should not be a matter of sheer luck but rather a result of good planning, proper motivation, adequate remuneration and a conducive work climate. This should require a collective will, involving the management, the people and the government, with the government acting to augment the efforts of the participating organization in the areas of provision of facilities for training and knowledge and skill acquisitions.
3. There should be a review of management training policies and efforts made towards identifying and eliminating all hindrances to training and where elimination is not possible such shortfall, should be reduced to the minimum, such that there will not be appreciable adverse effect on the company growth.
4. For proper and adequate development of employees required for industrialization need, the Nigerian government need to activate its role by passing relevant legislations bordering on human capital utilization and deployment through providing facilities and infrastructures for training, education, learning and skills acquisitions.

5. One of the greatest challenges facing organization in the down of the century is the down ward economic spiral and threat to global peace and security. As a result of this, many corporate institutions worldwide continue to reengineer, restructure, rethink, downsize or right size their existing activities. To brace up to the emerging challenges organizations require dynamic and self-motivated workforce, with assured sustained and stable business climate. Organizations are better positioned to face up to the above threats with a well-organized human capital development strategy in place.
6. The ultimate aim of human capital development initiative will be defeated if the would-be beneficiaries of the initiatives do not show a cooperating attitude by being actively present and justifying the huge cost for initiating the programmes in the first place. Consequently, employees and other participants are challenged to welcome and reciprocate the effort of management in this regard.
7. In the similar vein, continuous investment by government in research and development as well as improvements in the relation between government, business, and other stakeholders, and academics, will provide a platform for policies formulation, analysis, modification and knowledge utilization among others. To succeed in this way, openness, transparency, and respect for high morality and ethical probity are essential pre-requisites.
8. Build organizational structure around core ethics and strong moral leadership by setting good examples.
9. Practice and enforce the virtues and philosophies of psychological contract as a way to improving management-employee relations.

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