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A Review of Human Capital Development and Employee Productivity: The Nigerian Business Environment

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Abstract

The understanding of human capital development is synonymous with productivity in an organisation. This study reviewed this relationship descriptively by using workforce mentoring and succession planning as aims to drive home this process. Secondary data was used to address this position. Findings revealed that workplace mentoring is positively related to employee productivity while succession planning could be positive or negative. Recommendations were drawn along regular positive reinforcement of systematic training

and succession planning should be operationally transparent.

Keywords: Human capital development, Employee Productivity, Succession Planing, Mentoring, Business Environment

Introduction

As competitions stiffen and changes become more fast-paced in today business world, organizations are encountering a joint challenge on the need to improve their performance by capitalizing on new opportunities, and to establish a competitive advantage for profitability and survival in a dynamic competitive environment. Consequently, human capital development (HCD) is increasingly considered the backbone of every progressive organization.To achieve their goals, organizations deliberately employ various techniques of HCD to increase and improve the potentials of their workforce. Human capital development as a process is geared towards improving an organization's employee performance, capabilities and resources(Kumpikaite, 2014).

Human capital developmentrather than a mere budgeted cost is a strategic investment that recognizes that the development and growth of people in organizations and business is an important and essential asset to the organization's future success (Njoku&Onyegbula, 2017). The people that make an organization run are assets to be invested in. The idea is that if they can become more productive on an individual level through development, the organization in turn will witness productivity gains. Furthermore, it is often more cost-effective to develop people already employed by organizations than it is to recruit and train new people. Interestingly, employees feel more empowered when their organizations invest in them and feel better about staying with an organization that shows a promising career path and concern for maximizing employee potential (Zahid Ali, Sareeta&Manisha, 2015).

To develop a competitive advantage, it is important that organizations truly leverage the workforce as a competitive weapon. A strategy for improving workforce productivity to drive higher value for the firms has become an important focus. Organizations seek to optimize their workforce through comprehensive human capital development programmes not only to achieve business goals but most important is for long term survival and sustainability (Dessler, 2010). To accomplish this undertaking, organizations will need to invest resources to ensure that employees have the knowledge, skills, and competencies they need to work effectively in a rapidly changing and complex environment (Marimuthu, Arokiasamy& Ismail, 2009).

Human capital development can take many forms. It can be done through coaching, continuing education, job training, leadership training, mentoring, personality assessments, workshop and other means. In an economy in which technology plays a leading and dominant role, the rapid evolution and deployment of innovative technologies mean that to keep up, employees are going to co-evolve, i.e., develop the skills, values and perspectives mastery these technologies require(Kumpikaite, 2014).

One of the key issues that most organizations face nowadays is the need to improve employeeproductivity. Employee productivity is an assessment of the efficiency of a worker or group of workers. In actual terms, productivity is a component that directly affects the company's profits (Gummesson, 1998).Improving employee productivity has been one of the most important objectives for severalorganizations. This is because higher levels of employee productivity provide an organization and itsemployees with various advantages. For instance, higher productivity leads to favourableeconomicgrowth, large profitability and better social progress (Sharma & Sharma, 2014). Additionally,more productive employees can obtain better wages/ salaries, better working conditions, andfavourable employment opportunities. Moreover, higher productivity tends to maximize organizationalcompetitive advantage through cost reductions and improvement in high quality of output (Hanaysha, 2016; Wright, 2004).

There is no argument that productivity in any organization is important for the efficient running and good performance of the organization. According to Armstrong (2006), an organization's success mostly depends on its employees. As such, the level of employee productivity determines the level of organizational success in any industry. Research done over the years has been able to identify that productivity is affected by relatively few factors, some of which are organizational specific while others can be regarded as universal. Employees are generally aware of factors that inhibit their performance and productivity in the workplace. Chebet (2015) argues that exploring those factors that affect employee performance and hence productivity is of major concern in every economy.

A thorough examination of the literature reveals that human capital development is getting wider attention as a result of its importance to an individual, organizational and economic growth. For instance, numerous works in Nigeria has examined, among other vital issues, the role of human capital development in optimizing corporate and employee performance (Eletu&Ukoha, 2017;Samson, Ibeh, &Emerole); HCD as a strategy for sustainable development (Njoku&Onyegbula, 2017) and human capital development challenges in Nigeria (Ugal & Betiang, 2003). Despite the large volume of research that has been conducted in this area, there is still a paucity of work that has focused on how the key measures and totality of human capital development elements impacts the productivity of

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employees. Against this background, this study aims to fill this yearning gap by examining the relationship between key measures of human capital development and employee productivity using an extant literature review.

The Problem

There is no doubt that human resources are the greatest asset in any business given the fact that they possess the skills and experiences todevelop and transform organizations. However, in the face of rapid and disruptive change that is currently sweeping the business landscape world over, evidence is beginning to emergethat some skills and competencies of employees are becoming irrelevant. As competent employees don't remain competent forever, so also skills, knowledge and abilities deteriorate and can become obsolete if not nurtured.

For organizations that are lucky to find highly productive employees, another challenging issue confronting these business organizations is the ability to attract and retain these superior employees for long. It is widely believed thatmaintaining a competent workforce is costly in the short run and cheaper in the long run, but organizations also pay a significant cost when employees voluntarily leave. This talent drain results in costly sourcing and development of new talent but often hurts more in terms of productivity losses and inability to grow. Employee preferences and what they look for from work are determined not just at an individual level, but also over time. An organization that fails to recognize and meet those changing needs over time will underutilize its employees which ultimately cripples its overall performance.

It can be rightly said that the explanation for these issues might be nested in the fact that the measures of human capital development have not been integrated into a cohesive strategy. Therefore,the study examines the relationship between human capital developmentand employee productivity. Using extant literature review.

The aims of the study

i. examine the effect of workplace mentoring on employee productivity.
ii. ascertain the effect of succession planning on employee productivity

Review of Related Literature

Concept ofHuman Capital Development

Human capital refers to the know-how, capabilities, skills and expertise of the members of an organization. More aptly it is defined as "the knowledge, skills, competencies, and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being" (Organization for Economic Co-Operation and Development, 2001). According to Schultz (1993), the term "human capital" can be viewed as a key element in improving firm assets and employees to increase productivity as well as sustain competitive advantage. To sustain competitiveness in the organization human

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capital becomes aninstrument used to increase productivity. Human capital also refers to processes that relate to training, education and other professional initiatives to increase the levels of knowledge, skills, abilities, values, and social assets of an employee which will lead to the employee's satisfaction and performance, and eventually on firm performance.

The term human capital development can be defined as those activities geared towards improving knowledge, sharpening the skills, instilling the values, and encouraging the behaviour necessary to actualize the potentials of staff of the organization (Alo, 2000). It is the process of adding improvements to employees'skills and competencies through continued training and development both on-the-job and off-the-job. Such training directed at improving employeestechnical aptitude and skills, judgment and talents to ensure maximum contribution from workers is vital for developing a strong and vibrant organization. Healthfield (2011) defined human capital development as a framework for helping employees develop their personal and organizational skills, knowledge and ability. Accordingly, HCD includes such opportunities as employee training, employee career development, performance management and development, coaching, mentoring, etc.

Human capital development as a process should be systematic, sustainable and strategic. It has become vital to the success of modern organizations, as rapidly changing technology require employees to possess the knowledge, skills and abilities needed to cope with new processes and production techniques.Eletu and Ukoha (2017) emphasize that the goal of human capital management is to make available to the organization qualified manpower to carry out its activities so that the organization's goal can be achieved. Of all the resources an organization needs to function properly, human capital is the only resource that can be motivated, taught, developed and appraised to obtain maximum performance (Amah,2006).

The Nigeria Business Environment

According to Uwem(2012), the Nigeria's business environment is generally considered to be costly, uncertain and inhospitable. There is broad acceptance that the vast potentials in Nigeria can offer high returns, but doing business in Nigeria is difficult and risky. Ajayi (2008) puts it simply this way, 'Doing business in Nigeria can be tough and risky...one could grow gray hairs prematurely, or become highly hypertensive. But when one gets it right the returns are usually well above world average'. The major challenges are a weak Naira, which compounds the difficulties associated with high import dependence, high cost of funds, unstable power supply, unfair competition from some foreign goods, advanced fee fraud, high duties and multiple taxess, cable and facility vandalism, and relatively low purchasing power.. These

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undesirable outcomes promote and intensify sundry corrupt practices and severely constrain competitiveness; the ultimate outcome is an inhospitable business environment.

Doing Business in Nigeria Report (2008) as cited in Uwem(2012), observes that there were difficulties in starting businesses, weak capacity for dealing with licenses, long turnabout time for registration of property, and weak capacity for enforcing contracts. Nigeria was ranked 118th out of 181 by Doing Business Report (2009). Similarly, the 2008/2009 Global Competitiveness Index (GCI) of the World Economic Forum ranked Nigeria 94th out of 134 economies of the world, in terms of Business Competitiveness. The GCI identifies inadequate infrastructures, access to financing, corruption, policy instability, inflation, crime and theft, and poor work ethics, as key de-enablers.. The 3 levels of business competitiveness correspond to three types of economies, namely; factor driven, efficiency-driven, and technological sophisticated economies. Nigeria is in the factor driven stage, where development is tied to significant improvements in basic infrastructures.

Employee productivity

In a general sense, productivity can be defined as the ratio between a measure of output and a measure of input. The productivity of employees could thus be measured as an output, e.g. sales or units produced, relative to an input, e.g. the number of hours worked or the cost of labor(Sauermann, 2016).

Employee productivity is an assessment of the efficiency of a worker or group of workers, encompassing quality of the accomplishments, compliance with desired standards, the cost involved and the time taken in achieving the results. In actual terms, productivity is a component which directly affects the company's profits (Gummesson, 1998). In the organizational context, employee productivity is usually defined as the extent to which an organizational member contributes to achieving the goals of the organization (Greenberg,1996). Mathias and John (2003) defined employee productivity as a measure of the quantity and quality of work done, considering the cost of the resources used. McNamara (2003) further states that, results are usually the final and specific outputs desired from the employee. Results are often expressed as products or services for an internal or external customer. They may be in terms of financial accomplishments, impact on a community; and so whose results are expressed in terms of cost, quality, quantity or time.

Employee productivity could include: quantity of output, quality of output, timelines of output, presence at work and cooperativeness (Bernardin, 2007). Employee productivity could be simply understood as the related activities expected of a worker and how well those activities were executed (Zayum, Aule&Teslim, 2018).

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Workplace Mentoring

The term mentor came from Greek mythology from the name of an old man who Odysseus left in charge of his home and his son, Telemachus, while he went on a ten-year journey. A mentor helped the boy become a young man and on occasion saved his life. The concept of mentoring relates to emotional support and guidance usually given by a mature individual to a younger person called a protégé(Inzer&Crawford, 2005)**.**

Generally speaking, mentoring is a relationship between the mentor and the protégé or mentee. It is a one-to-one relationship in which an expert or a senior person voluntarily gives time to teach, support, and encourage another (Santamaria, 2003). A mentor is an individual who is considered knowledgeable and experienced about a subject area or job-related task that guides another individual called a mentee or protégéwho is less knowledgeable and inexperienced in a subject area or job-related task (Murray, 2006). Workplace mentoring can be defined as the ability to help the individuals acquire the skills necessary to do their job and possibly further their career through induction, personal development and personal change (Cameron, 2007). It is a developmental relationship between a more experienced individual (the mentor) and a less experienced partner (the mentee) for purposes of sharing technical information, institutional knowledge and insight concerning a particular occupation, profession, organization or endeavour. Workplace mentoring according to Fajana (2002), is the process of using especially selected and trained individuals to provide care and advice that will help to develop the careers of other employees who have been allocated to them.

The purpose of workplace mentoring is to help the new employee become so familiar with the work environment and so proficient with the work skills that he or she can work efficiently, productively and contentedly.Furthermore, it focuses on helping an individual acquire the skills necessary to do their job and possibly further their career (Zachary, 2012). The mentee sets the agenda based on their own development needs, and the mentor provides insight and guidance to help them achieve their desired goals.The employees are the proteges of the mentors because of the closeness that must exist between the mentor and whoever is allocated to him for the scheme to succeed (Neary, 2002).

Succession Planning

Succession planning is a key strategic tool that enables continuity in an organization should the current leadership/management leave the organization for various reasons. It also ensures smooth handover of power, creation, sharing and retention of knowledge if experts leave the organization. Rothwell (2010)as cited in Maphisa, Zwane, Nyide (2017) states that “succession planning is adeliberate and systematic effort by an

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organization to ensure leadership continuity in key positions,retention and development of intellectual andknowledge capital for the future, and encouragement of individual advancement".Rothwell (2010) conceptualized it as a systematic organizational effort to ensure the entity's continued existence, to maintain and to develop new competencies, and to leverage its development, based on a strategic view of what one expects of the future. In a sense, it is a practice that can offer seamless leadership transition throughout an organization. Mehrabani and Mohamad (2011) suggest that thekey to the future success of an organization isdetermined by how it assesses and understands thevalue of the people it has and what resources it willneed in the future. The aforementioned author'sfurther state that the one human resource toolwhich can assist to determine the current and futureneeds of the organization is succession planning.

It is a fact that leaders are appointed for specific periods in an organization and sooner rather than later, the same leaders will leave the organization through retirement, death, resignation or dismissal from work.Lowan and Chisoro (2016) posit that plans should be put in place to replace leaders in such eventualities to avoid plunging the organization into leadership crises. Therefore, succession planning helps the organization experienced leaders to pass on knowledge to less experienced employees before the experienced employees leave the organization.Mathur (2011) stated that a successionplanning system is intended to ensure that skilledand talented employees are prepared to take overeach key role in the event of a sudden loss ofefficiency created by retirements, death, seriousillnesses or promotions.

Main components of succession planning

Succession planning andmanagement should be in line with theorganization’s strategic vision and objectives (Stadler,2011).Mutunga and Gachunga (2013) suggest four maincomponents to Succession Planning:

i. The first component is identifying thepotential successor - this is the process of selectinga suitable candidate to take over if akey leadership position becomes vacant. Thisinvolves identifying at least one or preferably morethan one candidate who should begin the successionprocess as soon as possible and long before the predecessor decides to step down
ii. The second component involves changingmanagement style – The succession process requiresan incumbent to be taught how to lead and manage,the predecessor must at times forgo their leadership and management style and become theteacher and mentor for the candidate.
iii. The third component is successor training anddevelopment - The success of the potentialdescendent

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lies in getting the appropriate leadershipdevelopment training.

iv. The fourth and final component is selectingthe successor – There are many factors to considerwhen qualifying an individual to lead and manage,these include knowledge, skills, abilities, motivation,ambition, temperament, formal education andexperience.

Coaching

Coaching is a term is that is widely used to describe a variety of activities from sports coaching, life coaching, leadership and executive coaching to team coaching in organizations. Coaching is largely used when a person or organization is working towards some change in growth and development, and improving performance (Ritchie and Genoni, 2012).

The literature offers many definitions of coaching. According to Kampa-Kolesch and Anderson(2001), coaching is a form of systematic feedback intervention that is designed to enhanceprofessional skills, interpersonal awareness and personal effectiveness, whereas Gil and Carrillo, (2013) consider coaching to be a process that equips people with the tools, knowledge and opportunities that they need for professional development and to increasetheir effectiveness.

On the other hand, Colomo and Casado (2006) define coaching as a guided, structured andcontinuously monitored improvement process that brings a participant closer to the pre-establishedoptimum performance level for one’s current function in an organization. Theseauthors essentially view coaching as a conversation between two parties—a coach and acoachee—in a productive, results-oriented context. In like manner,Feldman and Lankau (2005) argue that coaching relationships involve one-to-one counselling regarding work-related issues, use 360-degree feedback and propose improvements in theeffectiveness of one’s current position. Additionally, Hannafey and Vitulano (2013) explain that coaching is a partnership between a management-level client and a coach hired by an organization to assist the employee inbecoming a more effective and successful manager.

Although different coaching definitions have been offered, there is some agreement regarding the core of coaching practices, and most definitions concur that coaching is a process that involves a series of one-to-one interactions between a manager and a coachee (Anderson, Rayner, &Schyns, 2009). The key features of coaching as highlighted by Robinson (2006) are; coaching is a relatively short-term activity, it is time-bound,it is a way of learning that is highly flexible and individualized, it focuses on improving performance and developing individual skills, coaching works on the premise that employees are self-aware and do not need clinical intervention among others.

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By and large, coaching as it applies in an organizational setting is a regular series of training or development sessions where an experienced employee with considerable expertise guides a trainee. It focuses on providing regular feedback and helping the employee to improve performance by overcoming the weaknesses (Kim &Kuo, 2015).

Since coaching takes place on a one-to-one basis, it provides a more intense training and learning experience customized to the specific needs of the individual. It is a more formal and regulated method of passing on expertise through on-the-job training and hence coaches have to be specially selected and trained to train to pass on their skills and knowledge effectively.

Training

Manpower training is the systematic process of developing attitudes and skills required by an individual to perform adequately a given task in an organization (Certo, 2006). It is also defined as the modification of behaviour through learning which occurs as a result of education instruction development and experiences (Rohan&Madhumita, 2012). Training is designed to change the behaviour of the employee in the workplace to stimulate efficiency and higher performance standards (Oliseh, 2005). It is thus an organized procedure by which people learn new knowledge and skill for a definite purpose. The purpose of training is basically to bridge the gap between job requirements and the present competence of employee in an organization (Oliseh, 2005). It aimed at improving the behaviour and performance of a person and also it is a never-ending or continuous process.

Many organizations consider training as a strategicemployee retention tool because it helps an organization to create a smarter force capable ofmeeting any situation and challenges. The main object of every organization is to improve itsperformance, but it can never be possible without the efficient performance of employees(Zayum, Aule&Teslim, 2018)**.** Forthe organization, training leads to improve effective and efficient service delivery whilecultivating more positive attitudes toward profit orientation.

For the employees, training improves job knowledge while also helps in identifying thegoals of the organization. Thus training has an important role to play and it is expected toinculcate positive changes in knowledge, skills and attitudes. It tries to improve skills so thatemployee is better equipped to do his present job or to prepare for a higher position withincreased responsibilities.

Types of training

There are two major forms of training offered to employees. Accordingly to Zayum, AuleandTeslim (2018), they include:

On-the-Job Training: This is a form of training that is provided at the workplace during the performance of the actual job. The knowledge and skills presented are directly related to job requirements. Examples include apprenticeship, job rotation, committee assignment, job instructions, internship training etc.

On-the-Job Training: Training that takes place in an environment other than the actual workplace. It is designed to meet the shared learning needs of a group rather than a particular individual's need. Examples are classroom lectures, simulation exercises, workshop/seminar, conferences etc.

Employee Motivation

The term motivation is derived from the word motive which means needs, wants and the desire of a person. Motivation is a process that starts with a need in a human being creates a vacuum in a person. In an attempt to fill the vacuum an internal driving force is generated which sustains a chain of action and reaction. Heatfield (2020) states that motivation is the internal drive that causes an individual to decide to take action.Nnabuife (2009), define motivation as the internal or external driving force that produces the willingness to perform an act to a conclusive end. This first aspect of motivation we choose to describe as internal motivation because the driving force comes from within an individual. The second aspect is external motivation, which is applied by the organization. This is because employees are motivated to identify with the organization to satisfy their varied and variegates needs and desires (Maduka& Okafor,2014).

Given the fact that motivation is an internal state, like emotions and attitudes, that only the individual can control, employee motivation is hinged on the idea of creating a workplace environment that will inspire and support strong motivation on the part of employees. Accordingly, Heathfield (2020) defines employee motivation as an employee’s intrinsic enthusiasm about and drive to accomplish activities related to work. Employee motivation also means the process in which an organization inspires its employee with the shape of rewards, bonus etc. for achieving the organizational goals.(Zameer, Ali, Nisar and Amir, 2014). On an individual, employee motivation is influenced by biological, intellectual, social, and emotional factors. As such, it is a complex force that can also be influenced by external factors.

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Workplace mentoring and employee productivity

Recent studies and workforce research indicate that mentorship is needed to increase employee productivity and decrease the time needed to produce quality work. A study performed by the American Society of Training and Development found that while training alone increased manager productivity by 24 per cent, productivity was increased by 88 per cent when training was combined with mentoring support strategies (Sweeny, 2003). The mentorship structure allows new coaches to practise and gain feedback on performance, thereby optimizing the learning experiences gained through interactions with teams, their coaching peers, and a qualified mentor coach based on its goals and objectives (Lee, 2008).

The benefits of this relationship lead to organizational benefits such as increased employee productivity and performance, stronger organizational commitment from the mentor and mentee, lower turnover, achievement of strategic goals, enhanced image (Murray, 2006), and in some cases, the attraction of potential employees. Furthermore, mentoring can help employees navigate organizational culture, solve problems and advance their careers(Horvath, Wasko and Bradley, 2008). Mentoring is a great way to make sure the talent pipeline is filled with people ready to manage and lead. Additionally, organizations are using mentoring as a way to retain and recruit talent. As Generation Y hits the workforce in huge numbers, mentoring has become a key tool for both recruiting and retention.

Succession planning and employee productivity

There is no doubt that when done right succession planning influences organizational output as well employee

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productivity. Maphiza, Zwane and Nyide(2017) discovered that business leaders who have successfully implemented succession planning are more likely to have a motivated workforce, improve employee confidence and higher workforce productivity. In like manner, Lowan and Chisoro(2016) contend that a strategic way to release the creativity of the workforce is through the establishment of management/leadership succession planning programs. Rothwell(2010) posited that succession planning leads to employee development and employee development leads to employee engagement.

Gulzar and Durrani (2014) furtherstipulate that appropriate talent managementpolicies and practices that exhibit a commitment toemployee development produce more committedstaff members within the organization and reducestaff turnover. Tunje (2014) asserts that forsuccession planning to be implemented to retain employees, the focus needs to be laid on careermanagement and talent management. Theaforementioned author emphasized that the existingsuccession planning practices should always lead toemployee retention and therefore, consciousdecisions need to be made when promoting talentedemployees. The outcomes of the research done byEshiteti*et al*. (2013) indicate that successionplanning programs enable employee developmentopportunities and job satisfaction which in turn hasa great influence on staff retention.

On the other side, succession planning can also yield undesirable result when done badly. Maphiza, Zwane and Nyide (2017) found out in their study that when succession planning is based solely on employees technical competencies alone at the expense of the right attitude and behaviour expected for the leadership role, ineffective leadership becomes the product of the process. This will eventually result in a decline in employee engagement. Furthermore, organizations that do not hold managers /leaders accountable and fail to share data with succession planning candidates are at the risk of losing promising and talented employees. This is because the employees will feel that the organization don’t have a plan for their development.

Theoretical Review

Human Capital Theory

Human Capital which has its root in classical economics in (1776) was thereafter developed as Human CapitalTheory first by Schultz in 1961 before other theorists like Becker (1962,1964), Barney(1991) and Baruch (2004) expounded the theory further. In Schultz proposition (1961) human capital was viewed as a set of skills, attributes and characteristics that increases workers’ productivity.

The human capital theory suggests that individuals with more or higher human capital achieve higher performance when executing tasks (Becker 1964). In other words, formal education is highlyinstrumental and necessary in

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improving the productioncapacity of the workforce.This is because theknowledge and education acquired increases the productivity and efficiency of workers by increasing thelevel of cognitive stock of economically productivehuman capability which is a product of innate abilitiesand investment in human beings

Human capital comprises the stock of knowledge and skills that reside within individuals. Specifically, human capital includes the unique insights, skills, cognitive characteristics and aptitudes of entrepreneurs (Ventakaraman 1997). It also includes achieved attributes, accumulated work and habits that may have a positive or negative effect on productivity (Becker 1964). Human capital represents a resource that is heterogeneously distributed across individuals and is thus central to understanding differences in opportunity identification and exploitation (Shane and Venkataraman 2000).

The capital concept is traditionally defined to say that expenditures on education, training, and medical care, etc., area capital investment. These are not simply costs but an investment with valuable returns that can be calculated.Becker (1993) noted the most valuable of all capital is that investment in human being. Becker distinguishes firm-specific human capitals from general-purposehuman capital. Examples of firm-specific human capital include expertise obtained through education andtraining in management information systems, accounting procedures, or other expertise specific to a particularfirm. General-purpose human capital is knowledge gained through education and training in areas of value toa variety of firms such as generic skills in human resource development.

The human capital theory is a perfect match for this study because the theory exposes us to how the employee (Human Capital of Organization) can be effectively managed for optimum productivity. It is also relevant to the study,because the constructs of Human Capital Developmentadopted in this study such as workplace, mentoring, succession planning, coaching, training and employee motivation are an aspect of human capital that impacts employees work-related outcomes. With the above, employee productivity will improve and will positively relate to human capital development.

Empirical Reviews

Malaolu and Ogbuabor (2013) examined the effects of training and manpower development onemployees' productivity and organizational performance using First Bank of Nigeria Plc. as a casestudy. The study applied structured questionnaires to a sample size of 75 drawn by simple randomsampling. The data generated were analyzed using descriptive statistics. The findings of the studyshow that training and manpower development has significantly enhanced employee efficiencyand job productivity in the bank.

Yahaya (2007) researched to explore the effect of investment in humanresources

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training and development on the efficiency of employees' in Nigerian Banks.This research-based on a descriptive survey. Data was collected through the Training andDevelopment Activities Scale (ATDAS) from three banks of Nigeria. A quantitativemeasure was used in this research to evaluate employees' effectiveness. This wasadopted from the measure published by the Institute for Intellectual Capital Research (IICR), and approved by the Saratoga Institute. The study showed that Nigerian banksshould provide the obligatory incentive to their employees, by effective trainingprograms, compensation, and retirement benefits.

A research was conducted to examine whetheremployees' training and development enhance work efficiency in the banking industry by Ojokuku &Adegbite (2014) in Nigeria. Primarydata were used for the study were generated through the use of questionnaires. The study employeda sample of 395 respondents from a population of 35,386 from the five banks used as a case study.A simple random technique was used to select the respondents and data collected were analyzedusing descriptive statistics, and Pearson's moment correlation. Multiple regressions wereemployed to test the hypothesis. They found evidence that organizational commitment to trainingand development, frequency of training and development, and reward for best performancesignificantly improve organizational performance in the Nigerian banking sector.

A study to assess the impact of Human Capital Variables i.e. acquisition of knowledge, skills & expertise of the employees on the satisfaction of the employees and then on the effectiveness of the organizations was conducted by Channar, Talraja and Bai(2015) in Pakistan. A simple random probability method was used for sampling selection & primary data was collected by administering questionnaires. Independent Samples T-Test showed that both genders are providedequal chances of human capital development. The effectiveness of the organization was measured by assessing the satisfaction & commitment level of the employees & customers with the organization. Satisfaction & commitment was measured by already established tools. The correlation technique showed that human capital development has a strong significant positive relation with the satisfaction level of the employees and customers, which will eventually lead to organizational performance. The research has implications not only for employees but also for HRM & Training & Development Managers.

Methodology

The study applied a variant of mixed and qualitative research using literature to express the relevance of human capital development and productivity in the Nigerian business environment. The sub-variables were used to express these positions extensively.

Summary

Extant literature reviewed showed that workplace mentoring is positively related to employee productivity. This is supported by Murray (2006) assertion that workplace mentoring improves employees performance through enhanced personal image and the stronger commitment it engenders from both the mentor and mentee to organization goals. Findings from Horvath, Wasko and Bradley, (2008) study also show that employees are better to equip to navigate organizational culture, solve problems and advance their career through mentoring.

It also revealed that a succession planning relationship with employee productivity could be positive or negative depending on its implementation. Support for the positive comes from Tunje(2014) and Rothwell(2010). They emphasized that when organizations approach succession planning is with a careerand talent management orientation employee engagement and staff retention will results. On the other side, support is provided by Maphiza, Zwane and Nyide (2017) findings in their study that when succession planning is based solely on employees technical competencies alone at the expense of the right attitude and behaviour expected for the leadership role, ineffective leadership becomes the product of the process.

Conclusions

The importance of investing in human capital development cannot be overemphasized, especially given the dynamism of the business environment driven by a continual upsurge in science and technology. Succession planning, coaching, training, workplace mentoring and employee motivation enhance the operational skills of the employee. In the light of this finding, the study concluded that organizational performance could be attained if considerable efforts and resources are effectively deployed to enhance human capital development through on-the-job and off the job training. Thus, investing in human capital development provides a sustainable framework that allows for greater operational dexterity and efficiency necessary for improved employee productivity.

Recommendations

1. Organisational training and systematic development culture should be upheld by the system
2. Operational dexterity should be encouraged in the organisation in Nigeria which will promote transparency, trust and confidence in succession.

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