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Effects of Human Capital Development in Optimizing Employee Performance, (A Study of Abia State House of Assembly, Abia State, Nigeria

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Abstract
Human capital can be said to be specifically within an economic setting as a manufacturing factor and as an economic term used to describe the skills and knowledge that individuals attracts upon to generate outputs of value such as innovation and productivity in job performance. It is no exaggeration in the assertion that the most significant resource of any organization is often said to be its people. People, knowledge and Skills are known as human capital.
This study examined the effects of human capital development in optimizing employees' performance with respect to Abia State house of Assembly. Survey design were used and data collected primarily for the study were analyzed using frequency distribution table, and percentages were used to analyze the data from the questionnaire, while simple regression and correlation with the use of SPSS were used to analyze the hypotheses. The findings established that there was a significant and positive relationship between human capital development programmes and the productivity of the employees. That organizations which were involved in human capital development system enhanced specific human capital and in turn, had higher creative performance of employees and eventually enhanced the achievement of the overall goal of positive organizational performance. The study concluded sequel to the result of the analyses and the findings of the work, that there was a significant and positive relationship between human capital development programmes and the productivity of the employees. Secondly, it was ascertained that there was a significant and positive relationship between the human capital development programs employed in Abia State House of Assembly and the performance of their employees. This conclusions were backed up with empirical reviews of other works which shared the same views with the findings of this work. The study recommended among others that organizations should invest necessary resources for developing human capital.

Keywords: *Human Capital, Human Capital Development, Employees' Performance.*

Introduction

1.1 Background of the Study

Human capital refers to the stock of knowledge, habits, social and personality attributes, including creativity, embodied in the ability to perform labor so as to produce economic value. Human capital is a collection of traits - all the knowledge, talents, skills, abilities, experience, intelligence, training, judgment, and wisdom possessed individually and collectively by individuals in a population. These resources are the total capacity of the people that represents a form of wealth which can be directed to accomplish the goals of the nation or slate or a portion thereof, (https://en.wikipedia.org/wiki/Humajn capital). It is an aggregate economic view of the human being acting within economies, which is an attempt to capture the social, biological, cultural and psychological complexity as they interact in

explicit and/or economic transactions, (Muhammad, Shafique and Naintara, 2013).
Human capital stands among the most valuable and important assets of an organization. It helps the company to grow and achieve its goals more effectively and efficiently. So one major area of concern for a firm is to make investments in human capital. Human capital investments is basically a process of developing employees by providing them education or training or both. Education usually includes reimbursement of employees for formal education in universities and colleges. Education is used to develop employee's skills in areas like finance, accounting or production. Training however is conducted by supervisors working on the job with employees by teaching them specific functions and providing them knowledge to complete a certain task more effectively and efficiently. Many theories explicitly connect investment inhuman capital development to education, and the role of human capital in economic development, productivity growth, and innovation has frequently been cited as a justification for government subsidies for education and job skills training, (Muhammad, Shafique and Naintara, 2013).
The success of any organization depends on the efficient and effective performance of its employees.

Rowden, and Conine, (2005) opined that employees arc organizations' most valuable assets because they project the image of the organization, possess the skills and experiences to develop and transform the organization. Rastogi (2002) stated that human capital is an important input for organizations especially for employees' continuous improvement mainly on knowledge, skills, and abilities. Thus, employees' development is one of the most important functions of human resource management. Recent research suggests that employee's development opportunities provided by an organization, are not only helpful in shaping employees' mind-sets in accordance with and strategic objective of the firm; these also have a potential to leave a strong impact on organizations level of outcomes, (Sampson, Ibeh and Emerole, 2016).
Employees' development is essential in maintaining and developing the capabilities of both individual employee and the organization as a whole. A central idea is that perceived investment in employees development creates conditions where employees believe that their organizations value their involvement and care about their skill enhancement and career growth. Training and development opportunities facilitates greater commitment of employees' towards the organization and, in turn, generates willingness of employees' to go an extra mile for the organization, (Arthur, 1994; Woods and de Menezes, 2008). Therefore, human capacity development is a critical index of competition in the world of business to the extent that the development of such capacities through training and skill acquisition has become top priority in designing the strategic plan of business organizations, (Abdel-Aziz and Abdel-Nascr, 2013).

Hence, in relation to the government owned organizations, employees' performance is associated with the provision of essential services rendered to the general public. Though been a non-profit organization, the employees need to have the qualifications and necessary skills that may influence the credibility of the institution towards the realization of their core goals and objectives.
In the same vein, the Abia State House of Assemble is the legislative arm of the government of Abia State of Nigeria. It has various categories of workers which comprises of the legislators who arc the elected honorable members and other civil servants of all categories who are also the agents of the executive arm of the government, both coming together to form a unique organization, rendering essential services for the good of the general public. But of interest to the researcher is the administrative staff who are permanent

staff of the organization, which does not change with the expiration of the tenure of the elected honorable members. They oversee the day to day functioning of the organization and as such are in great need of experience, skills and technical efficiency in order to pilot and sustain the administrations of the organization effectively, which has all it takes to transform the economy of the state in particular and that of the country in general (Yona, Raphael and Eunice, 2015).

With the current changes hovering around the world, as a result of globalization and liberalization especially as it relate technological trends, government ideologies, legal frameworks, customers' needs and employee perspectives, just to mention but a few, there is therefore a continuous need for further development of the human capital in organizations, in order to meet up with these present changes (Yona, Raphael and Eunice, 2015). Organizations that fail to re-strategies in line with the present trends will definitely become obsolete, gradually

Loose balance and drives into oblivion, also without adequate insight into the workforce and talent needs of the organization, organizational performance will suffers.

1.2 Statement of the Problem

Employee's performance is the key factor for success of every organization and every organization want to perform better than its competitors so it can keep its competitive edge and share of the market. Among other factors of performance, human capital investment is one factor that can have an outcome on the performance of both employees and the organization. Thus it can be crucial for managers and employers to invest in human capital in other to achieve the level of performance they desire and keep up with the rapidly changing environment of the market.

However many studies conducted before in the same area of human capital but failed to figure out the influence of human capital on organizational performance with the mediating effects of employees satisfaction towards his job. This motivated the researcher to embark on this study.

1.3 Objectives of the Study.

The major objective of the study is to examine the effects of human capital development in optimizing employees' performance (A Study of Abia State House of Assembly. Other specific objectives were to:

- **i.** Ascertain the relationship between human capital development programmes and the productivity of the employees.
- **ii.** Determine the relationship between the human capital development programmes employed in Abia State House of Assembly and the performance of their employees.

1.4 Research Questions

The following research questions were formulated;

- **i.** What is the relationship between human capital development programmes and the productivity of the employees?
- **ii.** What is the relationship between the human capital development programs employed in Abia State House of Assembly and the performance of their employees?

1.5 Research Hypotheses

The following research hypothesis were formulated;

- **i.** There is no significant and positive relationship between human capital development programmes and the productivity of the employees.
- **ii.** There is no significant and positive relationship between the human capital

development programs employed in Abia State house of Assembly and the performance of their employees.

Review of Related Literature

2.1 Conceptual Framework

2.1.1 Meaning and relevance of human capital

Human capital is a collection of traits — all the knowledge, talents, skills, abilities, experience, intelligence, training, judgment, and wisdom possessed individually and collectively by individuals in a population. These resources are the total capacity of the people that represents a form of wealth which can be directed to accomplish the goals of the nation or state or a portion thereof. Human capital plays a critical role in economic growth and poverty reduction. From a macroeconomic perspective, the accumulation of human capital improves labor productivity; facilitates technological innovations; increases returns to capital; and makes growth more sustainable, which, in turn, supports poverty reduction. Thus, human capital is regarded at the macro level as a key factor of production in the economy wide production function. From a microeconomic perspective, education increases the probability of being employed in the labor market and improves earnings capacity (Saban, 2013).

Thus, at the micro level, human capital is considered the component of education that contributes to an individual's labor productivity and earnings while being an important component of firm production. In other words, human capital refers to the ability and efficiency of people to transform raw materials and capital into goods and services, and the consensus is that these skills can be learned through the educational system. That said, human capital development is important for development for its intrinsic value as a development goal in its own right, not only because of its instrumental value. Although the conceptual definition of human capital is clear, its measurement is difficult because it is practically impossible to observe individual skill, and even harder to design a metric that is comparable across individuals and countries (Hyun, 2010).

Dreze and Sen (2013), in their book An Uncertain Glory: Nigeria and its Contradictions, point out that the rapid expansion of human capability is an integral element in achieving rapid economic growth in the East Asian economies. They assert that house of assembly abia state needs a better educated and healthier labor force, combined with an increased use of terminologies and better quality control, to catch up with better employee's performance. Bhagwati and Paragariya (2013), in Why Growth Matters, argue that reforms, particularly switching from the counterproductive, inward-oriented policy to a more open-trade policy framework, led to employee's performance.

2.1.2 How Organizations can Optimize Employee Performance

From the studies so far, it is important for organizations to optimize employee performance. The organization according to Hilson, and Banchirigah, (2009) should be structured to do this. The structure needs to be responsive to the business context and the methods of serving customers and their expectations. The organization should strike a balance between the inherent needs of business they are in and what helps flourish the key traits of the employees to serve customers' needs best. This study went ahead to analyses this in the context of:

- **i.** Technology start up, i.e. highlighting changes and that employees are required to be multi skilled and highly responsive,
- **ii.** In a manufacturing plant, the focus is on the execution and efficiency as work type is repetitive

According to Kahya (2007), in order to optimize employee performance, it's necessary to have systems in place to record specific employee goals and then measure each employees' performance as it pertains to achieving those goals. He therefore outline six ways this can be done.

i. Optimal goal setting: the SMARTH acronym is helpful here when setting goals.
- Making goals. SPECIFIC
- Making goals MEASURABLE
- Making goals ATTAINABLE
- Making goals RELEVANT
- Making goals TIMELY

This makes goals to be clear on what, how and when to achieve them, helping both employees and managers to prioritize.

ii. Performance tracking: this helps to alter the news of employee performance from a "snap short" approach to a progressive approach. It becomes easier to spot patterns and see improvements or opportunities.

iii. Faster feedback: the data about employee performance should not be moving in only one direction. It is either on a day-by-day or goal-by-goal basis. By showing the employees exactly what was done right and what could be improved on as projects are completed.

iv. Ties actions to consequences: there is real-time reporting that are allowed to have access to allow managers to respond to employees' performance immediately, rewarding great performance as it occurs and working with employees to improve on

v. Poor performance before the bottom line is affected.

vi. Collect feedback from peers: feedback about employees can be got from other employees, managers from other departments, customers and the employees themselves. Receiving information from all these sources may give managers a better rounded view of an employee's performance and allow manager to personalize employee development methods more effectively.

vii. Performance review: the above methods make it easier to track employee achievements, training, errors, generating performance reviews much easier. Concrete facts and records are available in the system.

2.2.3 Human Resource practices for developing human capital and performance

The high performance management, or high performance work practices, has become an important field. A number of the scholars have studied the depth and breadth of the MR practices, particularly in association with performance. High commitment management aims to go beyond high performance management to include an ideological component - the identification of the employee with the goals and values of the firm, so inducing commitment (Walton, 1985). The work of Wood & Albanese (1995) and of Wood (1996) have identified a number of common features of high commitment management:

- The development of career ladders and emphasis on trainability and commitment;
- A high level of functional flexibility with the abandonment of potentially rigid job descriptions;
- the reduction of hierarchies and the ending of status differentials;
- A heavy reliance on team structure for structuring work and problem solving;
- exemplary job design to promote intrinsic satisfaction;
- A policy of no compulsory lay-offs or redundancies;
- New forms of assessment and payment systems; and
- A high involvement of employees in the management of quality.

In the Guest's work for the Institute of Personnel and Development, surveying 835 organizations in the UK, endorses that there is a strong link between HRM and performance, but that this link is indirect, through the apparent impact on employee commitment, quality and flexibility.

Patterson et al. (1997) identify a positive relationship between employee attitudes, organizational culture, Human Resource Management and company performance, and conclude that employee commitment and a satisfied workforce are essential to improving performance. Two highly significant areas of Human Resource practices are seen as: the acquisition and development of employee skills (recruitment, selection, induction and performance appraisals), and job design (skill flexibility, job responsibility, team-working).

2.1.4 Human capital and complementary capitals

Human capital is 'generally understood to consist of the individual's capabilities, knowledge, skills and experience of the company's employees and managers, as they are relevant to the task at hand, as well as the capacity to add to this reservoir of knowledge, skills, and experience through individual learning' (Dess & Picken, 2000).

From the aforementioned definition, it becomes clear that human capital is rather broader in scope than human resources. The emphasis on knowledge is important. Though the HR literature has many things to say about knowledge, the debate is traditionally rooted in an individual level perspective, chiefly concerning job-related knowledge. Whereas the human capital literature has moved beyond the individual to also embrace the idea that knowledge can be shared among groups and institutionalized within organizational processes and routines (Wright et. al., 2001).

The concept and perspective of human capital stem from the fact that there is no substitute for knowledge and learning, creativity and innovation, competencies and capabilities; and that they need to be relentlessly pursued and focused on the firm's environmental context and competitive logic' (Rastogi, 2000).

Such a consideration leads to a crucial point: the accumulation of exceptionally talented individuals is not enough for the organization. There must also be a desire on the part of individuals to invest their skills and expertise in the organization and their position. In other words, individuals must commit or engage with the organization if the effective utilization of human capital is to happen. Additionally, regarding human capital, there must be social capital and organizational (or structural) capital surrounding the essential context. These three forms of capital contribute to the overall concept of intellectual capital.

- **Intellectual capital:** The OECD (1999) defines intellectual capital as "the economic value of two categories on intangible assets of a company' - organizational and human capital. Wright et al. (2001) argue that intellectual capital is a factor that includes human capital, social capital and organizational capital. According to the research of Nahapiet & Ghoshal, (2014), intellectual capital refers to the 'knowledge and knowing capability of a social collectively, such as an organization, intellectual community, or professional practice' (1998). There is a lack of clarity surrounding these and related terms, with numerous definitions abounding. In one study, Gratton & Ghoshal (2003) argue that intellectual capital is part of human capital, that is, human capital subsumes intellectual capital, and also includes within it social capital and emotional capital. For most commentators (Harvey & Lusch, 1999), intellectual capital has nevertheless a broad sweep and includes human capital as one of its key dimensions.

  Central to these ideas is that intellectual capital is 'embedded in both people and systems. The stock of human capital consists of human (the knowledge skills and abilities of people) social (the valuable relationships among people) and organizational (the processes and routines within the firm)' (Wright et al., 2001). Developing human capital therefore requires attention to these other complementarities. If competitive advantage is to be achieved, integration between human, social and organizational capital is required.

- **Social capital:** According to the work of Nahapiet & Ghoshal (1998), 'the central proposition of social capital theory is that networks of relationships constitute a valuable resource for the conduct of social affairs...much of this capital is embedded within networks of mutual acquaintance' (1998). Social capital, it is argued, increases the efficiency of action, and aids cooperative behavior (Nahapiet & Ghoshal, 1998). Social relationships and the social capital therein, are an important influence on the development of both human and intellectual capital. At the individual level, individuals with better social capital - individuals with stronger contact networks - will 'earn higher rates of return on their human capital' (Garavan et al., 2001). Yet it is at the organization level that social capital is highly important. As Nahapiet and Ghoshal argue: 'social capital facilitates the development of intellectual capital by affecting the. Conditions necessary for exchange and combination to occur' (1998). Within a provisional concept of social capital, the authors argue for three major elements: a structural dimension (network ties, network configuration and appropriable organization); a cognitive dimension (shared codes and languages, shared narratives), and a relational dimension (trust, norms, obligations and identification). All three influence the development of intellectual capital. This approach links well with the prevailing resource-based view, with its emphasis on bundles and combinations of resources. Social capital, with its stress on linkages between individuals, creates the conditions for connections, which are non-imitable, tacit, rare and durable. Gralton & Ghoshal contend that social capital is based on the twin concepts of sociability and trustworthiness: 'the depth and richness of these connections and potential points of leverage build substantial pools of knowledge and opportunities or value creation and arbitrage' (2003).
- **Organizational capital:** The principal role of organizational capital is to link the resources of the organization together into process that create value for customers and sustainable competitive advantage for the firm (Dess & Picken, 1999). This will include:
  - **i.** Organizational and reporting structures;
  - **ii.** Operating systems, processes, procedures and task designs;
  - **iii.** Information and communication infrastructures;
  - **iv.** Resource acquisition, development and allocation systems;
  - **v.** Decision processes and information flows;
  - **vi.** Incentives, controls and performance measurement systems:
  - **vii.** Organizational culture, values and leadership.

The interactions between these dimensions are important if employees are to have the motivation to develop and use their skills and knowledge. Beginning with the last issue first, the culture of the organization has a large impact on both recruitment and retention as well as in the area of generating commitment. In McKinsey's War for Talent survey (1999), 58% of employees, by far the highest response, say that what they value the most in organizations is strong vales and culture. A supportive culture with strong corporate purpose and compelling values has been seen as the underlining reason for major corporate success (Peters & Waterman, 1982; Collins &Porras, 1994).

A second major influence on human capital is the incentive structure and how performance is measured and managed in general. We have mentioned earlier that the studies have shown differentiated reward systems, and clear positive appraisal linked to incentives can link directly to firm performance. In terms of the organizational structure, 'the degree that skilled and motivated employees are directly involved in determining what work is performed and how this work gets accomplished is crucial' (Delaney & Huselid, 1996: 950). To this end, employee participation (Wagner, 1994), internal career ladders (Osterman, 1987) and team based working (Levine, 1995) have all been shown to positively link to organizational performance (Delaney & Huselid, 1996).

Moreover, Rumelt (1984) points out that the routines and processes, which act as the glue for organizations, can either enhance or disable co-operative working and the development of knowledge. This is ultimately the simple point that the organizational structures and processes must support the purpose of the organization and so have requisite variety without creating boundaries between individuals and groups.

- **Knowledge:** The connections between human capital, social capital and organizational capital will produce intellectual capital. This, in turn, will affect the management of knowledge within the organization. Knowledge has long been recognized as a valuable resource by economists and has been a focus of significant attention in the human capital literature, in particular the issues of knowledge generation, leverage, transfer and integration (Wright et al., 2001). Knowledge has been conceptualized and characterized in a number of ways in the literature (Maruping, 2002) but a major point of commonality has been the distinction between tacit knowledge (or know-how) characterized by its incommunicability, and explicit knowledge, which is capable of codification (Nonaka, 1994). Given the importance of knowledge in the organization (indeed, Grant (1996) posits a knowledge-based theory of the firm), it becomes crucial that the employees as the source of knowledge are managed well. This requires that firms 'define knowledge, identify existing knowledge bases, and provide mechanisms to promote the creation, protection and transfer of knowledge' (Wright el al., 2001).

The fundamental issue with tacit knowledge is its intangibility, whereas Pfeffer& Sutton (1999) argue that the knowledge-doing gap (translating knowledge into action) is at least as important as accumulating knowledge in the first place. In other words, attending to the conditions under which people are prepared to share and act upon their knowledge is a major component of human capital management. As Wright et al. (2001) point out, traditionally in the HR literature, there has been a focus on developing individual knowledge through training and providing incentives to apply knowledge. But the human capital literature is as much concerned with the organizational sharing of knowledge, making it accessible and transferable. Leonard-Barton (1995) has identified four processes for supporting organizational leaning and innovation as follows:

i. owning/solving problems (egalitarianism)
ii. integrating internal knowledge (shared knowledge)
iii. continuous experimentation
iv. integrating external knowledge (openness to outside)

The greater the sense of social community within the firm (social capital), the more likely it is that knowledge will be created and transferred (Coleman, 1988). Similarly, if a combination of the organizational processes and boundaries are in place, this may hinder efforts to turn knowledge into action.

3.11.1 Difficulties with the link between human capital and performance

There are a number of problems with asserting a linkage between human capital and human resource initiatives and organizational performance. Drawing on the work of Becker & Gerhart (1996) and Guest (1997), we can identify the following:

- Reverse causation - Do human capital processes lead to increased performance, or is the alternative explanation equally as likely: that higher performing firms will have more resources to invest in better human capital management? If the casual link is to be established, there is a need to specify the intervening variables between human capital management and performance. The fact that profit sharing is associated with higher profits can be interpreted in at least two ways: profit sharing causes higher profits, or firms with higher profits are more likely to implement profit sharing. However, if it can be demonstrated that employees in firms with profit sharing have different attitudes and behaviors than those in firms without profit sharing. And that these differences also translate into different levels of customer satisfaction, productivity, speed to market and so forth. As such, researchers can begin to have more confidence in the causal model' (Becker & Gerhart, 1996).

- A good deal of work has emphasized the alignment of human resources to organizational strategies (e.g. a cost leadership strategy and a differentiation strategy). But the firm-specific contexts and contingencies surrounding the organization will make HR alignment much more complex and idiosyncratic, and render generalizations about HR and human capital problematic,

If human capital is, in a real sense, 'best practice,' why is it that some organizations lack human capital processes and yet are successful in their businesses? Or, in other words, why doesn't everyone adopt human capital principles? These are some empirical questions to be investigated. A simple answer would be that such firms may be successful now, but the possibility of sustaining their success is perhaps reduced by the degree of their failure to implement the human capital concepts. In general, we agree with Becker & Gerhart (1996) who state that 'more effort should be devoted to finding out what managers are thinking when they make the decisions they do. This suggests a need for deeper qualitative research to complement the large scale, multiple firm studies that are available' (1996).

2.2 Theoretical Framework

Theories arc formulated to explain, predict and help in understanding phenomenon and in many cases to challenge and extend existing knowledge within the limits of the critical bounding assumptions, (David, 2009). Different authors have come up with theories on human capital development. The theories that will be highlighted here to give some kind of backing to the study on ground includes: Resource Based View Theory and Human Capital Theory.

2.2.1 Resource Based View Theory

Resource Based View (RBV) was articulated into a coherent theory by Wernerfell (1984). The theory states that the organizational resources and capabilities that arc rare, valuable, non-substitutable, and imperfectly imitable form the basis for a firm's sustained competitive advantage. Resource Based View suggests that the firm can secure a sustained competitive advantage through facilitating the development of competencies that are firm specific, produce complex social relationship; are embedded in a firm's history and culture, and generate tacit organizational knowledge (Odhong, *et. at.*, 2013).

This theory recognizes human capital as the most valuable, non-substitutable and imperfectly imitable resource that a firm can successfully utilize to achieve organizational productivity and competitiveness. Resource-based theory is linked to human capital theory in that they both emphasize that investment in people adds to their value to the firm, (Sampson, Ibeh and Emerole, 2016).

2.2.2 Human Capital Theory

The origin of human capital goes back to emergence of classical economics in (1776) and thereafter developed a scientific theory. The idea of investing in human capital was first developed by Adam (1963), who argued in the Wealth of Nations that differences between the ways of working of individuals with different levels of education and training reflected differences in the returns necessary to defray the costs of acquiring those skills. Economists such as Elliot (1991) developed the theory of human capital. He is concerned with human capital in terms of the quality, not quantity, of the labor supply. After the manifestation of that concept as a theory, Schultz (1961) recognized the human capital as one of the important factors of national economic growth in the modern economy, (Sampson. Ibeh and Emerole, 2016).

The theory argues that a person's formal education determines his or her earning power. Human capital theory holds that it is the key competences, skills, knowledge and abilities of the workforce that contributes to organizations competitive advantage. It focuses attention on resourcing, human resource development, and reward strategies and practices. According to Human Capital Theory, education is an investment because it is believed that it could potentially bestow private and social benefits. Human capital theorists believe that education and earning power are correlated, which means, theoretically, that the more education one has, the more one can earn, and that the skills, knowledge and abilities that education provides can be transferred into the work in terms of productivity, (Sampson, Ibeh and Emerole, 2016).

A theory of human allocation and development was propounded by David P. Lepak and Scott A. Snell. In this study, it was recognized that not all employees possess the knowledge and skills that are of equal importance. It should be remembered that no two individuals are exactly alike. This theory drew attention on the resource based view of the firm, human capital theory, and transaction cost economics to develop a human resource architecture of four different employment modes:

- **i.** Internal development
- **ii.** Acquisition of knowledge and skill
- **iii.** Contracting of one another
- **iv.** Alliance between workers

This theory by implication means that any country that neglects human capital development, directly or indirectly neglects its economic growth indices. Growth in human capital has a lot of implications on economic growth. No wonder the developing countries of the world have a large number of unproductive labor and unemployment.

2.3 Empirical Framework

Akinseye and Akinselure, (2016), conducted a study on the effect of manpower training on organization efficiency, in Lagos metropolis. The methodology of this study was based on survey design approach. This study involved distribution of three hundred questionnaire (300) to ten (10) companies selected for this study. These companies were selected using non-probability sampling (specifically purposive sampling) and the data obtained from the questionnaire were analyzed using descriptive and inferential statistic such as frequency table, percentages and Chi-square. The result of the analyses showed that there was significant relationship between manpower training and improvement in the performance of the employee, this was because the Chi-square value calculated (128.000) was lower than the Chi-square tabulated (9.488).

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Abdel-Aziz and Abdel-Naser, (2013), investigated the impact of Human Capital on Middle East University's business performance. Practical data were collected from 167 participants out of about 3217 elements, by means of a questionnaire. Statistical techniques such as descriptive statistics, t-test, ANOVA test, correlation, multiple regressions and stepwise regressions were employed. *To* confirm the suitability of data collection instrument, a Kolmogorov-Smirnov (K-S) test, Cronbach's Alpha and factor analysis were used. The result of the study indicated a positive significant relationship between human capital and Middle East University's business performance. The data was also limited to Jordanian organizations. Extending the research to

other settings represent future research opportunities. Human capital is an important source of organizations' wealth and therefore it should be taken into serious consideration when formulating the MEU' s strategy. The data suggested that a similar set of HC indicators could be developed for other organizations and industries whether government, public or private, profitable or non-profitable organizations.
Saban, 2015), analyzed the development of human capital strategy in go-public manufacturing companies, examining the several effects of variables, and also the effect of intervening variables on the development of human capital. The population consisted of 151 go-public manufacturing companies listed on the Stock Exchange. The purposive sampling method was used and 12 companies were taken in which 10 of respondents from each company consisting of managers and staff, and the data were analyzed using Structural Equation Modeling (SEM). It showed that the first, the external environment had positive and significant effect on the planning and management of human resources, education and training, and the development of human capital, but has no significant effect on improving employees, employee performance and recognition, and employee satisfaction. Second, the internal environment had a *positive* and significant impact on the planning and management of human resources, employee improvement, education and training, employee performance and recognition, employee satisfaction, and the development of human capital. Third, planning and human resource management, employee improvement, education and training, employee performance and Recognition, and employee satisfaction have a significant and positive effect on the development of human capital.

Methodology

3.1 Research Design

This research adopted the survey design.

3.2 Sources of data

Both primary and secondary source of data were utilized in gathering the information relevant for this work.
Primary data: Primary data Primary data consists of the use of questionnaire.
Secondary data: Some of the secondary sources utilized included textbooks, related articles in academic journals and from the internet.

3.3 Population of the Study

The population of this study comprised the entire staff of Abia State House of Assembly, totaling 210.

3.4 Sample Size Determination

The researcher determined the sample size using Taro Yamane formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where n = sample size
N = population
e = level of significant error at 0.05

Substituting:

$$n = \frac{210}{1 + 210(\cancel{0.05})^2}$$

$$n = \frac{210}{1.525}$$

n = 137.70
= 138
Therefore, the sample size for this study was 138 staff.

3.5 Sampling Technique

The study adopted a random sampling technique which made it possible for all the staff to have equal opportunity to being selected as the representative sample based on the total population of the two hundred and ten, a normal confidence level of 95% and error tolerance of 5% was used.

3.6 Description of the Instrument

The instrument for data collection were questionnaire.

The extent of existence for all variables in the research area were measured on a five-point Likert scale ranging from strongly disagree to Strongly Agree, ranging from 1 -5. Where Strongly Disagree (SD) =1; Disagree (D) =2; Neutral (N) = 3, Agree (A) =4 and-Strongly Agree (SA) = 5.

3.7 Reliability of the Instrument

The researcher used Test-Retest reliability to test the consistency of different administrations and also to determine the coefficient reliability of this study. The same test was administered to different groups on at least two separate occasions. Through this, the researcher achieved some level of reliability and validity through the various methods and techniques that were employed in collecting and analyzing data. The Test-Retest reliability was used and computed through Statistical Package for Social Science (SPSS) version 23.0.

3.8 Method of data Analyses

Data for the study were analyzed using frequency distribution table, and percentages while simple regression and correlation with the use of SPSS were used to analyze the hypotheses.

3.9 Data Presentation and Discussion of Findings

Distribution of questionnaire and response rate

Total copies of questionnaire	Respondents	Percentage (%)
Number returned	124	90.0
Number not returned	14	10.0
Total	138	100

Source: Field survey, 2020

From table 3.9, out of 138 questionnaire issued to the respondents 124 representing 90.0% were completely filled and returned while 14 questionnaire representing 10.0% were not returned. This implied that good number of the questionnaire were attended to by the respondents.

Results and Discussions

Table I Management disposition to human capital development.

Regression coefficient

		Capital development	Productivity employee
Capital development program	Pearson	1	.936**
	Sign. (1-tailed)		.154
	N	110	110
Productivity of employee	Pearson	.936**	1
	Sig. (1-tailed)	.154	
	N	110	110

Source: SPSS Version 23

Table II

Variables	Pearson r	Performance	HCM
Performance	Pearson Correlation.	1	.297(**)
	Sig. (2-tailed)		.000
	N	62	62
HCM	Pearson Correlation	.297(**)	1
	Sig. (2-tailed)	.000	
	N	62	62

** Correlation is significant at the 0.01 level (2-tailed)

Source: SPSS Version 23

The result of table 2 showed that management disposition to human capital management was positively correlated with career development and organizational performance (r=0.297, p=.000) of the employees.

Findings

Based on the findings presented on table I, it has been established that there was a significant and positive relationship between human capital development programmes and the productivity of the employees. This corroborated the earlier studies of Huselid, Jackson & Schuler (1997) who concluded that one percent increase in human resource practices effectiveness was resulted in increase of 5.2% in sale per employee and 16.5% increase in organizational cash flows. Huselid (1997) study showed that one standard deviation change in human resource system was associated with 21 percent change in shareholder value.

The result of table 2 showed that there was no significant and positive relationship between the human capital development programs employed in Abia State House of Assembly and the performance of their employees. This result generally confirmed what previous studies had found that when examining the positive relationship between human capital and firm performance. Bhattacharya, Gibson & Doty (2005) reported similar results that organization human resource flexibility was positively associated with return on sales, operating profit per employee and sales per employee. The result of the studies showed a significantly positive correlation of human resource practices and organizational performance. It was also in line with Rahim et. al. (2011) who indicated that human capital efficiency had significant and positive relationships with firm's performance.

3.9 Conclusion

Sequel to the result of the analyses and the findings of the work, it was concluded that there was a significant and positive relationship between human capital development programmes and the productivity of the employees. Secondly, it was ascertained that there was a significant and positive relationship between the human capital development programs employed in Abia State house of Assembly and the performance of their employees.

3.10 Recommendations

- **i.** Organizations should hire the right people to do the right jobs by motivating, appraising and developing them.
- **ii.** More human capital development practices should be adopted often to keep the employees up-to-date in their jobs.

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