

# The State of Human Resource Management in Nigeria: A Review of 21st-Century Trends, Issues, and Strategic Solutions

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DOI:[10.56201/jhsp.v10.no5.2024.pg143.158](https://doi.org/10.56201/jhsp.v10.no5.2024.pg143.158)

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## **Abstract**

*Human Resource Management (HRM) has become a cornerstone for organizational success in Nigeria, particularly in the context of the 21st century. This paper provides a comprehensive review of the current state of HRM in Nigeria, highlighting the prevailing challenges, emerging trends, and potential strategic solutions to address these issues. The study examines key HRM challenges such as talent shortages, workforce diversity, employee engagement, compliance with labor laws, and mental health concerns. It also identifies the impact of digital transformation, remote work, and the growing importance of employee experience in shaping Human Resources (HR) practices. Through an analysis of empirical studies, case examples, and strategic insights, this paper presents solutions to overcome HRM challenges, including the development of employee skills, leveraging HR technology, and promoting mental health and inclusivity in the workplace. In a rapidly evolving global and local business environment, understanding these trends and challenges is essential for Nigerian organizations to remain competitive. The paper concludes by highlighting the role of HRM in fostering productivity and employee satisfaction, essential for Nigeria's socio-economic development.*

**Keywords:** Human Resource Management, Nigeria, 21st Century, Trends, Issues, Strategies

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## **Introduction**

Nigeria, the most populous country in Africa, is home to a dynamic and growing workforce. According to the National Bureau of Statistics (NBS) (2023), Nigeria's labour force consists of approximately seventy (70) million individuals, with a high percentage of young people under 35 years. However, despite the size of its workforce, the Nigerian economy is confronted with high unemployment rates, estimated at 33.3% in 2021 (NBS, 2021). These economic conditions create unique challenges for HR managers tasked with hiring, retaining, and developing talent in a competitive labor market.

In addition to economic challenges, Nigeria's cultural diversity also presents complexities in managing the workforce. With over 250 ethnic groups and significant regional differences,

Nigerian organizations must navigate cultural sensitivity and inclusivity to maintain a cohesive and productive work environment. Moreover, the rise of remote work, accelerated by the COVID-19 pandemic, has introduced new challenges related to managing dispersed teams and maintaining employee engagement.

Globally, HRM has witnessed rapid transformations, driven by technological advancements such as Artificial Intelligence (AI), Human Resource Information Systems (HRIS), and Analytics. Nigerian organizations are increasingly adopting these technologies, though they face difficulties in implementation due to infrastructure limitations and resistance to change. Furthermore, as employees become more aware of their rights, issues like workplace discrimination, harassment, and mental health are gaining attention. Nigerian labour laws, such as the 2004 Labour Act, have established frameworks to protect employee rights, but enforcement remains inconsistent, leading to challenges for HR managers in ensuring compliance. Given these complexities, this paper aims to review the current challenges, trends, and strategic solutions in HRM within the Nigerian context. By analyzing existing literature and drawing insights from case studies, the study aims to offer recommendations on how organizations can adapt their HR practices to meet the demands of the 21st century. As a result, this paper is structured into some thematic areas which include, introduction, literature review, emerging trends in HRM in Nigeria, current issues facing HRM in Nigerian, strategic solutions for addressing HRM challenges in Nigeria, conclusion, and recommendations.

## **Methodology**

The paper is purely conceptual as it relies on the writings of published articles and texts for secondary data. It applied a qualitative research design and analysis

## **Literature Review**

### **History of Human Resource Management in Nigeria**

Human Resource Management (HRM) in Nigeria has evolved considerably, reflecting changes in the political, economic, and social landscapes of the country. From the pre-colonial era to the modern-day context, HRM practices have transformed from informal labour arrangements to structured systems shaped by globalization, technology, and professional standards. Meanwhile, arising from the synthesis of literature available on this topic (Taylor, 2011; Nankervis et.al, 2011; History of Human Resource Management, 2010; Kelly, 2003; Ogier, 2003), the history, evolution and development of HRM can be summarized as presented below:

#### **Pre-Colonial and Colonial Era**

Before the advent of colonialism, human resource management in Nigeria existed in an informal and decentralized form. Communities were agrarian, and human resource practices were rooted in family, kinship ties, and apprenticeship systems. Labor was predominantly

provided through communal efforts, where individuals worked on farms or in trade under the supervision of community leaders. These labour systems were largely based on trust, reciprocity, and social obligation, as opposed to formalized employment contracts.

During the colonial period (1900–1960), the introduction of Western administrative structures and industries by the British colonial government marked the beginning of formal HR practices in Nigeria. The establishment of plantations, mines, and administrative services required structured labour relations, with employers and employees having defined roles. Colonial enterprises introduced recruitment policies, wage systems, and training programs to manage the workforce. However, these early HR practices were skewed toward the colonial agenda, prioritizing European expatriates over local workers. Discriminatory labour policies were commonplace, with poor working conditions and limited access to career advancement for indigenous workers.

### **Post-Independence Era (1960–1980)**

After Nigeria gained independence in 1960, HRM practices began to align more closely with national development objectives. The post-independence government-initiated policies aimed at indigenizing the workforce and reducing dependence on foreign labour. This period saw the introduction of various labour laws aimed at protecting workers' rights and promoting better working conditions. The 1970s oil boom brought significant economic growth, and many Nigerian companies expanded their workforce. This period also saw the establishment of trade unions, such as the Nigeria Labour Congress (NLC) in 1978, which played a pivotal role in advocating for workers' rights, fair wages, and improved labour laws. As companies grew, HR functions such as recruitment, compensation, labour relations, and employee training became more structured. However, challenges persisted in the form of inadequate HR policies, lack of skilled labour, and limited professional development programs.

### **Modern Era (1980–Present)**

From the 1980s onward, Nigeria's HRM landscape became more professionalized, influenced by global trends and the increasing importance of human capital in business strategy. The Structural Adjustment Program (SAP) of the 1980s introduced economic reforms that emphasized privatization, deregulation, and free-market policies. These reforms impacted labour relations and HRM practices, as companies sought to reduce costs by cutting down on labour expenses, leading to widespread job losses and organizational restructuring. In the 1990s, the introduction of technology, globalization, and competitive business environments transformed HRM in Nigeria. Organizations began to view HR not just as an administrative function but as a strategic partner essential for driving business performance. The proliferation of multinational corporations (MNCs) in Nigeria also influenced local companies to adopt global best practices in HRM, such as performance management, employee engagement, and talent development.

In the 21st century, HRM in Nigeria continues to evolve, driven by technological advancements, changing labour demographics, and the growing recognition of employee rights. Nigerian companies are increasingly adopting HR Information Systems (HRIS), data analytics, and Artificial Intelligence (AI) to improve workforce management. Furthermore, Nigerian labour laws, such as the Labour Act of 2004, provide the legal framework for HRM practices, addressing issues such as employee compensation, contracts, safety, and welfare.

### **Key Functions of Human Resource Management in Nigeria**

1. **Recruitment and Selection:** One of the fundamental functions of HRM in Nigeria is recruitment and selection, which involves identifying organizational needs, sourcing candidates, and selecting individuals with the necessary skills and qualifications. According to a PwC Nigeria (2022) report, recruitment processes in Nigerian companies have become increasingly data-driven, with firms using digital platforms and HR software to streamline hiring. However, skill shortages remain a significant challenge, particularly in technical fields.
2. **Training and Development:** HR departments in Nigeria are responsible for the continuous training and development of employees. A KPMG (2023) survey indicates that 72% of Nigerian companies invest in employee development programs, including mentorship, leadership training, and technical skills workshops. Training helps employees adapt to technological changes, enhances productivity, and contributes to organizational growth. However, the effectiveness of these programs can be hindered by limited resources and inadequate funding.
3. **Performance Management:** HRM plays a key role in setting performance standards, evaluating employee performance, and implementing performance appraisal systems. In Nigeria, performance management is increasingly being aligned with strategic business goals. Deloitte (2021) highlights that organizations in Nigeria are adopting more structured performance review systems, which include regular feedback, goal-setting, and performance-based incentives to boost employee productivity.
4. **Compensation and Benefits:** Compensation management is central to HRM functions, ensuring that employees are fairly remunerated. HR professionals in Nigeria manage salary structures, benefits packages, and compensation policies to remain competitive in the labour market. A KPMG Nigeria (2022) report reveals that companies are re-evaluating their compensation structures in response to rising inflation and economic challenges. This function also involves ensuring compliance with legal requirements such as the national minimum wage.
5. **Employee Relations and Industrial Relations:** HR departments in Nigeria handle labour relations, dealing with trade unions, conflict resolution, and collective bargaining. Trade unions, such as the Nigeria Labour Congress (NLC) and Trade Union Congress (TUC), play an important role in negotiating wages, working conditions, and employee

welfare. The HR function also involves managing workplace disputes and ensuring compliance with labour laws and company policies.

6. **Health, Safety, and Employee Well-being:** Nigerian HR professionals are tasked with ensuring that workplaces comply with health and safety regulations, as stipulated in various laws such as the Factories Act of 1987 and Employee Compensation Act of 2010. Organizations are increasingly focusing on employee well-being, with a growing emphasis on mental health and stress management initiatives. According to a World Health Organization (WHO, 2022) report, workplace stress and mental health issues have been rising in Nigeria, especially after the COVID-19 pandemic.
7. **Diversity and Inclusion:** Managing a diverse workforce remains a challenge in Nigeria due to its multi-ethnic and religious composition. The HR function includes promoting inclusivity and preventing discrimination based on ethnicity, religion, gender, or disability. Akanbi and Olutayo (2021) found that over 65% of Nigerian companies lack formal diversity and inclusion policies, which creates challenges in building cohesive and harmonious workplaces.

### **Current Issues Facing HRM in Nigeria**

Human Resource Management (HRM) in Nigeria faces multifaceted challenges that hinder organizational effectiveness and workforce development. The dynamic nature of the Nigerian business environment, characterized by economic fluctuations, evolving labour laws, demographic shifts, and globalization, has brought HRM issues to the forefront. Below is a comprehensive analysis of the key current issues facing HRM in Nigerian, backed by relevant literature and recent empirical studies.

#### **1. Talent Shortages and Skills Gaps**

One of the primary challenges faced by HR managers in Nigeria is the shortage of skilled labour across various sectors, particularly in technology, engineering, and financial services. The demand for highly specialized and technical skills has outpaced supply, creating a significant skills gap in the workforce. A report by PwC (2022) highlights the growing demand for digital and technical skills in industries such as technology, finance, and oil & gas. However, the Nigerian educational system has struggled to produce graduates with the skills necessary to meet this demand, leading to a significant skills gap. According to a survey conducted by Jobberman (2021), over 60% of employers reported difficulties in finding qualified candidates for technical roles. This mismatch between education output and labour market requirements exacerbates the talent shortage. The Nigerian Economic Summit Group (2023) highlights that despite the large pool of young graduates entering the labour market, many are under-qualified for the technical demands of modern industries, a reflection

of outdated educational curricula that do not align with contemporary industry standards. The shortage of skilled labour increases recruitment challenges for HR departments, who must often rely on expensive expatriate labour or allocate significant resources to upskilling existing employees. Moreover, the inability to attract and retain top talent can limit organizational growth and innovation (Okeke & Awonusi, 2023).

## **2. Employee Engagement and Retention**

Employee retention is another significant issue in Nigerian organizations. High turnover rates, especially among younger employees, have become a major concern. This is particularly prevalent in sectors such as banking, telecommunications, and manufacturing, where competitive talent poaching is common. High turnover leads to increased recruitment and training costs, as well as disruptions in organizational performance. Research by Okpu & Kemi (2023) indicates that disengagement, lack of career growth, and poor compensation are among the leading causes of employee turnover in Nigerian organizations. According to a study by KPMG Nigeria (2022), 55% of Nigerian companies in key industries reported high employee turnover, with younger employees (millennials and Gen. Z) being the most likely to leave their jobs within two years. Key factors contributing to this turnover include poor career development opportunities, lack of employee engagement, and dissatisfaction with compensation. HR departments in Nigeria must invest heavily in employee engagement strategies, including performance management systems, career development programs, and recognition initiatives to reduce turnover rates. Furthermore, organizations need to reevaluate their compensation structures and work-life balance policies to improve retention and engagement (Ajayi & Ogunbiyi, 2023).

## **3. Workforce Diversity and Inclusion**

Managing a diverse workforce is a growing challenge for Nigerian HR professionals. With over 250 ethnic groups, significant religious differences, and gender disparities, fostering an inclusive workplace that accommodates all backgrounds is difficult. Discrimination, unconscious bias, and lack of inclusivity policies create barriers to achieving workforce harmony and cohesion. In effect, Nigeria's workforce is ethnically, culturally, and regionally diverse, posing challenges for organizations in promoting inclusivity. A study by Akanbi and Olutayo (2021) found that 65% of Nigerian companies lack formal diversity and inclusion policies, and over 70% of employees in surveyed firms have experienced or witnessed some form of workplace discrimination based on ethnicity, religion, or gender. Additionally, gender disparities are notable in leadership roles, with women underrepresented in senior management positions across industries. These issues often lead to discrimination and workplace conflict, which

undermine organizational cohesion and productivity. The importance of workforce diversity in Nigerian organizations has been highlighted in numerous studies. More so, in Nigeria, deep-rooted ethnic and religious divides can manifest in the workplace, leading to conflicts, biased recruitment, and promotion practices (Adebayo, 2022).

#### **4. Mental Health and Wellbeing**

Mental health has become a critical issue in the Nigerian workplace, particularly in the wake of the COVID-19 pandemic. Rising levels of stress, anxiety, depression, and burnout have had a profound impact on employee productivity and overall workplace morale. Studies by Ekwere & Nwokike (2022) reveal that workplace stress, anxiety, and burnout are increasing in Nigerian organizations, partly due to economic uncertainty, long working hours, and lack of support systems. The Nigerian HR environment is still grappling with how to incorporate mental health policies into organizational frameworks. A survey by the World Health Organization (2022) found that mental health disorders accounted for 7% of disability-adjusted life years (DALYs) in Nigeria, with workplace stress contributing significantly to these statistics. Ekwere et al. (2022) further assert that 58% of Nigerian employees report feeling stressed or anxious due to job insecurity, poor working conditions, and long hours. Despite these alarming statistics, mental health remains largely stigmatized in Nigerian workplaces, with few organizations offering adequate mental health support services. Economic instability and frequent layoffs in certain industries lead to heightened job insecurity, which in turn contributes to employee stress (Oyeniyi & Fadeyi, 2023). Long working hours, lack of flexible work arrangements, and high workloads have led to burnout in many sectors (Olawale, 2022).

#### **5. Compliance with Labour Laws and Regulatory Challenges**

Compliance with Nigeria's complex labour laws and regulations is another significant challenge for HR professionals. The Nigerian labour market is governed by a wide range of laws, including the Labour Act 2004, Trade Disputes Act, Employee Compensation Act, and others. However, many organizations struggle with compliance due to outdated practices, lack of awareness, and inconsistent enforcement by regulatory bodies. A report by the Nigeria Employers' Consultative Association (NECA, 2021) revealed that over 40% of companies in Nigeria have compliance issues related to labour regulations, especially in sectors such as construction, manufacturing, and oil & gas. Key areas of non-compliance include improper documentation of employment contracts, failure to adhere to minimum wage requirements, and inadequate safety standards. Labour laws in Nigeria are often inadequately enforced, leading to widespread non-compliance, particularly among SMEs (Adeniyi & Nwanne,

2023). Government agencies such as the National Industrial Court and labour unions face challenges in effectively policing and enforcing labor rights. Frequent changes in labour laws and inconsistent implementation across industries make compliance difficult for HR professionals (Ogunleye & Oladipupo, 2023).

## **Emerging Trends in HRM in Nigeria**

Human Resource Management (HRM) in Nigeria has witnessed significant transformations in recent years, driven by global trends, technological advancements, changing employee expectations, and the dynamic business environment. These emerging trends are reshaping how organizations manage their workforce and foster employee engagement, productivity, and development. This analysis explores the key emerging trends in HRM in Nigeria, supported by relevant literature and studies.

### **i. Digital Transformation and HR Technology**

The digitalization of HR processes has become one of the most prominent trends in Nigerian HRM. Organizations are increasingly adopting HR technology to streamline recruitment, onboarding, performance management, payroll, and employee engagement. This shift towards automation and data-driven HR practices is enhancing efficiency and allowing HR professionals to focus on strategic decision-making. A report by KPMG Nigeria (2023) highlighted that 68% of organizations in Nigeria have adopted some form of HR technology, with the majority using software for recruitment, employee performance tracking, and payroll management. HR software such as Human Capital Management (HCM) systems and Applicant Tracking Systems (ATS) have been implemented to automate routine HR tasks, reducing administrative burdens and improving accuracy in record-keeping (Ojo & Olatunde, 2023). According to PwC Nigeria's HR Technology Survey in 2022, 74% of Nigerian organizations reported improvements in employee productivity after the implementation of digital HR tools, particularly in industries such as banking, telecommunications, and manufacturing. The COVID-19 pandemic accelerated the need for digital tools that facilitate remote work, virtual recruitment, and online training, leading to the adoption of cloud-based HR platforms (Adedokun & Lawal, 2023). HR technology enables data-driven decision-making, improved employee engagement through self-service portals, and streamlined recruitment processes. It allows HR professionals to focus on more strategic roles such as talent development, employee experience, and organizational culture, rather than getting bogged down by administrative tasks (Ibrahim & Mohammed, 2022).

### **ii. Remote Work and Hybrid Work Models**

The emergence of remote work and hybrid work models has become a defining trend in Nigerian HRM, particularly following the global COVID-19 pandemic. Remote work, once rare in Nigeria, has gained significant traction as companies adopt flexible working



arrangements to adapt to changing employee expectations and business needs. A survey by Jobberman Nigeria (2022) found that 60% of Nigerian employees prefer hybrid or remote work models, with many citing improved work-life balance and increased productivity as the primary reasons. The same survey indicated that 45% of organizations, especially in the IT, financial services, and telecommunications sectors, have adopted hybrid work models where employees split their time between the office and remote locations. Research by Deloitte (2021) also highlights that organizations that have embraced flexible work arrangements are experiencing lower employee turnover and higher engagement levels. These models have also helped companies attract talent from different regions, further diversifying their workforce (Olanrewaju & Adeyemi, 2022). Additionally, HR professionals must reimagine performance management systems to adapt to the realities of remote work, focusing on outcomes rather than hours worked.

### **iii. Employee Wellness and Mental Health Initiatives**

There is a growing emphasis on employee wellness and mental health in Nigerian HRM as organizations recognize the link between employee well-being and productivity. The mental health and overall well-being of employees have become critical components of HR strategies, particularly in the wake of increasing work-related stress and the impact of the COVID-19 pandemic. According to a report by the World Health Organization (WHO) (2022), mental health disorders are becoming increasingly prevalent in Nigeria, with 20-30% of workers in large urban centers experiencing high levels of stress and anxiety due to workplace pressures. Nigerian organizations are now incorporating wellness programs, mental health days, and access to counseling services as part of their employee benefits packages (Okonkwo & Adewale, 2022). A study by Ekwueme & Nwankwo (2023) found that companies with active mental health support programs reported a 30% reduction in absenteeism and a 20% increase in employee engagement. In response, more Nigerian companies are providing employee assistance programs (EAPs), which offer psychological support and stress management resources. HR departments in Nigeria are increasingly tasked with fostering a culture of well-being and mental health awareness. This involves training managers to recognize signs of burnout, creating support systems for mental health, and offering flexible work arrangements that promote work-life balance.

### **iv. Talent Management and Employee Development**

As competition for top talent intensifies, Nigerian HR professionals are focusing on strategic talent management and employee development initiatives. This trend involves creating structured career development plans, providing ongoing training and development opportunities, and building leadership pipelines to retain high-potential employees. McKinsey & Company's Nigeria Talent Report, 2022 indicates that talent retention is one of the top concerns for Nigerian businesses, with 64% of companies reporting difficulty in retaining top talent. To combat this, companies are increasingly investing in learning and development

programs. According to PwC Nigeria (2023), 72% of Nigerian companies have implemented employee development initiatives such as mentorship programs, technical skills training, and leadership development. A study by Olufemi & Adebayo (2023) found that companies with comprehensive talent management strategies reported higher levels of employee engagement and lower turnover rates. The research highlights the importance of providing clear career progression paths, as employees who perceive opportunities for growth are less likely to leave their organizations.

**v. Diversity, Equity, and Inclusion (DEI)**

Diversity, Equity, and Inclusion (DEI) have become critical components of HR strategies in Nigeria as organizations recognize the importance of fostering inclusive workplaces that embrace diverse talents. Although diversity challenges persist, particularly in terms of gender and ethnic representation in leadership, Nigerian companies are making strides toward creating more inclusive work environments. Research by Akanbi & Olutayo (2023) found that 58% of Nigerian organizations lack formal DEI policies, while 72% have struggled with promoting gender diversity, especially in executive positions. However, companies that have embraced DEI initiatives have seen positive impacts on employee engagement and innovation. According to McKinsey & Company (2022), companies with diverse workforces are 36% more likely to outperform their competitors in terms of profitability. In Nigeria, organizations that actively promote diversity and inclusion have reported higher levels of employee satisfaction and retention (Okon & Nnadi, 2022).

**vi. Focus on Employee Experience (Ex)**

Organizations are shifting from a traditional focus on employee satisfaction to a more holistic approach known as Employee Experience (EX). This concept involves enhancing all aspects of the employee life-cycle, from recruitment to retirement. A study by Adeoye & Elegbeleye (2022) found that Nigerian organizations that invest in improving EX report higher levels of employee engagement, retention, and overall organizational performance.

**Strategic Solutions for Addressing HRM Challenges in Nigeria**

Analysis below provides a detailed exploration of the strategic solutions available to tackle HRM challenges in Nigeria, supported by relevant literature and recent empirical research.

**1) Strategic Talent Management and Workforce Planning**

One of the key challenges facing HRM in Nigeria is the shortage of critical skills, particularly in industries such as technology, finance, and engineering. Strategic workforce planning and talent management solutions can help organizations anticipate future workforce needs, identify

skills gaps, and ensure the availability of talent to meet business objectives. A report by KPMG Nigeria (2022) highlighted that 75% of Nigerian businesses face difficulties in recruiting skilled professionals, leading to high employee turnover and talent shortages. Strategic workforce planning helps organizations predict future talent needs based on business goals, ensuring that HR departments proactively address talent shortages. Strategic workforce planning enhances HRM by allowing organizations to align their recruitment and development efforts with long-term business goals. It enables HR professionals to identify future skills requirements and address potential shortages before they impact productivity (Oladapo & Folarin, 2022).

## **2) Leveraging Technology for HR Efficiency**

The digitalization of HR functions is increasingly recognized as a solution to many of the operational challenges faced by HR professionals in Nigeria. Technology can help reduce administrative burdens, improve employee engagement, and enhance decision-making through real-time data. PwC Nigeria's 2023 HR Technology Report found that 80% of Nigerian organizations using HR technology reported improvements in HR efficiency, especially in areas such as recruitment, payroll processing, and employee self-service portals. Automated systems for managing employee data, performance reviews, and benefits administration help reduce the risk of human error and streamline HR processes (Adedokun & Lawal, 2023). The adoption of HR technology enhances operational efficiency, reduces the administrative burden on HR teams, and provides real-time data to support strategic decision-making.

## **3) Employee Engagement and Retention Strategies**

Employee turnover remains a significant challenge in Nigeria, particularly in sectors such as banking, telecommunications, and technology. High turnover rates lead to increased recruitment and training costs, as well as productivity losses. Implementing effective employee engagement and retention strategies is crucial for addressing this issue. According to a study by Jobberman Nigeria (2022), 55% of Nigerian employees leave their jobs due to a lack of growth opportunities, poor work-life balance, and inadequate compensation. The research also indicated that organizations with strong employee engagement programs had 50% lower turnover rates compared to those without such initiatives. In this light, focusing on employee engagement and retention enhances organizational stability, reduces turnover costs, and improves overall productivity. HR professionals must continuously monitor employee satisfaction and address concerns related to growth opportunities, work-life balance, and compensation.

#### **4) Fostering a Positive Organizational Culture**

Organizational culture plays a critical role in shaping employee behaviour, engagement, and overall productivity. In Nigeria, many organizations face challenges related to creating and maintaining a positive work culture, which can result in low morale, reduced employee engagement, and high turnover rates. Evidence by Deloitte Nigeria (2022) found that 65% of Nigerian employees believe that organizational culture directly affects their job satisfaction and engagement levels. Positive work cultures, characterized by transparency, inclusivity, and recognition, lead to higher employee morale and better business performance. Fostering a positive organizational culture improves employee engagement, reduces turnover, and enhances productivity. HR departments must focus on leadership development, communication strategies, and employee recognition to create a thriving work environment.

#### **5) Managing Diversity, Equity, and Inclusion (DEI)**

Diversity, Equity, and Inclusion (DEI) challenges persist in Nigerian organizations, particularly in terms of gender diversity, ethnic representation, and inclusivity. Addressing these challenges requires strategic DEI initiatives that create equal opportunities for all employees and foster a culture of inclusivity. According to Akanbi & Olutayo (2023), only 30% of Nigerian companies have formal DEI policies, and many struggle with promoting gender and ethnic diversity, particularly in senior leadership roles. However, organizations with active DEI initiatives report better employee engagement and innovation outcomes. Addressing DEI challenges through formal policies and training initiatives improves organizational inclusivity, enhances employee satisfaction, and fosters innovation.

#### **Conclusion**

The state of Human Resource Management (HRM) in Nigeria has evolved significantly in the 21st century, with organizations grappling with a multitude of trends and challenges, including skill shortages, rapid technological advancements, cultural diversity, and economic instability. These issues have necessitated a strategic shift in how HRM functions are executed. The review highlights key HRM challenges such as talent management, technological adoption, employee engagement, and diversity management. Emerging trends such as digital HR tools, data-driven decision-making, and employee wellness initiatives are reshaping how organizations manage their workforce. Despite these advancements, Nigerian HRM still faces challenges related to leadership development, employee retention, and the effective management of cultural diversity. Strategic solutions, including leveraging technology, fostering positive organizational culture, and implementing workforce planning, have been identified as critical to addressing these challenges. The adoption of these strategies will allow Nigerian

organizations to remain competitive in the global market, optimize their human resources, and drive productivity.

## Recommendations

In the light of the importance of this review, the following are recommended:

1. **Adopt Data-Driven Workforce Planning:** Organizations should integrate data analytics into their HRM processes to better forecast future talent needs and address skills shortages. HR departments should leverage predictive analytics to inform hiring decisions, manage performance, and plan for succession.
2. **Embracing HR Digitalization:** The adoption of HR technology, including Human Capital Management (HCM) systems, Applicant Tracking Systems (ATS), and payroll software, should be prioritized to streamline administrative tasks, reduce human error, and enhance operational efficiency. These technologies will also improve the employee experience through automated self-service options.
3. **Investing in Employee Development:** Organizations must prioritize the professional growth of their employees by offering training, career development programs, and mentorship opportunities. By investing in talent development, companies can enhance employee engagement, reduce turnover, and increase productivity.
4. **Promote Diversity, Equity, and Inclusion (DEI):** Nigerian organizations should adopt comprehensive DEI policies that ensure equitable opportunities for all employees, regardless of gender, ethnicity, or socioeconomic background. Regular diversity training should be provided to create an inclusive workplace environment and foster innovation.
5. **Enhance Leadership Development:** Strong leadership is critical to organizational success. HR departments should focus on developing leadership training programs that build emotional intelligence, strategic thinking, and interpersonal skills among managers. This will promote positive organizational culture and employee engagement.
6. **Focus on Employee Wellbeing:** In the wake of the COVID-19 pandemic, employee health and wellbeing have gained renewed importance. Organizations should implement wellness programs, offer flexible work arrangements, and prioritize mental health support to improve employee satisfaction and productivity.

## Implications for Future Research

As organizations navigate the 21st-century challenges, new trends, technologies, and management strategies are emerging. Future research should focus on the following areas:

1. While digital HR tools and technologies are increasingly being adopted, their long-term impact on employee satisfaction, productivity, and organizational performance remains

underexplored. Future studies should investigate how specific technologies (e.g., AI-powered recruitment tools, Human Capital Management Systems) are transforming HR functions, especially in different industry contexts.

2. Data-driven HR is gaining prominence, but there is limited empirical research on the effectiveness of predictive analytics in addressing Nigeria's talent management issues, such as skills shortages and high employee turnover. Future research should explore how organizations can leverage data analytics to enhance workforce planning, performance evaluation, and retention strategies.
3. More importantly, future studies should focus on understanding how cultural dynamics, social norms, and regional differences influence HR practices, employee engagement, and diversity management. In addition to this, researchers can examine how cultural variations affect leadership styles, communication patterns, and employee motivation in different regions of the country.
4. Additionally, studies should explore the role of HR in promoting mental health awareness and creating supportive work environments.
5. Lastly, research should focus on how HRM practices can promote gender equality, not just in large corporations but also in small and medium-sized enterprises (SMEs) and the public sector, as well as further research is needed to explore the role of HR in fostering ethical behavior, transparency, and compliance with labour laws. Studies can investigate how HR departments can act as gatekeepers of corporate ethics and drive organizational change towards better governance practices.

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