

# Leadership and Sustainable Human Capital Development in Nigerian Universities

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**Abstract:** The development of human capital is conceptually the mechanics for transforming human effort both physical and mental into productivity and overall organizational growth. To achieve sustainable advancement and economic development, human capital theorist has advanced the need to motivate and train organizational personnel that could fit effectively and efficiently into set task, goals and objectives. The inherent challenge of illiteracy and unskilled human capital is one of the vital problems besetting the Nigeria university system from competing effectively with its peers in other parts of the world. This study accesses how Leadership could develop the Universities through effective and dynamic human capital development as the supposed 'think tank' of industrialization, overall economic growth and sustainable development. The study used descriptive survey technique as instrument in analyzing and interpreting the study outcome. The findings revealed that there is direct relationship between leadership and human capital management in Akwa Ibom State University, Nigeria. The summary, conclusion and recommendations of the study stresses on the need to train and retrain human capital to enhance all round growth in the university system and the national economy at large.

**Keywords:** Leadership, Human Capital Development, Sustainability, Training, Productivity, Entrepreneurial Development

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## 1. Introduction

The basic assurance of sustainable economic growth and development in the 21<sup>st</sup> century is the ability of leadership at all sphere to harness human and material assets at their disposal to an increased level of productivity that will improve the general living standards of the people. The dream of post-independence Nigeria was that of an egalitarian society that give room for anyone to aspire to become role models in their chosen fields of endeavor, this dream has been chequered by the never ending cycle of maladministration and inconsistent leadership which seem to make this dream lack the possibility of fulfillment. Leadership is observed as the consistent hunger for power by privileged elites in the society to acquire power for parochial and personal reasons that are inimical to public interest and

overall development of the nation's economy. This they achieve by ensuring that monies meant for public good is siphoned by them or through their cronies [16].

The implication of this pattern of behavior by the leaders is the root cause of decades of under-development, widespread poverty, persistent unemployment and constant downward trend in our economic fortunes. Leadership seem to have failed in Nigeria due to the negative motive of embezzlement of funds meant for public good by the country leaders in all stratum of public, corporate and private concerns. Sustainable development could be realized when the goals of leadership in any setting is to basically influence group and inter-group behavior, by instilling basic tenets in its followers on the need to channel all resources both human and capital in accomplishing set task. Hence for sustainable development to take place, the leadership in Nigeria universities has to

craft out strategies to attract high caliber human capital that could harness available human and material inputs, and drive them effectively through available technological infrastructures as well as research for overall economic growth and development.

The fact that economic resources human and material are scarce and should be allocated is a non-negotiable maxim, hence, leadership which is the focal point of authority and power should be saddled with is the responsibility of ensuring that available economic resources both in both the public and private sector are well harnessed and distributed appropriately in order to create a society where dreams and aspirations are accomplished [5]. Leadership also has the capacity to smoothen the path for enhance human capacity building through training and retraining that is specifically focused on emphasizing the need for subordinates to work towards the effective actualization of the broad visions and organizational objectives.

In the Nigerian University setting, the problem of inability of the researchers to adapt and implement outcome of researches on developing models for economic growth lies with poor coordination of human capital resources, Leadership at this level becomes an essential tool that could drive the long awaited dream of widespread industrialization. Hence, an education system that lacks a well fostered, well utilized and established entrepreneurial ingredients can easily develop theoretical models without having any practical impact on industrial as well as the economic growth and development of the Nigerian nation.

The process of establishing a link between abundant human capital and the long awaited economic growth and development lies on the inability of leadership to avail the populace with the much needed atmosphere that could allow for individual to effectively actualize their proven creative abilities, talents and potentialities that could lead to increased productivity and overall development [3]. Hence, there is need to evaluate how human capital development is affected by the nature of leadership in Akwa Ibom State University, Nigeria.

#### *Statement of the Problem*

The problem surrounding the slow pace of economic development, vast unemployment, widespread poverty, low national Gross Domestic Product (GDP and low industrial development is due to the inability of leadership of Nigerian universities to implement the outcome of various researches carried out in diverse fields of human Endeavour n Nigeria.

The three cardinal point of setting up universities is for the purpose of impacting knowledge on the populace through; teaching, learning and research. It is a statement of fact that, irrespective of the hundreds of licensed Universities both private and public, the leadership of these institutions have not been able to provide practical framework or methods that could translate volumes of written models, theories and hypothesis in arts, science, technology, social sciences and management into practically acquired skills that will lead to industrialization, infrastructural facilities development, for the purpose of

solving the heap of decades of economic and social cultural problems bedeviling the Nigerian society.

The purpose of this study is to examine the role of leadership on the pace of human capital development in Akwa Ibom State University, Nigeria.

#### *Objectives of the Study*

The focal point of this study is to determine the effect of leadership on Human Capital Development in Akwa Ibom State University Nigeria. Moreover, the man objectives of the study are to:

- i. To determine the effect of leadership on Training and Re-training in Akwa Ibom State University, Nigeria.
- ii. To examine effect of leadership on entrepreneurial development in Akwa Ibom State University Nigeria.

#### *Research Questions*

The researcher seeks to answer the following questions:

Does effective leadership lead to training and Re-training in Akwa Ibom State University, Nigeria?

What is the effect of leadership on entrepreneurial development in Akwa Ibom State University, Nigeria?

#### *Research Hypotheses*

In other to realize the objectives of this research, The researcher hypothesize using null hypotheses as follows:

Ho1 There is no relationship between leadership and training in Akwa Ibom State University, Nigeria.

Ho2 There is no significant effect of leadership on entrepreneurial development in Akwa Ibom State University, Nigeria.

## **2. Literature Review**

### **2.1. Concept of Leadership**

The concept of leadership is premised on the ability to influence the decisions of subordinate and group members for the purpose of achieving broad objectives and goals of the organization. Leadership is the ability of persons saddled with authority to appropriate human and material wealth as a control point of dominance. Based on this definition, leadership is based on the ability to engage and communicate effectively to subordinate such that they act in line with the set out direction [5].

The ability to chart the vision and provide a suitable entrepreneurial environment will enable subordinates to work towards the same goal. The ability of leadership to recognize and motivate subordinates by way of training and exposure could have a direct effect on attitude that is driven towards entrepreneurship and overall economic growth [19]. Also, the assortment in learning and exposure has a practical effect on the ability of individual mental capacity. This capacity could activate other human functional faculties that could lead to great entrepreneurial outcomes [8, 11, 13].

Effective leadership must be smart enough to be able to discover, motivate and harness the hidden entrepreneurial skills and talents that could drive their subordinates in the direction of accomplishing set organizational goals, targets and objectives. This could be achieved by evolving dynamic

broad strategies that allows for an enlarged capacity building process. Once creative skill is discovered, such employee should be allowed to access all necessary human capital developmental inputs such as; training, retraining, knowledge acquisition and exchange programs [7, 9].

Moreover, organizations that have leaders with entrepreneurial drive mostly at strategic level of management, has the capacity of evolving talents from the scratch, training them and maintaining a dynamic and sustainable growth profile for the organization. Nurturing and sustaining skills of entrepreneurial nature needs substantial funding due to its cost implication, motivation of talents in order to spur up other employees into creative search for ideas that will help in achieving set goals [10, 14].

### **2.1.1. The Conceptualization of Human Resource Development**

Human resource development is conceptualized through effective investment in educational training, and this dates back to the economic theories of Adam Smith as having a long term economic reward on both the individual and the society. From the foregoing, 'Human' refers to man a productive factor, while 'Capital' refers to one of the basic productive factors used in the process of production. Human Capital therefore refers to role of a combination of both productive factors for the purpose of accomplishing all round economic growth and development..

Human capital is defined resources in a firm which consists of its creative abilities, knowledge and competence that differentiates a firm from its competitors. These include the capacity to learn, adapt to diverse economic challenges, having creative abilities as well as commitment. If adequate inducements are given to encourage such employees, it could lead to the accomplishment of the aspiration of firm [4].

The definition of human resources is far removed from tangible assets such as; land, building, plant/machinery and cash, but intangible in nature with the capacity to increase individual, corporate and national wealth through effective combination of all the tangible resources [12] as cited in [1]. Human resource though intangible, is an effective productive input that harnesses the process of discovering natural productive resources, garner and harness their high-yielding capacities for the benefit of all stakeholders. It is quite pertinent to state that, the inability of leadership to empower human capital potentialities is the bane of low level of economic and industrial growth in developing countries.

The foregoing describe human capital as an enhanced capacity for persons and the community that enables them take procession of their set out task geared towards accomplishment of set targets. It is worth mentioning here that some organizations which attaches a higher value for human capital such as Dell Computers ensure that human capital as an item forms a reasonable chunk of the organizations balance sheet due to its valuable role in combining other factors of production (Land, Plants and machinery, Furniture & Fittings etc) in a reasonable proportion for increased productivity.

### **2.1.2. Concept of Sustainable Development**

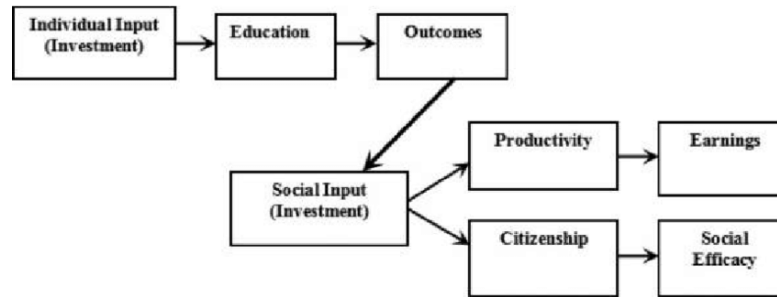
The origin of the term sustainable development was conceived in the 1980's by the International Union on Conservation of Nature (IUCN), The union expostulated that certain aspects of nature should such as the ecosystem, endangered animal species, mineral resources should be conserved and protected through enabling legislation by the world body for the purpose of sustainable development Hence, sustainable development is a developmental process that could address current challenges, and at the same time not undermining the possibilities of generation unborn from actualizing their own potentialities and dreams [1].

Also, sustainable development is defined as a framework for attaining the task of "good standard of living for all", this process according to the author involves enhancement of moral code that increases the standard of life within the attainable framework of the environment [2]. Sustainable development should not jeopardize the ecosystem which supports the habitat around it. The essence of these concepts in this study is to highlight the fact that, human capital still constitutes a greater percentage and rank higher than any other asset that could be deployed in the production process. Hence, the need to ensure that adequate attention is given by all stakeholders to establish a pragmatic strategy that will reform and reposition our human capital in order to establish a dynamic and sustainable human capital resource that could respond to the countries socio-cultural and economic challenges.

## **2.2. Theoretical Framework - Human Capital Theory**

The theoretical aspect that underpins this is based on human capital development as it affects academic staff members of Akwa Ibom State University, Nigeria. A similar contribution explained that investment in education has a direct relationship with increase in the level at which they deliver their services. [6], Moreover, the focal point of this theory is based on the contributions which emphasizes on the role of education as a driving force towards workforce creative skill, adaptability to changing trends, incremental trend in production as well as workforce efficiency [18].

The essence of Human Capital theory (HCT) in Figure 1 is to elaborate on the need for enhancing human capital. This theory is premised on the fact that human capital is adduced as a tool in organizational development process. [27, 17], the concept acknowledges the important of education and learning as key investment that must be recognized and valued. Human capital is also acknowledged by many countries as being a key driver of economic development. [25, 27]. Hence, HCT means investment in employees through the process of training and re-training as a key index firms growth, productivity and socio-economic balance. [18, 17, 24].



Source: Swanson and Holton (2001, p. 110)

Figure 1. Human Capital Theoretical Framework.

Nationally, a balanced combination of human capital skill/expertise also increases healthy competition amongst industrial rivals. [10, 21], the quality of human capital has a reactionary effect on other physical assets deployed by organizations for the purpose of production of goods and services. The ultimate essence of HCT is that it has an ultimate ripple effect on the nations socio-cultural and economic development. [19, 16].

Incremental value in human capital is most often observed whenever there is an increasing level of investment on available human capital stock of an organization. Hence, educating the workforce is a means of adding positive value to humanity, by the assessment of human capital theorist, the benefit of investment on human capital stock, most often exceeds the value of making a similar investment on other physical or tangible assets. According to human capital theorists, training of lower level workforce is observed as making positive increase in lower level workforce accomplishment. At the tactical level of management, this theorist also observed that training and retraining of this workforce on logic and skill acquisition lead to increase in overall organizational productivity and managerial capabilities.

In conclusion, this theory explains that a well-developed set of employees through education, skill acquisition, training and retraining and exchange programs can easily adapt and execute changing trends in technological development, new product development and improved organizational work process. Hence, the greater the level of trainings on overall workforce the nation will certainly lead to increase in national productivity, openness to new ideas general economic growth and development.

### 3. Methodology

In this study, descriptive survey research design technique

was applied, allow for the use of fresh ideas and insight which helps to explain how certain variables correlates. The population for this study consists of 184 academic staff of Akwa Ibom State University, Nigeria. Simple random sampling method was used being an accurate and easily accessible sampling frame that lists the entire population [17].

#### Sample Technique and Sample Size

The sample size of the study is 121 respondents to determine the sample. However 139 questionnaires were administered out of which 117 questionnaires which are about 84% were retrieved and suitable for the study. The simple random sampling was appropriate for the study since unsystematic numeral permits the researcher to hand-pick designated numbers arbitrarily without any form of prejudice [17].

The selected specimen of the study typifies the entire study community. The rationale for this procedure was to ensure fair representation of response, the goal of the interview was to obtain more in-depth information about how the respondents interact with the leadership of the University.

### 4. Data Presentation and Analysis

Data collected were analyzed using the descriptive statistics such as mean; standard deviation and standard error were used for the analysis of the research questions while hypotheses testing were done. The hypotheses were tested at 0.05 measure of distinction; hence, the study should be dismissed if there is a possibility of the significance less than 0.05. If not, adopt it when the measure of distinction is higher than 0.05 level of significance.

#### Hypothesis One:

There is no relationship between Leadership and Training and Retraining in Akwa Ibom State University, Nigeria.

Table 1. Correlations.

		Leadership	Training and Retraining
Spearman's rank	Leadership		
	Correlation Coefficient	1.000	.819**
	Sig. (2-tailed)	.	.000
	N	117	117
	Training and Retraining		
	Correlation Coefficient	.819**	1.000
	Sig. (2-tailed)	.000	.
	N	117	117

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

Outcome emanating from the above analysis using statistical test of Spearman Correlation, in table 1 showed a significant effect of Leadership on Training and Retraining in Akwa bom State University, Nigeria. Purposive P point of 0.000 must be beneath 0.05 level of distinction and the r

0.819. In retrospect, the null hypothesis is discarded.

#### *Hypothesis Two*

There is no significant effect of leadership on entrepreneurial development in Akwa Ibom State University, Nigeria.

**Table 2.** Correlations.

		Leadership	Entrepreneurial Development
Spearman's rank	Correlation Coefficient	1.000	.896**
	Sig. (2-tailed)	.	.000
	N	117	117
	Correlation Coefficient	.896**	1.000
	Sig. (2-tailed)	.000	.
	N	117	117

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

The correlation casualty in table 2 shows that there is an interconnection between Leadership and Entrepreneurial Development. Purposive P point of 0.000 must be beneath 0.05 level of distinction and the r 0.819. In retrospect, the null hypothesis there is no relationship between Leadership and Entrepreneurial Development in Akwa Ibom State University, Nigeria is discarded.

This implies that Entrepreneurial Development is significantly related or affected by the leadership in Akwa Ibom State University, Nigeria.

## 5. Discussions of Findings

Based on the outcome of the hypothetical test, the study findings obtained were:

- i) Leadership has the capacity to influence overall human capital development in Akwa Ibom State University through training, retraining, exposure and peer institutional, exchange programs. Purposive P point of 0.000 must be beneath 0.05 level of distinction and the r 0.819. In retrospect, the null hypothesis is discarded.
- ii) Effective introduction of Entrepreneurial development in the university of Akwa bom State curricular and staff programs could reduce the age long problem of unemployment, under employment and abysmal national economic growth and development. Purposive P point of 0.000 must be beneath 0.05 level of distinction and the r 0.819. In retrospect, the null hypothesis there is no relationship between Leadership and Entrepreneurial Development in Akwa Ibom State University, Nigeria is discarded.
- iii) Theoretically, documented empirical evidence has shown that, Human Capital theory (HCT), has never been adapted in all the studies conducted so far in this field of study in Nigeria. The authors deemed it necessary to adapt the HCT theory based on its balanced combination of human capital skill/expertise and increasing healthy competition amongst industrial rivals. [10, 21], its reactionary effect on other physical assets deployed by organizations for production of goods and services and its ultimate ripple effect on the

nations socio-cultural and economic development. [19, 16].

- iv) Empirically, several studies have been conducted in this field such as; Ajibade, 2013 on Building Human Capital for Sustainable Development; Role of the University; Anya, 2010; Nigeria: The human capital challenge. Audu, 2009; Political leadership and conflicts in Ebiraland, Nigeria, Babalola, 2003; Economic growth and human development. Omonijo., Nnedum; & Ezeokana, 2011; on understanding the escalation of brain drain in Nigeria from poor leadership point of view and Olaniyan; & Okemakinde, 2008), none of the studies articulated on how leadership could affect human capital; Hence, the essence of this study is to fill the empirical literature gap of the need to evaluate how human capital development is affected by the nature of leadership in Akwa Ibom State University, Nigeria.

Finally, Sustainable human capital development could be achieved when education is applied by the leadership on all sphere of human endeavor in Nigerian universities, and by extension, the national economy.

## 6. Conclusion and Recommendations

This study was conducted on leadership and sustainable human capital development in Akwa Ibom State University, Nigeria. The outcome of this study is based on the responses from the primary respondent which is the academic staff members of the university. Structured questionnaires were used to carry out this investigation on the effort made by the management of the university towards human capital development in the institution and the need for the inclusion of entrepreneurial studies in both the students curriculum and staff developmental programs.

From the foregoing, the results of the study reveals that there exists a correlation between leadership and sustainable human capital development in Akwa Ibom State University, Nigeria. Hence the researcher recommends that other tertiary institutions should also apply this process in their leadership as it will lead to general economic growth and development.

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