Effect of Human Capital Management on Organizational Efficiency

(A Study of Zenith Bank PLC Calabar, CRS, Nigeria)

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Abstract: - The study critically and analytically ex-rayed the importance of Human capital management in contemporary business organizations. It is the key element in improving productivity, performance as well as competitiveness. This study thus examines the impact of Human Capital Management on organizational efficiency with particular references to the banking industry. Zenith bank PLC Calabar branch Cross River State Nigeria was used as case study. The study was anchored on the Human Capital Theory which describes HCM as the key competence, skills, knowledge and abilities of the workforce that contributes to organizations competitive advantage. One of the objectives of the study was to examine the extent to which human capital management influence organizational efficiency. The researchers pondered on what extent does human capital management influence organizational efficiency? The researchers asserted that: Human capital management does not increase organizational efficiency. An exploratory survey design was employed where questionnaire were administered to forty (40) respondents conveniently selected from staff of the Bank. Primary and secondary data were collected and analyzed using Statistical Package for Social Science Students (SPSS) and formulated hypotheses were tested using the simple regression model and ANOVA. The findings revealed that Human Capital has positive impact on organizations efficiency. The researchers recommended that Human Capital Development practices such as training and retraining, welfare incentives etc should be adopted often in organizations in order to galvanize the desired motivation and commitment from the workforce.

Key words: Human Resources, Manpower planning, Human Capital, Management, Organization, Performance and Organizational efficiency

I. INTRODUCTION

It is conceivable as a manager to do things right lay splendid plans, draw clear team graphs, set up world-class mechanical production systems and utilize advanced bookkeeping controls, yet at the same time bombs by contracting the wrong individuals or by not spurring subordinates (Abdullah, Iaafar, and Taib, 2013). Then again, numerous executives have been effective even with insufficient plans, associations, or control (Baron 2007). They were effective in light of the fact that they had the chance of employing the ideal individuals for the correct occupations and rousing, assessing and creating them. It was formally trusted that capital is the real deterrent to creating businesses before now. In any case, this is never again valid as it is presently the failures of the organization to utilize the required work constrain and keep up them that currently constitute a hindrance for hierarchical productivity and execution (Becker and Gerhart 1996). There is no venture upheld with smart thoughts, power and energy that has been halted by capital deficiency; yet there are organizations which development had been hindered on account of powerlessness to employ and keep up exceptionally proficient and energetic work drive. This, falls under the domain of human capital administration (Becker and Gerhart 1996).

The idea of human capital has as of late gotten consideration from numerous analysts. They guessed that it speaks to the human factor in the organizations, the consolidated insight, abilities and skill that gives the firm its unmistakable character (Becker 1994). Carpenter, Sanders, and Gregersen (2001) opined that Human capital is the learning, abilities, capabilities and qualities epitomized in people that encourage the formation of individual, social and financial prosperity. The parts of human capital that are of most pertinence to the organizational workforce and efficiency are: formal picking up (getting the hang of prompting a capability); non-confirmed learning (at work preparing, work understanding, or other learning not prompting a formal capability); establishment abilities; administration aptitudes and initiative abilities. Representatives’ information and abilities are known as human capital.

Bozbura, et al (2007) avowed that individuals are the best resource. Carpenter, Sanders, and Gregersen (2001) opined that human capital can be characterized entirely inside a monetary setting as a creation factor and Bozbura, et al (2007) depicted it as a financial term used to portray the abilities and information that people attract upon to create yields of significant worth, for example, development and efficiency in work execution. Besides, (Chen and Huang (2009) characterized it as the supply of learning and aptitudes
Typified in labor because of preparing and training that enhances work efficiency. While, Baron (2007) asserted it is putting resources into the aptitudes and information that personnel and staff require with a specific end goal to be exceptional workers. It is the load of learning, propensities, social and identity traits, including imagination, encapsulated in the capacity to perform work in order to deliver monetary esteem.

On the other hand, human capital is a gathering of assets, all the information, gifts, aptitudes, capacities, encounter, insight, preparing, judgment and astuteness had independently and all things considered by people in a populace. These assets are the aggregate limit of the general population that speaks to a type of riches which can be coordinated to achieve the objectives of the organization or a segment thereof. It is a total financial perspective of the individual acting inside economies, which is an endeavor to catch the social, organic, social and mental intricacy as they communicate in unequivocal and additionally monetary exchanges (Collins and Clark (2003)).

Similarly, Collins and Clark (2003) inferred that it as the impalpable factor of generation that brings human mind, abilities and skills in the creation and arrangement of merchandise and enterprises. Human capital along these lines speaks to person's information and abilities; it isn't claimed by the associations, yet it can be leased; it is in the psyches of people (singular property) lastly, it runs with person when he leaves the organization. As indicated by Davidson and Honig (2003), human capital alludes to factors as workers' learning, expertise, ability, and dispositions in connection to encouraging exhibitions which clients will pay for and the organization’s benefit originates from. Abdullah, Iaafar, and Taib (2013) declared that human capital advancement strategies can improve worker fulfillment and it is apparent from numerous examination thinks about that representative fulfillment has positive significant relation with worker execution. As indicated by Delaney and Huselid (1996) fulfilled representatives are additionally ready to buckle down and invest additional exertion for the benefit of the association, in this manner currently adding to the general profitability and adequacy of the framework. Representative work execution is multidimensional and huge for hierarchical achievement and viability (Hayton (2003)). Work execution is portrayed as synonymous with conduct; it is the thing that individuals do that can be watched and estimated as far as every individual's involvement or level of commitment (Collins and Clark (2003)). Davidson and Honig (2003) additionally demonstrated that execution can be seen as an assessment of the consequences of a man's conduct which incorporates deciding how well or ineffectively an errand has been finished. Execution gives an exhaustive picture of subordinate working environment conduct (Huselid, 1995).

Human capital administration is a coordinated push to oversee and create human abilities to accomplish essentially abnormal state of execution. Human capital administration rehearses are set of practices that are centered on hierarchical requirements to give particular capabilities. It is a way to deal with representative staffing that sees individuals as resources (human capital) whose present esteem can be estimated and whose future esteem can be upgraded through speculation. As indicated by Baron (2007), it is an arrangement of practices identified with individuals’ asset administration, particularly in the classes of workforce procurement, administration and enhancement. Notwithstanding the customary managerial errands, it incorporates workforce arranging and technique, enrollment on boarding, representative preparing, revealing and investigation.

Association is a sorted out gathering of individuals with a specific reason. Execution is characterized to incorporate the activity or procedure of playing out an assignment or capacity found as far as how effectively it is performed. At the point when these definitions are assembled, we can state association execution identifies with how effectively a composed gathering of individuals with a specific reason play out a capacity. Basically, this is the thing that we are talking about when we allude to hierarchical execution and accomplishment of fruitful results. Hierarchical execution involves the genuine yield or aftereffects of an association as estimated against its expected yields (or objectives and destinations).

Kruppke, Otto and Gontard (2006) further asserted that hierarchical execution envolves three particular regions of firm results: (a) budgetary execution (benefits, return on resources, degree of profitability, and so on.); (b) item showcase execution (sales, piece of the overall industry, and so on.) and (c) investor return (add up to investor return, monetary esteem included, and so forth). Associations, regardless of their related industry, are continually presented to rivalries. To guarantee a focused edge, is basic to depend on their human capital as a clever resource. Planning a system to upgrade efficiency to enhance piece of the overall industry of the association is a basic zone of concern (Kruppke, Otto and Gontard, 2006).

II. STATEMENT OF THE PROBLEM

Human Capital Management is a key business activity in the present globalized commercial center. Without knowledge into workforce and ability needs, authoritative execution endures. To line up with basic and rising business objectives and measurements, the saving money industry needs to guarantee that Human Resource has a solid comprehension of the association's rising and center business issues and key measurements and execution pointers to figure out what Human Resource related information will be most helpful in adjusting and driving business execution (Bozburua, et al., 2007). People, associations and countries progressively perceive that large amounts of aptitude and ability are basic to future security and achievement. Usually learning that as people secure more instruction and preparing amid a lifetime, human capital drives the generation of merchandise and ventures, and additionally new developments in the
commercial center. While the financial estimation of human capital can't be scrutinized, a vital worry among researchers is if there is any connection between human capital advancement and association execution. This is the core of the issue in this investigation that answer would be given.

III. OBJECTIVE OF THE STUDY

The general purpose of this study is to look at the influence of human capital management as a concept of human resource management practice on organizational efficiency with special focus on the banking industry. Specifically, the study sought to:

1. To examine the extent to which human capital management influence organizational efficiency.
2. To examine whether management disposition to human capital management has any relationship with career development of employees and organizational performance.

IV. RESEARCH QUESTION

1. To what extent does human capital management influence organizational efficiency?
2. Does management disposition to human capital management have any relationship with career development of employees and organizational performance?

V. RESEARCH HYPOTHESES

The following hypotheses are formulated to help achieve the objectives of this study.

H₀₁: Human capital management does not increase organizational efficiency

H₀₂: Management disposition to human capital management has no relationship with career development of employees and organizational performance.

VI. REVIEW OF RELATED LITERATURE

It is conceivable as a supervisor to do things right lay splendid plans, draw clear association diagrams, set lip world-class sequential construction systems and utilize refined bookkeeping controls, yet at the same time bombs by employing the wrong individuals or by not rousing subordinates (Luthans and Youssef (2004). Then again, numerous chiefs have been fruitful even with lacking plans, associations, or control. They were fruitful on the grounds that they had the chance of enlisting the perfect individuals for the correct employments and spurring, assessing and creating them. It was formally trusted that capital is the real deterrent to creating enterprises before now (Sáenz (2005). Notwithstanding, this is never again valid as it is presently the powerlessness of the organization to utilize the required work compel and keep up them that currently constitutes an impediment for hierarchical proficiency and execution. There is no venture upheld with smart thoughts, life and excitement that has been halted by capital deficiency; however there are associations which development had been hindered as a result of failure to employ and keep up extremely proficient and energetic work constrain. This, falls under the domain of human capital administration (Sáenz (2005).

The idea of human capital has as of late gotten consideration from numerous analysts. They theorized that it speaks to the human factor in the association, the joined knowledge, abilities and aptitude that gives the association its particular character. Human capital is the learning, abilities, skills and properties epitomized in people that encourage the making of individual, social and financial prosperity (Snell (1992). The parts of human capital that e of most significance to the association's workforce and profitability are: formal getting the hang of (picking up prompting a capability); non-confirmed learning (at work preparing, work understanding, or other learning not prompting a formal capability); establishment aptitudes; administration abilities and authority aptitudes. Representatives' learning and abilities are known as human capital. It is the center of scholarly capital that drives business execution. Stijns (2006) certified that individuals are the best resource, giving the scholarly capital that drives separation and esteem included. Thomas (2002) opined that human capital can be characterized entirely inside a monetary setting as a creation factor and portrayed it as a financial term utilized to describe the aptitudes and information that people attract upon to create yields of significant worth, for example, advancement and profitability in work execution.

Additionally, Youndt, et al (1996) characterized it as the load of information and aptitudes encapsulated in labor because of preparing and training that enhances work efficiency. While, Baron (2007) asserted it is putting resources into the aptitudes and learning that workforce and staff require keeping in mind the end goal to be extraordinary educators, researchers, trend-setters and pioneers. It is the supply of learning, propensities, social and identity traits, including innovativeness, typified in the capacity to perform work in order to create monetary esteem. Then again, human capital is a gathering of assets, all the information, gifts, aptitudes, capacities, encounter, insight, preparing, judgment and shrewdness had separately and all things considered by people in a populace. These assets are the aggregate limit of the general population that speaks to a type of riches which can be coordinated to achieve the objectives of the country or state or a part thereof. It is a total financial perspective of the person acting inside economies, which is an endeavor to catch the social, natural, social and mental many-sided quality as they cooperate in express and additionally monetary exchanges (Abdullah, Iaafar, and Taib, (2013).

Besides, Becker and Gerhart (1996) portrayed it as the immaterial factor of creation that brings human brains, abilities and skills in the generation and arrangement of products and enterprises. Human Capital in this manner
speaks to person's learning and aptitudes; it isn't claimed by the associations, however it can be leased; it is in the brains of people singular property) lastly, it runs with person when he leaves the association. As per Bozbura, et al (2007), human capital alludes to factors as workers' information, aptitude, capacity, and states of mind in connection to encouraging exhibitions which clients will pay for and the organization's benefit originates from. Bozbura, et al (2007) declares that human capital advancement approaches can upgrade representative fulfillment and it is clear from numerous examination contemplates that worker fulfillment has positive critical connection with representative execution. As indicated by Carpenter, Sanders, and Gregersen, (2001), fulfilled representatives are all the more ready to buckle down and invest additional exertion in the interest of the association, subsequently currently adding to the general efficiency and adequacy of the framework. Representative work execution is multidimensional and noteworthy for hierarchical achievement (Chen and Huang (2009). Work execution is portrayed as synonymous with conduct; it is the thing that individuals do that can be watched and estimated as far as every individual's involvement or level of commitment (Collins and Clark (2003) additionally showed that execution can be seen as an assessment of the outcomes a man's conduct which incorporates deciding how well or inadequately an undertaking has been finished. Execution gives an exhaustive picture of subordinate working environment conduct (Davidson and Honig (2003). Human Capital administration is an incorporated push to oversee and create human abilities to accomplish altogether abnormal state of execution. Human capital administration houses are set of practices that are centered on authoritative requirements to give particular abilities. It is a way to deal with worker staffing that sees individuals as resources (human capital) whose present esteem can be estimated and whose future esteem can be upgraded through venture. As indicated by Delaney and Huselid (1996), it is an "arrangement of practices identified with individuals asset administration," particularly in the classes of workforce procurement, administration and streamlining. Notwithstanding the conventional authoritative errands, it incorporates workforce arranging and procedure, enrollment on boarding, representative preparing, announcing and examination. What at that point is the motivation behind human capital presence and administration? It is to work in an association for ideal execution.

Organization is a composed gathering of individuals with a specific reason. Execution is characterized to incorporate the activity or procedure of playing out an assignment or capacity found regarding how effectively it is performed. At the point when these definitions are assembled, we can state association execution identifies with how effectively a sorted out gathering of individuals with a specific reason play out a capacity (Hayton (2003). Huselid (1995) noted that basically, this is the thing that we are talking about when we allude to authoritative execution and accomplishment of fruitful results. Authoritative execution contains the real yield or aftereffects of an association as estimated against its proposed yields (or objectives and destinations). As indicated by Jimenez-Jimenez, and Sanz-Valle (2005), hierarchical execution includes three particular zones of firm results: (a) monetary execution (benefits, return on resources, rate of return, and so on.); (b) item advertise execution (deals, piece of the overall industry, and so forth.) and (c) investor return (add up to investor return, financial esteem included, and so on.). Associations, regardless of their related industry, are continually presented to rivalries. To guarantee a focused edge, it is fundamental to depend on their human capital as an ingenious resource. Outlining a procedure to upgrade efficiency to enhance piece of the pie of the association is a basic territory of concern (Luthans and Youssef (2004).

Writing demonstrates that the part of human capital in expanding authoritative execution is vital. It is the key component in enhancing profitability, execution and additionally aggressiveness. Without a doubt, gifted and effective labor is a standout amongst the most critical apparatuses to accomplish hierarchical objectives since it has a vital part in the vital arranging and expanding or diminishing the association's profitability. Writing likewise uncovers that human capital administration is estimated by utilizing distinctive approaches however researchers from over the controls have not possessed the capacity to have an all inclusive casing work for the estimation of human capital administration to guarantee powerful hierarchical execution. Sáenz (2005) built up a framework for surveying human capital administration in anticipating authoritative execution and directing associations' interests in individuals.

VII. DEFINITION OF HUMAN CAPITAL AND FIRM PERFORMANCE

What is human capital? Agreeing Stijns (2006) as referred to in Thomas (2002) the expression "human capital" has been characterized as a key component in enhancing a firm resources and representatives keeping in mind the end goal to increment profitable and also maintain upper hand. To maintain aggressiveness in the association human capital turns into an instrument used to expand profitability. Human capitals allude to forms that identify with preparing, instruction and other expert activities keeping in mind the end goal to expand the levels of learning, aptitudes, capacities, qualities, and social resources of a worker which will prompt the representative's fulfillment and execution, and in the end on a firm execution. Youndt, et al (1996) expressed that human capital is an essential contribution for associations particularly for representatives' constant change for the most part on information, aptitudes, and capacities. In this way, the meaning of human capital is alluded to as "the information, aptitudes, abilities, and qualities exemplified in people that encourage the making of individual, social and financial prosperity" Organization for Economic (Delaney and Huselid (1996)).
The continually changing business condition expects firms to take a stab at prevalent upper hands through powerful marketable strategies which incorporate creativity and inventiveness. This is basically imperative for their long haul maintainability. Without a doubt, human asset input assumes a critical part in upgrading firms' intensity (Luthans and Youssef 2004) as referred to in Collins and Clark (2003). Initially, generous investigations were done on human capital and their suggestions on firm execution were generally secured and clearly, human capital improvement will bring about more noteworthy aggressiveness and execution (). Interim, there is a noteworthy connection amongst imaginativeness and firm execution under the human capital theory ().

In connection to this, the meaning of firm execution could shift from one and another. In any case, some reasonable meanings of firm execution with regards to human capital upgrade could be advanced. Now and again, money related execution measures, for example, level of offers coming about because of new items, productivity, capital utilized and profit for resources (ROA) (Bozbura, et al. 2007). In addition, rate of profitability (ROI), income per share (EPS) and net pay after duty (MAT) can likewise be utilized as measures of money related execution Becker and Gerhart (1996). Strangely, scientists likewise watch out for benchmark administrative bookkeeping pointers against the money related measures in six measurement; 'laborers pay' (specialists' pay costs partitioned by deals); 'quality' (number of blunders underway); 'shrinkage' (e.g. stock misfortune, abandons, deals return); 'profitability' (finance costs divided by yield); 'working costs' (add up to working costs partitioned by deals) Wright et al., 2005). Then again, firm execution can likewise be estimated sing 'seen execution approach' (additionally alluded to as subjective execution measure) where Likert scaling is utilized to quantify firm execution from the best administration points of view (Hayton 2003).

VIII. HUMAN CAPITAL MANAGEMENT INDICATORS

1. Authority Practices: The marker involved the sub part of communication, execution input, supervisory and official aptitudes and capacity to support trust and certainty and showed the authoritative qualities.

   i. Communication: Openness and genuineness in correspondence of techniques and objectives for the achievement of the activity and desire from them.

   ii. Inclusiveness: Weather senior officials and supervisors scan for and utilize worker input, work in association with representatives, and approach them with deference.

   iii. Supervisory Skills: Managers express hierarchical qualities, cancel superfluous hindrances to completing work, give beneficial criticism, give representatives execution evaluations, and empower certainty.

   iv. Executive Skills: Senior administrators show hierarchical qualities, take out superfluous boundaries to completing work, give gainful criticism, and move certainty.

   v. Systems: We have very effective frameworks and procedures set up for recognizing and building up our up and coming age of pioneers and guaranteeing smooth administration advances.

2. Learning Capacity: The organization’s general capacity to learn, change, develops, and consistently makes strides.

   i. Innovation: representative info are look for the arrangement of the issues and workers are bolstered to discover better methods for completing employment. Better approaches for working are supported.

   ii. Training: Practical preparing is given on new occupation related advances which offer help to achievement of authoritative objectives.

   iii. Development: For the accomplishment of the vocation objectives of the representatives formal advancement designs are set up.

   iv. Value and Support: Learning is a need showed by the conduct of our pioneers.

3. Knowledge Accessibility: The degree of the association’s "cooperation" and it limit with respect to making information and thoughts generally accessible to representatives.

   i. Availability: People have all the data pertinent to their occupations with essential manuals and employment apparatuses, and there are techniques set up that empower workers to get to preparing when they require it.

   ii. Collaboration and Teamwork: We support and empower cooperation, give spots to individuals to meet casually, and put aside time for individuals to impart to and gain from each other.

   iii. Information Sharing: Sharing of the prescribed procedures and tips, to enhance their work, and pass them crosswise over offices.

   iv. Systems: Effective frameworks are set up that gather and store data and make it accessible to all workers who may require it.

4. Workforce Optimization: The accomplishment of the association’s is in streamlining the execution of its workforce by completing work through foundation of basic procedures, giving great working conditions, setting up responsibility, and settling on great employing decisions.
i. Process: Organizations have very much characterized forms that they use to complete work, constantly trying to enhance these procedures and trainings are given to representatives on those procedures.

ii. Conditions: Access to the materials and advancements is given to representatives to be powerful and working conditions add to great execution.

iii. Accountability: For delivering quality work Employees are considered responsible, advancement and end depends on skill, and representatives believe the capacity of their collaborators to take care of business.

iv. Hiring Decisions: Employees input are utilized for the choice, choice depends on expertise prerequisites and introduction is given to new contracts at acceptance, and a depiction of required abilities.

v. Systems: Effective frameworks are set up to oversee worker execution and gifts and framework offer help in the improvement of the productive and help those representatives confronting issue in upgrade of execution and inspiration.

5. Employee Engagement: Well-outlined occupations which demonstrate sense of duty regarding worker's vocation development gives the ability to association's to draw in, hold, and streamline the estimation of its employee's.

6. Job Design: Work is sorted out fascinating and significant making great utilization of representatives' abilities and aptitudes. Occupation fit is made through inventive employment plan and representatives have the duty in deciding of the most ideal approach to take care of business.

i. Commitment to representatives: Security of occupation is given to representatives', acknowledgment for the prevalent work and openings are accommodated profession development.

ii. Time: The work stack permits representatives for suitable harmony amongst work and home to carry out their employments right, settle on mindful choices.

iii. Systems: To hold great entertainers by persistently assessing patterns in representative commitment organizations or have frameworks set up. To decide the key drivers of profitability and consumer loyalty associations utilize the data from these frameworks (Jimenez-Jimenez, and Sanz-Valle 2005: Kruppke, Otto and Gontard, 2006: Luthans and Youssef 2004).

IX. SIGNIFICANCE OF HUMAN CAPITAL IN AN ORGANIZATION

What the Industrial Revolution improved the situation physical capital the data period, will maybe improve the situation human capital. The developing key for riches creation in data period is Human capital and learning based enterprises.

Kruppke, Otto and Gontard (2006) has offered prove that, for the improvement of people, associations and groups' interest in instruction and preparing is a type of capital required. Collins and Clark (2003) reasoned that human capital administration is new vision in information period. Nothing happens unless individual settles on a brief choice to act. Baron (2007) communicating the significance of human capital said that all developments are human advancements. At last, the economy and business are individuals' frameworks. Consequently there is no basic capital without scholarly capital and no learned capital without people. Luthans and Youssef (2004) as referred to in Kruppke, Otto and Gontard (2006) depicted that the wellsprings of prevalence rely upon the nature of intrigue arrangement and representative advancement in firm contrasted and the business rivals. "Individuals are our most prominent resources. However few try to do they say others should do, not to mention really trust it Kruppke, Otto and Gontard (2006) posited that is solid advocate of the commitment of human in vital setting. He recommended that human asset might not to be considered as unexpected but rather be dealt with as lasting. The association must need to catch any firm-particular skills and capacities that they create. Human capital is the reason of differential development rate of the nations (Huselid 1995). Pakistani involvement in the 60's show it when national wage had expanded, while human lives had become scarce, is the advantages of development had been seized by capable weight gatherings. Such circumstance built up the understanding called "new development hypothesis" recognizing human capital and viewing information creation as indigenous reaction to advertise motivating forces, for example, enhanced benefit openings, and aggregate load of human capital encountering a quicker rate of development Luthans and Youssef (2004) as referred to in (Thomas, 2002). To improve the capacities and aptitude of the human capital venture approach is required.

X. NATURE OF PERFORMANCE MEASUREMENT IN HUMAN CAPITAL MANAGEMENT

Execution alludes to yield comes about and their results acquired from procedures, items and administrations that allow assessment and correlations in respect to objectives, gauges, past outcomes, and different associations. It can be communicated in money related and non-monetary terms, (Sæn 2005). It likewise characterized estimation as the numerical data that evaluates information, yield, and execution measurements of procedures, items, administrations and the general association results). Execution measures may be straightforward (gotten from one estimation) or composite. As indicated by Carpenter, Sanders, and Gregersen, (2001), execution estimation is one of the foundations of business magnificence. Business greatness models empower the utilization of execution measure however lay more accentuation on the plan of execution estimation frameworks to guarantee that measures are adjusted to procedure, and that
the framework is working successfully in observing, imparting and driving execution.

Estimation, as indicated by Carpenter, Sanders, and Gregersen (2001) is an imperative idea in execution administration which shapes the reason for giving and producing criticism, distinguishing where things are going great with a specific end goal to give the foundations to building further achievement, showing where things are not going so well, with the goal that remedial move can be making. Workers are generally viewed as the most important resources in any firm, however a large portion of these associations can't assess the commitment made by HR to general execution of the whole association. Collins and Clark (2003) clarifying the no doubt purpose behind this placed that it is most likely in light of the fact that the impact of HC, in its wide sense, is hard to evaluate, since its solid, quantifiable commitments don't give off an impression of being basic for the organization of system.

Estimation gives an association data on the status of any execution. It speaks to an input instrument, showing what's functioning admirably and what isn't (Huselid,1995). For him estimation looks to give data on the viability and productivity of an association's HR administration framework in contrast with the general authoritative execution. Estimating execution is generally simpler when managing quantifiable focus, for instance, deals, and more troublesome on account of learning laborers, for instance researcher, (Armstrong, in the same place). This trouble is illuminated by making a qualification between the two types of result, yield and result. A yield can be estimated in reference to what have been accomplished in contrast with what were expected, result can be communicated in subjective terms as a standard or level of competency to be attained. Human capital is the beneficial endeavors of an association's workforce (Becker (1994). In accordance with Becker (1994), the creators additionally developed three ventures for overseeing human capital as a key resource. The means are the correct point of view, the correct HR framework and right execution estimation framework. Hayton (2003) kept up that measures intended to reflect human capital execution should center around how well the HR framework produces the worker execution practices required to drive the company's key business results.

XI. METHODS OF MEASUREMENT IN HCM

Abdullah, Iaafar, and Taib (2013), opined that a proper estimation framework must be adjusted and fuse activity pointers R&D, consumer loyalty, key direction for representatives) and report markers (e.g. money related information). The creators went further to state that the way toward transforming HR into a vital favorable position for the organization can be represented through a HR execution diagram. The formation of execution outline particular to HR is the focal apparatus enabling HR's key contributing variables to be distinguished and their effect on results to be estimated. The two purposes served by HR execution outline incorporate enabling HR to be overseen as a vital preferred standpoint and exhibiting the commitment made by HR to the organization's budgetary execution.

Chen and Huang (2009) recognized four components associated with HR execution hart which comprises of; HR expectations which are HR activities that change over human capital into a key favorable position (i.e. esteem creation inside the organization); High-execution work framework (HPWS) which is comprised of all HR hones went for amplifying worker execution; Alignment which consolidates HR's outer arrangement with corporate methodology to advance HR's vital expectations; Efficiency which is estimated as far as cost decrease, as well as far as key viability, reflecting bona fide esteem creation.

Bozbara, et al (2007) stressed that managers are activity markers, while HR's proficiency and expectations are report pointers. The HR execution outline consolidates these acidic components so as to achieve a harmony between the idea of cost control coming about because of productivity and that of significant worth creation (coming about because of HR expectations, arrangement). Another key capacity of the HR execution graph is to evaluate how an organization's present HR design contrasts from the perfect engineering utilizing money saving advantage examination methods. These investigations supplement the information got from execution outline.

Hayton (2003), distinguished seven criteria for estimating execution in associations. The criteria incorporate proficiency; (inputs): adequacy (results); efficiency (yields/inputs); benefit/spending plan capacity; quality; development and nature of work life. The creators connected the estimation of hierarchical execution to the vital arranging process.

Another technique for estimating execution is the execution change estimation strategy as propounded by U.S. (Sáenz (2005). The PIMM is an apparatus intended to gauge hierarchical execution. It is organized to quantify advance against characterized close term and long haul objectives, to utilize client contributions to defining those objectives and to have an interior quality check. The P1MM recognized three criteria for estimation, as against Sink and Tuttle seven criteria. The three criteria of estimation are targets accomplishment, cost execution, and "innovation hazard" decrease.

Davidson and Honig (2003) presented another estimation structure called 'group of measures'. This depicts five estimation classifications; benefit; profitability; outer quality (clients field execution); inward quality productivity squander; and other quality (development, security, hierarchical culture). As indicated by the creator, every unit in an association ought to have some measures that are one of a kind to it, besides having a solitary, overall measure reflecting how the association is performing.
The program rationale demonstrate is another execution measure utilized as a part of a communitarian setting in which program staff, accomplices, and clients make a model portraying the strategy a program takes to accomplish its vision and vital objectives, (Chen and Huang (2009). As indicated by the creators, the energy of the program Logic Model is that it not just imparts the execution way, "what prompts what, yet in addition conveys the key focuses at which advance ought to be evaluated to empower program changes.

Another strategy for estimating HR. As per Bozbura, et al (2007) is the Saratoga Measurement Model. This model connected estimation and seat checking strategy which consolidates both unmistakable and elusive parts of individual’s administration, overcoming any issues between HR information sources and procedures, and business results. Going further, the creator places that the model backers treatment of human capital as some other authoritative resource, that the model gives a road to human capital estimation and interfaces and adjusts HR techniques to the business methodologies. The model concentrated on various territories which incorporate HR program adequacy and HR conveyance viability permitting administration of an association the correct elucidation of the work compel profitability level, productivity and adequacy of process and framework, the work constrain commitment to the unit costs and the yield level. It additionally sets up a responsibility structure for key faculty who fuse three key workforce measurements in particular, return on workforce venture, workforce efficiency and unit costs.

Aside from the on-going Heath field (in the same place) recognized some other general execution estimation approaches which incorporate among others; coordinate perceptions; Specific work result (unmistakable proof that can be explored without the representative being available); Reports and records, for example, attendances, wellbeing, stock, monetary records and so on; Commendations or useful or basic remarks got about the worker’s work.

XII. THE RELATIONSHIP BETWEEN HUMAN CAPITAL AND FIRM PERFORMANCE

The human capital concentrations two fundamental segments which is people and associations. This idea have additionally been depicted by Kruppke, Otto and Gontard (2006) that human capitals have four key qualities as takes after: (1) adaptability and versatility (2) improvement of individual capabilities (3) the advancement of authoritative abilities and (4) singular employability. It demonstrates that these qualities thus produce add esteem to individual and authoritative results. There are different discoveries that join human capital with higher execution and maintainable upper hand Huselid (1995) as referred to in (Collins and Clark (2003), higher authoritative responsibility (Hayton (2003) and upgraded hierarchical retention Snell (1992) as referred to in (Hayton (2003). Henceforth, these open deliberations in a general sense centers around individual and authoritative execution.

From the individual level, Huselid (1995) call attention that the significance of human capital relies on how much it adds to the production of an upper hand. From a financial perspective, exchange costs demonstrate that firm picks up an upper hand when they claim firm-particular assets that can't be replicated by rivals. Along these lines, as the uniqueness of human capital expands, firm have motivations to put assets into its administration and the mean to lessen hazards and profit by beneficial possibilities. Thus, people need to upgrade their competency aptitudes with a specific end goal to be focused in their associations.

The human capital hypothesis has experienced a fast improvement. Inside its development, more noteworthy consideration has been paid to preparing related viewpoints. This is greatly identified with the individual point of view. Human capital venture is any movement which enhances the quality (efficiency) of the laborer. Subsequently, preparing is an imperative part of human capital venture. This alludes to the information and preparing required and experienced by a man that builds his or her capacities in performing exercises of financial qualities (Kruppke, Otto and Gontard (2006).

Some current writing demonstrates the significance of preparing. Regardless, it fitting to bring up that the workforce's absence of preparing is identified with low aggressiveness (Thomas, 2002) as referred to in (Chen and Huang, 2009). Thus, a greater human capital stock is related with more prominent efficiency and higher pay rates (Youndt, et al, 1996). Similarly, preparing is connected to the life span of organizations and more prominent inclination to business and monetary development. What's more, has noted human capital as a source not exclusively to persuade specialists and lift up their dedication yet additionally to make consumption in R&D and in the end clear a path for the age of new information for the economy and society by and large. Additionally, for private ventures it is a profitable resource, which is emphatically connected with business execution. At last, interest in preparing is alluring structure both an individual and social viewpoint (Youndt, et al, 1996).

From the authoritative level, human capital assumes an imperative part in the key anticipating how to make upper hands. Becker and Gerhart (1996) expressed that an organization’s human capital has two measurements which are esteem and uniqueness. Firm demonstrates that assets are profitable when they permit enhancing viability, benefiting from circumstances and killing dangers. With regards to powerful administration, esteem centers around expanding benefits in correlation with the related expenses. In this sense, association's human capital can add esteem in the event that it adds to bring down expenses, give expanded exhibitions.

XIII. EMPIRICAL REVIEW
An exploration contemplate led in 2010 by CFO Research Services uncovers that human capital issues as a key guilty party in fizzled and resulting budgetary misfortunes. In this review of Finance and HR administrators, the scientists investigated how associations are taking care of human capital issues identified with value-based action. The consequences of the examination recommended that HR offers extraordinary esteem and direction, especially in relationship to overseeing and estimating human capital resources which can essentially add to effective pre-and post-transformational occasions (Davidson and Honig (2003).

Carpenter, Sanders, and Gregersen (2001), built up a framework that enables administrators to survey HCM and to utilize those measurements both to anticipate hierarchical execution and to control associations' interests in individuals. The structure depends on a center arrangement of HCM drivers that fall into five noteworthy classes: authority rehearses representative commitment, information openness, workforce advancement, and authoritative learning limit. By utilizing thoroughly planned studies to mineral an organization on the scope of HCM rehearses over the five classifications, it's conceivable to benchmark authoritative HCM abilities, recognize HCM qualities and shortcomings, and connection changes or descending into sin in particular HCM hones with enhancements or inadequacies in hierarchical execution (Carpenter, Sanders, and Gregersen, 2001).

Hayton (2003) led an investigation on Human Capital and Organizational Performance: Next Generation Metrics as a Catalyst for change. The overview concentrated on the connection between HCM measurements (for instance, representative turnover rate) and consequent hierarchical execution. The review directed crosswise over American Standard Organizations and results summed up. The experimental research uncovered a center arrangement of HCM drivers that anticipate execution are initiative practices, representative commitment, information availability, workforce advancement and learning limit

Collins and Clark (2003) directed an investigation on Human capital administration hones embraced by the National Social Security Fund. The principle goal of the examination was to decide the degree to which Kenya National Security Fund (NSSF) had embraced the HCM hones. The examination utilized the contextual analysis outline that depended on an objective populace of 98 administration staff in the human resource and organization office. Both substance and quantitative analysis were used to break down information. The analyst found that NS SF had executed CM rehearses yet to a unimportant degree. Some of HCM rehearses at NSSF incorporates: upgrading the association's ability through staff preparing and improvement and setting of clear execution gauges.

Bozbura, et al (2007) proposed that HCM markers have association with result of the association and upgrade in expertise el of individual, change in human capital administration and elimination of data inadequacies will be utilized as arrangement destinations to compete in learning period. Illustrious Bank of Scotland (RBS) Group, for instance, is a recognized pioneer in the field of human capital administration that has held consistency of HCM detailing and estimation from HR that has a critical spot lights on business affect (Bozbura, et al 2007).

Imperial Bank of Scotland perceives that in the event that it is to convey its objective of being the world's most appreciated bank' and outflank others in the area, the commitment and execution of its staff is the key differentiator. To accomplish this target, RBS places impressive significance on having HR strategies set up that effect decidedly on staff. The Bank has possessed the capacity to demonstrate that by enhancing representative commitment, quantifiable upgrades in business execution and benefit levels can come about (Bozbura, et al 2007).

Abdullah, Iaafar, and Taib (2013) directed an examination to decide the connection between human capital administration practices and execution of Commercial Banks in Kenya. The scientists utilized a cross sectional overview configuration and in addition a connection investigates. The examination inferred that most business banks receive human capital administration practices to a normal degree. The examination additionally reasons that human capital administration rehearses for the most part affect execution as estimated by both turnover development and profit for resources.

Furthermore, Luthans and Youssef (2004) led an enquiry on human capital advancement hones and hierarchical adequacy: An emphasis on the contemporary Nigerian Banking Industry. The fundamental reason for the investigation was to pick up a superior comprehension of the hypothetical and experimental connection between Human Capital Development (HCD) practices and some measurement of hierarchical viability of Nigerian Banks especially after the managing an account area changes of June 2004.

Reactions from overview were break down utilizing elucidating insights and Pearson item development relationship. The investigation found that organizations in HCD rehearses are found to connect emphatically with authoritative adequacy ()

XIV. THEORETICAL FRAMEWORK
This research will be anchored on the human capital theory.

The birthplace of human capital backpedals to rise of traditional financial matters in (1776) guide from that point built up a logical hypothesis. Investing in human capital was first created by Huselid (1995) who contended in the Wealth of Nations that contrasts between the methods for working of people with various levels of instruction and preparing reflected contrasts in the profits important to settle the expenses of gaining those abilities. Financial experts, for example, Baron (2007) built up the hypothesis of human
capital. He was worried about human capital regarding the quality, not amount, of the work supply. After the appearance of that idea as a hypothesis Baron perceived the human capital as one of the imperative components of national monetary development in the advanced economy.

The hypothesis contends that a man's formal instruction decides his or her procuring power. Human capital hypothesis holds that it is the key capabilities, aptitudes, information and capacities of the workforce that adds to organizations upper hand. It centers consideration around resourcing, human asset improvement, and reward systems and practices. As indicated by Human Capital Theory, instruction is a venture since it is trusted that it could possibly offer private and social advantages. Human capital scholars trust that instruction and winning force are related, which implies, hypothetically, that the more training one has, the more one can acquire, and that the aptitudes, learning and capacities that training gives can be moved into the work as far as profitability.

**XV. METHODOLOGY**

On the premise that these research topic was time and context dependent, and the researchers believed that there are various, but equally valid perspectives of interpreting reality and the phenomenon under consideration was subject to human behaviour, the chosen philosophy of the researchers was interpretivism. The deductive research approach was also adopted owing to the fact that the researchers were matching their assertions and findings to existing literatures and theories related to the attributes. Since the research was not a life project, and it was not also an action research, nor was it basically an archival research, the researchers adopted a case study strategy with a focus on Zenith Bank PLC Calabar Branch. This was essentially to keep the topic within manageable limit resulting from time constraint and financial resources in conducting other strategy like a general survey in the study region. The population of the study covered well over fifty-six (56) workers comprising of executives/officers/employees working in different functional departments of the selected bank Metropolis and a sample size of forty (40) staff of the bank were conveniently selected from the population of the study. Being a cross sectional study, and in spite of the numerous advantages inherent in mixed methods of data collection the researchers adopted a quantitative mono method of data collection through the use of well structured close-ended questionnaires in gathering primary data for the study. Simple statistical table was used to present the gathered primary data. More so, in order to enhance the degree of relationship as expected in a research of this nature, the regression statistical method as well as analysis of variance (ANOVA) was used to express the relationship between the dependent and independent variables in the research.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.884&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.782</td>
<td>.770</td>
<td>.485</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Human Capital Management, Human Capital Investment.

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>31.282</td>
<td>2</td>
<td>15.641</td>
<td>.236</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Residual</td>
<td>8.718</td>
<td>37</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>40.000</td>
<td>39</td>
<td>66.378</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>b</sup> Dependent Variable: Organizational Efficiency

d. Predictors: (Constant), Human Capital Management, Human Capital Investment

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Unstandardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>B</td>
<td>Std. Error</td>
<td></td>
</tr>
<tr>
<td>(Constant) Human Capital Management</td>
<td>.374</td>
<td>.232</td>
<td>1.615</td>
<td>.115</td>
</tr>
<tr>
<td>Procedure Human</td>
<td>.864</td>
<td>.080</td>
<td>.905</td>
<td>10.776</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>-.048</td>
<td>.075</td>
<td>-.054</td>
<td>-.642</td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Organizational Efficiency
The regression result reveals the following:

1. The summary shows an adjusted R square of 0.782. This reveals that about 78.2% of total variability in Organizational efficiency is explained and predicted by a firm’s investment in Human Capital. Only about 21.8% is explained by other factors. With an adjusted R square values of 0.770>0.60, the model is said to be satisfactory in regressing the independent variable with the dependent variable.

2. The ANOVA model shows an F-ratio of 66.378 with a significant p-value of 0.000<0.05 alpha level. This result provides enough evidence to reject the null hypothesis and claim that Human Capital Management significantly impacts on Banking efficiency and operations.

3. The coefficient model output results for the acceptance or rejection of hypothesis postulations:
   A. The relationship between IFRS adoption and financial reporting credibility of firms has a coefficient significant p-value of 0.000 < 0.05 alpha level. On this premise, we debunk the null hypothesis and accept the research hypothesis. It is therefore upheld that there is a significant relationship between Human Capital Investment and firm’s efficient performance.
   B. The investment cost of Human Capital also has a coefficient significant p-value of 0.000<0.05 alpha level. The null hypothesis is thus rejected and the alternative accepted that the investment cost on Human Capital affects the efficient performance of banks.

XVI. DISCUSSION OF FINDINGS

The finding of the study supports the view that human capital management (HCM) has significant positive correlation with organizational efficiency. The study also concluded that organizational performance can be predicted on the basis of his/her score on human capital management (HCM) both for employees and executives data set. Additionally, the inquiry validated significant positive correlation between leadership practices, workforce optimization, learning capacity, knowledge accessibility, employee’s engagement (indicators of HCM) and organizational performance. A wider and clear understanding of the importance of human capital management may help us to develop our human resources into a more positive, committed and innovative work force. Understanding of the exact role of human capital may guide policy maker and organizations in terms of better decisions regarding organization tangible and intangible assets, strategic role of HR, policies for the attracting, enhancing, retaining of human capital, reporting the value of intangible asset.

XVII. CONCLUSION

In knowledge era, management of intellect plays central role in value of business (Collins and Clark, 2003). The best way to create workplace and work force capable of addressing the challenges of global economy were revaluing of human capital and emphasizing team collaboration. Organization of future has to focus on new human resource policies. People provide the only enduring source of wealth creation in the knowledge era, sustainable profitability, particularly in high cost developed nations, requires a strong focus on human capital. Consistently effective organizations are those that:

1. Have superior strategies for managing and developing people;
2. Focus on both individual capability and organizational capability;
3. Have learned to measure people as assets as well as costs; and
4. Are able to resist the short-run pressures that cause persistent under-investment in people. The payoff is superior financial performance.

Traditionally, organizations were not inclined to invest in employees’ abilities pertaining to training and development. Today developed nations realized the significance of investment in human by 9 century; organizations in third world countries like Singapore, Hong Kong, Malaysia also acknowledged this fact. The issue is being addressed by improving their investment in employees, knowledge management, strategic FIR, transformation to leaning organization, mentoring and better human capital management.

XVIII. RECOMMENDATIONS

From the findings of this research, the following recommendations are been made:

1. Organizations should hire the right people to do the right jobs by motivating, appraising and developing them.
2. More human capital development practices should be adopted often to keep the employees up-to-date in their jobs.
3. Training and development programmes should be prioritized in the banking industries and workers should be made to develop their careers by ensuring their job security and not just being used for the organizational growth; but later abandoned being useless and unproductive.

REFERENCES


