

Sustainable Human Capacity Development in an Era of Economic Recession : Challenges and Prospects

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Abstract

Inadequate human capacity development manifests in both private and public sectors in Nigeria. Apart from large-scale enterprises, especially limited liability companies, systematic capacity development is inadequate in the medium and small-scale enterprises. The aim of this paper is to present ways of achieving sustainable human capacity development in the public and private sectors and to highlight some of the challenges and prospects for the human resource practitioner in ensuring this. The paper proffers the development of a comprehensive human resource management policy for the private and public sectors of Nigeria and the adoption of a systematic approach to training, among other recommendations.

Keywords: sustainable human resource development , economic recession, human resource practitioner, human capacity development

JEL Classification: A10, M12, M15

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Organizations utilize human, financial, time, technology, and information resources to achieve their goals. From an economic perspective, the basic factors of production are land, capital (money), labour, and entrepreneurship. These factors of production as well as all the organizational resources can be grouped into non-human (land, money, time, technology, materials) and human capital resources (entrepreneurship and labour). The human resources are considered as a factor of production whose capacity has to be developed before it can efficiently and effectively manage other resources. Human resources have to be invested in order to achieve optimal performance. This investment in human capacity development (HCD) could be in the form of training, coaching, education, and job assignments. The concept of human capacity development implies a continuous activity. Development is not a static phenomenon; rather, it is an immortal legacy. Sustainability is implied in continuity; hence, human capacity development cannot be a one-shot activity. It must be an integral part of an organization's strategic plan and a major budgetary item.

Inadequate human capacity development manifests in both private and public sectors in Nigeria. Apart from large scale enterprises, especially limited liability companies, systematic capacity development is inadequate in the medium and small-scale enterprises. Ikharehon (2007 : 25-26) discussed about the poor rating of Nigerian universities in December 2004, in which no Nigerian university or African university was among the best 200 universities in the world. The aim of this paper, therefore, is to present ways of achieving sustainable human capacity development (SCHD) in the public and private sectors and to highlight some of the challenges and prospects for the HR practitioner in ensuring this.

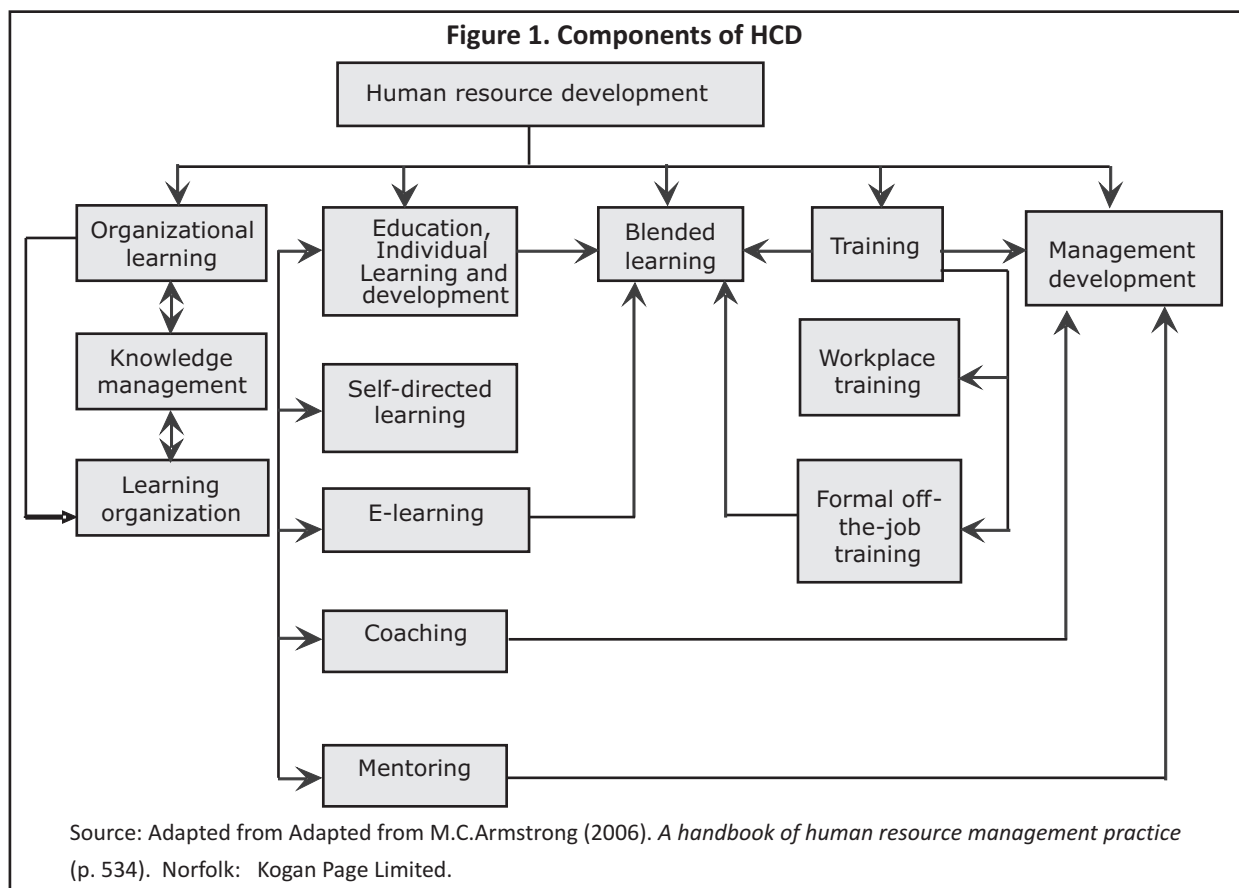
Conceptual Clarification

The concept of sustainable human capacity development can be defined as training and development that is capable of continuity. The concept of sustainable capacity encompasses a country's human, scientific, technological, organizational, institutional, and resource capabilities that enable it to achieve its developmental goals. Taylor and Clarke (2008: 6) defined capacity development as the proven ability of key actors in a society to achieve socioeconomic goals on their own. This is reflected in the presence of a combination of viable institutions, committed visionary leadership, financial and material resources, as well as skilled human resources. A number of definitions of

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capacity development that encompass human capacity development abound in the literature.

Capacity development is the process of strengthening the abilities of individuals, organizations, and societies to make effective use of their resources in order to achieve their goals on a sustainable basis. Capacity development, therefore, describes the activities, approaches, strategies, and methodologies which help organizations and individuals to improve their performance towards the achievement of organizational goals. Armstrong (2006: 534-536.) came up with the following components of human resource development (HRD) (see Figure 1) which can be adapted to human capacity development (HCD). The aim of HRD is to enhance the capability of employees (human capital) to achieve organizational goals. Human resource development objectives include the development of intellectual capital and promotion of organization, team, and individual learning by creating a learning culture. A learning culture is an environment in which employees are encouraged to learn and develop themselves in a systematic manner. These are not different from the objectives of HCD. Human resources are the innate abilities, skills, behaviours, knowledge, personal energy, experience, and even goodwill that an employee puts at the disposal of an organization as assets. Such assets need to be acquired, retained, and developed for effective achievement of an organization's goal. The Figure 1 shows the diagrammatical representation of the components of HCD.



From the Figure 1, it can be observed that the components of HCD are: Organizational learning; knowledge management and learning organization; education, individual learning, and development. Others are self-directed learning; e-learning; coaching and mentoring ; training (workplace training and formal off-the job training); management development; and a blend of all the previous four groups. Learning can be defined as the process of utilizing one's capacity to take action (Kim, 1993). It can also be conceived as a process by which a person acquires new knowledge, skills, and capabilities on existing skills, while development is conceptualized as being directed at a new function or responsibility. Armstrong (2006 : 535) defined development as the growth or realization of a person's ability and potential through the provision of learning and educational experience.

Organizational learning is concerned with the collective learning of individuals within an organization. Marsick and Watkins (1994 : 358-360) defined organizational learning as a process of coordinated systems change, with mechanisms built in for individuals and groups to access, build, and use organizational memory structure and culture to develop long term organizational capacity. The learning organization is described as one where people continually expand their capacity to create the results that they truly desire. It involves nurturing new and expansive patterns of thinking with people continually learning how to learn (Senge, 1990). Knowledge management is defined as a process or practice of creating, acquiring, capturing, sharing, and using knowledge, wherever it resides, to enhance learning and performance in organizations (Scarborough, Swan, & Preston : 15-65).

Individual learning and development include education. Education is an individual-oriented learning experience geared towards improving the breadth, understanding, and thinking process of the individual. Since the philosophy of education is to equip the individual to face the challenges of life in general, the emphasis is not on specific learning needs. Self-directed learning involves encouraging individuals to take responsibility for their own learning needs, either to improve their performance in their present jobs or to develop their potential and satisfy their career aspirations (Armstrong 2006:561). Coaching and mentoring represent an increasing trend towards helping the individual to take charge of his or her learning. Coaching involves helping individuals to achieve their job objectives through corrections, information, and immediate feedback. Mentoring is a relationship with an experienced organizational member who can share information, give guidance, and provide feedback to the mentee. The mentor or coach is available to give guidance, insight, and encouragement in the learning process, but the individual is the primary driver of the acquisition of knowledge and skills (Clutterbuck, 2009).

E-learning is the delivery and administration of learning opportunities and support via computer, networked, and web-based technology to help individual performance and development (Pollard & Hillage, 2001). Blended e-learning is balanced learning that strikes a balance between electronic learning, face to face learning, and informal group learning through teams and communities of interest (Armstrong, 2006: 563). Training is the planned and systematic modification of behavior through learning events, programmes and instruction, which enable individuals to achieve the levels of knowledge, skills, and competence needed to carry out their work effectively (Armstrong 2006: 535). Training could be on the job or off the job. Management development is the acquisition of skills, knowledge, and attitudes by managers in preparation for higher responsibilities through professional training and education. It is a continuous process that includes preparation for new jobs and subsequent career progression.

The concept of economic recession refers to a downturn in a nation's economic activities. The period is usually characterized by declining stock prices, increased unemployment, decreased consumer spending, and decreased liquidity in the banks. Recession is generally understood to be the slowing down of economic activities in a nation. Mansfield, Allen, Doherty, and Weigelt (1990) defined recession as the phase during which national output falls. In December 2008, the National Bureau of Economic Research (NBER) declared that the United States has been in recession since December 2007 (Isidiore, 2008). In view of high volume of investment of many countries in the USA, their economic recession became a global recession. A challenge is a problematic situation with no easy options or solutions. Managers worry about how to make their organizations attractive to potential employees, while at the same time, watching staff costs. Larsen (2000 : 3) pointed out that not only managing human resources in an organization is very important, but there are simultaneously emerging challenges and paradoxes. Hence, chief executives and HR practitioners need to identify ways of balancing the paradoxes and dilemmas with strategic, operational, and ethical actions.

Economic Recession in Nigeria

The world has been in and out of economic recession since 1929. The current (2007 to date) global economic recession has been linked to reckless and unstable lending practices resulting from deregulation and investments in real estate mortgages in the United States of America (Mishkin, 2008). The United States of America's mortgage-backed securities whose risks were hard to assess, were marketed around the world. The situation was made worse by a sharp increase in oil and food prices. The emergence of bank losses in 2007 began the crisis. These losses exposed other risky loans and over-inflated asset prices.

The mounting losses and the fall of Lehman Brothers on September 15, 2008 led to a major panic in the inter-bank

loan market. Around the world, stock markets fell, large financial institutions collapsed, or were bought out by governments, and even the wealthiest nations had to come up with rescue packages to bail out the financial system. The Nigerian situation is not too different. Soludo (2009) attributed the causes of the recession or meltdown in Nigeria to a number of reasons, which include: **(a)** Overdependence of the nation on petroleum, which constitutes 95% of its revenue from oil, **(b)** resource mismanagement - Niger-Delta militant activities worsened the earnings from crude oil as production per day dropped drastically, **(c)** high rates of importation, especially electronics and textiles from China, **(d)** inadequate plan for the nation's increasing population, **(e)** the poor performance of some Nigerian banks such as Oceanic and Intercontinental bank as well as the Union Bank of Nigeria.

This last point became a major cause of the Nigerian economic recession. Nigerian banks could no longer finance infrastructural projects. Adewale (2009) quoted the Managing Director of UBA Global Marketing Limited that there is a limit to which banks can provide finance for infrastructural development. The marginal role of the manufacturing sector of the economy is further diminished by poor bank financing. The banks consider it too risky to lend money to the manufacturing sector in the face of epileptic power supply. Ten Nigerian banks displayed signs of failure due to huge concentration in the capital market, oil and gas ventures, poor risk management, and corporate governance. The banks had serious liquidity problems and had to be given financial support by the Central Bank. As on October 7, 2008, the Central Bank of Nigeria injected N620 billion into the ailing eight banks. On the economy as a whole, the under performing banking sector led to a lull in the business activities. Accessing bank loans became difficult, leading to either the closing down or downsizing of some medium-scale industries.

Recession in Nigeria is characterized by factory closures, job losses, credit rationing, and a gamut of banking reforms. The prices of food, manufacturing items, and petroleum products are going up with reduced government revenue and expenditure among others. The recession is also characterized by slow growth in the economy (below 5%). Cadbury Nigeria Plc retrenched 300 workers, while Peugeot Automobile Nigeria (PAN) sent home 565 out of 753 workers, and placed the rest on half salary due to the recession (Adewale, 2009). These conditions require the workforce in all sectors to put all their innate skills at work to be able to survive the recession. In addition to putting some employees on half-pay, this should be a period of training, e-learning, and organizational re-engineering to avoid a repetition of the situation.

Whose Capacities Should be Developed in a Period of Recession

The public and private sectors require slightly different human capacities. The public sector requires capacity to interact with stakeholders to create a consensus around a policy, bill, or a strategic plan. There is a need to develop the capacity for long term envisioning of what public institutions should be. The capacity to implement government programmes, projects, and policies is paramount to an effective public sector. The public sector should possess project/programme monitoring and evaluation skills. The private sector, however, requires as a matter of importance, capacities in ensuring profitable investments, increased market share, customer relationship management, strategic management, business re-engineering and organizational growth, among others. To survive in a period of recession, these capacities must be further developed and put into full utilization. These capacities are not limited to the private sector as they are applicable, to some extent, to the public sector as well.

The Challenges Faced by the Human Resource (HR) Practitioner

The challenges faced by the HR practitioner in ensuring sustainable HCD in a period of recession can best be discussed within the context of the functions to be performed. The functions of the HR practitioner (Armstrong, 2006) include:

- ✍ Developing HR strategies, policies, and practices that meet the needs and objectives of the organization.
- ✍ Ensuring that the organization complies with relevant legislation.
- ✍ Recruiting the most appropriate personnel for the organization.
- ✍ Developing staff through appropriate in-house or out-sourced training.

- Dealing with all aspects of employee relations including implementing disciplinary and grievance procedures.
- Dealing with all aspects of remuneration.
- Ensuring all necessary systems and processes are in place so that all personnel are safe from hazards in the workplace.
- Implementing and monitoring the effectiveness of a performance management system.



Intra - Organizational Challenges

The HR practitioner faces a number of challenges that emanate from the behavior of employees and organizational policies. Some of these are discussed in the following paragraphs :

➤ **The Employee is his or her own Property and not that of the Organization :** Although, staff are employed to work for an organization, the organization does not own the members of the staff (Larsen, 2000 : 3-11). They have the right to withdraw their services even after extensive training and development programmes. In periods of recession, the HR practitioner can only hope that well-trained and developed staff will remain with the organization. The employee is constantly considering his/her career prospects within the organization and elsewhere. A mismatch between the employee and the company or organization may lead to unexpected disengagement. The issue of labour mobility, brain drain, and even disengagement for higher studies are all tied to this underlying principle of freedom of the employee to stay or leave an organization. The HR practitioner needs to assist top management to ensure his /her organization is attractive to the employee. The HR practitioner should be familiar with the concept of psychological contract, which consists of unwritten expectations of employees from an organization and vice versa.

➤ **Incompetent Staff :** Mansfield (1999) defined competency as the underlying characteristics of a person that results in effective or superior performance. This is quite different from the concept of qualification, which involves the knowledge, skills, and the attitudes that a person possesses regardless of how they have been acquired and whether or not they applied to work in an organization. The dilemma of the HR practitioner arises from the disappointment in performance after competency-based training and development programmes have been implemented (Larsen, 2000 : 3-11). This type of dilemma applies more to the public sector, largely due to the inadequate application of quantitative performance measures and a lack of commitment.

➤ **Layoff Versus Succession Planning :** A major dilemma of the HR practitioner in a period of recession is the decision to lay off well trained staff. The current problem of non-performing loans in the banking sector, it is predicted, will lead to the disengagement of 70,000 employees. Many of these employees may have been trained for future succession of their bosses. Carefully laid-out succession plans are disrupted during the period of recession. Surviving organizations or those less affected by the recession often seize the opportunity to poach the organization's best-trained staff, who would be happy to leave because of future uncertainties (Larsen, 2000: 3-11).

➤ **Poor Funding of Capacity Development Programmes :** Funding for human capacity development is usually at the whim and caprice of the chief executive. In most cases, it is not treated as a capital vote and is ,therefore, subject to manipulation. A period of recession is usually characterized by budgetary cuts. The low budget for capacity development is ,therefore, further depleted. Without a policy of sustainable human development, the most common practice is to cut the human capacity-building vote. This is a dilemma as this period demands fewer mistakes, fewer errors, and less negligence. The federal government, in an effort to influence the budget for training, came up with a guideline of 20% of annual personnel costs for training. This is contained in Item I3 under funding in the Guidelines for training in the Federal Civil Service issued in 2004 (Federal Republic of Nigeria 2004: 1-20). There is no doubt that even Federal Civil Service Ministries do not follow this guideline.

➤ **Pecuniary Benefits more Important than Capacity Building Content :** Another dilemma of the HR practitioner is the high focus on the pecuniary benefits of any capacity development programme. Even on-the-job training is not well appreciated if there are no benefits attached to such programmes. The principle of adult learning expects adults to take responsibility for developing themselves. In the Nigerian situation, except in the Armed forces and where

training programmes attended determine the career progression, serious attention is not paid to capacity development programmes.

✍ **Issuance of Certificate of Attendance to Late Comers and Loosing the Client :** This dilemma applies more to HR consultants and trainers than those in charge of managing human capacity development in an organization. Most of the time, in view of the pecuniary benefits, the HR practitioner finds participants coming to a training venue very close to the end of the programme, for example, the last day of a three-day programme or the last week of a three week programme. This poses an ethical dilemma. Do you issue the same certificate to the late comers as those that attended full-time or do you refuse and have all sorts of complaints about the conduct of your programme? This dilemma can be solved when all capacity development programmes are subjected to test failures, which will result in commensurate sanctions.

✍ **Loosing your Job Versus Awarding a Training Contract to an Incompetent Consultant :** Managing capacity development efforts often require that capacity-building programmes be outsourced to consultants. The HR practitioner is sometimes faced with lack of control over who the consultant should be and may be instructed to give the job to a less competent outfit; failure to do so may result in some form of punishment or outright loss of job.

✍ **Inability of the HR Manager to Recommend Top Management Staff and Political Appointees for much Needed Capacity Development Programmes :** Political appointees and top management staff are not immune to going for capacity development programmes, but organizational norms do not permit the HR manager to point out overtly or covertly that the chief executive, minister, or commissioner is weak in some areas and could benefit from a conference or workshop. Willingness to attend capacity development programmes is only initiated by the top management staff, mostly for overseas programmes.

✍ **Difficulty in Assessing the Impact of Human Capacity Development Programmes :** Yet another dilemma for the HR practitioner is the difficulty in assessing the impact of human capacity development programmes on organizational performance. An employee may attend many training programmes within a year; hence, an assessment of a single programme may be difficult. Where development programmes are not on skill acquisition, the direct impact on performance is not easily visible. This sometimes makes arguments in favor of funding capacity development programmes difficult.

✍ **High Costs of Hiring Highly Experienced Staff Versus Hiring Cheaper Inexperienced Staff :** In an era of recession, employers of labour often settle for less qualified and experienced applicants rather than hire highly qualified and experienced applicants because of budgetary constraints. The consequence is usually low performance and higher cost of training and development.

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External Environmental Challenges

The HR practitioner faces a number of challenges from an organization's external environment. Four of these are discussed as follows :

✍ **Skill Gap/Shortages :** A major external challenge facing the HR practitioner is the poor quality of many graduates from the Nigerian University system. Human capacity development on the job builds on the educational qualifications that employees bring into organizations. The HR practitioner is, therefore, faced with a situation where the workforce from where he/she could attract employees is not suitable. A major reason adduced for this situation is the disconnect between tertiary institutions' curriculum and the needs of the Nigerian Industries. Even in the public services, many graduates cannot produce good minutes of meetings. A survey by the United States National Association of Manufacturers reported a moderate to severe shortage of skilled workers (Ezekiel, 2009 : 22). The HR practitioner makes use of the products of tertiary institutions; hence, their knowledge and capabilities need to be adequate before on-the-job training and development can be incrementally undertaken. Currently, all Nigerian Universities are expected to run entrepreneurship programmes to meet the needs for self employment in Nigeria.

✍ **Shortage in the Skills of University Teaching Staff** : Poor performance of university graduates has also been linked with the shortages of academic staff. The rate of production of postgraduate degree holders, particularly doctoral students, is below the requirement. Tetey (2009) reported that at the University of Ghana, the proportion of postgraduate students reduced from 14% in 2000 to 7% in 2008. At the University of KwaZulu - Natal in South Africa, the decline was from 32% in 2000 to 26% in 2007. Post graduate enrolment at the Makerere University in Uganda dropped from 7% to 5% between 2006 and 2007. The percentage of post graduate enrolment to all other courses remains relatively low in all countries. South Africa's percentage is 15%, Nigeria has 7%, and Ghana has 4%.

✍ **Government Policies** : The Federal Government of Nigeria, by its policies, overtly or covertly, creates challenges for HR practitioners. The government in October 2009 announced that for the year 2010, the President Yar'Adua had banned foreign trips/ conferences (Olawumi & Akintola, 2009 : 27). By convention, organizations, especially state governments, usually take a cue from such pronouncements to the detriment of sustainable capacity development. The most-recent Federal Government's Policy on the tenure of Directors /Permanent Secretaries posed a dilemma for the HR practitioners. By a circular with reference number HCSF/061/s.1/III/68 dated August 26, 2009, the government approved that Permanent Secretaries shall hold office for a term of four years, renewable for a further term of four years, subject to satisfactory performance, and no more (Federal Government of Nigeria, 2009: 1-2). In the case of Directors, they shall compulsorily retire upon serving eight years on post. While this policy is good for motivational purposes, it portends a grave danger for sustainable capacity development.

✍ **Brain Drain** : Nigeria has experienced a lot of brain drain through professionals who left Nigeria for greener pastures elsewhere. This does not augur well for sustainable human capacity building, particularly in an era of recession, when the entrepreneurial and creative abilities of all Nigerians are required to take the nation out of the quagmire.

Prospects for Sustainable Human Capacity Development in Nigeria

Sustainable human capacity development (SHCD) can only be achieved within the framework of systematic mandatory human capacity development programmes. There are cases of inadequate skills gaps in Nigeria. Skills gaps refer to a mismatch between the required skills in an economy and the existing capacity of the workforce to provide such skills.

The human capacity gap in the Aviation industry is a case in point. The professionals are ageing and there is an increased rate of brain drain. The Nigerian College of Aviation Technology (NCAT) in Zaria has been neglected and is not turning out graduates as expected. The College is supposed to provide personnel for Airlines. The President of the Nigerian Aviation Professional Association (NAPA) lamented that the required manpower that have been trained are being relieved of their services by the ministers and are replaced by non-professionals whose appointments are politically motivated. It was also reported that training and re-training programmes are always selective as most employees are handpicked because of monetary gains attached to the programmes (Ayodele, 2009: 23). In the oil industry, which is the backbone of the Nigerian economy, there is a paucity of Nigerians with the necessary technical skills needed in the high technologically based industry. As in 2013, no refinery in Nigeria was working at full capacity. The cause of this has also been linked to the failure of the Nigerian tertiary institutions, especially Polytechnics and Universities, to produce graduates that can operate successfully in the oil industry.

To forestall situations of reduced HCD, a systematic approach to training and development is advocated. The systematic approach to SHCD involves the following steps:

✍ Developing a HCD policy.

✍ Developing strategies for achieving the HCD policy. An example of a strategy is, “to attract, develop, and retain the right people to deliver organizational services”. Another example is, “to have the right people, the right training, the right qualifications, and the right culture to deliver our services”.

✍ Identifying the HCD needs of the organization at individual, occupational, and organizational levels as well as according to the present and future needs.

- ✍ Establishing training, educational, and developmental objectives.
- ✍ Identifying appropriate training and development programmes.
- ✍ Choosing the appropriate instructional strategies, methods, and techniques.
- ✍ Implement the strategy, methods, and techniques.
- ✍ Evaluate with a view to determining the effectiveness of the entire process starting with the HCD policy.

Mandatory human capacity development programmes must have a well-articulated training and developmental programme that fits employees on each level of the organizational structure. Without successful completion of such training programmes, an employee should not be given higher responsibilities and promotion. A policy of mandatory human capacity development programmes will ensure that budgetary provisions are made for all developmental programmes in a fiscal year. The implementation of the policy not only ensures the continuity of such programmes, but also ensures that the workforce is adequately prepared to face current and future challenges. The Armed Forces of Nigeria provide a case worthy of emulation in terms of mandatory and sustainable human capacity development programmes. Each promotion in the Armed Forces is preceded by mandatory attendance and successful completion of relevant courses.

Other Factors Affecting SCHD

✍ **Individual's Motivation to Learn :** Sustainable human capacity development depends on an individual's motivation to learn. Individuals must be aware of their own deficiencies and needs and be willing to rectify them. They should be aware of their present level of knowledge, skills, competence, and behavior that needs to be improved to achieve high performance. Employee attention to training and development programmes depends on their willingness to learn.

✍ **Self - Directed Learning :** Self-directed or self managed learning encourages individuals to take responsibility for their learning needs either to improve performance in their present jobs or to develop their potential. Armstrong (2006: 561) explained that people learn and retain more if they find things out for themselves.

✍ **Transfer of Learning :** Transfer of learning also influences the sustainability of HCD. This is at two levels. The first level is the direct transfer of skills and knowledge learnt from an off-the-job training programme to the reality of the workplace. Off-the-job training in a foreign country needs to be adapted to the local environment for sustainability. The second level of transfer of learning for sustainability involves the transfer of knowledge and skills learnt by direct recipients to other members of staff in the organization who can benefit from them.

✍ **Budgetary Allocation :** Sustainable human capacity development can only occur when the budget for training is based on a certain percentage of total revenue after taxes or yearly subvention minus capital projects fund. This will ensure adequate funds are available for the training of all employees, both locally and internationally.

✍ **Learning Organizations :** The HR practitioner should influence decisions to have a learning organization in order to have sustainable human capacity development. A learning organization is one where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, and where people are continually learning how to learn together. Pedler, Burgoyne, and Boydell (1991:69-92) stated that a learning organization is one which facilitates learning by its members and continually transforms itself. One of the best ways to develop a learning organization as suggested by Senge (1990:15) is to focus on collective problem-solving within an organization using team learning. Learning organizations are concerned with developing and sharing knowledge that is critical to their strategic success.

Conclusion

The human resource manager plays a critical role in the success of both public and private organizations.

Organizations find themselves in difficulties when the human resources are not well selected, trained, and utilized effectively. The success of any organization depends on the symbiotic relationship between employees and the employers. Hence, the HR manager must work in collaboration with all employees for optimum performance. There is no doubt that systematic capacity development programmes are a major factor in organizational performance. Under-investment in human capacity development programmes could well mean a waste of other resources. The role of human resources in the utilization of other resources makes it mandatory that they possess the necessary knowledge, skills, and attitudes for the efficient usage of the other resources. Organizations need to ensure that they attract and retain competent staff or would find themselves at the mercy of their competitors. With increased competition, organizations need to guard their human resources jealously through capacity development as well as by providing an enabling environment for employees.

The dilemmas highlighted in this paper are not insurmountable. The awareness of the dilemmas is the first step in managing or solving them. The HR practitioners should network as a way of sharing information on how best to tackle the dilemmas and on best practices in human capacity development. The world is fast becoming a knowledge-based economy, and this gives the HR practitioner the role of facilitating the transfer of knowledge to employees from wherever it can be sourced. Employees in both the private and public sectors should endeavor to take advantage of global networked information technologies to enhance their knowledge and skills as it is a good and regular source of current data and information.

Managerial Implications

This paper examined the challenges and prospects of sustainable human capacity development in an era of economic recession. All managers, especially the human resource manager, need to be aware of the challenges and dilemmas raised in the paper with a view of minimizing their practices in the workplace. Managers need to perform their human capacity-building duties with integrity. There are recognized professional associations of training and development practitioners that should formulate code of ethics for the human capacity-building professions. Some of these in Nigeria are the Institute of Personnel Management, Nigerian Institute for Training and Development, and Nigerian Institute of Management. Rao, Vani, and Meesala (2014) opined that best human resources practices and employee engagement are the most popular mantras for high performance. The economic crunch in the era of recession should not be used as justification for corrupt and unprofessional conduct. Human resource managers should endeavour to influence organizational management to limit the loss of good staff during recession.

The Way Forward

In order to minimize the discussed challenges, the following suggestions are proffered:

- ✍ A comprehensive HCD policy needs to be formulated by the federal government so that other public and private sector organizations can take a cue from it.
- ✍ HR managers themselves must possess current knowledge and skills in the area of human capacity development. The HR managers must be trained and retrained. The current approach to information sharing is the use of communities of practice which is a virtual interaction of people of common interest. Members of the Chartered Institute of Personnel Management could form this community of practice using computer software which makes it possible to send information to all members and responses also go to all members.
- ✍ A systematic approach to training should be institutionalized in all organizations. Human capacity programmes should not be carried out arbitrarily. The annual performance evaluation outcomes should be used to validate the capacity developmental programmes of each employee. Most of the time, there is no link between the human capacity programmes and the developmental needs of the employees. HR managers should assess the training needs of members of an organization at least once in a year.
- ✍ Mandatory capacity development programmes with commensurate tests should be adopted in all organizations to infuse some seriousness into the programmes.

✍ Funding for human capacity development should be treated as a capital project fund, which will not be varied when there is a decrease in expected fund or revenue. At the worst, the reduction of the human capacity development fund should be at the same level as other cost centres.

✍ HR managers should encourage employees to take active interest in their own development by training them on how to learn. Organizations should also become learning organizations. Each manager should be equipped with an Internet linked computer where he or she can have access to up to date professional information.

✍ There should be a comprehensive revitalization of the education sector from primary to tertiary levels to provide the much needed high quality graduates to feed the public services and the private sector.

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