

# Human Capital Development and Service Delivery: A Study of Ojo Local Government, Lagos, Nigeria

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**Abstract**— Local government as an agent of development cannot be over-emphasized. Local government councils are created to extend the contour of governance and development to areas considered too remote to state and federal governments' influence. However, lack of concerted and sincere efforts in building and developing human capacity through adequate training as well as the creation of an atmosphere where well-developed employees are motivated with satisfying salaries, good chances of promotion, freedom to make some decisions have been a clog on the wheels of having highly developed and motivated human capitals as well as retaining them in the service. This study examines human capital development and service delivery in Ojo Local government. The survey design was used and data were analysed using chi-square at 0.05 level of significance, through SPSS 18. Findings reveal that human capital development has been neglected by local governments in Nigeria. Hence, staff that personally develop themselves often seek better employment opportunities in state, federal government or private sectors. The study concludes that inadequate human capital development, as well as strategies to retain experienced employees, constitutes the reasons behind poor service delivery in local governments. It, therefore, recommends that adequate attention should be paid to the capacity development of local government workers. Talent recognition or management, career development and training and development should be encouraged. Also, there should be an improvement in pay packages, promotion chances and other motivational packages in local governments.

**Keywords**— Development, Human capital, Local government, Pay packages, Service delivery, Talent management.

## I. INTRODUCTION

From the social dimension, the local government is a social institution. It is a well-organized social organization founded on a sense of unity. This emanates from the fact that man is a social animal and must of necessity interact with other people (Ola & Tonwe, 2009). Local government offers a forum for people in a neighbourhood to express and satisfy a common social desire to connect, but in the process of communication, the sensation of unification brings to the forefront the similarity of need in the neighbourhood such as food, housing, clothes, water, and so on. It is those facets of their feeling of oneness that are a binding force not only among themselves but also between the local authority and the local people. Local governments in Nigeria are operated by employees who are employed into various local government councils as career civil servants and are headed by a Chairman.

Delivering the above services to the people needs competent and vibrant employees who may be recruited by merits and experiences. Such employees need to be trained

and developed towards achieving the stipulated objectives. To determine or measure the effectiveness and efficiency of such individuals, organizations must meet up with the welfare of the employees as argued in the human relations school of thought. Barnard, a contemporary of Mayo ones argued that for employees in any organization to be effective in their task or responsibility, the employer of such an organization must make available welfare and compensation means.

Talent management, career support, training and development, safety and housing of the employees as parts of human capital development cannot be overemphasized in public organizations if those characters are lacking in public organizations, the measure of effective and efficient service delivery will be in questioned.

However, the reasons for ineffectiveness in service delivery of local government across Nigeria are the inability to recognize those above features that is why the staff of local government remain substandard as against the purpose in which they are employed. Ghost working, lateness to work, administrative bottlenecks, procrastinations of attending to responsibilities, etc are the order of the day in many local governments in Nigeria.

This study, therefore, tends to examine the effect of Human Capital Development on Service Delivery concerning Ojo Local Government, Lagos Nigeria. The study tends to discover if those factors of HCD in Local government are met and whether the local government provides its staff training that may engender effective service delivery.

### Statement of the Problem

Local government is a government of the grassroots which is saddled with the responsibility of protecting and providing social welfares for the people in communities. It has been discovered that people at the localities faced the challenge of getting attention from upper governments as this continually leads to vulnerabilities of the local dwellers. It is pertinent to note that, the efforts to meet with remote dwellers needs coupled with other factors necessitated the establishment of local government in Nigeria (Ajulor & Ibikunle, 2016).

To deliver effective service to the grassroots dwellers, one must rely on competent, talent-driven and well-trained staff. However, there had been recurring and reoccurring decimal in service delivery of Ojo and local governments across the country. Human capital development which was claimed to be available in local government is in question. There has been a misconception of the term. It is important to note that not only recruitments and salaries are features of HCD but the vital

aspects of this are the anticipation of talent management, career development, training and development.

The discriminatory pay by local government to employees serves as one of the causes of ineffectiveness in local government. Take for example; young talent-driven human resource who may have acquired training and experience tends to find better offers that are more lucrative compare to local government leaving the old staff that may have less concern in development and training behind, one cannot expect effectiveness from such categories of individuals.

To achieve human capital development in local governments in Nigeria, employees of local governments must live up to expectations, in terms of global best administrative practices and service delivery. However, over the years, it has been observed that local governments in Nigeria fall below average in terms of service delivery and many scholars and researchers have often attributed this failure to inadequate training, faulty recruitment processes, poor remuneration, and lack of a sufficient number of experienced staff, corruption, laziness and lack of proper checks on local government employees.

To this end, little or no efforts have been made to look at pertinent factors like talent management and career support which are vital in human capital development. It is, therefore, the thrust of this paper to examine how factors like talent management, career support and training of local government employees can lead to sustainable service delivery in Ojo LGA.

#### *Objectives of the Study*

The broad objective of this study is to examine human capital development and service delivery in the Ojo Local Government Area of Lagos State. Specifically, this study will;

- a. Examine the extent to which talent mismanagement contributes to service delivery in Ojo LGA
- b. Ascertain the role of career support in human capital development on employees' effectiveness in Ojo LGA
- c. Investigate how on-the-job training influence service delivery in Ojo LGA.

#### *Research Questions*

- i. To what extent has talent mismanagement contributed to service delivery in Ojo LGA?
- ii. What is the role of career support in human capital development on employees' effectiveness in Ojo LGA?
- iii. How has on-the-job training influenced service delivery in Ojo LGA?

#### *Research Hypotheses*

Ho1: there is no significant relationship between talent mismanagement and service delivery in Ojo LGA

Ho2: there is no significant relationship between career support and human capital development on employees' effectiveness in Ojo LGA

Ho3: there is no significant relationship between on-the-job training and service delivery in Ojo LGA.

## II. LITERATURE REVIEW

### *Human Capital Development*

Human capital is described as that of the inventory of skills, behaviours, individual and social traits, particularly imagination, expressed in the capacity to conduct labour to generate financial benefit. Human capital, on the other hand, is a collection of assets that encompasses every one of the expertise, capabilities, abilities, skill, expertise, intellect, education, decision, and knowledge that individuals in society possess individually and as a team.

These resources are the total capacity of the people that represents a form of wealth that can be directed to accomplish the goals of the nation or state or a portion thereof. This is an overall demand perception of humans behaving inside societies, attempting to grab the economic, physiological, social, and emotional nature as they communicate. in explicit and/or economic transactions. Several studies specifically relate the training to invest in capacity building, and the focus of social resources in industrial prosperity, economic growth, and creativity has also been commonly presented as evidence on a justification for government subsidies for education and job skills training (Halidu, 2016).

Smith (1776) in the *Wealth of Nations* defined human capital as follows: The acquired and useful abilities of all the inhabitants or members of the society. The procurement of these skills by the acquirer's management through his schooling, training, or traineeship often entails a specific expenditure, which would be a set and perceived resource, as it were, in his person. Such qualities, as they contribute to his wealth, often contribute to the wealth of the community to which he contributes. A worker's enhanced flexibility can be treated in the same manner as a device or tool of exchange that promotes and enshrines labour, and which, although it costs a certain expense, repays that expense with a profit.

Therefore, Smith (1776) argued, the productive power of labour is both dependent on the division of labour: The greatest improvement in the productive powers of labour, and the greater part of the skill, dexterity, and judgement with which it is anywhere directed, or applied, seem to have been the effects of the division of labour. There is a complex relationship between the division of labour and human capital.

According to Ogujiuba (2013), Human Capital Growth is critical to a world's socio-economic development and involves literacy, health, labour, jobs, and feminist rights. He reiterated that investment in human capital development is therefore critical as it is targeted at ensuring that the nation's human resource endowment is knowledgeable, skilled, productive and healthy to enable the most effective utilization and use of certain assets in promoting good corporate governance and growth And at Ogujiuba's (2013) status, one can conclude that no state can achieve industrialization without a well-talented, competent, and qualified workers, that can exploit, utilise, accelerate and propel the available resources of the nation optimally.

In the views of Atiomo (2000) in Halidu (2015) asserts that a country's future prosperity depends not only upon providing a product that is competitive neither in price, quality and quantity nor on simply increasing the range of products produced. If the country has people of vision, energy and experience to direct the force and facilities, then the other

requirement for success and development should follow. To vindicate the positions of Ogujiuba (2013), Atiomo (2000), and Halidu (2015), the wordings of Jaiyeoba (2015) readily come to mind; she opined that human capital investment is crucial in the growth process of the Nigerian economy.

The actual distribution of service and goods to the individual or associates is referred to as the delivery of services (Lovelock & Wright, 2002). It is thus associated with where, when, and how an appropriate policy is provided to the consumer, and also whether this is fair or unreasonable. The service concept defines the “how” and the “what” of service design, and helps mediate between customer needs and an organisation’s strategic intent (Goldstein, Johnston, Duffy & Rao, 2002). According to Chen, Tsou and Huang (2009), novelty in service delivery orientation refers to an organisation’s openness to new ideas and propensity to change through adopting new technologies, resources, skills and administrative systems.

Service delivery innovation may also be described as the overall process of introducing new service offerings within an organization (Johnston & Clark, 2001). In all product and service situations, the drivers of innovation are identical, with just the relative value of the two environments varying. In the public sector, service components are often not physical structures, but rather a set of systems, people skills, and resources that must be stack effect to produce the ‘scheduled’ or ‘engineered’ system.

According to Goldstein et al. (2002), service innovation has also been characterized in a variety of ways, ranging from a limited focus on the "idea generation" portion of the new service delivery process to the entire service creation process. As a result, it is important to clearly define the service definition before and during service innovation, design, and

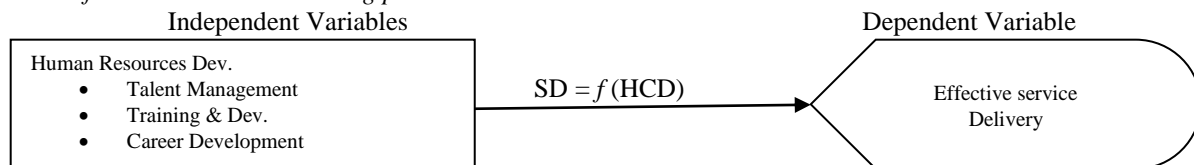
production. Baker and Sinkula (2007) also highlighted that a broader framework of service delivery innovation involves a simultaneous examination of multiple innovation antecedents and consequences in the service concept. As a result, the product definition becomes a driving force behind the many decisions taken during the invention and design of processes and systems and service experiences.

### III. HUMAN CAPITAL DEVELOPMENT AND SERVICE DELIVERY

The term “Human Capital Development” has been used by many scholars with different conceptions. However, in this perspective, HCD is viewed as the process of improvement through which employee performs to enhance effective service delivery. From the concept above, we can deduce that without proper Human Capital Development of the employee, an organization cannot talk of effectiveness in the delivery of services. Local governments in the Nigerian context have suffered a deficit in terms of effective service delivery. Although many authors have conducted researches on the prevalence of inefficient local government administration in term of service delivery in Nigeria, their findings may read bad leadership, mismanagement of fund, ghost working, insufficient resources; and so on.

However, none or little focuses on Building Human Capital to achieve the result at the local government level. As argued by the developmental school of thought of local government, "development starts from within" that is for any country to develop, it must start from the grassroots. The inability of local government to ensure proper service delivery is as results of a lack of staff maintenance and staff development.

Specification of the variables: the meeting points:



Source: Authors (2021)

The above diagram depicts the relationship between the variables. It shows a strong relationship between human capital developments on service delivery. Those specific variables under the HCD such as talent management, training and development and career development, can determine service delivery. Take for example; if talent in an employee is well managed by the employer, the outcome of such a talented individual will induce effective service delivery. Training and development are very essential in all organizations, before the government can be talking about effective service delivery, he must make available, on-the-job training to expect better performance from such employee.

### IV. THEORETICAL FRAMEWORK

For this study; the Human Relations or Neo-Classical theory will be adopted. This theory was built on the base of

the classical theory. It modified, added to, and in some way extended classical theory. The basic assumption of the neo-classical theory is that psychological and social aspects of the worker as an individual and his workgroup ought to be emphasized (Sharma, Sadana & Harpreet, 2013). The trace of the Human Relations movement can be found even in ancient literature. But, in recent times, its development mostly took place in the 1920s and 1930s, and it has evolved as part of the modern theory. During this period, the Harvard Business School, under the leadership of Elton Mayo (a professor in industrial sociology) and his associate conducted extended research at the Hawthorne plant of the Western Electricity Company. This theory marks the beginning of an ideological revolution in organization theory.

This study focuses on the view of Chester I. Barnard as part of the Human Relations School. Chester is a

contemporary of Mayo and an American business executive. His views are stated in his book "The Functions of the Executive" published in 1938. This view of Chester to Nigeria employers both private and the public is that effective and efficient cannot be recorded until the government provides an enabling environment that is conducive for the staff to operate. The view did not limit government responsibility to salary alone, but material such as opportunities and benefits, if these are in place, one can now talk about effective service delivery.

V. METHODOLOGY

A survey research design was employed in this study with the aid of a structured questionnaire administered to Ojo LGA of Lagos State. The dependent variable is service delivery while the independent variables are; talent management, training and career support. The study population was drawn from across all departments in Ojo Local Government. The total staff strength of the local government is 540 and the sample was 10% of the population which was 54. The questionnaire was designed on five points Likert scale with 1-Strongly Disagree, 2-Disagree, 3-Undecided, 4- Agree and 5-Strongly agree. The questionnaire was administered in two formats that addressed questions related to Human Capital Development and Service Delivery in Ojo Local government. 40 copies of the questionnaire were returned by the respondents across the departments of the local government and were further analyse and tested using Regression Analysis and Pearson coefficient correlation.

Pearson is used to testing the relationship between variables while correlation is used to determine the degree of the relationship between variables. The mathematical model is stated below:

$$r = \frac{N\sum XY - (\sum x)(\sum y)}{[(N\sum x^2 - (\sum x)^2)][(N\sum y^2 - (\sum y)^2)]}$$

Where:

N= the total number

∑= the summation

Data Presentation and Analysis

Table 1: Characteristic of the Respondents

Gender		Frequency	Per cent	Valid Percent	Cumulative Percent
Valid	male	24	60.0	60.0	60.0
	female	16	40.0	40.0	100.0
	Total	40	100.0	100.0	

Source: Authors (2019).

Form the table above; male respondents were 24 will female respondents were 16 to make a total of 40.

Age		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-28	20	50.0	50.0	50.0
	29-38	11	27.5	27.5	77.5
	39-and above	9	22.5	22.5	100.0
	Total	40	100.0	100.0	

Source: Authors (2019).

From the table above, respondents between the ages 18-28 were 20; respondents between the ages 29-38 were 11; while respondents of age 39 and above were 9.

Marital Status		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	single	17	42.5	42.5	42.5
	married	15	37.5	37.5	80.0
	divorced	8	20.0	20.0	100.0
	Total	40	100.0	100.0	

Source: Authors (2019).

From the table above, 17 respondents were single; 15 were married; while 8 were divorced.

Education		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	OND and below	13	32.5	32.5	32.5
	Bachelor (or equivalent)	12	30.0	30.0	62.5
	Masters and above	15	37.5	37.5	100.0
	Total	40	100.0	100.0	

Source: Authors (2019).

From the table above, 13 respondents had OND and below; 12 had Bachelors degree or equivalent; while 15 had a Masters Degree and above.

Management Level		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	top	12	30.0	30.0	30.0
	middle	15	37.5	37.5	67.5
	lower	13	32.5	32.5	100.0
	Total	40	100.0	100.0	

Source: Authors (2019).

From the table above, top, middle and lower management level staff were; 12, 15 and 13 respectively.

Length of Service		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-5	8	20.0	20.0	20.0
	6-10	7	17.5	17.5	37.5
	11-15	11	27.5	27.5	65.0
	16-20	14	35.0	35.0	100.0
	Total	40	100.0	100.0	

Source: Authors (2019).

Source: Field Survey, 2019

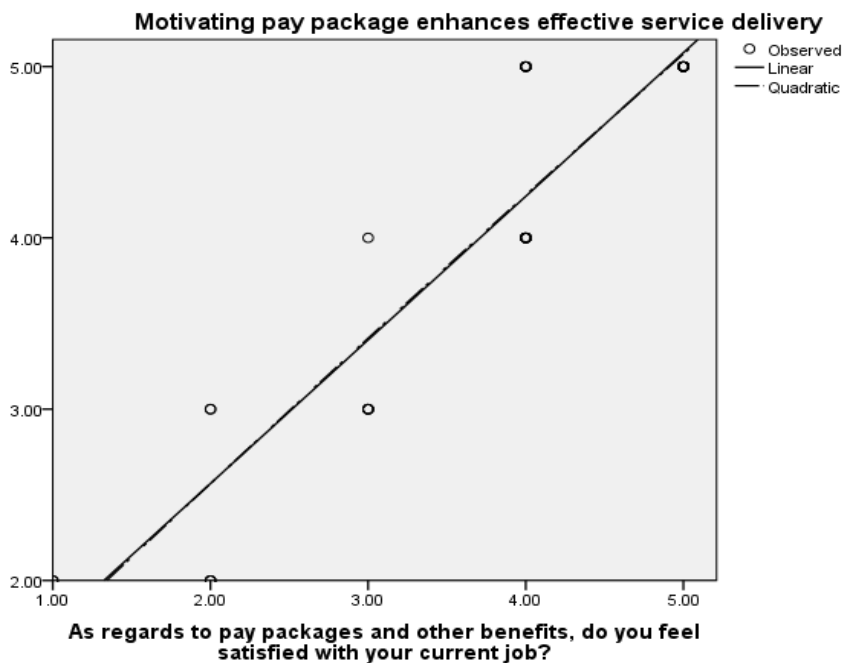
Hypotheses Testing

Using regression analysis, the rule says if the p-value for a variable is less than our significance level, our sample data provide enough evidence to reject the null hypothesis for the entire population

Hypothesis one

Variable Processing Summary									
					Variables				
					Dependent		Independent		
					Q14		Q11		
Number of Positive Values					40		40		
Number of Zeros					0		0		
Number of Negative Values					0		0		
Number of Missing Values					User-Missing		0		
					System-Missing		0		
Model Summary and Parameter Estimates									
Dependent Variable: Q14									
Equation	Model Summary					Parameter Estimates			
	R Square	F	df1	df2	Sig.	Constant	b1	b2	
Linear	.854	221.705	1	38	.000	.890	.838		
Quadratic	.854	107.997	2	37	.000	.830	.880	-.006	

Independent Variable: Q11



**Interpretation:** With the degree of freedom 1 and 2, the p-value is .000 which is lesser than the null level of significance of .01 as also confirm in the linear diagram above which shows that the independent variable is the function of the dependent variable. So we accept the alternative hypothesis thus: talent mismanagement contributes to poor service delivery in Ojo LGA

**Hypothesis two**

Ho2: there is no significant relationship between career support and human capital development on employees' effectiveness in Ojo LGA

**Decision Rule:** If P is less than ( $\leq$ ) 0.01, the test is significant. This means "there is a significant relationship between the variables" If  $P \geq 0.01$ , the test implies that there is no significant relationship between the two variables.

Correlations			
		Q13	Q14
Q13	Pearson Correlation	1	.942**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	70.400	52.900
	Covariance	1.805	1.356

Q14	N	40	40
	Pearson Correlation	.942**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	52.900	44.775
	Covariance	1.356	1.148
	N	40	40

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

**Interpretation:**

N = 40

R = .942

Level of Significance = .000

In Pearson Correlation, the rule says at 1, the relationship is perfect; at -1, the relationship is negative; at 0 there is no relationship. However, if the relationship between variables is above 0.5, or heading to 1, it means there is a strong relationship between the variables but if the figure is less than 0.5, it means that the relationship is not strong.

Thus: "there is a significant influence of career support and human capital development on employees' effectiveness in Ojo LGA

The calculated P value is = 0.000 < 0.01 so, we accept H<sub>1</sub> and reject H<sub>0</sub>

**Hypothesis Three**

Ho3: There is no significant relationship between on-the-job training and service delivery in Ojo LGA.

Correlations			
		Q11	Q14
Q11	Pearson Correlation	1	.965**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	70.000	54.000
	Covariance	1.795	1.385
	N	40	40
Q14	Pearson Correlation	.965**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	54.000	44.775
	Covariance	1.385	1.148
	N	40	40

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

**Interpretation:**

N = 40

R = .965

Level of Significance = .000

Thus: "There is a significant relationship between on-the-job training and service delivery in Ojo LGA.

The calculated P value is = 0.000 < 0.01 so, we accept H<sub>1</sub> and reject H<sub>0</sub>

**VI. DISCUSSION OF FINDINGS**

In hypothesis 1, it was revealed that their talent mismanagement is a function of ineffective service delivery in Ojo LGA. This shows that effective and efficient service delivery in local governments is influenced by employees' talent mismanagement. According to Zeithaml and Bitner (2000) organizations like local government achieve high client satisfaction and loyalty through the provision of high levels of service quality. This requires adequate talent planning and the identification of areas the improvements are needed. Organizations that manage their employees' talents stand better chances of delivering high-quality services which satisfy their clients and customers than organizations that are less concern about employees' talents.

In hypothesis 2, it was revealed that there is a significant relationship between career support and human capital development on employees' effectiveness in Ojo LGA. Career support involves all necessary activities and actions by management and senior officers to assist employees to develop and build high-level competences in their respective roles in an organization. Although many writers see career support as commonly offered while people are in education, during unemployment and retirement preparation periods, career support is needed by employees who are currently in service to assist them to make vital decisions that will positively influence their activities and mindsets in the interest of the organization (OECD & EC, 2004). Everyone, irrespective of educational, cultural, religious and other backgrounds need constant guidance and counselling to be positioned for greater achievement. In this case, employees of local governments are no exemptions.

In hypothesis 3, it was revealed that there is a significant relationship between on-the-job training and service delivery in Ojo LGA. Training is vital to individual development and

must be given adequate attention in local governments. Training presents a prime opportunity to expand the knowledge base of workers in an organization by improving performance, satisfaction, consistency, productivity, reputation and reducing weaknesses and turnover. Training increases organizational effectiveness as employees can attend to the goals and objectives of the organization effectively (Majeed & Shakeel, 2017).

**VII. CONCLUSION**

The aim of this study is was to find out how human capital development affects service delivery in local governments in Nigeria. From the above findings and results, it is concluded that human capital development is positively related to service delivery in local governments and also impacts on building satisfaction and trust among citizens who look up to the local government administrators for the attainment of their constitutional rights and privileges within the powers of the local government. It should be noted that local government is a government of the grassroots which is saddled with the responsibility of protecting and providing social welfares for the people in communities. To deliver effective service to the grassroots dwellers, one must rely on competent, talent-driven and well-trained employees. However, there had been recurring and reoccurring decimal in service delivery of Ojo and other local governments across the country. Human capital development which was claimed to be available in local government is in question. It is against this background that the study makes the under listed recommendations.

**VIII. RECOMMENDATIONS**

First, the local government should encourage talent potentials staff. There should be a platform or department for identifying and promoting talent-driven personnel. The local government should also ensure that finances budgeted and made available for development programmes so that such managed personnel may influence effective and efficient service delivery.

Second, the local government should ensure that the career of the employees is supported. Professional training and certificated will help employees to group professionally, however, many of the staff cannot afford to sponsor themselves toward career development. The local government should deem it fit as a responsibility to develop staff so that well-equipped personnel will not have to leave for a better job after been developed.

Also, in-job-training will go a long way in stimulating better performance of staff which will invariably influence effective service delivery. Local government should emulate the culture of staff training as this will enhance better performance of staff.

Lastly, the government should review the salary structure of the local government staff. There is a need for salary increment as that will also influence effective service delivery.

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