

LEADERSHIP PRACTICE AND EMPLOYEE PRODUCTIVITY IN SELECTED UNIVERSITIES IN OGUN STATE, NIGERIA: TOWARDS ENSURING GOOD MANAGEMENT OF HUMAN CAPITAL

BY

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Abstract

Human capital management is assumed to be affected by; inappropriate leadership practice, lack of engagement of employees in decision-making process, no knowledge acquired from the superior, and wastage of talents. Even the educational sectors are finding it difficult to attract and retain human capital. Hence, the need to carry out the present study on human capital management of leadership practice and employee productivity in selected universities in Ogun State, Nigeria. Survey research design was adopted for the study. The population of this study consists of academic and non-academic employees of the four (4) selected universities Babcock University, Covenant University, Federal University of Agriculture, Abeokuta and Olabisi Onabanjo University located in Ogun State which amounts to 6,058 employees. Using Cochran (1997) equation, the sample size was 586 university employees and random sampling technique was employed. A self-structured questionnaire was administered to the respondents, the research instrument was validated by the average variance (0.831). The Cronbach's Alpha coefficient confirms the reliability of the instrument, which suggests that the instrument used for evaluation is highly reliable and data gathered was analyzed using descriptive and inferential statistics (simple linear regression analysis). The result of the analysis showed there was a positive relationship between leadership practice and employee productivity in universities in Ogun State at the value of ($\beta = 0.343$, $t = 7.237$, $p < 0.05$). The study concluded that leaders with expertise in HCM strategic management participate in corporate decision-making that underlies current staffing assessments and projections for future workforce needs in the academic environment for improvement and productivity. The study therefore recommended that leadership approach should be objective enough for the employee's participation at all departmental level.

Keywords: Employee Engagement, Knowledge Accessibility, Leadership Practice, Talent Management, Employee Productivity

Introduction

The recent changes brought by the worldwide pandemic (COVID-19), globalization and technological advancement have raised the bar for human capital, which is viewed as unique and vital asset of any organization. Human capital management has an important role to play in helping employees to be more productive. It provides sustained competitive advantage and productivity to the organization. Globally, level of human capital decision determines employee productivity, technology development, ideas, creativity, innovation and talent management (Jamal & Saif, 2011; Makabira & Waiganjo, 2014). Armstrong (2014) posited that for any organization to survive, achieve employee productivity and growth, such organization must rely on its human capital, it classified human capital as its prime asset. Employee productivity in universities is highly dependent on employee skills, knowledge and experience of employees, which is a direct product of adequate human capital management capability of the institutions (Bokeno, 2011; Gbervbie, 2010; Odhiambo & Waiganjo, 2014). Globally, the universities strength and weaknesses in human capital management drivers can be evaluated by monitoring performance such as leadership practice, employee engagement, knowledge accessibility, talent management, and improvement or declines in employee productivity and universities performance, which can be tied directly to improvements or decline in human capital management practice (Bassi & McMurrer, 2007; Odhong, Were & Omolo, 2014).

The style or approach of leadership practice makes the difference, between success and failure rate in a university. There are complaints and reports that many Nigerian universities leaders do not devote much time and attention in planning, supervising, coordinating, directing and influencing academic activities in their

schools (Ajayi, 2013). There are also complaints that academic staff are no longer efficient and productive because they do not make optimal use of the available time to see that the students acquire necessary skills, knowledge and attitudes as specified in the schools' curricular activities because of poor instructional leadership practices displayed by university's leadership and academics staff (Ajayi, 2013). The problem of leadership practice lies in the way and manner a leader approaches it, how they fail to adjust their style of leading in the changing situation. Other setbacks affecting leadership practice in universities are lack of managerial experience, managing change, managing diversity, handling accountability and unfamiliar responsibility that give most institutions problem that lead to inconsistency in decision making, employee inefficiency and ineffectiveness in their work place. Anchor on this cursory observation and background challenges, this study examined the influence of human capital management of leadership practice on employee productivity of selected universities in Ogun State.

Purpose of the Study

The purpose was to examine leadership practice and employee productivity in selected universities in Ogun State, Nigeria

Research Question

How does leadership practice affect employee productivity of selected public and private universities in Ogun State?

Hypothesis

H0₁: Leadership practice has no significant effect on employee productivity of selected public and private universities in Ogun State.

Literature Review

Human Capital Management

Ajisafe, Orifa and Balogun (2015) defined human capital management as practice that are concerned on organizational needs to provide specific competencies. They further claimed that human capital management is an approach to employee staffing that identifies human as assets (human capital) whose current value is measured and whose future value could be enhanced through investment. According to Gartner (2015), human capital management is a set of practice related to human resource management, specifically in the categories of workforce acquisition, management and optimization. Ajisafe, Orifa and Balogun (2015) affirmed that human capital management comprise workforce planning and strategy, recruitment on boarding, employee training, reporting and analytics and the main purpose of human capital management in an organization is to achieve optimum performance.

Odhong, Were and Omolo (2014) established that human capital management can be measure through human capital management drivers such as leadership practice, employee engagement, workforce optimization, knowledge accessibility, and learning capacity. They noted that human capital management is concerned with obtaining, analyzing and reporting on data that informs the direction of value adding strategic, investment and operational people management decisions at corporate level and at the level of frontline management. They further established that human capital management could be measure by leadership practice, employee engagement, knowledge accessibility, talent management and workforce optimization. According to Sutia, Sudarma, Djumahir & Rofiaty, (2013), current human resources policies and practice of institutions in Nigeria are mainly guides by the parochial interest of the head of the institution where many government agencies in Nigeria are resorted to casualization, a practice that gives room for the employment of staff on a part-time basis. By adopting casualization, the management body in most agencies successfully reduces cost related to training, compensation, staff welfare and promotion, (Akanbi & Olesin, 2007; Oyewale & Tokede, 2006). Lack of compensation packages, lack of job security, non-provision of career development avenue are some of the negative human capital management practice prevalent in Nigeria educational system, and which constantly erode in employees, their sense of organizational commitment, dampens their morale, births within disillusioned employee's thoughts of fraud, entertainment of turnover intentions and actual voluntary turnover (Akinruwa, Ajayi & Akeke, 2014).

Leadership Practice

Leadership practice is a leader's ability to anticipate, envision, maintain flexibility, think strategically, manage human and work with followers to initiate changes that create a viable future for the organization (Ireland & Hitt, 2005; Jooste & Fourie, 2009; Kobus & Johan, 2010). In times like these, there is volatility, uncertainty, complexity, and ambiguity that need rapid, high-impact decisions in a limited information setting. Leaders have to manage these elements, learn new lessons along the way, and help to develop various creative problem-solving strategies to keep their enterprise operational and our patients safe and well cared for. Leadership practice is an important strategy used and for leading 21st-century organizations (Kitonga, 2017). This argument is realistic and fact due to the unpredictable environments in which most organizations themselves in the 21st-century and globalization trend (Kitonga, 2017). Kitonga (2017) established that leadership practice possess critical characteristics which include future orientation, human capital development, cognitive ability, ability to focus on the big picture, interpersonal relations, propensity to act and risk taking. Jooste and Fourie (2010) noted that leadership practice are identify as involving determining strategic direction, exploring and maintaining unique core competencies, developing and management of human capital, sustaining an effective organizational culture, emphasizing ethical practice and establishing balanced strategic controls.

According to Kirimi and Minja (2010), leadership practice shape and design the formation of strategic intent, which affect successful strategic practice in an organization. Ireland and Hitt (2005) who observed that leadership practice are vital in organization management and performance because they create organizational meaning and purpose. As established by Obiwuru, Okwu, Akpa and Nwankwere (2011) that Strategic leadership practice enable organizational leaders to influence their followers to contribute effectively to the accomplishment of the goals, vision, mission and objectives of the organization. Effective leadership is achieved when the leader is able to identify and achieve the objectives of an organization without undue influence from other members and/or the board of directors (Bundi, 2016). According to Di-Girolama (2010), there are five major functions of leadership these are: creating vision for the organization and focus on it, surround yourself with an efficient team and with high performance, sell to them the vision of the organization, and motivate them to buy into it, create a rapport with employees, maintain the communication and satisfy their needs demands to avoid losing them to a competitor.

Amanchukwu, Stanley and Ololube (2015) stated that there are principles that leadership practice must contain. The principles are; a leader must be technically proficient, develop a sense of responsibility in workers and ensure that tasks are understood, supervised, and accomplished. A leader must be able to communicate effectively, keep workers informed, know the workers and look out for their well-being. A leader should know him or herself and seek self-improvement, which means, continually strengthening ones attributes, make sound and timely decisions, use good problem solving, decision making, and planning tools, seek responsibility and take responsibility for ones actions, search for ways to guide the organization to greater heights. A leader should not blame others when things go wrong, rather the situation should be analyzed and corrective action taken and then move on to the next challenge, train as a team and use the full capabilities of your organization.

Employee Productivity

Productivity is a relationship between outputs and inputs. It rises when an increase in output occurs with a less than proportionate increase in inputs, or when the same output are produced with fewer inputs (International Labour Organization, 2005). Kamau (2013) defined productivity as the monetary terms and that if the price received for an output rises with no increase in the cost of inputs, this is seen as an increase in productivity. The productivity of individuals may be reflected in employment rates, wage rates, stability of employment, job satisfaction or employability across jobs or industries. Productivity of enterprises, in addition to output per worker, may be measure in terms of market share and export performance (Kamau, 2013). According to Mathis and John (2003), productivity is a measure of the quantity and quality of work done, considering the cost of the resources used. The more productive an organization, the better its competitive advantage, because the costs to produce its goods and services are lower. Better productivity does not necessarily mean more is produce; perhaps fewer people (or less money or time) was used to produce the same amount. McNamara (2013) further stated that, results are usually the final and specific outputs desired from the employee.

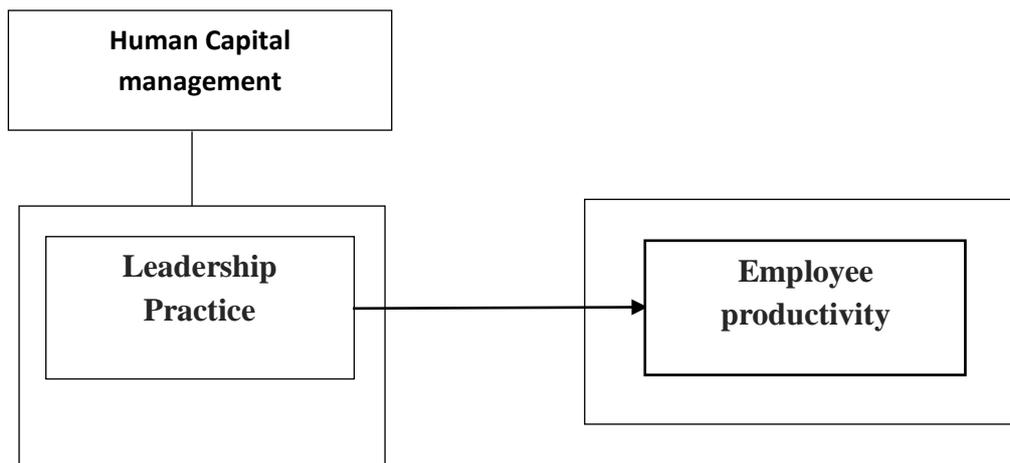
Bundi, (2016) stated that, perhaps none of the resources used for productivity in organizations are so closely scrutinize as the human resources. Many of the activities undertaken in an HR System are design to affect individual or organizational productivity. Pay, appraisal systems, training, selection, job design and compensation are HR activities directly concerned with productivity. Bernardin (2007) continued to state that controlling labor costs and increasing productivity through the establishment of clearer linkages between pay and performance are consider to be as key human resource management (HRM) component of competitive advantage. In addition, increased concerns over productivity and meeting customer” requirements have prompted renewed interest in methods designed to motivate employees to be more focused on meeting (or exceeding) customer requirements and increasing productivity.

Leadership Practice and Employee Productivity

Leng (2014) studied on the impact of leadership styles on employee productivity in retail industry. Questionnaires were used as the research instrument. A total of 384 sampling size were chosen for the survey. The 400 questionnaires were distributed to collect the responses from the employees in the retail industry. The questionnaires were distributed to the retail employees from three states of Malaysia, including Perak, Johor, and Penang. The results of the research showed that there was a significant relationship between the leadership styles and employee productivity, which means there was a significant impact of leadership styles towards the employee productivity in the retail industry.

Conceptual Framework

Figure 1 Human Capital management of Leadership Practice and Employee productivity



Source: Researchers’ conceptualization (2022)

Theoretical Framework

The theoretical perspective of this study is anchored on Human capital theory which views employee as a vital tool for organizations to achieve stated objectives and goals, deals with human capital management and employee productivity is considered as the best theory to be used. Human capital theory as the main underpinning theory in this study related to human capital management measure such as leadership practice, employee engagement, knowledge accessibility, workforce optimization, and talent management. Human capital refers to the knowledge, expertise, and skill one accumulates through education and training (Severine & Lila, 2009). He is concerned with human capital in terms of the quality, not quantity, of the labour supply (Armstrong & Baron 2006).

Methodology

Survey research design was adopted for the study. The population of this study consists of academic and non-academic employees of the four (4) selected universities Babcock University, Covenant University, Federal University of Agriculture, Abeokuta and Olabisi Onabanjo University located in Ogun State which amounts to 6,058 employees. Using Cochran (1997) equation, the sample size was 586 university employees and random

sampling technique was employed. A self-structured questionnaire was administered to the respondents, the research instrument was validated by the average variance (0.831). The Cronbach’s Alpha coefficient confirms the reliability of the instrument, which suggests that the instrument used for evaluation is highly reliable and data gathered was analyzed using descriptive and inferential statistics (simple linear regression analysis).

Model Specification

The model used in establishing relationships between the variables of the study were specific in this section as:

X = Independent Variables

Y = Dependent Variable

Where: X = Leadership Practice (LP)

Y = Employee Productivity

Therefore, functional relationship is expressed as:

Hypothesis one

$Y = f(X)$

$Y = a_0 + \beta_1 X_1 + \epsilon_i$

$EP = a_0 + \beta_1 LP + \epsilon_i$ _____ Equation 1

Result and interpretation

Leadership practice has no significant effect on employee productivity of selected universities in Ogun State.

In order to test the hypothesis, simple linear regression analysis was used. The data for leadership practice and employee productivity were created by summing responses of all items for each of the variable. The results of the regression are presented in Table 1.

Table 1: Simple regression analysis results for the effect of leadership practice on employee productivity of selected universities in Ogun State

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	24.299	2.197		11.059	.000
	Leadership Practice	.343	.047	.288	7.237	.000
R = 0.288;		R ² = 0.083;		F _(1,579) = 52.380		

Dependent Variable: Employee Productivity

Source: Researcher’s Field Survey Results, 2021

The results presented in Table 1 show that leadership practice have significant effect on employee productivity of selected universities in Ogun State. The result shows an R-Squared indicating that leadership practice explained 8.3% of the variation in employee productivity. The remaining 91.7% is explained by other human capital development dimensions put in place in the selected universities in Ogun State. Further research should be carried out to determine the other human capital development dimensions that influence employee productivity. This finding is supported by a positive and significant unstandardized β coefficient in Table 1 ($\beta = 0.343$, $t = 7.237$, $p < 0.05$). Overall, regression result indicates that leadership practice has statistically significant effect on employee productivity of selected universities in Ogun State ($F_{(1,430)} = 14.823$). The equation established for the regression was the following:

$EP = 24.299 + 0.343LP$

Where:

EP = Employee Productivity

LP = Leadership Practice

The regression equation above shows that the parameter estimate of leadership practice conform to apriori expectation that says that leadership practice will have positive effect on employee productivity of selected universities in Ogun State. The regression equation shows that the constant is 24.299 and significantly different from zero, with a p-value of 0.000, which is less than 0.05. This indicates that if leadership practice is rated as zero; employee productivity in selected universities in Ogun State would be rated as 24.299. The coefficient of

leadership practice is 0.343 that indicates that a change in the leadership practice (that is better leadership practice) by one unit leads to an increase in employee productivity in the selected universities by 0.343 units. This implies that a change in leadership practice lead to increase in employee productivity of selected universities in Ogun State implying that the estimated model $EP = 24.299 + 0.343LP$ is significantly fit. This confirms that leadership practice have a positive and statistically significant effect on employee productivity in selected universities in Ogun State. Based on these results, the null hypothesis one (H_{01}) which states that leadership practice has no significant effect on employee productivity of selected universities in Ogun State is hereby rejected.

Discussion of Findings

The finding of hypothesis one revealed that leadership practice has a significant effect on employee productivity of selected universities in Ogun State. The finding is supported by the findings of Odhong, *et al.* (2014) who revealed that leadership practice as one of the indicator of human capital management improve organizational performance and obtain sustainable competitive edge. In addition, the finding is in line with those of Bassi and McMurrer (2007) who found that a core set of HCM drivers that predict performance are leadership practice, employee engagement, knowledge accessibility, workforce optimization and learning capacity. The finding is also consistent with those of Olufemi (2009) who found that involvement in HCD practice are found to correlate positively with organizational productivity. Nzuve and Musyoka (2012) found that NSSF had implemented human capital management practice that have improved employee productivity. Ajisafe, Orifa and Balogun (2015) found that leadership practice have a significant and positive influence on employee productivity and organizational performance. The study finding also concurs with a study by Nzuve and Bundi (2012) which most universities adopt human capital management practice to an average degree.

The study further established that human capital management practice generally have a positive and significant relationship productivity and general performance as measured by both turnover growth and return on assets, the study supports Maran and Maimunah (2012) assertion that the human capital indicators like leadership practice had a positive association on employee productivity and organizational performance. These indicators such as leadership practice, training attended and team-work practice, tended to result in superstar performers where more productivity were translated to organizational performance. The study further revealed that human capital indicators enhance the organizational performance directly or indirectly. Similarly, the finding supports Josan (2013) who found a negative and statistically significant relationship between educational attainment and on-the-job training (OJT) and a positive and statistically significant relationship between education and off the- job training. The finding is supported by Akinyele & Fasogbon, (2010) that asserted that leadership practice enhance organizational performance, employee productivity and in the long-run has effect on its survival.

Conclusions

Leaders with expertise in HCM strategic management participate in corporate decision-making that underlies current staffing assessments and projections for future workforce needs in the academic environment for improvement and productivity. The training and development area of HCM also provides training that supports the company's fair leadership practice and employee development to improve their productivity and to prepare aspiring leaders for supervisory and management roles. From the findings, it can be concluded that leadership practice have significant effects on employee productivity in universities in Ogun State.

Recommendations

Based on the finding of the study that leadership practice have significant effects on employee productivity in universities in Ogun State. The study recommends that:

1. There should be consistency in leadership activities.
2. Leadership approach must be objective enough for the employee's participation.
3. Human capital leader should therefore manage the university activities from the ability to anticipate, envision, maintain flexibility, think strategically, manage human and work with followers to initiate changes that create a viable future for the institutions through training, experience and developing employees for high level of productivity.

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