

JOURNAL OF SOCIAL AND MANAGEMENT STUDIES



VOLUME 11

2006

**@ FACULTY OF SOCIAL AND MANAGEMENT SCIENCE
BAYERO UNIVERSITY, KANO
NIGERIA**

JOSAMWS

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UDMAN BAKKA COMMERCIAL PRESS
NO. 104 GYARDUWAI COURT RD KANO
C.S.N. 0806256661

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Impact of Investment in Human Resource Training and Development on Employee Effectiveness in Nigerian Banks

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Abstract

The success of any organization depends on the ability of its human resource to utilize other resources such as capital, equipment and land for the achievement of organizational objectives. Human resource thus requires the necessary attention in order to achieve corporate objectives. This paper investigates the impact of investment in human resource training and development on employees' effectiveness in Nigerian banks. Descriptive survey research was adopted for the study. A quantitative measure published by the Institute of Intellectual Capital Research and approved by the Saratoga Institute database was used to assess human resource effectiveness in three randomly selected banks. Also, an instrument titled Assessment of Training and Development Activities Scale (ATDAS) was administered to one hundred and twenty-five randomly selected employees of the selected banks in Ilorin metropolis, Kwara State, Nigeria. Relevant data was obtained from the three selected banks' audited financial accounts for a period of five years (2001-2005). The collected data was analyzed using descriptive and inferential statistics. The results showed that Zenith Bank had the best Human Resource Management and Accounting practice performed best. The study also identified the main training and development activities in the three selected banks as orientation and on the job training, skills improvement training, utilization of the newly acquired skills, regular training and acquisition of job experiences in all areas of banking. It was also found that respondents were significantly different in the assessment of training and development activities in their banks based on length of service and job status. However, the respondents were not significantly different in their assessment of training and development activities based on qualifications. Thus, the paper recommends that Nigerian Banks should evaluate the quality of their human resource regularly and provides adequate training and development opportunities to their employees. Also, the professional bodies in Nigeria should develop a standardized scale for the assessment of human resource in Nigerian banks and other corporate organizations. Similarly, training and development programmes designed for the employees should be comprehensive and related to their needs.

Introduction

In the traditional balance sheets, the "values" of enterprises are based on the available material resources such as buildings, production plant, capital and equipment. However, with the emergence of the "knowledge economy", the traditional valuation has been called into question, due to the recognition that human capital is increasingly dominant part of an enterprise's total value. The emergence of methods of accounting for human resources can thus be said to reflect the

need to improve human resource management (Philips, 1996). In the modern economy, an often-repeated statement usually made by Directors and/or Chairmen of corporate organizations in their annual reports is that "Our main asset is our people". Considering this assertion, one is put on enquiry on what is the value of this main asset? While most organizations can readily give detailed information about their tangible assets there is usually no formal record of investment on employees in many organizations. Thus,

accounting for human resource is neglected in most organizations (Gupta, 2003).

Human asset accounting or Human Resource Accounting (HRA) could be viewed as the measurement, reporting and accounting of the cost and value of people as organizational resources. People in this context refer to employees (Grojer & Johanson 1998). In the 1980s, the Organization for Economic Co-operation and Development (OECD) and European Commission encouraged the measurement of intangible investments on national levels. In 1992, a first proposal on the definition and classification of intangibles was advanced. The objective of European Union is to develop new ways of demonstrating the value of investments in human resources. The Luxembourg Employment Summits (1997 & 1998) on employment guidelines directed member states to re-examine the obstacles to investments in human resources and emphasized the need to put training cost investment on the balance sheet. Since then several conferences have been held to study the exigency for human resources accounting (Grojer & Johnason, 2006). This led to an increasing demand for knowledge and information by companies that wish to succeed and consequently this necessitated so much spending on training and development of people to achieve organizational objectives. Therefore, investments on people are considered highly essential resource which should be properly accounted for. For banks to harness the opportunities of the corporate environment and to be successful there is the need to invest on human asset especially in the period of consolidation and competition.

According to Gupta (2003), Human Resource Accounting (HRA) is the process of identifying, measuring and

communicating information about human resources in order to facilitate effective management within an organization. Therefore, the various decisions relating to hiring, training, developing, conservation, recruiting, allocation and selection of employees have to be made by the top management. Hence, an evaluation of banks' investment on training and development of employees in the banking sector in past periods is imperative. This is necessary because banks in Nigeria need to meet the challenges of consolidation and competition within and outside the country. The main objective of this study is to investigate the impact of investment on employees' training and development on banks' performance in Nigeria. In order to achieve this objective the following hypotheses were formulated: Employees' qualifications have no significant influence on assessment of training and development activities in their banks; there is no significant difference in employees' assessment of training and development activities in their banks' on the basis of length of service and there is no significant difference in employees' assessment of training and development activities based on different job status.

Conceptual Framework and Literature Review

An Overview of Human Resource Accounting

Human Resource Accounting is developing rapidly but the most fruitful research period of human resource accounting was in the late 1960's when it was brought up in research agenda. Hermansson (1964) was the first to attempt to include figures on human capital in the balance sheet, which became known as Human Resource Accounting. This was published in his pioneer work concerning the Valuation of Human Assets. Also in 1968 Brummet, Flamholtz and Pyle used the

term "Human Resource Accounting" for the first time in their work and suggested the need to develop this area of accounting. In 1973, the American Accounting Association Committee on Human Resource Accounting defined HRA as the process of identifying and measuring data about human resources and communicating this information to interested parties. It provides information about human resources, costs and value, services to facilitate decision-making, and motivates decision-makers to adopt a human resource perspective (Sackman, Flamholtz and Sullen, 1989). Boudreau and Berger (1985) noted that HRA made significant contribution in solving numerous personnel selection problems. During this period, numerous experiments dealing with the influence of Human Resource Accounting information on decision-making were carried out.

In the same vein, the Organization for Economic Co-operation and Development (OECD) and the European Commission were not been left out in the research into Human Resource Accounting. In fact, they both separately put "Human Resource Accounting" in their agendas. In a research conducted in Sweden, it was evident that the demand for better information about human resources had been obvious during the 1990's. This interest has been shown in different innovations such as human resources departments, financial department, company, director, union and governments. In a "White paper" on education and learning, European Commission (EC) introduced the topic of Human Resource Accounting at the end of 1995. One of the general objectives of the commission is to treat capital investment and investment in training on an equal basis (European Commission 1995, p.52). Thus, the EC prepared guidelines for the disclosure of Human Resource

Accounting Information. Also, in Denmark the European Centre for the Development of Vocational Training (CEDEFOP) provided guidelines on Human Resources Accounting. Guthrie (2001) stated that one aspect of accounting that has received significant attention is the area of human capital. The money that enterprises spend of human resources had traditionally been reported in the account as a cost rather than as investment. More precisely, organizations do invest on training and development of their employees to get the best of them.

The Concept of Human Resource Accounting

Human Resource Accounting as a concept was originally defined as the process of identifying, measuring and communicating information about human resources in order to facilitate effective management of an organization (Hermansson 1964). It is an extension of the accounting principles of matching costs and revenues and of organizing data to communicate other information in financial terms (Phillips, 1996). It involves measuring the costs incurred by business firms and other organizations when they recruit, select, train and develop human assets. It also involves measuring economic value of people to organizations. According to Grojer and Johansson (1996) the accounting of human resources is as much a question of philosophy as of technique, which is one reason for the variety of approaches. This is underlined by the wide range of uses to which accounting resources can be put. For instance human resource accounting can be used:

- * as a political tool to demonstrate mismanagement of human resources, and therefore to argue more strongly for more investment/better management
- * as a pedagogical instrument for analyzing and structuring and thus better understanding,

personnel problems from an applied perspective, and thus being better able to balance applied values against other values;

- * as a decision-making aid to ensure that decisions on human resources are more rational from the management point of view.

Evaluation of human resource

Gul (1984) expresses that human resource is the profit lever of the knowledge economy. According to him employees of organizations possess knowledge and skills necessary to perform useful functions and achieve the firm's goals and objectives. In essence, the employees contribute in no small measure in generating income for the firm. Similarly, Steven (1993) argues that employees interact together and transform other resources of the firm so as to add value. What results from this transformation through "a pool of human resources" is reflected in the profit of the firm. Thus, it is on this basis that human resource needs to be accorded a high priority and constantly appraised.

Fitz-enz and Bontis, (2002) identifies the following measures of human resource:

- a. **Revenue Factor:** This is a basic measure of human capital effectiveness and it is the aggregate result of all the drivers of human resource management that influence employees' behaviour. This is calculated by taking the total revenue and dividing it by the total headcount of the organization.
- b. **Expense Factor:** This is equally a basic measure of human capital effectiveness. It shows the operating expenses per each employee in the organization. This expense factor is calculated by taking the total operating expenses and dividing it by the total head count of the firm.

- c. **Income Factor:** This measures the operating income of the organization for each employee. This operating income is usually the profit before tax of the company. This factor is computed by taking the profit before tax and dividing it by the total head count of the organization.

- d. **Compensation Factor:** This measures the compensation that is paid to individuals in the organization. That is, it shows the compensation paid to each employee. This measure is typically used by Human Resource Managers to identify the relative standing of salary levels within the industry.

- e. **Compensation Revenue Factor:** This metric measures the percentage of compensation paid to employees in relation to the revenue that they generate. Over time, this measure shows if the organization is obtaining more or less return on every amount it invests on its employees.

- f. **Compensation Expense Factor:** This metric measure describes how much was paid to employee as a percentage of overall operating expense. This measure also shows the compensation cost structure of an organization.

- g. **Human Capital ROI (ROI = Return On Investment):** This is used in calculating the return on investment on a company's employees. This is equivalent to calculating the value added of investing in the organization's human resources.

Human Resource Management Activities

According to Bratton and Gold (1999), human resource management is a body of knowledge and a set of practices that define the nature of work and regulate

the employment relationship. HRM covers the following five functional areas:

- a) Staffing: The obtaining of people with appropriate skills, abilities, knowledge and experience to fill jobs in the work organization. Pertinent practices in human resource accounting are planning, job analysis, recruitment and selection.
- b) Rewards: The design and administration of reward system practices include job evaluation, performance appraisal and benefits.
- c) Employee development: Analyzing training requirements to ensure that employees possess the knowledge and skills to perform satisfactorily in their jobs or to advance in the organization. Performance appraisal can identify employees' key skills and competences.
- d) Employee Maintenance: The administration and monitoring of workplace and provision of safety, health and welfare policies to retain a competent workforce and comply with statutory standards.
- e) Employee Relations: This involves interaction among employees and their participation in schemes organized by union or non – union groups in an organization.

Objectives of Human Resource Accounting

The following objectives of HRA have been identified:

- 1) Identification of "human resource value"
- 2) Measurement of the cost and value of people to organization.
- 3) Investigation of the cognitive and behaviour impact of such information

- 4) To reflect fairness in presentation, distribution and disclosure of all material facts of the business enterprise
- 5) Compliance with the provisions of the Companies and Allied Matters Act (CAMA) of 1990 which indicates the following as part of the published annual report. For the Director's report, Section 7 – 10 of schedule 5 of CAMA provides that the following information shall be disclosed in respect of employment and employees.
 - i. Employment of disabled persons
 - ii. Health, safety and welfare at work of company's employees; and
 - iii. Employees' involvements, training and development.

Employee Involvement and Training in Banking Industry

Banks continue to ensure through various means that employees are informed about bank's performance and progress. Formal and informal channels are employed in communicating with employees on various factors affecting the performance of Banks through appropriate two-way feedback mechanism. A range of training is provided to employees for career development in the banking industry. Employees of banks attend both locally organized and offshore courses on regular basis. These are complemented by regular on-the-job training. In addition, incentive schemes like bonuses, children education, grants and scholarship are designed for employees (Zenith Bank annual report 2004).

Methodology

The research design adopted for this study is descriptive survey. The study employed both primary and secondary

data. It investigated the impact of banks' investment on training and development of employees on organizational performance. It also identified and compared employees' assessment of training and development activities in their banks. A quantitative measure was

- | | | | |
|-----------------------------------|---|---|--------|
| (i). Revenue Factor | = | $\frac{\text{Total Revenue}}{\text{Total Head Count}}$ | |
| (ii). Expense Factor | = | $\frac{\text{Total Operating Expenses}}{\text{Total Head Count}}$ | |
| (iii). Income Factor | = | $\frac{\text{Total Operating Income}}{\text{Total Head Count}}$ | |
| (iv). Compensation Expense Factor | = | $\frac{\text{Compensation Expense}}{\text{Total Head Count}}$ | X 100% |
| (v) Compensation Revenue Factor | = | $\frac{\text{Compensation (Proxy)}}{\text{Total Head Count}}$ | X100% |
| (vi) Compensation Factor | = | $\frac{\text{Compensation}}{\text{Total Head Count}}$ | |
| (vii) Human Capital ROI | = | $\frac{\{\text{Revenue} - (\text{Expense} - \text{Compensation})\}}{\text{Compensation}}$ | |

These measures were analyzed using comparative basis of the selected banks annual report for period of 2001 – 2005. The results were also bench-marked with Saratoga Institute database. The head counts are the employees while ROI is return on investment. In order to obtain relevant data, a questionnaire titled Assessment of Training and Development Activities Scale (ATDAS) was also administered on one hundred and twenty five (125) randomly selected bank employees in Ilorin metropolis. A total of one hundred (100) questionnaires were fully completed and analyzed using descriptive and inferential statistics. Thus frequency count and simple percentage were used

used to assess human resources effectiveness in the selected banks. This was adopted from the measure published by the Institute for Intellectual Capital Research (IICR), and approved by the Saratoga Institute. These measures are as stated below:

$$\begin{aligned} &= \frac{\text{Total Revenue}}{\text{Total Head Count}} \\ &= \frac{\text{Total Operating Expenses}}{\text{Total Head Count}} \\ &= \frac{\text{Total Operating Income}}{\text{Total Head Count}} \\ &= \frac{\text{Compensation Expense}}{\text{Total Head Count}} \times 100\% \\ &= \frac{\text{Compensation (Proxy)}}{\text{Total Head Count}} \times 100\% \\ &= \frac{\text{Compensation}}{\text{Total Head Count}} \\ &= \frac{\{\text{Revenue} - (\text{Expense} - \text{Compensation})\}}{\text{Compensation}} \end{aligned}$$

to analyze the demographic data while means, standard deviation, t-test statistics and Analysis of Variance (ANOVA) were employed to test the generated hypotheses. A hypothesis is accepted where the calculated t-value is lesser than the critical t-value and rejected when it is higher than the critical t-value at 0.05 alpha level.

Result and Discussion

Data were obtained from the financial statement of the selected banks namely Zenith Bank PLC, First Bank Plc, and Union Bank Plc, for a period of 5 years (2001 – 2005). The Tables below show the data obtained from the financial statements of the banks.

Table 1: Extract of Annual Reports and Accounts

	2005	2004	2003	2002	2001
Total Revenue N'M	49,475	45,121	45,055	41,717	29,098
Operating Exp. N'M	34,330	31,015	31,662	25,935	22,897
Total Operating Income (PBT) N'M	15,145	14,106	13,393	5,087	6,201
Compensation (proxy) N'M	11,936	11,464	8,166	6,238	6,961
Number of employees	6,692	6,906	5,437	5,566	6,182

Source: First Bank Plc (Annual Reports, 2001-2005)

Table 2: Extract of Annual Reports and Accounts

	2005	2004	2003	2002	2001
Total Revenue N'M	44,791	39,185	34,712	31,847	35,394
Operating Exp. N'M	32,838	28,975	24,558	24,356	28,336
Total Operating Income (PBT) N'M	11,153	10,210	10,154	7,490	7,058
Compensation (proxy) N'M	12,784	11,733	9,211	7,843	9,302
Number of employees	6,920	7,463	7,645	7,644	7,496

Source: First Bank Plc (Annual Reports, 2001-2005)

Table 3: Extract of Annual Reports and Accounts

	2005	2004	2003	2002	2001
Total Revenue N'000	22,8885,377	15,707,961	11,996,470	8,573,132	5,760,165
Operating Exp. N'000	14,599,604	10,057,653	7,233,979	4,462,094	2,255,996
Total Operating Income (PBT) N'000	9,164,787	6,404,885	5,440,471	3,999,368	2,802,580
Compensation (proxy) N'000	5,528,902	4,136,807	2,880,498	1,578,266	1,112,492
Number of employees	2,627	2,190	1,594	1,290	1,061

Source: Zenith Bank Plc (Annual Reports, 2001-2005)

Table 4: Results on Human Resource Evaluation for First Bank PLC

	2005	2004	2003	2002	2001
Revenue factor (N per employee)	7,393,156.01	6,533,593.98	6,999,378.59	6,353,487.66	4,706,890.97
Expense factor (N per employee)	5,130,005.98	4,491,022.30	4,918,750.97	3,949,893.39	3,557,091.81
Income factor (N per employee)	2,263,150.03	2,042,571.68	2,080,627.62	7,740,748.71	1,003,073.44
Compensation Revenue factor (%)	24.13	25.41	18.11	14.95	23.92
Compensation Expense factor (%)	34.77	36.96	25.79	24.05	30.40
Compensation factors (N per employee)	1,783,622.24	1,660,005.79	1,268,603.39	950,045.69	1,126,011.00
Human capital ROI	2.27	2.23	2.64	3.53	1.89

Source: Researcher's Analysis, 2007. See appendix 1 for details.

Table 5: Results on Human Resource Evaluation for Union Bank PLC

	2005	2004	2003	2002	2001
Revenue factor (N per employee)	6,472,687.86	5,250,569.48	4,540,483.98	4,166,143.38	4,721,718.29
Expense factor (N per employee)	4,745,375.72	3,882,486.94	3,212,295.62	3,186,289.90	3,780,149.41
Income factor (N per employee)	1,727,312.14	1,368,082.54	1,328,188.36	979,853.43	941,568.84
Compensation Revenue factor (%)	28.54	29.95	26.54	24.63	26.28
Compensation Expense factor (%)	38.93	40.49	37.51	32.20	32.82
Compensation factors (N per employee)	1,847,398.84	1,572,155.97	1,204,839.77	1,026,033.49	1,240,928.50
Human capital ROI	1.94	1.87	2.10	1.96	1.76

Source: Researcher's Analysis, 2007. See appendix II for details.

Table 6: Results on Human Resource Evaluation for Zenith Bank PLC

	2005	2004	2003	2002	2001
Revenue factor (N per employee)	8,771,601.45	7,172,584.93	7,526,016.31	6,645,838.76	5,428,996.23
Expense factor (N per employee)	5,557,519.60	4,592,535.62	4,538,255.33	3,458,987.60	2,126,292.18
Income factor (N per employee)	3,488,689.38	2,924,605.02	3,413,093.48	3,100,285.27	2,641,451.46
Compensation Revenue factor (%)	24.16	26.34	24.01	18.41	19.31
Compensation Expense factor (%)	37.87	41.13	39.82	35.37	49.31
Compensation factors (N per employee)	2,104,644.84	1,888,952.97	1,807,087.83	1,223,462.02	1,048,531.57
Human capital ROI	2.50	2.37	2.65	3.61	4.15

Source: Researcher's Analysis, 2007. See appendix III for details.

Analysis of Results

Revenue Factor

This ratio measures human resource effectiveness. Based on the perspective that employees work together to achieve

the objective of the organization by generating revenue. There is better performance of human resource management in Zenith Bank Plc throughout the five years compared with Union Bank and First Bank Plc. This

shows that with fewer number of employees in Zenith Bank who had 2,627 employees compared with Union Bank and First Bank that had 6920 employees and 6,692 employees respectively. Zenith Bank generated more revenue. This could be due to the fact that the bank utilized Information Technology (IT) in its operation than the other banks.

Expense Factor

Despite the fact that Union Bank has the highest number of employees of 7,644 in year 2002 it still recorded the lowest expenses when compared with First Bank and Zenith Bank that had 6,566 employees and 1,290 employees respectively. Hence, there was a reduction of expense per employee in Union Bank that recorded ₦3, 186,280 compared to First Bank which had ₦3, 949,893.39 and Zenith Bank which had ₦3, 458,987.60. Thus, there is a better human resource management in relation to expenses as this is evident by more than a proportion decrease in expense factor per employee in Union Bank when compared with the changes in expenses of the other banks.

Income Factor

Table 6 indicates that Zenith Bank had the highest revenue. Therefore, one would expect a better income factor from the bank. For the five - year period under review, Zenith Bank Plc had the highest income compared with the other two banks. Thus Zenith Bank managed human capital most effectively than First Bank and Union Bank.

Compensation Revenue Factor

In line with the principle of Saratoga Institute, compensation figures are used to act as proxies for the value of capital in the three organizations. Based on data analysis, Union Bank had the highest range of compensation revenue factor which ranged from 24.63% to 29.95% over the five years under studied, than

the other two banks. This shows that a higher proportion of the revenue generated had been paid out to the employees over the five years by Union Bank. This is in line with Saratoga Institute database and the recommendation of Fitz-enz (1995) which has a factor of 22.8%. The compensation revenue factors for Zenith Bank and First Bank for the three years were relatively high and good and fell within the range of 23.92% to 26.34% but there was a reduction in the compensation revenue factor which fell below benchmark of the 22.8% in years 2002 and 2003 for First Bank and years 2001 and 2002 for Zenith bank. This shows that the banks poorly rewarded employees for those years.

Compensation Expense Factor

This measure shows the compensation cost structure of an organization. Based on the available data, First Bank Plc had the best reasonably stable compensation expense than the other banks. Nevertheless, the Zenith bank and Union Bank compensation expense factor are stable too because they are still in line with the Saratoga Institute database and recommendation made by Fitz-enz and Bontis (2002) which gave a compensation expense factor of 15%. Thus, the compensation to employees by the three banks over the years had reasonably been kept stable. A watch over this factor would ensure that operating the expenses is not unnecessarily high.

Compensation Factor

Zenith Bank Plc had the best compensation factor for its employees throughout the five - year period, followed by Union Bank and finally First Bank Plc. It should be noted that when employees are appropriately compensated they would be motivated to contribute their best to achieve the firm's objectives. This is evident in

Zenith Bank having the highest Revenue in most of the years reviewed.

Human Capital ROI

The result shows that Zenith Bank had the highest return on investment of N4.15 in year 2001. This value means that, for every N1.00 spent on employees, the bank realized N4.15 in return. Thus, the bank had a return of N3.15 on every N1.00 invested on its employees for that year. This is line with the Saratoga Institute databases figure of 2.14 for the banking industry. Zenith

Bank maintained above the benchmark throughout the five years. On the other hand First bank was above the benchmark for four years and later fell below in 2001. Also, the return on human capital in Union Bank was lower than the Saratoga database figure in most of the years under reviewed. Hence, there is the need for improvement on this at Union Bank. In a nutshell, Zenith Bank has the highest value added on return on investment in human resource (i.e. employees).

TESTS OF HYPOTHESES

Means, Standard Deviation and t-value

Table 1: Training and development Activities in Banks based on Qualification

Variable	No of respondents	Means	SD	DF	Cal t Value	Crit t-value
Below 1 st degree	33	34.18	3.93	98	1.48 (NS)	1.98
1 st degree & above	67	32.99	3.74			

NS- Not Significant at 0.05 levels

Table 1 presents a comparative data on respondent's assessment of training and development activities in banks based on qualification. The table shows a calculated t-value of 1.48 and a critical t-value of 1.98 at 0.05 alpha levels. Since the calculated t-value is less than

the critical t-value, the null hypothesis one which states that there is no significant difference in employees' assessment of training and development activities is accepted while the alternative hypothesis is rejected.

Table 2: Training and development activities in Banks based on Length of Service

Variable	No of respondents	Means	SD	DF	Cal. t- value	Crit. t-value
Below 10 years	78	32.92	3.74	98	2.30*	1.98
10 year sand above	22	35.00	3.77			

*Significant at 0.05 alpha level.

Table 2 presents a comparative data on respondents' assessment of employees' training and development activities in banks based on length of services. The table shows a calculated t-value of 2.30 and critical t-value of 1.98 at 0.05 alpha levels. Since the calculated t- value is greater than the critical t- value, the null hypothesis two which states that there is no significant difference in employees' assessment of training and development

activities is rejected while the alternative hypothesis is accepted.

Table 3: ANOVA Results Comparing Respondents' Assessment of Training and development activities in banks based on jobs status

Source of variable	DF	Sum of Square	Mean Square	Calculated F- value	Critical F – Value
<i>Between Groups</i>	2	60.7348	30.3674	2.12*	3.20
Within Groups	97	1388.8252	14.3178		
Total	99	1449.5600			

*Significant at 0.05 alpha level.

Table 3 shows that the calculated F-value of 2.12 is less than the critical F-value of 3.20. Therefore, the null hypothesis three which states that there is no significant difference in employees' assessment of training and development activities in the selected banks based on job status is rejected because there is a significant difference.

Findings

The findings of the study revealed that the Zenith Bank had the best human resource management and accounting practices especially in the areas of revenue factor, income factor and compensation factor than the other two banks. Also, the bank had the highest return on investment (on employees). The Union Bank maintained a reasonable expense factor than the other two banks while the First Bank had the best reasonable compensation expense factor than the other two banks. The return on investment of Union and First Banks (old generation banks) fell below the benchmark of 2.40 as stipulated in the Saratoga institute database.

The implication of the findings is that of the three selected banks, Zenith Bank met most of the required standards. Union and First Banks need to improve on their human resource management and accounting practices. Furthermore, the respondents rated orientation and job

training, skills improvement training, utilization of newly acquired skills, regular provision of training and work experience in all areas of banking as the main training and development opportunities available in their banks. The respondents were not significantly different in their assessment of training and development activities in their organizations based on academic qualifications. This shows that qualification had no significant influence on respondents' assessment. This corroborates the earlier finding of Philips (1996) which indicated that qualification might not have significant impact on the job behaviours of employees in private organizations.

On the other hand, the respondents were significantly different in their assessment of training and development activities in their banks based on length of service. This shows that employees who had worked for many years in the selected banks rated training and development activities in their banks higher than those who had worked for few years. Also, respondents of different job status differ significantly in the assessment of training and development activities in their banks. This finding may be due to the fact that management or personnel staff participated in the study. Thus, their assessment of the training and development programme might be

different due to the nature and status of their jobs.

Conclusion and Recommendations

The importance of human resource in any organization cannot be overstressed. Thus, Nigerian banks should endeavour to provide the necessary incentives to their employees. These can take the forms of adequate remuneration, effective training and development and preparation for retirement. Also, the Institute of Chartered Accountants of Nigeria should establish a standard measure of human resource (human resource accounting) with particular reference to Nigeria. This is essential because such data would assist bank management to take appropriate decisions as regards human resource management and accounting:

Based on the findings of the study, the following recommendations are considered relevant:

- (a) Nigerian Banks should evaluate the human resource in their organizations on regular basis. For instance, such evaluation should take place once in a year.
- (b) The study of Human Resource Accounting should not be limited to postgraduate levels. Introductory courses in human resource accounting should be taught at undergraduate level of the Nigerian Universities (Fagbemi, 2003).
- (c) The Federal Ministry of labour and productivity should institute awards for banks that effectively account and manage their human resource in order to serve as incentive to others.
- (d) There should be a uniform and consistent method of qualifying the value of human resources as

well as reporting of Human Resource Accounting in the banking industry.

- (e) The old generation banks should invest more on training and development of their employees.

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