A STUDY OF HUMAN RESOURCES ACCOUNTING INFORMATION AND ITS RELEVANCE TO SELECTED ORGANISATIONS IN THE PRIVATE SECTOR

BY

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D E C L A R A T I O N

I hereby declare that this research was solely conducted by me under strict supervision of my supervisor, MR.A.SILVA. To the best of my knowledge and belief this research work or any part of it has never been conducted and submitted to any of the Nigerian institutions of higher learning for the award of degree or certificate of whatever kind.

All the sources of direct quotations have been fully and duly acknowledged by means of footnotes. Therefore, any mistake contained in this research work is solely my responsibility.

JUNE 1988 YUNUSA MA'AZU MAHUTA

C E R T I F I C A T I O N

This dissertation entitled, "A STUDY OF HUMAN RESOURCES ACCOUNTING INFORMATION AND ITS RELEVANCE TO SELECTED ORGANIZATIONS IN THE PRIVATE SECTOR by YUNUSA MA'AZU MAHUTA meets the regulations governing the award of Master of Science Degree in Accounting and Finance of Ahmadu Bello University, Zaria, and is approved for its contribution to knowledge and literary presentation.

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A C K N O W L E D G E M E N T

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Any attempt of field-work requires an immense degree of co-operation and tolerance from the respondents. While they cannot be mentioned by name, I would like to acknowledge collectively the assistance provided by the supervisors, Unit heads and top executives of all the selected private sector organisations in Nigeria.

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JUNE, 1988 YUNUSA MA'AZU MAHUTA

D E D I C A T I O N

THIS WRITE-UP IS DEDICATED

TO

MY GRANDPARENTS, MALAMA ZILAIHAT

AND MALAM SHEHU USMAN K.

AND

THE ENTIRE MEMBERS OF MY FAMILY.

JUNE, 1988 YUNUSA MA'AZU MAHUTA

A B S T R A C T

The purpose of this research effort was to examine the relevance of human resources accounting information to some selected organisations in the private sector in Nigeria. It was expected that the study would provide some evidence as to whether organisations in this category utilise this information in their day-to-day business operations. The study seeks to fill the vacuum created by conventional accounting system in financial reporting due to failure to report on organisational human resources. Thus, the objectives of the study were: (1) to find out the relevance of information concerning human resources of an organisation in the private sector in financial terms, (2) to know the impact of reporting or not reporting human resources values to organisations in the private sector in Nigeria. (3) to know precisely the type of industry or companies in which human resources accounting information is more relevant and most useful.

In order to accomplish this task a sample of 15 manufacturing and 15 service-related organisations each having more than 50 employees were drawn from private sector organisations. Also, out of these organisations people from the supervisory level upwards were randomly selected to fill the questionnaire.

The research methodology involved two phases: a literature review phase ana a questionnaire phase of the study. That is to say, for the purpose of the research, the methodology involved collection of data both on secondary and primary basis. The secondary data collection involved an extensive search of relevant literature from textbooks, journal, articles, net*spapers, magazines, companies reports and other materials considered relevant for the research. The primary research too used in this study to collect the primary data was/a detailed questionnaire designed and obtained through administered based on the instruments gathered from the review of the existing literature.

The basic findings or the research were: (1) It was found that organisations in the private sector are profit-oriented and,therefore, attach more relevance to any publicly mace available information that will help in attaining this objective. (2) That out of the resources of an organisation, human resources are the most important. (3) It was also found that human resources planning and development greatly helps management in the functional areas of planning, co-ordination, communications, decision-making and motivation. (4) Furthermore, it was discovered that human resources accounting information helps greatly in the implementation of good and effective manpower planning and development, especially when it comes to

a matter of cost reduction and profit improvement programmes. (5) Also,it was discovered that human resources accounting information is very useful to private sector organisations in the determination of cost of capital; calculating meaningful ratios and in the determination ana management of working capital. (6.) Finally, it was evident that the respondents were more confident to say that human resources accounting information is more relevant and most useful in the service-related industries.

Recommendations were, therefore, made that: (1) Since the capacity of an organisation to achieve its strategic objectives was influenced by human resources especially in the capacity to operate effectively, human resources planning and development should be the focal point in business necisions. (2) Organisations should concentrate on providing specific training to their employees, and that this policy should be backed by restriction of mobility and retention policy to discourage the trained employees from leaving the firm immediately after receiving their training. (3) Finally, it was recommended that, these research findings are not final, but rather should be viewed as a basis for further research to progress the subject further. This could be acbipved by joint effort from teachers, practitioners and students in accounting, finance and other related fields.

LIST OF TABLES

		PAGE
1.	Distribution of Questionnaire to Organisations: Sample Size and Response Rate.	37
2.	The Main Objective of Private Sector Organisation is to maximize profit	39
3.	The Degree of Importance of Organisations' Resources	41
4.	Types of Training provided by Nigerian Private Sector Organisations	44
5.	The extent to which Organisations' Functional Areas help in Achieving Greater Profit Margin	46
6.	Relevance of Manpower Planning and Development in Co-ordinating Processes	49
7.	The Relevance of Manpower Planning and Development in Communication Processes	51
8.	The Importance of Manpower Planning and Development in Decision-making Processes	52
9.	The Relevance of Manpower Planning and Development in Control Processes	53
10.	The Extent to which Human Resources Accounting Information is important in Demand Forecasting Processes	57
11.	The Importance of Human Resources Accounting Information in Manpower Supply Forecast.	58
12.	The Importance of Human Resources Accounting Information in Action Planning Processes for Good Manpower Planning and Development	59
13.	The Importance of Human Resources Accounting Information in Manpower Information Processes	60

CONTENTS

		PAGE
TITLE PAGE		i
DECLARATION		ii
CERTIFICATION		iii
ACKNOWLEDGEMENT		iv
DEDICATION		vi
ABSTRACT		vii
LIST OF TABLES		x
CHAPTER ONE: INTRODUCTION		
1.1	DEFINITION OF THE PROBLEM	1
1.2	STATEMENT OF MOTIVATION	2
2.3	OBJECTIVES OF THE STUDY	3
1.4	THE EXPECTED CONTRIBUTION OF THE STUDY	3
1.5	SOME SPECIFIC RESEARCH HYPOTHESES	5
1.6	THE RESEARCH DESIGN AND METHODOLOGY	6
1.6.1	Pilot Study	6
1.6.2	Sample Size and Sampling Techniques	7
1.6.3	Operationalization of Concepts (Variables Measurements)	8
1.6.4	The Questionnaire	11
1.7	STATISTICAL METHODS	12
1.8	EXPECTED PROBLEMS DURING THE STUDY	12
1.9	HOW TO TACKLE THE PROBLEMSTHAT ARISE	12

		PAGE
1.10	CONCEPTS AND TERMINOLOGY	13
1.11	LAYOUT AND CONTENTS	13
CHAPTER TWO:	THE RELEVANCE OF HUMAN RESOURCES ACCOUNTING INFORMATION TO ORGANISATIONS IN THE PRIVATE SECTOR: A LITERATURE REVIEW.	16
2.1	HUMAN RESOURCES ACCOUNTING INFORMATION	16
2.2	HUMAN RESOURCES ACCOUNTING AND ITS OBJECTIVES	17
2.3	HUMAN RESOURCES ACCOUNTING AND CONVENTIONAL ACCOUNTING SYSTEM	20
2.4	THE IMPACT OF FAILURE TO ACCOUNT AND REPORT HUMAN ASSETS	21
2.5	FRAMEWORKS OF HUMAN RESOURCES VALUATION	24
2.6	THE RELEVANCE OF HUMAN RESOURCES ACCOUNTING INFORMATION IN PRIVATE SECTOR ORGANISATIONS	26
2.7	CONCLUSIONS	32
CHAPTER THREE:	HUMAN RESOURCES ACCOUNTING INFORMATION AS VIEWED BY PRIVATE SECTOR ORGANISATIONS IN NIGERIA: DATA ANALYSIS AND INTERPRETATION	35
3.1	INTRODUCTION	35
3.2	SAMPLE SIZE AND RESPONSE RATES	36
3.3	MAIN OBJECTIVE OF PRIVATE SECTOR ORGANISATIONS	38

PAGE

3.4 RESOURCES OF PRIVATE SECTOR ORGANISATIONS 40

3.5 HUMAN CAPITAL ASSETS AND THE USERS OF HUMAN RESOURCES ACCOUNTING INFORMATION 42

3.6 PRIVATE SECTOR ORGANISATIONS' FUNCTIONAL AREAS FOR ACHIEVING GREATER PROFIT MARGIN 45

3.7 THE RELEVANCE OF MANPOWER PLANNING AND DEVELOPMENT IN PROFIT MAXIMIZATION 47

3.8 THE RELEVANCE OF HUMAN RESOURCES ACCOUNTING IN GOOD MANPOWER PLANNING AND DEVELOPMENT 56

CHAPTER FOUR: HUMAN RESOURCES ACCOUNTING EXPERIENCE IN OTHER COUNTRIES 63

4.1 HUMAN RESOURCES ACCOUNTING: U. S. EXPERIENCE 64

4.2 HUMAN RESOURCES ACCOUNTING: EXPERIENCE IN BRITAIN 65

4.3 CONCLUSION 67

CHAPTER FIVE: SUMMARY AND RECOMMENDATIONS 69

5.1 SUMMARY OF MAJOR FINDINGS 69

5.2 THE IMPLICATIONS OF THE STUDY 73

5.3 RECOMMENDATIONS 76

5.4 FRONTIERS FOR FURTHER RESEARCH 80

PAGE

BIBLIOGRAPHY		82
APPENDIX A:	QUESTIONNAIRE RESPONSE RATES	85
APPENDIX B:	QUESTIONNAIRE RESPONSE RATES TRANSLATED INTO PERCENTAGES	94
APPENDIX:	THE MANUFACTURING ORGANISATIONS	103
APPENDIX:	THE SERVICE - RELATED ORGANISATIONS	104

CHAPTER ONE

1. INTRODUCTION

1.1 DEFINITION OF THE PROBLEM

The dichotomy between human assets and non-human assets is fundamental. Regardless of this dichotomy, it has been clearly recognized by most accounting teachers and practitioners that, the four Ms'-men, materials, machines and money are the most essential inputs to all business organisations. The effective and efficient utilization of these resources determines, to a large extent, the success of business operations.

Over the years, accountants have been giving much attention and have succeeded in improving the control and utilization of machines, materials and money. That is to say, for long accountants have recognised non-human capital as asset and, therefore, is recorded and reported in financial statements. Barich and Schwartze (1971) in their analyses say that, "conceptually there is a clear-cut difference between human and non-human asset. However, according to current accounting practices, non-human capital such as materials, machines and money have been recognised by accountants and therefore, are recorded and reported in financial statements"(1). Whereas, it has been strongly argued by Flamholtz and Seashow (1968) that "failure to record and report on the organisation's human asset can have several

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1. Barich Leve and A. Schwartze (1971). "On the Use of Economic Concept of human capital in financial statements. Accounting Review April, 1971 p. 103.

consequences on the overall organisational effectiveness as well as on the effective control on human resources itself.(2) Also, due to complexity in business environments these days, organisations witness a tremendous increase in human resources capital investments. This requires the accountants to change their attitudes and re-examine the treatment accorded to investment in human assets. According to the current accounting systems as practised today in Nigeria, outlays such as, cost of hiring, recruiting, familiarization, training and development of company's employees are regarded to be periodic expenses not assets.

Similarly, speculations about the importance of human resources accounting information to different industries or companies have appeared in recent years, consequent upon which various models have been advanced as regards measuring and reporting of human assets. But the most fundamental problem that has remained unchallenged so far is that, there is no up-to-date, published or unpublished research study in Nigeria concerning the relevance of disclosing human resources accounting information to organisations in the private sector.

1. 2 STATEMENT OF MOTIVATION

A research of this nature is of special interest to any accounting teacher or practitioner. Some of the motivational forces warranting a research in this

2. G. Flamholtz and H. Seashow (1968):"Accounting for human Resources", Michigan Business Review (March 1968) p. 21.

area include the following:-

(a) Human resources accounting is a very new area in Nigeria and at the same time very important in the field of business operations. Being a new area, it needs an extensive research, yet little is done as far as research is concerned in this area.

(b) To assess the value of human resources accounting information in selected business organisations in the private sector and to find out the degree of importance of this information in different industries or companies.

1.3 OBJECTIVES OF THE STUDY

The objectives of the study include the following:-

(a) To know the relevance of human resources accounting information to appropriate manufacturing and service-related industries in the private sector.

(b) To know precisely and to acceptable level of accuracy, what is the impact of reporting or not reporting human resources values to organisations in the private sector? The final objective is to try and find out if the information is relevant to selected organisations to a reasonable extent and then to find out for which type of industry or company this information is most important, most useful and more relevant?

1.4 THE EXPECTED CONTRIBUTION OF THE STUDY

The research covers organisations in the private sector in Nigeria. Therefore, the research findings are expected to contribute to a factual body of knowledge that will help or provide the entire management of the organisations in the private sector with some inputs into their day-to-day decision-making processes. Thus, the research study is expected to contribute in some of the following ways:-

(a) As a new area of research in Nigeria, it will help accounting practitioners in providing the users of financial statements with information concerning human resources of an organisation.

(b) The final findings also are expected to provide organisations in the private sector with the correct picture about the relevance of human resources accounting information, as regards the strategic area involving planning, co-ordination, budgeting, control and decision making processes and thereby improving profitability. On a more important note it is also expected to provide information on the usefulness of human resources accounting information as regards to planning, control and development of human resources itself.

(c) The final finding is also expected to draw the attention of the financial analysts and other related groups of financial statements users with the essence and relevance of human resources

accounting information, as it relates to organisational effectiveness to enable favourable decisions. The final outcome is expected to help both accounting teachers and practitioners by pointing out the most important frontiers for further research and development in human resources accounting.

1.5. SOME SPECIFIC RESEARCH HYPOTHESES

For the purpose of conducting research to find out the relevance of human resources accounting information to selected organisations in the private sector, the following propositions have been advanced to guide this research. These propositions are tentative statements specifically aimed at providing conceptual bases for conducting the research. The final research findings will test the reliability and accuracy of these assumptions advanced. These theoretical assumptions in this context are as follows:-

A. The common objective of private sector organisations is to maximize profit.

B. Human Resources planning and development brings about organisational profitability in the private sector.

C. Human Resources Accounting Information provides good human resources planning and development.

Infact, many more hypotheses could be advanced and used in this context, but the above premises have been

selected based on their assumed effectiveness to assess the research problems and their validity depends on empirical test.

1.6 THE RESEARCH DESIGN AND METHODOLOGY

For the purpose of the research, procedures involve a pilot study, collection of data both on primary and secondary bases. In other words, both primary and secondary data would be used with much priority and more time given to the primary data. Thus, the research design to be developed in order to study the relevance of human resources accounting information to some selected organisations in the private sector will aim at providing answers to some of the most controversial operational concepts. To do this, there is need to have a clear and comprehensive research procedure to guide in collecting data relevant to the intended research study. As a result of this necessity, the research design will include the following aspects:- The pilot study, sampling methods, operationalization of concepts, the questionnaire, statistical methods to be used, the expected problems to be encountered during the research and how to go about tackling them.

1.6.1 Pilot Study

The pilot study formed the starting point of the research. As the phase of data preparation is as much a part of the actual research process as the final findings, the research project depends on the way in which information is collected before making the analysis.

To that effect, the research has been preceded by a pilot study which provided a picture for further full investigation. Though, lines of investigations have been established and designed to some extent before pilot study got under way, some new methods and techniques are devised and original ones tested and sharpened up during the pilot study. The pilot study provided an opportunity to gain knowledge about the availability and reliability of the required information to be tested and established, as well as providing bases for designing methods of collecting data both from the primary and secondary sources.

1.6.2 Sample Size and Sampling Techniques

For the purpose of this research, the population from which the sample size is to be drawn is the private sector organisations in Nigeria. This population is selected in order to test the relevance of human resources accounting information in the private sector. The reason for selecting this sample population is because, it has been widely accepted that the private sector organisations are profit oriented and assumed to have attached more relevance to any publicly available information that will help them to maximize this profit.

In selecting a sample size from this population a multi-dimensional sampling technique is to be used. That is to say both stratified and random sampling techniques are to be used. The population will first be divided according to its nature, mode of formation and operations, and afterwards a random sampling technique will be used

to determine the sample elements. For this purpose, the population which is private sector organisations will be classified into manufacturing and service-related organisations. The basic reason for doing this, is because, service-related organisations are more employee intensive organisations than manufacturing ones. Out of the population for the purpose of collecting data, a sample of 15 service related organisations and 15 manufacturing organisations will be drawn regardless of the nature and type of business. The reason for taking 30 organisations is to enable making a generalized statement based on the findings from the selected sample at a lower possible cost. For the purpose of selecting people to fill the questionnaire, a random sampling technique will be used. That is to say, the people to fill in the questionnaire will be randomly drawn from the selected 30 private sector organisations. In each of these organisations the category of personnel to fill the questionnaire are those from the rank of supervisory level upwards. The basic reason for this is that, these are the staff who are actually involved in carrying out the organisational functions of planning, control, co-ordination and decision-making for optimum profit.

1.6.3 Operationalization of Concepts (Variables)

This section of the research design deals with the identification of both dependent and independent variables to be measured from the earlier established premises.

Variables measurement as applied in this context is used to help to explain or predict why certain concrete and specific events occur when and where they do. To explain or predict specific events is to state the conditions under which such events took place or are likely to take place. With the above notion in mind, the bases upon which the variables are to be measured in this context will be centred around the following hypotheses mentioned earlier:-

(a) Human Resources planning and development brings about organisational profitability in the private sector.

(b) Human Resources Accounting information provides good manpower or human resources planning and development.

In order to carry detailed investigation in this particular area, there is need to take into account the following variables: The first variable is human resources planning and development; the second variable is organisational profitability while the third and the last variable is human resources accounting information. In the first hypothesis the independent variable is human resources planning and development and the dependent variable is organisational profitability. Thus, in order to have a general explanation of the relevance of human resources planning and development to organisational profitability, there is need to test the operational

concepts or factors of organisational profitability. When these factors have been identified they will be tested and measured to see if there is any correlation that exists with the variable human resources planning and development. It is only when these factors that determine organisational profitability are greatly influenced or are being made operational by the variable, then we can conclude that the observed phenomenon is applicable and hence the expected consequences will follow. Thus, the operational factors of organisational profitability such as planning, control, co-ordination and decision-making will be tested and measured to establish relationship with human resources planning and development.

Considering second statement, the independent variable is human resources accounting information and good human resources planning and development as the dependent variable. In the same measure as in the first hypothesis, operational concepts or factors of good human resources planning and development will be identified, tested and measured so as to find out the correlation that exists between these operational factors and the causal variable human resources accounting information. The whole idea stems from the simple motion that, if the operational concepts of organisational profitability have been tested and found to have some correlation with human resources planning and development, then, there is a basis for explaining that human resources planning and development determines organisational profitability. Also, if the

operational concepts of human resources planning and development are tested and found to have some correlation with disclosed human resources accounting information, then, there is a sufficient ground to conclude that good human resources planning and development depends upon human resources accounting information. This will invariably make us to infer that since human resources accounting information determines good human resources planning and development, which in turn,determines organisational profitability, we can therefore, confirm to a certain degree of accuracy that human resources accounting information is relevant to organisations in the private sector. Whereas, if the operational factors have been tested and measured and proved to be otherwise, then the expected consequences will not follow.

1.6.4 The Questionnaire

For the purpose of collecting responses from the selected samples about the operational concepts or factors or the predictive indicators four hundred questionnaires will be administered and distributed. These questionnaires will be distributed to the respondents in manufacturing and service-related organisations. 200 questionnaires will go to service-related industries while the remaining 200 will go to manufacturing industries. However, there will be a clear-cut analysis of how many questionnaires will be distributed to the respondents in a particular organisation based on the nature, size and the number of employees in such organisation.

1.7 STATISTICAL METHODS

The questionnaire data or responses will be analysed using free distribution statistical test. Throughout the process, the data received will be analysed based on the classification of responses and the result to be obtained will be based on the theory of generality using simple statistical tables and percentages as a determining factor. That is to say, where the response in favour of the phenomenon observed is very high i.e. well above 50% it will provide a good basis towards forming a positive opinion about the problems under investigation.

1.8 EXPECTED PROBLEMS DURING THE STUDY

One of the methodological difficulties in conducting this research stems from either using survey or data analysis techniques to investigate the relevance of human resources accounting information to selected organisations in the private sector. Due to the nature of human beings and the negative attitudes of the Nigerian workers especially in the private sector coupled with the different views concerning investment in human assets by different organisations, a hundred percent (100%) honest response was not expected to be received for all the questionnaire items designed to meet the intended requirements. Another problem is that of inadequate financial resources in carrying out this research.

1.9 HOW TO TACKLE THE PROBLEMS THAT ARISE?

All the above problems are real and important concerning this research study and are to be given due

consideration. Thus, attempt is made to base the investigation on an intensive study of carefully selected organisations in the private sector. That is, the analysis is to be based as justifiably as possible upon a survey of a large but carefully selected sample. This is expected to provide not only a concrete basis for the study undertaken but also will increase the level of confidence in the findings of the study. In addition, this approach will provide the basis for selecting those aspects underlining the theoretical framework which requires more detailed investigation and the related areas most appropriate for the study at lowest possible cost.

1.10 CONCEPTS AND TERMINOLOGY

Generally, concepts and terminology used or to be used in this research study are those being adopted from the conventional accounting system. The concepts and terminology are only applied to a very new area of research study that has not been explored in the past.

1.11 LAYOUT AND CONTENTS

The research has been conducted in Nigeria with particular reference to some selected organisations in the private sector. The whole research has been divided into five chapters - the contents of which are shown below in brief:-

Chapter I forms the introductory part of the study. It covers the nature and definition of the problem, the statement of motivation, objectives of the study and the expected contribution of the study to a factual body

of knowledge. The chapter also, deals with specific research hypotheses, sampling methods, specific areas of research design, statistical tools, associated problems of the study, concepts and terminology and finally layout and contents.

Chapter II forms the literature review section of the study. It contains the concept of human resources, accounting information. Other areas covered in this chapter include the following:- Comparative anslysis of human resources accounting and conventional accounting systems. The final part of the chapter provides detailed analysis regarding the impact of failure to account for human assets, and a critical analysis on the relevance of human resources accounting data which is the main theme of the study.

Chapter III deals with the human resources accounting information as viewed by private sector organisations in Nigeria. The main theme of the chapter being data analysis and interpretation of responses received concerning the questionnaire items about the relevance of human resources accounting information to selected organisations in the private sector.

Chapter IV. This chapter deals with the aspect of human resources Accounting as experienced in some selected countries such as the U.K. and the U.S.A.

Chapter V is the final part of the study and as such deals with the most sensitive and useful areas such as

summary of the basic findings, the implications of the study, recommendations, important frontiers for further research and development in human resources accounting.

CHAPTER TWO

THE RELEVANCE OF HUMAN RESOURCES ACCOUNTING TO ORGANISATIONS IN THE PRIVATE SECTOR: A LITERATURE REVIEW

2.1 Human Resources and Accounting Information

In fact, there is no accurate definition of the term 'human resources'. Most of the people involved in the study of 'human resources' come from a variety of disciplines and each brings along his own terminology and concepts. However, Yoder, Heveman et al (1958). define the term'human resources'thus, "... Human resources mean people. It means workers. It refers to adult and working human beings in modern business organisations. These include men and women who employed others or are employed in business or industry. Human resources include both employees and employers".(3) Thus, human resources simply means people - men and women - in employment and in order for an organisation to survive there must be a designed procedure for efficient utilization of human resources.

On the other hand,'accounting'from a logical point of view is a complete information process. To be specific, it is part of management information process. Layman (1980) supports this assertion with the following words, "Accounting is a service entity. Its function is

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3. D. Yoder, H. G. Heveman, Y. G. Turnbull, C. H. Stone (1958) "Hand book of personnel management and labour relations" Macgrow Hill Publishing Co. 1958. P. 97.

to report quantitative information, primarily financial in nature about economic entities that is intended to be useful in making economic decisions. Accounting is the art of recording, accumulating and disseminating information relevant to various decision-makers".[4] Thus, accounting information can be seen or viewed as any financial information gathered from the data received and interpreted by the financial accountant, and that which is purely financial in nature. It must be understood that the information should be capable and adequate enough in providing inputs into various management decision-making models.

2.2 *Human Resources Accounting and Its Objectives*

Human Resources Accounting (HRA) has been defined by many writers in the field. However, the most acceptable definitions of the term'human resources accounting' include the one advanced by Crumbley and Richard (1975), who define it as, "... Human resources accounting is an accounting system which is more concerned with management control within an enterprise".[5] That is to say, human resources accounting has been defined as the art of recording, classifying analysing and interpretation of investment in human beings in financial terms. In other words, it is an attempt to quantify the investment which goes into human resources.

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4. A.K. Layman (1980) "Accounting a Management Perspective". Prentice Hall International Inc. 1980 P.4.
5. Larry Crumbley and Richard S. Sarich (1975). "The Use of Human Resources in Taxation." Accounting Review Jan.1975 P.112.

Leonard (1980) in his analysis on Corporate Human resources development, describes human resources accounting as, "the thrust in accounting field which is not to depreciate the roles of humans or to consider them as extensions of machines, but rather, the purpose of human resources accounting is to find a way of taking the financial resources related to human beings and producing some quantified data".(6) Thus, as regards human resources accounting, part of the essence of exploring the area includes the following:- Firstly, the exploration seeks to keep a financial record of organisations that spend on individual employees. Secondly, and more importantly, it is possible to utilize some of the human resources accounting thinking to sort out some of the financial aspects of human resources development. For this purpose, there must be a functional classification of the employment related costs such as, cost of recruitment, hiring, training, familiarization and developmnent, with the resultant costs being transferred to the personalized accounts of individual employees. To do all these, there must be adequate and accurate records in financial terms of all these classes of costs to provide ample chance of generating information relevant for decision-making in an organisation.

As regards to the objects of human resources accounting, this segment of accounting system is not

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6. N. Leonard (1980)"Corporate Human Resources Development. "A management tool. Van Nostrand Rainhold Co. 1980 page 88 - 93.

directly concerned with only the total manpower costs as with the earning investment moneys such as money expended in improving performance directly or indirectly, Thus, the basic assumed objectives of human resources accounting could be enumerated as follows:-

(a) To assess the investment made in company's employees so as to provide information needed to facilitate human resources planning and development for more profitability.

(b) To provide information about the effectiveness of a programme of changes in the mix and composition of the investment in human resources as well as to examine truely the cost of redundancy programme.

(c) To place some values on the human resources, so that these values can be reflected in the total assets picture of an organisation on a balance sheet. This will in turn secure the purpose of the information used in take overs, share valuations etc. with the aim of giving the idea of organisation's total assets nature.

Over and above the mentioned assumed objectives, others include the following:-

To provide human assets profiles and projections;

To provide information about how managers utilise these assets over time; and

To provide information about insights on preferred management strategies of allocating, maintaining and efficient utilization of business resources as a whole.

2.3 Human Resources Accounting and Conventional Accounting System

Conventional accounting system is meant to record, classify, analyse and interprete financial data. Human resources accounting is a part and parcel of conventional accounting system. Generally, the development of human resources accounting stems from the following facts:-

The ample need to identify human resources costs and to separate it from other organisational costs;

To differentiate between assets and expenses components of human resources costs;

To classify human resources costs in to functional areas such as the cost of recruiting, hiring, developing, familiarization and training of company employees. These needs arise due the fact that the conventional accounting system fails in all respects to provide such information about organisation's human assets.

If human resources accounting information is provided or made publicly available it will enable management and other users of financial statements to determine whether investments in human capital are being maintained, effectively controlled, efficiently utilized and adequately

Managed. This failure on the part of conventional accounting system to provide information about human resources financial data gave rise to the development of human resources accounting to fill the vacuum.

2.4 The Impact of Failure to Account and Report Human Assets

Information regarding human resources is of importance to management as well as to the outsiders. Although, this information is very important, the conventional accounting system fails to provide this information. As for example, Rensis and Seashow (1983) point out that, "conventional accounting system fails in all respects to provide information to management to determine whether investments in human resources are being maintained and effectively utilized".(7) Thus, it is worth noting that, failure to record and report human resources values has several consequences on overall organisational effectiveness as well as on the effectiveness of human resources management itself. In fact it was in response to this that Rensis (1965) asserted in the following words:-

> The accounting systems are neglecting an asset (people) that may represent a material past investment and may be of great current value to an organisation. As a result, all levels of managements are handicapped by the inadequate and at times inaccurate information available to them. Also, organisations incur substantial costs as

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7. Rensis Likert, and S.E. Seashow (1983) "making cost control work". Harvard Business Review (November 1983) P. 99.

> ——a result of the inadequacy of information available about the value of its human resources.(8)

That is to say, in short, lack of recording and reporting of organisational human assets would result in lack of explicit planning of investments in human beings. Organisations as seen today to be pumping money in training production workers and by sending various managers to executive development programmes make it very difficult for them to systematically evaluate these relevant costs and the expected benefits to be derived from such expired costs if they fail to report on these investments.

Another implication is that nowadays more sophisticated tools are used for evaluating various capital projects in budgeting decisions and that the effects of such decisions on human assets are considered to be nil or even totally ignored under conventional accounting system. Despite the fact that human capital is one of the most important assets that determine the success or failure of any organisation, yet it is not included in the assets used as a basis in calculating the rate of return on investment. This negligence stems from the fact that, current conventional accounting practices assume that human assets are without costs. Whereas, in the real sense, this assumption contradicts the real fact and therefore quite misleading. Failure

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8. Rensis Likert, (1965) "Human Organisational Measurements: Key to Financial Success". Michigan Business Review Vol. 13 No. 3) 1965 pp. 1 - 5.

to record and report information about human resources in organisations will greatly contribute to adverse results regarding decisions in various areas of decision-making.

Finally, the typical approach to achieve effective cost control programme and cost reduction or profit improvement programmes involve the introduction, extension, or tightening of performance standards and budgets in order to improve employee performance. Thus, lack of human resources accounting information, thererore, not only hinders the effective application of these various control techniques, but also, too often leads to incorrect decisions concerning the question of:

What system of management is most productive?

What strategies of cost control yeild the lowest cost?

What system of managerial compensation yeilds employee motivation and the most likely behaviour which tends to serve in the best interest of the entire organisation? etc....

These and other numerous questions need to be answered and human resources accounting information could be the first target in an attempt to provide the answers. Hence, failure to provide accounting information about organisational human resources would lead to a negative effect on the whole organisation and thereby have a negative impact on profit margin.

2.5. Frameworks of Human Resources Valuation

Presently, one of the most disturbing problems facing accounting teachers and practitioners is that of finding a proper model or models of assigning numerical values to human resources. To that effect, various models have been advanced, all in an attempt to come out with a fair method of measuring the value of human assets. Some of these models include the following:-

(i) The first model is the one developed by Bikki-Jaggi and Hon-Shiang (1974). This model is purposely aimed at determining the economic value of service that would be provided by current employees to an organisation. The model employs the idea of incorporating data in the historical movement of employees within an organisation into a "Ranked Transitional Matrix".(9)

(ii) The second model is the stochastic model which has been developed to measure investment in human assets using 'group approach.' The group in this context refers to homogenous group of employees in different departments. Attempts have been made to use this model to predict with a high level of accuracy the career movement of employees within an organisation and the most probable chance of an employee leaving the firm at any period. This model

9. Bikki Jaggi and Hon-Shiang-Lau (1974) Towards a model for Human Resources Valuation", The Accounting Review, p. 321.

is an alternative to the first measure or model developed by J and L based on individual approach. However, due to some limitations this model has been substituted by another model called Markovian model.

(iii) The markovian model also employs the group basis approach and in addition theMarkovian chain techniques. It uses the stochastic nature of duration of employees'stay or promotion chances in a firm. The model is used to estimate the transitional matrix. However, using this model brings a lot of problems of predicting as accurately as possible the movement of each individual employee in a homogeneous group.

(iv) Finally, in order to come out with the best method of assigning monetary value to human resources, other models have been developed using either group or individual approach.

Flamholtz is another pioneer in this field. He came out with another model which attempts to measure employee value to the firm by multiplying the expected quantities of services of employees in each service group with the corresponding probabilities of an individual occupying this position in the forthcoming period of time. However, the models so far advanced, despite the fact that, they have suffered from various limitations have some value and relevance - if not for all industries

at least for service-related industries. These models are some what superficial mainly due to the subjects complexity. Nevertheless, in its most sophisticated form of human assets valuation, the above mentioned approaches represent one of the most promising aids to managerial planning and control. It is hoped that with further research, more measurement techniques will emerge which will enhance the usefulness of these models. Though, a multidisciplinary approach is necessary to progress the subject, a cursory look will show that the difficulties to be encountered will not be worse than those already associated with the traditional accounting practices.

2.6 The Relevance of Human Resources Accounting Information in Private Organisations

Human resources accounting information is very essential to private sector organisations particularly in each of the several phases of organisational planning, control, co-ordination and decision-making functions. According to American Accounting Association: A statement of basic accounting theory (1966), "Accounting function typically has the main role to play in the field of planning and control involving recognising and defining problems; evaluating alternatives, searching for alternative solutions and selecting among the alternatives". Therefore, human resources accounting, if made available will greatly help in the effective and efficient utilization of 'human resources'. From human capital point of view, in an organisation, there is need

to measure and report human capital mainly in order to facilitate effective decision-making involving human resources and other non-human resources. For example, proposed investments in training or developing company's employees should be assessed on cost-value basis. But with inadequate financial information regarding human assets, cost-value basis cannot be practically and realistically put into proper use. As already stated, R. L. Brummett, E. G. Flamholtz, W. C. Pyle, et al (1968) contend that, "investments are typically made in training and development programmes without a systematic evaluation of the expected benefits to be derived in relation to the cost to be incurred".(10) Thus, from the above assertion, it could be seen that in addition to cost-value analysis in human capital investment, manpower information is also very relevant in the following areas:-

1. It is relevant for information involving legal compliance i.e. decision involving education, welfare, social security, tax policy and policy making activities.

2. It provides inputs into manpower planning and development by providing organisations with data to be used in making a number of decisions concerning the allocation, and effective utlization of both human and non human resources.

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10. R. L. Brummet, E. G. Flamholtz, W. C. Pyle, et al; "Human resources measurement - A challenge for Accountants", the Accounting Review (April 1968) PP. 223 - 224.

3. It provides independent information in the basic financial reports regarding unreported human assets possessed by an antity.

Thus, information about human resources in financial terms helps not only in investments, development and decisions involving human resources, but also very relevant and essential in the allocation and efficient utilization of other organisational resources. This is because, in order to encourage executives to use all resources at their disposal both human and non-human, it is of paramount importance to value, record, and report the human resources expenditures in financial terms. This assertion was succintly supported by Hekimian et al (1967) when they argue that, "Failure to account and report for human resources can have adverse consequences on overall effectiveness of an organisation".(11) Thus, quantitative valuation of human resources would allow an explicit planning of investments in human beings as in other resources in the organisations. The information will greatly help in enhancing meaningful choices between investments in human beings and investments in non-human assets.

HRA information is also relevant in the vast areas of organisation's profitability in the long-run. This is because, for long, lack of quantitative information concerning employees caused managers to put pressure on

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11. James Hekimian, et al; "put people on your Balance Sheet, Harvard Business Review, (January - February) 1967pp. 105 - 113.

employees for cost reduction which would result in increase in current income as measured by the conventional accounting practices. This unknowingly results in deterioration of employees'attitudes and motivation in the long-run. This deterioration brings about human resources liquidation in the long-run.

Human resources accounting information is very important and very relevant in the successful operation of effective control measures. One of the most important control areas in which human resources accounting information plays a vital role is cost reduction or profit improvement programme. The fact is that, effectiveness of cost reduction programme cannot succeed without realistically assessing the changes in the value of human assets in organisations. Thus, the idea of taking into account changes in the value of human asset and assessing the cost reduction needs is to be appreciated by organisations. It is to be understood that human resources accounting information will greatly contribute to the development and execution of effective cost reduction programme.

In addition, HRA information could be more useful in the service-related industries. This is because, apart from its usefulness in the vast areas of financial reporting and overall management control in private sector organisations in general, in addition the HRA information could be used favourably in service-related

organisations. The fact being that, a service-related organisation which has its products as the 'rendering of services' has no inventory in the real sense of the word. As Glickman (1979) asserted, "In Service industries generally cash is primarily expended for 'fixed asset' and not for inventory. The ordinary operations of the business do not involve a circulation of capital within the current asset group".[12] Thus, if service-organisations employ HRA, its most important asset is its 'personnel'. In this type of industries HRA could however be used in many other areas especially in connection with the accumulated earnings penalty tax.

In the private organisations, one method of optmising profit and distribution of earnings is to accumulate earnings and invest it favourably until the most advantageous time is found to distribute it. In order to discourage organisations from having unnecessary and unreasonable accumulated earnings, the Internal Revenue Board of America (U.S.A.) introduces the accumulated earnings penalty tax. This penalty tax has been generally based on the concept of retained earnings. That is, Internal Revenue Board usually looks at the retained earnings alone in order to determine whether there is unreasonable retained earnings or not. Where an organisation has enough working capital and still has a

12. R. Glickman (1979) Complete Guide to Accounting and Financial Methods and controls for Service Business. Prentice hall publishers U.S.A. 1979. P.140.

substantial balance of retained earnings, then, penalty tax is applicable to such organisation. But where the organisation has poor liquidity, earnings can be accumulated up to the time when its liquidity position improves. This is because company may have large balance of retained earnings, but yet, not having enough liquid assets to pay dividend. To that effect, accumulated earnings tax is applicable to firms having sufficient amount of working capital. As a result of this, formats have been developed such as Bhadal formula for determing the working capital needs as they relate to HRA in which the inclusion of HRA information on service-related organisation financial statements affects the working capital needs in a positive manner. The increase in the current assets due to the booking of Human Resources to be utilized in the next normal operating circle and the related expenses associated with these resources raises the working capital needs of the service -related organisations. This is so to a degree that would produce a favourable treatment of the accumulated earnings penalty tax in these organisations. Therefore, the role of HRA in this area is more important and most relevant in the service-related organisations in the private sector.

Finally, other areas in which HRA information is assumed to be relevant are in the areas of working capital management and dividend policy. In addition, it is also relevant in determing the best system of

management compensation that will yeild motivation and behaviour that would be in the interest of the entire organisation.

2.7 CONCLUSIONS

An attempt has been made in this chapter to explain what is meant by human resources and related accounting information and its objectives. Conventional accounting system has also been discussed along with the accounting for human resources. As a result, it has been possible to highlight some of the limitations of conventional accounting system and the need to appreciate the development of human resources accounting. In this chapter, it has also been possible to discuss the adverse impact that could be felt if an organisation fails to account and report on the human assets value. Some of the frameworks or models, for human assets valuation have been brought into picture and this was followed by detailed discussion on the relevance of human resources accounting information to private sector organisations.

Finally, it is to be understood that the essence of this research is not to go into a detailed discussion on the issue of providing a theoretical basis for the recognition of human resources expenditure as an assets or expenses. This research also does not aim at making a detailed analysis as to the best way of valuing and reporting human resources accounting data. Though, reference will be made from time to time in this research

concerning the above mentioned areas, the main theme of the research is to find out the relevance of human resources accounting information to selected private sector organisations in Nigeria. From the above literature review, it has been tentatively concluded that 'human resources accounting information' is relevant to private sector organisations - if not to all, at least to the service-related or employee-intensive organisations. In fact, like many other premises encountered in the field of research, the above statement is not final as it must be supported by empirical research. The statement has not yet been tested so as to gain general acceptance. In advanced countries it has been tested and is found to have had general acceptance. But it is quite likely that the level of general acceptance in developing countries like Nigeria may not be the same due to differences in geographical, cultural and organisational environments. This raises a fundamental question of whether human resources accounting information is useful or relevant to selected organisations in the private sector in Nigeria. 'Relevant' as used in this context is meant to determine the extent to which human resources accounting information, if made available to organisations in the private sector will greatly help in increasing overall organisational efficiency and profitability. It is in line with this reasoning that an attempt is made to

come out with an empirical answer to this problem by conducting a research study in this area based on data collected from selected private sector organisations in Nigeria. The next chapter however, provides a detailed analysis and interpretation of data obtained from the respondents who perceive the relevance of human resources accounting information as seen from Nigerian point of view.

CHAPTER THREE

3. HUMAN RESOURCES ACCOUNTING INFORMATION AS VIEWED BY PRIVATE SECTOR ORGANISATIONS IN NIGERIA: DATA ANALYSIS AND INTERPRETATION

3.1 INTRODUCTION

The previous chapters dealt with the introductory aspects and literature review of the study. This chapter presents the actual survey data. It presents the relevance of human resources accounting information as viewed by the private sector organisations in Nigeria. In this context, data analysis and interpretations are the main theme. It begins by providing the sample size and the number of responses received from the respondents. This is followed by the analysis and interpretation of the respondents' opinion as regards the relevance of human resources accounting information to private sector organisations in Nigeria. In this respect, the analysis and interpretation will be based on some carefully selected key aspects of the questionnaire items. In this regard, emphasis will be particularly focused on the following areas: sample size and response rates; Human capital assets and the users of human resources accounting information; management functions and their role in achieving organisational goal; the relevance of manpower planning and development in profit maximization; and the relevance of human resources accounting information in effective manpower planning and development programme.

3.2. Sample Size and Response Rates

The questionnaires were distributed to the staff from supervisory level upwards in the selected private sector organisations: both manufacturing and service-related. Those who couldn't return the filled-in questionnaire during the first call were visited on a second call after one week and most of the questionnaires were collected. Finally, a third call was made to get all the remaining questionnaires. It has been possible to collect back the questionnaires duly filled in by all except five questionnaires from manufacturing organisations. Table in page 37 shows the sample size and the response rates from both organisations:-

TABLE I

DISTRIBUTION OF QUESTIONNAIRE TO ORGANISATIONS
SAMPLE SIZE AND RESPONSE RATE

	Type of Organisation	Service Org.	Manuf. Org.	Total
	Number of staff to whom questionnaires were distributed	200	200	400
1.	Number of staff who returned the questionnaires during the first call	156	137	293
2.	Number of staff who returned the questionnaires during second call	38	58	96
3.	Number of staff who returned the questionnaires during the third and final call	6	-	6
	Total number of persons returning the questionnaires	200	195	395
	Percentage of persons returning the questionnaire (to nearest whole Number)	100%	98%	99%

Source: Appendix A and B

From the above table, it can be seen that the response rate is very high and can permit a very good analysis and interpretation of data. Out of the 200 questionnaire distributed to the related groups in

the service-related organisations, 156 submitted their questionnaires during the first call, 38 respondents submitted during the second call, while the remaining 6 submitted their own during the third and final call. In the case of manufacturing organisations a total of 200 questionnaire were distributed, out of which 137 responoents submitted their response during first call, 58 submitted during the second call, while the remaining 5 respondents did not return the questionnaire given to them.

This gives a total response rate of 100% in the service-related organisations and 98% in the manufacturing organisations. This gives an overall response rate of 99% which for this particular project is considered to be very high and this provides a basis or starting point for further investigation about the research problems.

3.3 MAIN OBJECTIVE OF PRIVATE SECTOR ORGANISATIONS

In order to find out the relevance of human resources accounting information to the private sector organisations in Nigeria, there is need to identify the most important, or in short, the main objective of private sector organisations. Only when this basic objective has been identified, it would be possible to find out whether human resources accounting information is relevant to these organisations. This

idea stems from the fact that, an information is said to be relevant to these organisations, if and only if, it will help the private sector organisations to achieve their main goals. To this effect, question No. 8 was prepared to obtain the opinion of the respondents about the notion that 'the main object of private sector organisations is to maximize profit! Table 2 below provides the response rate in percentages.

TABLE 2

THE MAIN OBJECTIVE OF PRIVATE SECTOR ORGANISATION IS TO MAXIMIZE PROFIT:
(Number of Responses: 395)

Those Saying	Yes	98%
Those saying	No	2%

Source: Appendix B

From the above table it can be seen that when the respondents were asked to express their opinion as regards the main objective of the private sector organisations,98% agree that their main objective is to maximize profit, while only 2% disagree with it.

From this analysis it is possible to explain that the basic objective of private sector in Nigeria is to maximize profit. Based on this established fact, it is possible to move further to find out the relevance of human resources accounting information to these organisations. As stated earlier, any type

of information is considered relevant to these organisations, if it can help or lead to profit maximization.

3.4 RESOURCES OF PRIVATE SECTOR ORGANISATIONS

One of the most important aspects of attaining business objectives of the firm in maximizing profit is the efficient and effective utilization and control of both human and non-human organisational resources. In almost all organisations in the private sector, the resources utilized to achieve the main objective are men, materials, machines and money. All these resources have their own relative importance in all the types of organisations. But what is more important here is to find out the degree of importance attached to these resources when it comes to operations to maximize profit. The importance attached to human resources'i.e. employees in this context'will give an idea about the relevance of any information to be derived from it. Table 3 P.41 shows the degree of importance of resources of organisations.

TABLE 3

THE DEGREE OF IMPORTANCE OF RESOURCES OF ORGANASATIONS

(Number of Responses 395)

	Very important	Quite important	Some What important	of Little Importance	of No Importance	Total
Employees	55%	38%	7%	0%	0%	100%
Money	50%	43%	6%	1%	0%	100%
Materials	43%	31%	20%	6%	0%	100%
Machines	51%	35%	13%	1%	0%	100%

Source: Appendix B

(i) From the above table, the degree of importance of "employees", 55% of the respondents agree that employees are very important, 38% say it is quite important, while only 7% agree that it is somewhat important.

(ii) As regards the item 'money' 50% rank money to be very important, 43% quite important, while only 6% and 1% rank money to be somewhat important and of little importance respectively.

(iii) As regards "materials", 43% say that it is very important, 31% say quite important, while 20% and 6% respectively agree that it is somewhat important and of little importance respectively.

(iv) As regards 'Machines;51% consider the item to be

very important, 35% quite important, 13% and 1% somewhat and of little importance respectively. In all cases no single respondent said the resources are of 'no importance'.

Analysing the degree of importance of the above mentioned organisational resources, it can be seen all of them are very important and quite relevant. What is more important here is to find out the degree of importance of human resources (employees) in relation to other resources. On this issue also, table 3 shows that of all the resources, though, the disparity is not so substantial, "employees" are said to be the most important. This is because, in considering which one is the most important of the resources, the highest percentage goes to employees i.e. 55%, followed by money 50%, materials 43% and machines 51% in that order. This is a clear indication that resources are very important and human resources are the most important in conducting private sector operations. This established fact provides the basis for explaining that human resources accounting information is relevant.

3.5 Human Capital Assets And The Users of Human Resources Accounting Information

Having established the fact that the item 'human resources' is the most important of all resources, and questions 4 & 5 and question 7 were prepared to obtain

the opinion of the respondents about the proportion of the organisational investment which goes to human assets. This is followed by finding out a particular interest group which attached more relevance to the information derived from human resources in financial terms.

As regards the strength of the company labour force, most of the companies involved in this survey have number of workers ranging from 70 to 500. In all cases, manufacturing companies have the highest number of workers. In an attempt to find out if the labour force can be organised more effectively, 93% of the respondents say'yes'against 7% who say'no'. Also, 99% agree that their companies spend huge amounts of money on employee development, recruitment, hiring, and other related employee improvement programmes. Only 1% stated that their companies do not spend on employees for training and development. In order to get the real fact, the questionnaire item 5(b) was sent to find the opinion of the respondents about the type of training private organisations in Nigeria usually give to their employees. Table 4 p.44 shows the response rate as regards this phenomenon.

TABLE 4

TYPES OF TRAINING PROVIDED BY NIGERIAN PRIVATE SECTOR ORGANISATIONS

(Number of Responses 395)

General Training	8%
Specific Training	80%
Both	12%
Total	100%

Source: Appendix B

From the above table, out of the respondents drawn from various manufacturing and service-related industries, only 8% of them say that their companies provide general training, 80% of the respondents state that their companies provide specific training for the purpose of retaining their employees. Only 12% of the total respondents stated that their companies engage in providing both the types of training. Thus, the specific training is the most common among the business organisations under review. This established fact provides a basis for qualifying the human resources investment as an asset, an asset which is most important and more useful to private sector organisations.

When the respondents were asked to show the percentage of the amount spent on various types of training compared with the total investment in the

company, most of the respondents i.e., about 60% put the percentage as between 40% - 50%. For these established facts see Appendix B. In order to reaffirm this finding, the respondents were asked to show the percentage relationship of human capital and non-human capital. The average relationship as put by the respondents was found to be 50%and 50%.

Also, in order to qualify the expenditure made on employees as an'asset', there must be some kind of restriction of mobility on the part of the trained employees. To that effect questionnaire item No. 5(f) was set. The response to this is that 96% of the respondents say their companies restrict the mobility of those employees who benefit from their training, while only 4% do not. This fact proves that employees are company assets.

3.6 PRIVATE SECTOR ORGANISATIONS' FUNCTIONAL AREAS FOR ACHIEVING GREATER PROFIT MARGIN

As stated earlier, the predictive indicators of maximizing profit in private sector organisations are positive. Factors such as effective planning, co-ordination, motivation, communication, decision-making and control are considered here in this context to find out their relevance in attaining organisational goal of maximizing profit. Question No. 9 was set to obtain an opinion from the respondents as regards the relevance of these predictive indicators

in maximizing the profit of private sector organisations. Table 5 below shows the responses received.

TABLE 5

THE EXTENT TO WHICH ORGANISATIONS' FUNCTIONAL AREAS HELP IN ACHIEVING GREATER PROFIT MARGIN

(Number of Responses395)

Functional Areas	Very Great Extent	Reasonable Extent	Total
Planning	99%	1%	100%
Co-ordination	98%	2%	100%
Motivation	92%	8%	100%
Communication	95%	5%	100%
Decision-making	91%	9%	100%
Control	98%	2%	100%

Source: Appendix B

N.B. Only non-zero values are considered here.

Analysing the information presented in Table 5 above, it could be established that all the above functional areas of management contribute immensely in achieving the main business objective of the firm of that is, 'maximizing profit'. From the above responses, it is also possible to see that the respondents agree that the factors contribute towards profit maximization to a very great extent. This is because out of 100% of the

responses, in each case more than 90% of responses indicate that these functional areas are predictive indicators or operational concepts of profitability. Thus, at this particular point in order to find out as to whether human resources accounting information will be relevant in profit maximizing, it is necessary to find out the parameters that warrant the operationalization of these functional areas that yeild profitability. To that effect, the most important aspect of determining good and effective processes of: planning, control, co-ordination, decision-making, and communication to achieve the objective of the firm,is good and effective human resources planning and development. Thus,the operational concepts of these functional processes will be tested to see if relationship of whatever kind can be traced through good human resources planning and development.

3.7 THE RELEVANCE OF MANPOWER PLANNING AND DEVELOPMENT IN PROFIT MAXIMIZATION

Since the good and effective processes of management functions are greatly relevant in attaining the basic objective of private sector organisations, manpower planning and development can now be tested to see if it helps in maximizing profit margin. This can be done by finding out the operational concepts of these processes and these operational concepts will be tested to see if human resources planning and development

helps in this respect. Also, in relation to good system of planning, it is clearly seen that making genuine plans for the future, and making plans to achieve objectives are the main processes of planning. Cannon (1979) stated that, "the main co-ordination processes may include the following: co-ordination with purchasing department, production department, sales department, accounting department and research and development department."(13) In order to have an opportunity to give an explanation, these concepts need to be tested. Thus the opinion of the respondents as regards the relevance of human resources planning and development in planning processes are: 96% of the respondents say it helps in making plans for the future at a high degree, while only 4% say it did at a low degree. As regards making plans for the future, 100% of the respondents say that manpower planning and development is very relevant in this planning process and to a high degree. See question No. 10 on appendix B.

When the respondents were asked to place their opinion as regards the relevance of human resources planning and development in co-ordination processes, the responses received are shown in Table 6 on page 47

13. James Cannon (1979). Cost effective personnel decisions. Institute of personnel Management (IPM). Central house, Upper Woburn. London P. 195.

TABLE 6

RELEVANCE OF MANPOWER PLANNING AND DEVELOPMENT IN CO-ORDINATION PROCESSES

(Number of Responses 395)

Co-ordination Processes	Great Relevance	Quite Relevant	Of No Relevance	Total
In co-ordination with purchasing department	81%	19%	0%	100%
In co-ordination with Production department	78%	22%	0%	100%
In co-ordination with Sales department	74%	26%	0%	100%
In co-ordination with Accounting department	74%	26%	0%	100%
In co-ordination with R & D Department	75%	25%	0%	100%

Source: Appendix B

From Table 6 above, it can be seen that:

(i) 81% of the respondents attach great relevance to manpower planning and development in co-ordination with the purchasing department, while 19% feel it is quit relevant.

(ii) 78% agree that it is of great relevance to production department, while 22% feel it is quite relevant.

(iii) 74% attach 'great relevance' to sales department while, 26% feel it is 'quite relevant'.

(iv) 74% attach great relevance to accounting department while 26% feel that it is quite relevant.

(v) 75% and 25% of the respondents agree that it is of great relevance and quite relevance respectively in the vast areas of research and development.

In considering motivation process, Woodruft (1960) identified the operational concepts of motivational processes as "desire to achieve goals and organising management effort to achieve the goals".(14) Rensis (1970) also in his analysis points out the relevant factors necessary for effecting a good communication process, "as opening communication channels, co-ordination in communication, communicating plans to functional areas, obtaining agreement before budget becomes operational, communicating actual result and lastly communicating variances".(15) All these variables need to be tested against human resources planning and development.

On the relevance of good manpower planning and development in motivation process, when the respondents were asked to express or provide their opinion, all of them responded favourably with 96% stating that it is of great relevance. As regards the relevance of human resources planning and development in the area of organising management effort to achieve goals, 98% of

14. F.H. Woodruft (1960). Perception and motivation in Modern Organisations. Heinneman Publisher 1960 P.8.
15. L. Rensis (1970) "Effective Communication Michigan Business Review 1970 P.55.

the respondents stated that it has 'great relevance. While only 2% stated that it is 'quite relevant'. (See question No.12 on appendix B).

On the relevance of, manpower planning and development in the 'communication processes' Table 7 below shows the responses received from the respondents:-

TABLE 7

THE RELEVANCE OF MANPOWER PLANNING AND DEVELOPMENT IN COMMUNICATION PROCESSES
(Number of Response: 395)

COMMUNICATION PROCESS	OF GREAT RELEVANCE	QUITE RELEVANT	NOT AT ALL	TOTAL
Opening Communication Channels	89%	10%	1%	100%
Co-ordination in Communication	76%	24%	0%	100%
Communicating plans to functional areas	98%	2%	0%	100%
Obtaining agreement before budget becomes operational	71%	29%	0%	100%
Communicating actual result	99%	1%	0%	100%
Communicating variances	71%	29%	0%	100%

Source: Appendix B.

According to Table 7 above, it can be seen that manpower planning and development are very essential in communication process. This is because, in all the communication processes, more than 70% of the respondents are of the opinion that manpower planning and development

has'great relevance'. Only very few of the respondents state that manpower planning and development has no relevance to communication processes.

Below is Table No.8 which shows the response rate as regards the relevance of manpower planning and development in the process of decision-making.

TABLE 8

THE IMPORTANCE OF MANPOWER PLANNING AND DEVELOPMENT IN DECISION-MAKING PROCESSES

(Number of Responses: 395)

DECISIONS-MAKING PROCESS	OF GREAT IMPORTANCE	QUITE IMPORTANT	SOMEWHAT IMPORTANT	TOTAL
Recognising Problems	76%	20%	4%	100%
Defining Problems	81%	18%	1%	100%
Searching alternative solutions	89%	9%	2%	100%
Evaluating alternative solutions	80%	15%	5%	100%
selecting Profitable alternatives	77%	18%	5%	100%
Reporting action taken and Result achieved	76%	22%	2%	100%
Taking Corrective actions for Directions	75%	23%	2%	100%

Source: Appendix B.

Taking the above table into consideration, in eachcase, more than 74% of the respondents attach 'great importance' to manpower planning and development in the vast area of decision-making processes. Only very few, i.e. ranging from 9% to 23% of the respondents state that it is'quite important'

in the decision-making process. While only 2% to 5% of the respondents in each case state that in their opinion it is 'some what important'.

Control in business operations especially in the private sector organisations is another important area. Cost reduction programme, control of materials, control of human resources, control of machines and control of money were tested to see if manpower planning and development is relevant in these areas. Table 9 below shows response rates as regards this problem under investigation.

TABLE 9

THE RELEVANCE OF MANPOWER PLANNING AND DEVELOPMENT IN CONTROL PROCESSES

(Number of Responses: 395)

CONTROL PROCESSES	OF GREAT RELEVANCE	QUITE RELEVANT	SOME WHAT RELE-VANT	NO RELE-VANCE	TOTAL
Cost Reduction Programme	94%	6%	0%	0%	100%
Control of materials	91%	9%	0%	0%	100%
Control of human resources	99%	1%	0%	0%	100%
Control of machines	94%	6%	0%	0%	100%
Control of Money	94%	6%	0%	0%	100%

SOURCE: APPENDIX B.

The responses analysed in table 9 above shows that a greater majority of the respondents are of the opinion

that manpower planning and development is of great relevance in the processes of organisational control. This is because in each of the above control processes, more than 90% of the total respondents attach 'great relevance' to manpower planning and development in organisational control. This analysis in itself is a clear indication that 'manpower planning and development' is very important in various control programmes.

In order to make it very clear that manpower planning and development is very useful, the most important control process which is the 'cost reduction' or 'profit improvement programme' is further selected and tested to see the extent to which manpower planning and development helps in organisational control. To that effect, the analysis continues by taking into consideration the questionnaire items No.16(A) - (D). The whole idea stems from the fact that the controlling factors of effective cost reduction programme are: establishing proper organisational chimate; establishing proper standard; the organisational process to achieve standard set and other areas of effective control programmes. In order to add more relevant explanation, some of these areas were tested to see if manpower planning and development helps in this context.

In the first place, as regards establishing proper organisational climate, manpower planning and development is very important.

This is because in each of the above cases, more than 90% of the total respondents state that it is 'very important'. Only very few of them ranging from about 1% - 10% are of the opinion that it is 'quite important. None of the respondents has the opinion that it is 'somewhat' 'of little' or 'no' importance in each case. (See questionnaire item Number 16 (A) in appendix B). Also, when asked to express their opinion about the relevance of manpower planning and development in establishing proper standard for effective cost reduction and profit improvement programmes, the following responses were received: About 51% and 49% of the respondents state that it is of 'great relevance' and 'quite relevance' respectively in management participation. As regards manpower production, 79% and 21% of the respondents attach 'great' and 'quite' relevance respectively to manpower planning and development. About 73% and 27% state that, manpower planning and development is 'greatly' and 'quite' relevant in the areas of material substitution for effective cost reduction programme. While 76% and 24% agree that it is of 'great relevance' and 'quite relevant' respectively in effectiveness of control programme. In all cases, there is no respondent who said that manpower planning and development is 'somewnat' or 'of no relevance in these processes of effective cost reduction and

profit improvement programmes.

Finally, from the above analyses and interpretations, it could be seen that good manpower planning and development determines to a great extent the effectiveness of all the organisational functions of planning, co-ordination, communication, decision-making and control for more profitability. In this case, we can also conclude by saying that manpower planning and development is quite relevant in achieving the main organisational objectives of maximizing profit. The fact that now remains to be revealed is as to what determines good manpower planning and development? Or in other words, does human resources Accounting information provide inputs into good manpower planning and development? As it is only if, and only if it does, then we would be in a position to draw a logical conclusion that human resources accounting information is very relevant to the private sector organisations in Nigeria. The remaining part of this chapter analyses the relevance of human resources accounting information in good manpower planning and development.

3.8 THE RELEVANCE OF HUMAN RESOURCES ACCOUNTING INFORMATION IN GOOD MANPOWER PLANNING AND DEVELOPMENT.

From our earlier statement, it has been tentatively asserted that good manpower planning and development depends on good accounting information about human resources itself. In this context, in order to test the validity of this statement, the predictive indicators

of good manpower planning and development will be evaluated to see if human resources accounting information influences their operationalization. To that effect, demand forecasting processes, manpower supply forecast, manpower requirement processes, manpower action planning, and manpower information processes are the most identified operational concepts of good manpower planning and development. To that effect, questionnaire items number 17 A-E were prepared to obtain the opinion of the respondents as regards the role played by 'human resources accounting information' in manpower planning and development.

Firstly, 'estimating future manpower needs' and 'forecast of future levels of activity' are the essential parts of good manpower planning and development. These two aspects will be tested to see if human resources accounting information will be of any help in these areas. Table 10 below shows the response rates from the respondents.

TABLE 10

THE EXTENT TO WHICH HUMAN RESOURCES ACCOUNTING INFORMATION IS IMPORTANT IN DEMAND FORECASTING PROCESSES

(Number of Responses 395)

Demand Forecasting Process	Great Extent	Reasonable Extent	Total
Establishing future manpower needs	98%	2%	100%
Forecasting future level of activity	96%	4%	100%

Note: Only Non-zero values are considered

Source: Appendix B.

Table 10, p.57

The responses on ∠ show that as regards the relevance of human resources accounting information in establishing future manpower needs, 98% of the respondents state it is important to a 'very great extent', while only 2% of the respondents, agree that it is important to a'reasonable extent'. For forecast of future levels of activity, 96% state that it is important to a 'great extent' while only 4% state that it is important to a 'reasonable extent'. In all cases, no respondent reported expressing his or her own opinion as regards whether it is important to 'some extent' or 'no extent at all'.

Secondly, in finding out the importance of human resources accounting information in the processes of manpower supply forecast, table 11 below shows the relevant opinion obtained.

TABLE 11

THE IMPORTANCE OF HUMAN RESOURCES ACCOUNTING INFORMATION IN MANPOWER SUPPLY FORECAST

(Number of Responses 395)

Manpower supply forecast Process	Grent Extent	Reason-able Extent	To some Extent	Little Extent	No Extent	Total
Analysing current resources	94%	5%	1%	0%	0%	100%
Future avail-ability	93%	6%	1%	0%	0%	100%

SOURCES: APPENDIX B.

The above table 11 shows that in the two cases under observation, more than 90% of the total respondents

agree that human resources accounting information is very important to a 'great extent', while very few i.e. ranging from 1% - 6% express their opinion by saying that it is important to 'reasonable' or 'some extent' in each of the above cases of manpower supply forecast.

Thirdly, in order to test the relevance or importance of human resources accounting information in the processes/action plans for good manpower planning and development, the following factors i.e. improving labour use, improving labour productivity; reducing manpower cost; reducing cost of redundancy; and reducing labour turnover cost must be tested to see if human resources accounting information helps in this context. Table 12 below shows the response rate in this case.

TABLE 12

THE IMPORTANCE OF HUMAN RESOURCES ACCOUNTING INFORMATION ACTION PLANNING PROCESSES FOR GOOD MANPOWER PLANNING AND DEVELOPMENT

(Number of Responses 395)

Action Plans Process	Great Extent	Reasonable Extent	To Some Extent	Total
Improving labour use	95%	2%	3%	100%
Improving labour Productivity	99%	0%	1%	100%
Reducing Manpower	92%	8%	0%	100%
Reducing cost of redundancy	94%	3%	3%	100%
Reducing labour turnover cost	98%	2%	0%	100%

Note: Only non-zero values are considered.

Source: Appendix B.

Basing the analysis on the above facts, in each case, more than 90% of the respondents agree that human resources accounting information is important to a 'great extent' in the processes of action planning for good manpower planning and development.

Finally, as a part of information processes, manpower information is another area very important in good manpower planning and development. Table 13 below shows the response rates as regards the influence of human resources accounting information in the manpower information processes.

TABLE 13

THE IMPORTANCE OF HUMAN RESOURCES ACCOUNTING INFORMATION IN MANPOWER INFORMATION PROCESSES

(Number of Responses 395)

Manpower information Processes	Great Extent	Reasonable Extent	Some Extent	Total
Labour turnover rate	70%	18%	12%	100%
Sickness and absenteeism	80%	3%	17%	100%
Redundancy	82%	4%	14%	100%

Note: Only Non-zero values are considered

Source: Appendix B.

The above data shows that in each case, more than 70% out of the total respondents advocate the uses of human resources accounting information to a great extent in these processes of manpower information. This in itself is enough to establish that human resources accounting information really provides

inputs into the processes of manpwer information for good manpower planning and development.

Also, when asked to state whether human resources accounting information is very relevant in good manpower planning and development, 96% of the respondents stated 'YES', while only 4% stated 'NO'. (see questionnaire item No. 18 on Appendix B). Also, when asked to state whether or not good manpower planning and development is relevant in achieving organisational objectives of maximizing profit, 91% of the total respondents stated 'YES', while only 9% stated 'NO'. (See questionnaire item No. 19). This information provides supporting ground for concluding that good manpower planning and development helps in achieving the objective of maximizing profit. It also shows that human resources accounting information helps greatly in providing good and effective manpower planning and development.

3.9. CONCLUSIONS

Thus, it can be concluded that human resources accounting information is very relevant in the private sector organisations in Nigeria. Though, this information is important in both organisations, when asked to rate the degree of importance of this information to these category of industries, 60% of the respondents say that it is most useful in service-related industry, 40% say that it is most useful in the manufacturing industry (see questionnaire item No. 20) thus, it can be

concluded that human resources accounting information is relevant to all industries in the private sector in Nigeria, but with much priority attached to the service-related (employee intensive) organisations than in the manufacturing industries.

CHAPTER FOUR

4. HUMAN RESOURCES ACCOUNTING: EXPERIENCE IN OTHER COUNTRIES

The concept of human resources accounting is a new field in the growth and development of accounting system. Though accounting thought got directed for the past few years in this area, the subject has not as yet received wider acceptance. All the same, evidence exists that some corporation in developed countries like U.S.A. and Britain have started demonstrating the concept practically, Since then, some of the corporations in these countries have started the practical application of human resources accounting. Though, most of the business units involved in practical application of human resources accounting are U.S.A. and Britain - based, there is hope that gradually countries other than U.S.A. and Britain would join. In fact, the interest shown by firms in U.S.A. and Britain in 'Human Resources accounting' results from the recent activities of a joint working party of the institute of personnel management (IPM) and chartered institute of management accountants (CIMA) and other subsequent efforts by related agencies.

In this chapter it is proposed to examine the concept of human resources as practiced or experienced in other countries. In this context more emphasis is placed on British and U.S. firms. This is mainly due to the fact that adequate information is not available in respect to

other countries. It is quite possible that other advanced countries (mainly in Europe) are also practising this concept.

4.1 HUMAN RESOURCES ACCOUNTING: U.S. EXPERIENCE

As regards human resources accounting, many researches have been conducted to develop this concept. In this context, two prominent pioneers, Rensis L. (1968) and William P. (1968) of the institute of social Research and University of Michigan respectively, conducted a research concerning the practical application of human resources accounting in R.G. Barry Corporation in 1969. Consequent upon this research the management of R.G. Barry corporation started the practical application of the system.

R.G. Barry Corporation of Columbus, Ohio is a manufacturing Company with about 1,700 employees. From 1970 to date, the figure for the employees in R.G. Barry Corporation started to appear on its accounts. The figure represents the investment made to acquire and train employees to expected levels of effectiveness for their respective occupations, less the amortization of this investment based on expected tenure (16). Also, in order to find out the kind of information needed to facilitate human resources management, R.G. Barry Corporation used the assessment of investment in people and the future cost to examine the true cost of redundancy programme to examine the problem of lay-offs.

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16. R.G. Barry Corporation, Annual Report 1970-1980.

Another company in U.S.A. which also adopts the system of human resources accounting is Sourthern Furniture Company of Conover in North Carolina. This company has identified the use of human resources in management control systems and emphasized the possibility of improving personnel decisions on a cost-benefit analysis basis. In fact, as the valuable asset of this company is its'employees', the management discovered that the overstocking of its employees could cause the company to increase its costs beyond the optimal level for its needs. The company viewed the excess of its personnel as a type of current and future assets necessary to efficient operations. The company also viewed that the understocking of its employees could cause the company to be unable to accept management engagements or to search for labour market and may have to live with the inflated prices to meet its demand. Based on the above two considerations, the company potentially used the concept of human resources accounting in taxation (i.e. on penalty tax on accumulated earnings) to its own advantage. All the above information was made in reference to R.G. Barry corporation final accounts 1970 - 1980, and the final accounts of the Southern Furniture company of Conover - North Carolina 1976 -79.

4.2 HUMAN RESOURCES ACCOUNTING: EXPERIENCE IN BRITAIN

In Britain, many accountants and personnel executives have recognised the importance of human resources accounting.

Though, the techniques of human resources valuation are somewhat superficial due to the complexity of the concept, a lot has been done to progress the subject further both theoretically and practically. As regards the practical application of human resources accounting in Britain, it could be seen that as a new field, the concept did not receive a nation wide practical acceptance. However, some of the companies in Britain have already seen the relevance of human resources accounting and have started using the concept in practical terms. A classical example is the practical application of the human resources accounting data in effective cost reduction and profit improvement programme by Benlox Holdings Limited, Grosveno Group, and Rock-ware group of Companies all in Britain.

The companies, according to Mark-Lee(1986)of the Western Forest College,England, have a substantial part of their budget costs as labour cost. In fact according to him,"Benlox holdings has about 37.3%, Grosveno group 28.3% and Lockware group of companies has 31.2% of the budget in human resources."(17) Thus, these companies have seen the relevance of human resources accounting data and have since started using it in the cost reduction and profit improvement programmes. Though, the relevance of human resources accounting data has not yet been fully seen and adopted by most companies in U.K., both service-

17. Mark-Lee Inman (1986) Cost reduction. ACCA students' Newsletter, London, May 1986. p.32.

related and manufacturing industries have nowadays started showing concern about the subject. This is because it has been noticed that most of the U. K. Automobile, Insurance Companies and Banks have started showing favourable interest in practical application of human resources accounting.

4.3 CONCLUSION

In conclusion, though, at present human resources accounting has been adopted practically and partially by some British and U.S. companies, it should be noted that a basic form of human resources accounting concept is being given attention in most business organisations in the world.

This is evident when most business organisations evaluate training or when they attempt to lay-off employees selectively. In fact, in most cases the methods to be adopted in the contextual framework of human resources accounting are quite complex. As such, a multi-disciplinary approach is perhaps necessary to progress the concept further both theoretically and practically. More importantly is that, human resources accounting already represents one of the most promising aids to managerial job satisfaction, career planning and managerial control. As such, any

further attempt to at least identify the costs and benefits of the different ways of organising and using people will be of great help to modern business operations.

CHAPTER FIVE

5. SUMMARY AND RECOMMENDATIONS

5.1 SUMMARY OF THE MAJOR FINDINGS

This section of the study provides a summary of the basic findings of the material facts contained in this project. It gives a straight forward and in brief the basic established facts that form the outcome of this write up.

The study shows that, most of the modern business organisations, especially those in the private sector, have one primary objective that is, of maximizing profits. Though, these organisations have other objectives for being in business, the most important of all these objectives is profit maximization. Also, this objective of profit maximization was supported by Onyemulekwe (1973) when he said, "As far as I am concerned business is not a charity, as such management of an enterprise is to do all it can to maximize profits".(18) It has been gathered and concluded based on established facts discovered in this research study that any information, generated and passed within and outside an enterprise that will not contribute towards maximizing profit, is trivial. Thus, any act or information that brings about profit or increase in organisation's profits is said to be relevant and very important.

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18. Onyemulekwe, C.C. (1973). Man and Management in Contemporary Africa., Longman Company Limited p.33

The study shows that, for the successful take-off and for the development of business organisations, there must be enough resources to meet both current and future operations. That is to say, there must be enough resources available in terms of employees, materials, money and machines. For a successful business operation also, there should be effective planning, control and utilization of these resources. Moreover, the research study findings indicate that, though, all the above resources are somewhat equally important in achieving the objective of the enterprise; yet, the most important of all is the human resources (i.e., employees). This is because, effective planning, control and utilization of human resources determine to the largest extent the success or failure of any business organisation. Thus, being the most important of all resources, good planning and control of these resources provides effective planning and control of all organisational resources (both human and non-human). Thus, any information concerning employees that is capable of providing inputs into the decision-models as regards the areas of planning, control and development of human resources, is of paramount importance. Also, potential users of Human Resources Accounting data at present are the internal users of financial statements. It was also evident during

research that the information could be generated and be of some help to external users. At present the potential users are the internalist. The research findings show that it is common among Nigerian organisations in the private sector to provide specific training to their employees. This is followed by a restriction of mobility on the part of the trained and developed staff. This finding is one of the most important aspects forming the conceptual and theoretical underpinning of this write-up.

More importantly, it was found that planning and control, communication, decision-making and motivation are the most essential and available tools for management to maximize profits. That is to say, the effective means for achieving business objective of maximizing profits is the effective application of these management functions. It was discovered that the effective operation of these concepts in order to bring about profitability in an enterprise depended upon effective and efficient utilization of enterprise's human resources. Therefore, it has been gathered that, there is much relevance of manpower planning and development in the most important aspects of planning, control, decision making, communication, and motivational processes. In this respect, it has been observed that, since human resources are essential in these processes, as such any attempt

that will provide information or input into effective human resources planning and development will be of paramount importance to private sector organisations in Nigeria.

The study also, shows that human resources accounting information is very vital and plays an important role in various processes of effective manpower planning and development programmes. This is because any information that can be generated from human resources in financial terms will greatly help in improving labour use, labour productivity, in reducing redundancy costs and in reducing labour turnover costs all of which are effective in the processes of good manpower planning development. Not only that, the findings show that information of such a nature will provide input to manpower information processes such as providing input to labour turnover rate, sickness, absenteeism and redundancy. Thus, in short, the empirical findings of this study indicate that human resources accounting information provides ample chance for initiating and developing very good system of manpower planning and development. Thus, it is an established fact that information of such a nature is vital to Nigerian private sector organisations. The fact is that, good manpower planning and development provide effective operationalisation of the various management functions of planning, control,

motivation, decision making and communication. All these,in turn,bring about optimum profits. Logically, the research findings have materially established that, in general, human resources accounting information is very relevant to the Nigerian Private Sector organisations.

In conclusion, and to be specific in this context, the research findings also indicate that human resources accounting information is very important and quite relevant in the vast areas of cost reduction programme; profit improvement programme; in determining working capital management; in the determination of cost of capital in the calculation of return on investment; in calculating meaningful ratios (such as the computation of human to non-human capital ratios); in the calculation of earning per share and many others.

5.2 THE IMPLICATIONS OF THE STUDY

Like any other form of knowledge, human resources accounting information can be used for constructive purposes or abused. Thus, despite the fact that, human resources accounting information is very relevant in the private sector organisations, the adoption of the system will,however, have some implications especially to the management. This part of the research study provides the basic implications for accounting and reporting information concerning human assets. An attempt is made below to analyse the implications of human resources accounting:-

(1) The first implication of human resources accounting in the private sector is that, the determination of human capital values suggest a new set of financial ratios. This is because a new ratio of human to non-human capital will be capable of indicating the degree of labour intensiveness in the private sector organisations. The labour intensiveness in any organisation especially in private sector will have various implications concerning the firms day-to-day operations. For example, ratio of human to non-human assets will assign different weights to different employees according to their earning power, Consequently the labour intensiveness is thus measured to reflect the quality as well as the quantity of the labour force. Moreover, with the use of human resources accounting information, the total value of a firm's capital can be desegregated in terms of groups and sub-groups for which other several ratios could be calculated. For example, the ratio of investment managers to total employees or the ratio of investment in supervisory staff to total staff. All these ratios if calulated will have several implications to the firms.

(2) The second implication of the study is that, information to be generated from human resources accounting will provide the private sector organisations with a ready-made information about the change taking place in the age distribution of employees. This information (i.e., age distribution) will have a great implication for the firm. In contrast to the practice in the past, if this information (i.e.,age distribution

of employees) is incorporated, it will form one of the basic modalities for determining the value of human beings by capitalizing earnings over the expected useful life of the employee to the firm. Thus, a change in the age distribution of the labour force would obviously affect firm's human capital values.

(3) The third implication of the study is that, the difference between the general and specific values of human capital is another source of valuable information, for both internal and external users of financial statements. In the real sense, the specific value of human capital is based on the actual wage scale of the firm, while the general value is based on industry-wide wage averages. In fact, the difference between the two will indicate the level of the firm's wage scale relative to the industrial average. Based on the industry-wide wage as the standard, the difference between the specific value and the general value of human capital indicates which extent to ∠ the firm's wage scale is above or at par with or below the standard. Also, reporting the general and specific values of human capital, will thus, enable the users to investigate the effects of specific wage and hiring policies though, in most cases, management tries to increase profits in the short-run by hiring low quality employees. The implication of this policy is that it produces a somewhat damaging effect which will be realized only in the long-run. But with a full

information about human capital values the use of this information will currently reflect the change in hiring policy and thereby direct the management effort.

(4) The fourth implication is the use of human resources accounting information in lay-offs where the sole aim is to minimize the loss of undepreciated investment. In theory, the reduction in the skilled people would lead to a reduction in the total stock of human capital. At the same time, it should be realised that it would be possible for a company to increase its profitability by applying better techniques of production which might result in reduction in manpower (say from 5 workers to 4). This situation of arriving at a decision to lay-off one worker is as a result of availability of human resources accounting information. It is also possible that stock market may react to this situation by pushing the quoted price of the company's shares upwards as a response to increase in profits.

(5) The fifth implication is that if information about human resources is recorded and reported, the disclosure of such information by the enterprise would provide financial statement users other than the management with valuable information which is vital for use in their various decision making models.

5.3 RECOMMENDATIONS

In order to enable modern business organisations in the private sector to achieve an optimum profit, the following observations should be taken into consideration:

(a) Human resources planning and development should be the focal point. This is because the capacity of an organisation to achieve its strategic objective is influenced by human resources in the following three fundamental ways as follows:-

(i) Cost economies

(ii) Capacity to operate effectively

(iii) Capacity to undertake new enterprises to and to change operations

(b) From the research findings, it has been possible to assert that corporate executives believe that human resources planning, development and management activities required some future oriented perspective and direction that guide financial, marketing, and other management activities. In effect, it is strongly recommended that the private sector organisations should establish a new staff position to deal with emerging human resources programmes and management. New position tittles could take the following forms:- Manager, Management of Human Resources (MHR). Manager, Human Resources Planning (HRP). Manager, Human Resources Utilization (HRU). Manager, Personnel Planning and Development (PPD). Manager, Staff Planning and Career Development (SPCD).

All the above tittles should represent the introduction of new staff positions charged with anticipating future personnel requirements, planning programmes and organisational changes that will satisfy

the above-mentioned requirements. In addition, there should be an accounting team headed by a management accountant to be responsible for obtaining all the necessary human resources accounting data.

(c) Organisations should always embark on providing specific training to their employees. There should also be a restriction and retention policy that will discourage the trained employees from leaving the firm within a very short period of time after receiving their various forms of training.

(d) It is recommended that human assets should be included in calculating the cost of capital which is used in determing the return on investment or earnings per share. This recommendation is necessary because the data relied upon at present in the calculation of cost of capital is quite misleading in the field of finance. Unless the value of human beings in an organisation is quantified and added to the total assets of the company and made to form part of the basis of calculating return on investment (ROI), then ROI as one of the basis of various business decision making is of limited use.

(e) There should also be a continuing effort by both accounting teachers and practitioners directed towards developing human resources accounting.

(f) Though, the immediate adoption and practical application of human resources accounting has been advocated, this does not mean that it should be adopted in full instantaneously. Rather, as a start, piece-meal

approach for its practical implementation is recommended. That is to say, organisations can start say by recording and reporting information concerning company managers first, followed by that of supervisory staff and then that of the productive workers.

(g) Though, as time goes on other valuation and reporting methods may be explored with further research, the following valuation and reporting methods are recommended for the private sector organisations in Nigeria.

(i) Flamhoytz model of human resources valuation, i.e. by capitalizing the expected services to be received by the firm from employees using appropriate discount rate.

(ii) Human assets should be reported on the Balance Sheet as current assets for service organisations, and Fixed assets for manufacturing organisations.

(h) From all indications, it is highly recommended that what ever method is to be adopted as regards human resources accounting, emphasis should be based in the first instance on the cost-benefits associated with the system. In short, in all cases the assumed benefits of the system should in no circumstances be lower than the cost of its implementation.

Finally in general terms, it is highly recommended that as regards the development of human resources accounting in particular, and the development of traditional accounting system in general in Nigeria the following points are worth considering:-

(i) There should be an adequate and up-to-date accounting manpower planning method to be designed to meet the needs of various accountants in the various sectors of the economy.

(ii) A new body or a sub-body of ICAN may usefully be created to offer courses and professional services covering the areas of cost and management accounting and human resources accounting.

5.4 FRONTIERS FOR FURTHER RESEARCH

'Human resources' as a new area in accounting especially in Nigeria, demands additional effort to be put in for further research and development. This research project is not an end in itself, but rather a means towards further research. Thus, in Nigerian context, this project in the first instance provides a starting point for topical research that will challenge and channel both accounting teachers and practitioners into a more productive research effort in the field of human resources accounting. Though, when reading through the write up, various points that need further research and development are evident, below are some of the most important frorttiers that need research and development in this field so as to keep the subject matter more close to the recent developments taking place in modern business environment:

(a) There is need to conduct an intensive research on the best method of recording, amortizing and reporting human assets values. There should also be an attempt to find out the most acceptable conceptual basis that will qualify the existence of human capital. Attempt here is to be focused towards finding out the best way of functionalialising the employee related expenditures, that will qualify both labour cost and the resultant labour overhead cost as an asset.

(b) More research is needed to find out the relevance of human resources accounting information to the external users of financial statements. Here, attention should be centred around the basic notion of what would be the reaction of the external users concerning the published information on human resources of an organisation.

(c) Finally, another important area that need extensive research in this context is to find out, as to what role would the behavioural measures play in accounting for and reporting human resources values.

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APPENDIX A
QUESTIONNAIRE RESPONSE RATES

PRIVATE SECTOR ORGANISATIONS QUESTIONNAIRE

TOPIC: A STUDY OF HUMAN RESOURCES ACCOUNTING INFORMATION AND ITS RELEVANCE TO SELECTED ORGANISATIONS IN THE PRIVATE SECTOR

INSTRUCTIONS

(a) This questionnaire is meant for conducting research on the above-mentioned topic. It is required to be answered by company executives, such as, General Managers, Company Managers, Sectional Managers, Departmental Heads, and Higher and Middle level Supervisors.

(b) It is very important to answer the questions as accurately as possible. This is because the success of the study depends upon the diligence and care used in answering these questions.

(c) Most of the questions can be answered by ticking one of the answers (✓). You are required to go through and tick the answer that in your opinion is exactly the answer or any one that is nearer to the answer. A few questions require brief expression of your opinion.

NB: It is your opinion and feelings that are important here. Please feel free to express your views. All information provided by you will be KEPT STRICTLY CONFIDENTIAL and the data analysed will be used only for the purpose of this research.

THANK YOU FOR TAKING PART IN THIS RESEARCH PROJECT.

1. Name of the company .....

2. Nature of Business:

Manufacturing Business	200
Service Business	195
Any other type	0

3. Present position held in the company.....

4.(a) What is the strength of the labour force in your company (please indicate the number of workers) .....

(b) Can the labour force be organised more effectively? Yes or No 367 28

(c) If answer to number 4(b) above is yes, in what way or why?.....

5.(a) Does the company incur expenditure on recruitment, hiring, training and development of company employees? Yes 391 No 4

(b) If answer to 5(a) above is yes, what type of training is provided by your company to its employees?

General training 31
Specific training 317
Both 47

(c) If answer to 5(a) is yes, what is the estimated percentage of this expenditure compared with the total cost of the company?

Average 40 - 50%

(d) On an average what has been the percentage relationship of the amount incurred on the following company assets?
Human capital assets (expenditure incurred on employees)on average 50%

Non-human capital assets (expenditure incurred on materials, machines etc) 50%

(e) If answer to 5(a) is No, why is it so?.....
.....

(f) Does your company restrict the mobility of those employees who enjoyed the company's specific training? Yes:378 No 17

6. Of what importance are the following respurces to your organisation?

	very important	Quite Important	Some what Important	OfLittle Importance	Of No Importance
Employees	219	150	26	0	0
Money	198	170	25	2	0
Material	168	122	80	25	0
Machines	201	140	50	4	0

7. To what extent do you think that, Human Resources Accounting Information if made available will be useful to the following users of financial statement?

	Very Great Extent	Reason-able Extent	Some Extent	Very Little Extent	To no Extent at all
Organisation itself	220	150	20	5	0
Shareholders	80	188	100	27	0
Creditors	150	100	80	55	10
Financial analysts	190	150	30	25	0
Financial Institutions	50	190	105	50	0
Governments	90	85	110	100	10
General Public and students	15	190	110	80	0

8. Do you think that the most important and common objective of all private sector organisations whether manufacturing or service-related is to maximize profit? 395 Yes 0 No

9. To what extent do you think that the following management functions help private sector organisations to achieve their common objectives of maximizing profit?

	Very Great Extent	Reason-able Extent	Some Extent	Very Little Extent	To no Extent at all
Planning	390	5	0	0	0
Co-ordination	385	10	0	0	0
Motivation	365	30	0	0	0
Communication	375	20	0	0	0
Decision-making	360	35	0	0	0
Control	385	10	0	0	0

10. What do you think good manpower planning and development help in the following planning processes?

	High Degree	Low Degree	Not at all
Making plans for the future	380	15	0
Making plans to achieve objectives	394	1	0

11. Of what relevance is manpower planning and development to the following coordination sections?

	Of Great Relevance	Quite Relevant	Of No Relevance
In consideration with purchasing department	320	75	0
In consideration with Production department	309	86	0
In consideration with sales department- ment	394	101	0
In consideration with Accounting department	293	102	0
In consideration with Research department	296	99	0

12. What is the relevance of good manpower planning and development on the following motivational processes?

	Of Great Relevance	Quite Relevant	Not at all
Developing desire to achieve goals	380	15	0
Organising management effort to achieve goal	387	8	0

13. What is the relevance of good manpower planning in the following communication processes?

	Of Great Relevance	Quite Relevant	Not at all
(a) Opening communication channels	350	40	5
(b) Coordination in communication	300	95	0
(c) Communication plans to functional areas	385	10	0
(d) Obtaining agree- ment before budget becomes operational	280	110	0

(e) Communicating actual result	390	5	0
(f) Communicating variances	280	115	0

14. What is the importance of good manpower planning and development in the following areas of decision making?

	Of Great Importance	Quite Important	Some What Important	Of Little Importance	Of No Importance
a. Recognising problems	300	80	15	0	0
b. Defining problems	320	72	3	0	0
c. Searching alternative solutions	352	36	7	0	0
d. Evaluating alternative solutions	315	60	20	0	0
e. selecting profitable alternatives	303	71	21	0	0
f. Reporting actions taken and the result achieved	300	85	10	0	0
g. Taking corrective actions for directions	296	92	7	0	0

15. Of what relevance is good manpower planning and development to the following types of control?

	Great Relevance	Quite Relevant	Some What Relevant	Of No Relevance
a. Cost reduction programme	370	25	0	0
b. Control of materials	360	35	0	0

c. Control of human Resources	390	5	0	0
d. Control of machines	370	25	0	0
e. Control of money	370	25	0	0

16. (A) What important role will the manpower planning and development play in the following processes of establishing proper organisational climate?

	Very important- ant	Quite important- ant	Some What important- ant	of Little Importance	of No Importance
a. Policy making	390	5	0	0	0
b. Responsibility fixing	361	34	0	0	0
c. Operating	372	23	0	0	0
d. Accountability	380	15	0	0	0

(B) What is the relevance of good manpower planning and development to the following areas towards establishing proper standards?

	Of Great Relevance	Quite Relevant	Somewhat Relevant	of No Relevance
Management participation	200	195	0	0
Manpower production	311	84	0	0
Material substitution	290	105	0	0
Effectiveness of control programme	301	94	0	0

(C) To what extent is good manpower planning and development important in the following organisational processes?

	Very Great Extent	Reason- able extent	To Some Extent	Very Little Extent	Not at all
Using the best specialist	367	70	18	0	0
Energy saving	296	71	28	0	0
Identifying cost saving areas	266	89	40	0	0

Reporting saving potential areas	344	40	11	0	0

(D) To what extent is manpower planning and development important in the following other areas of effective cost reduction programmes?

	Great Extent	Reasonable Extent	to Some Extent	No Extent at all
a. Reporting system	393	2	0	0
b. Developing Instructions	379	16	0	0
c. Operating the system	388	7	0	0
d. Motivation towards achieving goals	384	11	0	0

17. (A) To what extent do you think that human Resources Accounting Information is important in the following demand forecasting processes for good manpower planning and development?

	Great Extent	Reasonable Extent	To some Extent	No Extent at all
a. Estimating future manpower needs	388	7	0	0
b. Forecast of future levels of activity	380	15	0	0

(B) To what extent do you think that Human Resources Accounting Information is very important in manpower supply forecast processes?

	Great Extent	Reasonable Extent	To Some Extent	Very Little Extent	No Extent at all
a. Analysing current resources	370	19	6	0	0
b. Future availability	368	25	2	0	0

(C) To what extent do you think that Human Resources Accounting Information is very important in determining manpower requirement processes?

	Great Extent	Reason-able Extent	To SOME Extent	Very Little Extent	No Extent at all
a. Analysing demand & supply fore-cast	320	57	18	0	0
b. Identifying future deficits	380	13	2	0	0
c. Identifying future surplus	311	71	13	0	0

(D) To what extent do you think that Human Resources Accounting Information is very important in action planning processes?

	Great Extent	Reason-able Extent	To Some Extent	Very Little Extent	No Extent at all
a. Improving Labour use	376	9	10	0	0
b. Improving labour productivity	390	0	5	0	0
c. Reducing manpower costs	365	30	0	0	0
d. Reducing Redundancy	370	10	15	0	0
e. Reducing labour turnover costs	388	7	0	0	0

(E) To what extent do you think that Human Resources Accounting Information is very important in the areas of manpower information processes?

	Great Extent	Reason-able Extent	To Some Extent	Very Little Extent	No Extent atall
a. Labour turnover rates	275	70	50	0	0
b. Sickness and absenteeism	314	11	70	0	0
c. Redundancy	324	16	55	0	0

18. Do you agree that Human Resources Accounting Information is very relevant in good manpower planning and development programme?

Yes 378 No 17

19. Do you agree that good manpower planning and development helps private organisations to achieve their objectives?

Yes 359 No 36

20. In what type of organisation is Human Resources Accounting Information most useful?

Manufacturing organisation 158

Service-Related Organisation 237

21. Any other relevant observation .....

.....

Note: Extra sheet/sheets are attached if required to note down your additional comments.

Thank you.

APPENDIX 3
QUESTIONNAIRE RESPONSE RATES TRANSLATED INTO PERCENTAGES

PRIVATE SECTOR ORGANISATIONS
QUESTIONNAIRE

TOPIC: A STUDY OP HUMAN RESOURCES ACCOUNTING INFORMATION AND ITS RELEVANCE TO SELECTED ORGANISATIONS IN THE PRIVATE SECTOR

INSTRUCTIONS

(a) This questionnaire is meant for conducting research on the above-mentioned topic. It is required to be answered by company executives, such as, General Managers, Company Managers, Sectional Managers, Departmental Heads, and Higher and Middle level supervisors.

(b) It is very important to answer the questions as accurately as possible. This is because the success of the study depends upon the diligence *md care used in answering these questions.

(c) Most of the questions can be answered by ticking one of the answers (>^). You are required to go through and tick the answer that in your opinion is exactly the answer or any one that is nearer to the answer. A few questions require brief expression of your opinion.

N.B.: It is your opinion and feelings that are important here. Please feel free to express your views. All information provided by you will be KEPT STRICTLY CONFIDENTIAL and the data analysed will be used only for the purpose of this research.

THANK YOU FOR TAKING PART IN THIS RESEARCH PROJECT.

1. Name of the company . . . . . .

2. Nature of Business:

Manufacturing Business	51%
Service Business	
Any- other type	*0%*

Present position held in the Company . . . . . .

(a) What is the strength of the Labour force in the Co.(please indicate the number of workers) ...

(b) Can the Labour force be organised more effectively? Yes or No. 93% 7%.

(c) If answer to number *U.{b)* above is yes, in what way or why? . . . . . .

(a) Does the company incur expenditure on recruitment, hiring, training and development of company employees? Yes 99% No 1%.

(b) 1$answer to 5 (a) above is Yes, what type of training is provided by your company to its employees?

General training 8%

Specific training 80%

Both 12°/

(c) If answer to 5 (a) is yes, what is the estimated percentage of this expenditure compared with the total cost of the company?

Average *l\0%* - 50%

(d) On an average what has been the percentage relationship of the amount incurred on the following company assets?

Human capital assets (expenditure incurred on employees 50%

Non-Human capital assets (expenditure incurred on materials, machines etc) 50%

(e) If answer to 5(a) is No, why is it so?

(f) Does your company restrict the mobility of those employees who enjoyed the company's specific training? 96% U%

6. Cf what importance are the following resources to your organisation?

	Very Important	Quite Important	Somewhat Important	Of L'itt. Import.	Of No Import.
Employees	55%		7%	0%	0°/
Money	50%	1+3%	6%	1%	0%
Materials	U3%	3 1 */<	20%	6%	0%
Machines	51%	35;^	13V:	1%	0%

1. To what extent do you think that, Human Resources Accounting Information if made available will be useful to the following users of financial statements?

	Very Great Extent	Reasonable Extent	Some Extent	Very Little Extent	To No Extent At all
Org, Itself	56%	38'/:	5%	1%	0%
Shareholders	20%	U8%	25%	7%	0%
Creditors	38%	25%	20-'	114-%	3%
Financial analysts	. n0/ ^ A'	38%	8%	6%	0%
Financial Institution	. ~0 -^	hfi%	27%	12%	0%
Governments	2-3%	?2%	28%	25%	2%
Students &	, 0,	U8%	28%	20%	0%

8 Do you think that the most important and common objective of all private sector organisations (whether manufacturing cr service related)ds to maximize profit? 100?; Yes 0% No.

To what extent do you think that the following management functions help private sector organisations xo achieve their common objectives of maximizing profit?

	Very Great F.xtent	Reasonable Extent	oome Extent	Very Little Extent	To No Extent At All
Planning	99y,	T.	0%	0%	0%
Co-ordina.	98%	2*	0%	Oy	0%
Motivation	92%	8	6%	0%	0%
Comrnunica-tion	nr-. 95%	%	0%	0%.	0%
Decision-Making	Q10', *!*	9%	0%	0%	0%
Control	98%	2'/..	0%	C%	0%

What do you think good manpower **planning** and development helps in the following planning processes?

	High Degree	Low Degree	NotAt All
Making plans for the future	q^ y b/o	, ,. ^	m U/t
Making plans to achieve objectives	0(y	0 e A	^

Cf what relevance is manpower planning and development to the following coordination sections?

	Q£ Great Relevance	Quite Relevant	Of No Relevance
In.-consideration with purchasing Department	81*	19%	*0%*
In consideration with Production Department	78%	*?2%*	*0%*
In consideration with sales Depart-ment	71$	26-	*0%*
In consideration with Accounting Department	*7k%*	26%	*0%*
In consideration with Research Department	*7^:*	*29/*	*0%*

What is the relevance of good manpower planning and development on the following motivational processes?

	Of Great Relevance	Quite Relevant.	Not At All
Developing desire to achieve goals	96%	*k%*	*7t*
Organising Manage-ment effort to achieve goal	98%	2%	0%

What is the relevance of good manpower planning in the following communication processes?

		Of Great Relevance	Quite RE levant	NQ-tAt All
(a)	Opening Communication Channels	89$	10%	1%
(b)	Coordination in y^c communication		21$	0%
(c)	Communication plans to functional areas	98%	2%	0%
(d)	Obtaining agree-ment before budget be.comes operational	71>	29%	0%
(e)	Communicating actual result	QQo,	,	nt/
(f)	Communicating variances	?	2q ,	Qo/,,

1i|. What is the importance of good manpower planning and development in the following areas of decision making?

		Great Import.	Ouite Import.	Some What Import	Of Litt. Import..	Of No Import
(a)	Recognising Problems	76%	20%	U%		
(b)	Defining Froblems	81%	18%	1%	0%	0%
(c)	Searching alternative solutions	89%	9%	2%	0%	0%
(d)	Evaluating alternative solutions	80°/	15*	9i	0%	0%
(e)	Selecting alternatives	77%	18%	&	0%	0%
(f)	Reporting actions taken and the result achieved	76%	22r?.	2%	0°/	0°/
(g)	Taking Cor-rective actions for directions	75%	23%	2%	0%	0%

15» Of what relevance is good manpower planning and development to the following types of control?

	Of Great Relevance	Quite Relevant-	Somewhat Relevant	Of No Relevance
(a) Cost Reduction Programme	9U%	6%	0%	0%
(b) Control of Materials	999t	TK	0%	*0%*
(c) Control of Human Resources	91%	*9%*	*0%*	*0%*
(d) Control of Machines	*9k%*	6%	0%	*0%*
(e) Control of Money	*9k%*	6*	0%	0%

16. (A) What important role will the manpower planning and development play in the following processes of establishing proper organisational climate?

	Vpry Import.	Quite Import.	Some What Import	Of Litt. Import.	Of No Import.
(a) Policy making	99%	1%	*0%*	0%	0%
(b) Responsi-bility fixing	91%	9%	*0%*	0%	0%
(c) Operating	9l|$	6%	*0%*	0%	0%
(d) Accountability	qA<v	*h%*	0%	0%	0%

(B) What is the relevance of good manpower planning and development to the following areas of establishing proper standard?

	Of great Relevance	Quite Relevant	Somewhat Relevant	Of No Relevance
Management Participation	^	^	Q %	Q,
Manpower Production	?9 Z7/	?v>	^	*Q%*
Material Substitution	?W °A	^ *L?	*0%*	^
Effectiveness of Control Programme	nrc, 76,*	ol 0, 2h><>	no/ ° *	r^ ° *

(C) To what extent is good manpower planning and development is imporatnt in the following organisational cost reduction processes?

	Very Great Extent	Reasonable Extent	To Some Extent	Very Little Extent	Not At All
Using the best specialist	82%	18%	0%	0%	0%
Energy Saving	75%	18%	7%	0%	0%
Identifying cost saving areas	67%	23*	10%	0%	0%
Reporting saving Potential areas	93%	7%	0%	0%	0%

(D) To what extent is manpower planning and development is important in the following other areas of effective cost reduction programmes?

	Great Extent	Reasonable Extent	To Some Extent	No Extent At All
Reporting system	99%	1%	0%	0%
Developing Instructions	96%	4%	0%	0%
Operating the System	98%	2*	0%	0%
Motivation towards achieving goals	97%	3%	8%	0%

17 (A) To what extent do you think that Human Resources Accounting Information is important in the following demand forecasting processes for good manpower planning and development?

	Great Extent	Reasonable Extent	To Some Extent	No Extent At All
Estimating future Manpower needs	98%	2%	0%	0%
Forecast of future levels of activity	96%	4%	0%	0%

(B) To what extent do you think that Human Resources Accounting Information is very important in manpower supply forecast processes?

	Great Extent	Reason-able Extent	To Some Extent	Little Extent	No Extent At All
Analysing Current Resources	94%	5%	1%	0%	0%
Future availability	93%	6%	1%	0%	0%

(C) To what extent do you think Human Resources Accounting Information is very important in determining manpower requirement processes?

	Great Extent	Reason-able Extent	To Some Extent	Little Extent	No Extent At All
Analysing demand & supply forecast	81%	14%	5%	0%	0%
Identifying future de-ficits	96%	3%	1%	0%	0%
Identifying future surplus	79%	18%	3%	0%	0%

(D) To what extent do you think that Human Resources Accounting Information is very important in action planning processes?

	Great Extent	Reason-able Extent	To Some Extent	Very Little Extent	No Extent Al All
Improving Labour use	95%	2%	3%	0%	0%
Improving Labour Productivity	99%	0%	1%	0%	0%
Reducing Man-power costs	92%	8%	0%	0%	0%
Reducing Re-dundancy	94%	3%	3%	0%	0%
Reducing Labour turnover costs	98%	2			

(E) To what extent do you think that Human Resources Accounting Information is very important in areas of manpower information processes?

	Great Extent	Reason-able Extent	To some Extent	Very Little Extent	No Extent At All
Labour turnover rates	70%	18%	12%	0%	0%
Sickness and absenteeism	80%	3%	17%	0%	0%
Redundancy	82%	4%	14%	0%	0%

18. Do you agree that Human Resources Accounting Information is very relevant in good manpower planning and development programme?

Yes 96% No 4%

19. Do you agree that good manpower planning and development helps private organisations to achieve their objectives?

Yes 91% No 9%

20. In what type of organisation is Human Resources Accounting Information most useful?

Manufacturing Organisation 40%

Service-Related Organisation 60%

21. Any other relevant observation? .....

.....

.....

Note extra sheet/sheets are attached if required to note down your additional comments.

Thank you.

APPENDIX C

THE MANUFACTURING ORGANISATIONS

1. Cotton and Agricultural Processing Limited, P. M. B. No. 4 Gombe, Bauchi State.

2. Eleiyele Cashew Processing Factory, P. M. B. 5068, Eleiyele Ibadan.

3. Eastern Enamelware factory Limited, Plot 31, Trans - Amadi Industrial Lay-out, P. O. Box 23, Port Harcourt.

4. Gaskiya Textile Limited, Bompai Industrial Estate Kano, Kano State.

5. King-Cola Manufacturing Co. Limited Sokoto, Sokoto State.

6. Leman Industries Nigeria Limited, Nasarawa Road, P. M. B. 2208, Kaduna.

7. Northern Metal Works Company Limited, 26 Dantata Road, Bompai P. O. Box 6461, Kano.

8. Northern Daivies Nigeria Limited Zaria Bye-pass Funtua, Katsina State.

9. Nigeria Carton and Packaging Manufacturing Company Limited, No. 1 Sapara Street P. O. Box 296, Ikeja.

10. Nigeria Ball-point pen Industries Limited P. M. B. 1424, Ikeja.

11. Nigeria Carpet Manufacturing Company Limited, Ribway Close, Oliha Quarters, P. O. Box 224 Benin City.

12. Nigerian Breweries Limited Aka Road, Uye, Akwa-Ibom State.

13. Revierra Biscuits Factory Limited, Sharada Industrial Estate, Kano.

14. R. H. Plastics Limited, 2, Tanko Jafaru Close, P. O. Box 6012 Kakuri, Kaduna.

15. Vitafoam Nigeria Limited, P. O. Box 506 Jimeta, Yola.

APPENDIX D

THE SERVICE - RELATED ORGANISATIONS

1. Agrotech Service Limited, P. O. Box 377, Mushin, Lagos.
2. Aminu Ibrahim & Co. Chartered Accountants Post Office Road, Kano.
3. Coastal Services Nigeria Limited, 42/44 Warehouse Road, P. O. Box 97, Apapa.
4. Chidi - Ebere Transport Service Limited, Enugu Road, Umuahia.
5. Destiny Insurance Company Limited, No. 149 Ikot- Ekpene Road, P. M. B. 1150 Uyo Akwa-Ibom State.
6. Hulls Services Limited, P. O. Box 65, Ebute-metta Lagos.
7. Kabo Travels Limited, Airport Road, Kano.
8. Magoma Hotel Limited, Katsina Road Funtua Katsina State.
9. Nigeria Maritime Services Limited 13/15 Sapele Road, P. O. Box 311 Apapa.
10. Nigeria Airconditioner and Refrigeration Co. Limited, Sokoto, Sokoto State.
11. Napak Services (Nig.) Limited, 63 Akogun Street Tin Can Island.
12. Northern School of Accountancy and Business Studies, Sarkin Yaki Road, Kano.
13. Ododuma & Co. Management Consultants No. 7, Kelvin Street, Aka Road, Uyo.
14. Samari Chemist Limited, Nagogo Road, Kaduna.
15. Vickings International Services Limited, P. O. Box 471, Warri.

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ZARIA, [illegible]