

## **Skill Management and Universities Competitiveness: An Empirical Evidence of Nigerian Private Universities**

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**Abstract:** This study examines the effect of academia' skill management on universities competitiveness in Nigeria private universities. A descriptive research method Structural Equation model (AMOS 22) was applied to analyse the two hundred and seventy four copies of valid questionnaire completed by faculty members of the selected universities in South-West Nigeria using stratified and simple random sampling techniques. However, the results show close relationships between the dependent and independent variables. The study indicated that efficient skill management of faculty have positive significant implications on institutions competitiveness. This suggests that skill attraction, skill development, skill utilisation and skill retention have significant effects on teaching, research and innovation excellence and subsequently enhance university's competitiveness.

**Key words:** Skill attraction, skill development, skill utilisation, skill retention, competitiveness

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### **INTRODUCTION**

The management of employee skill affects various sectors and the educational sector has not been exempted from this growing challenge (Gardner, 2002; McGrath, 2002). The bane of this challenge is centered on the scarcity of skilled employees which has resulted in stiff competition around the globe (Brewster *et al.*, 2007). Skill management is one of the strategic human resource management practices that focuses on the effective identification and productive utilisation of employees' distinctive skills for the actualization of organisational strategic goals (Chuai *et al.*, 2008). As noted by Jerusalem and Hausdorf (2007) skill management is the identification, attraction, development, deployment and retention of highly skilled employees for productive engagement, involvement and commitment to the organisation's objectives. Similarly, Silzer and Church (2010) posited that skill management is an integration of processes, programmes and strategies specifically designed by the organization to attract, develop, deploy and retain skilled employees to achieve strategic objectives and meeting future needs of the organisation.

Skill management in the academia is a strategic driving force for quality teaching, excellent research, innovation and sustainable competitive advantage (Foster, 2005). Obviously, university system is expected to be an independent institution with responsibilities of creating and transferring autonomous knowledge towards

raising total graduates, excellence future leaders. Also, the university is tasked with the responsibility of instilling capital development and economic prosperity of any nation via robust teaching and learning pedagogy, research and professional services. It is a non-debatable fact that universities with distinctive and highly skilled faculty members will be better positioned to attain a sustainable competitive edge (Thomas and Quinn, 2007). Evidently, universities are expected to be the repository of knowledge and specialized skills for nurturing the human resource required of any nation and meeting the aspirations of the people. Meanwhile, the academic staff are expected to be actively involved in teaching and conducting good research that will proffer solutions to the local, national and international issues of concern, impact the host community and as well drive enterprise (Njoku, 2008; Salmi, 2009).

The issue of concern in Nigeria universities is the shortage of skilled and qualified academic staff coupled with the establishment of new universities. Elegbe (2010) and Adeniji *et al.* (2014) posited that the number of universities in Nigeria are increasing geometrically, yet the universities are struggling and hunting for qualified faculty to be engaged. Presently, Nigeria has a total of forty one accredited federal universities, twenty-five state universities and sixty-one private universities without sufficient senior academic staff (Ahunanya and Osakwe, 2012). Elegbe (2010) and Jamila (2010) opined that Nigerian universities required about 60,000 academic staff to compete favourably with their counterparts in the

developed world. This shortfall is greatly affecting university education standard (Hatun, 2010). Besides it is important to note that no Nigerian university is ranked among best 2000 Universities in the world in both Times Higher Education-QS Ranking, Academic Ranking of World Universities (SJTUR), webometrics ranking, professional ranking of world universities, newsweek ranking among others. All these among others has called for effective skill management in Nigerian universities. There had not been enough empirical investigation that measures the relationship between skill management and universities' competitiveness in Nigeria. Sequel to the above, this study becomes necessary to examine the effects of skill management strategy on universities' competitiveness. The significance of this study stemmed from its objectives as follows:

- To examine how skill attraction can enhance teaching excellence and university competitiveness
- To analyse the extent to which skill development impact teaching and research excellence for university competitiveness
- To evaluate the extent to which skill utilisation promote research and innovation
- To investigate whether skill retention can promote innovation and university competitiveness

#### **Literature review**

**Skill attraction and teaching excellence:** Skill attraction is a strategy tool that organisations are using to engaging and involving highly talented and skilled persons to drive optimal performance toward the realization of organisation's sustainable competitive advantage. The skill attraction strategy involves identifying and selecting the right skill that reflects the philosophy and core values of a particular university (Armstrong, 2000). The survival of any university depends on its ability to attract skillful faculty members that will be committed to teaching and research (Ballesteros and Inmaculada, 2010). Similarly, skill attraction in the academic world is a process of searching for and luring the skilled and competent faculty to join a particular university. At this level, the available skill needed for immediate and future needs of the university are given wide publicity and suitable candidates are encouraged to join the institution (Mearns and Sheil, 2013). By implication, skill attraction remains a strategic tool that any university can use in upholding quality teaching.

**Skill development and research excellence:** The skill development of academic staff remains a sine-qua-non

essential for universities survival and competitiveness (Adeniji *et al.*, 2014). The central idea underlying faculty skill development in the institution of higher learning is to keep them current and versatile for effective performance. The need for faculty to improve and update their knowledge and skills to keep abreast of the trends of knowledge development in their discipline is more crucial in Nigerian universities to adequately prepare employable candidates, bridge the gap between town and gown through rigorous research among others (Peretomode and Chukwuma, 2012; Gardner, 2002). Therefore, the willingness of university management to provide relevant learning and development via conference supports, research grants, research clusters, collaborations and academic linkages will help in positioning the universities for competitive advantage (McCauley and Wakefield, 2006).

**Skill utilisation and research excellence/competitiveness:** Effective utilization of the faculty members in the universities remains essential for good research output and universities' competitiveness (Flynn, 2003). Universities and other institutions of higher learning must therefore seek to understand how best their human resources can be utilised for sustainable competitive advantage (McCowan, 2004). Consequently, effective utilisation of human resources describes a system that is characterized by strategic deployment of skills and knowledge (Buchanan, 2010). Skills acquired are said to be productively engaged where existing skills are being harnessed and the resources invested in fostering the skills are being optimized. Skill utilization could also be described as ability of the university's management to productively engage academic staff for quality teaching, research and innovation which will invariably enhance the universities competitiveness (Tetty, 2009).

**Skill retention, research excellence and university competitiveness:** The greatest cherished asset of an organisation is its human resources, thus retaining academic staff with distinctive capabilities is crucial for any university rapid growth and sustainable competitiveness. Obviously, the strategic retention of skilled faculty members for an appreciable period of time is germane for the universities' quest for competitiveness (Armstrong, 2000). Meanwhile, Zhou and Volkwein (2004) posited that high level of academic staff turnover could constitutes a major step back to the quality of services and the image of the institution. Thus, it has been discovered that highly skilled academic staff hardly stay

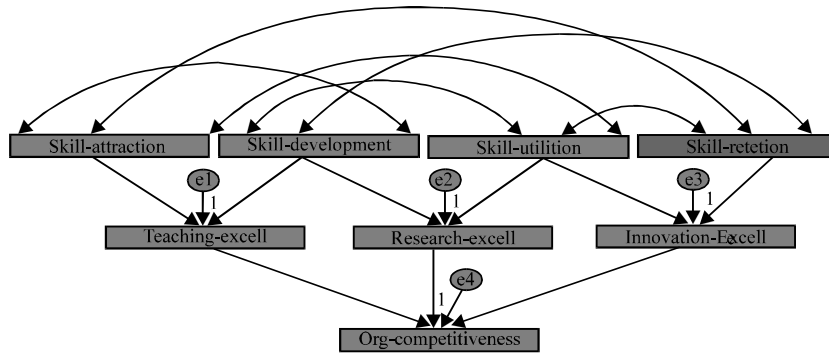


Fig. 1: Proposed study model researchers

for long in a university before moving to another university or other sectors (Adeniji *et al.*, 2014). This mobility has been tagged as “brain drain” and this could have serious effects on academic staff retention in both public and private universities (Naris and Ukpere, 2010, Samuel and Chipunza, 2009). Besides, Ngethe *et al.* (2012) posited that promotional opportunities, training and development, autonomy, recognition, leadership, distributive justice, salary, work environment among others are the intrinsic and extrinsic factors that determine the academic staff retention in universities system. Therefore, it is through retention of highly skilled academic staff that the universities can actualize their strategic goals via provision of quality teaching, research, innovation among others (Gaiduk and Gaiduk, 2009; Osibanjo *et al.*, 2014).

**Research model:** This study focuses on the effectiveness of skill management and universities competitiveness in selected universities in South-West, Nigeria. However, as obtained in the reviewed of relevant literature, we propose the research model shown in Fig. 1.

The model is made up of endogenous variables which include teaching excellence, research excellence and innovation while the exogenous variables include skill attraction, skill development, skill utilisation and skill retention. The observed endogenous and exogenous variables are integrated in the model to establish whether specific paths are significant.

**MATERIALS AND METHODS**

The data for this study were collected from a survey of academics staff in selected private universities located in South-West Nigeria. However, the choice of the private universities in Southwest Nigeria was because about 46% of them are situated in South-West, Nigeria. Meanwhile, the private universities chosen for this study were the first four established private universities in South-West,

Table 1: Parameter estimation (regression weight)

Parameters	Estimate	SE	CR	p	Label
Teaching_excell<--- Skill_attraction	0.176	0.088	2.873	0.004	par_6
Research_excell<--- Skill_utilisation	0.201	0.061	3.351	***	par_7
Innovation_excell<--- Skill_utilisation	0.137	0.060	2.270	0.023	par_8
Innovation_excell<--- Skill_retention	0.275	0.060	4.556	***	par_9
Teaching_excell<--- Skill_development	0.011	0.089	0.187	0.852	par_10
Research_excell<--- Skill_development	0.069	0.072	1.143	0.253	par_11
Org_competitiveness<--- Teaching_excell	0.241	0.052	4.044	***	par_12
Org_competitiveness<--- Research_excell	0.197	0.063	3.316	***	par_13
Org_competitiveness<--- Innovation_excell	0.083	0.064	1.418	0.156	par_14

CR = Critical Ratio; SE = Standard Error, \* significant at 0.05

Nigeria. The universities are Babcock University (1999), Bowen University (2001), Covenant University (2002) and Pan-African University (2002). Both senior and junior academics staff ranging from assistant lecturers to full professorial cadre completed the questionnaire administered to them. Meanwhile, four hundred questionnaire was administered but only two hundred and seventy four copies were retrieved representing 69% response rate. Skill management was measured using 24-item instrument which was divided into sections A and B. Section A comprised of 4 items which was used to gather respondents demographic information such as gender, age, marital status and ranks. Section B contained 20 items regarding the constructs of the subject matter. Five-point Likert scale (strongly agreed, agree, undecided, strongly disagree, disagree) that best describes the extent to which the respondents agree with each item in the questionnaire. A descriptive research method (Structural Equation model (AMOS 22) was used to analyse the degree of relationship between observed variables and also regression between the dependent and independent constructs of the study (Table 1).

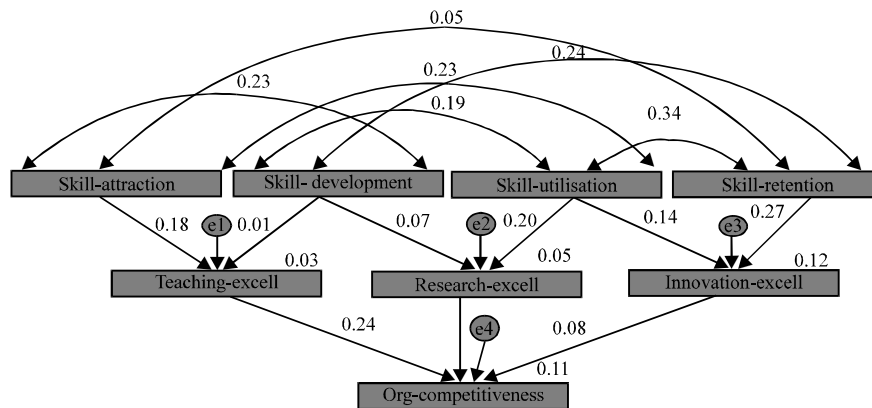


Fig. 2: Results of the structural model of the data collected field survey

### RESULTS AND DISCUSSION

Further to Table 1 presented below, the level of correlations that exists between observed variables can be categorized as strong or low. The null hypothesis is the hypothesized model in which the parameters were set up to indicate whether a path should exist between variables or not. It is important to note that where p-value (0.001) is less than the significance level (0.05), the null-hypothesis should be rejected. The relationship between skill attraction and teaching excellence is positive and estimated to be  $r = 0.176$  ( $p < 0.05$ ). Meanwhile, the relationship between skill utilisation and research excellence and innovation excellence are positive and estimated to be  $r = 0.201$  ( $p < 0.001$ ) and  $r = 0.137$  ( $p < 0.05$ ) respectively. Besides, the relationship between skill retention and innovation excellence is also positive at ( $r = 0.275$ ,  $p < 0.05$ ). Similarly, there was a positive relationship between employee skill development, teaching and research excellence estimated at ( $r = 0.011$ ,  $p < 0.05$ ) and ( $r = 0.069$ ,  $p < 0.05$ ) in that order. Also, the relationships between organisational competitiveness and teaching, research and innovation excellence are positive and estimated to be at ( $r = 0.241$ ,  $p < 0.05$ ); ( $r = 0.197$ ,  $p < 0.05$ ) and ( $r = 0.0831$ ,  $p < 0.05$ ) in that order.

**Model testing:** Researchers used structural equation modelling AMOS (Analysis of Moment Structure) path analysis version 22.0. The modelling was adopted to determine the level of fitness between independent and dependent variables. Model fit indices such as Comparative Fit Index (CFI); Normed Fit Index (NFI); Relative Fix Index (RFI); Incremental Fix Index (IFI); Root Mean Square Error of Approximation (RMSEA) and CMIN were adopted for the survey which indicate that the model could be adjured fit. This is in line with Awang (2012), Tabachnick and Fidell (2007) and Hu and Bentler (1999)

that the minimum benchmark for fitness index must be above 0.9. However, the result obtained shows that all the fit indices are above the minimum value (NFI = 0.960; RFI = 0.904; IFI = 0.968; RMSEA = 0.803; AGFI = 0.902). All the fits indices are above the minimum acceptable value indicating a good fit. The result of structural equation model is depicted in Fig. 2.

Further to the result of the structural model shown in Fig. 2, the model results indicates the regression between skill attraction; skill development; skill utilisation and skill retention on universities' competitiveness. Besides, all the variables tested under independent construct have positive path coefficients as factors that tend to enhance universities' competitiveness. However, the path coefficient scores (regression weights) of the observed constructs explain the regression between the studied variables. The regression weight between skill attraction and teaching excellence is 0.176 ( $p < 0.001$ ) which indicate that when skill attraction goes up by 1 standard deviation, teaching excellence goes up by 0.176 standard deviations. Meanwhile, the regression weight for skill attraction in the prediction of teaching excellence is significantly different from zero at the 0.05 level. The implication is that the ability of the universities to attract highly skilled faculty will improve teaching excellence. In a related development, the effects of skill utilisation and research and innovation excellence shows the path coefficient of 0.201 ( $p < 0.001$ ) and  $r = 0.137$  ( $p < 0.05$ ), respectively. Therefore, when skill utilisation goes up by 1 standard 0. The regression weight for skill development in the prediction of teaching and research excellence is significantly different from zero at the 0.05 level. Furthermore, it is important to state that skill retention has a strong relationship with innovation excellence with positive coefficient value of 0.275 ( $p < 0.05$ ). Evidently, when skill retention goes up by 1, innovation excellence goes up by 0.275.

## CONCLUSION

The study assert that skill attraction, skill development, skill optimal utilisation and skill retention have positive effects on teaching, research and innovation which invariably enhances universities competitiveness. Evidently, the concluding remark of this study is in line with the submission by Tettey (2009), Bester (2008), Armstrong (2000) and Silzer and Church (2010) who stressed that skill management strategy is fundamental to an organisation's ability to attract, develop, reward, deploy and retain highly skilled employees for optimal job performance. Universities are therefore, advised to promote disciplined atmosphere for learning with good teaching and research facilities, exhaustive review of curricula to redefine the research focus for the universities, encouragement of quality research publications and establishment of collaborations and linkages via research grants, awards, endowments for research clusters for interdisciplinary/multidisciplinary researches and as well improving on teaching facilities and staff reinvigation development programme and ultramodern teaching aid.

## IMPLICATIONS

The study provided insight into the significance of skill management as a panacea to universities' competitiveness. The study will assist the management and other stakeholders in the university system to understand the significant relationship that exists between skill attraction, skill development, skill utilisation and skill retention on one hand teaching, research and innovation excellence on the other hand that will enhance the universities competitiveness. It is also imperative to state that the study served as an eye opener to the management of institutions of higher learning to ensure that competent staff are attracted, developed, utilised and retained to drive universities' quest for competitiveness. This is in line with the submission by Njoku (2008) and Salmi (2009) who posited that skill management system is a major factor that determines the organisational competitiveness.

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