Conceptual Study of the Influence of Workplace Skills Plan on Human Capital Development at the Local Council

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Abstract: Workplace skills plan is a document that contains data about skills that employees have and it also identifies skills that employees are lacking. It is the responsibility of the skills development authority (SDA) facilitator to develop and implement this document in consultation with labour and management of the organisation. The intention of developing workplace skills plans is not only to claim levy-grant from sector education and training authority (SETA), however, it is to record training transactions and learning outcomes to be submitted to SETA. In order to provide a framework for the implementation of the workplace skills plan which is in line with SDA (Act No. 97 of 1998), the objectives of the SDA seek to create an understanding of how the WSP should function. The aim of this study is to determine the influence of workplace skills plan towards human capital development at local councils in South Africa. In addition, to explore how such relationship has resulted to performance of local government employees in South Africa. In this study, a detailed review of archival articles were carried out by reviewing documents obtained from newspapers, conference and journal papers, news information, websites and other relevant sources. The results from this literature review suggested that there is a critical role played by workplace skills plan on human capital development in the workplace. Evidences from the documents reviewed showed that the influence of workplace skills plan and workforce development play critical roles towards human capital development in the workplace, thus, enhances performance of local government employees. Further research could focus on conducting either a qualitative or quantitative investigation of the constructs workplace skills plan, human capital development, organisational performance in other to check the applicability at the local council in South Africa or elsewhere.

Keywords: Performance, Goals, Service Delivery, Training and Development, Employee, Productivity, South Africa.

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1.0 INTRODUCTION OF THE RESEARCH

The concept of human capital development occupies a central position in South Africa’s post-apartheid public discourse. Ngewangu (2014) indicated that the post-apartheid government ushered in a period of widespread reforms of public policies, amongst which were in the education and training department. The study added that the high degree of unemployment in the country, for instance, is generally attributed - among other things - to a very high shortage of skills among its populace. In view of this, however, there is a belief that training and human capital development hold the key to both addressing the challenge of skills shortage and to achieve higher growth rate of the economy (Brandl, 2011; Madonda, 2021). In more recent times, training and human capital development have been linked to service delivery in the public sector, where it is believed that the former will play a considerable role in ensuring that employees in government institutions and departments are better able to efficiently deliver services to the citizenry. However, the Republic of South Africa has been characterized by rapid changes to fast track its service delivery in every area of the society. As a result, various public institutions have been established to address specific human capital development programmes to assist in effective service delivery (Sultana et al., 2014; Dabor et al., 2015). Be that as it may, personnels responsible for the administration of these institutions should have the necessary knowledge, skills, positive attitude and qualifications to address those challenges. In view of the foregoing, the main objective of this study is to explore through a detailed archival literature the importance of workplace skills plan, elaborates on the concept of human capital development and organizational performance through assessment of effective service delivery at the local council in South Africa. Hence, the next section of this study discussed the conceptual framework of the study, including the main constructs of the study amongst which are human capital development, workplace skills plan and organizational performance.

2.0 Conceptual Research Framework

Asamoah (2016) asserted that human resources development (HRD) contributed to increased productivity and employee abilities to discharge their functions in the organisation. The author stressed further that human resource planning is the key towards achieving an effective HRD strategy and how it contributes towards management of organisation’s performance. Okoye & Ezejiofor (2013) stated that most organisations do not have plans for the development of their members. The authors opined that once employees are recruited, organisations do not conduct orientation for them, nor do they train them to acquire modern skills. Lately, it has been noted that good number of organisations established are having poor performance as a result of lack of effective and efficient human resources development strategy (Madonda, 2021). For organisations to retain its manpower, and remain competitive, development plans should be established and implemented to grow human capital in areas of boosting organisation’s productivity as well as its profitability. Emmanuel et al. (2015) posited that achieving high level of performance is a result of a well-structured human capital management process, which is an integrated effort to manage and develop human capabilities.

Organisational performance therefore relates to how successful an organised group of people perform their functions and achieve their outcomes with a combination of human capital development recruited by the organisation. In this study, the intention of the researcher is to connect the linkages among workplace skills plan, human capital development and organisational performance. Niazi (2011) highlighted that in order to ensure that workers are equipped with the relevant skills, knowledge and abilities to execute their duties, training and development plays a crucial role towards the growth of the business. When employees are choosing relevant training, the organisation must ensure that employees acquire relevant skills for the organisation to perform well. Niazi (2011) argued on the need for developing workers is important because a
sound training and development plan has its contributions to increase productivity and quality of work. They found that there are positive relationships between training and development plans, strategies and organisational performance, job satisfaction and measured performance. Adhikari (2010) mentioned that in Nepal the term HRD is used synonymously with employee training and development. Other authors concurred and asserted that HRD is an important development program to ensure that the organisation has an established way of developing, utilising and committing human resources in order to meet current and future challenges in achieving organisational performance (Niazi, 2011; Adhikari, 2010). In other words, as indicated in figure 1 below, considering the argument stated by authors above, it is therefore important that organisations develop a well-constructed training plan in the form of workplace skills plan that assists in improving human capital development for the organisation to achieve a high performance.

![Image of research framework](image)

**Figure 1: Research Framework**

### 3.0 Review of Related Literatures

#### 3.1 Human Capital Development

Human capital development at the Municipal council level in South Africa is focussed on the enhancement of knowledge, skills and behavioural competencies of the employees to the appropriate level required to deliver on and exceed the organisational requirements embedded in the councils integrated development plan (Emmanuel et al., 2015; Madonda, 2021). However, as contained in the plan document, the municipality seeks to empower municipal staffs by enhancing their skills, in order that the services they render are sustainable, effective and efficient. In other to achieve this, the municipality’s annual WSP is developed through a critical assessment of the skills needed to deliver on the objectives of the integrated development plan. Adhikari (2010) opined that employees work smarter because they can use their knowledge and skills, acquired through training and development and on-the-job refinement for enhanced performance of the organisation. Heyler et al. (2015) stated that countries, employers and organisations worldwide continuously express their unhappiness regarding shortage of skilled professionals in various sectors of their economic activities. South Africa is not unique from such countries as Australia which is faced with a skills shortage in three broad occupational areas namely professional occupations, skilled trades, and service occupations. In view of this, the introduction of sector education and training authority in 2000 by the South African government was aimed at addressing skills shortages, fight against poverty and assist in fulfilling equity employment targets.

Williams et al. (2016) asserted that the acquisition of skills are determined by the institutions in which the individuals graduated from, the qualifications that they acquired, and their abilities to transfer such knowledge to recipient countries. Karim et al. (2012) stated that skills shortages in South Africa are the consequences of the interplay of several socio-political and economic factors with the advent of democracy in 1994. The new government inherited a divided education and training system that comprised 15 education departments that the apartheid government established along racial and regional lines. In order to identify skills that are required by the economy, the employer should consult with all employees or representatives, irrespective of their levels or rank in the company and identify those skills (Services SETA, 2016). The need for developing employees is compelling because a sound training and development plan contributes to increased productivity (Niazi, 2011;
The implementation of the government’s service delivery programmes is mostly practical and is clearly visible at the local government level. The Municipal Systems Act (Act 32 of 2000) defines a municipality as an organ of state within the local sphere of government, exercising legislative and executive authority within the area determined in terms of the local government: Municipal Demarcation Act, 1998. Bruns (2014) argued that local government can potentially derive valuable organisational outcomes in terms of efficiency gains or public service improvements when their human resource policies and practices strengthen a sustainable human resource development.

3.2 Philosophy of Workforce Planning
Shreeve et al. (2012) opined that Workforce Planning is done to maximise the returns from the large investment in skills and tertiary qualifications, stressing that it is not enough to concentrate only on the supply of skills and competencies. The emphasis also needs to be placed on employer demand and emphasizing better utilization of skills. Only 20% of the Australian workforce aged 15-64 was engaged in formal study leading to a recognised qualification in 2011. Planning for workforce development is about giving users the tools to respond to changes in the labour market rather than predicting in detail what those changes might be. Shreeve et al. (2012) stated that in terms of technical and vocational education and training (TVET) which in Australia, is referred to as vocational education and training (VET). The workforce development began in Australia in a formal way in the 1890s with the establishment of institutions such as Sydney Technical College. In such college only young people who attended classes mainly studying for trade subjects such as boot making, wool classing and carpentry were trained.

Madonda (2021) reported that female students were underrepresented in the training because they only studied for such trades as fashion design, dress making or handcrafts. Although, a lot has improved over the past 120 years, the significant changes have been noted in the last 50 years. A major national review led by Myer Kangan was published in 1974. He expanded VET scope and alter its role from technical to technical and further education (TAFE). Shreeve et al. (2012) added that most commonwealth countries spend money in TAFE Colleges. If the 1970s emphasized the individual learner as a client, the 1990s were about reshaping the TAFE sector to be more industry-led. The major reforms to achieve this included formation of the Australian national training authority (ANTA), an industry based statutory authority, along with a competency-based system of training and development. The ANTA was supported by a national qualification framework system called Australian qualification framework (AQF) and a national quality training framework called Australian quality training framework (AQTF) which set the standards for training providers to become registered. The agencies were established to deliver industry-based training to achieve occupational competencies defined by industry skills council (Shreeve et al., 2012; Madonda, 2021).

3.3 Workplace Skills Plan
In order to provide a framework for the implementation of the workplace skills plan which is in line with SDA (Act No. 97 of 1998), the objectives of the SDA seek to create an understanding of how the WSP should function (Manyathi, 2021; Zondi, 2021). Workplace skills plans is a tool that is developed annually by the skills development facilitator (SDF) within the company to collect training needs analysis as well as developmental need of employees in the workplace. Zondi (2021) posited that workplace skills plan is a document that contains data about skills that employees have and it also identifies skills that employees are lacking. It is the responsibility of the SDF to develop and implement this document in consultation with labour and management of the organisation. Zondi (2021) stated that the intention of developing workplace skills plans is not only to claim levy-grant from SETA, but also, to record training transactions and learning outcomes to be submitted to skills and education training authority.

Salas et al. (2012) argued that proper recording allows department to plan actual expenditure on skills development, without proper recording of type of training delivered, how, when, where and why training is offered it is difficult to monitor or evaluate skills development. Deagle (2009) opined that it is very important
to develop a policy that will guide workforce development in any organisation. The ultimate danger of not doing this work is that the enabling workforce decision, such as training and development, may not be made in time for suitable implementation of the policy. Al-Sawai & Al-Shishtawy (2015) mentioned that it is important that national health human resources (NHHR) policies and strategies are formulated using evidence-based planning in order to rationalise decisions regarding a country’s health workforce. The authors stressed further that such plans assist the organisation to reduce workforce imbalances, strengthen the performance of staff, improve staff retention and address the human resources development needs of priority health programmes. The earliest listed activities could be made possible through training and development, training needs analysis, training budget, and implementation of workplace skills plan.

3.3.1 Training and Development: Karim et al. (2012) mentioned that training is a performance development process to inculcate learning of new techniques and procedures to perform job with fullest efficiency and effectiveness. Successful learning and development programmes assist employees to achieve strategic goals of the organisation and satisfy the individual needs of workers working in it. Training is a process to build up confidence of employees at workplace in terms of better performance (Ogbari et al., 2015; Dabor et al., 2015). Training contributes to the ability of human resources development to achieve the overall goals of the organisation. Salas et al. (2012) stated that a well-designed training is impactful and continuous learning are now a way of life in modern organisations. However, in order to maintain competitiveness, organisations must ensure that their workforce learn and develop continuously. Effective management of the acquisition and training of human capital is a positive contributing factor to organisational success. Investments in workforce development through training are often seen as a primary mechanism for national economic development. Salas et al. (2012) argued that one of the theoretical advancements in the area of training concerns transfer of learning. Dean et al. (2014) mentioned that providing employees with learning and development opportunities is important in equipping them with skills and competencies to achieve organisation’s mission; it is the responsibility of the organisation to create a well-prepared employee to accumulate skills for career advancement.

3.3.2 Training Needs Analysis: Denby (2010) mentioned that completion of training needs analysis is a prerequisite to any training investment in the organisation. Training needs analysis is a methodical investigation, collection and analysis into an organisation’s current and desired future performance levels, focusing on the ability of its employees to achieve organisational goals. Ariff et al. (2010) highlighted that to design a needs specific, district-level training programme for healthcare providers in the public health sector, researchers carried out training needs assessment exercise that addresses those specific needs. The study found that coaches’ perception of competence and acknowledgement of training needs could differ according to the coaches’ characteristics that the coach needs from team members.

3.3.3 Training Budget: Santos et al. (2010) stressed that each organisation is responsible for budgeting for training to be offered in that current year. Mandatory and discretionary grants are funds available from SETAs for the employer to apply for those grants in order to implement training (Manyathi, 2021; Zondi, 2021). However, in Cranfield Network, Nepal, CRANET/Nepal, it was reported that the money spent on training and development is very little in proportion to the annual payroll. Denby (2010) opined that a lot of organisations face the possibility of wasting valuable training budget because they do not know how to identify what are internal training needs and cannot design training programmes that address the gap. Contrary to that, Joseph (2015) referred to a personnel management theorist Ubeku A stating that “Money spent on training and development of staff is money well invested. However, staff, who has not received adequate training before being assigned responsibility, lacks necessary confidence with which to carryout assigned tasks (Santos et al., 2010; Adhikari, 2010).

3.3.4 Implementation of Workplace Skills Plan: Rivera & Smolders (2013) mentioned that operational workforce planning is a matter of matching supply and demand, subject to financial constraint. Operational workforce plan has three components: “(1) mapping the employee skills, knowledge, capabilities and competencies to job profiles; (2) allocation of headcount across an entire organisation; and (3) analysis of the gap between desired and actual headcount. Adhikari (2010) suggested that operational workforce planning
should be conducted in a fashion similar to corporate budgeting and can be broken down into four chronological steps. Those steps are preparation, planning, consolidation, and execution”.

3.3.4.1 Preparations: Rivera & Smolders (2013) posited that the first task involves budget preparations, where current personnel costs are obtained, and headcount is confirmed and assembled. Next, a preliminary budget proposal for WSP is created based on training needs and cost drivers. After training budget and needs identification it is easy for the organisation to move to plan.

3.3.4.2 Planning: Planning can be characterised by three words: “assess; simulate and plan. Planning begins by analysing the current workforce, based on prefilled templates and in some cases, reviewing promotions and retirements. A key objective of the planning step is for line managers to obtain budget insight that illustrates the consequences of their actions might be about (Rivera & Smolders, 2013). Consultation and individual meetings between the employee and the supervisor/inform WSP input of the organisation.

3.3.4.3 Consolidation: Rivera and Smolders (2013) mentioned that during consolidation step, the results of all business units’ operational headcount plans are condensed into a dataset and can be entered straight into the enterprise financial planning system. Consolidation requires software support when managing complex transactions such as calculations.

3.3.4.4 Execution of the WSP: Execution is a step where plans are implemented. This step often serves to provide actionable insight by which to optimise headcount decisions. Management can add refinement to workforce plans and direct resources needed for proper execution (Ajagbe et al., 2016). Workforce action plans are applied to areas such as business workforce plans, training and development programmes, recruiting, promotions, as well as sourcing decisions such as contract management, contingent workforce and partner management. Helyer (2015) stated that work-based learning is designed to recognise and acknowledge workplace learning, professional studies and negotiated learning. Workplace skills plan can also be implemented in the form of coaching and mentoring, attending training either internal or external, on-the-job training, and so on.

3.4 Learning and Development

Choi & Jacobs (2011) stated that workplace learning environment comprises both formal and informal learning. The authors argued further that formal learning comprises planned events that are designed to prepare workers to gain knowledge, skills and competencies. However, through formal learning, delegates are separated from day-to-day work to attend lectures. Informal learning takes place as the result of employees making sense of the experiences they encounter during their daily task (Nda & Fard, 2013). Learning new skills and knowledge makes it possible for employees to manage change, perform well, be motivated and satisfied about their work. Le Clus (2011) posited that another type of learning is non-formal learning which includes learning that is not highly structured, or classroom-based and does not have formal recognised qualifications.

Billett & Choy (2013) opined that, even though workplace learning experience is legitimised, in-demand and seen as being able to address a range of learning and development needs, they also suffer some limitations. These limitations include among other difficulty of accessing enough information to quantify learning; and inability to cope with current technology because of the lack of skills. Fuller & Unwin (2005) opined that workplace learning is key in the development of individual employee and the organisation; however, it could not be regarded as the primary aim of the organisation. Thus, learning and development needs are determined by the production of goods in the workplace. Diamantidis & Chatzoghou (2012) reported that organisations provide learning and development opportunities to their employees by conducting learning programmes that update and up skill their job knowledge, skills and attitude to perform their duties accordingly. Adhikari (2010) concluded that human resources development is becoming a major tool for learning and development initiatives such as knowledge management.
3.5 Employee Training and Labour Productivity

Nda & Fard (2013) stated that employee development refers to activities leading to acquisition of new knowledge or skills for purposes of growing the productivity of the organisation. Organisations provide employees with development initiatives in order to enhance their capabilities. Training has been invaluable in increasing productivity in organisations, as it does not only enhance workers resourcefulness but enables employees to perform their jobs competently. Ajagbe et al. (2016) mentioned that different resources indicate the positive impact of training on employee productivity. Furthermore, labour force is only effective if relevant training and development is offered which will therefore galvanize productivity and enhance organisational performance. Ng’ang’a (2013) asserted that offering formal and informal training programmes for example, on the job training, management development etc. may enhance employee performance. Training that is done well will reflect on increased productivity and reduction of accidents on the job. Nadeem (2010) mentioned that training is not only important to equip employees resourcefully, but also gives them a chance to gain more knowledge about their job, therefore, acquire skills that would increase organisation’s productivity. Training needs identified by management of the organisation should assist employees to improve the probability of achieving its goals.

4.0 Organisational Performance

Organisational performance is critical in the eyes of rate payers since their expectation is on service delivery. Sani (2012) opined that strategic human resource management can be used by organisations to acquire and develop organisation’s valuable capital which will contribute to organisational performance. Strategic human resource management means managerial orientation that ensures that human resources are employed in a manner suitable to the achievement of organisational goals. Gavrea et al. (2011) mentioned that continuous performance is the focus of any organisation because it is only through performance that an organisation can grow. Organisational performance is defined by Lebas & Euske (2006) as a set of financial and non-financial indicators which offer information on the degree of attaining organisation’s objectives. The authors stated further that performance is dynamic and may be understood differently depending on the person involved in the assessment of the organisation’s performance. For organisational performance to be achieved, Ajagbe et al. (2016) stated that labour productivity plays a very significant role towards that achievement. The authors listed three factors which are regarded as the major determinants of labour productivity growth. The first factor is education, which is measured by mean years of schooling of employees. The second factor is health, as mostly measured by life expectancy at birth; and the last factor is technological progress, which is usually measured by the growth rate of total factor productivity and competencies possessed by employees.

Kosloski & Reed (2009) opined that workshops on various learning and development initiatives may be better attended by teaching staffs of educational institutions to increase level of education if they are scheduled during late afternoons when teachers are able to attend during school hours. Another option is to deliver them immediately when the workday ends by offering the courses via video streaming, utilising online collaboration tools such as Adobe Connect. This allows teachers to eliminate travel time and still receive training within confines of their contract schedule, thereby not infringing upon their personal time. Kipene et al. (2013) mentioned that labour productivity is influenced by education level, experience, skills training, age, gender and technology. The results of the research done in 107 agro-processing firms from both Morogoro and Mbeya regions in Tanzania shows that labour productivity is positively affected by various human capital factors, especially manager’s education above form four, experience of both workers, managers and trained managers. In another investigation of the health sector, the study reported that it is one of the goals of human resource management in the sector to strengthen the motivation of health workers in order to perform according to the organisation’s expectations and set standards. Highly motivated staff will not only perform better but also provide a higher quality of health service (Onyango & Wanyoike, 2014; Ogbari et al., 2015). Hence, motivated employees are likely to stay longer on their jobs; they will hardly leave their country in search of alternatives.
Walker et al. (2010) stated that management innovations are adopted by public organisations to improve the services brought to users and citizens, with the broad aim of refining quality of life and building better and stronger societies. Management innovations can play a central role in the process of changing organisations, facilitating organisational adaptation to the external environment and increasing the efficiency and effectiveness of internal processes. Generation of innovative ideas results in an outcome and a service that is offered to the public by organisations that perform well. Tatichi et al. (2010) mentioned that organisations have understood that for competing in changing environment, it is necessary to monitor and understand the performance of organisations. Therefore, measurement of performance has been recognised as an important element to improve business performance. Ajagbe et al. (2016) stated that there is correlation between employee motivation, job involvement and job performance. Employees who are satisfied with their work, display good behaviour and contribute towards the profitability of organisations. Satisfied employees will create satisfied and loyal customers, which result in improved organisation’s performance. Ahmed et al. (2014) stated that training and development plays a very important role in increasing employee performance which in turn enhances organisation’s performance. Quality work can only be produced by trained employees. Manyathi (2021) mentioned that employee turnover in an organisation is one of the main issues that extensively affect the overall performance of an organisation. Extant studies showed that employee turnover negatively affect the overall output of business organisations (Ahmad et al., 2014; Dabor et al., 2015).

4.1 Measurement of Organisational Performance

Ajagbe et al. (2016) mentioned that organisational performance and performance measurement are structurally interconnected; performance measurement is a tool for the enhancement of organisational performance, because it helps the organisation to identify areas where it performs poorly or acceptably. Al-Mataris et al. (2014) stated that performance of an organisation is significantly impacted by corporate governance and if the functions are properly established for the corporate governance system. It was further stressed that organisational performance draws attention of investors and assist in maximising the organisation’s funds, reinforcing the business’s pillars and this will result in the expected increase in organisation’s performance. There are widely used methods of measuring performance with many which is related to such field; however, different organisations tried to execute these measurements in view of corporate governance. Al-Mataris et al. (2014) posited that performance measurement refers to the process of measuring the action’s efficiency and effectiveness. Al-Mataris et al. (2014) argued that there are countless number of ways including accounting based measures has been brought forward to measure financial performance and among them are measurements of performance as the level of return on assets (ROA), return on equity (ROE), earning per share (EPS), return on sales (ROS), return on equity (ROE), and so on. Most of these measures have been utilised by studies regarding...
organisational governance (Rasula et al., 2012; Al-Mataris et al., 2014; Sethibe & Steyn, 2016). In the same views, organisation’s success is explained by its performance over a period. However, finding a measurement for the performance of the organisation enables the comparison of performance over a time period and assists the organisation to measure its growth. Sethibe & Steyn (2016) highlighted that accounting-based measures are helpful because they provide useful objective measure of organisational performance. Consequently, accounting measures was reported to only reflect the history, both in terms of income statement, which reflect what happened in the previous accounting period.

4.3 Non-Financial Performance Measurement
Al-Mataris et al. (2014) stated that non-financial measures must also be assessed in order to evaluate overall organisational performance for two major reasons. Firstly, different groups involved in the business have particular goals and expectations about the organisation. Secondly, the strategic business areas are not necessarily financial in nature. There are various approaches towards measurement of non-financial indicators (Yasin et al., 2014). These include among others customer satisfaction, productivity, operational effectiveness and efficiency and reputation. Santos (2010) argued that there are three performance dimensions for determining the success of the product in the market; namely financial, customer and opportunity criteria. Financial criteria include financial indicators of new products, such as profitability, sales, cost and market share (Aluko et al., 2012). The dimensions of customer criteria refer to customer satisfaction and how new products attract new customers. The dimension on opportunity criteria is much broader in scope as it relates to overall opportunity that can be created by new products.

4.4 Innovation and Organisational Performance
Organisational performance is linked to the skills possessed by its employees and the organisations development plans. Sethibe & Steyn (2016) stated that, though, the study of organisational performance has been at the forefront of management research, very little has been done regarding appropriate measures to assess the effectiveness of innovation initiatives. A host of researches directed towards organisational performance are focussed on financial and non-financial aspects. The study by Sethibe & Steyn (2016), revealed that the size of the organisation, the sector in which the organisation operates, and the nature of innovation adopted can influence the relationship between innovation and organisational performance. Different type of innovation will have different lifespan in the organisation (Aluko et al., 2012; Zondi, 2021). Some innovations will last for a very long time while others have shorter lifespan. Some innovations will be specific to the sector while others cut across in various fields. Adhikari (2010) stated that an innovation-focused business strategy is one in which a firm emphasises creativity and encourages employees to take other approaches to problem solving. Innovation is defined as the process of engaging in and supporting new ideas and creativity (Walker et al., 2010). Companies that are flexible and adopting innovation strategy in developing new products have the potential to outperform their competitors.

5.0 Workplace Skills Plan, Human Capital Development and Organisational Performance
Anyadike (2014) argued that human resource planning is important because it assists the local government in obtaining and retaining the quality of workforce needed for effective use; providing for the future workforce needs of the organisation in terms of needed skills, and enabling the local government commission to identify areas where there is shortage or excess of workforce (Manyathi, 2021; Aluko et al., 2012). Strategic workplace skills plan is a systematic process for identifying the human capital required to meet organisational goals and developing strategies to meet these requirements. Sultana et al. (2014) posited that workforce planning is grounded in its contribution to organisation performance. Done well, it provides management with a way to align the workforce with the business plan, and anticipate change, and address current and future workforce issues. Thus, workforce planning is a systemic process which aligns strategic planning, human capital and budgeting to meet organisation goals. Al-Sawai & Al-Shishtawy (2015) stated that workforce planning is the
timely anticipation of potential future imbalances between the supply and the demand of skills, enabling action or as the systematic assessment of future human resource needs and the determinations of the actions required to meet those needs. Yasin et al. (2014) mentioned that Malaysian government support development of skilled and competent workforce which is achieved through the formation of two plans; i.e. Industry Master Plan 3, 2006-2020 and the training and development Master Plan 2008-2020.

Atakpa et al. (2013) stated that manpower planning is concerned with budgeting for the most effective use of an organisation’s labour resources. In Nigeria, effective manpower planning is important because it assists the local government to acquire enough quantity and quality of manpower needed for effective use; to plan training and career development; and provide for the future manpower needs of the organisation in terms of skills needed. Bruns (2014) added that learning and development are required for temporary workers, after training, they become as skilful and competent as regular workers and that their performance is comparable to those of the regular workers when considering important industrial variables such as quality. Without sufficient budget, some critical skills might not be obtained by employees and that will affect their performance and service delivery. Hada & Sharma (2015) explained that strategic workforce planning is the process applied for workforce planning and development, where there is a link between corporate and strategic objectives of the organisation. Workforce planning helps to find out knowledge, skills and competencies needed by the organisation and those possessed or not possessed by employees in order to accomplish business objectives. The cycle of workforce planning includes fulfilling resources requests, monitoring resource utilisation, forecasting capacity, identifying and managing the human resources to fill that capacity, and then starting the cycle. Hada & Sharma (2015) mentioned that workforce planning is not only important for expanding business or those that need to replace workers, it is also critical during mergers, acquisition and restructuring. Hada & Sharma (2015) opined that the following steps are essential in workforce planning: defining the organisation’s strategic direction; scan the internal and external environment; model the current workforce; assess future workforce needs and projects; identify gaps and develop gap-closing strategies; implement gap-closing strategies and evaluate the effectiveness of gap-closing.

National centre for human immuno virus, viral hepatitis, sexually transmitted disease, and tuberculosis prevention formally institutionalised workforce development and capacity building as one of six overarching goals in its 2010-2015 strategic plans (Williams et al., 2016). The agency established, developed a workforce strategy and action plan to address and improve an employee’s career development opportunities. The action plan focuses on the development and executing workforce planning at the Maryland state highway administration (Manyathi, 2021; Aluko et al., 2012). Impactful workforce development initiatives have three priority areas which are attracting, recruiting and retaining a prepared and diverse workforce; continuously providing staff with development opportunities to ensure the effective and innovative delivery of national centre for human immuno virus, viral hepatitis, sexually transmitted disease, and tuberculosis prevention programs, and continuously recognising staff and promote healthy work-life balance. Dean et al. (2014) stressed that workforce plan is approved annually and lays the foundation for programs to be implemented for national centre for human immuno virus, viral hepatitis, sexually transmitted disease, and tuberculosis prevention workforce. Workforce planning improves the capacity building of the existing public health workforce with primary focus on state and local public health workers. Dreholb et al. (2014) emphasised that factors underlying the public health workforce challenges include among others the gap between workforce skills and capacity caused by changes to public health system, for example, introduction of new technology, insufficient formal training amongst employees at the health sector; and limited training opportunities for employees.
6.0 Conclusion of the Study
This study determined the influence of workplace skills plan, human capital development, and organizational performance at local councils in South Africa. The study in addition, explored the relationship of the constructs in a conceptual research framework as presented in figure 1 above. In this study, a detailed review of archival articles were carried out by reviewing documents obtained from newspapers, conference and journal papers, news information, websites and other relevant sources. The results from this literature review suggested that there is a critical role played by workplace skills plan on human capital development in the workplace. Evidences from the documents reviewed showed that the influence of workplace skills plan and workforce development play critical roles towards human capital development in the workplace, thus, enhances performance of local government employees. The study found that organisations should maximise effective development of human capital development initiatives in order to sustain effective organisational performance, improve employee performance, productivity, employee competencies, efficiency, effectiveness and long-term organisational success. Thus, municipalities have to invest in their existing human capital through taking care of their development needs in order to ensure sustained organisational performance. In another dimension, it is evident that for effective human capital development to occur, properly planned workplace skills plan needs to be implemented in the workplace in order to impact positively on organisational performance. If the municipality, being the closest level of government to the people, is to address the needs of the public and to achieve the goals of making South Africa compete with international market, then employees within the local municipality should have the necessary knowledge, skills and attitude to meet the demands of the current and future needs. Human resource development of the workers enables the workforce to meet the goals and objectives of the organisation. Human resource development is an effective management tool that ensures effectiveness and competency of its employees. With current legislation in place that seeks to ensure the improved productivity in the workplace and the competitiveness of employees, human capital development occupies a centre stage in the development agenda in developing countries. Further research could focus on conducting either a qualitative or quantitative investigation of the constructs; workplace skills plan, human capital development, organisational performance in other to check the applicability at the local council in South Africa or elsewhere.

7.0 References of the Study


Ajagbe, A. M. (2014). Funding Criteria in Technology Based Firms in Malaysia. PhD Dissertation Submitted to the Graduate School, Universiti Teknologi Malaysia.


