

## Human Capital Development: A Pivotal for Sustainable Development in Developing Countries

**Authors :** Yusuf Ismaila

**Abstract :** The developing countries are characterized by inefficient production systems and unequal distribution of wealth. Developing countries are largely populated, yet under developed. This can be attributed partly to the unplanned efforts towards the development of human capital through education and training. In the developed nations a huge attention is accorded to indices such as life expectancy, literacy, infant mortality, education, and the efficient delivery of social services. This is the reason why many developing countries have been scored low by the United Nations in terms of its human development indicators. The population growth continued to expand far beyond the rate of economic growth, a situation that gave rise to increasing poverty. This paper examines the effect of selected human development indicators on the economic development. Thus human capital development is one of the fundamental solutions to enter the international arena. Both quantitative and qualitative analyses were used to demonstrate the effect of selected human capital indices and related literatures were also reviewed for exposition of the human capital concept. It was found that there are no conscious efforts in human capital planning. This has therefore resulted to continuing dwindling of production system and poverty. Recommendations made to redress the situation include that human capital development should be planned and adequately funded in line with the needs of the economy and by applying international standards. Specifically, developing countries must invest necessary resources in developing human capital which tend to have a great impact on sustainable development. Information about the labour market should improve while government policy should favour labour mobility. HCD strategy must focus on improving the skills of the workforce, reducing the cost of doing business and making available the resources business needs to compete and thrive in a fast globalizing economy. There should be regular interaction of planners, employers and builders of human capital to facilitate the process of meaningful national development.

**Keywords :** economic development, human capital, economic growth, developing countries

**Conference Title :** ICHRM 2015 : International Conference on Economics and Human Resource Management

**Conference Location :** London, United Kingdom

**Conference Dates :** May 25-26, 2015