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Human capital investment selection criteria: Who is worth the investment?

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Orientation: Employee investment is an important contributor to advancing both the employee and the organisation. Using the correct criteria to select employees to participate in a human capital investment (HCI) initiative is vital.

Research purpose: The purpose of the study was to explore the impact of HCI within an organisation and to understand how selection criteria are determined and applied when selecting knowledge assets in which to invest. The study also aimed to formulate recommendations on suitable selection criteria for HCI beneficiaries.

Motivation for the study: The ability to effectively identify relevant skills to invest in provides an opportunity to leverage employees' innovation capacity, crucial in the development of commercial products and the improvement of business processes.

Research approach/design and method: A qualitative, interpretive research design was adopted within the phenomenological paradigm. Eight semistructured interviews were conducted with purposively selected participants. Data were analysed using thematic analysis while all ethical protocols were observed.

Main findings: The findings reveal a disparity in perceptions regarding criteria used in the application and selection process of HCI beneficiaries. The findings also reveal the risks and benefits of HCI programmes for both the employee and the organisation.

Practical/managerial implications: Standardised procedures, processes and criteria, aligned to organisational strategy and for the purpose of employee development and succession planning, should be clearly formulated and communicated to all the stakeholders.

Contribution/value-add: Recommendations are made to management, human resources practitioners and researchers on ensuring effectively developed HCI initiatives.

Keywords: human capital investment; selection criteria; beneficiaries; knowledge assets; phenomenology; interpretivist paradigm; succession planning.

Introduction
Orientation

Internal organisational factors, as well as the unpredictable nature of external factors, require organisations to be agile and adaptable; however, changing existing modalities and practices remains challenging in most industries (Starr et al., 2018; Van Zyl, 2019). To retain competitive advantage and remain relevant in the ever-changing world of work, it is in the interest of organisations and employees to continuously invest in the development of intellectual capital in order to obtain the necessary competencies to ward off disruptive internal and external factors (Sutherland et al., 2015). According to Boon et al. (2018), human capital comprises the intangible knowledge assets unique to an employee and it has the potential to substantially impact the achievement of the organisational strategy. Consequently, it is of great importance that organisations implement and effectively manage human capital investment (HCI) initiatives, as this allows insight into the human capital potential and enables organisations to assess their value-creation potential in relation to their market position and organisational objectives (Martin-de Castro, 2015).

Human capital theory posits that formal education, training and employment enable individuals to develop their capability and become empowered and can increase their value-creation potential towards facilitating organisational and economic growth (Marginson, 2019; Zhang et al., 2016). However, as human capital typically impacts productivity positively (Hassan, 2016), the human capital theory also suggests inconsistent results regarding potential return on investment because

of uncontrollable factors such as market requirements, technological advancements and artificial intelligence (Marginson, 2019). Yet it is critical for organisations to identify and effectively manage the fundamental knowledge assets (employees) that drive value and ensure organisational success (Martin-de Castro, 2015). Current literature points to an overemphasis on quantifiable factors such as organisational objectives and strategy, effective leadership and alignment of business and customer needs, instead of considering human capital as a critical driver of success, because it is much more complicated to quantify its impact on monetary loss or gain (Adelowotan, 2013; Argyle, 2015). However, Gamerschlag and Moeller (2011) and Hassan (2016) believe that a cause-and-effect model of human capital can be used to link human capital to financial performance by measuring employee engagement and performance management trends while monitoring innovation capacity.

Research purpose and objectives

South Africa can benefit greatly from economic growth should organisations choose to use HCI as an essential tool for building supportive infrastructural capability and meeting market demands by leveraging the capabilities of their employees for organisational and national economic well-being (Ilesanmi & Tewari, 2017). To remain competitive and keep ahead of the demands of change, employee competency and skill development (key drivers of success) should be strategically aimed at developing and harnessing the most critical skills and talent (Bester et al., 2015; Boon et al., 2018). Yet that alone is not enough.

While HCI creates and enables an environment in which employees can harness their innovative capacity and contribute meaningfully to the strategic objectives of an organisation, HCI also enables employees to realise their personal aspirations (Bester et al., 2015; Martin-de Castro, 2015; Zhang et al., 2016). Still, this could result in employees choosing to resign and pursue other employment opportunities, thus having no value yield for the organisation's investment and impacting negatively on the organisation's competitive advantage (Boštjančič & Slana, 2018; Collings et al., 2019; Starr et al., 2018). Consequently, Starr et al. (2018) propose that HCI should be uniquely company specific and not easily transferable to other organisational contexts, resulting in longer tenure (Boštjančič & Slana, 2018). Evidently, the ability to identify the unique yet specific type of human capital needed within the organisation is necessary to unlock the full potential of the organisation and its employees and to increase the innovative capacity of employees to meet both internal and external organisational demands (Canibano & Potts, 2019; Zhang et al., 2016).

The findings of this study may assist employers in mitigating their risk of a failed HCI initiative, as it will guide effective identification of and investment in the beneficiaries of HCI programmes using suitable selection criteria. The latter may contribute substantially towards short- to long-term development of high-potential talent or human capital within the organisation. This study further assists in closing the gap in existing knowledge pertaining to the attainment and accessibility of employee talent and skills. This study will provide a greater understanding of the current selection criteria used, which may be evaluated in comparison to desired or preferred criteria or practices.

Therefore, this study aimed to answer the following research questions. What is the impact of HCI within an organisation and how do the employer and human resources (HR) business partners determine which selection criteria to apply when selecting knowledge assets in which to invest? Subsequently, this study explored the impact of HCI within an organisation and how the employer and HR business partners determine which selection criteria to apply when selecting knowledge assets in which to invest. This study was therefore aimed at formulating recommendations on how suitable criteria can best be identified and applied by the organisation to select beneficiaries in order to benefit from an HCI programme.

Literature review
Human capital investment

In the context of the growing need for skilled, educated human capital, investing in human capital will enable organisations not only to upskill employees but also to generate scarce skills. In doing so, organisations will be able to regain and maintain a competitive advantage within the markets in which they operate (Black et al., 2017; Starr et al., 2018). Also, organisations that invest in HCI enable competency and skills development to become an instrument for establishing powerful workforces known for their inspired, high performance–enabling organisational success (Lo et al., 2017).

To further conceptualise human capital, the cause-and-effect model of human capital and its perspectives should be further explored (Gamerschlag & Moeller, 2011). The cause-and-effect model quantifies the impact of human capital on the financial performance of an organisation using a three-factor model consisting of workforce-related factors, company internal factors and company external factors (Lo et al., 2017). Workforce-related factors are the human factors present in an organisation that enable employees to feel motivated and be committed and competent in doing their work and are the result of a reasonable degree of investment in human capital to enhance employee engagement (Gamerschlag & Moeller, 2011; Starr et al., 2018). Company internal forces, or structural capital, are the drivers that enable organisational sustainability through employee performance, stakeholder engagement and organisational culture (Gamerschlag & Moeller, 2011). Company external factors, also referred to as relational capital, signify the position of the organisation relative to its image in the market in which it operates. Such an image is built on its reputation and the favourable way in which it is assessed by the context or market in which it operates (Starr et al., 2018).

The market space in which successful organisations function is known by constant advancement towards bigger and better, increasing its dynamism and demanding agility (Najm & Manasrah, 2017). To ensure sustainable and relevant human capital development, effective talent management strategies are required that are aligned with the changing context within which the organisation operates (Ingram, 2016; Lambert et al., 2018; Metz et al., 2018). As economies evolved globally, so business had to adapt and embrace mechanisation, automation and electronics as mass production demanded, and more recently digitalisation and artificial intelligence, and adaptation to the Fourth Industrial Revolution and pandemics such as the coronavirus disease 2019 (COVID-19) pandemic. Therefore, organisations are required to adopt multiple approaches to ensure growth and sustainability (Najm & Manasrah, 2017; Volini et al., 2021).

Value of human capital investment in organisations

The value of HCI in organisations is situated especially within the value-creation potential of an employee within the organisational context. Human capital investment further forms part of an organisation's talent management approach with the aim of attracting, developing and retaining human capital aligned with organisational objectives and strategy (Ogbari et al., 2018). Yet, according to Malik et al. (2017), a balanced relationship should be established between the organisation recognising the value-creation potential in its employees and the employee feeling engaged and willing to invest their intellectual capital within and to the benefit of the organisation. Consequently, numerous factors impact the value of HCI, including employing a transformational leadership style that promotes agility towards leveraging competitive advantage through innovative capacity and intellectual capital enhancement (Chitiga, 2018; Ingram, 2016). Other factors are job satisfaction, employee retention and organisational commitment. Employees who experience a high level of job satisfaction and feel the empowered result in greater commitment; higher productivity, quality and innovation levels; well-being; and possibly longer tenure with the organisation because of loyalty (Lambert et al., 2015).

Investing in education and training should be a strategic process in organisations to ensure that the HCI is impactful in that it is received positively while developing skills, knowledge and competence towards enhanced productivity and organisational sustainability (Ziwei & Chunbing, 2020). The talent strategy should include the conceptualisation of talent in relation to organisational and market needs, as it is also a value driver that directly impacts the organisational culture and well-being of employees (Najm & Manasrah, 2017). Also, as talented employees specifically aligned to the strategy and objectives of the organisation usually represent a small percentage of the workforce (Boštjančič & Slana, 2018), it is important that an HCI not only focuses on these employees but encapsulates every employee and deems them worthy to be upskilled and invested in. As Sparrow et al. (2015) note, there is no consensus on intellectual boundaries. Organisations run the risk of becoming reactive and not attaining their strategic objectives if they do not intentionally evolve knowledge and skills, which are the organisational value creators (Metz et al., 2018).

Selection criteria applied in human capital investment

It is well known that subjectivity greatly impacts selection decisions in the workplace, even though research clearly highlights the importance of establishing scientifically based, standardised decision-making practices (Villegas et al., 2019). Such standardised practices should be founded and based on relevant and effective selection criteria aligned with the organisational strategy (Morris, 2015). Consequently, several specific factors should be considered when formulating criteria in accordance with which beneficiaries of HCI programmes should be selected.

Firstly, employee performance is an important factor to acknowledge, as it directly impacts whether organisational objectives will be achieved and is a great indicator of the current and future potential of an employee (Inuwa, 2016). Secondly, as factors such as motivation and job satisfaction influence employee performance, it is important that organisations acknowledge their power and ensure that measures are implemented to ensure healthy levels of motivation, engagement and accountability (Inuwa, 2016; Lo et al., 2017). Thirdly, succession planning is an important element of an effective talent management strategy. It enhances the retention of employees by providing a structured professional development plan and gives the employee purpose, especially when such a plan is well aligned to the organisational strategy and objectives and it is clear to the employees how they contribute and belong within the organisation (Rothwell, 2016). Finally, selection criteria should be informed by the ability to identify which strategic organisational objectives are directly dependent on employee capability and competence (Lo et al., 2017).

Research design
Research approach and strategy

A qualitative, interpretive research design was adopted for this study, in line with the phenomenological paradigm, as it allowed the researchers to explore the lived experiences and perceptions of the participants (Levitt et al., 2018; Thanh & Thanh, 2015) in terms of the impact of HCI within an organisation. A qualitative approach, through the use of semistructured interviews, enabled the researcher to analyse the data through the explanations and experiences of the participants (Levitt et al., 2018). This research approach and strategy further enabled insight into how the employer determined which employees (their skills, qualifications, experience and overall potential) to invest in in order to benefit both the employee and the organisation. Finally, it allowed for recommendations to be formulated on suitable criteria to select HCI beneficiaries.

Research method

Research setting

The research was situated within a multinational agricultural organisation where the researcher is an employee and became aware of the need to conduct research on how best suitable criteria can be identified and applied by the organisation to select beneficiaries who can benefit from an HCI programme. Semistructured interviews were conducted with participants operational in several locations across South Africa.

Entrée and establishing researcher roles

The research project was planned by both researchers. Permission was granted by the organisation to conduct the study, whereafter the first researcher proceeded with the recruitment of participants, conducted the semistructured interviews and transcribed them. The researchers thereafter analysed the data and reported on the findings. The researchers established a relationship of trust with the participants to ensure an ethical research environment.

Research participants and sampling methods

The participants were selected purposively from a population of two groups (that is, leaders and HR business partners) based on various locations nationally, considering a set of predetermined inclusion criteria (Howitt, 2019). For group one, the inclusion criteria included leaders on all levels with a minimum of 5 years' experience, ensuring they had sufficient experience in leading individuals within this organisation. The inclusion criteria for group two were based on them holding the position of HR business partner for a minimum of 3 years, as it was believed to have equipped them with a solid understanding of HCI practices and procedures. The sample size consisted of eight participants (six leaders and two HR business partners) and was determined through data saturation, that is, when no new themes emerged from the data analysis (Rosenthal, 2016).

Data collection method

Considering this study adopted a phenomenological paradigm, semistructured face-to-face interviews were deemed appropriate to gain insight into the subjective lived experiences of the participants of this phenomenon being studied. All the interviews were conducted in a private setting to ensure participant confidentiality and anonymity and lasted approximately 60 min. The interview questions asked were:

- What is your understanding of the current employee investment programme hosted in this organisation?
- What is its purpose?
- How is it coordinated?
- How is it currently impacting employees who are participating in this program?
- Do you think the company benefits from investing in its employees through an employee investment programme?
- What criteria do you apply, or is currently applied by the organisation, when selecting employees to invest in?

- Do you think this criterion is effective? (Why or why not?)
- What changes can be made to the current selection criteria to make it more effective?
- What would the impact (to the company and employees) of such changed criteria have on, firstly, the organisation and, secondly, the beneficiaries participating in such an employee investment programme?

Data recording

The interviews were audio-recorded using a recording device, and the interviewer took notes during the interviews once each participant gave consent for it. The audio recordings were transcribed verbatim. All the electronic copies of the data are password protected, and the hard copies of the data are stored in a secure location for a period of 5 years, whereafter all records will be destroyed.

Strategies to ensure quality data

To ensure trustworthiness and rigour, the criteria of credibility, transferability, dependability and confirmability were ensured. Credibility was ensured by providing detailed descriptions of the participants' lived experiences and by categorising the information they shared into themes and subthemes (Cope, 2014; Sarma, 2015). Transferability was realised as the results are proposed to be meaningful, adaptable and transferable to other environments that adopt HCI programmes in accordance with prescribed methods of protocols (Sarma, 2015). Therefore, the study can be replicated in similar contexts in which HCI programmes are implemented, also ensuring dependability. The researchers ensured the absence of bias during the data collection, data analysis and reporting phases in order to finally ensure confirmability (Amankwaa, 2016). The analysis and verbatim transcriptions used to support the analysis were cross-checked by both researchers to ensure objectivity.

Data analysis

The six phases of thematic analysis were adopted to analyse the data and generate themes (Belotto, 2018; Howitt, 2019; Terry et al., 2017). These six phases are: (1) preparing the data and making impressionist notes on the transcriptions; (2) systematically arranging the data in accordance with key features and common trends and coded in relation to the research aims; (3) generating themes and subthemes based on the codes; (4) using a spreadsheet to collate preliminary themes while following a process of review and modification; (5) refining and defining themes; and (6) forming a concluding analysis of the data and linking it to the research objectives.

Ethical considerations

Ethical clearance was obtained from the tertiary institution's Research Ethics Review Committee (reference number 2019_CEMS/IOP_003). Informed consent was obtained from the participants prior to the data collection. All ethical protocols were observed to ensure participant confidentiality, anonymity and data security; participation was voluntary.

Reporting style

A narrative reporting style was adopted to report on the findings of this research. The themes and subthemes that emerged from the data are illustrated in Table 1, and all analysis and interpretation of data are supported with verbatim quotes. Pseudonyms are used to differentiate between participants while protecting the anonymity of the participants. The participant number, position, race and gender are indicated. For example, P1, LWF describes Participant 1 as leader, white, female.

Results and discussion

Outline of the results

The general conclusions from the eight semistructured interviews are presented in the results section that follows. The study yielded three main themes, from which numerous subthemes evolved because of the valuable information contained in each theme (see Table 1).

Theme 1: Barriers of the human capital investment programme

The primary theme that emerged from the data revealed several possible challenges for the HCI programme. To better understand the programme, subthemes pertaining to the application and selection process as well as the criteria used to select beneficiaries were investigated. Employee willingness, employment contract status, budget from the employer and a supportive environment were also investigated and identified as potential barriers to the HCI programme's efficacy.

Application process

Participants seemed to have had a vague awareness of the organisation's application procedure. It was evident that a standardised application process was not applied. Consensus was, however, apparent as it related to the requirement for HR to be involved in the process. Participant 6 stated the following:

> 'Firstly, the employee will have a discussion with the manager to establish alignment, then it will be discussed with HR and it may be discussed with the management peers, and it could go up to a higher leadership level.' (P6, LIF)

TABLE 1: Themes and subthemes.

Themes	Subthemes
Barriers of the HCI programme	• Application process
	• Selection process
	• Criteria
	• Employee willingness
	• Employment contract status
	• Budget
Benefits of the HCI programme	• Benefits to the employer
	• Benefits to the employee
Risks of the HCI programme	• Retention
	• Limited opportunities

HCI, human capital investment.

While acknowledging the inclusion of HR, Participant 7 indicated a divergent application procedure:

> 'Here, the individual basically makes the request via e-mail. That request is escalated to the head of HR for Africa. So, some of the information the employee would provide is the cost, duration, and content of the course, uhm, and the head of HR would make a decision based on that and whether the course is budgeted for and approved by the manager.' (P7, HRIF)

It is evident that the participants each had unique perceptions about the procedures followed while applying to an HCI programme. There was no shared knowledge of the organisation's actual procedure. Unfortunately, this reflects poorly on the visibility of communication channels within the organisation. Ogbari et al. (2018) contend that awareness is a crucial element that contributes to establishing strategic success in an organisational setting. An environment that promotes knowledge and resource access is likely to benefit from having an engaged workforce (Renard & Sneglar, 2017). Therefore, it is essential that the organisation pursues tactics to enable HCI programme stakeholders to agree on a global and validated application process.

Selection process

Factors such as performance and potential impact were considered in the selection process. As Participant 4 put it:

> 'For me, in this department, the way we do it with the team here locally, we look at the person's performance, impact that he has in the department and then obviously, potential.' (P4, LWM)

Similarly, Participant 6 said:

> 'Based on his performance there then you can say that he has earned the right to receive financial support from the company because he is showing willingness and competence.' (P6, LIF)

Criteria

It appears that the criteria used to select beneficiaries of the HCI programme were unstructured. The potential ineffectiveness of the investment programme selection criteria was reiterated from several perspectives, and this revealed a lack of consistency.

Participant 1 believed that the selection criteria were too ambiguous and said:

> 'For me the current criteria that we have is very vague. I don't think there is a standard.' (P1, LWF)

Participant 4 offered an account of inconsistency in the selection criteria:

> 'There's a lot of people that's done MBAs and there's a lot of people that's been declined MBAs or further studies and the reasons given, to me, is very wishy washy. Some of it was "there's no budget", others were that people are not in a leadership position, and things like "I don't think it will have an impact on your current position", and for me that is very short sighted.' (P4, LWM)

The HR representatives outlined the standards or requirements that employees had to meet to be selected for an investment programme. They believed that working for the organisation for a full year was the minimum requirement for consideration in an investment programme. In the words of Participant 7:

'The employee needs to be employed permanently for 12 months … So, I think those are the two main things that we look at. Sorry, there were three: readiness, capability, and willingness.' (P7, HRIF)

It was also evident that an employee's performance and other factors could play a significant role in determining whether he or she was admitted to an HCI programme. Participant 8 thoughtfully posited the following questions:

'What we take into consideration is whether someone has been employed with us for a year. Are they a good performer? Are they studying something that can add value to the business? And do we have a plan to develop them in the company?' (P8, HRWF)

The findings of the study point to a selection procedure and criteria that demanded precision and measurable standards on which the organisation could base its choices. Villegas et al. (2019) claim that selecting which employees will benefit from a certain programme is usually a subjective process. Unfortunately, using subjectivity in a selection process exposes the organisation to the possibility of bias and/or bad judgement (Villegas et al., 2019). However, the results indicate that certain controls were in place to guide the application of the selection criteria. The performance, perceived value addition and willingness of recipients were considered. These results are consistent with those of Onekelix et al. (2016), who postulate that companies are more likely to make investments in employees who show aptitude and inventiveness.

Employee willingness

There was a perception that not all employees had the desire to advance beyond their current roles, while others may have demonstrated a lack of interest because of external causes. Participant 5 claimed the following:

'Someone might have good potential, but they are not willing … The onus is also on the employee because you can take the horse to the river, but you can't make it drink the water. It's up to the employee.' (P5, LBF)

Participant 6 added:

'Some people are comfortable. There are people who don't want to be managers but are okay with staying where they are forever. There are people who want to be influential leaders, but others don't.' (P6, LIF)

According to Grobler et al. (2018), job satisfaction refers to how content a person is with their work and may also be measured by how involved they are in their daily tasks. The results indicate that leaders believed not all employees were engaged in HCI programmes or expressed a desire to advance into new roles. Thus, it can be concluded that

employees who showed little interest in HCI programmes may have been somewhat content with their occupations. Alternatively, employees who chose not to develop their skills through training with the possibility of promotion or movement within the organisation may have been disengaged or undermotivated at work, indicating normative commitment – a commitment to the organisation that is solely marked by obligation (Thakur & Malhotra, 2019).

Employment contract status

Several leaders agreed that nonpermanent employees were valuable contributors to the organisation, yet HCI programmes did not account for them. Participant 2 stated:

'It's [*the existing employee investment programme*] effective for permanent people, but it's not effective for good talent that's contract or temporary workers.' (P2, LWF)

Participant 3 added:

'We have such excellent talent that's temporary workers. To keep such talent, we need to also develop them. They are giving just as much to the company as the permanent people. We should be able to decide if we [*leaders*] want to invest in them or not.' (P3, LBF)

A leader observed that while certain employees may not have had the motivation to advance themselves, those with the desire may not have been able to receive assistance from the organisation because of their employment status. Participant 3 said:

'With regard to the contractors and the permanent as well, that's a barrier: that the company only limits sponsorship to full-time employees. You might find that a minority of employees [*full-time*] are not interested in studying but those that are eager or have the drive to study are contract workers … and they [*contractors*] are limited because of their employment conditions.' (P3, LBF)

The results suggest that certain employees may not have had access to HCI programmes because of certain constraints. This likely had a negative impact on morale and/or employee engagement, as worthy employees may have been excluded from HCI programmes owing to factors beyond their control. Employees who believe they are being treated unfairly at work are less likely to be motivated and willing to take part in organisational activities (Tung & Dung, 2018).

Budget

Some leaders believed that they should have had the autonomy to influence the allocation of funds for employees' additional education and training, irrespective of their employment status. Participant 4 said:

'We always put in a budget for it [*further education*] to make sure money is available.' (P4, LWM)

Participant 2 added:

'And there, I think, it might be a touchy subject because we might not be able to (budget wise) give everyone opportunities but I do think that if you as a manager has somebody on a

contract base in your team that's really showing excellent talent, I think you should be able to make the call to say, "look, I want to use my budget on that person".' (P2, LWF)

In opposition to having the ability to influence the allocation of funds, a leader claimed to have no control over the money disbursed to HCI programmes. Participant 3 claimed:

'I don't have direct access to money. They [*senior leaders*] would be saying this thing of "it's not in the budget, we would rather budget it for next year".' (P3, LBF)

Employee resistance and a lack of motivation in their work may be signs that they do not feel supported (Lambert et al., 2018). Thus, it is crucial for the organisation to have a just and consistent HCI programme.

Theme 2: Benefits of the human capital investment programme

The second theme that emerged from the data pointed to possible benefits of the current HCI programme. Subthemes related to benefits for both the employer and the employee led to reasonably consistent perceptions of the HCI programme's positive influence or impact.

Benefits to the employer

The data revealed a subtheme related to the benefits of hosting an investment programme for the organisation. Participants noted that employees responded favourably to investment opportunities. This suggests the potential for favourable employee engagement and greater loyalty. Participant 2 said:

'We get better buy-in [*from employees*] when you are implementing a new project or technology because we keep on providing them new opportunities to learn … If you don't train your people, you're never going to get those projects off the ground … It's a reciprocal type of engagement.' (P2, LWF)

Similarly, Participant 3 said:

'My thinking would be: "because this company has allowed me to get my post-grad degree, I need to give back by working harder and showing my loyalty".' (P3, LBF)

Participant 7 reasoned by positing the following question:

'If you're able to bring in an employee and continue to develop them then you're more likely to keep them, right?' (P7, HRIF)

Organisational commitment is characterised as an employee's loyalty to their employer (Malik et al., 2017). The results indicate that employees who benefited from HCI programmes were likely to exhibit traits such as a likelihood to perform favourably in their professional roles and display commitment in response to the favourable effects of being invested in. According to Ingram (2016), employees who exhibit loyalty to their employers are likely to be pleased with their jobs and the working conditions. Thus, a well-received HCI programme may contribute to increased job satisfaction among employees.

Benefits to the employee

Participants were able to draw on their personal experiences as previous recipients of HCI programmes. Perceptions of the effects of HCI programmes were also conveyed. Participant 2 said:

'Being one myself [*a beneficiary*], it's really great that the company is willing to invest in you as a person because it's opportunities that you will not get from a lot of companies. It shows that if you are willing to walk the extra mile, the company will support you … I would never have been in this position if I didn't continue studying and financially, I could not do it myself. If I didn't continue up to a Master's, I probably would've never been in this role. It makes me feel appreciated.' (P2, LWF)

Participant 5 added:

'What it has done is develop me both personally and professionally … That is the benefit I saw through this type of a programme.' (P5, LBF)

It was perceived that employee engagement influenced morale. In agreement, Participant 6 said:

'I think the company definitely benefits from investing in employees. Firstly, it's the benefit of engagement. It helps with the morale of not only that particular individual, but also the people working with them and around them. The additional skills and knowledge of this person will then benefit the company and broaden the horizons of the individuals.' (P6, LIF)

Similarly, Participant 8 stated:

'When employees feel supported, we can see it reflects in the overall morale of the staff. They are more willing to participate in initiatives that are not really related to their work and they are generally more engaged with what's happening in the organisation.' (P8, HRWF)

According to human capital theory, providing employees with education and training opportunities boosts productivity and builds individuals' intellectual capital (LeCounte et al., 2017). The results indicate that participants believed HCI recipients were likely to be engaged when the employer invested in their skills (Ziwei & Chunbing, 2020). Participants also acknowledged that because of the opportunities for professional growth provided by the HCI programme, employees were likely to advance in their careers. Participants further believed that there was a link between morale and engagement as it related to HCI programmes. According to Pivac et al. (2017), there is a favourable link between donors and recipients of opportunities for education and training within the organisation. Employees who receive support from HCI programmes are therefore more likely to be motivated and view their workplace favourably.

Theme 3: Risks of the human capital investment programme

There are perceived risks to investing in an HCI programme. Some of these risks relate to the high expense of focused employee development, the possibility of not experiencing a return on investment and the possibility of limited career paths for beneficiaries of the HCI programme.

Retention

Perceptions on potential risk factors were discussed and linked to the investment's return or financial and intellectual loss. As Participant 4 put it:

'The investment is very high … I don't believe we always get the full benefit, especially if people leave the organisation.' (P4, LWM)

Participant 8 added:

'When we choose to support people, there is always the risk that they might not perform if we promote them, they could leave the company, or they could still stagnate. But we can't really control the outcome once we have made that decision.' (P8, HRWF)

Leaders also recognised that without upskilling opportunities, employee retention would suffer. When employees are aware of the skills that can improve their employability, they may be more motivated to acquire those talents. Employees may therefore consider leaving an organisation if an employer is unable to provide the right opportunities for development. Participant 1 shared the following insight:

'People in the team study what they can use … The knowledge and the calibre of people we have here is at a very high standard. We've got quality and high calibre people that have the experience or got their experience and their training from the company. If you take that away from the company, I think we [*the company*] might lose people working for us.' (P1, LWF)

Similarly, Participant 4 noted:

'I think talented people like the opportunity to develop themselves, and if they don't get it from this company, they will go get it from somewhere else.' (P4, LWM)

Human capital investment programmes cannot ensure beneficiaries' performance. While it may be difficult to forecast whether a recipient of an HCI programme will perform well at work, the situation is comparable to trying to predict whether an employee will remain with an employer once he or she has profited from an investment.

Limited opportunities

Perceptions on potential HCI programme limitations were expressed in relation to opportunities for development. There was a widespread belief that opportunities for professional progression were limited. Participants voiced that it was important to consider alternative means to ensure the retention of employees. Participant 4 claimed:

'In some cases, we don't have a full career path for some individuals which could be why people choose to leave sometimes. We shouldn't only look at the immediate benefit to the department, we need to look wider when we consider the benefits.' (P4, LWM)

Participant 6 shared the following perspective:

'Look, promotion is not always possible and that can be frustrating for people. That's why you have to think about ways to keep employees engaged, especially if you know they are good workers.' (P6, LIF)

To address the perceived risk associated with the availability of opportunities, Participant 8 suggested that the organisation had to inform employees of the need for specific skills and then nurture and support those who expressed an interest:

'The company has objectives at the end of the day. We should offer people opportunities based on the gap. For example, AI (artificial intelligence) is a field that has boomed but we don't see people in the business really showing interest, maybe because we haven't communicated the need for skills like that.' (P8, HRWF)
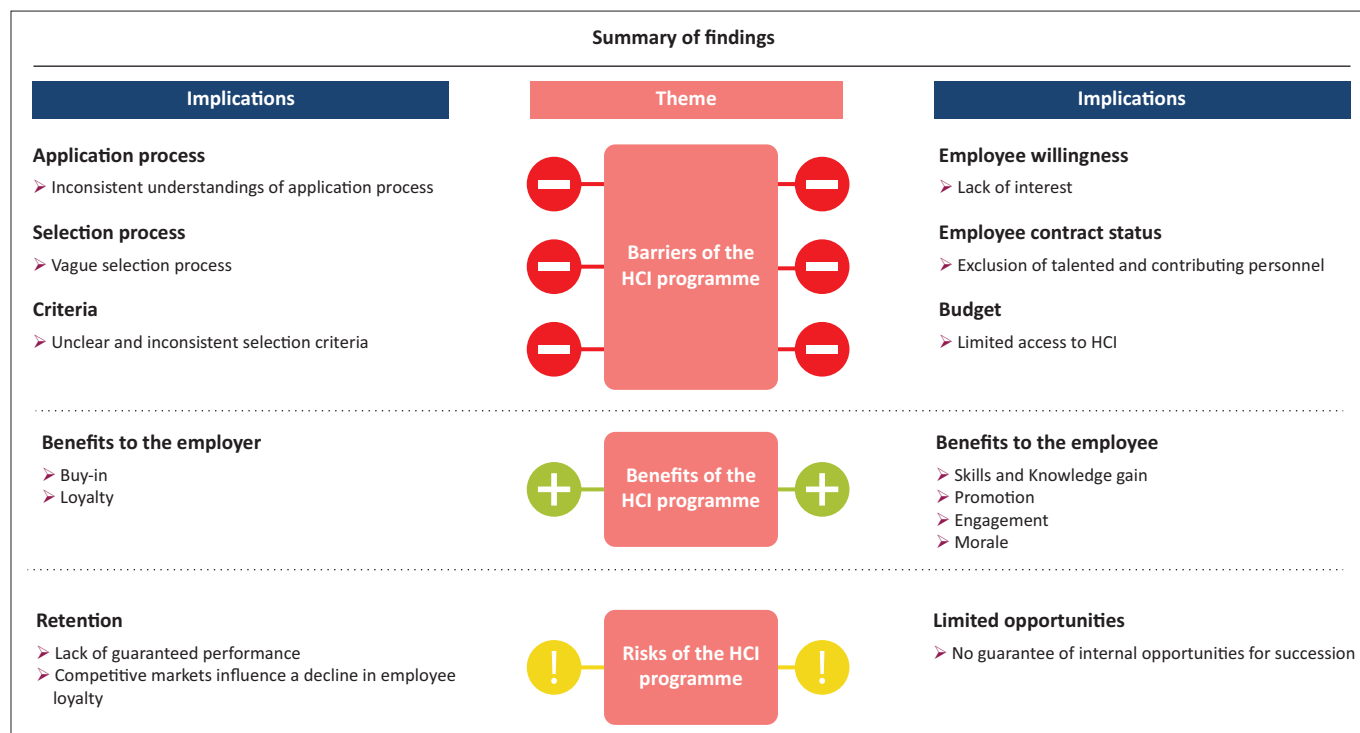
The findings indicate the perceived risks associated with an HCI initiative. Although there was a procedure for selecting beneficiaries, it did not ensure employee commitment or a return on the investment made for two reasons: firstly, once they profited from an investment, employees could decide to leave the organisation. Secondly, if the organisation did not create provisions to support their development with career path planning, employees may not have been able to put their newly acquired information or skills into practice. Although the organisation was unable to ensure that employees would have access to opportunities for vocational growth, leaders and HR business partners believed that employees were assets worth investing in.

Practical implications

Understanding the criteria for selecting HCI programme beneficiaries and learning the steps that the business takes to determine which employees are eligible for HCI opportunities were the two main goals of the study. The results imply that several ongoing impediments detracted from the success of the organisation's HCI programme. Benefits that pertained to both the organisation and the employee were discovered, even though the barriers revealed inefficiencies in the HCI programme. Despite any potential advantages of the HCI programme, risks are highlighted in the study's findings. A summary of the findings (Figure 1) is offered to illustrate the pertinent themes and implications discussed in the findings section of this article.

Barriers of the HCI programme have implications on the application process, selection process, criteria, employee willingness or interest, employee contract status and budgets. The benefits of the HCI programme influence both employers in terms of buy-in and loyalty, as well as the employees pertaining to their skills and knowledge gain, promotion, engagement and morale. There are also some risks involved in an HCI programme such as retention and limited opportunities.

In conclusion, the findings clearly indicate a need for standardised procedures, processes and criteria that should be aligned with the organisational strategy and subsequently required employee performance outcomes. Such standardised procedures, processes and criteria should be developed and clearly formulated together with all the stakeholders while keeping the purpose of employee development and succession planning in mind. Then, it remains the organisations'

Summary of findings

Implications	Theme	Implications

Application process
➢ Inconsistent understandings of application process

Selection process
➢ Vague selection process

Criteria
➢ Unclear and inconsistent selection criteria

Barriers of the HCI programme

Employee willingness
➢ Lack of interest

Employee contract status
➢ Exclusion of talented and contributing personnel

Budget
➢ Limited access to HCI

Benefits to the employer
➢ Buy-in
➢ Loyalty

Benefits of the HCI programme

Benefits to the employee
➢ Skills and Knowledge gain
➢ Promotion
➢ Engagement
➢ Morale

Retention
➢ Lack of guaranteed performance
➢ Competitive markets influence a decline in employee loyalty

Risks of the HCI programme

Limited opportunities
➢ No guarantee of internal opportunities for succession

HCI, human capital investment.

FIGURE 1: Summary of findings.

responsibility to ensure that the HCI is clearly communicated to all the stakeholders.

Limitations and recommendations

The study has three significant limitations. Firstly, the study only examined a small subset of the participants' perspectives within an agricultural organisation. The organisational context may have included elements that affected the participants' impressions. Secondly, the results cannot be applied to other organisational environments. Finally, the study only evaluated HR business partners and leadership perspectives within the organisation. It is possible that including the perspectives of HCI programme participants or employees would have provided a valuable viewpoint to the study.

The first recommendation is directed at HR business partners and relates to enhancing HCI programmes. By making sure that the selection and application processes are uniform for all employees, HCI programmes can be improved. In addition, it is crucial that selection criteria informed by HCI programme stakeholders (leaders, HR business partners and HCI beneficiaries) are impartial, precisely stated and well communicated.

The employer is the target of the second recommendation. Leaders are urged to focus their efforts on making sure that employees are interested and aware of HCI within the organisation. In addition, it is advised that leaders become involved in the selection criteria and ensure that impartial procedures are followed when selecting the recipients of HCI programmes. While it remains the responsibility of each employee to take ownership of their own growth and development, organisations should create an environment that encourages and fosters a culture of learning and enables and supports further training and education to also attract and retain the skills needed for the organisation to succeed.

Finally, it is advised that future research and development on the subject of this study take into account the perspectives of HCI programme participants and that a follow-up study be carried out once all the potential areas for improvement have been addressed. Such studies should also be expanded to include other industries. A supplementary study should be conducted with the aim of ensuring that best practices are applied; that the experience of investment programmes hosted by the organisation is favourable for both the employer and the employees; and that the procedure for selecting beneficiaries is standardised, open to all the employees and understood by all the parties involved.

Conclusion

In conclusion, the following important components should be present when determining selection criteria: the employee's ability to demonstrate potential through their performance; the employer's ability to indicate how investing in employees will serve the interests of the business; the capability of the employer to validate how the selection of beneficiaries may influence engagement, motivation and job satisfaction and in so doing increase the likelihood of an invested commitment to the organisation.

The results of the empirical study shed light on how HR business partners and leaders view HCI programmes and their implementation in the context of the organisation. The inefficiencies observed with the HCI programme that was studied were largely caused by subjective, ill-defined selection criteria that were not adequately explained. However, there are acknowledged advantages to HCI programmes that benefit both the employer and the employee. Finally, HCI programmes – whether successful or inefficient – are exposed to potential risks that may influence both the organisation and the employee and necessitate specialised risk-reduction measures.

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