7th Induction

**1st December, 2016 @Sheraton Abuja Hotel Human Capital: Our Leverage.**

Human Capital refers to the stock of knowledge, habits, social and personality attributes including creativity, embodied in the ability to perform labour so as to produce economic value”.

According to Investopedia, **Human Capital** is a measure of the economic value of an employee’s skill set.

Human Capital according to the concise Encyclopaedia of Economics, is so called because we cannot separate people from their knowledge, health, skills or values.

Before an aggregate understanding of the heading is looked at, let us also see the definition of the second component in the heading.

**Leverage:**

**Oxford dictionaries**

The exertion of force by means of a lever.

The power to influence a person or situation

**In Finance**

The ratio of a company’s loan capital(debt) to the value of its ordinary shares(equity), gearing.

The use of credit or borrowed capital to increase the earning potential of shares.

**Other definitions: Wiktionary**

1. Force compounded by means of a lever rotating around a pivot.
2. Influence which is compounded or used to gain an advantage 3. Use of borrowed funds

4. Ability to earn very high returns

To use; to exploit; to manipulate in order to take full advantage of Additional definition: Influence:

**Synonyms**: advantage, ascendancy, authority, bargaining, chip, break, don’t, drag, edge, grease, jump on, power, pull, rank, ropes, suction, weight, asset, pre-eminence, prevalence, resources.

**Now Our aggregate**

When we thought of this theme, it was because we realized that the concept of human capital may be viewed variously by us as practitioners, promoters etc. with the bias of our training, profession or vocation. Which meant that we all needed to find common grounds for our understanding.

Human Capital is now the elephant in the room and just like the elephant each person is defining it based on which part of elephant he is in contact with. Having said that, it is imperative that we all begin to understand it also from the point of it being our major leverage, whether as employees, employers or even as a nation. Human capital is our advantage. For a nation blessed with a rich tapestry of people, cultures and traditions, it seems we are yet to tap into our immense strength.

I believe that for a nation that has people advantage one would have thought that we would design our system to take advantage of our advantage. We still wait for this advantage.

As we all sit down to rub minds and share our thoughts on this year’s theme:

# PERSPECTIVES OF HUMAN CAPITAL: DRIVING THE NATIONAL

**DISCOURSE**, we should all try to let down our guard and try to look more closely at these all important factor (Human Capital) and how we can roll-up our sleeves to make our nation a better place.

Thank you for listening.

# Cyril Ogboli

Chairman; BoT