# Global Human Capital: Regional, Income and Cultural Differences

## Dulababu, T.

Professor and Area Chair-General Management, Alliance School of Business, Alliance University, Chikkahagade Cross, Chandapura - Anekal Main Road, Anekal, Bangalore–562106, Karnataka, India. +917899277311 / tapaldulababu@gmail.com

A R T I C L E   I N F O

A B S T R A C T

Global Human capital (GHC) raise is goal of every nation. It is the outcome of factors such as knowledge and skills people possess that enables them to create value in the global economic system. This research probes whether the scores of human capital, provided by the Global Human Capital Reports from World Economic Forum, is same among the continent-regions on average, high income earning nations have more human capital formation and hence depicting high GHC index on one hand and whether the scores of human capital differ among the different cultural models based on the five dimensions proposed by Hofstede's on the other hand. Further the research suggests how best the countries of low human capital should strive for economic development, create employment opportunities and boosting their income and hence the nations can spend more on education and training to maximize employability skills and more people really become a part of the GHC and transform their cultures by adopting best practices to reach the highest global human capital.

## Introduction

Human capital means the knowledge, abilities and skill set of the people possessed that enables them to create or add value in the economic system of the world. The global human capital Index of 2015, 2016 and 2017 ranks 124 to 130 countries on how effectively the human capital is being developed on a scale of 0 (worst) to 100 (best) across four thematic dimensions— capacity (level of formal education of younger and older generations as a result of past education investment), deployment (skills application and accumulation among the adult population), development (formal education of the next-generation workforce and continued up-skilling and re-skilling of the current workforce) and know-how (breadth and depth of

specialized skills use at work). Harry (2010) also tried to define human capital development as the *'totality of efforts aimed at developing and grooming of human beings so as to present them fit and qualified to be productive to themselves, in particular, and the society, in general'.*

Human capital is not defined solely through formal education and skilling. In the long term perspective it grows through use and depreciates by non-use across people's lifetimes.

In the context of need and significance of human capital, Oladeji and Adebayo (1996) have opined that the human capital is the epicenter of economic development process.

The research works of Harry (2010), Satope (2012) and Ajibade (2013) are of the opinion that human resource is the most crucial factor that determines the organizational performance. This has been proved in the study of Fadi (2014) and he found that Taiwan, Hong Kong, and Singapore have become major exporters of a sophisticated range of products (value-added manufacturing activities) because of not only growth of human capital but also upgrading the skill set on the

---------------------------------------------------------------------------------------

part of the employees. The quality growth of human capital indicates the growth of intellectual capital. Oladeji (2014) in a study finds human capital as a major factor for planning long-run and sustainable economic growth.

**Review of Literature**

The major assumption is that schooling is the only source with which human capital is measured. School level education gives the foundation but higher education and technical training and research and innovation all will have significant influence on the growth of human and intellectual capital. According to World Bank and other development agencies health and nutrition also develop and improve human capital. The study of Bloom, Canning, & Jamison (2004) reveals that good health and micro nutrients increases the effectiveness of the children and which in turn boost human capital. Also the research work by Miguel and Kremer (2004), says worms in school children affects their health and learning which the deterrent of the growth of human capital is. Further Bundy (2005) discloses through his research that malaria and other health issues directly damage human capital. Gomes- Neto, Hanushek, Leite, & Frota-Bezzera (1997) had disclosed the similar observation.

A strong and positive correlation is observed between human capital and labor production by many researchers. A detailed research by Angel De la Fuente (2003) discloses that one year additional education/training due to technological progress increases labor productivity by 6.2% in the EU countries and resulting 3.1% economic growth in the long term. As per the study by Afrooz *et al*. (2010), it is observed that education has a positive and significant effect on labor productivity in Iran based food industry during 1995-2006. Aggrey Niringiye & Joseph Shitundu (2010) have also observed similar finding that the education level on average is positively correlated with labor productivity in East African manufacturing firms. But on the other hand, Sonmez, F. D. and Sener, P. (2009) have revealed through their research that economic growth of a nation depends on education and human capital by taking panel data of 10 developed and 10 developing nations as sample.

On the contrary, Bils, M. and Klenow, P. J. (2000) observed that the role of human capital is not significant but simply exaggerated and Krueger, A. B. and Lindahl, M. (2001), found from their research that human capital has no positive effect on labor productivity. Vandenbussche, J., Aghion, P. and Meghir, C. (2006) have classified human capital into two; imitation and innovation. Based on the data of 19 OECD countries he confirms that higher education leads to innovation which contributes more labor productivity. Some researchers like Mamuneas, T. P., Savvides, A. and Stengos, T. (2006) are of the view that the positive effect of human capital on economic growth may be there but the result is not clear while analyzing from the macroscopic perspective.

Thus the presence of literature on human capital reveals the education level has an impact both positive and negative on human capital. Innovation through higher education and good

health has significant and positive impact on human capital. There are meager or no research studies stated as follows:

a) Human capital in relation to continental regions
b) Human capital in relation to different income levels of the nations
c) Human capital in relation to cultural differences proposed by Hofstede's 5 dimensional models

**Statement of Problem**

The following are the research gaps identified based on the review of literature:

This paper probes the degree of Human capital index changes in continental regions, among the groups of the nations with different levels of per capita income and different cross-cultural models proposed by Hofstede's.

**Objectives of the Study**

The following are the objectives of the research paper:

1. To study the scores of human capital revealed by the World Human Capital Report from 2015 to 2017

2. To study global human capital among the continental regions

3. To study global human capital among the groups of nations with varied per capita income

4. To study global human capital with respect to different cultural models propounded by Hofstede's

**Research Design**

The research frame-work of the research paper is as follows:

**a) Data Type, Source, Collection & Period**

Basically the secondary data is the base for the research work. The major source of the data is "Global Human Capital Report (GHCR) of 2015, 2016 and 2017. Scores of human capital is given nation-wise in the scale of 0 to 100 (where 0=worst, and 100=best). The scores of human capital are collected nation-wise for three year (2015, 2016 and 2017) period.

**b) Period of the Data**

The data is collected for the period, namely 2015, 2016 and 2017 from the Global Human Capital Reports.

**c) Data Classification & Tabulation**

The scores of Human capital nation-wise (collected data) is classified based on:

1. **Continental Regions** (Regional and Income Group Classifications, Global Human Capital Report 2017, page no 39)

   a. **Western Europe** (Austria, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Malta, Netherlands, Norway,

Portugal, Spain, Sweden, Switzerland and United Kingdom)

b. **Eastern Europe And Central Asia** (Albania, Armenia, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kazakhstan, Kyrgyz Republic, Latvia, Lithuania, Macedonia FYR, Moldova, Romania, Russian Federation, Serbia, Slovak Republic, Slovenia, Tajikistan and Ukraine)

c. **Latin America and the Caribbean** (Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Jamaica, Mexico, Nicaragua, panama, Paraguay, Peru, Trinidad and Tobago, Uruguay and Venezuela)

d. **North America** (Canada and United States)

e. **Middle East and North Africa** (Algeria, Bahrain, Egypt, Iran-Islamic Republic, Israel, Jordan, Kuwait Mauritania, Morocco, Qatar, Saudi Arabia, Tunisia, Turkey, United Arab Emirates and Yemen)

f. **Sub-Saharan Africa** (Benin, Botswana, Burundi, Cameroon, Chad, Cote d'lvoire, Ethiopia, Gabon, Gambia, Ghana, Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Swaziland, Tanzania, Uganda and Zambia)

g. **East Asia The Pacific** (Australia, Brunei Darussalam, Cambodia, china, Indonesia, Japan, Korea, Lao PDR, Malaysia, Mongolia, Myanmar, New Zealand, Philippines, Singapore, Thailand and Vietnam) and

h. **South Asia** (Bangladesh, India, Nepal, Pakistan and Sri Lanka)

2. **Income Groups** (Regional and Income Group Classifications, Global Human Capital Report 2017, page no 40)

a. **Low Income** (US$1,005 or Less) (Benin, Burundi, Chad, Ethiopia, Gambia, Guinea, Liberia, Madagascar, Malawi, Mali, Mozambique, Nepal, Rwanda, Senegal, Sierra Leone, Tanzania, Uganda).

b. **Lower-Middle Income** (US$1,006 to US$3,955) (Armenia, Bangladesh, Bolivia, Cambodia, Cameroon, Cote d'lvoire, Egypt, El Salvador, Ghana, Guatemala, Honduras, India, Indonesia, Jordan, Kenya, Kyrgyz Republic, Lao PDR, Lesotho, Mauritania, Moldova, Mongolia, Morocco, Myanmar, Nicaragua, Nigeria, Pakistan, Philippines, Sri Lanka, Swaziland, Tajikistan, Tunisia, Ukraine, Vietnam, Yemen and Zambia).

c. **Upper-Middle Income** (US$3,956 to US$12,235) (Albania, Algeria, Argentina, Botswana, Brazil, Bulgaria, Colombia, Costa Rica, Croatia, Dominican Republic, Ecuador, Gabon, Guyana, Iran, Jamaica, Kazakhstan, Macedonia FYR, Malaysia, Mauritius, Mexico, Namibia, Panama, Paraguay, Peru, Romania, Russian Federation, Serbia, South Africa, Thailand, Turkey and Venezuela).

d. **High Income** (US$12,236 or More) (Australia, Austria, Bahrain, Barbados, Belgium, Brunei Darussalam, Canada, Chile, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Kuwait, Latvia, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Poland, Qatar, Saudi Arabia, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Trinidad and Tobago, United Arab Emirates, United Kingdom, United States and Uruguay)

3. The scores of Human capital nation-wise (collected data) is classified based on Hofstede's cultural models such as;

a. Individual (IDV) oriented vs. Team Oriented,

b. High Power Distance Index (HPDI) vs. Low Power Distance Index (LPDI),

c. Masculine Oriented vs. Feminine Oriented,

d. High Uncertainty Avoidance Index (HUAI) vs. Low Uncertainty Avoidance Index (LUAI) and

e. Long Term Orientation (LTO) vs. Short Term Orientation (STO).

The list of countries under each dimension with their respective scores is collected from Hofstede's website, namely,https://www.hofstede-insights.com/product/compare-countries/ and classified and tabulated for further analyses.

d) **Research Hypotheses:** The following are the research null hypotheses to test to dig the hidden insights to prescribe effective policies and strategies:

1. There is no significant difference in the mean scores of global human capital among the periods, namely 2015, 2016 and 2017 given that the data (mean scores) are arranged as per the continental regions.

2. There is no significant difference in the mean scores of global human capital among the continental regions.

3. There is no significant difference in the mean scores of global human capital among the four groups of nations as per the per capita income.

4. There is no significant difference in the mean scores of human capital in Individual (IDV) oriented cultural countries among the periods, namely 2015, 2016 and 2017.

5. There is no significant difference in the mean scores of human capital in Team oriented cultural countries among the periods, namely 2015, 2016 and 2017.

6. There is no significant difference in the mean scores of human capital between Individual (IDV) and Team oriented cultural countries during 2015-17.

7. There is no significant difference in the mean scores of human capital in High Power Distance Index (HPDI) cultural countries among the periods, namely 2015, 2016 and 2017.

8. There is no significant difference in the mean scores of human capital in Low Power Distance Index (LPDI) cultural countries among the periods, among the periods, namely 2015, 2016 and 2017.

9. There is no significant difference in the mean scores of human capital between High Power Distance and Low Power Distance Index cultural countries during 2015-17.

10. There is no significant difference in the mean scores of human capital in Masculine dominated cultural countries among the periods, namely 2015, 2016 and 2017.

11. There is no significant difference in the mean scores of human capital in Feminine dominated cultural countries among the periods, namely 2015, 2016 and 2017.

12. There is no significant difference in the mean scores of human capital between Masculine and Feminine dominated cultural countries during 2015-17.

13. There is no significant difference in the mean scores of human capital in High Uncertainty Avoidance Index cultural countries among the periods, namely 2015, 2016 and 2017.

14. There is no significant difference in the mean scores of human capital in Low Uncertainty Avoidance Index cultural countries among the periods, namely 2015, 2016 and 2017.

15. There is no significant difference in the mean scores of human capital between High and Low Uncertainty Avoidance Index cultural countries during 2015-17.

16. There is no significant difference in the mean scores of human capital between Long and Short Term Oriented cultural countries during 2015-17.

e) **Statistical Tools:** The following mentioned statistical tools are used to analyze and test the hypotheses stated above:

1. ANOVA – single factor (one-way) to test the difference in mean value when samples are more than two such as to test the difference in mean scores among the three periods in a category like continent or a type of culture.

2. Z-Test to test the difference between two sample means given that the sizes of the two samples are 30 or more

3. T-Test to test the difference between two sample means given that the sizes of the two samples are less than 30.

f) **Assumptions**: The following assumptions are made to carry out the research work:

1. To analyze the scores of Human capital of the countries in terms of cross-cultural dimensions, Hofstede's model and 5 dimensions are taken into consideration. The countries are grouped in each dimension by taking 50% of the top score (Hofstede's cultural scores) into one group and the lower 50% scored countries into the other extreme group, for example, in the case of Power Distance the highest scored country was Malaysia with 104, 50% of which 52 and scored countries are classified under High Power Distance Index (HPDI) cultured countries and less than 52 scored nations are grouped under Low Power Distance Index (LPDI) cultured countries. The same procedure is followed for the other dimensions.

2. To analyze and test the listed hypotheses 5% level of significance is assumed and all the hypotheses are tested in 2 tailed.

g) **Limitations of the Study:** Hofstede's five cultural dimensions are taken to group the nations. But GLOBE research had developed and revealed more than five dimensions but the base was Hofstede's concept only. However due to globalization and technology growth cultural convergence happening which could be a limiting factor of the research from the perspective of cultural analysis.

**Research Results**

The following are the results of the study:

In table 1, the mean score of Global Human Capital (GHC) is presented. It is observed that the mean score is highest in 2016 with 67.81 out of 100 and is fallen down to 61.53 in 2017. This implies that more than 38% of human potential is not developed into human capital. Further it indicates that human capital index is dwindling.

**Table-1: Global Human Capital –Mean Scores**

| Year | Mean Score of HC | Number of Countries |
|------|------------------|---------------------|
| 2015 | 67.17 | 124 |
| 2016 | 67.81 | 130 |
| 2017 | 61.53 | 130 |

*Source: Computed Based on GHCR 2015, 2016 & 2017*

The mean scores of continental regions are presented in table 2. As per the table the mean score of four continental regions are strong in human capital and depicting more than global average and those regions are shaded in green color. The other four regions, shaded in pink color, are with lesser mean scores of human capital when compared to GHC mean scores.

**Table-2: Continental Regions – Human Capital Mean Scores**

| Regions | 2015 | | 2016 | | 2017 | |
|---|---|---|---|---|---|---|
| | Mean | Rank | Mean | Rank | Mean | Rank |
| WS Europe | 79.44 | 2 | 79.86 | 2 | 71.09 | 2 |
| East Asia | 70.095 | 4 | 71.31 | 4 | 65.77 | 4 |
| North America | 81.26 | 1 | 80.405 | 1 | 73.95 | 1 |
| Easter Europe | 74.28 | 3 | 75.23 | 3 | 67.36 | 3 |
| Middle East & North Africa | 60.415 | 6 | 61.94 | 6 | 55.91 | 6 |
| SS Africa | 54.85 | 8 | 55.58 | 8 | 52.97 | 8 |
| Latin America | 66.15 | 5 | 67.05 | 5 | 59.86 | 5 |
| South Asia | 58.37 | 7 | 59.54 | 7 | 54.098 | 7 |
| **Global Average** | **67.17** | | **67.81** | | **61.53** | |

*Source: Computed Based on GHCR 2015, 2016 & 2017*

Classification of human capital mean scores based on per capita income of the nations is provided in table 3 as follows:

**Table 3. Human Capital Mean Score - Income**

| Year | High Income | Upper Middle Income | Lower Middle Income | Lower Income | Global Mean |
|---|---|---|---|---|---|
| 2015 | 77.01 | 67.25 | 60.94 | 51.96 | 67.17 |
| 2016 | 77.36 | 67.68 | 61.84 | 53.20 | 67.81 |
| 2017 | 69.30 | 61.36 | 56.59 | 51.20 | 61.53 |

*Source: Computed Based on GHCR 2015, 2016 & 2017*

As per table 3, only high per capita income countries have higher mean score of human capital when compared to the GHC mean score for all the three years. Upper middle income class countries also have fallen below the global average. This implies 46 (35%) countries out of 130 are above the global average and the rest, 65% of the nations who participated in the survey are below the global average.

The results of the test of hypotheses are presented in table4. The listed hypotheses have been tested statistically by the use of appropriate statistical tools and the following are the observations.

**Table-4: Statistical Results of the Research Study**

| Hypothesis Number | Region/Income/Culture | Period | Test Statistic | Critical Value @5% Level of Significance | Decision |
|---|---|---|---|---|---|
| 1 | Global Human Capital Mean Score among the Three Year Periods | 2015, 2016 & 2017 | F=1.116473 | 3.4668 | $H_0$ is Accepted |
| 2 | Global Human Capital Mean Score among the Continental Regions | 2015, 2016 & 2017 | F= 19.208 | 2.657197 | $H_0$ is Rejected |
| 3 | Global Human Capital Mean Score among the Four Groups of Nations with Varied Per Capita Income | 2015, 2016 & 2017 | F=25.46739 | 4.06618 | $H_0$ is Rejected |
| 4 | Global Human Capital Mean Score among the Countries of IDV Culture for Three Periods | 2015, 2016 & 2017 | F=19.2640 | 3.142809 | $H_0$ is Rejected |
| 5 | Global Human Capital Mean Score among the Countries of Team Culture for Three Periods | 2015, 2016 & 2017 | F=8.757122 | 3.080387 | $H_0$ is Rejected |
| 6 | Global Human Capital Mean Score between IDV & Team Cultured Countries for Three Periods | 2015-17 | Z=12.465 | 1.96 N1=66, N2 =111 | $H_0$ is Rejected |

| | | | | | |
|---|---|---|---|---|---|
| 7 | Global Human Capital Mean Score among the Countries of HPDI Culture for Three Periods | 2015, 2016 & 2017 | F=7.858096 | 3.075853 | $H_0$ is Rejected |
| 8 | Global Human Capital Mean Score among the Countries of LPDI Culture for Three Periods | 2015, 2016 & 2017 | F=10.30447 | 3.158843 | $H_0$ is Rejected |
| 9 | Global Human Capital Mean Score between HPDI & LPDI Cultured Countries for Three Periods | 2015-17 | Z= -8.75 | 1.96 N1=117, N2 =60 | $H_0$ is Rejected |
| 10 | Global Human Capital Mean Score among the Countries of Masculine Dominated Culture for Three Periods | 2015, 2016 & 2017 | F=7.453876 | 3.092217 | $H_0$ is Rejected |
| 11 | Global Human Capital Mean Score among the Countries of Feminine Dominated Culture for Three Periods | 2015, 2016 & 2017 | F=4.311976 | 3.116982 | $H_0$ is Rejected |
| 12 | Global Human Capital Mean Score Between Masculine & Feminine Cultured Countries for Three Periods | 2015-17 | Z=1.89 | 1.96 N1=98 N2 =79 | $H_0$ is Accepted |
| 13 | Global Human Capital Mean Score among the Countries of High UAI Culture for Three Periods | 2015, 2016 & 2017 | F=11.31171 | 3.083706 | $H_0$ is Rejected |
| 14 | Global Human Capital Mean Score among the Countries of Low UAI Culture for Three Periods | 2015, 2016 & 2017 | F= 2.337817 | 3.133762 | $H_0$ is Accepted |
| 15 | Global Human Capital Mean Score between High UAI and Low UAI Cultured Countries for Three Periods | 2015-17 | Z= 0.47 | 1.96 N1=107 N2 =70 | $H_0$ is Accepted |
| 16 | Global Human Capital Mean Score between LTO and STO Cultured Countries for Three Periods | 2015-17 | T = -0.764 | 2.086 N1=12, N2= 52 | $H_0$ is Accepted |

*Source: Analysis Based on GHCR 2015, 2016 & 2017*

1. It is observed that there is no significant difference in the mean score of GHC among the three years.

2. Global human capital mean score among the continental regions found to be varying significantly among the regions. Continental regions are significant.

3. Global human capital mean score differs significantly among the four groups of nations with varied per capita income.

4. Global human capital mean score differs significantly among the countries of IDV culture for the three year periods.

5. Global human capital mean score fluctuates significantly among the countries of Team Culture for the three year periods.

6. Global human capital means score do differ significantly between IDV & Team cultured countries for the three year periods.

7. There is significant difference in global human capital mean score among the countries of HPDI culture for the three year periods.

8. There is significant difference in global human capital mean score among the countries of LPDI culture for the three year periods.

9. There is significant difference in global human capital mean score between HPDI&LPDI cultured countries for the three year periods.

10. Global human capital mean score differs significantly among the countries of Masculine dominated culture for the three year periods.

11. Global human capital mean score differs significantly among the countries of Feminine dominated culture for the three year periods.

**12.** Global human capital mean score does not differ significantly between Masculine & Feminine cultured countries for the three year periods.

**13.** Global human capital mean score differs significantly among the countries of High UAI culture for the three year periods.

14. There is no significant difference in global human capital mean score among the countries of LUAI Culture for the three year periods.

15. Global human capital mean score does not differ significantly between HUAI & LUAI cultured countries for the three year periods.

16. There is no significant difference in global human capital mean score between the countries of LTO and STO Culture for the three year periods.

## Implications

The following are the implications drawn based on the results of the research study:

1. The mean score of human capital at the global level is just 61% out of 100 point scale, implying that business world is able to draw 61% of Human capital. The gap is 39% which is substantial and necessitates the development of the human capital for the development of global economy.

2. Declining trend of mean scores (in absolute terms) of human capital at global level from 2015 to 2017 implying that there is increase of inefficiency in Human capital.

3. Periodical progress (from 2015 to 2017) in mean score of human capital is absent irrespective of countries, different continental regions and cultural differences on the whole.

4. 35% of the nations (high per capita income nations) only above the mean score of global human capital. This implies that 65% of the nations of the world are below the average of global human capital. This implies further that majority of the human race on the planet is less efficient and less productive implying the need of training and upgradation of their skills.

5. IDV culture over Team culture: IDV cultured countries are better off in human capital when compared to that of team cultured. Further within the IDV cultured countries also the mean score human capital varies significantly implying those individual countries and their serious and sincere efforts for the development of human capital to reflect on overall economic development. Further Team oriented cultured countries have to come forward adopt the good practices of IDV cultured countries at professional level, organizational level and personal and domestic levels.

6. LPDI culture over HPDI culture: LPDI cultured countries are better off in human capital when compared to that of HPDI cultured. Further within the LPDI cultured countries also the mean score human capital varies significantly implying those individual countries and their serious and sincere efforts for the development of human capital to reflect on overall economic development needed to examine and learn. Further HPDI cultured countries have to initiate to adopt the good practices of LPDI cultured countries at

professional level, organizational level and personal and domestic levels.

7. Masculine dominated and feminine dominated countries are more or less equal implying that these cultures have no impact on the degree of Human capital.

8. HUAI cultured and LUAI cultured countries are more or less equal in GHC score. Therefore both cultured countries are required to adopt the good practices of other cultures like IDV and LPDI to accomplish high score of human capital.

9. LTO and STO cultures have no impact on the degree of human capital. Therefore both cultured countries are required to adopt the good practices of other cultures like IDV and LPDI to accomplish high score of human capital during ahead of times.

## Suggestions

The following are the strategies recommended for the improvement of human capital to boost up the global economy:

a. **Continental regional economic development:** There is a dearth of need of regional economic development at continental level. Hence the governments at the nations-level, continental regional associations such as OECD, UNESCO, G-20, South Asia Pacific Region, BRICS, SAARC and etc. come forward with economic, technological, social and political initiatives for the upliftment of backward regions in terms of increase of human capital quantitatively and qualitatively.

b. **Focus on advanced education with technology base:** The policy makers of every country, irrespective of the regions, continents and cultures, should focus in bringing new education policy and execute global standard education to its youth with global exposure to make them fit for global business houses.

c. **Effective health care policies:** Cost effective health care facility is utmost important for all the countries who are lagging behind the global average in terms of GHC mean score.

d. **Acculturation to adopt good practices:** IDV and LPDI cultures do have more than 70% as their mean score of human capital. Hence the good practices of these are to be followed in the other culture. This can be achieved if it is included in the curriculum of higher education and hence the youth of the nations can adopt those practices effectively to enhance human capital.

e. **Effective execution of gender equity policy:** In this research it is found that masculine dominated culture and feminine dominated culture do not have any significant impact on the mean score of human capital. The countries can effectively implement the gender equity policy to be recognized in the world economy and

thereby can gain economic and technology support from global associations.

**f. Cultural Diversity& Cross-cultural Convergence:** The countries of low human capital should open-up by having all types of tie-ups with those countries of high human capital to learn and improve their people's skill set on parlance with the global standards by way of different collaborations such as; technical collaborations, partnerships, MOUs to stimulate economic, social and business activities, thereby cultural diversity and cultural convergence will take place.

**Scope for Future Research**

The scope for future research topics are listed as follows:

1. Global human capital: Continental and Economic Perspective

2. Global human capital: Regional and Socio-economic Perspective

3. European Vs. American human capital: Cross-cultural Perspective

**Bibliography**

1. Afrooz, A., Rahim, K. B. A., Noor, Z. B. M. and Chin, L. (2010). Human capital and Labor Productivity in Food Industries of Iran. *International Journal of Economics & Finance*, Vol. 2, pp. 47-51.

2. Aggrey, N. and Joseph, L. E. S. (2010). Human capital and Labor Productivity in East African Manufacturing Firms. *Current Research Journal of Economic Theory*, Vol. 2, pp. 48-54.

3. Ajibade, A. P. (2013). Building Human Capital for Sustainable Development: Role of the University, Director-General, Administrative Staff College of Nigeria (ASCON). A paper delivered on the occasion of the 2013 University of Ibadan Registry Discourse, 26th September, 2013.

4. Bils, M. and Klenow, P. J. (2000). Does Schooling Cause Growth? *American Economic Review*, Vol. 90, pp. 1160-1183.

5. Bloom, D. E., Canning, D., & Jamison, D. T. (2004). Health, Wealth and Welfare, Finance and Development. Vol. 41, (1), pp. 10–15.

6. Bundy, D. (2005). School Health and Nutrition: Policy and Programs, Food and Nutrition Bulletin. 26, (2), pp. 186–192.

7. De la Fuente, Á. (2003). Human Capital in a Global and Knowledge-Based Economy. Part 2. Assessment at the EU Country Level.

8. Fadi, A. S. (2014). Human Capital Development in Special Economic Zones: the Case of Dubai. School of the Built Environment, College of Science and Technology University of Salford, Salford, UK, Ph.D. Thesis, 2014.

9. Gomes-Neto, J. B., Hanushek, E. A., He´ lioLeite, R., & Cla´udioFrota-Bezzera, R. (1997). Health and Schooling: Evidence and Policy Implications for Developing Countries. *Economics of Education Review, 16, (3), pp. 271–282.*

10. Harry, D. M. (2010). The Centrality of Human Capital Development to the Attainment of Nigeria's Vision 2020 Development Programme. *Journal of Sustainable Development in Africa, Vol.12, No.5, ISSN: 1520-5509, Clarion University of Pennsylvania, Clarion, Pennsylvania.*

11. Krueger, A. B. and Lindahl, M. (2001). Education for Growth: Why and for Whom? *Journal of Economic Literature*, Vol.39, pp. 1101-1136.

12. Mamuneas, T. P., Savvides, A. and Stengos, T. (2006). Economic Development and the Return to Human Capital: A Smooth Coefficient Semi Parametric Approach. *Journal of Applied Econometrics*, 21, pp. 111-132.

13. Miguel, E. & Kremer, M. (2004). Worms: Identifying impacts on education and health in the presence of treatment externalities. *Econometrica,* 72(1), pp. 159–217.

14. Oladeji, S. I. and Adebayo, A. A. (1996). The Scope for Human Resource Development under the Adjustment Programme in Nigeria. *Nigerian Economic Society Annual Conference Ibadan, NES, 441-460.*

15. Oladeji, S. I. (2014). *Educated and Qualified, but Jobless: A Challenge for Sustainable Development. 262 Obafemi Awolowo University (OAU) Inaugural Lecture Series, Economics Department, OAU, Ile-Ife, Osun State, Nigeria.*

16. Temple, J. R. W. (2001). Generalizations That Aren't? Evidence on Education and Growth. *European Economic Review*, Vol. 45, pp. 905-918.

17. Satope, B. F. (2012). *Enrolment Profile and Human Resources Planning in Nigerian Universities, 1980-2009. A PhD. research thesis submitted to the department of economics, Faculty of Social Sciences, Obafemi Awolowo University (OAU), Ile-Ife,Nigeria.*

18. Sonmez, F. D. and Sener, P. (2009). Effects of Human capital and Openness on Economic Growth of Developed and Developing Countries: A Panel Data Analysis. *World Academy of Science, Engineering and Technology*, No. 30, pp. 1242-1246.

19. Vandenbussche, J., Aghion, P. and Meghir, C. (2006). Growth, Distance to Frontier and Composition of Human Capital. *Journal of Economic Growth*, Vol. 11, 97-127.