
IMPACT OF HUMAN CAPITAL INVESTMENT ON FIRM' S VALUE OF LISTED AGRIBUSINESS FIRMS IN NIGERIA

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ABSTRACT

The study examined the impact of human capital investment on firm's value of listed agribusiness firms in Nigeria, for the period 2011-2020. Human capital investment is the stock of competencies, knowledge and personality attributes embodied in the ability to perform labour so as to produce economic value. Or the investment people make in themselves or by their organizations that enhance their economic productivity. Human capital cost is proxies as directors remuneration and staff salaries and wages cost on firm value measured by Tobin' s Q. the study adopts an ex post facto research design while panel multiple regression was used for analysis, it was found out that, Directors Remuneration has a negative and insignificant effect on Agribusiness in Nigeria. And Staff Salaries and Wages Costs has a negative and significant effect on firm value of listed Agribusiness firms in Nigeria. Based on the findings of this study, it recommends that, Remuneration of Directors of listed Agribusiness firms should be tied to its profitability so as to attract commitment and performance from Directors of listed Agribusiness firms in Nigeria. This will leads to wealth maximization of shareholders. Secondly, the board and management of listed Agribusiness firms in Nigeria should design other incentives packages to motivate and enhance its workforce as oppose to relying on salaries and wages of Agribusiness firms in Nigeria.

Key words: Human Capital Investment, Directors Remunerations, Salaries and Wages, Firms value and Agribusiness.

INTRODUCTION

The basic and most crucial resources needed by firms and organisations to achieve their objective are traditionally known as factors of production e.g. land, labour and capital. The labour resources which are represented by human capital are responsible for coordinating and harnessing the other resources that is needed for achieving Firms objectives. This makes human resource capital as the most indispensable capital of an organisation (Olaniyan & Lucas, 2008). The gradual shift from the use of basic capital to more advance capital assets of high

technology, information and innovation-based environment has called for more attention to be given to creativity, talent, skill, dedication and expertise in the recruitment and selection of the employee that will aid the achievement of the organisation's objectives (yahaya 2007). however the role of human capital cannot be overemphasised in the running of a firm processes and operations. The competitive economic environment that businesses operate requires the recruitment of staffs with the requisite knowledge and skill to compete effectively and gain competitive advantage over its competitors (Marimuthu, Arokiasamy & Ismah, 2009).The current global business climate is better managed when the intellectual capital base of organisation combined with its physical assets. (Islam, Kamruzzaman & Redwanuzzaman, 2013). Thus, Shareholders value is the value delivered to shareholders due to successful business operation and management's ability to grow earnings, dividends and share price (Yahaya, 2007).

Most users of financial information are mostly concerned with high profitable and strong earnings of a firm, which is usually derived from the financial performance. (Yahaya, 2007). Popov, 2013; Mustafizur, Amzad & Tabassum, 2013; Ofoegbe & Joseph, (2013). The indispensable role of human capital investment as a vital internal resource that an organisation can explore and exploit to improve corporate image, create value, improve operational efficiency as well as, gaining more market share. Therefore, proper remuneration, of workers is key to achieving firms corporate objectives.

Staffs salaries and wages are the direct monetary compensation an individual will be entitled to for rendering his/her services to an organisation. The wages and salaries bill of an organisation is said to constitute about 50%- 65% of the running cost of an organisation. However, companies and organisation that refuse to pay wages and salaries on regular basis could affect its ability to ensure a going concern basis of the business (Nwachukwu, 2015; Atchison, 2003; Muo, 2013). Ibrahim, Kassim & Tamsir,(2019). The most crucial asset that an organisation needs to function optimally and achieve its objective efficiently and effectively is based on the quality of employee at its disposal. Hence, this has led to the examining of impact of human capital investment on firm value of listed Agribusiness Firms in Nigeria,

Objective of the Study

The main objective of this study is to examine the impact of human capital investment cost on firm value of Listed Agribusiness Firms in Nigeria. The specific objectives are to:

- i. examine the effect of director's remuneration on firm value of Listed Agribusiness Firms in Nigeria.
- ii. assess the effect of Staff Salaries and wages cost on firm value of Listed Agribusiness Firms in Nigeria.

LITERATURE REVIEW

Conceptual Framework

Human Capital Investment

Fatoki (2011), organisations with specific human capital is expected to show higher levels of performance than those with lower levels of general and specific human capital. Becker (1964) views human capital as similar to physical means of production such as factories and machines. Ganotakis (2010) noted that human capital development is a managerial tool for competitive advantage for entrepreneurial firms by using the Resource-Based Theory (RBT) to explain the importance of human capital to entrepreneurship. Ofoegbe and Joseph (2013) also argued that adequate human capital development is indispensable for the survival of SMEs. Frank and Zahid (2015) defined human capital as an amalgamation of factors such as education, experience, training, intelligence, energy, work habits, trustworthiness, and initiative that affect the value of a worker's marginal product. According to Hessels and Terjesen (2008), human capital refers to an individual's knowledge, skills, and experiences related to entrepreneurial activity. Hatch and Dyer (2004) noted that in today's knowledge economy, firm performance and competitive advantage are derived more from what a firm knows and the human capital that permits the firm to use what it knows.

Directors Remuneration

Directors' remuneration is the way that directors of a company are compensated, either through fees, salary, or through other benefits with approval from the company's shareholders, the board of directors, and in some circumstances, designated committees. The size of the company and whether it is a private or public company will dictate what the directors' remuneration process should be for that company (Nahar, 2006). Remuneration is broadly used as an incentive that affects decisions made and strategies planned by directors which cause great impact on firm performance and profitability (Mohd, Ng, Josephine & Akmal, 2018). Remuneration not only shapes how directors behave but also help to retain talent through attractive remuneration since directors are viewed as a scare asset. Ibe, Ugwuanyi & Okanya,(2017) opined that, directors remuneration expenses is what an organisation can record as limited to the amount wholly and exclusively incurred for the purpose of the business.

Staffs Salaries and Wages Cost

The first thing to remember is that staff cost is not only about salary payment, many other expenses are relevant and must be factored in too. Consider the following: social security payment, pension contributions, travel expenses, training and development cost, human resource expenses, holiday pay, sick pay and healthcare

cost. The full benefits report to every employee or staff should be issued twice a year, this will keep all employees clear that after working for hours there is a take home pay. A firm's human resource practices must develop employees' skills, knowledge and motivation such that employees behave in ways that are instrumental to the implementation of a particular strategy (Ekundayo & Odhigu, 2016). In general, relatively high revenue per employee is a positive sign that suggests the firm is finding ways to squeeze more sales (revenue) out of each of its workers in order to ensure economic growth and stability in the industry.

Concept of Firm value

Firm's value is the potential price that buyers are willing to pay if the firm is sold. The firm's value is also defined as the market value because firm's value can maximize shareholder's wealth, if the stock price increases (Hasnawati, 2005). According to Sartono (2010), companies with a long-term target of maximizing revenue and expanding properties of shareholders tend to optimize its own value (firm value). Winarto (2015) states that a company can take a lot of advantages thanks to the growth of firm value, such be accessible to the capital market's funding source or at competitive/high selling price in case of mergence. The firm value is the total assets owned. It consists of the market value of share and liabilities (Damodaran, 2002). The high stock price can provide a good signal to attract investors to determine investment decisions.

According to Hermuningsih (2013), firm value is crucial since it can be a sign of company's performance and one of the main factors influencing in investor perception of the company. Public have a better trust/belief on a corporate that has increased share value, leading to the fact that investors are willing to pay higher with the expectation of high returns. The value of a company can be determined in different ways but this study employs Tobin's Q.

Empirical Review

Chathurika and De Silva (2019) examined the impact of expenditure on human capital and human capital accounting on financial performance of Sri Lankan Listed companies. This study employs panel data over five years from 2011 to 2015 of forty listed companies across all sectors in the Colombo Stock Exchange Sri Lanka. Financial performance was measured through Return on Equity and Return on Assets. Aggregated expenditure on human capital was determined using all employee related financial information published in annual reports. An index was developed using disclosures on human capital accounting. Panel regression was applied in order to analyse the data. Expenditure on human capital significantly influences on firm's financial performance and the relationship is found to be positive. However, human capital accounting disclosure level does not significantly influence towards the financial performance.

Fang and Li (2019) examined the interaction effect of human capital investment in firms with dual-class shares (DCS) structure. We find that although more input in humans, measured by KLD ratings, can enhance the valuation of single-class (SCS) firms, human capital investment in DCS firms is not valued by the market, but even hurts firm value. The more investment in humans, the more DCS firms suffer the valuation discount. This result is consistent with the prediction of agency theory. The management entrenchment effect in DCS firms causes valuation discount when managers can transfer private benefit through investing in humans. Overall, this paper provides the evidence that human capital investment plays different roles in firm value under different circumstances, especially under different ownership structure.

Inua and Oziegbe (2018) examined the effect of human resource accounting on the performance of quoted banks in Nigeria. The study examined the annual reports of 18 quoted commercial banks from 2009-2017 financial years and the research design adopted was the ex-post facto research design. Using regression analysis, the effect of certain human resource accounting attributes such as staff cost, director remuneration, number of staff and firm size was examined. The results confirm that there is a significant relationship between staff cost, staff strength, and firm size and financial performance. Director remuneration had no significant relationship on financial performance.

Masuluke and Ngwakwe (2018) examined whether human capital investment (HCI) does contribute to the profit performance of selected companies in the FTSE/JSE Responsible Investment Index Series. Secondary data on companies' profit, human capital investment (HCI) (main independent variable) and sales turnover (STO) (control variable), were collected from the integrated reports of 28 companies for six years 2010 – 2015. Using a panel data approach and the regression statistics, findings from the analysis present two important findings. Firstly, the P value on the influence of two independent variables (HCI and STO) indicate a significant relationship at $P = 0.0001$. Secondly, the HCI, acting alone, shows a negative but not significant relationship with net profit. However, this relationship is temporary; at long run, HCI has the propensity to positively impact better performance of net profit, hence companies should not evaluate the HCI profit performance based purely on a short term.

Akintoye, Siyanbola, Adekunle and Benjamin (2018) examined how the inclusion of human assets in the statement of financial position of companies could serve as a panacea towards answering the reliability question in financial reporting, since most of the said scandals have been attributed to human behaviour. Secondary data obtained from four companies, 2 each in Nigeria and Ghana (Cadbury Nigeria Plc; Dangote Cement Plc; Fan Milk Ghana Limited and PZ Cussons Ghana Ltd) for 2012-2015 were analysed using descriptive and inferential statistics. The Lev & Schwartz's Present value of future earnings model was adopted to recognise the human assets in

those reports with the amended financials revealing an improvement in the value of the companies. The result of the statistical test showed mixed results revealing non-normality of almost all the financial indices of Return on Asset, Return on Equity, Leverage and Earnings Per Share, thereby resulting in the rejection of the null hypotheses while the Analysis of Variance favoured the null, as the test reveals higher f-stat (p-val.) at 5% significant level for all the financial indices.

Sani and Usman (2018) investigated the impact of financial performance on human capital efficiency of quoted oil and gas companies in Nigeria. The secondary sources of data were employed while the panel data collected were analysed using multiple regression model. The findings revealed that the level of human capital efficiency in the Nigerian oil and gas companies could be influenced by market price per share and book value per share. The study recommends that oil and gas companies in Nigeria should increase their human capital investment to boost their book value per share through continuous training and retraining of human asset, among others.

Amahalu, Abiahu, Obi and Okika (2016) explored the effect of Human Resource Accounting on Financial Performance of deposit money banks listed on Nigeria Stock Exchange. The specific objectives are to ascertain the effect or otherwise of staff cost on return on asset, return on equity and market-to book value of banks listed on the floor of Nigeria Stock Exchange from 2010-2015. Ex-post fact research design was used for this study. Secondary data were sourced from the publications of Nigeria stock exchange. Ordinary Least Square (OLS) regression analysis was used for the analysis. Findings of this study showed that Human Resource Accounting has a positive and statistically significant effect on Financial Performance at 5% significance level.

Hassan (2016) examined the impact of HRM practices on employee's performance in the Textile industry of Pakistan. Random sampling technique was used to collect data for this research study. A questionnaire based on 34 items was distributed among 68 employees of textile industry for data collection. To check the association between HRM practices and employee's performance, Pearson correlation statistical technique and regression analysis was applied on the data. The results indicate that HRM practices Compensation, Career Planning, Performance Appraisal, Training, and Employee Involvement have a positive impact on employee's performance. Hence, it is proved that independent variables contribute positively towards change in the dependent variable.

Ghannar (2015) examines the impact of human capital investment on organizational performance. Both female and male are given almost equal chances of Human capital development (training, education, and assignments). The result has also confirmed that when employees are provided with ample chances of human capital development, they become satisfied from the organization when they become satisfied from the organization, they will automatically perform better in the organization which will lead to satisfaction of customers of the organization. It is

universal acceptance that when employees and customers are satisfied with the organization, it means the organization is performing well. This research showed that if an organization provide ample chances of human capital development that will increase the performance of the organization. The study employed primary data, while this study used secondary data and its current.

Oyinlola and Adeyemi (2014) studied the impact of human capital development on organizational performance of banks in Osun State. Questionnaire were used in eliciting information from respondents. Simple percentage was used in analysis data collected through administration of questionnaire. The study revealed that there are significant relationship exists between human capital development and organizational performance of banks in Osun State, Nigeria. *The study is restricted to banks in Osun State, Nigeria and cannot be applied in the Agribusiness industry in Nigeria.*

Saka (2014) conducted a study in Dubai on human capital development in special economic zones with the intention of establishing a framework to measure the impact of special economic zones on human capital accumulation. An in-depth literature review was conducted on human capital and special economic zones by focusing on the macro and micro levels, the study shed light on the factors that drive human capital development. The research showed that; human capital development is affected by the firm's type, its financial performance, the level of clustering in the free zone, and what level of technical know-how spill over has influenced human capital development within Dubai free zones. *The study is restricted to Dubai and cannot be used in Nigeria.*

Ismaila (2013) studied the relationship between human capital efficiency and financial performance: an empirical investigation of quoted Nigerian banks. The study used Earnings Per Share and Return on Equity as proxies for financial performances. Ordinary Least Square regression was used to analysis data collected from the financial reports of the banks. The study revealed that efficient utilization of human capital does not have any significant impact on the return of equity of banks. In addition, the size of a bank has no significant impact on its return on equity, while the return on equity of banks cannot be predicted by human capital efficiency and size of the banks. The study was carried out in Nigeria banks while this current study is in Nigerian but on insurance companies, also, this current study will be updated to 2019, and this makes this study current.

Ijeoma and Aronu (2013) assessed the effect of human resource accounting on financial statement of Nigerian Bank using Zenith Bank Plc as a case. The main objective of this Study is to determine whether accounting for human resources will influence the financial position of Zenith Bank Plc and to examine if the non-application of Human Resource Accounting measures, affect future investment of Zenith Bank Plc in human capital. The method of data collection used in this study is field survey method which involved the use of questionnaire and interview. From result

of the Kruskal Wallis test statistic used in analysing the data collected it was observed that accounting for human resource will improve the financial position of Zenith Bank Plc if applied. Equally, Non-application of human resource accounting measures was found to affects the future investment of Zenith Bank Plc.

Olalere and Adesoji (2013) examined human capital development of First Bank of Nigeria Plc. The study utilized both secondary and primary data. The researchers employed OLS regression in analysing data collected through questionnaire and annual reports of the bank. Finding of their study revealed that human capital development in First Bank of Nigeria Plc. has improved the skills, attitude, and performance of the staff of the bank, which invariably has led to the achievement of organizational goals and objectives. *This study is limited only to the first bank and is not applicable to the Agro-Allied industry*, also, this current study will be updated to 2017, and this makes this study current.

Bapna, Nishtha, Amit, Ram and Alok (2013) studied the impact of human capital investments in the context of the Indian IT services industry. The study findings showed a significant positive influence of training on employee performance. An additional training course, on average, helps employees improve their performance. The research also investigates the mediating role of employment-related characteristics and the type of training on the link between training and performance. And they find that employment characteristic such as work experience and whether the employee is a direct hire from an educational institution or a lateral hire from another IT services firm play a significant role in shaping the impact of training on performance. Interestingly, they also find that there is systematic superiority in the high experience laterals' ability to extract value from firm-provided training. The researcher found that there is a significant difference between the impact of specific versus general training and domain versus technical training on performance. In addition, domain and technical training have a substitutive relationship. The study is carried out in the IT service industry in Indian and is not applicable in the *Agro-Allied* industry in Nigeria.

Perera and Thrikawala (2012) investigated the impact of investment in human capital on financial performances of the companies in Sri Lanka. In order to achieve the objective of the study, financial information in financial statements of listed companies under Colombo Stock Exchange for the period of 2 years from 2009 to 2010 was used. Sample of the study was selected as 40 companies listed under Colombo Stock Exchange. Data analysis was carried out with aid of SPSS (Statistical Package of Social Sciences). Findings revealed that there is a significant relationship between investment in human capital and firm financial performances (0.021).

Theoretical Framework

This study has been anchored on the following theories advocating the relevance of human capital development:

Human Capital Theory

According to this theory, a workforce that is more educated and possessing the relevant skills makes it easier for a firm to adopt and implement new technologies which in other words means return on investment in employees' education and training (Izushi & Haggins, 2004). Human capital theory changes the equation that training and development are 'costs which the organization should try to minimize' into training and development as 'returnable investments' which should be part of the organizational investment capital. The theory holds that the competence, knowledge, abilities, and skills of an organization's workforce contribute to its competitive advantage.

Resource-Based View (RBV)

The theory states that organizational valuable resources, and capabilities, which are not common and cannot be easily substituted, sustain firms' competitive advantage. The resources-based theory of the firm is a mix of concepts from organizational economics and strategic management (Barney, 1991). A fundamental assumption of this view is that organizations can be successful if they gain and maintain competitive advantage (Porter, 1985).

RESEARCH METHODOLOGY

Research Design

The study used Ex-Post Facto design in the sense that the researcher does not have direct control over the independent variables because their manifestations have already occurred or because they are inherently not manipulated. Ex Post Facto Design provides an alternative to investigate how independent variables affect dependent variables and enables the researcher to observe the independent variables after the event.

Population, Sample and Sampling Techniques

The population of the study covered thirteen Agribusiness firms listed on Nigerian Stock Exchange as at 2021, the study uses simple random techniques to carefully select five companies from the period of 2011 – 2020. The sampled firms are; Dangote Sugar Refinery, Bua foods, Honeywell Flour Mill, Livestock Feeds and Nestle Nigeria.

Population of Agribusiness firms in Nigeria

1	CADBURY NIG. PLC
2	DANGOTE SUGAR REFINARY
3	ELLAH LAKE PLC.
4	FLOUR MILLS NIG.
5	FTN COCOA PROCESSORS
6	HONEYWELL FLOUR MILL
7	LIVESTOCK FEEDS
8	MULTI-TREX INTEGRATED FOOD
9	NESTLE NIGERIA
10	NIGERIA FLOUR MILL
11	OKUMU OIL PALM
12	PRESCO
13	BUA FOODS

Source: Nigeria Stock Exchange, 2021.

Methods of Data Collection and Analysis

The study used secondary source of data collection. The data was collected from the annual reports of Agribusiness Firms listed on the Nigerian stock exchange for a period of ten (10) years (2011 to 2020). In line with the research paradigm underpinning the objectives of this study, the study will use panel multiple regression technique of data analysis. The model is formulated in mathematical to be:

$$FV = f(DR, SSC,)$$

The model specification is thus;

$$FV_{it} = \beta_0 + \beta_1 DR_{it} + \beta_2 SSC_{it} + \varepsilon_{it}$$

Where;

FV = Firm Value

DR = Director's Remuneration

SSC = Staff salary and wages

$\beta_1 - \beta_3$ = Coefficient of explanatory variables

β_0 = Constant or Intercept

ε = Error Term

t = time

l = firm

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

Table 1: Descriptive Statistics

	TQ	DR	SSC
Mean	0.178202	7.151338	7.803947
Median	0.118095	7.549149	7.920426
Maximum	0.472835	8.006577	9.081147
Minimum	0.057826	5.676694	0.000000
Std. Dev.	0.131026	0.782520	1.389161
Skewness	0.921419	-0.965993	-3.622583
Kurtosis	2.421356	2.307792	20.95557
Jarque-Bera	7.772667	8.774422	781.0309
Probability	0.020520	0.012435	0.000000
Observations	50	50	50

Source: EViews output, 2021

The average value of Tobin's Q is 0.1782019 and it deviates from the mean by 0.131026. The range of the values of Tobin's Q are between 0.0578256 and 0.4728349 for listed Agribusiness firms in Nigeria. Despite the fact that Tobin's Q is low, it was evident that the listed Agribusiness does not have negative firm value.

The maximum and minimum values of director's remuneration are 8.006577 and 5.676694 for listed Agribusiness in Nigeria. The average is 7.151338 and it deviates from both side of the mean by 0.782520.

The mean value for salaries and wages for listed Agribusiness firms in Nigeria 7.803947, while the minimum and the maximum values lies between 0.0000 and 9.081147. It also deviates from mean by 1.389161.

Table 2 Correlation Matrix

	TQ	DR	SSC
TQ	1.000000		
DR	-0.471774	1.000000	
SSW	-0.300233	0.578944	1.000000
TAD	-0.221565	0.591911	0.465100

Source: EViews output, 2021

Table 2 shows the correlation between the study variables. The result shows that the relationship between Tobin's Q (firm value) and director's remuneration, salaries and wages is negative for listed Agribusiness firms in Nigeria. This connotes there is an inverse relationship between both variables as one goes up the other goes down and vice-versa. Since the correlation is low and below 0.7% it shows that there is no correlation problem with the variables as asserts by Gujarati 2009.

DIAGNOSTIC TEST

Table 3 Variance Inflation Factor

Variance Inflation Factors
Date: 05/26/21 Time: 08:13
Sample: 1 50
Included observations: 50

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
DR	0.000882	162.0766	1.879735
SSC	0.000232	51.73785	1.558225
C	0.029737	105.5822	NA

Source: EViews output, 2021

The result on Table 3 shows that the study is free from multi-collinearity as the tolerance value is less than 1 and **Variance Inflation Factor** is less than 10, it connotes that the model is fit appropriate for the study.

Table 4 NORMALITY TEST

Shapiro Wilk W normality test	p-value: 0.409
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The data is normally distributed as the p-value: 0.409 is greater than 5%.

Table 5 Regression Summary

Variables	Coefficient	t-values	P-values
DR	-0.047160	-1.482922	0.1456
SSC	-0.040999	-3.522620	0.0010
Constant	0.710813	2.913532	
R ²	0.745735		
Adj. R ²	0.703358		
F-stat.	17.59747		
F-sig.	0.000000		
Hausman p-value	0.0004		

Source: EViews output, 2021

The result on Table 5 shows that the selected variables account for the variability in firm value by 74.5%, while variables not captured in the study explains the variability in firm value by 25.5% for listed Agribusiness firms in Nigeria. The probability of the

F-stat. is 0.000000, which indicates that the model is fit as it is below 5%.

The study will interpret the fixed effect model result because the Hausman specification p-value is 0.0004 which is less than 5% thus, fixed effect model is more suitable for the study.

The result also shows that director's remuneration has a negative and insignificant effect on firm value of listed Agribusiness firms in Nigeria with a p-value greater than 5% (0.1456) and a coefficient of -0.047160. The study therefore, fails to reject the null hypothesis.

Similarly, the result reveals that salaries and wages have a negative and significant effect on firm value of listed Agribusiness firms in Nigeria with a p-value less than 5% (0.0010) and a coefficient of -0.040999. The study therefore, rejects the null hypothesis and accept the alternate hypothesis.

Discussion of Findings

Director's Remuneration has no significant effect on firm value of listed Agribusiness Firms in Nigeria.

The study fails to reject the null hypothesis that director's remuneration has no significant effect on firm value of listed Agribusiness firms in Nigeria, based on the statistical evidence obtained from the analysis. Thus, as the director's remuneration by listed Agribusiness in Nigeria increase has no effect on their firm value. This is contrary to the studies of; Inua and Oziegbe (2018), Youssef, Masuluke and Ngwakwe (2018). But, in line with those of Perera and Thrikawala (2012), Micah, Ofurum and Ihendinihu (2012), Fang and Li (2019).

Staff Salaries and Wages have no significant effect on firm value of listed Agribusiness Firms in Nigeria.

The study rejects the **null hypothesis that staff salaries and wages has no significant effect on firm value of listed Agribusiness in Nigeria** based on the statistical evidence obtained from the regression analysis, thereby accepting the alternate hypothesis. This implies that as the staff wages bill increases the value of listed Agribusiness firm falls simultaneously. This is in line with the studies of Amahalu, Abiahu, Saka (2014), Hassan (2016), Inua and Oziegbe (2018) but contrary to the studies of Ismaila (2013), Ghannar (2015), Akintoye, Siyanbola, Adekunle and Benjamin (2018).

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Summary

The study examined the impact of human capital investment on listed Agribusiness Firms in Nigeria. It specifically examined the effect of selected human capital investments proxies of director's remuneration and salaries and wages on firm value measured by Tobin's Q for listed Agribusiness Firms in Nigeria for the period between 2011-2020.

Similarly, both conceptual and empirical literature related to the study was reviewed, in the same way relevant theories related to the study were reviewed. The study adopted the ex-post research design. The population of the study comprised five (5) listed agribusiness firms in Nigeria that have data required for the study throughout the period 2011- 2020. Multiple regression models were used to estimate the effect of two independent variables. From the findings of the study, conclusion and possible recommendations were made.

Conclusion

The study examined the effect of human capital investment on firm value of listed Agribusiness firms in Nigeria. Based on the findings of the study, the following conclusion was drawn:

The study reveals that director's remuneration has a negative and insignificant effect on firm value of listed Agribusiness firms in Nigeria. Based on this finding director's remuneration is not an important variable that determines the value of a firm of listed Agribusiness firms in Nigeria.

The study also concludes based on the above findings that salaries and wages are an important determinant of firm value of listed Agribusiness firms in Nigeria. This is as a result of it negative but significant effect it has on firm value of listed Agribusiness firms in Nigeria.

Recommendations

On the basis of the findings and conclusion the study recommends the following:

- i. The remuneration of directors of listed Agribusiness firms should be tied to its profitability and growth so as to extract commitment and performance from them that leads to wealth maximization of its shareholders.
- ii. The board and management of listed Agribusiness Firms should design other

incentives packages to motivate its workforce as oppose to relying on salaries and wages to achieving its objectives.

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