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Intellectual Capital and Organizational Survival of Selected Banks in Rivers State, Nigeria

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Abstract:
The dwindling economic situation in Nigeria resulting from the sharp drop in oil price and the several reforms witnessed in the banking sector has adversely affected profitability of Nigerian banks. In other to manage these challenges and remain in existence, Nigerian banks need to focus on the management of their tangible and intangible assets. These assets are not only valuable to their survival, they are scarce and difficult to imitate. The purpose of this quantitative study is to examine the relationship between intellectual capital and organizational survival, to determine the extent of relationship between the dimensions of intellectual capital and the measures of organizational survival. The theoretical framework for this study is Human relations theory (HRT). The study population consisted of 140 bankers with 103 participants drawn from 21 commercial banks in Rivers State, Nigeria. Spearman Rank Order Correlation Coefficient revealed that the ability of organizations to invest wisely on their human capital does not necessarily position the organization to anticipate problems in advance and develop satisfactory and timely solutions. Participants noted that investment in human capital does not also necessarily increase an organization's ability to integrate, build and reconfigure internal and external competencies to address rapidly changing environments.

Keywords: *Intellectual capital, organizational survival, organizational learning.*

1. Introduction

Organizations today are faced with challenging economic environment occasioned by changing market conditions, suppliers and customers' needs, and even increasing product market competition. As a result of this dynamic and competitive nature of the business environment, management of organizations are forced to seek for better practices and strategies that will keep them in business (Aslam, Ayub, & Razzaq, 2013). Part of these strategies includes the need for organizational management to focus on tangible and intangible assets that are vital for the survival of these organizations. The management of these intangible assets have become extremely important owing to the fact that they are not only valuable to organizations but are scarce and difficult to imitate. It is important therefore that for organizations to survive, they must adopt different approaches for accumulating and utilizing their assets (tangible and intangible assets); and intellectual capital forms part of the intangible assets of organizations. According to Husain, Altameem, and Gautam (2013), the intellectual capital (IC) of an organization represents the stock of knowledge in the organization at a particular point in time. It is a snapshot view of what an organization has learned in a cognitive sense. Intellectual capital also refers to intangible assets such as knowledge capital that is the driver of value in an organization. It is an important economic resource that directly affects competition in market (Striukove, Unerman & Guthri, 2008). According to Sabramanium and Youndt (2005), intellectual capital correlates with an organization's capability to enhance performance. Stewart (1997) described IC as a stock of information, intellectual property, intellectual material, experience, and knowledge that can be used to generate value for firm.

Intellectual capital brings about innovation and improved profitability. Organizations that recognize the importance of Intellectual capital manage it effectively and encourage continual learning. According to Tovstiga and Tulugurova (2009), intellectual capital is the combination of human capital, organizational capital and relational capital. Yi and Davey (2010) argued that organizations need continuously to create, develop, and value knowledge to overcome competition. Organizational survival on the other hand can be described as the ability of an organization to continue in business despite challenging environmental conditions. It refers to all coordinated efforts aimed at ensuring that an organization does not experience decrease in sales, market share, and profit occasioned by unfavourable market and/or environmental conditions; and such conditions do not interrupt the organization's ability to continue to conduct its operations in a manner that continues to meet the expectations of its stakeholders (Fleming, 2012). Reitz (2012) opined that organizational survival depends on many factors but system theorists believe that organizations that function as an open system have a greater chance of survival than organizations that function as a closed system. This is because open system allows for interaction and interdependence with the external environment. Although studies may have shown that there is a correlation between intellectual capital and organizational survival (Vargas & Lloria, 2014, Guta, 2014), search for literature on the moderating effect of organizational learning in the relationship between intellectual capital and organizational survival yielded no result and this study seeks to examine the moderating effect of organizational learning in the relationship between intellectual capital and organizational survival. Study aims to establish a link between intellectual capital and organization survival using organizational learning as a moderating variable.

The present day business environment is more dynamic and unstable than ever. Organizations are facing complex challenges in marketplace as a result of these changes. Innovation in processes, system, procedures, and structures are becoming increasingly necessary on daily basis. In the Nigerian banking sector, the competition is becoming steeper considering the dwindling economic situation resulting from the sharp drop in oil prices. Banks are all having relatively similar products and the under-banked populace in the country has been on the increase. The banking public is more aware of the import of quality customer service as a determinant of their choice of bank. The industry in recent times has witnessed several reforms which include the gradual eradication of commission on turnover (COT), the abolition of foreign exchange (FOREX) trading, the increase in Cash Reserve Ratio (CRR), the reduction in interest rates, restrictions on the establishment of Letters of Credit (LCs) for some goods, etc. All these have adversely affected the profitability of Nigerian banks. Also, the rate of employee turnover has become alarming in recent years and needs to be urgently addressed. While an average banker in Nigeria works for at least two banks within a period of three years, their counterpart in other countries stay longer in a particular bank. This has made banks lose valued deposits to their competitors that have attracted their knowledge workers. Accounts in these banks also go into dormancy at an unprecedented rate. This is largely because banks pay little or no attention to their customers particularly the middle and lower mass markets, a situation that has adversely affected the profitability of these banks. To cope with these changes in the Nigerian banking system, banks must pay particular emphasis on organizational learning as a way of improving their intellectual capital. This problem may be systemic occasioned by a number of factors which include inadequate attention to the importance of organizational learning in the improvement of intellectual capital that will guarantee organizational survival. The disregard for intellectual capital amongst Nigerian banks and the need to embrace the concept has informed this study.

2. Review of Related Literature

2.1. Intellectual Capital

Intellectual capital is a phenomenon that showcases the creative nature of individuals in an organization. It is an intangible asset organizations use in influencing people and displaying their competitive advantage within a given industry. Miller (1999) noted that it is an organizational concept that influences both organization and community. Edvinsson (1997) defined IC as ownership of learning, applied experience, firm innovativeness, customer and supplier relationships that brings about competitive edge in the market. Stewart (1997) suggested that IC is a stock of information, intellectual property, intellectual material, experience, and knowledge that can be used to generate value for firms. Intellectual capital is defined as the organizations' interconnectivity, knowledge, and corporate awareness, differentiated from the organizations' employees' core competencies and skills (Carrell, 2007). Sveiby (1998) noted that intellectual capital comprises individual competence, internal structure and external structure, with the individual competence being an employee's ability to take actions under various situations, which involves explicit knowledge, skills, experiences, value-related judgments, and social network; internal structure being the sum of patents, concepts, patterns, computer and management systems; external structure being relationships with customers and suppliers, which involves the brand, reputation and trademark. The management of IC maximizes organizational worth (Peng, 2009). It also maximizes a company's ability to compete based on its productivity, growth, customer relations, and long-run profitability.

It is an important reference indicator for evaluating corporate values of organizations (Salmaninezhad & Daneshvar, 2012). These assets if effectively managed increase a firm's performance that eventually translates into competitive advantage. Tsen and Hu (2010) asserted that it is impossible for a company to gain momentum for corporate reforms unless it invests in intangible assets such as intellectual capital. According to Carrell (2007), when IC is valued, organizational survival is enhanced because organizations are financially stronger, performance is enhanced, customer loyalty is strengthened, and social relationships are improved. It is important to note that because these assets are intangible and "immobile", they are costly to duplicate (Chao, 2011). Different scholars have dimensioned intellectual capital. Some have discussed the elements of IC to include human capital, organizational capital and relational capital (Tovstiga & Tulugruva, 2009; Bontis, 2002; Stewart, 1997; Edvinsson & Sullivan, 1996; & Lynn, 1998). According to Sveiby (1997) intangible assets such as intellectual capital can be classified as individual ability, internal and external structure. Johannessan, Olsen, and Olaisan (2005) described the four elements of IC to include human capital, structure capital, network capital, and system capital. For purposes of this study, we shall examine three capitals as elements of intellectual capital and they are human, organizational, and relational capitals.

2.1.1. Human Capital

Lennox (2012) described human capital as the aggregate of knowledge and information that enhance a firm’s efficiency and effectiveness in terms of processes, procedures, products, and system innovation. It is the exhibition and/or display of knowledge, skills, capacities, and abilities in the execution of certain task within a given timeframe and available resources. Chao (2011) defined human capital as the sum of personal competencies, knowledge, technologies, and experiences of a company's entire staff and managers, including the creativity and innovative capability of the organization/company. According to Knight (1999), human capital involves the employee turnover rate, employee satisfaction, and the quantity of new products/ideas. Firms depend largely on human capital for the resolution of unexpected problems. The efficacy of human capital depends on the human beings or employees of the organization; thus human capital is an integral part of human beings. Aslam, et al (2013) suggested that there is a positive relationship between intangible assets and organizational performance and that human capital is the most important element of intellectual capital. They further noted that organizations that concentrate more on human capital development are most successful. Organization can increase the potency/effectiveness of its human capital through hiring knowledge and skilled individuals and by training of internal employees. Investment in these developmental activities like education and training of employees are beneficial to motivate them, increase productivity and enhance organizational survival (Carrell, 2007). In this era of technological advancement and globalization, human capital is essential for the survival of an organization. Organizations' need to invest wisely on their human capital because in an environment characterized by rapidly-changing market conditions, achieving meaningful financial performance, survival and competitiveness is largely dependent of the effectiveness and efficiency of the human capital. It is imperative therefore that organizations develop human capital that is hardly replicable by competitors. They should transform the accumulated wisdom, knowledge, and capacity of employees into core capability that will clearly demonstrate the organization’s competitive advantage and corporate strength. Les and Badri (2007) noted that an organization can only sustain its competitive advantage through distinctive capabilities. That is, organizations should be able to determine the extent to which its competitors can imitate or copy what it does. Mahoney and Pandian (1992) proposed that the unique capabilities of a particular organization allow it to make better use of available resources.

2.1.2. Organizational Capital

Organizations do not operate in vacuum; they operate within certain organized structure and/or system. It is this structure/system that influences other capitals positively or negatively. Maddocks and Beaney (2002) described organizational capital as the supportive infrastructure, processes and management system of the organization that make possible for human capital to perform their tasks and duties. According to Youndt and Scott (2004, p.2) organizational capital has been defined as "the institutional knowledge and codified experience residing within firms utilized through databases, patents, structures, systems and processes." Organizational capital creates the enabling environment for human capital to perform in an organization in response to unexpected change. It includes a formal and/or informal structure in a firm in addition to its culture, reputation, and relations among groups within and between firms (Barney, 1997, 2002). Organizational capital otherwise described as structural capital (Chao, 2011), is the overall system and procedures adopted by a company to solve problems and create values. It is the supportive framework that gives human capital a physical form and power, as well as an organized capacity that includes the tangible system used to communicate/store intellectual materials. The management of organizational capital results in improved organizational performance, employee productivity, commitment, tenure, and satisfaction (Carrell, 2007).

2.1.3. Relational Capital

Relational capital is the cordial relationship with all stakeholders that have great impact on a business/organization. Organizations that have good relationship with their stakeholders such as customers, suppliers, partners, government institutions, and competitors (Chen, 2008) often enjoy good support from its internal and external environment which ultimately enhances organizational survival and growth in a dynamic environment. Chao (2011, p.4) defined relationship capital as "the initiation, maintenance and development of an organization's external relationships, including the relationships with customers, suppliers and business partners". It is the sum of relationships with customers, suppliers and network-community members. In today’s business environment the most viable means of advertisement/marketing is ‘‘word of mouth’’ marketing or advocacy marketing; and this form of marketing is only possible in organizations that pay full attention and/or invest in relational capital. Stakeholders and external institutions are valuable to the survival and existence of organizations, thus, the relationship existing between organizations and their stakeholders is crucial to the success of any organization. This further emphasizes the importance of relational capital in an organization's worth. According to Larry and Patrick (2009) without positive, strong, and reliable relationship with stakeholders, an organization cannot be successful. Competitors can copy an organization's structure, its system and process, can hire its employees by offering higher pay and better working conditions, but they cannot build relationship overnight (Santos-Rodrigues, Faria, Morais, & Cranfield, 2013). It is difficult for competitors to replicate and/or imitate relational capital. Carrell (2007) noted that relational capital enhances organizations' productivity, market share, competitive position, and regulatory compliance.

2.2. Organizational Survival

The business environment is characterized with uncertainties and unanticipated events that threaten the existence of organizations. These uncertainties if not properly managed begin with organizations experiencing decrease in sales, market share, and profitability. The continuous occurrence of these negative trends can interrupt/affect an organization’s ability to continue conducting its operations to meet stakeholders’ expectations; a situation that often results in the organization's loss of goodwill, reputation, and customers. The consequences of poorly managing these unanticipated events will challenge organization's very existence and survival thus leading to its eventual collapse (Fleming, 2012).

As a result of the unpredictability of the business environment, the success and survival of any business is dependent on its ability to ensure the continuity of operations necessary to meet the expectations of its stakeholders. Díez-Martín, Prado-Roman, and Blanco-González (2013) noted that organizational survival depends on the support the organization receives from its different constituencies. Casey (2010) and Denison (1990) supported three measures of organisational survival: adaptability, maintaining high performance standards, and achieving functional performance goals. Teece, et al; (2010), Zahra, et al; (2006), and David, et al; (2010) suggested that the measures of organizational survival are adaptability and dynamic capability. For purposes of this study, only adaptability and dynamic capability shall be examined.

2.1.4. Adaptability

Adaptability as used in modern day management parlance is derived from the field of biology. As organizations evolve through its social economic development stage, the importance of long-term survival and development becomes clearer. Adaptability in management refers to the extent to which an organization has the ability to adjust its processes, procedures, structures, and systems in response to environmental changes (Denison,1990). It entails the taking of proactive and/or calculated actions that is geared towards meeting the demands of business environment. Organizations today through market research and environmental scan are able to identify, interpret, and translate signals of uncertainty from the environment into internal behavioural changes that increases their chances of survival, growth and development. According to Denison (1990), there are three aspects of adaptability that impacts an organization's effectiveness. First is the ability to perceive and respond to the external environment. Organizations are very focused on their customers and their competitors. Second is the ability to respond to internal customers regardless of their department or functions. Third is the capacity to restructure set of behaviours and processes that allow the organization to adapt. It is the ability to implement adaptive response that guarantees an organization's survival.

2.1.5. Dynamic Capability

Dynamic capability is the ability of a firm's principal decision-maker(s) to change or reconfigure existing substantive capabilities, routines, and resources in a manner that meets the demands of a dynamic business environment (Zahra, et al; 2006). Organizational dynamic capabilities (DC) theory described the concept as the ability of firms to continually build and develop organizational practices to sustain business growth. It also involves an organization's ability to innovate and adapt to changing market. The theory also suggests that firms that are responsive and rapid in product innovation, coupled with the capabilities to effectively coordinate and redeploy internal and external competencies, would improve performance; such firms will also have the capacity to integrate, build and renew internal and external competencies to adapt to changing market needs (Wong, 2013).

According to Eisenhardt and Martin (2000) with dynamic capability, firms can create/ configure new resource(s) as markets emerge, collide, split, evolve, and die. It is however important to state that possession of dynamic capabilities alone does not necessarily provide any substantial advantage to firms, but being able to manage the dynamic capabilities to achieve their strategic goals provides performance related advantages to firms. Having dynamic capabilities to redeploy or configure those substantive capabilities according to the strategic goals will help firms grow and survive as they face changes in the internal and external environment (Zahra, et al: 2006). According to Rasoul and Sheydayaee (2013), dynamic capabilities arise from collective learning of an organisation, in relation with the coordination of production techniques and integration of technologies, based on intangible assets. Ljungquist (2014) defined dynamic capabilities as a firm's ability to integrate, build and reconfigure internal and external competencies to address rapidly changing environments.

2.3. Intellectual Capital and Survival of Nigerian Banks

The Nigerian banking industry is today experiencing series of reformations geared towards sanitizing the industry and forcing banks to declare profits that reflect their true performance. As a result of this, competition amongst Nigerian banks is becoming steeper. Banks therefore are beginning to look for better ways of making realistic profit that will regain the confidence of the banking public. This unhealthy competition and rivalry among Nigerian banks is also occasioned by the fact that the industry is filled with deluge of similar products but with different names. There is the awareness among these banks that the only distinguishing factor that can create a competitive edge is now service delivery which underscores the importance of relational capital in the survival of banks in the country. Nigerian banks are becoming more and more customer-centric; managers have increased their emphasis on customer satisfaction as a critical measure of their success. In the past, Nigerian banks pay less attention to the feelings and aspirations of stakeholders particularly customers; but today, the tide has changed as banks are striving to attain a leading position in customer satisfaction. As noted by Aslam et al (2013) when a firm has good relationship with its customers and suppliers, motivation and retention of employees gives value to its stakeholders. There is no doubt that investment in relational capital can secure sustainable competitive advantage for Nigerian banks and this will guarantee their survival. As banks in Nigeria continue to experience these different reforms couple with the dwindling price of crude oil, the struggle for survival becomes multifaceted. There is increased need for enhancement of profitability and this can be achieved through valuation and investment in intellectual capital. The survival of Nigerian banks to a large extent is dependent upon their ability to capitalize on their human resources by investing in and managing their intellectual capital particularly the relational capital. It is important to note that any organization is only as good as the calibre of the people it employs. Banks should therefore exercise due care in the recruitment, training and commitment to employees' welfare in order to foster a customer satisfaction orientation. Employees who come in contact with customers and other stakeholders should consider and understand the customers' needs on an individual basis while other staff should provide support.

3. Methodology

The research methodology for this study is quantitative. The research design is cross-sectional research design. The entire 21 commercial banks in Nigeria forms the population of this study and as a macro level study, participants were drawn from the regional or zonal offices of these banks in Rivers state. The participants were drawn from senior, middle, and junior management staff who

understands the concept of intellectual capital and organizational survival. These cadres of staff in these regional offices range between five and ten. The total management cadre staff for this macro level study is 140.
One hundred and three (103) copies of questionnaire were administered to management staff of all the twenty-one (21) existing banks. Out of the One hundred and three (103) questionnaire administered, ninety-six (96) questionnaire representing 93.20% were retrieved while seven (7) representing 6.80% were not retrieved due to time and unwillingness of the respondents.

- Hypothesis 1 ($H0_1$): There is no significant relationship between human capital and adaptability.

Table 4.13. Results of Spearman Rank Order Correlation Coefficient for items of human capital and adaptability.

Correlations

			Human_Capital	Adaptability
Spearman's rho	Human_Capital	Correlation Coefficient	1.000	.900*
		Sig. (2-tailed)	.	.037
		N	5	5
	Adaptability	Correlation Coefficient	.900*	1.000
		Sig. (2-tailed)	.037	.
		N	5	5

*. Correlation is significant at the 0.05 level (2-tailed).

Table 1

In connection with hypothesis 1, correlation analysis was conducted with human capital as the independent variable and adaptability as the dependent variable. Results show that $t_{cal} = 0.037$ and t_{tab} at 5%=0.05. Since $t_{cal} < t_{tab}$, we accept the null hypothesis, that human capital parameter is not statistically significant to adaptability at 5% level of significance. From the table above, the p-value of 0.037 is less than the critical value at 5% = 0.05 level of significance; hence the study accepts the null hypothesis that there is no significant relationship between human capital and adaptability in Nigerian commercial banks. The correlation coefficient of 90% shows a strong negative relationship between the variables.

- Hypothesis 2 ($H0_2$): There is no significant relationship between organizational capital and dynamic capability.

Table 4.16. Results of Spearman Rank Order Correlation Coefficient for items of organizational capital and dynamic capability

Correlations

			Organizational_Capital	Dynamic_Capability
Spearman's rho	Organizational_Capital	Correlation Coefficient	1.000	.400
		Sig. (2-tailed)	.	.505
		N	5	5
	Dynamic_Capability	Correlation Coefficient	.400	1.000
		Sig. (2-tailed)	.505	.
		N	5	5

Table 2

Hypothesis 2, correlation analysis was conducted with organizational capital as the independent variable and dynamic capability as the dependent variable. Results show that $t_{cal} = 0.505$ and t_{tab} at 5%=0.05. Since $t_{cal} > t_{tab}$, we reject the null hypothesis, that organizational capital parameter is statistically significant to dynamic capability at 5% level of significance. From the table above, the p-value of 0.505 is greater than the critical value at 5% = 0.05 level of significance; hence the study rejects the null hypothesis that there is no significant relationship between organizational capital and dynamic capability in Nigerian commercial banks. The correlation coefficient of 40% shows a weak positive relationship between the variables.

- Hypothesis 3 ($H0_3$): There is no significant relationship between relational capital and adaptability.

Table 4.17. Results of Spearman Rank Order Correlation Coefficient for items of relational capital and adaptability

Correlations

			Relational_Capital	Adaptability
Spearman's rho	Relational_Capital	Correlation Coefficient	1.000	.400
		Sig. (2-tailed)	.	.505
		N	5	5
	Adaptability	Correlation Coefficient	.400	1.000
		Sig. (2-tailed)	.505	.
		N	5	5

Table 3

Hypothesis 3, correlation analysis was conducted with relational capital as the independent variable and adaptability as the dependent variable. Results show that t_{cal} = 0.505 and t_{tab} at 5%=0.05. Since $t_{cal} > t_{tab}$, we reject the null hypothesis, that relational capital parameter is statistically significant to adaptability at 5% level of significance. From the table above, the p-value of 0.505 is greater than the critical value at 5% = 0.05 level of significance; hence the study rejects the null hypothesis that there is no significant relationship between relational capital and adaptability in Nigerian commercial banks. The correlation coefficient of 40% shows a weak positive relationship between the variables.

- Hypothesis 4 ($H0_4$): Organizational learning does not moderate the relationship between intellectual capital and organizational survival.

Table 4.19. Results of multiple regression analysis on the moderating effect of organizational learning on intellectual capital and organizational survival

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.877[a]	.769	.539	7.89797

a. Predictors: (Constant), Organizational_Survival, Intellectual_Capital

Table 4

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	416.044	2	208.022	3.335	.231[b]
	Residual	124.756	2	62.378		
	Total	540.800	4			

a. Dependent Variable: Organizational_Learning

b. Predictors: (Constant), Organizational_Survival, Intellectual_Capital

Table 5

In connection with hypothesis 4, multiple regression analysis was conducted with intellectual capital and organizational survival as the independent (predictors) variables and organizational learning as the dependent variable. Results show that R^2 = .77, adjusted R^2 = .54, F(2, 2) = 3.34, p > .231. Since R square and adjusted R square is greater than p-value, we therefore reject the null hypothesis. The analysis suggests that organizational learning positively moderates the relationship between intellectual capital and organizational survival. Thus, null hypothesis was rejected and alternative hypothesis accepted.

4. Results and Discussion of Findings

Hypothesis one and two sought to examine the relationship between human capital and adaptability, organizational capital and dynamic capability respectively. The analysis of data collected revealed that there is a negative relationship between human capital and adaptability but a positive relationship exist between organizational capital and dynamic capability. The implication of this is that the ability of organizations to invest wisely on their human capital does not necessarily position the organization to anticipate problems in advance and develop satisfactory and timely solutions. Investment in human capital does not also necessarily increase an organization's ability to integrate, build and reconfigure internal and external competencies to address rapidly changing environments. However, when the overall system and procedures adopted by my organization is geared towards solving problems and creating value for employees and the company at large, the organization will be better positioned to anticipate problems in advance, develop satisfactory and timely solutions, and increase its ability to integrate, build and reconfigure internal and external competencies to address rapidly changing environments.

Hypothesis three sought to examine the relationship between relational capital and adaptability. The analysis of data collected revealed that there is a positive relationship between relational capital and adaptability. This implies that when an organization maintains good relationship with its stakeholders such as customers, suppliers, partners, government institutions, and competitors, the organization will be better informed and positioned to anticipate problems in advance, develop satisfactory and timely solutions, and increase its ability to integrate, build and reconfigure internal and external competencies to address rapidly changing environments. This is in line the findings of Rasoul and Sheydayaee (2013) that the competitive advantage of an enterprise that can engender its survival lie in the organisational and managerial processes, called 'routines', determined by the tangible assets, technology, industrial property, relations with suppliers and customers, and strategic alternatives within the reach of the firm.

The forth hypothesis sought to ascertain whether or not organizational learning moderates the relationship between the independent variable (intellectual capital) and the dependent variable (organizational survival). Hence it was hypothesized that organizational learning does not moderate the relationship between intellectual capital and organizational survival. The data analysis revealed that organizational learning plays a major role in the relationship between the independent variable (intellectual capital) and the dependent variable (organizational survival). This is in line with the findings of Lee (1999) that an organization must learn so that it can adapt to the changing environment. Lank and Lank (1995) also noted that continuous organizational learning is essential for organisations, to remain relevant.

5. Conclusion and Recommendations

The findings of this study revealed a positive relationship between intellectual capital and organizational survival. However, the dimension of human capital does not positively impact on organizational survival in the Nigerian banking sector. This implies that effective management of human capital which has been described as the sum of personal competencies, knowledge, technologies, and experiences of a company's entire staff and managers, including the creativity and innovative capability of the organization does not necessarily guarantee survival of commercial banks in Nigeria. This finding negate the assertion by Aslam, et al (2013) that human capital is the most important element of intellectual capital and that organizations that concentrate more on human capital development are most successful. As suggested by Carrell (2007) investment in training of employees is beneficial to motivate them, increase productivity and enhance organizational survival but achieving meaningful financial performance, survival and competitiveness is largely dependent on the effectiveness and efficiency of the human capital. Employees may accumulate knowledge and wisdom through trainings but fail to transform the accumulated wisdom, knowledge, and capacity into core capability that will clearly demonstrate the organization’s competitive advantage and corporate strength.

The effective management of organizational capital significantly enhances organizational survival within commercial banks in Nigeria. The study supports the position of Maddocks and Beaney (2002) that it is organizational capital that make possible for human capital to perform their tasks and duties because it creates the enabling environment for human capital to perform in an organization in response to unexpected change. Organizational capital is the overall system that solves problems, create values, and provide supportive framework that gives human capital a physical form and power. The management of organizational capital results in improved organizational performance, employee productivity, commitment, tenure, and satisfaction (Carrell, 2007).

The findings of the study also revealed a significant relationship between relational capital and survival of Nigerian commercial banks. The findings of this study aligns with the findings of Chen (2008) that organizations that have good relationship with their stakeholders such as customers, suppliers, partners, government institutions, and competitors often enjoy good support from its internal and external environment which ultimately enhances organizational survival and growth in a dynamic environment. In Nigeria today, the survival of any bank will be largely determined by its level of investment in relational capital because virtually all banks offer same products with different names. As noted by Santos-Rodrigues, Faria, Morais, and Cranfield (2013) competitors can copy an organization's structure, its system and process, can hire its employees by offering higher pay and better working conditions, but they cannot build relationship overnight. Nigerian banks need to understand this and invest in relational capital to remain relevant. Larry and Patrick (2009) opined that without positive, strong, and reliable relationship with stakeholders, an organization cannot be successful. It is difficult for competitors to replicate and/or imitate relational capital. Therefore, Nigerian banks can enhance their productivity, market share, competitive position, and regulatory compliance through investment in relational capitals. Effective relational capital guarantees customer loyalty and patronage, customer satisfaction, and supply of quality/reliable products. This further affirms the position of Chen (2008) when he noted that organizations that have good relationship with their stakeholders such as customers, suppliers, partners, government institutions, and competitors often enjoy good support from its internal and external environment which ultimately enhances organizational survival and growth in a dynamic environment.

Nigerian banks and organizations should invest in human capital but with the understanding that other dimensions of intellectual capital (organizational capital) actually provide the supportive framework upon which human capital strives. Nigerian banks and organizations generally should understand that investment in training of employees is beneficial to motivate them, increase productivity and enhance organizational survival but achieving meaningful financial performance, survival and competitiveness is largely dependent on the effectiveness and efficiency of the human capital. Management of organizations should strive to transform the accumulated wisdom, knowledge, and capacity acquired by employees through trainings into core capabilities that will clearly demonstrate the organization’s competitive advantage and corporate strength. They should invest heavily in organizational capital because it makes possible for human capital to perform their tasks and duties. It also creates the enabling environment for human capital to perform in an organization in response to unexpected change. Organizational capital creates values, gives human capital a physical form and power, improved organizational performance, employee productivity, commitment, tenure, and satisfaction.

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