



Case Study

HOW IS HUMAN CAPITAL REDUCED TO PUBLIC GOODS IN ACQUAINTANCE SOCIETY? A CASE STUDY FROM THE LIFE COURSE PERSPECTIVE

Zengke An¹, Qianru Zhang^{2*}, Yi Liu³, Mengjuan Chen¹

¹Department of Business Administration, Zhongnan University of Economics and Law, Wuhan, China

²Department of Business, Macau University of Science and Technology, Macau, China

³Department of Innovation and Entrepreneurship, Shandong University, Jinan, China

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Abstract: The present study uses a life course perspective to provide case study research on “capable people”, who have an extraordinary skill in a certain field, and must have enjoyed or are enjoying the benefits of their skills, by analyzing human capital property rights in an acquaintance society. Based on the life trajectory characteristics and results analysis of “capable people”, a coping strategy model is built in different dimensions between affection and competitiveness, wherein a dynamic conversion of ideal types among the sharing strategy, evading strategy (or abandon), trading strategy, and rejection strategy is incorporated. Some “capable people” relinquish personal skills and other human capital, or even escape an acquaintance society. Few reasons for this exist as most research either focuses on the realization of the national and social human capital value at a macro level, or on the enterprises’ human capital value at a medium level, while ignoring the basic micro level—the common community. The present study expands the existing research through five “capable people” case studies based on individuals’ life trajectory characteristics in an acquaintance society. In addition, the use of individual human capital is subject to informal institutional constraints, in which rational individuals may take relevant measures to respond to constraints. To explore the constraints and response mechanisms, this study constructs four ideal types of individual strategies with the conception of human capital property rights, and develops an analytical framework to interpret the expansion of human capital value and human resource development within varying dimensions.

Key words: Human capital, Informal institutions, Public goods, Life course theory

INTRODUCTION

The concept of human capital has a long history, dating back to the writings of Adam Smith, David Ricardo, and Karl Marx. The

term gained new prominence in neoclassical economic theory during the 1960s and 1970s through the work of Chicago School economists such as Mincer and Schultz, who expressed that labor’s ability to produce economic value is essential [1-3]. Human capital theory has become one of the most fundamental economic theories since the 20th century [4]. As a pioneer of modern human capital theory, Becker pointed out that investments in human capital are crucial for future outcomes from a microeconomic perspective [5]. However, there is a dilemma in improving the efficiency of human capital allocation. In property rights theory’s

For Correspondence:

qrzhang@must.edu.mo

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general perspective, people own specific property rights related to tangible resources like entrepreneurs' property rights to firms or intangible resources like human capital extended to individuals [6,7]. Intangible human capital differs from tangible assets; thus, individuals' motivation and behavior significantly impact its efficiency [8]. Therefore, realizing full potential for efficient utilization of human capital is an important issue.

It is challenging to maximize intellectual or intangible asset returns on highly skilled personnel in an acquaintance society. Highly skilled personnel are generally identified by their ability "to learn how; creativity; high degree self-efficacy; competency application both novel as well as familiar situations; working well with others" [9]. We propose that individuals have extraordinary skills in certain fields and are highly qualified for specific tasks indicating they are "highly skilled personnel."

In the 1940s, Chinese anthropologist and sociologist Professor Fei Xiaotong first proposed social phenomenon "acquaintance society", where traditional social relationships were typified as a "differential mode of association" (cha xu ge ju) based on blood relationships [10]. With economic growth and social development, the implications of the "differential mode of association" (cha xu ge ju) may be extended by diversification and rationalization [11]. Chinese interpersonal behaviour rules are associated with Confucian ethics and natural resource allocation [12], but Yan regarded the "differential mode of association"(cha xu ge ju) as patterns of social structure rather than social relationships [13]. Acquaintance society organization shapes through blood relationships and geographic relations [14]. In Chinese culture network building in acquaintance society relies on guanxi- a social relationship where "mianzi" (face) and "renqing" (favor) are dominant elements involved in interpersonal behaviours' [15]. Sun pointed out four types of social relationships including friendship comradeship guanxi (relationship), and Western-style relationships; the former three are relatively common in China's social interactions [16]. Given Chinese culture in general, the influence of "differential mode of association"(cha xu ge ju) is greater in rural than urban areas [17].

The nature of this phenomenon should be observed from a dynamic perspective [18]. In China's guanxi-based acquaintance society, reciprocal obligations define social distance. Three patterns characterize favor exchanges: requiting favors to benefactors paying back debts gratitude general communication etiquette [19]. This classical system emphasizes private law's obligation characteristic to maintain favorable exchanges [20]. Emotional resources accumulate with maintaining these exchanges that could generally increase an individual's ability related to their accumulated Social Capital [21].

Tönnies was interested in the distinction between community (gemeinschaft) and society (gesellschaft), where community is formed by friends, relatives, and acquaintances who share a common nature [22,23]. In the Chinese context, acquaintance society reflects Tönnies' concept of Gemeinschaft as both are groups bound by strong ties [24], but with Confucian ethics underlying the former [25]. Acquaintance society is defined as a small-scale neighbourhood community with frequent interaction based on a sense of belonging to traditional customs and moral

restrictions that form individual relationships.

Our study found an anomalous phenomenon where "highly skilled personnel" tend to refuse to share their knowledge or skills by leaving their workplace. This behavior causes significant loss in human capital. As rational individuals in an acquaintance society, their social action should coincide with human value-rational activities proposed by Weber [26]. However, few explanations have been provided for this behavior.

The literature on constraints of individual human capital value realization mainly focuses on internal factors such as material capital and social capital and external factors such as institutional constraints. Most scholars examine these constraints from the perspective of formal institutional constraints. Few studies focus on conventional norms due to difficulty measuring them. Even in developed economies, formal rules play only a small role in all societal constraints.

Based on previous qualitative research, our study presents case studies of four "highly skilled personnel" from an acquaintance society using ideal types developed by Weber [27] to understand particular phenomena through explanation rather than description alone. The present study finds that conventional norms regulate individual behaviors and maintain social order within the acquaintance society which explains anomalous behavior among highly skilled personnel.

Reciprocity contributes to sustainable social networks where people willingly share skills or knowledge for equivalent benefits. However, as an intangible asset, human capital may face the "tragedy of the commons" where skills or knowledge are used without corresponding consideration. The present study attempts to answer two questions:

- How do conventional norms affect the realization of highly skilled personnel's human capital value?
- How do highly skilled personnel interact with conventional norms as rational individuals?

LITERATURE REVIEW

Public goods theory

The concept of public goods was first introduced by Samuelson in 1954, defining it as a good that is nonexcludable and nonrivalrous, meaning individuals cannot be excluded from using it and can enjoy it without paying for it [28]. However, the existence of public goods creates a "free-rider" problem where everyone becomes a free-rider resulting in fewer people being able to enjoy the benefits of public services.

Currently, institutional economics recognizes this problem from the perspective of vague definitions and ineffective function of intangible assets leading to market failure in providing public goods. Therefore, clear definition during research's initial stage is crucial to effectively realize the supply of public goods.

Moreover, human capital has become an essential part of creating economic benefits for enterprises through innovation and development promoted by entrepreneurs [29]. While highly skilled personnel may share their knowledge with others within

an enterprise or community setting without compensation or recognition as their sharing behaviors are not incentivized like those within organizations.

Thus, we propose that individual human capital might be considered a public good in acquaintance society where skills tend to serve as such attributes due to strong externalities induced by conventional norms leading to free-riding behavior among highly skilled personnel who must obey informal institutions for establishment purposes.

Therefore, our study defines this phenomenon as “public goods” attributed to human capital based on five selected subjects’ experiences within an acquaintance society setting where cooperative behavior leads them towards showing their skills while non-cooperative ones result in knowledge becoming publicly available without any corresponding benefit received by individuals applying these skills/knowledge sets themselves.

Life course theory

Life course theory refers to the sequence of socially defined events and roles that an individual enacts over time [30]. The original research on life course theory dates back to the 1920s but was popularized in the 1960s [31]. Many researchers still consider it a “new” paradigm in behavioral sciences as it was not formally advanced until the 1990s. Life course theory explains how changes in an environment affect individual lives and produce different development paths. Elder, Johnson, and Crosnoe summarized life course theory into four core principles: time and space in history; opportunity; linked lives; and individual motivation [32].

The present study aims to describe highly skilled personnel’s skills from scratch as public goods while examining their coping strategies during conversion from human capital to public goods. It explores changing skills of research subjects and analyzes coping strategies adopted by them under specific social situations such as social/cultural backgrounds or major historical events. The study also examines rewards for human capital and variation tendencies under certain important events in their lives. By doing so, it contributes towards examining constraint conditions of human capital value among highly skilled personnel while analysing career paths and explaining reasons behind changing behaviors.

METHODOLOGY

Typological research method

This study uses typological research method for type division which constructs a theoretical model to cope with phenomenon where human capital becomes public goods due to individuals’ behavioral decisions based on rational thinking with economic focus along with emotional/physical needs indicating differences in coping strategies [33]. In societal obligation context interpersonal communication has strong features of differential order leading individuals to consider both economic benefits and affectional relationships as basis for behavioral decisions [34]. Based on “human capital property inefficiency” in the process of making individual human capital into public goods, this study examines individual coping strategies from perspective of property rights.

Roman jurist Gaius claimed all the law which we make use of has reference either to persons, to things, or to actions. This study constructs a model based on legal theory where property and personal relationships of property rights reference former two factors in legal theory. The study uses “competitiveness” as index for property relationship and “affection” as index for personal relationships. Competitiveness refers to whether individual human capital used by others is non cooperative game behavior or cooperative game behavior while affection refers to subjective evaluation of an individual’s affectional depth using differential mode of association that reflects Confucian ethical principle of respecting seniors/relatives and explains logic behind people’s social communication [35].

Based on competitive and affectional dimensions four ideal types exist: high affection-high competitiveness; high affection-low competitiveness; low affection-high competitiveness; low affectionate-low competition. For present study sampling was conducted based on characteristics of these four ideal types with appropriate cases selected followed by data collection through in-depth interviews before subsequent research was completed.

Qualitative case study method

We used a qualitative case study method to collect data from L Village in X City, Hubei Province, located in the south-central part of Hubei Province and north of the Jiangnan Plain. The village retains traditional values as an acquaintance society and was chosen for its information-rich cases using purposive sampling [36]. We selected interviewees based on their special or extraordinary skills recognized by villagers that have benefited or are benefiting them. Thirteen interviews were conducted with four representative cases selected based on ideal types of coping strategies: sharing, evading, trading, and rejecting. Sample saturation was reached when nine interviewees had similar coping strategies to the four selected cases. Our focus was solely on internal motivations rather than external attractions such as industrialization or urban migration.

RESULTS AND DISCUSSION

Human capital analysis of “highly skilled personnel”

Analysis of ideal type and characteristics: Our analysis is based on life course theory which explains how individual life events influence developmental psychology and behaviors over time leading to critical turning points called life transitions. Accumulation is derived from two dimensions: competitiveness and affection resulting in four ideal types based on their interactions-sharing strategy being one.

Sharing strategy

Those who adopt this strategy maintain good relationships with those seeking help without suffering losses themselves while considering both economic benefits and affectional needs equally important factors influencing cooperative game behavior where human capital with low competitiveness promotes sharing behavior.

Case Study 1

Sharing Strategy: P1 (female born in 1972) is a well-known chef who worked at a restaurant in L village from 1988-1992 before resigning due to frequent banquet requests causing fatigue despite enjoying appreciation received from others for her cooking skills.

In 1994, P1 learned that most chefs did not want to cook outside of town and believed rural chef careers had unlimited potential. She developed several specialty dishes and asked two friends to set up a rural chef team which became successful with the spread of their goodwill. Many villagers mastered cooking skills, and P1 no longer provided cooking services without payment in return.

P1's human capital property was relatively less competitive due to low costs of sharing her cooking skills while maintaining good relationships with frequent interactions that led to banquet requests from villagers. Her "high affectional" and "low competitive" accumulation promoted sharing behavior leading to the realization of her human capital for cooking skills as a public good.

In summary, our study used qualitative case study methods to collect data from L Village in X City, Hubei Province using purposive sampling based on information-rich cases. We focused solely on internal motivations rather than external attractions such as industrialization or urban migration. Our analysis is based on life course theory resulting in four ideal types based on their interactions-sharing strategy being one where those who adopt this strategy maintain good relationships with those seeking help without suffering losses themselves while considering both economic benefits and affectional needs equally important factors influencing cooperative game behavior where human capital with low competitiveness promotes sharing behavior.

Evading Strategy

The evading strategy differs from the sharing strategy in that those who use it suffer losses when they provide help. Those who choose this strategy consider both affection and economy when making decisions, as either one is important to them to some extent, resulting in contradictory behavior.

Individuals with highly competitive human capital may be reluctant to share their skills with others despite having good relationships because doing so would result in losses of time, energy, and money without equivalent benefits for the services provided. If they choose non cooperative game behavior, their affectional needs will not be satisfied; if they prioritize their affectional needs over economic ones for human capital value maximization, they will suffer losses.

Therefore, individuals facing problems of human capital as public goods must choose between satisfying their affectional or economic needs for maximizing its value. This results in an "evading" strategy where individuals run first instead of cooperating.

In P2's case, his concern was that his human capital might become a public good rather than being pulled by industrialization or urban migration; thus, P2 adopted an evading strategy.

Case Study 2

Evading Strategy: P2, a male born in 1975 in L village Hubei province, now runs a roasted snack shop in N town. He followed his father's footsteps and worked as a trader of bamboo wares when he was 18 years old. However, due to the decreasing demand for bamboo wares, P2 changed his career and found that the roasted snack business was booming. In 2000, he rented a shop in town and began selling roasted goods such as melon seeds, peanuts, and walnuts.

As P2's relatives came to him with requests for free services due to their relationship with him being an acquaintance society where it is hard to do business without compromising relationships. To avoid violating existing informal institutions and social pressures including marginalization of public opinion and network relations as well as deprivation of collective sharing rights by refusing family members or friends' requests would be costly leading to increased marginalization within the organization.

P2 chose an evading strategy under high affectional accumulation and high competitive accumulation by shifting towards adapting human capital skills into public commodification. The close relationships between P2 and villagers show highly affectional accumulation of emotional connection.

However, operating his business without any profit made it difficult for P2 to obtain equivalent compensation for time energy economic cost which resulted in limited time spent improving human capital skills resulting in difficulty adapting market demands.

With geographical location change comes potential external disadvantage at initial stages leading to fault zones maximizing human capital value while informal communication has great impact making it difficult for P2 accumulating same amount of human capital value within short periods.

After years of hard work though, P2 obtained a foothold on this new market-N town proving successful despite challenges faced along the way through strategic decision-making processes based on personal experiences combined with knowledge gained from previous failures ultimately leading towards success over time!

Case Study 3

Evading strategy-abandon: P3 was born in 1966 in L village, Hubei province. He ran an aquaculture business raising ducks and fish. In 1983, P3 became a mason under the guidance of a famous master of the construction team in M town. His mentor asked him to take over a project for the supervisor's house in 1988, which led to another project for the director of an agricultural bank. These two projects earned him his first big pay and made him famous for his construction projects.

Afterward, he returned to L village to build his own house. At that time, houses on the countryside were low and shabby while P3's houses were relatively tall and magnificent. Villagers admired his work and asked P3 to rebuild their homes as well since rural construction was on the rise at that moment.

Although P3 took on many construction projects within the village, most villagers (relatives, friends, and neighbours) were

too poor to pay him for his services. Therefore, he only promised to build houses for those who could afford building materials but found it hard to gain cash because most paid-on credit (“I owe you”). Thus, financial pressure mounted upon P3.

In 1993 with trading markets becoming more standardized due to development times; P3 began working in fish pond aquaculture until there was more construction work available again by 2010 when he worked occasionally on short-term projects with daily or project payments.

P3 is an example of evading strategy-abandonment seen from life track chart similarities between P2 and himself choosing coping strategies transferring skills into public goods under highly competitive and affectional accumulation influences respectively unlike P2 abandoning acquaintance society coping strategy instead.

Failure paying wages related social-economic background time end-80s China experienced great inflationary pressure introducing policies aimed curbing inflation central governments not working out initially until 1990s effects inflation brought under control. Failure to pay P3 for his services meant construction projects could not last long term.

Villagers were in close relationship with P3 while defaulting on construction costs indicating both highly affectional (e.g., relatives and neighbours) and competitive (financial crisis caused by nonreciprocal help). If P3 followed P2’s strategy, he could have left M town to restart business elsewhere but did not. On one hand, the project needed financial support paying employees’ monthly wages; on other hand, P3 was eldest son family as Chinese saying goes “parents live children should not travel far away” thus needing care of family. Considering advantages/disadvantages, P3 chose giving up mason skills/career although abandoned human capital skills accumulation regained ownership/profitability of human capital. Some accumulated human capital “closed” in case evading resulting in evaded part of human capital value that couldn’t be realized having fault zone requiring new industry accumulation again giving him more time seeking living/maximizing skill value.

Trading Strategy

Individuals who choose the trading strategy tend to avoid helping others in need, as providing help may result in losses for them. They prioritize economic demand over affectional demand, although this does not mean that the latter is unimportant. However, interpersonal relationships based on low levels of affection are weaker than those built on highly affectionate communication.

As rational economic agents, individuals who adopt a trading strategy will engage in cooperative game behavior to acquire economic benefits since their choices regarding affective impact are limited.

Case Study 4

Trading strategy: P4 (male, born in 1969 in L village Hubei province) currently works as an architect and resides in L village. In 1986, he worked for P3’s construction team and followed him to work as a mason apprentice two years later. By 1993, P4 only

accepted projects within Hubei province that could afford his services due to lessons learned from P3.

P4 exemplifies the trading strategy since he learned how to be a mason during his teenage years without experiencing personal skills becoming public goods. He knew that undertaking unpaid projects would likely lead to losing future opportunities and resolving disputes would waste time.

In rural China where eldest sons have the responsibility of taking care of parents, being the youngest son gave P4 more opportunities to work away from home and thus freed him from constraints imposed by acquaintance society. This indicates high competitive human capital because P4 cannot accept working without pay while having low levels of affection towards relatives with whom he had little contact.

Due to mutual effects resulting from low levels of affection and high competition, P4 made different choices compared with his brother by internalizing human capital through public goods via market transactions - a process known as marketization which establishes price systems (“invisible hand”) and competition mechanisms [37]. Marketization means producing valuable human capital based on market needs, and by adopting a trading strategy, P4 maximized his human capital value to make the most effective use of his talents.

Rejection strategy

Individuals who choose the rejection strategy have a distant relationship with those who ask for help, and providing help has little impact on their behavior. They pay less attention to emotional and financial needs when making decisions, as they rarely encounter relevant problems such as human capital becoming public goods.

Although highly skilled personnel may choose cooperative games due to low competition with those asking for help, the intangible assets’ emotional characteristics give them the impression that helping others in an acquaintance society does not matter much. Therefore, it is difficult to make human capital become a public good under these circumstances.

According to rational choice theory, individuals may prefer not to provide help under low competitiveness and low affection influence; hence individual human capital is unlikely to become a public good. The present study found that Case Study 5 conforms to the rejection strategy since no human capital was transferred into public goods compared with sharing or evading strategies.

Case Study 5

Rejection strategy: P5(male) was born in 1970 in L village of Hubei province but lived in Guangdong province for 27 years after passing his university entrance examination in 1988. He worked as a worker at a clothing store before starting his own wholesale clothing firm and housing rental business after graduation from university.

In 2015, P5 returned home to take care of his father who had suffered from stroke while planting flowers and fruit trees without prior experience. He sought advice from experts while studying agriculture by reading books and visiting plantations during spare time.

The following summer saw mature peach trees bearing high-quality fruits popular among villagers leading those wanting tips on keeping insects away without using pesticides. P5 shared pruning techniques, fertilization methods along timely insect pest control tips but avoided revealing commercial secrets while sharing pears, persimmons and oranges harvested from his farm produce with nearby villagers.

P5's example typifies the rejection strategy where he made decisions under the influence of low competition and affection accumulation in human capital property rights. Since he worked away from home for over 20 years, emotional contact between him and L village people waned except during annual Spring Festival gatherings.

Low-competitive skill sharing did not benefit or harm P5; hence he preferred offering villagers fruit to experience since some showed no real willingness in agricultural cultivation. Therefore, with low affection and low competition accumulation, P5 directly rejected requests from villagers in an acquaintance society while avoiding making his skills a source of public goods.

Dynamic conversion of ideal types

This study examines the similarities and differences among

multiple cases on how human capital becomes public goods in an acquaintance society. The findings suggest that individuals' coping strategies can change to maximize their human capital value based on different combinations of affection and competitiveness.

Conventional norms tend to transform individual human capital into public goods, which limits the maximization of its value. There are four ideal types of coping strategies: sharing, abandoning, trading, and rejecting. Sharing and trading promote the realization of human capital value but evading and rejection strategies are less effective due to their instability when dealing with changes in competitiveness and affection as intangible assets [38].

This study classifies these ideal types into positive conversion or negative conversion depending on whether they promote or hinder the realization of individual human capital value through changing coping strategies. Positive conversion refers to further realizing individual human capital by changing coping strategies while negative conversion hinders it. Choosing sharing or trading is considered a positive conversion while choosing evading or rejection is considered a negative one (Figure 1).

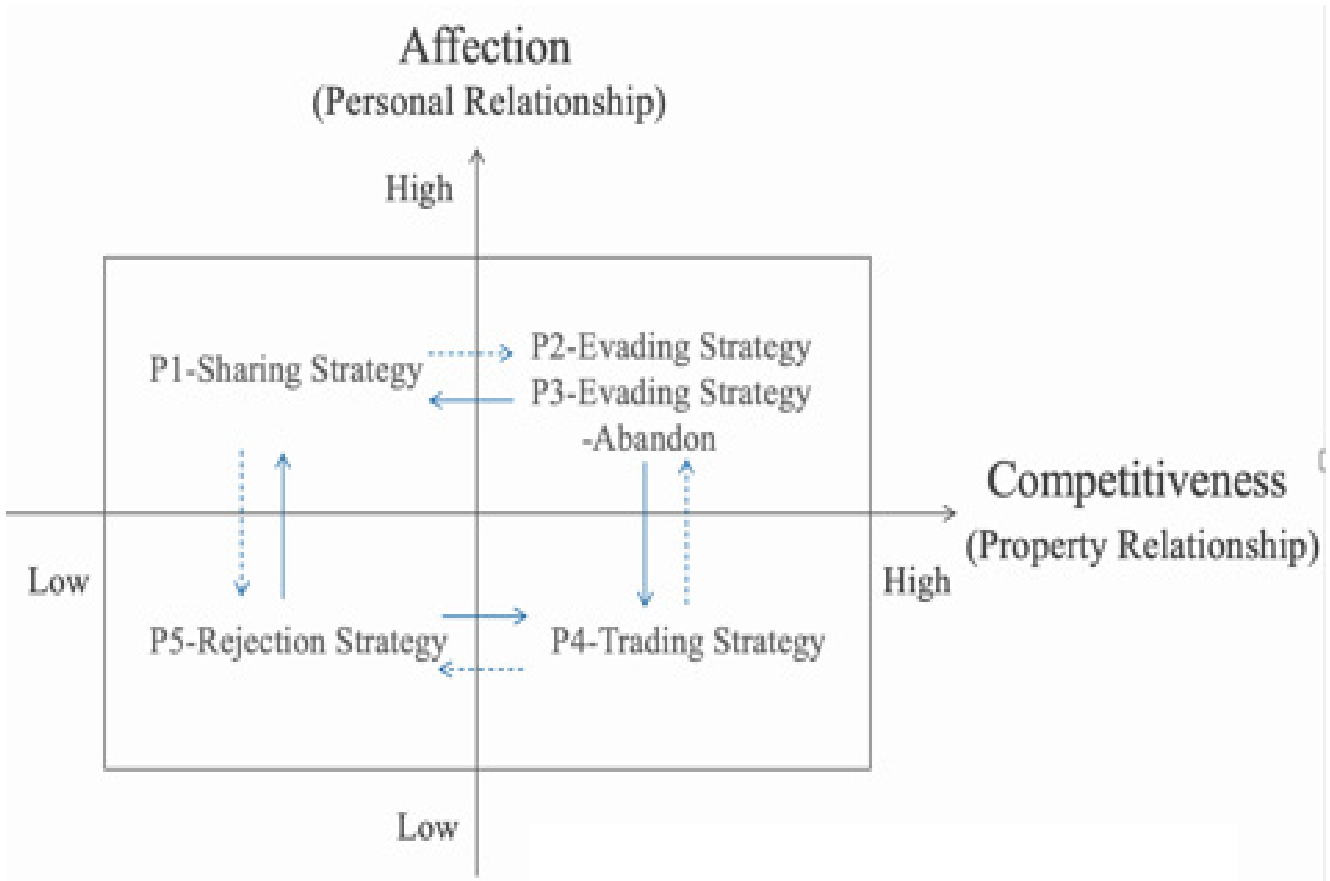


Fig. 1 Dynamic conversation of ideal types. Note: (—) Positive conversion: sharing or trading, (-----) Negative conversion: rejection or abandonment

Positive conversion

Positive conversion refers to the enhancement of individual human capital value by changing coping strategies. Specifically, when individuals choose a sharing strategy with high affection and low competition or a trading strategy with low affection and high competition, it is considered positive conversion [39].

Case study 2 provides an example of dynamic conversion from the evading strategy to the trading strategy. P2 adopted the evading strategy by leaving M town and reopening his store in N town, which was a conversion from the evading strategy to the trading strategy.

Case study 3 provides an example of dynamic conversion from the evading strategy to the sharing strategy. After P3's human capital became public goods, he chose to give up his mason skills and took up another occupation resulting in his construction building skills being "closed." From 2010 onwards, most villagers were unwilling to accept payment on account for construction projects in acquaintance society. If P3 began taking on projects again, his highly competitive human capital as intangible assets would become less competitive. This case showed a change from an evading approach to a sharing approach [40].

Negative conversion

Negative conversion means that individual human capital value is blocked by changing coping strategies; specifically, when individuals adopt either a high-affection/high-competitive rejection or low-affection/low-competitive rejection approach.

In Case Study 2, we discussed how P2 converted from using a sharing approach (high affection and low competitiveness) that gained recognition for promoting his business in M town but changed due to opportunistic behaviors surfacing because of weakening conventional norms leading him towards adopting an abandoning approach (evading). Essentially rational individuals pursue maximizing their human capital; therefore, negative conversions are uncommon since they hinder this pursuit [41].

The present study mainly illustrates negative conversions related only making one's human capital into public goods but proves that ideal types should be dynamic. To clarify further: "Highly skilled personnel" who adopt the rejection strategy are not involved in ideal type conversion analysis since they have not experienced making their human capital into public goods. If P5, who adopted the rejection strategy, wanted to make a profit through planting fruit trees to help fellow villagers without any economic benefit, his intangible asset of human capital would change from low competition to high competition. Thus, individuals adopt conversion strategies to avoid their human capital becoming public goods.

If market trading rules recognized that P5's offer of planting fruit trees could be compensated (economic compensation and affectional compensation) in an acquaintance society with more interpersonal communication, his human capital as an intangible asset could go from low affection to high affection while competitiveness dimensions remain unchanged; we predict that P5 would adopt a sharing strategy instead.

CONCLUSION

Conventional norms turn individual human capital into public goods

Conventional norms play a crucial role in determining the value of individual human capital by transforming it into public goods. These norms create incentives and constraints that influence cooperative behaviors among individuals. China has undergone significant social and economic transformations since the late 1970s, which have impacted its social structure, culture, and relations. As social mobility increases, conventional norms that rely on social interactions weaken, creating opportunities for opportunistic behaviors.

However, due to path dependence, highly skilled personnel must adhere to informal institutional arrangements and engage in cooperative behaviors if they want to succeed in an acquaintance society. On the other hand, reduced punishment for non-cooperation may motivate others in the system to exhibit non-cooperative behavior.

When highly skilled personnel choose cooperation over non-cooperation during transactions with service providers or others within their network of acquaintanceship; these service providers become public service providers leading to human capital becoming a public good phenomenon. Since highly skilled personnel cannot entirely prevent others from using their human capital within an acquaintance society; this results in insufficient intangible assets of human capital as public goods are generated through such interactions.

Affection and competitiveness impact individual human capital

This study demonstrates that both affection and competitiveness have a dual impact on individual human capital. Based on the pairing of affection and competitiveness, there are four ideal strategies to consider.

When an individual's intangible asset of human capital is characterized by high levels of affection but low competitiveness, they will adopt a sharing strategy to obtain satisfaction without incurring economic losses. Conversely, when individuals possess high levels of both affection and competitiveness, they may choose either shifting or abandoning strategies. Shifting is preferred when meeting economic needs outweighs satisfying emotional ones; whereas abandoning is chosen when the opposite holds true.

In cases where performance reflects low levels of affection but high competitiveness, individuals will opt for trading strategies to maximize income while eliminating concerns about emotions. Finally, if an individual has low levels of both affection and competitiveness, they may reject any attempts at making their human capital public goods altogether.

The ideal types of individual coping strategy may be converted dynamically

Based on the motivation of maximizing human capital value, the types of strategies for individuals to deal with the public goods

of human capital will be dynamically converted. Among these four ideal types, the sharing and trading strategies promote the realization of human capital value, while the evading and rejection strategies are unstable choices. The present study defines the conversion of promoting the realization of human capital value as positive conversion. Specifically, coping strategies are converted into sharing or trading. In contrast, the coping strategy is shown as evading or rejection, that is, negative conversion. Cultures or institutions that encourage cooperation are conducive to sharing knowledge to make individual skills into public goods, while cultures or institutions that encourage competition play opposite roles.

Therefore, it is greatly recommended that organizations use these two approaches based on a specific situation. The possible contingency approaches are as follows: if the human capital property rights protection system of the organization is perfect, while employees in the organization show their own advantages and respectively perform their duties, cooperation is accordingly encouraged, because human capital transactions would be realized with plentiful profits in the process of cooperation. However, if the human capital property rights protection system of the organization is incomplete, relatively speaking, and employees in the organization perform outstandingly well, and cooperation should not be encouraged; otherwise, “Capable person (able man) are always busy”.

LIMITATIONS

There is currently no empirical evidence to support the argument that “highly skilled personnel” evade their human capital. Qualitative methods are particularly useful for exploring participants’ experiences and attitudes, which cannot be easily measured. This study aims to address the gap by using qualitative methods to collect, organize, and analyse participants’ perspectives on their application of human capital, by which we can better understand how and why individuals behave in certain ways and how these behaviors lead to the transformation of tangible assets like human capital into public goods, but the interpretations of small sample sizes may be limited.

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DECLARATION

We declare that this manuscript is original, has not been published before and is not currently being considered for publication elsewhere.

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