Training and Manpower Development, Employee Productivity and Organizational Performance in Nigeria: an Empirical Investigation

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Abstract

Over time, organizations have been embarking on training and capacity building for their employees so as to enhance productivity and overall performance of the organizations. This is due to the recognition of the important role of training and manpower development in attainment of organizational goals. Consequently, this study investigated the effects of training and manpower development on employees’ productivity and organizational performance in Nigeria, using First Bank of Nigeria Plc as a case study. The study applied structured questionnaires to a sample size of 75 drawn by simple random sampling. The data generated was analyzed using descriptive statistics. The findings of the study show that majority (70%) of the respondents agreed that training and manpower development has enhanced their efficiency and job productivity. Secondly, majority (80%) of the respondents overwhelming agreed that training and manpower development enhanced organizational performance. The study recommends that organizations should conduct training needs assessment to ensure that the right training is given; ensure that their training programme should be on a continuous basis; and motivate staff who performed exceptionally well during training sessions so that other staff will in turn aspire to excel.

Keywords: Capacity Building, Manpower, Organizational Performance, Productivity, Training.

Introduction

The effect of training and manpower development on employee’s productivity and organization performance has attracted considerable interest in the analytical and empirical literature. On the whole, human resources management theory has paid considerable attention to this debate; however, the theoretical predictions are ambiguous. Depending on their underlying assumptions, some approaches predict that the performance of an organization is necessarily based on innovative labour force, technology, quality management, and customer satisfaction [1]; while others see training as a tool in the hands of human resources managers to activate and empower the productive base of an organization [1].

Employee training and manpower development is very vital to job productivity and organization performance since the formal educational system does not adequately provide specific job skills for a position in a particular organization. While, few individuals may have the requisite skills, knowledge, abilities and competencies needed to fit into a specific job function, some others may require extensive training to acquire the necessary skills to be able to fit in a specific job function and also make significant contribution to the organization’s performance.

The human capital theory provides evidence which indicates that training and education raises the productivity of workers by imparting useful knowledge and skills, hence raising workers’ future income by increasing their lifetime earnings. [2] and [3] also provide an explanation that links investment in training with workers’ wages. In particular, their theory draws a crucial distinction between general education and firm-specific training, and recognized training and human development as a basic skill provided for higher productivity of a worker. Training has the distinct role in the achievement of an organizational goal by incorporating the interests of organization and the workforce [4].

Goldstein [5] defined training as the systematic acquisition and development of the knowledge, skills, and attitudes required by employees to adequately perform a task or job or to improve performance in the job environment. This implies that for any organization to succeed in achieving
the objectives of its training program, the design and implementation must be planned and systematic, tailored towards enhancing performance and productivity. Similarly, [6] sees training as consisting of planned programs designed to improve performance at the individual, group and/or organizational levels.

Onasanya defines training as a form of specialized education aimed at giving the trainee a particular or specialized knowledge, skill and attitude which he must possess to effectively perform in a given position while development is concerned with specific programmes designed to prepare and groom a worker with particular education and training for higher responsibilities. Capacity building according to [8] entails investment in human capital, institutions and practices necessary to enhance human skills, overhaul institutions and improve procedures and systems[7]. Sanusi further sees capacity building as the internalization of the knowledge, skills and processes that enable the formulation, implementation, monitoring and evaluation of set goals in an efficient manner; while [9] views it as a series of activities, which an organization, enterprise or even a nation needs to undertake to provide for itself, on a continuous basis, the supply of skilled manpower to meet its present and future needs[8]. Manpower development according to Anyanwu [9] is the process of building up human resources to meet the needs of an organization. He stated further that Manpower development includes investment by a society in education, investment by employers in training employees and investments by individual in time and money in their own development.

Training has been an important variable in increasing organizational productivity. Many researchers (for instance [10]) showed that training is a fundamental and effectual instrument in successful accomplishment of the firm's goals and objectives, resulting in higher productivity. Training and manpower development builds a team that is effective, efficient and well motivating, thereby enhancing the confidence and self-esteem of employees. The employees’ knowledge and skills are thus developed to adapt to new technologies and other organizational changes. Training and manpower development also creates chances for the promotion of employees to replace those who have left the organization. Indeed, the benefits of training and manpower development are innumerable.

Factors militating against the good performance of employees is inadequate training[10]. An employee may have the ability and determination, with the appropriate equipment and managerial support yet such employee may be underproductive. The missing factor in most cases according to Adeniji [11] is the lack of adequate skills, and knowledge, which are acquired through training and manpower development. Adeniji further stated that training reduces employee turnover and promotes goal congruency, while lack of training increases absenteeism rate, low output, poor quality and results in high unit cost [11].

Despite the importance of training and manpower development in employee productivity and organizational performance, training programs are not sufficiently supported by organizations in Nigeria. These organizations consider the money they will spend on their training programs as waste rather than investment. They fail to foresee the desirability of continuous training and development of their employees in order to promote the efficiency and effectiveness of their organizations. Those that attempt to conduct trainings for their employees do so in an ad-hoc and haphazard manner, and as such, training in those organizations is more or less unplanned and unsystematic. This view is corroborated by Nwachukwu [12] who argued that many employees have failed in organizations because of lack of basic training.

Furthermore, there is a general consensus that a relationship exists between investment in training and productivity. While some studies have provided evidence of positive and sizeable returns on human capital investments, others have documented negative evidence. Again, despite the significance of training and manpower development, the outcomes of studies conducted in this area generally differ considerably from country to country and from period to period. For instance, while Harel [13] found that training and development practices had positive relationship with firms ‘performance in public and private sectors in Isreal, while Itami [14] in their study in Korea did not find any association between training and development and business performance. Consequently, the inconsistency in the existing empirical evidence makes it imperative to provide further empirical evidence on the effect of training and manpower development on employee productivity and organizational performance in Nigeria.

Colombo et.al also state that one of the potent
Based on the foregoing, this research will attempt to proffer answers to the following pertinent questions: does training and manpower development enhance employee productivity in Nigeria? Does training and manpower development improve organizational performance in Nigeria? In line with these research questions, the specific objectives of this study includes: to ascertain if training and manpower development enhance employee productivity in Nigeria; to ascertain if training and manpower development improve organizational performance in Nigeria.

It is expected that this study will be of immense benefit to the Management and employees of banks and other organizations as well as the government, policy makers, academicians, consultants, and other researchers in the field of human resources management in Nigeria. For instance, this study will provide vital information to managers in the banking sector that would encourage employee motivation and job satisfaction. It will also be relevant to the human resource development department in the formulation of policies relating to training and development of personnel that will help to develop and maintain a quality work life, which will enhance employee job satisfaction and self-actualization. As part national planning strategy, this study will assist the government to identify those areas where it can be of assistance to corporate bodies in Nigeria with respect to human capital development. Consultants to banks on human resources management will also find this study useful as a good reference material. Above all, this study would assist in expanding the scope of existing literature on employee productivity and organizational performance in Nigeria.

The scope of this study will cover the Head Office and five branches of First Bank of Nigeria (FBN) Plc in south western part of Nigeria. Our choice of FBN Plc is informed by the fact that it has a large number of employees, a good training program for its employees, and it has survived the so called harsh operating environment in Nigeria and has continued to dominate the Nigerian banking industry. Questionnaire and interview methods of data collection would be adopted.

**Review of Theoretical Literature**

There is a large and growing body of evidence that demonstrates a positive linkage between the development of human capital and organizational performance. The emphasis on human capital in organizations reflects the view that market value depends less on tangible resources, but rather on intangible ones, particularly human resources [13]. The organization also has to leverage the skills and capabilities of its employees by encouraging individual and organizational learning and creating a supportive environment, in which knowledge can be created, shared and applied [13].

Competitive advantage is dependent not, as traditionally assumed, on such bases as natural resources, technology, or economies of scale, since these are increasingly easy to imitate [14]. The author noted that competitive advantage is, according to the Resource-Based View of the firm (RBV) developed by Itami [14]. This, Itami noted is dependent on the valuable, rare, and hard-to-imitate resources that reside within an organization. The increasing importance of the RBV has done much to promote Human Resource Management (HRM) in general and human capital management in particular, and to bring about a convergence between the fields of strategy and HRM [14, 15]. The resource-based view of the firm strengthened the often-repeated statement from the field of strategic human resource management that people are highly important assets to the success of the organization.

A more recent, and equally important strand has emerged under the title 'the knowledge-based view of the firm,' which emphasizes the requirement of organizations to develop and increase the knowledge and learning capabilities of employees through knowledge acquisition and knowledge sharing and transfer, to achieve competitive advantage[16]. Human capital is 'generally understood to consist of the individual's capabilities, knowledge, skills and experience of the company’s employees and managers, as they are relevant to the task at hand, as well as the capacity to add to this reservoir of knowledge, skills, and experience through individual learning [17]. According to Wright “from a definition such as this, it becomes clear that human capital is rather broader in scope than human resources” [15].

Rastogi stated that the concept and perspective of human capital stem from the fact that there is no substitute for knowledge and learning, creativity and innovation, competencies and capabilities; and that they need to be relentlessly pursued and focused on the firm’s environmental context and competitive logic [18]. Rastogi were of the view that such a consideration leads to a crucial point: the accumulation of exceptionally talented
individuals is not enough for the organization [18]. There must also be a desire on the part of individuals to invest their skills and expertise in the organization and their position. In other words, individuals must commit or engage with the organization if effective utilization of human capital is to happen.

The link between human capital and organizational performance is based on two theoretical strands. The first is the resource-based view of the firm. The second is the expectancy theory of motivation developed by Vroom [19] which is composed of three elements: the valence or value attached to rewards; the instrumentality, or the belief that the employee will receive the reward upon reaching a certain level of performance; and the expectancy, the belief that the employee can actually achieve the performance level required. The authors stated that human resource management practices that encourage high skills and abilities, e.g. careful selection and high investment in training can be specified to establish the link between human capital management and performance.

The importance of manpower development in national development has been extensively discussed in literature and a general conclusion has been reached by scholars all over the world. This informed [20] position that it is human resources, not capital, not income, nor material resources that constitute the ultimate basis of the wealth of nation. Proponents of organizational growth are of the view that firm and corporate organizations are becoming increasingly aware that increasing economic growth is not only due to new technology or combination of factors of production only but also the development of its manpower resources. Manpower development has both qualitative and quantitative dimension, that is to say, human capital formation includes not only expenditure on training but also the development of right attitudes towards productive processes. The human capital component of the factor of production is a first order condition for organizational growth. When there is difference or gap between actual performance and the organizations set objectives, productivity suffers; training can reduce it, if it does not completely eliminate the gap. Richard posit that this can be achieved through behavioral change of individuals by giving the employee whatever additional specific knowledge, skill or attitude they need to perform up to standard. This involves investment in man and his development as a creative and productive resource [21].

Richard argue that organizational performance depends on the employee performance because human resource capital of the organization plays an important role in the growth and the organizational performance. The fundamental question emanating from this analogy is: how can an employee improve his/her job productivity and enhance the performance of the organization? The answer to this question is not far-fetched. There are many factors which improves the work of the employee and overall performance of the organization. Such factors include motivation, promotion, flexible scheduling, welfare package, training etc [21].

Training serves as a motivating force in improving the efficiency and productivity of the workers and many organizations have seen it as a veritable tool to enhance their organizational performance. Richard [21] appraised the vital role of human resources in an organization and posits that human resources are the most valuable assets of the organization and, thus, expenditures on training should be regarded as 'investment in people’ and, therefore, the most valuable investment of all. Amuno [22] is of the opinion that, those organization that invest resources in workers' training stand the chance of gaining a lot. Definitely, the organization stands a better chance of increased productivity in their various enterprises than those who do not invest in the development of their workers. It is also evident that organizations reap much more benefits than the workers themselves.

Amuno [22] observed that staff training and development is a work activity that can make a very significant contribution to the overall effectiveness and profitability of an organization. Amuno [22] submitted that training and development aim at developing competences such as technical, human, conceptual and managerial for the furtherance of individual and organization growth. The functions of training according to Amuno [22] includes increased productivity, improved quality of work; improved skills, knowledge, understanding and attitude; enhanced use of tools and machine; reduced waste, accidents, turnover, lateness, absenteeism and other overhead costs, elimination of obsolesce in skills, technologies, methods, products, capital management etc.

While the primary objectives of workers training according to Amuno [22] are to equip workers with the necessary knowledge and skills at all levels for the successful attainment of the desired goal of
the organization, Amuno [22] maintains that the objectives of training a worker are to be better equipped to adjust to the changes in the nature of his work, to widen the trainee’s understanding of the society in which he lives and develop him as a confident person, and to afford the staff the opportunity of changing their schedules of duties and to be able to perform equally well on them. Orientation and induction training programme for instance provide new employees the general information that they need about the organization’s policies, procedures, practices and rules that will affect them and also about the jobs, they are to perform as obtained in accurate and comprehensive job description. Training provided to workers help the organization to function at an optimum level of productivity which is a direct effort of all employees. Training brings about change in behaviour with terminal objectives to achieve the goals of the organization through optimal use of manpower.

Training helps in the coordination of men and material. During the training programme, employees are taught company expectations and objectives. They are shown the ladder through which they can attain their own objectives. This gives rise to goal congruence and consequently, everyone pulls in the same direction thereby making coordination easy. Other purposes of training and development according to Amuno [22] are for safety considerations, the handling of equipment, facility and materials from the less risky to the very hazardous and the prevention of the cost of accidents and idle resources. With training and development, errors are reduced and efficiency is increased because employees are already well-equipped with the ways of the work. He concluded that training reduces employee turnover and promotes goal congruence, while lack of training causes increase in rate of absenteeism, low output, poor quality and results in high unit cost.

The summary of key messages emerging from the literature reviewed are that skills make a significant difference to firm performance and that skills can be enhanced through the training and development of the workforce.

Training Programmes in Nigeria

Amuno [22] enumerated the different methods of training which includes in-service training, on-the-job training, conferences, seminars and workshops. However, according to Richard et.al [21] “In training literature, two major forms of training employees in an organization have manifested: on-the-job and off-the-job training”. Both forms have generated a lot of controversy on which should take precedence over the other. This in essence, means that there is yet to be a consensus among scholars on the various ways to meet the training needs of the organization. Most experts however, agreed that the terms themselves suggest what they mean.

**Induction Training**

This is given to newly appointed staff immediately they are employed. This type of course is highly essential for newly recruited staff so that the new staff is protected from making costly mistakes. It makes the new staff to understand the general objectives, scope, programmes, problems, policy and structure of the organization. Induction courses are also very necessary for newly employed officers to enable them gain Self-confidence and perform better to meet the desired expectation. The period may vary from few days to a few weeks depending on the situation.

**On-the-Job Training**

This is the method used to acquire specific skill while the individual is on the job. On the job training is required to improve the staff that had inadequate academic qualification for his job performance when he was employed specifically in a situation of acute manpower shortage. This is also regarded as training within industry or training within organizational policy [21]. The definition also suggests that on -the- job method is a specific form of job instruction. It imparts only those skill needed by the worker to perform a particular job competently. This is why it is mostly done in plant. However, it can be done outside the plant too. This specific form of training can both be formal and informal. Formal in the sense that, what is to be instructed is organized, manned or structured sequentially.

**In-Service Training**

This is the type of training which an officer or staff undertakes while he is still in the employment of an established institution. It is intended to update the officer’s activities at all levels. In- service training is necessary in such a dynamic field like modern agriculture in a developing country like Nigeria. It should be regarded as supplementary to rather than substitute for the formal study programme. This is particularly so when the formal training given will be getting outdated. It is usually impossible.
to learn all essential techniques required during the pre-services or induction-training period [23].

**Off-the-Job Training**

Anao [23] stated that this is the type of professional training given to individual before they are appointed. It is usually carried out on full-time basis, in schools, colleges and even universities lasting through a specific period. According to the author, there are three levels of this professional training for individuals in Nigeria. These he refers to as Non-Degree Training, First-Degree and Postgraduate Training. The Non-Degree Training is undertaken in two stages. Firstly, the two years Certificate course leading to ordinary diploma and then followed by another two years Diploma course leading to National Diploma. In most cases a specific period of one or two or more years of practical field experience is required between the Ordinary National Diploma (OND) and Higher National Diploma (HND).

First degree courses involves taking basic courses in social, natural and agricultural science. Specialization increases speedily in a specific area until graduation in the last year. The postgraduate training that is undertaken at the postgraduate levels leads to higher degrees such as Masters of Science or Doctor of Philosophy (Ph.D). This involves more intensive training and research in special problem areas [23].

One of the major reasons advanced in favour of off-the-job training is based on the premise that trainees require a certain amount of vocational or technical knowledge before entering the organization or office being assigned specific tasks. The view here is that a sort of preliminary instruction is deemed necessary in order to prevent injury to the trainee, damage to equipment or waste of materials [23]. The author added that it also prepares the worker for the additional training he may get on the job. This form of training is more appropriate for imparting complex skills. It produces broadly-based training workers who can apply their skills in a variety of work settings. Equally important is the fact that the method is good for a large number of trainees and is offered at all times during the day or week and on part time and fulltime basis. All these advantages cannot be obtained from on-the-job form of training. Ugoji [24] stated that training is needed in an organization to achieve the followings: improved efficiency and morals; retrain the employees to adapt to new techniques; provide for succession and allow for quick replacement to be made; and develop and decrease the amount of supervision needed.

**A Brief History of First Bank of Nigeria PLC**

First Bank of Nigeria Plc has its origin dating back to bank for British West Africa establish in 1894. It was incorporated locally in Nigeria as Standard Bank of Nigeria Limited and listed on Nigeria Stock exchange in 1971. The bank remains one of the subsidiaries of FBN Group, with head office in Lagos. The bank maintains the position of one of Africa's most diversified and leading financial services providers. With a heritage that goes back to 1894, the Bank has consistently met changing market demands through continuous re-invention and innovation, driven by service excellence, modernization and growth. The bank has over 560 branches in Nigeria, 11 subsidiaries (including a subsidiary in London with a branch in Paris). These subsidiaries are involved in various sectors of the financial services industry, including investment banking, funds management, registrarship, pension custodian, venture capital management, trusteeship, insurance brokerage, mortgage banking and microfinance. As a full-suite financial services provider, the bank offers retail, institutional, corporate & public sector banking, agricultural financing, treasury, payments and collections, online banking and various electronic payment schemes.

First Bank sees its workforce as its most valuable asset and strives to be the employer of choice in the financial services industry. The bank's human resource strategy is to employ and retain the best talent in the industry and equip them with the required competencies to outperform competition and deliver customer expectations. Being one of the largest employers of labour in the industry, First Bank’s total staff strength stands at over 12,000 (see www.firstbanknigeria.com). From being the only bank in Nigeria for decades, the bank has weathered the “banking explosion” of the 1930s to 1950s, followed by an era of government ownership and control to a flurry of consolidations and then gradual growth in number of banks up to the early 1980s, then another industry growth spurt in the early 1990s when the banking sector was deregulated leading to an industry shake-up in the late 1990s, which reduced the number of banks from 126 to 77 and later resuscitation and growth to 89 banks leading to the recent shake-up to 25 banks.

In line with the bank's strategy of building a strong employer brand and to remain a hub for
industry talents, the key priorities of the bank has been to improve staff performance and productivity by continually enhancing the value of its human asset through the promotion and facilitation of major enablers of productivity. These include exposure to appropriate training, enriched job roles/functions, coaching and mentoring, effective career development, adequate work tools, performance rewards and an enabling environment. The central tenet of the bank talent management strategy is the commitment to nurture the systematic training and developments of all staff. Accordingly, the strategy for training intervention is aligned to the Bank’s corporate strategic pillars earlier mentioned and also in recognition of the expansion of business opportunities in the economy. In this regard, training interventions has always been structured to assist employees respond more quickly to changing requirements of the business units and personal development.

The bank draws its training programs from its Needs Identification process at the enterprise level, across job groupings and at individual levels. A systematic and partnership approach was deployed to address the provision of training. The approach focused on the practical development of key skills and knowledge needed by staff to develop their full potentials and to deliver high-quality service while supporting their personal development appetite proactively. In 2010, the Bank achieved 438,175 training hours and surpassed the budgeted 402,107 hours for the year. On average, this translates to 57.7 hours per staff member. A total of 7,506 staff were trained, representing about 98.6% of core staff. A total of 703 programmes were run which included in-house, open and overseas training with banking operations, information technology, customer service and products, and channels accounting for the highest number of courses (First Bank of Nigeria Plc Annual Report & Accounts, 2010).

Review of Empirical Literature

In this section, some empirical studies done on the effects of training and development on productivity and organizational performance are presented.

Ugoji [24] conducted a research on the effect of training and development on organizational performance. The study used secondary data. Four hypotheses were developed to see the impact of all the independent variables on the overall Organizational Performance. The results show that training and development, on the job training, training design and delivery style have positive significant effect on organizational performance. Presented a report on the impact of training (and vocational education) investments on company productivity and other performance indicators using a meta analysis. The study yields a clear result that investment in training have a positive and significant impact on company performance indicators. This result confirms the key role attributed to the investment in skills in the European strategy for smart and sustainable growth, Europe 2020, and the initiative agenda for new skills and jobs [25].

Provide advance understanding of the effects of training on organizational-level outcomes by reviewing the results of previous studies that have investigated the relationship between training and human resource, performance, and financial outcomes. The results of meta-analysis from 67 studies suggest that training is positively related to human resource outcomes and organizational performance but is only very weakly related to financial outcomes. Furthermore, training appears to be more strongly related to organizational outcomes when it is matched with key contextual factors such as organization capital intensity and business strategy, in support of the contingency perspective. Further, training is related independently to organizational outcomes in support of the universalistic perspective of strategic human resource management rather than a configurationally perspective [23].

Amuno [22] collected data from each of the 9439 permanent, salaried employees of a large high-technology manufacturing firm to assess the effects on employee turnover of the organization’s investment in employee development via a tuition reimbursement program. Investment in training via tuition reimbursement decreased turnover while employees were still taking classes.

Richard [21] conducted a study to determine if productivity is a driving force for investment in training and management development in the Banking Industry in Nigeria. The study relied on both qualitative and quantitative analysis of data, using descriptive and inferential statistics. The entire staff of the 25 commercial banks as at 2007 in Nigeria was the population of the study and a total of 320 questionnaires were administered. The study found that productivity is really one of the driving forces for investment in training and management development.
Anyanwu [9] studied the effects of training on employee productivity. The paper provides a review of the current evidence of such a relationship and offers suggestions for further investigation. They reviewed extensive the literature in terms of research findings from studies that had attempted measuring and understood the impact that training have on employee productivity across various sectors. The focal point of their review was on training practices and employee productivity and their relationship. The outcome of their findings varied. While some studies reported a positive association between training and employee productivity, some reported negative and some no association whatsoever.

Harbison [20] identify some negative impacts of training on firm performance, and they outline possible reasons for their finding. According to them, responses to the survey were given during a period of financial difficulty, as reflected in the tendency to reduce training budgets as a relatively easy way to cut expenses in the periods of slack demand. Where firms offer more training, they may be doing so in an inadequate manner, either because they train in the wrong areas or because they do not follow up on the training to ensure good results. They argue further that it is clear that the link between training and productivity is a complex one, and there may be many external variables which interplay to determine the nature of the impact that investment in training has on business performance. The missing link may be in linking training investment to other business performance mechanisms, such as ensuring delivery of training that is matched to overall business objectives. They concluded that it may be that the training-productivity link is weak because it has not been understood in a broader context.

Vroom [19] conducted a study on the effect of on-the-job training on Intercontinental bank workers. The study revealed that training brings greater confidence on workers, enriches employee's knowledge and increased performance skill, creates greater efficiency and effectiveness, increases productivity and leads to higher profitability. The study further revealed that there exists a direct relationship between manpower training and productivity of Bank workers.

Rastogi [18] examined the role of training and development on workers’ productivity in both public and private organizations in Nigeria. The study also pointed out the problems of human resource management and personal manager. The study concluded that training and development is a long term and very sensitive function of an organization. Finally, the paper recommended that proper implementation of training enhances individual performance and productivity.

Thang [26] conducted a study on human resource training, organizational strategy and firm performance in Vietnam. First, the study confirms that a positive relationship between training and firm performance exists, not only at the level of the individual employee, as demonstrated in previous studies, but also at company level. More specifically, training will improve the knowledge, skills, abilities and behaviour of employees leading to positive organizational performance. The major findings indicate that companies that implemented training in 2006 have increased sales, productivity of manufacturing companies by 0.18 percent. The manufacturing companies that implemented training programmes after 2005 found it lead to an increase of 0.32 percent in total sales and productivity per year between 2005 and 2006. They concluded that companies should pay more attention to human resource training policy if they wish to succeed.

Dess [17] conducted a study on impact of people management practices on business performance. The fundamental aim of the study was to aid managers in determining where to direct their efforts in order to have most impact upon the performance of their companies. They gathered data from an intensive ten year study of over a hundred small and medium-sized manufacturing enterprises in the United Kingdom. The results of the study demonstrated the relationship between employee attitudes and company performance. Overall, these results very clearly indicate the importance of people management practices in predicting company performance. The results suggest that, if managers wish to influence the performance of their companies, the most important area they should emphasize is the management of people.

Grant [16] sought to determine the impact of training and development on public sector organizations using Ghana Ports and Harbors Authority (GPHA) as a case study. The study assessed the training and development process of GPHA and whether training has improved employee performance. He designed a structured questionnaire to collect primary data from...
employees of GPHA. Personal interviews were also held with some management staff of the organization. The results indicated that GPHA’s employees were not well informed about training and development programmes in the organization. Most of the employees were of the view that training and development were effective tools for both personal and organizational success. Sanusi [8] carried out study on the impact of capacity building on employee productivity in commercial banks in Kenya. The study argued that 37 failed banks in Kenya in 1998 would have been averted if some of the problems like weak supervision and equipping employees with expertise, necessary skills and knowledge were addressed through employee training to improve performance of the banks. Their findings from the study reported a significant positive effect of training and development on employee productivity and organizational performance.

Other studies also explored if there is a relationship between skills and other organizational outcomes. Haskel [27] found that higher skill (qualification) levels support innovation and more sophisticated production processes and were associated with the production of higher quality products. [28] has also found a strong relationship between different levels of UK workforce skills and the sophistication of products. Colombo et.al [10] found connections between more training and higher labour productivity across a number of UK sectors; while Adeniji [11] found that increasing investment in training reduces the chance of firm closure. Grip [29] found that training of agents had significant effects on the productivity of workers in the organization. In the same vein, Nwachukwu [12] are of the opinion that labour productivity growth appears to be enhanced by the joint introduction of training and innovation.

Harel et.al [13] attempts to find out whether staff training has any implication in job performance, behaviour, attitudes, skills, knowledge and achievement of the goals of a business organization in Nigeria. The sample size was determined on the basis of three categories of staff namely: general staff, senior staff and management staff. He uses chi-square to test the postulated hypothesis. He shows that effective training leads to acquisition of skill and knowledge required for employee to perform effectively on the job. His result reveals that training has a high positive impact on employee and reduces the nature of hazards on the job in the accomplishment of corporate objectives.

Limitations of Previous Studies

Even though there is an avalanche of empirical studies on the effect of training and development on employee’s productivity and organizational performance, the existing evidence suggests that research in this area is promising. Most of the studies reviewed were carried out outside the shores of Nigeria, while others were mostly done outside the financial sector. The few studies done on the financial sector (such as [30]) did not focus on FBN Plc. Unlike FBN Plc, most Nigerian banks could not survive the recent global financial crisis. Meanwhile, most of the challenges that had threatened the foundations of the financial sector in Nigeria had been squarely blamed on the lack of employees training in the banking industry. This study is therefore motivated by the need to fill these gaps.

Research Methodology

This study will employ the qualitative approach since the subject matter focuses on human behaviour. Palys [31] has observed that qualitative research is a human-centred approach which seeks an understanding on how individuals make sense of the world around them by asking people, directly, what they think is important about the topic or issue under study.

Morgan et.al. [32] maintain that reality is subjective. They further noted that the combination of endogenous and exogenous variables plays a crucial role in determining the constitution of the environment and occurrences within that environment. Consequently, the qualitative research approach is the most suitable for conducting research that involves subjective human behaviour of this nature. It is a methodological approach that gives room for accommodating the dynamics of human actions in shaping the individual decision making process.

All employees in First Bank make up the population of this study, which is over 12,000. This study will rely on sample size of 75. The choice of this size is informed by the fact that we can’t study the entire population but rather a proportion of the population. The research would be conducted across departments in Head Office and in five branches of FBN Plc in Lagos State, Nigeria (Idimu, Akowonjo, Ojota, Ikeja and Marina). The choice of the study areas was purposive because of the size and sensitivity of
this area. A set of structured questions were drawn up for the purpose of the survey. The sample size for this study is 75. Five respondents were sampled in each of the selected branches producing 25 respondents while 50 respondents were sampled from Head Office staff. The study adopted a simple random sampling method in selecting the individuals on whom the questionnaire were administered on. Our approach has been used by other researchers such as Agarwala, Kotey, Okpara [33-35]. The data were analyzed by the use of descriptive statistics.

Presentation and Discussion of Results

Demographic Analysis of Respondents

The socioeconomic statistics such as respondent’s age, gender, marital status, educational background, number of years working and other employment information are presented in table 1 below:

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<th>Department</th>
<th>Number of yrs with the bank</th>
<th>Cadre</th>
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Gender Distribution of Respondents

The gender classification of the respondents as shown in table 1 above reveals that majority 40 (53%) are males while 35 (47%) are females.

Respondents’ Age

It is observed that the age of the respondents range from 24 to 54 years. While majority of the respondents (47%) are between the ages of 35 and 44 years, 11% are between the ages of 45 and 54 years, and 42% are between the ages of 24 and 34 years. The implication of this is that they are within the active labour force since they are not too old or too young.

Marital Status of Respondents

The marital status of respondents as shown in table 1 above indicates that majority (67%) are married, while 33% are single.

Educational Status of Respondents

It is revealed in table 1 above that 21% of the respondents are holders of Higher National Diploma (HND), while 46% are holders of Bachelor of Science (BSc) degree. However, 33% are masters (MSC/MBA) degree holders. By implication, majority of the respondents are BSC holders.

Department of Respondent

As shown in table 1, majority (48%) of the respondents are from operations department, while 33% are from branch. Meanwhile, 19% are customer care/marketing department.

Professional Qualification

The analysis shows further that majority (50%) of the respondents are ICAN/ACIB holders, while 9% are ACIB holders. It also observed that other respondents are holders of professional certificates such as NIM, CIE e.t.c while 25% do not have any professional qualification.

Number of Years Respondents have Worked with the Bank

The distribution on numbers of years the respondents have worked with the bank shows that majority 47% have worked with the bank for period of years ranging from 6 to 9. Similarly, 33% have worked with the bank between the period of 2 to 5 years, and 20% have worked with the bank for over 10 years.

Cadre Respondents Belong

It is observed from above table 1 that majority of the respondents (65%) of the respondents are in clerical category, while 25% and 10% are in
supervisory category and management level respectively. The essence of this is to give room for proportional representation of all the key departments of the bank in the interview sample covered.

**Training and Development Information**

*Respondents Understanding about Training & Development Practices in Organizations*

This study found that 50% of the respondents see training and development as conscious efforts by the banks to improve the skill and knowledge base of employees so as to enhance overall performance of the bank. According to them, this is usually a continuous process aimed at having the caliber of staff that are fully equipped to face competition. The remaining 50% of the respondents see training and development as a systematic development of the knowledge and skill of employees to perform adequately. The individual-based training is aimed at satisfying specific job requirement, for example, speed and accuracy, efficiency in relationship management as in the training for managers, which is aimed at attitudinal change and improving their supervising techniques and human relations. The finding shows that most training and development practices in the bank are performed to improve the skills of the employees in order to gain competitive advantage.

**Types of Training and Manpower Development Strategies that the Bank Employs**

The analysis on types of training and manpower development strategies that the bank employs shows that the bank runs the following training methodology: On the job training/induction training, In-house training and off the Job Training. The result indicated that majority (78%) of the respondent are of the view that the bank provides ‘On the job training/induction’. This training is highly essential for newly recruited staff to enable them gain self confidence and perform more efficiently. This training is the method used to acquire specific skills while the individual is on the job [21]. In-house training on the other hand is believed to be conducted by the bank by only 17% of the respondents. The motive behind this type of training is to update the skills of the employees of an organization at all levels. While 5% are of the opinion that the bank conducts off-the-job training program, which is professional trainings given to individuals before they are appointed. The training is carried out on a full time basis usually in schools, colleges and even universities lasting through a specific period. It is usually more costly than other types of training, and this may explain why it is the least form of training utilized by organizations.

![Fig. 1: Perception of respondents about the purpose of training and development](image1)

**Fig. 1: Perception of respondents about the purpose of training and development**

- Purpose of training & development is to enhance bank performance: 50%
- Purpose of training & development is to enhance individual productivity: 50%

![Fig. 2: Types of training and development strategies the bank employs](image2)

**Fig. 2: Types of training and development strategies the bank employs**

- On the job training/induction: 78%
- In-house training: 17%
- Off the job training: 5%

![Fig. 3: The two types of training mostly utilized](image3)

**Fig. 3: The two types of training mostly utilized**

- In-house training programme: 68%
- External Training Programme: 32%
external training are most utilized. Based on this empirical finding, one can conclude that in-house training programme is the most utilized within the bank. This could be because it does not involve huge costs compared to other forms of training. However, some of the respondents were of the opinion that they would have preferred external training because it is better organized and mostly delivered by seasoned experts as against the in-house training that were mostly hurriedly packaged. They argued further that at the moment, the bank has adopted a structure that does not involve any serious budget; for instance, the head office will design the training slides and send them to branch managers, who will in turn study the slides and disseminate what they learnt to other employees. This procedure is however faulty in their opinion because not every branch manager will be able to fully understand the slides and teach others.

**Employee Perception towards Training**

*Effectiveness of Training and Manpower Development Practices in the Bank*

An attempt was made to investigate the effectiveness of training and development practices carried out in the bank. The results are shown in figure 5. 42% of the respondents confirmed that the training and manpower development practices of the bank have been very effective; 34% believe that the practices are effective; while 21% and 13% believe that the practices have been moderately effective and not effective respectively. Those respondents who see the training given to them as very effective stated that the trainings influence their performance in their day-to-day activities especially those that had to do with emotional intelligence and customer relationship management.

It was observed that many of the respondents who claimed that training and manpower development of the bank is not effective are mostly from marketing department. This may be due to the fact that as a marketer in Nigeria, one’s ability to deliver is dependent on the number of people you know who have agreed to deposit the much needed money to meet your target. At the end of the day you will find out that your performance will not be based on your knowledge or skills but on the number of “contacts” you have. However, there was also a very important observation by some of the respondents that the effectiveness of the training programme in the bank cannot be said to be effective if there is no improvement in behavioral change towards training, and that the most effective type of training is the one initiated by the staff themselves.

**Activities Performed to Enhance Employee Development**

On the activities performed by the bank to enhance the development of its staff, majority (40%) of the respondents believe that training and education on job programme of the bank has played a significant role in their development as employees of the bank. 20% are of the opinion that the bank usually enhances their development by giving them targets that attract reward in the form of cash, special recognition or promotion to the next level. While 25% are of the view that the bank usually enhances their development through promotion, 15% are of the opinion that the bank usually enhances their development by giving them good remuneration. Some also stated that apart from training, they also receive motivational talk from time to time. This talk involves sharing life experiences with the senior staff of the bank. Most times, this inspires the group towards giving their best in their daily schedule.

*Fig. 4: Types of activities performed to enhance employee development*

*Fig. 5: Effectiveness of training and manpower development practices in the bank*
Effects of Training on Employees’ Job Productivity

This section of the analysis focused on the effects of training and manpower development on staff job performance. The results of the data collected revealed that majority (70%) of the respondents held the view that training and manpower development has enhanced their job productivity. Incidentally, 30% of the respondents disagreed with this view and stated that training and manpower development has not enhanced their job productivity. The latter category of respondents argued that other factors such as the need to get promotion and earn higher emoluments contribute to their improved job performance. However, the overall results indicate that training plays a significant role in improving employee’s productivity in First Bank of Nigeria Plc. The implication of this finding is that organizations will rely on trainings to engender employees’ skills, knowledge and initiatives to identify and resolve problems. This finding corroborates the findings of Thang [26].

Effects of Training on Organizational Performance

The findings in figure 7 show that majority of the respondents (80%) overwhelmingly supported the fact that training and manpower development enhanced organizational performance. This finding is consistent with submissions of Harel [13] who found that training and development practices had positive relationship with firms’ performance in public and private sectors in Israel. European Centre for the Development of Vocational Training [25] also found that increasing investment in training reduces the chance of firm closure. However, 20% of our respondents were of the opinion that training and manpower development does not enhance organizational performance.

Responses on whether Training is Relevant and Indispensable to their Organization’s Higher Productivity

With regard to the to the question if the respondents can conclude that training of workers is relevance & indispensable to their organization’s higher productivity, the analysis shows that 77% of the respondents answered in the affirmative while 23% did not see training of workers as relevance & indispensable requisite to their organization’s higher productivity.

Conclusions and Recommendations

The analysis conducted above revealed that training and manpower development plays a significant role in the general performance of staff of banks in Nigeria. This is so because trained employees will be able to translate their improved human capital into improved organizational performance. Our respondents have overwhelmingly stated that increasing the
knowledge and skills of an employee will put that employee in a better position to deliver on his or her basic duties.

The results of this study have implications for dynamic policy formulation for human capital development in Nigeria. Therefore, the followings are some of the policy recommendations that have the capacity of improving the productivity of the employee’s as well as the general performance of banks in Nigeria.

Firstly, there is need to conduct training needs assessment to ensure that the right training is given. This will enhance the competitiveness of the staff as they will be equipped with necessary competencies and current trends within the industry.

Secondly, training programmes of the banks should be on a continuous basis and not based on survival, that is, conducting training only when a bank is confronted with particular problems.

Thirdly, there is also the need to motivate staff who performed exceptionally well during training sessions because a staff that is rewarded for his or her outstanding performance will spur other staff into action and may certainly nurture an inbuilt desire to excel, which will ultimately impact positively on the general performance of the employees of the organization.

There is need for further research in this field. In fact, the lack of secondary data on the manner of trainings conducted and their impact on the general performance of the banks increases the demand for further research studies in this area.

References


