Employee Training and Organisational Performance of
Selected Deposit Money Banks in Abia State, Nigeria

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Abstract: This study examined the association between employee training and organisational performance of deposit money banks in Abia State, Nigeria. A cross-sectional research survey was employed. Target population comprises all deposit money banks in Abia State, Nigeria. Forty top level managers were surveyed. Simple random sampling technique was employed. A sample size of thirty six (36) was ascertained using Krejcie and Morgan (1970). Both secondary primary sources of data were used. Spearman’s Rank Order Correlation Coefficient (rho) serves as statistical tool with the aid of statistical package for social sciences (SPSS, 20.0). The study found that employee training has a positive significant relationship with organisational performance. It concluded that employee training that is measured in terms of on-the-job training and off-the-job training promotes organisational performance of deposit money banks. The study recommended that; bank executives should encourage on-the-job training to enhance the skills of their employees so that organisational performance can be achieved; and secondly, managers and other financial institutions administrators should equally adopt both on-the-job training and off-the-job training for organisational performance to be enhanced.

Keywords: Training, on-the-job training, off-the-job training, organisational performance

INTRODUCTION
Performance is the benchmark of measuring the success and progress of any living organization (Sarminah, 2013). Thus, every organisational success is made possible by the efforts of its workforce. Measuring performance is a vital part of monitoring an organization’s progress (Maina and Onsongo, 2013). It comprises measuring the actual performance outcomes or results of an organization against its intended goals. Organisational performance is very significance for any successful organizations. Performance has resulted to firms profitability, increase in shareholder base as well as diversification into different areas of related businesses (Okpara and Pamela, 2008). Olaniyan and Ojo (2008) posit that if the employees in an organization are to perform their duties and make meaningful contributions to the success of the organizational goals, they need to acquire the relevant skills and knowledge through training.

Nevertheless, organisational performance cannot be successfully achieved in a vacuum without training the employees that will carry out different tasks in the workplace (David, Chin and Victor, 2002). Training is the propeller that energizes the workforce to pursue current business objectives through the needed skills and knowledge acquired through various forms of training. Olaniyan and Ojo (2008) posit that to improve the organizational performance, training should
be given to the employee who will determine whether organization will perform or not. Ohabunwa (1999) accentuates that if organizations train their employees very well, managers and superiors would have the confidence to delegate authority to their subordinates but when subordinates are not properly trained, it would be difficult for authority to be delegated to them by their superiors.

In line with Ohabunwa’s submission, Mamoria (1995) asserts that training is a practical and vital necessity because; it enables employees to develop and rise within the organization and increase their market value, earning power and job security. Mamoria went further to contend that training helps in shaping employees’ attitudes and help them to contribute meaningfully to the organization. Alan (2007) accentuates that when employees are trained it enhances their emotional stability and improves creative consciousness in them. Employee training is very important in both private public organizations because no matter the increment on workers remuneration, their old skills will be obsolete if nothing is done to change them. Correspondingly, employee training is what distinguishes successful firms from others. Transformation of employee’s behaviour as well as attitude begins and ends with training. It is this transformation that brings about an increase in performance in the organisation.

However, for this study to establish a point of departure the following studies on organisational performance were examined. Dialoke and Duru (2017) examined the effects of workforce planning on organizational performance of selected media houses in Imo state. Their result indicates that workforce planning is significantly associated with organisational performance. Bader, et.al. (2017) examined the effect of intellectual capital on organizational performance. Result of their study showed that knowledge sharing had a positive effect on organizational performance.

Uchenwamgbe (2013) examined the effects of leadership style on organizational performance in small and medium scale enterprises (SMEs) in Nigeria. Uchenwamgbe’s findings revealed that good leadership style enhances employee morale. Farman, et al. (2013) examined the effect of human resource planning on organizational performance of telecom sector. Result of their study shows that human resource has a positive relationship with organisational performance. Ojokuku, Odetayo and Sajuyigbe (2012) examined the impact of leadership style on organizational performance in Nigerian banks. Their finding shows that leadership style enhances organizational performance.

Based on the above trends of studies it appears that none of the researchers examined the relationship between employee training and organisational performance of deposit money banks. This is what has informed this study, to examine the relationship between employee training and organisational performance of deposit money banks in Abia State.

**Aim/Objectives of the study**

The aim of this study is to ascertain the relationship between employee training and organisational performance of selected deposit money banks in Abia State, Nigeria. Specifically, it sought to:

1. Identity the relationship between on-the-job training and organisational performance of deposit money banks in Abia State, Nigeria.
2. Examine the relationship between off-the-job training and organisational performance of deposit money banks in Abia State, Nigeria.

**Research Hypotheses**
The following null hypotheses were drawn from the specific objectives.

*HO1: On-the-job training has no significant relationship with organisational performance of deposit money banks in Abia State, Nigeria.*

*HO2: Off-the-job training has no significant relationship with organisational performance of deposit money banks in Abia State, Nigeria.*

**REVIEW OF RELATED LITERATURE**
The concept of employee training
Training is considered as the process of improving the existing skills, knowledge, exposure, and abilities in an individual (Azara, Syed and Muhammad, 2013). According to Saleem and Mehwish (2011) training is an organized increase from the know-how skills and sensations needed for staff members to execute efficiently in the offered process, as well as, to operate in underling situation. Laing (2009) defines training as an indicator to enhance superior skills, knowledge, capabilities and outlook of the employees that results in effective performance of the workers. Ofobruku and Nwakoby (2015) perceived training as the process of developing employees’ skills and learning new concepts, rules or attitudes in order to increase effectiveness on a particular job. Dialoke (2015) viewed training as teaching or developing in oneself or others, skills and knowledge that relate to specific useful competencies.

Wajdi, Khalil and Maria (2014) perceived training as a planned process to modify attitude, knowledge, skill or behavior through learning experience to achieve effective performance in an activity or range of activities. Other scholars that have perceived training as a planned process are Beardwell and Holden (2001). They opined that training is a planned process that is used to change attitudes, knowledge, skills and behavior through the learning experience in order to achieve effective performance in a specific activity or range of activities (Beardwell and Holden, 2001). For DeNisi and Griffin (2008), training is a planned attempt by an organization to facilitate employee learning of job-related knowledge, skills, and behaviour.

In another development, Wagonhurst (2002) accentuate that training is development of skills, specifies measurable objectives, and should result in observable change in behavior. For Buckley and Caple (2000), training is a systematic process, which helps people to learn how to be more effective at work by modifying knowledge, skills or attitudes through learning experience to achieve effective performance. The National Teacher’s Institute (2007) cited in Ofobruku and Nwakoby (2015) viewed training of individuals in three dimensions. They argued that training is a process that starts from birth and ends at death (National Teacher’s Institute, 2007). Secondly, they perceived it as the sum total of all culture which a society deliberately gives its younger generation in order to qualify them and raise the level of improvement it has attained (National Teacher’s Institute, 2007). Lastly, they contended that training is the totality of life experience (National Teacher’s Institute, 2007). On another hand, Armstrong (2009) argue that training to
involves the application of formal processes to impart knowledge and help people to acquire the skills necessary for them to perform their jobs satisfactorily.

**Types of employee training**
There are several typologies of training employees within and outside the organizations. Managers as well as administrators choose the best methods they perceive to fit their training needs when they are required. However, the following type of employee training exists in the literature. Armstrong (2009) submitted accentuates that training of employees can take the following forms; manual skills, including modern apprenticeships; information and technology skills, team leader or supervisory training; management training; interpersonal skills e.g. leadership, team building, group dynamics, neuro-linguistic programming; personal skills e.g. assertiveness, coaching, communicating, time management; training in organisational procedures or practices, e.g. induction, health and safety, performance management, equal opportunity or managing diversity policy and practice. Other scholars argued that there are training meant for non-managerial employees as well as managerial employees. Bohlander, Snell and Sherman (2001) contended that training meant for non-managerial employees include; on-the-job training, apprenticeship training, cooperative training, internships, and government training, classroom instruction, programmed instruction, audiovisual training, computer based training (CBT) and simulation training. In this study, two approaches or methods of employee training will be examined. These are on-the-job training and off-the-job training.

**On-the-job training:** On-the-job training simply means training an employee to complete a task or function when they are already hired and working (www.study.com). Ivancevich, 2004) argued that on-the-job training is when an employee is placed into the real work situation and shown the job and the tricks of the trade by an experienced employee or the supervisor. Noe, et al. (2004) asserts that on-the-job training refers to training methods in which a person with job experience and skill guides trainees in practicing job skills at the workplace. They argued that on-the-job training takes two dimensions which are apprenticeships and internships. Apprenticeship is a work-study training method that teaches job skills through a combination of on-the-job training and classroom training (Glover, 1988). Internship on the other hand is on-the-job learning sponsored by an educational institution as a component of an academic programme (Noe, et al., 2004).

**Methods of on-the-job training**
The methods of on-the-job training include the following:
1) Job Rotation: This type of training involves the movement of the trainee from one job to another (www.whatishumanresource.com).
2) Coaching: The trainee is placed under a particular supervisor who functions as a coach in training the individual (http://www.whatishumanresource.com).
3) Job Instruction: This method is also known as training through step by step (www.whatishumanresource.com).
4) Committee Assignments: Under the committee assignment, group of trainees are given and asked to solve an actual organisational problem (www.whatishumanresource.com).
5) Apprenticeship: Apprenticeship is a formalized method of training curriculum program that combines classroom education with on-the-job work under close supervision (www.whatishumanresource.com).

Advantages of on-the-job training:
The advantages of on-the-job training as elucidates by www.whatishumanresource.com include the followings:
1. It is directly in the context of job
2. It is often informal
3. It is most effective because it is learning by experience
4. It is least expensive
5. Trainees are highly motivated
6. It is free from artificial classroom situations

Disadvantages of on-the-job training:
The disadvantages of on-the-job training as highlighted by www.whatishumanresource.com are as follows:
1. Trainer may not be experienced enough to train or he may not be so inclined.
2. It is not systematically organized
3. Poorly conducted programs may create safety hazards.

Off-the-job training: In this type of method, employees or trainees receive trainings from trainers outside the organization. Secondly, it involves a type of training where the location for the training is far away from the workplace. Rothwell and Kazanas (2004) also argued that off-the-job training is very necessary when a large number of staff have a similar training requirement and when there are adequate skills and resources for the design and provision of training. Off-the-job training is very significance to organisational success especially in terms of distraction and other job related stress. It also gives employees the opportunity to meet with other colleagues from similar industries especially in conferences and workshops. Kempton (1995) also accentuates that this type of training enables trainees to learn and apply new skills and knowledge in a safe working context

Method of off-the-job training
The methods associated with off-the-job training as elucidated by www.whatishumanresource.com include the following:
1. Classroom Lectures: under the off the job methods of training, classroom method or lecture method is well-known to train white collar or managerial level employees in the organization (www.whatishumanresource.com).
3. Simulation: In the simulation training method, trainee will be trained on the especially designed equipment or machine seems to be really used in the field or job. (www.whatishumanresource.com).
4. Vestibule Training: - Employees learn their jobs on the equipment they will be using, but the training is conducted away from the actual work floor by bringing equipments or tools to certain place where training is provided, but not work place (www.whatishumanresource.com).

5. Case Studies: It is a written description of an actual situation in the past in same organisation or somewhere else and trainees are supposed to analyze and give their conclusions in writing (www.whatishumanresource.com).

6. Role Playing: During a role play, the trainees assume roles and act out situations connected to the learning concepts and it is good for customer service and training (www.whatishumanresource.com).

7. Programmed Instructions: This involves two essential elements: (a) a step-by-step series of bits of knowledge, each building upon what has gone before, and (b) a mechanism for presenting the series and checking on the trainee’s knowledge (www.whatishumanresource.com).

8. Management Games with computerized management games, trainees divide into five- or six-person groups, each of which competes with the others in a simulated marketplace (www.whatishumanresource.com).

Advantages of off-the-job training
These advantages were highlighted by www.whatishumanresource.com as follows:

i. Trainers are usually experienced enough to train
ii. It is systematically organized
iii. Efficiently created programs may add lot of value

Disadvantages of off-the-job training:
The disadvantages of off-the-job training were highlighted by www.whatishumanresource.com as follows:

i. It is not directly in the context of job
ii. It is often formal
iii. It may not be based on experience.
iv. It is expensive.
v. Trainees may not be much motivated
vi. It is artificial in nature.

The concept of organisational performance
Organisational performance literature has not been clearly established compared to other organisational construct such as organisational effectiveness, commitment, sustainability, productivity, growth, development to mention but a few. Nevertheless, in this study organisational performance refers to how well a firm is doing in terms of making profit, return on investment, and retention of employees as well as having a good reputation from their host community. It can also be perceived as the achievement of objectives that was set from the inception of a business year or quarterly depending on the type of activities embarked upon.

However, Richard, Devinney, Yip and Johnson (2009) in their view elucidate that organizational performance comprises of three specific areas of firm outcomes: (a) financial performance (profits, return on assets, return on investment, etc.); (b) product market performance (sales, market share, etc.); and (c) shareholder return (total shareholder return, economic value added,
etc.). From the foregoing, it can be viewed that when firms are making progress especially meeting their goals or objectives; then they are perceived to be performing. This performance can be in the areas of product development, diversification, as well as penetration into other countries with or without the same business model. In the case of this study, deposit money banks can be said to have performed when they record a high number of customers with huge amount of deposit, retention of talented workers and demand for more talent from their host communities. This perhaps will make them to open new more branches in other cities.

**Empirical Review**

Scholars have carried out empirical studies on training in different industries, countries as well as unit of analysis. Olaniyan and Ojo (2008) examined staff training and development: A vital tool for organisational effectiveness. They recommended that training and re-training of all staff in form of workshops, conferences and seminars should be vigorously pursued and made compulsory. Sanjeevkumar and Yanan (2011) examined training factors and its impact on training effectiveness in Kedah state development corporation, Kedah, Malaysia. They found that training environment is the strongest driver of training effectiveness in Kedah. Okeke (2011) examined manpower training and development in organizations: A key to achieving operational efficiency. Okeke concluded that there is need for manpower training and development in organizations. Raja, Furqan and Muhammad (2011) examined the impact of training and development on organizational performance. Results of their study revealed that training and development, on the job training, training design and delivery style have significant affect on organizational performance.

Azara, Syed and Muhammad (2013) examined employees training and organizational performance. Results of their study revealed that training has positive significant association with organization performance. Gunu, et al. (2013) examined training and development as a tool for organizational performance. They concluded that for training and development to have significant impact on organizational performance, employees need to be motivated during training programs. Zulfiqar and Mehwish (2014) examined the impact of training program on organizational effectiveness in Karachi, Pakistan. Finding from their study showed that training of employees led good impact on organizational effectiveness. Dialoke (2015) investigates training as a measure not a solution to worker’s performance in Nigeria. Dialoke concluded that training is a measure and not a solution to worker’s performance vis-à-vis productivity in Nigeria.

**Effects of employee training on organisational performance**

Training of employees enhances the performance of every organization. For instance training is needed mostly when there is reduction in sales, low employee morale, low patronage from consumers as well as turnover. In order to embrace the future, funds should be made available to human resource departments in order to carryout effective training of its workforce. Employees can be trained inside the organization without necessary sending them outside. This is called on the job training which includes job rotation and job enlargements. One advantage of this method is that, production activities will be sustained and enhanced. Secondly, there will be an instant change in employees’ attitude within and outside the firm. Thirdly, it is cost effective and
bridges the gaps of theory and practice. Bank industries adopt this type of training methods most times. A bank teller can be advised to move to marketing departments so as to acquire marketing skills. When an employee is employed in some banks, the first assignment is to introduce such employee to cash points where customers can deposit and make withdrawals. At this point, the employee will be trained on communication skills, negotiation skills as well as human relationship skills.

Apart from the above method of employee training, off-the-job training is another approach that most organizations adopt to improve the skills of its employees. This type of training is needed mostly when the skills needed cannot be carried to the organization that needs the skills. Perhaps it can also take place when machines are involved or that employee requires to be trained on how to operate a newly introduced machine for production. Some examples of off-the-job training include workshops, local and international conferences and seminars. One advantage of this method is that; employees are acquainted with the latest realities in their industries through hands-on-training methods. They are exposed to new methods of production of goods for manufacturing industries. For those in the banking industry, off-the-job training exposes them to meet with industry players who have made historic achievement in the banking industry. Another advantage of this method is that; employees who have been to other cities or countries where such trainings are obtained will understand the culture and people of that city and country. The disadvantage of off-the-job training is that, it is very costly. Organisations spend a lot of money that will cover training materials, fees and travel allowances to its employees.

**Figure 1.1 Conceptual framework**

![Conceptual framework](image_url)

**Source:** Authors’ conceptualization (2017)

**RESEARCH METHODOLOGY**

**Research Design:** A cross-sectional research was adopted.

**Population of the study:** Target population comprises of all deposit money banks in Abia State, Nigeria. The researchers were able to have access to ten deposit money banks within the state capital Umuahia. Forty top level managers which include operations managers, marketing managers, customer relationship managers and human resource managers were surveyed.
Sampling Procedure: Simple random sampling technique was employed to select ten deposit money banks out of twenty two banks as published by Central Bank of Nigeria (Haruna, 2016).

Sample Size: Sample size is thirty six (36) using Krejcie and Morgan (1970).

Method of Data Collection: Secondary sources include textbooks, journals and internet materials. Primary source of data is copies of questionnaire. Thirty six (36) copies of the questionnaire were administered to the top level managers but thirty two (32) were found useful for data analysis.

Measurement of variables: On-the-job training, off-the-job training and organisational performance were measured with fifteen (15) items on a five point Likert scale ranging from 5-Great extent, 4-Moderate extent, 3-low extent, 2-very low extent, 1-Not at all.

Method of Data Analysis: Spearman’s Rank Order Correlation Coefficient (rho) serves as statistical tool for hypotheses analysis with the aid of statistical package for social sciences (SPSS, 20.0). Both univariate and bivariate analysis were used in this study. Univariate analysis refers to the analysis of one variable at a time (Bryman and Bell, 2007; Ahiauzu and Asawo, 2016). Bivariate analysis is concerned with the analysis of two variables at a time in order to uncover whether or not the two variables are related (Bryman and Bell, 2007; Ahiauzu and Asawo, 2016).

ANALYSIS OF DATA

Univariate Analysis

Respondent’s profiles that were analysed include gender, age-brackets, position occupied and educational qualifications and presented as follows. 32 respondents’ representing 66% were males, while 11 respondents’ representing 34% were females. 10 respondents’ representing 31% were between 20-30 years, 16 respondents’ representing 50% were between 30-40 years, 6 respondents’ representing 19% were between 40 years and above. 9 respondents’ representing 28% are operations managers, 8 respondents representing 25% are marketing managers, 5 respondents’ representing 16% are customer relationship managers, 10 respondents’ representing 31% are human resource managers. 23 respondents’ representing 72% holds HND/B.Sc, 6 respondents’ representing 19% were holders of M.Sc/MBA higher degrees; and 3 respondents’ representing 9% hold other qualifications.

Bivariate Analysis

<table>
<thead>
<tr>
<th>Spearman's rho on-the-job training</th>
<th>Correlation Coefficient</th>
<th>On-the-job training</th>
<th>organisational performance</th>
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<tbody>
<tr>
<td>Sig. (2-tailed)</td>
<td>1.000</td>
<td>.851</td>
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<td>N</td>
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<tr>
<th>Spearman's rho organisational performance</th>
<th>Correlation Coefficient</th>
<th>organisational performance</th>
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<td>Sig. (2-tailed)</td>
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**. Correlation is significant at the 0.05 level (2-tailed).
The above bivariate analysis between on-the-job training and organisational performance shows that \( p<0.05 \) which implies that; as on-the-job training increases, organisational performance also increase. Therefore, null hypothesis hereby rejected and alternate accepted. The study therefore states that on-the-job training has a positive significant relationship with organisational performance of deposit money banks.

**Table 2: Bivariate analysis between off-the-job training organisational performance**

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<th>Off-the-job training</th>
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<tbody>
<tr>
<td>Spearman's rho Off-the-job training</td>
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<td>Sig. (2-tailed)</td>
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<tr>
<td>organisational performance</td>
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</table>

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

The above bivariate analysis between off-the-job training and organisational performance revealed that \( p<0.05 \) which means that; as off-the-job training increases, organisational performance also increases. Hence, null hypothesis will be hereby rejected and alternate accepted. The study hereby states that off-the-job training has a positive significant relationship with organisational performance of deposit money banks.

**Findings**

Based on the results above, the following findings were drawn.

1) On-the-job training has a positive significant association with organisational performance of deposit money banks in Abia State, Nigeria.
2) Off-the-job training has a positive significant relationship with organisational performance of deposit money banks in Abia State, Nigeria.

**CONCLUSION**

Based on the findings, this study concludes that employee training that is measured in terms of on-the-job training and off-the-job training promotes organisational performance of deposit money banks.

**RECOMMENDATIONS**

Drawing from the conclusion, the following recommendations were made.

1) Bank executives should encourage on-the-job training to enhance the skills of their employees so that organisational performance can be achieved
2) Managers and other financial institutions administrators should equally adopt both on-the-job training and off-the-job training for organisational performance to be enhanced.
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