



The Impact of Training and Development on Employee Retention of the Manufacturing Firms in Rivers State

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Abstract: *The study investigates the impact of training and development on employee retention in the manufacturing firms in Rivers State 1,960 employees from selected manufacturing firms in Rivers State. A sample size of 322 was determined using Krejcie and Morgan's (1970) table. Data analysis was conducted using Spearman's rank correlation coefficient. The findings show a significant positive relationship between training and development, (coaching and mentoring) and employee retention. The study concludes that training and development correlates with employee retention. The study recommends enhancing coaching and mentoring for improved employee retention.*

Keywords: *Coaching, Employee retention. Mentoring, Training and development.*

INTRODUCTION

Employee retention has emerged as an essential issue within the manufacturing sector, where high turnover rates can significantly disrupt operations and brings challenges. High personnel turnover impedes the continuity and effectiveness of production processes in addition to resulting in significant financial expenditures related to employing, training, and recruiting new hires (Chukwu et al., 2024). The manufacturing industry, characterized by its reliance on skilled labour and precise operational workflows, is particularly vulnerable to the adverse effects of employee turnover. This issue requires a complete understanding of the factors influencing employee retention and the application of effective strategies to mitigate turnover. Employee retention significantly impacts productivity, cost efficiency, and organizational stability. High retention rates lead to enhanced productivity as experienced employees are familiar with processes and can perform tasks more efficiently, reducing downtime and errors (Chaudhary, 2023).

Retaining employees also results in considerable cost savings by minimizing the expenses associated with staffing, engagement, and training new staff (Vance, 2016).). Furthermore, long-term employees retain valuable institutional knowledge, ensuring continuity and stability in operations, for maintaining product quality and operational standards (Suraihi et al, 2021; Combs, 2019) Moreover, employee retention positively affects morale and engagement, as a stable personnel nurtures a sense of confidence and loyalty (The Upwork Team, 2023). Companies that invest in training and development are perceived as valuing their employees, which enhances job satisfaction and retention (Roberts, 2023). High retention also benefits customer satisfaction since experienced employees provide dependable, high-quality service,

building trust and loyalty (Arulsamy et al., 2023)). However, it is essential for firms to balance retention efforts with promoting innovation and adaptability to avoid stagnation and ensure continuous improvement (Thompson, 2021).

Training and development (T&D) programs have been identified as critical components in enhancing employee retention within manufacturing firms. These programs address skills gaps, improve job satisfaction, and foster value and belonging among employees (Davis, 2022). However, the effectiveness of T&D programs in achieving these outcomes remains a subject of ongoing debate. It is important to assess whether these programs are effectively tailored to meet the specific needs of employees and align with the strategic goals of the organization (Arulsamy et al., 2023). Moreover, the evolving nature of the manufacturing industry, driven by technological advancements, necessitates continuous updates and adaptations of T&D initiatives to ensure their relevance and efficacy.

Employee morale and job fulfilment play significant roles in retention, as employees who perceive opportunities for professional growth and development are more likely to remain with their current employers and inadequate training opportunities often lead to dissatisfaction and turnover intentions. Therefore, understanding the impact of T&D programs on these psychological and emotional aspects is critical for developing effective retention strategies (Roberts, 2023).

Despite the recognition of T&D programs as a potential solution, measuring their return on investment (ROI) poses a significant challenge for manufacturing firms. The lack of clear metrics and evaluation methods hampers the ability to justify the financial expenditures associated with these programs (Martinez, 2020). Additionally, the diversity within the workforce requires customized training solutions that can cater to the varying needs of different employee groups (Thompson, 2021). Generic, one-size-fits-all training programs are often inadequate in addressing the unique demands of a diverse workforce, further complicating the retention efforts. Considering these complexities, this study aims to explore the relationship between T&D programs and employee retention in manufacturing firms.

Statement of the Problem

Manufacturing firms often experience higher turnover rates compared to other industries, which disrupts production processes and results in a shortage of experienced and skilled workers (Selko, A. (2021). This frequent loss of employees often strains the financial resources of manufacturing firms, impacting their overall profitability (Jones, 2023). The financial costs related with engaging, and training new employees are significant and high turnover rates result in substantial expenses related to onboarding new staff, which can further strain the financial stability of these firms (Johnson, 2021).

A lack of effective T&D programs often results in a skills gap among employees, lower productivity and quality issues in manufacturing processes. Addressing this gap is essential for maintaining a competitive advantage (Combs, 2019). Employee morale and job fulfilment are also affected by insufficient T&D opportunities. Workers who feel unappreciated or unsupported in their professional growth are more likely to seek employment elsewhere, exacerbating retention problems (Brian 2023). Retaining skilled workers is vital for the

sustainability and growth of manufacturing firms. However, there is a need to understand how T&D programs specifically contribute to retaining these valuable employees (Davis, 2022).

The effectiveness of existing T&D programs in manufacturing firms is not well-documented. It is also essential to assess whether these programs are aligned with employee needs and organizational goals (Arulsamy et al., 2023). Furthermore, the implementation of T&D programs can influence the overall organizational culture. Understanding how these programs affect the work environment and employee engagement is essential for fostering a positive and productive workplace (Roberts, 2023). Measuring the return on investment (ROI) of T&D programs is another challenge for manufacturing firms. Identifying metrics and methods to evaluate the success of these initiatives is necessary for justifying the investment in employee development (Martinez, 2020). Additionally, the industrial firms is constantly evolving with technological advancement. Ensuring that T&D programs are up-to-date and relevant to current industry standards, is a challenge that firms must address to remain competitive (Garcia, 2022).

One-size-fits-all training programs may not be effective for the diverse needs of employees in manufacturing firms. There is a need to explore how customized training solutions can better address individual and departmental requirements (Thompson, 2021). In light of these problems, this study aims to explore the relationship between T&D programs and employee retention in manufacturing firms, providing insights into best practices and strategies for improving workforce stability and organizational performance.

Training and development enhance the employee's skills, knowledge improve productivity, efficiency and sustained success. T&D are indispensable for maintain a competitive edge, fostering innovation, ensuring compliance, and enhancing employee satisfaction and retention. As the manufacturing landscape continues to evolve, investing in these programs cannot be overstated. According to the World Economic Forum (2023), the rapid technological advancements in manufacturing necessitate continuous upskilling and reskilling of the workforce to maintain competitive advantage. Investing in training programs, makes employees adept at using the latest technologies and methodologies, thereby reducing errors and increasing output quality. Moreover, training and development foster innovation within manufacturing firms. Employees who are well-trained are more likely to contribute to innovative processes and solutions. A study by Deloitte (2022) highlights that organizations with robust training programs are 30% more likely to be market leaders in their respective industries. This is because a well-trained workforce is better equipped to adapt to changes and drive innovation, which is essential in a highly competitive manufacturing sector.

Training and development make employee feel valued and motivated, which reduces turnover rates. The Society for Human Resource Management (SHRM) (2022) reports that companies that invest in employee development see a 34% higher retention rate. This not only saves costs associated with hiring and training new employees but also ensures that the firm retains experienced and skilled workers, which is vital for maintaining consistent production standards. Furthermore, effective training and development programs help in compliance with industry regulations and standards. In the manufacturing sector, adhering to safety and quality standards is paramount. Training ensures that employees are aware of and comply with these regulations, thereby minimizing the risk of accidents and ensuring product

quality. According to a report by the International Labour Organization (ILO) (2023), workplaces that prioritize training on safety protocols see a 20% reduction in workplace accidents, highlighting the importance of regular and comprehensive training programs.

Aim and Objective of the Study

The aim of the study is to determine the impact of training and development on employee retention of the manufacturing firms in Rivers State. The specific objectives are to:

1. Examine the relationship between coaching and employee retention of the manufacturing firms in Rivers State.
2. Determine the association between mentoring and employee retention of the manufacturing firms in Rivers State

Research Questions

1. How does coaching relates with employee retention of the manufacturing firms in Rivers State?
2. What is the relationship between mentoring and employee retention of the manufacturing firms in Rivers State?

Research Hypotheses

Ho₁: There is no significant relationship between coaching and employee retention of the manufacturing firms in Rivers State.

Ho₂: There is no significant relationship between mentoring and employee retention of the manufacturing firms in Rivers State

Literature Review

Theoretical Underpinning

This study is anchored on the human capital theory.

Human Capital Theory

Human Capital Theory, developed by Gary S. Becker (1993), posits that investments in employee education, training, and development enhance their productivity and performance, thus benefiting the organization. The theory suggests that employees are valuable assets, and investing in their development increases their value, leading to higher job satisfaction and loyalty, which in turn reduces turnover rates. In the manufacturing sector, where skilled labor and technical expertise are crucial, the retention of trained employees is vital for maintaining production efficiency and quality. Investing in training and development, enables manufacturing firms to enhance the skills of their workforce, improve job satisfaction, and create a sense of loyalty among employees. This investment not only reduces turnover but also fosters a culture of continuous improvement and innovation, essential for competitive

advantage in the industry. Training and development programs can include on-the-job training, apprenticeships, and continuous professional development opportunities. These programs help employees feel valued and supported in their career growth, leading to increased retention rates. Furthermore, a well-trained workforce is more adaptable to changes and technological advancements, ensuring the firm's long-term success.

Training and Development

Training and development are crucial components of human resource management that focus on enhancing the skills, knowledge, and abilities of employees. Training refers to the systematic process of providing employees with the specific skills they need to perform their current jobs effectively (Arulsamy, et al., 2023). Development is future-oriented and aimed at preparing employees for potential future roles and responsibilities (Alshaalan, 2021). Together, these processes contribute to the overall growth and efficiency and improved performance and organizational success (Noe et al., 2017). Effective training and development programs not only enhance employee capabilities but also increase job satisfaction and retention rates, making them essential for long-term organizational health (Aguinis & Kraiger, 2009).

Coaching

Coaching is a personalized approach to employee development that involves a coach working one-on-one with an employee to improve their performance and achieve specific goals. This process typically involves setting objectives, providing feedback, and creating a supportive environment for the employee to learn and grow. In contrast to training, which is often group-based and structured, coaching is personalized to the individual's needs and focuses on developing their potential over time (Grant, 2017). Effective coaching helps employees build confidence, enhance their skills, and improve their problem-solving abilities, leading to better performance and job satisfaction.

Mentoring

Mentoring is a developmental relationship in which a more experienced or knowledgeable person, the mentor, provides guidance, support, and advice to a less experienced or knowledgeable person, the mentee (Nunan, Jet al., 2023). This relationship is typically long-term and focuses on the overall personal and professional growth of the mentee. Mentoring can take various forms, including formal programs within organizations or informal relationships that develop naturally. Mentors help mentees navigate their career paths, develop new skills, and build their professional networks. This relationship not only benefits the mentee but also contributes to the mentor's personal satisfaction and development (Ragins & Kram, 2007).

Employee Retention

Employee retention encompasses strategies and practices designed to keep valuable employees within an organization. High retention rates are beneficial for organizations as they reduce costs. Additionally, retaining experienced staff helps maintain organizational knowledge, promotes a stable work environment, productivity and morale (Kossivi, Xu, & Kalgora, 2016). Employee retention is a multidimensional encounter, that requires a holistic approach of addressing job satisfaction, value alignment, compensation, benefits, and

leadership quality, to create a work environment that attracts and retains top talent. Implementing these strategies not only helps reduce turnover costs but also promotes a more engaged and productive workforce.

One of the key factors influencing employee retention is job satisfaction. Employees who find their work meaningful and rewarding are more likely to stay with their current employer. Job satisfaction can be enhanced through various means, such as providing opportunities for career advancement, recognizing and rewarding employees' contributions, and ensuring a healthy work-life balance. Furthermore, a supportive organizational culture that values open communication and employee well-being can significantly improve retention rates (Hom, Mitchell, Lee, & Griffeth, 2012). Another important element is the alignment of individual and organizational values. When employee personal values and goals are in harmony with those of the organization, they remain committed to their employer. This is achieved through clear communication of the organization's mission and values and fostering an inclusive workplace where diversity and individual contributions are respected and valued (Allen, Bryant, & Vardaman, 2010).

Competitive salaries, comprehensive health benefits, and retirement plans can also attract and retain top talent. Additionally, organizations that offer flexible work arrangements, such as remote work options and flexible hours, can better accommodate the diverse needs, leading to higher retention rates. Providing continuous professional development opportunities, programs and educational incentives, can also enhance employee satisfaction and loyalty (Dobre, 2013). Leadership quality is another crucial factor affecting employee retention. Effective leaders who provide clear direction, offer constructive feedback, and demonstrate empathy can foster a positive work environment that encourages employees to stay. Leadership development programs that equip managers with the skills to support and engage their teams can further strengthen retention efforts (Govaerts, Kyndt, Dochy, & Baert, 2011).

Empirical Review

Several studies have highlighted the positive correlation between training and development initiatives, including mentoring and coaching, and employee retention. For instance, Elnaga and Imran (2013) carried out an exploratory investigation focused on examining the relationship between training and employee performance. It draws insights exclusively from the analysis of existing literature, including studies, reports, periodicals, and books. The study found that effective T & D programs significantly increase employees' commitment to their organizations, reducing turnover intentions. They argued that when employees' professional growth, is enhanced through mentoring and coaching, they tend to reciprocate with loyalty and prolonged tenure.

Similarly, the research by Jehanzeb and Bashir (2013) emphasized that T & D opportunities enhance employees' skills and knowledge, which in turn boosts retention. This study involves a thorough evaluation of the literature on the fundamentals of employee development programs and their benefits to both organizations and employees. The study indicated that employees who received regular training, mentoring, and coaching were more likely to stay with their current employers due to increased job competence and satisfaction.

Ghosh et al., (2012). examined how perceptions of reciprocal support in mentoring affect both mentors' and protégés' intentions to provide work-related assistance to their coworkers within organizations. The findings highlight the mediating roles of organization-based self-esteem (OBSE) and affective organizational commitment (AOC) in linking perceived reciprocal support in mentoring to the intention of mentors and protégés to engage in organizational citizenship behavior (OCB). A key premise of this research was that positive experiences of mutual learning and growth foster interdependence and promote tendencies toward organizational citizenship. They surveyed mentors (n = 82) and protégés (n = 160) from three U.S.-based companies. The results of mediation analyses using multiple mediation model testing demonstrated significant statistical and practical importance for AOC and OBSE as mediators for protégés. However, no mediators were supported for mentors, suggesting that the mechanisms linking mentoring to OCB may differ between mentors and protégés.

Methodology

The survey study targeted 1,960 employees from selected manufacturing firms in Rivers State. The sample size was determined to be 322 using Krejcie and Morgan's (1970) formula for sample size determination. Data collection was carried out using structured questionnaires, and the sample was selected through a simple random sampling technique. Both face and content validity were employed to ensure the validity of the questionnaire, while reliability was assessed using Cronbach's Alpha, with a cut-off value of 0.7. Data analysis was conducted using Spearman's rank correlation coefficient with the help of SPSS version 25.0.

Results

A total of 322 questionnaires were distributed, with 301 (93.5%) being returned and deemed valid. Hypotheses were tested at a 95% confidence interval, with rejection criteria set at $P < 0.05$ and acceptance criteria at $P > 0.05$.

Table 1: Coaching and Employee Retention

		Correlations		
			Coaching	Employee Retention
Spearman's rho	Coaching	Correlation Coefficient	1.000	.602**
		Sig. (2-tailed)	.	.000
		N	301	301
	Employee Retention	Correlation Coefficient	.602**	1.000
		Sig. (2-tailed)	.000	.
		N	301	301

Source: SPSS Output, 2024.

The data analysis reveals that at a significant level $p < 0.05$ ($0.000 < 0.05$), $\rho = 0.602^{**}$. This means that there is a significant association between Coaching and employee retention. Therefore, the null hypothesis (H_{01}) is rejected, and the alternate hypothesis (H_{a1}) is accepted. This proposes that coaching and employee retention have a significant strong positive relationship.

Table 2: Mentoring and Employee Retention

		Correlations		
			Mentoring	Employee Retention
Spearman's rho	Mentoring	Correlation Coefficient	1.000	.698**
		Sig. (2-tailed)	.	.000
		N	301	301
	Employee Retention	Correlation Coefficient	.698**	1.000
		Sig. (2-tailed)	.000	.
		N	301	301

Source: SPSS Output, 2024;

The data analysis reveals that at a significant level $p < 0.05$ ($0.000 < 0.05$), $\rho = 0.698^{**}$. This means that there is a significant association between mentoring and employee retention. The null hypothesis, H_{02} , is rejected and the alternate accepted. This suggests that there is a positive relationship between mentoring and employee retention.

Discussion of Findings

The results of the first hypothesis test showed a positive correlation between coaching and employee retention in manufacturing firms. This indicates that as coaching efforts increase, employee retention rates also improve. This implies that implementing coaching programs can lead to higher employee retention in manufacturing firms. When employees receive effective coaching, they are likely to feel more supported, develop better skills, and experience increased job satisfaction, all of which contribute to their likelihood of staying with the company longer. This finding aligns with the study by Jehanzeb and Bashir (2013), which revealed that T & D opportunities enhance employees' skills and knowledge. Additionally, it supports the conclusions of Jones et al. (2016), who found that effective coaching helps employees build confidence, enhance their skills, and improve their problem-solving abilities, leading to better performance and job satisfaction

The results of testing the second hypothesis revealed a positive correlation between mentoring and employee retention in manufacturing firms. The bivariate analysis indicated that mentoring is associated with higher employee commitment. This implies that mentoring programs can enhance employee retention by fostering a sense of commitment among employees. When employees are mentored, they receive guidance, support, and career development opportunities, which can lead to increased loyalty and a stronger bond, ultimately reducing turnover rates This agrees with Elnaga and Imran (2013) investigation result that found that effective T & D significantly increase employees' commitment to their organizations, reducing turnover intentions, and investing in employee's professional growth, through mentoring and coaching brings loyalty and less turnover intentions. It also aligns with. Ghosh et al., (2012). that mentoring affect both mentors' and protégés' intentions to provide work-related assistance to their co-workers within organizations.

Conclusion

This study investigated the impact of training and development on employee retention in manufacturing firms in Rivers State. The findings revealed a positive correlation between coaching and employee retention, indicating that increased coaching efforts lead to higher retention rates. This implies that implementing coaching programs can significantly enhance employee retention by providing employees with support, skill development, and increased job satisfaction. Similarly, the study found a positive association between mentoring and employee retention. Mentoring programs were shown to foster higher employee commitment, suggesting that providing guidance and career development opportunities through mentoring can lead to greater loyalty and attachment to the company, ultimately reducing turnover rates. The study highlights the importance of training and development initiatives, specifically coaching and mentoring, in improving employee retention in manufacturing firms in Rivers State. These programs not only enhance employees' skills and job satisfaction but also contribute to a more committed and stable workforce.

Recommendations

1. Firms should implement regular coaching sessions to provide continuous support and guidance to employees, and these sessions should focus on skill development, performance improvement, and career growth.
2. Firms should establish feedback mechanisms to allow personnel to share their experiences and suggest improvements for the coaching programs, to help in making the coaching process more effective and tailored to employee needs.
3. The firms should develop structured mentoring programs where experienced employees are paired with newer employees to provide guidance, support, and career development advice.
4. Provide training for mentors to ensure they can offer valuable insights and support to their mentees and this includes training on effective communication, feedback delivery, and career development strategies.
5. Establish clear goals and metrics for mentoring programs to track their effectiveness.
6. Create comprehensive employee development plans that integrate both coaching and mentoring. to ensures that employees receive holistic support for their professional growth.
7. Develop clear career pathways that are supported by coaching and mentoring initiatives.
8. Foster an inclusive work environment where employees feel valued and supported and encourage open communication and collaboration across all levels of the organization.
9. Identify and reward employees who actively participate in coaching and mentoring programs. This can motivate others to engage in these development activities.
10. Carry out continuous evaluation and improvement.

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