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## **Effect of Training and Development on Performance of Deposit Money Banks in Nigeria**

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### **Abstract**

This study determined the effect of training and development on the performance of deposit money banks in Anambra State. The study adopted survey research design. A sample of three branches of deposit money banks in Anambra state with 250 respondents. Using regression analysis, the analysis result revealed that that training and development has a significant effect on performance of deposit money banks in Anambra State at 5% level of significance. As a result, the study recommended that deposit money bank employees receive certified training in order to improve their efficacy and efficiency. It should be used to motivate people. Additionally, make an effort to align organizational and employee goals by developing and implementing policies and practices that encourage employee career advancement.

**Keywords:** Training and development, Performance and Deposit money banks

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### **Introduction**

Only by properly developing the human resources aspects of the human enterprise through training and manpower development will objectives be met and good returns on investment be realized (Atiomo, 2000). According to Atiomo (2000), an organization's future prosperity is dependent not only on providing a product that is competitive in price, quality, and quantity, but also on simply expanding the range of products produced. If the organization has people with vision, energy, and experience to direct the force and facilities, the other success criteria should be met (Halidu, 2015). An organization may have capable and determined employees, appropriate equipment, and managerial support, but productivity falls short of expectations. In many cases, the missing factors are a lack of adequate skills and knowledge acquired through manpower training and development (Halidu, 2015).

Training is an important aspect of human capital management and the fastest growing component of worker performance. Training is defined as schemes for improving workers' efficiency, physical and mental abilities toward efficient work processes (Olusanya, Awotungase, Ohadebere, 2012; Ezeani & Oladele, 2013), as well as communicating corporate vision to workers (Obi-Anike & Ekwe, 2014). It appears to be one of the pillars upon which business survival is built. Staffing an enterprise with competent personnel is critical for controlling it. The prescribed educational scheme does not adequately prepare students for specific job skills required to function in organizations (Adeyi, Apansile, Okere & Okafor, 2018). As a result, there is a constant call for a practice of staff development, and training plays an important role in this process. Beardwell and Holden (2001) argue that the increased importance of worker training in the current era is heavily influenced by competition issues, retention strategies, and overall organizational mission accomplishment (Adeyi, Apansile, Okere & Okafor, 2018).

Talent management practices are becoming increasingly important in organizations today as managers strive to attract talented employees in order to achieve their goals (Keoye, 2014; Boston Consulting Group, 2007). Recruitment models have been modified to attract talented individuals into organizations, managers are struggling to retain talented employees, and developing talent presents its own set of challenges (Armstrong, 2014). All of this is done with the goal of improving organizational performance.

Financial limitations, as well as a general lack of awareness of the significance of staff training and development programs in influencing employee performance in their respective organizations. In light of the foregoing, any organization, no matter how advanced in science and technology, cannot be represented by its building, plants, and equipment; rather, the achievement and development of human resource capital is responsible for the organization's increase in productivity. This study therefore, determines the effect of training and development on the performance of deposit money banks in Anambra State.

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### **Review of Related Literature**

#### *Training and Development*

According to Fanibuyan (2001), training is the systematic process of changing the behavior and attitudes of the workforce in order to achieve organizational goals, whereas development is any program aimed at enlightening managerial workers beyond the immediate basic operations of the job

but toward the improvement of the efficient performance of all managers. Training is intended to impart information and/or directions in order to improve the recipient's performance as well as to aid in the attainment of a critical level of knowledge or skill (Appiah, Boamah, Baryeh, Browne, Ferkah & Marku-Ablerdu, 2013). Development entails preparing employees for higher-level responsibilities in the near future. According to Ezeuwa (2009), development entails using human resources to purposefully adjust man's physical and biological environment, as well as introducing new ideas into the social structure to his benefit. Daniel (2003) promotes employee development by promoting that they can be prepared for vacant higher responsibilities within their capability. Human relations and interpersonal abilities are improved as a result of development (Iwuoha, 2009).

According to Oribabor (2000), as cited by Kulkarni (2013), training and development aim to develop competencies such as technical, human, conceptual, and managerial for the advancement of individual and organizational growth. In interpreting the preceding postulation, Onah (2003), in an era of technological change and innovation, both new and old employees must be trained to update their knowledge and skills and keep abreast of new developments in the techniques and methods of doing their jobs in order to achieve individual and organizational goals.

A learning organization, according to Handy (1989), is one that both learns and encourages people to learn. It provides a forum for people to question, think, and learn, as well as to constantly reframe the world and their role in it (Mburu, Kamau & Karanja, 2017). The learning organization, according to Handy, must have a formal way of asking questions, seeking out theories, and reflecting on them. As a result, a teacher who believes in effective class room time management will always make a proper plan for the time to be spent in the class and will avoid late coming as this gives the student time to build noise level which takes time to subside and is thus a time waster. A good time management teacher would always tell the students the rules and regulations that must be followed in the classroom, as well as the expected behavior (Nakasule, 2005).

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## Performance

This concept refers to the efficiency with which an entity completes a task. Profitability, lower turnover and absenteeism, customer satisfaction, productivity, market growth, effectiveness, efficiency, and achieving a competitive advantage are basic measures of organizational success. Input/output relationship performance and effectiveness measures, with a focus on business growth and employee satisfaction

Bernardin (2010) defined organizational performance as a measure of job outcome or result over a specified time period. Mitchell (2002) discovered that organizational performance is measured using the following indicators: organizational relevance, competitiveness, responsiveness, and financial viability. The author emphasizes the importance of management satisfaction, employee engagement, and human resource involvement in the strategic planning process as drivers of organizational relevance. Employee values (knowledge), investment in leadership or management development, alignment of performance management to strategy, effective performance and career management, employee training and development, alignment of incentives to strategy, and other factors all contribute to organizational competitiveness. According to the same author, organizational responsiveness is measured by the following metrics: trend in revenue or employee, growth in income/employee, cost of compensation as a percentage of expenses, number of employees per supervision, and cost of human resource function as a percentage of expenses.

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## Empirical Review

Cherai and Busolo (2020) investigated the impact of talent attraction on the organizational performance of hotels in Kenya's South Rift Region. Both descriptive (frequency distributions, means, and percentages) and inferential statistics were used in the study. At a significance level of  $\alpha = 0.05$ , Pearson correlation coefficient and multiple Linear Regression analysis were performed. The Statistical Package for Social Sciences (SPSS) version 24 was used to analyze the data. The study discovered that attracting talent had a positive and significant effect on the organizational performance of hotels in the South Rift Region. Mohammad, Yousef, Shadi, and Ahmad (2020) investigated the effects of human resource talent management (TM) on organizational performance improvement. Data was collected using questionnaires from 385 Jordanian hotel employees and analyzed using structural equation modeling (SEM). The findings show that talent management (TM) has a positive impact on organizational performance, effective continuance, and normative commitment. It was also demonstrated that effective perseverance and normative commitment acted as mediators. Ahmad, Hisham, Khalid, and Mohammad (2020) investigated the role of an effective performance management system in moderating the relationship between talent management and organizational performance in Jordanian public health workers. The study concentrated on 30 Jordanian public hospitals. The analysis was conducted using a survey of 430 public health workers. In this study, SEM was used in the AMOS statistical analysis package. According to the findings, a performance management system modifies the relationship between talent management and organizational performance. Akinremi and Adedeji (2019) investigated talent management and employee performance in selected banks in Akure, Ondo State, Nigeria. The data was analyzed using descriptive statistics as well as appropriate inferential statistics. The study revealed the strategies employed in deposit money banks to retain talented employees. It demonstrated that financial and nonfinancial compensation and rewards improve employee performance in deposit money banks. The total rewards strategy used by deposit money banks to attract and retain key employees has a mean value of (3.50). The study concludes that it is equally important for organizations to train and retrain their employees in order to develop needed talent in the workforce. Ali, Bashir, and Mehreen (2019) investigate the direct and indirect effects of talent management and career development on organizational effectiveness. Data was collected from permanent employees of commercial banks using the survey method, and the proposed model was tested using structural equation modeling in AMOS. The findings indicate that talent management has a significant impact on employee engagement and organizational effectiveness. Employee engagement and organizational effectiveness are significantly influenced by career development. Furthermore, employee engagement moderates the relationship between individual development practices (talent management and career development) and organizational effectiveness significantly. Adibah, Adnan, Fadillah, and Norseha (2019) investigated the impact of pay and benefits on employee performance. This study was conducted at XYZ College. This study employed the survey research method, with 100 questionnaires distributed among XYZ College lecturers. With a population of 100 lecturers, the sample size is 80 respondents. The Statistical Package for Social Sciences was used to analyze and interpret the data collected (SPSS). According to the findings, lecturers' performance

levels are between medium and high. Furthermore, there is a positive relationship between pay and performance. Furthermore, compensation and benefits have a positive impact on employee performance. El-Dahshan1, Keshk, and Dorgham (2018) investigated how talent management affects organizational performance. Methods and subjects: In two selected hospitals, Menoufia University and Shebin El-Kom Teaching Hospital, a descriptive correlational research design was used. The study sample was made up of a random sample of 273 nurses. The current study found that nurses at Menoufia University Hospital were more satisfied than nurses at Shebin El-Kom Teaching Hospital in terms of total score of talent attraction, retention, and organizational performance, with a highly statistically significant difference. Auranzeb and Bhutto (2016) investigated the role of talent management in improving organizational performance using data from Pakistani service sector companies. The hypotheses were statistically tested and analyzed at the 5% level of significance using Regression Analysis and Pearson's Linear Correlation Coefficient. There was a significant positive relationship between Talent Management (Career Management) and Organizational Performance, according to the findings. Augustus-Daddie and Accra (2015) determined the Nigerian banking industry's talent management and corporate survival. The structured questionnaire served as the primary data collection instrument in this study, so a cross-sectional survey design was used. The predictor variable, talent management, was operationalized using two dimensions, namely talent planning and talent acquisition, with each dimension assessed on a set of six indicators, whereas the criterion variable, corporate survival, was also assessed on a set of eighteen indicators. For the study, two null hypotheses were proposed and tested using the Spearman rank order correlation coefficient, with results indicating significant associations in both cases. The investigation revealed that both aspects of talent management have significant relationships with corporate survival. According to the findings of the study, respondents rated talent management practices as extremely important and necessary for maintaining business progress and, thus, survival. Talent management and employee retention were investigated by Aibieyi and Oghoator (2015). Performance management, employee empowerment, compensation, and reward are all examples of talent management in this study. The data was analyzed using the test of equality, Pearson correlation, and ordinary least square regression techniques. Performance management (X1=2.09) was found to be significant and positively related to organizational culture. Employee empowerment (X2) was significant and related to organizational culture negatively. Compensation and reward (X3=52) were positive but had no effect on organizational culture.

## Methodology

The descriptive survey research design was used in this study. The study's population consists of deposit money bank branches in Anambra state. The researcher used a purposive sampling technique to select three Anambra state bank branches: UBA, Access Bank, and Fidelity Bank Plc. This involves 250 people.

As previously stated, the questionnaire was the primary research instrument used to collect data for the project. To test the significant effect and the relationship between the dependent variable and the independent variables, regression analysis was used with SPSS version 20 to test the formulated hypothesis. 0. at the 5% level of significance

### Decision Rule

The decision for the hypothesis is to accept the alternative hypothesis if the p-value of the test statistic is less or equal to the alpha at 5% and to reject the alternative hypothesis if the p-value of the test statistic is greater than alpha at 5% significance level.

### Model Specification

The model for this study took the following form:

$$Y = \beta_0 + \beta_1 X_1 + \mu$$

Where:

Y = Performance, proxied by effectiveness (dependent variable)

X = Training and Development (explanatory/independent Variable)

$\beta_0$  = constant term (intercept)

$\beta_1$  = Coefficients of job performance

$\mu$  = Error term (stochastic term)

Explicitly, the equation can be defined as:

$$\text{Training and Development} = f(\text{Performance}) + \mu$$

Representing the equations with the variables of the construct, hence the equations below are formulated:

$$OPF_{it} = \beta_0 + \beta_1 TRD_{it} + \mu_{it} \quad i$$

Where:

$\beta_0$  = Constant term (intercept)

$\beta_{it}$  = Coefficients to be estimated for firm  $i$  in period  $t$

$\mu_{it}$  = Error term/Stochastic term for firm  $i$  in period  $t$

$OPF_{it}$  = Performance  $i$  in period  $t$

$TRD_{it}$  = Training and development  $i$  in period  $t$

## Data Analysis

Out of 250 Questionnaires was distributed and 201 was completed and returns.

**Table 1: Summary of Data from the Respondents**

	<b>Training and development</b>	<b>SA</b>	<b>A</b>	<b>Un</b>	<b>D</b>	<b>SD</b>
1	The institution identifies employees with high potential and develops personal development plans for them.	62	98	7	34	0
2	Institutions allow individuals to make internal moves and workload changes so that they can reasonably self-manage their careers.	50	85	4	46	16
3	When employees believe they are no longer growing, they begin to look for new job opportunities elsewhere.	44	100	0	36	21
4	Offering a higher salary is not the only important factor in motivating talented employees to work for a company.	56	89	6	30	20
5	The institution offers the employee the opportunity to change jobs in order to develop him.	48	103	0	35	15
	<b>Organizational Performance</b>					
6	In today's competitive environment, continuous performance remains the focus of any organization seeking to grow and progress.	56	82	1	46	16
7	My organization quickly adapts to operational changes.	61	87	6	32	15
8	The competitiveness, innovativeness, and social responsiveness of institutions improves their ability to achieve their predetermined goals.	50	104	1	46	0
9	My corporation Effective planning should be practiced at all levels.	48	108	6	26	13
10	My company has policies that promote career advancement and development opportunities.	58	103	0	40	0

Source: Field Survey, 2022

## Test of Hypothesis

$H_{01}$ : Training and development has no significant effect on the performance of deposit money banks in Anambra State.

**Table 2: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.998 <sup>a</sup>	.995	.993	15.50973

a. Predictors: (Constant), TRD

The table 1 above shows that the coefficient of determination is  $R^2 = 0.995$  and the Adjusted  $R^2$  is 0.995. Adjusted  $R^2 = 0.99$  implies that about 99% of change in effectiveness of the sampled deposit money banks is influenced by joint interaction of training and development. It also shows that 1% of the variation in the dependent variable is explained by other factors not captured in the study model.

**Table 3: ANOVA <sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	144290.344	1	144290.344	599.830	.000 <sup>b</sup>
	Residual	721.656	3	240.552		
	Total	145012.000	4			

a. Dependent Variable: OPF

b. Predictors: (Constant), TRD

**Table 4: Coefficients <sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-11.206	11.099		-1.010	.387
TRD	1.056	.043	.998	24.491	.000

a. Dependent Variable: OPF

Tables 2 and 3 show that the regression equation or model used to predict training and development is highly significant at the 5% level of significance (p-value = 0.000).

The hypothesis test of whether training and development (TRD) significantly affects the effectiveness of tertiary institutions in Nigeria reveals a positive correlation between TRD and performance ( $r = 0.998$ ). Furthermore, the t-statistic probability value for TRD is 24.491, which is greater than 0.05. As a result, the alternative hypothesis is accepted, which states that there is a positive significant relationship between training and development and deposit money bank performance in Anambra State, Nigeria, at the 5% level of significance (p-value 0.05).

## Decision

Based on the empirical evidence, this study upholds that training and development has a significant effect on performance of deposit money banks in Anambra State at 5% level of significance; hence, H<sub>1</sub> is accepted.

## Conclusion

As a result, the purpose of this research is to determine the impact of training and development on the performance of deposit money banks in Anambra State. The survey research design was used in the study. The results of the regression analysis revealed that training and development have a significant effect on the performance of deposit money banks in Anambra State at the 5% level of significance. This is consistent with the findings of Bayyurt and Rizul (2015) and Keoye (2014), who found that all Talent Management variables (such as human resource policy, training and development, ability and motivation) have a positive significant relationship with organizational performance, as opposed to Bayyoud and Sayyad (2015), who found that talent management has an insignificant relationship with company performance. As a result, this study concludes that talent management has a significant positive effect on the performance of deposit money banks in Anambra State, Nigeria.

As a result, the study recommended that deposit money bank employees receive certified training in order to improve their efficacy and efficiency. It should be used to motivate people. Additionally, make an effort to align organizational and employee goals by developing and implementing policies and practices that encourage employee career advancement.

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