

## **EFFECT OF MANPOWER TRAINING ON ORGANISATIONAL EFFICENCY.**

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### **ABSTARCT**

This study focus on the effect of manpower training on organisation efficiency. The methodology of this study was based on survey research design approach. This study involves distribution of three hundred questionnaires (300) to ten(10) companies selected for this study. These companies were selected using non-probability sampling (specifically purposive sampling) and the data obtained from the questionnaire were analysed using descriptive and inferential statistic such as frequency table, percentages and Chi-square. The result of the analyses shows that there is significant relationship between manpower training and improvement in the performance of the employee, this is because the Chi-square value calculated (128.000) was lower than the Chi-square tabulated (9.488). Based on this finding the study recommends that management must ensure that manpower training is very effective and efficient as this will positively impact the employee performance.

**Keywords:** Manpower training, growth, organisation's resources, management, human capital

### **INTRODUCTION**

To function successfully, organizations need manpower (human resources) to manage and harness other organizational resources into achieving the goals. Manpower planning is designed to ensure that organisation efficiency is attained with the least available resources. Manpower training and development seeks to improve the performance of work units, departments, and the whole organization. It looks in depth at where an organization stands in comparison to where it hopes to be in the future, it also develops the skills and resources of employees in the organisation. The ultimate goal of staff training and development is to enable the organization to grow stronger in achieving its purpose and mission. Manpower refers to the people who are gainfully employed and those who work for the organisation for

the attainment of the organisational objectives. In defining manpower planning, Abba et al (2004) was of the view that manpower planning is a process designed to ensure that competent people with appropriate skills are available to perform jobs whenever they are needed, Pattern(1971) stated that manpower planning is the process by which an organization ensures that it has the right kind of people in the right places, at the right time, doing things for which they are economically most useful in doing for the organization. Flippo (1971) posits that manpower planning is the strategy for the procurement, utilization, development, and preservation of an organizational human resources. Vetter (1967) says, it is the process by which management determines how the organization should move from its current (human resources) positions.

### **Statement of the problem.**

Manpower Training is a prerequisite for rapid growth of an organisation. According to Oguntimehin (2001) manpower training increases productivity, quality of work, skills and knowledge to mention a few. This Training is usually a responsibility of the Management of most organisation, However, identify the training needs of most organisation is usually a difficult task and even where the need is recognized, the exercise is often either inappropriate, haphazard or premised on a faulty diagnosis of organizational training needs. In other situations, where training happens to occur, deployment of staff so trained may be without regard to the skill the staff acquired, leading to frustration of personnel so trained and also general inefficiency in the organisation.

### **Objectives of the study**

The main objective of the study is to examine the effect of manpower training on organisational efficiency, while the specific objectives are to:

- examine the relationship that exist between manpower training and improvement in the performance of employee.

### **Hypothesis of the study**

Ho1: This is no relationship between that between manpower training and improvement in the performance of employee.

## **LITERATURE REVIEW**

### **a). Conceptual Framework**

Manpower planning has been described as “the process by which an organization ensures that it has the right number of people and the right kind of people, in the right places, at the right interview(Chandler and Plano, 1982). It may also be described as an attempt to forecast how many and what kind of employees will be required in the future, and to what extent this

demand will be met (Gradham, 1980). Similarly, Bowey describes the concept as “the activity of management which is aimed at coordinating the requirements from, and the availability of, different types of employees. Flippo (1971) posited that manpower planning is the strategy for the procurement, utilization, development, and preservation of an organizational human resources. Vetter (1967) says, it is the process by which management determines how the organization should move from its current (human resources) positions. Furthermore, there are people who believe that manpower planning is all about budgeting for organizational growth through manpower development. For instance, Nwankwo (2000), posited that manpower planning is concerned with budgeting for the most effective use of an organization’s labour resources.

## **b). Theoretical Framework**

### **Human Capital Theory**

Human Capital theory was proposed by Schultz (1961) and extensively developed by Becker (1964). Human capital theory emphasized that investment in education or training raises the productivity of workers by imparting useful knowledge and skills, thus raising workers’ future income as well, through increase in their lifetime earnings. The theory postulates that expenditure on education or training and development is costly, and should be considered as investment, since it is undertaken with a view to increasing personal incomes and organisation income.

### **Subjective Expected Utility Theory (SEU).**

This theory also forms the pillar of this study. The theory postulates that the quality of human capital available in organizations reflects the quality of decisions and choices made thus, such decisions ultimately result in organisation performance. The development of subjective expected utility theory (SEU) was a major intellectual achievement which gave for the first time a formally axiomatic statement of what it would mean for an agent to behave in a consistent, rational manner. It assumed that a decision maker possessed a utility function which is an ordering of all possible outcomes of choices by preference, that all alternatives among which choice could be made were known, and the consequences of choosing each alternative could be ascertained (or in the version of the theory that treats choice under uncertainty, it assumed that a subjective or objective probability distribution of consequences was associated with each alternative). By applying subjectively assigned probabilities, SEU theory opened the way to fusing subjective opinions with objective data, an approach that can also be used in man machine decision-making systems. In the probabilistic version of the theory, Baye’s rule prescribes how people should take account of new information and how they should respond to incomplete information.

## **c). Empirical Framework.**

Odike (2003) noted that the manpower requirement of the different states varies with the structural composition of their respective economies and the extent of local government services. Since the stage of educational development also differs significantly, some states experience more severe labour shortages in certain occupational categories than others. Odike further explained that if a national labour market existed, workers in search of higher wages and better job opportunities would move into states experiencing shortages, thereby optimizing the national manpower.

Fapohunda (1987) cited in Odike (2003) emphasised that the Nigerian labour market is also subdivided by language barriers, ethnic prejudices and restrictive public policies. Before the civil war the regional or (state) governments reflecting local fears and prejudices, established discriminatory employment policies for their civil services which affected efforts in pursuing vibrant national manpower planning and development in Nigeria. In filling vacancies, preference was given to indigenes of the regions. This policy was most pronounced in filling top and executive positions. The government even preferred to hire expatriates at inflated salaries rather than non-indigenes from other parts of Nigeria. The “indigene syndrome” is a great hindrance to manpower development and utilization because many state governments indiscriminately dismiss non indigenes from their services.

## **METHODOLOGY**

This study is based on survey research approach and the population of the study comprises of all the quoted companies on Nigeria stock exchange which are 192 in number according to Nigeria stock exchange website, however for the purpose of this study only ten(10) quoted banks will be used. These banks includes Access Bank, Diamond Bank, Fidelity Bank of Nigeria, First bank of Nigeria Holding PLC, First City Monument Bank, Guaranty Trust Bank, Skye Bank, Sterling Bank, Union Bank of Nigeria, United Bank of Africa, These commercial banks were selected using purposive sampling techniques. Furthermore, the analysis for this study is based on primary data obtained from some employees in the selected quoted Nigeria banks, by distribution of 100 structured questionnaires. Also, the data obtained were analysed using multiple regression in Social Package for Social Sciences (SPSS).

## **DATA ANALYSIS AND INTERPRETATION**

<b>Questions</b>	<b>Demographic Data</b>	<b>Number of Respondents</b>	<b>Percentage (%)</b>
<b>1</b>	<b>Age:</b> 18-25yrs 46-55yrs 26-35yrs 56-65yrs	51 78 106 65	17.0 26.0 35.3 21.7

	<b>Total</b>	300	100
<b>2</b>	<b>Sex:</b>		
	Male	179	59.7
	Female	121	40.3
	<b>Total</b>	<b>300</b>	<b>100</b>
<b>3.</b>	<b>Marital Status:</b>		
	Married	192	64.0
	Single	71	23.9
	Divorcee	15	5.0
	Widow	22	7.3
	Other (specify)		
	<b>Total</b>	<b>300</b>	<b>100</b>
<b>4.</b>	<b>Education Qualification:</b>		
	Mba/Bsc/Hnd	97	32.3
	Technical/ Post Secondary	64	21.3
	NCE/ND	22	7.3
	O'Level	79	26.3
	M.sc/PhD	35	11.7
	Others	3	1.0
	<b>Total</b>	<b>300</b>	<b>100</b>
<b>5</b>	<b>Occupation:</b>		
	Civil servant	118	39.3
	Student	33	11.0
	Businessman/woman	149	49.7
	Others	Nil	Nil
	<b>Total</b>	<b>300</b>	<b>100</b>

The above statistical table contain the bio – data of the respondents for this research work. It establishes that majority of the respondents were between the ages of 26-35yrs this is because the highest percentage(35.3% )was found under this option also significant number of this respondent fell into the Male respondents (59.7% ), and were Married(64%) also most of them only had either Mba /Bsc / Hnd (32.3%) and were employed as Civil Servant (49.7%).

	<b>Section B</b>	<b>S.A(%)</b>	<b>A(%)</b>	<b>D(%)</b>	<b>UD(%)</b>	<b>S.D(%)</b>
6	Manpower training is	53 (17.7%)	198 (66%)	30 (10%)	17 (5.7%)	2 (0.7%)

	endorsed in most organisation because it enhances productivity					
7.	Improvement in employee performance is very important factor that can make organisation achieve its objectives.	45 (15%)	187 (62.3%)	39 (13%)	29 (9.7%)	0 (0%)
8.	Most organisations can never achieve their objectives if they do not regular review their employees training programme.	59 (19.7%)	188 (62.7%)	37 (12.3%)	14 (4.7%)	2 (0.7%)
9.	Effective manpower training programme can make an organisation better than its competitors.	57 (19%)	178 (59.3%)	43 (14.3%)	18 (6%)	4 (1.3%)
10.	Manpower training programme does not guarantee improvement in the organisational performance..	63 (21%)	193 (64.3%)	28 (9.3%)	12 (4%)	4 (1.3%)
11	Cost of training employers do not encourage most organisation to invest in manpower development programmes.	59 (19.7%)	188 (62.7%)	37 (12.3%)	14 (4.7%)	2 (0.7%)
12	Successful organisation do not easily sack employees rather they train and retrain them	46 (15.1%)	200 (66.7%)	38 (12.7%)	11 (3.7%)	5 (1.7%)
13.	Manpower development programme is only successful if it is fully supported by management of the organisation.	52 (17.3%)	190 (63.3%)	28 (9.3%)	26 (8.7%)	4 (1.3%)
14.	Manpower development policy must be performance oriented before it can be successful.	59 (19.7%)	180 (60%)	36 (12%)	21 (7%)	4 (1.3%)
15.	Improved employee performance will certainly affect the profitability of the organisation.	68 (22.7%)	181 (60.3%)	29 (9.7%)	20 (6.7%)	2 (0.7%)

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The table above shows that manpower training is usually done in most organisations because it encourages productivity (66%). Also, this training leads to improvement in employee’s performance which helps in the achievement of the organisation’s objectives (62.3%), However, this can only be achieved if the management makes it a duty to, regularly conduct review of the employees training programme (62.7%). Which usually makes the organisation ahead of its competitors (59.3%). Furthermore, the statistically analysis reveal that manpower training does not always leads to improvement in employee performance (64.3%). The analysis also reveals that high cost involved in training employee do not encourage most organisations to engage in manpower training (62.7%). Most organisations, with highly skilled manpower have also been known to develop different approaches to ensure than employees are not sacked unjustly, but are rather trained and retrained (66.7%). Management of the Organisation must ensure that Manpower development are always performance oriented (63.3%) as this can increase the success of the organisation and also lead to the improvement in the employee performance(60%) and change in the profitability status of the organisation (60.3%).

**Hypothesis Testing**

Decision Rule: Accept the Null hypothesis if Chi-square value calculated is lesser than Chi-square value tabulated, but, in a situation where the Chi-square value calculated is greater than the Chi-square value tabulated then the Alternate hypothesis will be accepted while the Null hypothesis will be rejected.

**Hypothesis One**

Ho<sub>1</sub>: examine the relationship that exist between manpower training and improvement in the performance of employee.

Improvement in employee performance is very important factor that can make organisation achieve its objectives.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Undecided	29	9.7	9.7	9.7
Disagreed	39	13.0	13.0	22.7
Agreed	187	62.3	62.3	85.0
Strongly agreed	45	15.0	15.0	100.0
Total	300	100.0	100.0	

**Respondnet Age**

	Observed N	Expected N	Residual
Undecided	29	75.0	-46.0
Disagreed	39	75.0	-36.0
Agreed	187	75.0	112.0
Strongly agreed	45	75.0	-30.0
Total	300		

**Test Statistics**

	Respondnet Age
Chi-Square	224.747 <sup>a</sup>
df	3
Asymp. Sig.	.000

Source: Field Survey, 2016

Calculated Chi-square ( $X^2 C$ )= 128.000

Tabulated Chi-square ( $X^2 T$ )= 9.488

Level of Significance=5%

Degree of freedom(df)= 4

#### Interpretation of result

From the above analyses, it can be observed that the calculated chi-square value ( $X^2C$ ) of 128.000 for each of the variables under this hypothesis was greater than the tabulated chi-square ( $X^2T$ ) of 9.488 at 0.05 level of significance, at a degree of freedom of 4. Hence, the Null hypothesis will be rejected, while the Alternate Hypothesis will be accepted, which implies that there is relationship that exist between manpower training and improvement in the performance of employee. Therefore any improvement in quality of manpower training will also lead to improvement in the performance of the employee.

#### CONCLUSION AND RECOMMENDATIONS

Base on the Empirical findings and the Literature reviewed considered in this study the following conclusions and recommendations were advance



Manpower training does not guarantee improvement in employee performance; this is because significant number of the respondents were in full support of this statement (64.3% - See question 10 of questionnaires above.)

Most organisation with good operational records are do not arbitrarily sack members of the staff, rather they train and retain them so as to reduce cost of frequent recruitment. Therefore the study recommends that management of growing organisation should be cautious of sacking of employees. (66.7% - See question 12 of questionnaires above.)

Management must ensure that manpower development policy is performance oriented, as this will significantly contribute to its success (60% - See question 14 of questionnaires above.)

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