

Investing in Workforce as Key to Maximizing Job Performance in Service Organizations

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Abstract

To elevate an organization's productivity and efficiency, executives, managers, and supervisors must take on the crucial responsibility of developing employees who possess the necessary knowledge and expertise within the organization. This study was conducted to examine the impact of Investing in the Workforce on Maximizing Job Performance in Service Organizations. The study focused on the effects of training and development, employee development programs, and competitive compensation and benefits on employee commitment, attitude, and job satisfaction. The research method used was cross-sectional survey, and the investigation was conducted on two banks located in Federal Polytechnic Nekede Owerri, Imo State, Nigeria. Out of a population of 31, which also served as the sample size following the small nature, 28 respondents' answers were analyzed. Primary data were collected using a structured questionnaire, and the hypotheses were tested using the multiple regression statistical techniques in SPSS version 21. The outcome of the study shows that investing in the workforce, through training and development, employee development programmers, and competitive compensation and benefits, has a significant impact on employee job performance, commitment, attitude, and job satisfaction. The study recommends providing periodic training and development to employees, with training areas based on the organization's current and future needs, among other recommendations.

Keywords: Workforce, Development, Commitment, Attitude, Satisfaction

Introduction

In the realm of service organizations, the workforce is a key component in establishing a successful brand and ensuring customer satisfaction (Butler, 2023; Leonard, 2019). Esteemed scholars have emphasized the importance of the human factor, which, through effective leadership and management, can effectively utilize various other factors such as performance appraisals, employee motivation, satisfaction, compensation, training and development, job security, and organizational structure to drive organizational performance (Asare-Bediako, 2008; Hussein & Simba, 2017). As rightly pointed out by Ikoru, Enyioko & Nwosu (2017), the role of the workforce cannot be overstated in the success of any service-oriented organization.

Investing in the workforce through training and development is crucial for service organizations to ensure a competent supply of employees for both departmental and management roles. According to Mullins (2007), training is necessary to ensure that employees possess technical and social skills. Heathfield (2012) states that providing the right employee training, development, and education at the right time yields significant benefits such as increased productivity, knowledge, loyalty, and contribution. By investing in employee training programs, service organizations can equip their staff to deliver high-quality services consistently. Targeted training programs keep employees up-to-date with the latest industry trends and best practices, making them more knowledgeable and better skilled at their jobs.

To ensure maximum productivity and efficiency of any organization, it is imperative that every executive, manager, or supervisor in both public and private enterprises take responsibility for developing employees with requisite knowledge and expertise. This will enable them to contribute significantly to the welfare, health, and development of the enterprise (Onah, 2008). Technological advancements have made employee development and training more important than ever, especially in the banking industry. Employability skills, which are much

harder to teach than job-specific skills, are highly regarded by employers in today's job market. It is important to note that the quality of manpower is a crucial factor in determining the success or failure of an organization (Lowden, Hall, Elliot & Lewin, 2011).

Moreover, employee development programs can also improve employee morale and engagement. According to studies, employees who receive training and development opportunities are more engaged, productive, and satisfied with their jobs. By investing in their employees' development, service organizations can create a sense of loyalty and commitment, leading to enhanced employee retention. According to Wingrove (2003), organizations that aim to consistently enhance their workforce should prioritize continuous education and training for their employees. Additionally, Mullins (2007) noted that coaching and mentoring programs are effective development tools that improve job skills. Employees are encouraged to make use of these opportunities to align their individual goals with those of the organization and ultimately improve productivity. The author also emphasized the importance of a knowledgeable and responsive workforce that can adapt to the organization's needs, leading to enhanced work processes and performance. Employee development involves improving current job skills and preparing them for future responsibilities. Finally, employee performance and growth serve as a means of evaluating manager performance and holding them accountable for their organization's success or failure.

Another effective approach to invest in the workforce and their success is by offering competitive compensation and benefits. By providing attractive salaries, bonuses, and benefits packages, businesses can attract and retain the best talent in their industry (Duggan, 2019). Moreover, a well-structured compensation package can encourage employees to perform at their best, which leads to higher productivity and profitability for the organization (Leonard, 2019). Therefore, providing competitive compensation and benefits can be an excellent investment for a company looking to achieve long-term success and growth.

Previous studies on manpower investment have revealed positive and negative results in this area of study. These studies were carried out in both Nigeria and the rest of the world. However, none of these studies identified the type of relationship between on-the-job Training and employability skills using a case study of Access Bank Plc, Federal Polytechnic Nekede Branch and the Federal Polytechnic Nekede Microfinance Bank. The researchers have identified a knowledge gap. The study is based on the premise that investing in the workforce of service organizations involves providing training and development opportunities, involving them in developmental programmes and offering competitive compensation and benefits. These investments can improve employee commitment, attitude to work and job satisfaction, leading to increased business success.

Based on the established background, the following null hypotheses were tested in this study:

H₀₁: Effective manpower training and development do not improve the level of commitment to duty among the employees of the banks.

H₀₂: Effective employee development programs have no significant effect on employee attitude to work among employees of the banks.

H₀₃: There is no significant and positive relationship between competitive compensation and benefits and employee job satisfaction.

Review of Empirical Studies

Eyanuku's (2018) study aimed to evaluate the manpower development, selection, and training programs in the banking industry. The study used an empirical investigation by reviewing the manpower planning and development policy. The study considered various alternative explanatory variables that were not easily quantified. The study recommended that Banks should provide funds to enable its staff to participate in training and development programs. Based on the established positive relationship between training and bank's performance vis-à-vis profit after tax, banks should allocate a reasonable proportion of its profits to the training

and development of its employees. Overall, the study highlights the importance of manpower planning and development in the banking industry.

In 2021, Ugwu and Igbo conducted a study on the correlation between manpower training and employee development in Access Bank Plc, located in Obioakpor Local Government Area, Port Harcourt Metropolis Rivers State, Nigeria. The researchers used a correlation survey design and collected data from 700 employees through a self-administered questionnaire. The sample size was calculated as 399 using the Taro Yamane method, and judgmental non-probability sampling was used to distribute the questionnaire. The study aimed to test hypotheses and found that job training has a significant positive relationship with employability skills, while coaching has a significant positive relationship with employee competency. The study recommends that human resources integrate training programs into their mission statement to ensure employees acquire necessary job knowledge and skills. Future researchers are advised to explore this study in different industries using larger sample sizes to generalize the findings.

Taruru et al. (2015) conducted a study to determine the impact of coaching programmes on employee performance in Kenya. The study focused on six Business Process Outsourcing Subsector firms in Nairobi and utilized a qualitative research method to analyze the independent variable's effect on the dependent variable. The target population consisted of 270 employees, and the study employed the stratified sampling technique in distributing the survey. The results, analyzed through the Analysis of Variance (ANOVA) and Multiple Regression method, showed both positive and negative outcomes. Specifically, the study confirmed that executive and business coaching negatively affect employee performance, while team coaching and personal development coaching exert a positive effect.

In 2019, Onyia and colleagues conducted a study in Nigeria to explore the relationship between mentoring dimensions and organizational commitment. The study involved interviewing 315 academic staff from six private universities in South-West Nigeria, including professors and junior lecturers. Primary data was collected through in-depth interviews and analyzed using the correlation method. Results revealed a significant positive relationship between mentoring dimensions and organizational commitment.

Obieze (2018) conducted a study to determine how compensation management practices influence employee performance in selected banks in Delta State. A questionnaire was used as the primary research instrument, and a sample of 253 out of 700 employees was analyzed using Stata version 13 software. The study found that recognition, pay, bonuses/allowances, fringe benefits, and an overall compensation policy have significant positive effects on employee performance in the banking sector. The study recommends that management should appreciate and recognize the active employees and use fringe benefits to promote and retain employees in the organization. Overall, the study highlights the importance of compensation management practices in boosting employee performance in the banking sector.

In 2019, Nane conducted a study to examine the influence of private banks' compensation practices on employee job satisfaction. The study followed an explanatory research design and utilized a quantitative research approach, analyzing data from 204 permanent employees of the banks. The results indicated that the basic pay, premium pay, incentives, fringe benefits, leave-related benefits, health and insurance, retirement and termination benefits, and employee welfare benefits were all satisfactory, as measured by mean values. Therefore, the banks' management should maintain this level of employee satisfaction. All the variables examined had a significant impact on employee job satisfaction. To further improve employee satisfaction, the banks should provide more support, resources, better pay, promotion opportunities, meaningful work, and incentives.

Based on current research, there is no specific study that highlights the importance of investing in the workforce for enhancing job performance in service organizations, specifically in the two banks of Federal Polytechnic

Nekede. However, this study stands out from previous literature by using three measures of investing in the workforce (manpower training and development, employee development programs, and competitive compensation and benefits) to examine three indicators of job performance (commitment to duty, employee attitude towards work, and job satisfaction). This research aims to fill the gaps in the existing literature.

Methodology

For this particular study, the survey research design was adopted owing to its suitability. The target population comprised 8 members of the staff at Access Bank Plc Federal Polytechnic Nekede and 13 members from Microfinance Bank of Federal Polytechnic Nekede. Hence, the sample size for this study was 31, equivalent to the population size for the smallness of the population. The questionnaire served as the main source of primary data collection, with the results presented in tables and analyzed for quick comprehension using simple percentages. Furthermore, the stated hypotheses were tested using the multiple regression statistical techniques available in SPSS version 21.

Data Presentation and Analysis

In this study, a total of 31 questionnaires were distributed and 28 of them (90.32%) were correctly filled and returned. Two questionnaires (6.45%) were incompletely filled and returned, and one questionnaire (3.23%) was not returned at all. Based on this, the analysis in this study was conducted using the 28 correctly filled and returned questionnaires.

Table 1: Responses to the statements on effect of Investing in the Workforce on job performance

Statement	SA	A	UN	D	SD	Total
My bank has really improved my standard since I joined as an employee.	23	3	1	1	0	28
The training/development programme I received improved my level of commitment to the bank.	16	4	3	4	1	28
Through the developmental programmes I have been exposed to, my attitude to work has continually improved.	18	4	3	2	1	28
I am satisfied with my job because I am well rewarded in terms of compensation and benefits	19	5	1	1	2	28
Total	76	16	8	8	4	112
Average	19	4	2	2	1	28
Percentage	68	14	7	7	4	100

Source: Field survey, 2023

Table 1 illustrates that 23 respondents, representing 82%, agreed with the statements regarding the effect of Investing in the Workforce on job performance. Meanwhile, 3 respondents, representing 8%, disagreed, and 2 respondents, representing 7%, remained undecided. The result indicates that the majority of the respondents agreed with the statements regarding the effect of Investing in the Workforce on job performance.

Table 2: Responses to the statements on the effect of training/development on employee commitment

Statement	SA	A	UN	D	SD	Total
The training/development programme improved my knowledge, skills and competencies.	12	11	3	1	1	28
The training/development programme improved my level of involvement in the job.	16	5	3	3	1	28
The training/development programme improved my ability to resolve difficult situations relating to my work.	11	11	3	2	1	28

Total	39	27	9	6	3	84
Average	13	9	3	2	1	28
Percentage	46	32	11	7	4	100

Source: Field survey, 2023

Table 2 displays that an average of 22 respondents, representing 78%, agreed with the statements regarding the impact of training and development on employee commitment. Meanwhile, 3 respondents, representing 11%, disagreed, and 3 respondents, representing 11%, were indecisive. The outcome indicates that the majority of the respondents agreed with the statements.

Table 3: Responses to the effect of employee development programs on employee attitude to work

Statement	SA	A	UN	D	SD	Total
The developmental programmes improved my relationship with my co-workers.	15	10	1	1	1	28
The developmental programmes improved my relationship with my supervisors.	10	12	3	2	1	28
The developmental programmes improved my relationship with outsiders.	9	10	5	3	1	28
The developmental programmes improved my ability to cope with and assist in resolving any conflict situation arising in my office.	14	8	3	2	1	28
Total	48	40	12	8	4	112
Average	12	10	3	2	1	28
Percentage	43	36	11	7	4	100

Source: Field survey, 2023

Similarly, table 3 reveals that 22 respondents, representing 78%, agreed with the statements regarding the effect of employee development programs on employee attitude to work, while 3 respondents, representing 11%, disagreed. Additionally, 3 respondents, representing 11%, were indecisive. The results demonstrate that most of the respondents agreed with the statements regarding the impact of employee development programs on employee attitude to work.

Table 4: Responses to the statements relating to the effect of competitive compensation and benefits on employee job satisfaction

Statement	SA	A	UN	D	SD	Total
My sense of personal satisfaction improved as a result of the training/development programme I took part in.	13	7	3	3	2	28
I became more loyal to the ministry and authorities as a result of my exposure to training/development programme(s).	10	10	4	3	1	28
As a result of the training/development programme I received, I feel more relaxed to work.	10	10	2	3	3	27
Total	33	27	9	9	6	84
Average	11	9	3	3	2	28
Percentage	39	32	11	11	7	100

Source: Field survey, 2023

According to the data presented in Table 4, the majority of the respondents (71%) agreed that stress can be managed effectively, while a smaller percentage (18%) disagreed. A small percentage (11%) was undecided

about their stance on the matter. The results also indicate that competitive compensation and benefits have a positive impact on employee job satisfaction, as agreed upon by the majority of the respondents.

Test of Hypotheses

In this section of the study, the data generated on the questions relating to the four stated in chapter one were tested using the Multiple Regression Analysis in SPSS version 21 and the result is shown below:

Table 5: Descriptive Statistics

	Mean	Std. Deviation	N
Investing in Employees	4.3571	1.12922	28
Employee Commitment	4.1071	1.10014	28
Employee Attitude to work	4.0714	1.08623	28
Employee Job Satisfaction	3.8571	1.26825	28

Table 6: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.934 ^a	.872	.855	.42934	.682

a. Predictors: (Constant), Employee Job Satisfaction, Employee Commitment, Employee Attitude to work

b. Dependent Variable: Investing in Employees

Table 7: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	30.005	3	10.002	54.257	.000 ^b
	Residual	4.424	24	.184		
	Total	34.429	27			

a. Dependent Variable: Investing in Employees

b. Predictors: (Constant), Employee Job Satisfaction, Employee Commitment, Employee Attitude to work

Table 8: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.719	.349		12.060	.000
	Employee Commitment	.645	.440	.628	11.466	.006
	Employee Attitude to work	-.136	.479	-.131	10.285	.000
	Employee Job Satisfaction	.400	.207	.450	12.933	.000

a. Dependent Variable: Investing in Employees

Table 9: Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.6279	5.2640	4.3571	1.05417	28
Residual	-.62794	.64500	.00000	.40479	28
Std. Predicted Value	-2.589	.860	.000	1.000	28
Std. Residual	-1.463	1.502	.000	.943	28

a. Dependent Variable: Investing in Employees

Interpretation of Results

The model summary and ANOVA tables reveal that manpower training and development have a significant and positive impact on employee job performance. This is evidenced by the adjusted R Square value of 0.855 and the significance value of 0.000.

Table 10: Summary of Tested Hypotheses

Hypotheses	TValue	Pvalue	Decision
H ₀₁	11.060	0.006	Reject null hypothesis and accept the alternative hypothesis.
H ₀₂	10.285	0.000	Reject null hypothesis and accept the alternative hypothesis.
H ₀₃	12.933	0.000	Reject null hypothesis and accept the alternative hypothesis.

Summary, Conclusion and Recommendations

After conducting an in-depth appraisal of the manpower training and development programs of two banks in Federal Polytechnic Nekede, our team has made the following significant findings:

1. Statistical analyses of collected data revealed a strong positive correlation between investing in employees and identified job performance variables. Therefore, investing in employees leads to improvements in their job performance.
2. Our study also found a strong positive correlation between effective manpower training and development and bankers' level of commitment to their duties.
3. Additionally, the study revealed a strong positive correlation between effective employee development programs and employee attitude.
4. Furthermore, the study indicated a significant and positive correlation between competitive compensation and benefits and employee job satisfaction.

Based on the study's findings, it was determined that investing in employees can significantly impact their job performance. This includes providing training and development opportunities, which can increase employee commitment and improve their knowledge, skills, and competencies. Employee development programs can also positively influence employee attitudes towards their work, as well as their relationships with colleagues, supervisors, and others. Additionally, offering competitive compensation and benefits can lead to increased job satisfaction, resulting in a greater sense of personal fulfillment, loyalty to the organization, and a more relaxed work environment.

According to the study's results, we made the following recommendations:

1. Employees should receive regular training and development, focusing on areas that align with the current and anticipated future needs of the organization.
2. Employee selection for training opportunities should be based solely on merit and an objective evaluation of all eligible candidates.
3. Following the training and development program, it is necessary to provide recipients with a supportive environment to implement their newfound skills and competencies, including access to appropriate tools and resources.

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