



Analysis of Training and Development Management Practices: A Case Study of Zenith Bank Nigeria PLC

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Received 21 February 2014; accepted 9 May 2014
 Published online 26 May 2014

Abstract

In this research work, the researcher hopes to closely examine the conduct and roles of training and development on employees performance on organization development in Zenith Bank plc as a case study. The fact that the banking industry operates on effective risk assessment and management, any bank seeking to improve its performance must put forward an effective risk appraisal mechanism without compromising the satisfaction of its valued customers. Recent improvement in Information Technology (IT) and the advent of computer- base telecommunications like internet, e-mail, ATM, E- banking and other forms of electronic transfer methods as placed additional burden of cost, product quality and information management on the capacity of banks for accurate, fast and effective risk appraisal and management. The proliferation of bank and finance houses culminating in the setting up of the "Failed Bank Tribunals" in Nigeria has revealed real management challenges to the few surviving banks. All the factors mentioned above in addition to the increasing competition in the banking industry, re-capitalization and consolidation in the banking sector has imposed a need for urgent change in order to survive. For effective change process, a re-orientation of knowledge, attitudes, and skills of employee in line with the new dispensation is imperative. Its achievement, can only be through resource development programmes of which staff is a significant pact. Zenith Bank Plc are forward-

thinking benchmarking trends in technology to shape the future coupled with their practical delivery on a highly automated platform that makes the bank unique in providing the best financial service possible. The success or performance hinges on satisfying customer better than competitors do and helping them unlock the real value of their business.

Key words: Performance; Productivity; Effectiveness; Competitive advantage and human capital

Igbaekemen, G. O., Charles, A. T., & Odivwri, J. E. (2014). Analysis of Training and Development Management Practices: A Case Study of Zenith Bank Nigeria PLC. *Higher Education of Social Science*, 6(3), 170-175. Available from: URL: <http://www.cscanada.net/index.php/hess/article/view/4928> DOI: <http://dx.doi.org/10.3968/4928>

INTRODUCTION

Training and development of an employee cannot be condone in an organization as it form the basis, bedrock and umbilical cord of employee competency, development, effectiveness, efficiency and proficiency in an organization growth and development and advancement in the or within its business environment. Once an individual has been employed, job requirement often change, as there are changes in the work environment and technology of production. Therefore there will be need for training and development to improve the skill and enhance the performance of the work force.

For any organization within its business environment, to render better and successful service or produce quality product, there is the need to retrain, develop and retrain in order to improve on the potentiality and skills of the employees for the advancement, competitive advantage/ edge, development, goal attainment, growth, higher productivity achievement, sustenance and survival of the organization. In this research work, the researcher hope to closely examine the conduct and roles of training and

development on employees performance and organization development to Zenith Bank plc as a case study. The fact that the banking industry operate on effective risk assessment and management, any bank seeking to improve its performance must put forward an effective risk appraisal mechanism without compromising the satisfaction of its valued customers. Established in May 1990, Zenith Bank Plc has put in place various training programmes lining from branch attachment locally and oversees through participation in courses arranged by external consultant until the establishment of the bank Human Capital Development (HCD) unit.

Recent improvement in Information Technology (IT) and the advent of computer- base telecommunications like internet, e-mail, ATM, E- banking and other forms of electronic transfer methods as placed additional burden of cost, product quality and information management on the capacity of banks for accurate, fast and effective risk appraisal and management. The proliferation of bank and finance houses culminating in the setting up of the "Failed Bank Tribunals" in Nigeria has revealed real management challenges to the few surviving banks. All the factors mentioned above in addition to the increasing competition in the banking industry, re-capitalization and consolidation in the banking sector has imposed a need for urgent change in order to survive. For effective change process, a re-orientation of knowledge, attitudes, and skills of employee in line with the new dispensation is imperative. Its achievement, can only be through resource development programmes of which staff is a significant part.

Zenith Bank Plc are forward-thinking benchmarking trends in technology to shape the future coupled with their practical delivery on a highly automated platform that makes the bank unique in providing the best financial service possible. The success or performance hinges on satisfying customer better than competitors do and helping them unlock the real value of their business. The challenge is always to be better than anyone else, better at creating real, lasting value for customers. For example, one of Zenith Bank's traditional lines of business is Treasury transactions and the bank knowledge of the marketplace coupled with creativity has propelled the bank to the forefront of trading activities in the money market, which has a resultant competitive advantage that has been of tremendous value. It is crystal clear that no organization or banks can sustain, survive, and grow without the actualization of its corporate goals.

LITERATURE REVIEW

Training as Fajana,s. (2000) defined it, is the acquisition of knowledge, attitude and skill required to execute a given job, task duties, and it is also an instrument which is inevitable for the development of staff efficiency. It is also the systematic modification of behaviour through

learning which occurs as a result of education, instruction, development and planned experience. Development on the other hand, is defined as "gradual advancement through progressive stages of growth from within. Beach (1980), consider development as a systematic process of training and growth by which individuals gain and apply knowledge, skills, insight and attitude to manage work organization effectively and efficiently.

Glueck (1976, p.53) said that every organization has a mission and realization depends on the efficiency or competency of its employees. To meet its result, the human resources of the organization has to perform according to required standard. In order to accomplish this, he added that the human resources must master the technical, professional and managerial skills needed for the operation of the organization. Every managerial post need two types of training input. There is the education and training needed to perform a technical of professional aspect of the job. There is also managerial training required for an economic effective and efficient performance of the job. Fanabuyan, A. (2001) summed up the importance of training by pointing out that managing an organization for sustaining growth and development, commitment, dedication and collective will of the whole work force are pre conditional factors. More importantly however, are the technical skills in resource management and planning. As he put it, organizational growth and survival do not happen as the same time or in an ordinary scheme of things. This has become evident in the past, which witnessed as unprecedented manner, the collapse of many organizations.

One of the primary indices to measure a well positioned firm acquisition of as well developed, well motivated and well managed manpower resources. The pivotal role of human resources in the attainment of an organization goals and national development was captured by Obisi o. (1998) with the following statements: "the development and utilization of human resources is not by any means an ancillary activity but a central element in the operation of a business". He quoted Lawrence Appley, the former president of American Management Association has also saying that: "All management, whether finance, accounting, sales or production is personnel management". Thus, human capital is essentially central to the effective operations of the various unit of the business. It is enough to meet with adequate number of workforce required of an organization. Management must also ensure that its engages the right quality of workers who are adequate positioned to do the right thing at the right time for the organization. To keep and maintain the right quality of workforce all the time, however there is a vital need for proper training and development of the entire staff of the organisation in question. Management must not fail to map out adequate training and development programmes for the improvement of the quality of the workforce. Failure in this can be very costly to the firm in any respect,

whereas success in this major activity will attract untold blessings to the organization in general.

Cuming (1974, p.40) posit that it is the employees of the organization that can achieve corporate goals, and unless these employees possess the capacities and capabilities through improved knowledge, skills, attitudes and aptitude, they cannot achieve the corporate goals of the organization. Regular training and retraining is the way to impact this attribute on staff to enhance their performance and productivity. In this research work, the researcher hopes to closely examine the conduct and roles of training and development on employees performance and organization development to Zenith Bank plc as a case study.

1. STATEMENT OF RESEARCH PROBLEMS

The problems stems from the recent observation by the quality of training being rendered by banks have not improved significantly and that bank still offer more or less poor quality of training. Because of high level of competition, it has become increasingly necessary for Zenith Bank Plc to adopt strategies of improving on its training and development to meet employees' needs and expectation in order to achieve its corporate goals and objectives for sustainable growth.

Zenith Bank Plc for over the years has always been training its employees towards its achievement of its corporate goals and objectives. What happen In the next century if the bank does not improve on its training and development of its employees? The major problem of the bank is how to retain and remain in the leadership position in the years of its existence, hence the need for training policy that will bring improve quality services. The problem also stems from the fact that the bank is yet to evolve the philosophy of training and development which implies that there must be management, employee commitment and team work for quality training, also Inadequate funding of training, failure to engage credible professional trainers and adequately brief trainers on the specific trends in the bank. The management of the bank should be able to spend huge amount of money on training and development of staff as well as acquiring seasoned personnel with a view to realizing the set objectives of the bank.

In Zenith Bank Plc, quarterly meeting of regional training managers are held during which result of various courses ran at the various training centers are moderated to ensure uniformity of standards and also get the Training managers acquainted with developments in respect of training programmes, compare note and exchange ideas. There is also an annual Trainers seminar/ workshop where training activities in the past years are reviewed and participant acquainted with the recent advances in training for trainers in the banking industry. During this,

the bank's training programmes for the year is discussed, work-plan, session plan, curriculum and course contents for the New year are developed and updated. To improve the skills, knowledge and attitudes of employees such that they are able to perform optimally in the competitive banking environment is the essence of training. It should not be taken as expensive any money spent in this direction. What matters is that it is an investment that is expected to yield profit. A well-trained and well-informed employee will surely be productive and high productivity enhances performance and profitability for the organization. This study seeks to find out if this statement is true of Zenith Bank Plc.

2. RELEVANT RESEARCH QUESTIONS

Does training and development have any effect on workers efficiency?

Does training and development add value to workers performance?

Does training and development have any influence on workers morale?

3. STATEMENT OF HYPOTHESIS

H_0 - Further training and development does not have any effect on workers ability to face future challenges both within and outside the organization?

H_1 - Further training and development have effect on workers ability to face future challenges both within and outside the organization?

H_0 - Training has no positive significant impact on workers performance

H_1 - Training has positive significant impact on workers performance

H_0 - Training and development does not have any influence on workers morale

H_1 - Training and development has influence on workers morale.

4. METHODOLOGY

For the purpose of this study, the research instruments to be used in collecting data are the use of questionnaire, structured interview to obtain relevant data about the of the study. Personal observations will also be made to solidify the interview conducted. The questionnaire is divided into two sections.

Section A of the questionnaire was designed to tap the bio-data variables of the subjects including their Age, Sex, Marital Status, Status, Education Qualification, Working Experience, and name of the department. Section B is to measure and obtain their responses among employees of the organizations, trainees, trainers and heads of training and development department. Examples of the question that will be put to some selected members of the organizations:

a. How equipped was training methods in term of training facilities? b. How easy or difficult has it been for you to practice what you learnt during the various training programme attended?

c. Is the ideology and philosophy of training programme okay by you?

d. In your opinion, do you agree that training programme develop skills, knowledge and abilities

e. What has been the impact of the training on your performance? A likert scale response format will be utilized.

Strongly Agreed	=
Agreed	=
Disagreed	=
Strongly Disagreed	=

5. SAMPLE AND SAMPLING TECHNIQUE

In this study, Zenith bank Plc. Branches in Lagos metropolis are many and many are still coming up making it difficult to specify the exact number in Lagos metropolis. Thus limiting the sample to all the banking branches i.e. Zenith Bank Plc. The research will therefore concentrate on Zenith Bank Plc being the largest in the industry.

The populations of this study will comprise trainees, trainers, and members of staff as well as Heads of human capital development (HCD) unit who have working experience in Training and Development with the selected branches within Lagos Metropolis. However, two hundred questionnaires will be distributed for this study. In selecting the respondents, random sampling method was used.

6. DATA COLLECTION PROCEDURE

This research calls for gathering of data from two main sources:

- (i) The Primary Source; and
- (ii) The Secondary Source

Primary Source: The primary source of information for this study consists of questionnaire, personal interview etc.

Secondary Source: The secondary source includes information initially through the review of literature and relevant literature on training. Existing data in relevant textbooks, journals, publications, personal interview, personal observations and other extract or materials from handouts will also be used.

7. METHOD OF ANALYSIS

The analysis of the data collection will be based strictly on the responses received from these questionnaires. The researcher will analyse the data collected through various instruments with the use of percentage. The data will be presented in a tabular form with percentage use n arriving at a conclusions and Chi Square Test method

will be used in testing hypothesis with the use of the following formular:

$$X^2 \rightarrow = \frac{\sum (O-E)^2}{E}$$

Where $\sum$ = Summation
O = Observed Frequency
E = Expected Frequency

8. BRIEF HISTORICAL BACKGROUND

Zenith bank plc was established in May 1990, and commenced operations in July same year as a Commercial bank. In July 11, 2004, the bank became a public company limited by shares and subsequently launched what still remains the most successful initial public offering (IPO) in the history of the Nigerian capital market, It received an overwhelming investor affirmation by a subscription rate of 55% and about 289,489 subscribers.

The bank 6,000,000,000 (Six billion) ordinary shares of 50 kobo each were subsequently listed on the Nigerian Stock Exchange on October 21, 2004. Zenith Bank Plc achieved yet another milestone when it raised N53.63bn in February 2006 a public offer of 3,000,000,000 (Three billion Shares), one of the largest amount in the history of the Nigerian Capital Market. Zenith Bank plc head office is located at plot 87, Ajoose Adeogun Street, Victoria Island Lagos, with over 240 branches and business office nationwide connected online, real time. Zenith Bank plc has presence in all the State capitals, major towns and cities and the F.C.T. in Nigeria. The bank also has wholly owned subsidiaries like Zenith Insurance, Zenith Pension Custodian, Zenith Securities, Zenith trust company, Zenith Capital Limited, Zenith Registrars ltd, Zenith Medicare Limited, Zenith Bank Ghana, Zenith Bank UK, VisaFone Nig. Ltd and Cyberspace Networks.

Zenith Bank has established correspondent banking relationships with banks outside Nigeria. All international transactions are route through the networks of the following correspondent banks, like Citi Bank N.A, New York, Citi Bank N.A., London, Deutsche Bank, New York, Deutsche Bank, London and ANZ, London.

Organizational structure in Zenith Bank Plc:

SEA → ABO → BO → AM → SAM → DM
→ MGR → SM → AGM → DGM → GM →
ED → DMD → MD

At Zenith Bank Plc, speed, efficiency and flexibility are their watch words and their foray into the financial institutions market in the past years has earned the bank enviable position as a big player in the banking industry. Zenith Bank Plc, main service point is to create a product, focus that gives financial institutions competitive advantage in service delivery to their customers. The bank's leadership assets are manifested in the ability of their managers to combine strands of knowledge to create fast action value for the customers, they combine vision with precision, using creativity, skills and ideas to

expand their business reach into the lives of the customers by helping them fulfill their need with incredible speed. Presently, it is not easy to ascertain or come up with exact total numbers of human capital working with the bank and their branches, as its human resources and branches increases on a daily basis nationwide and internationally as Zenith Bank is gradually becoming a global brand by strategically establishing their footprints locally and in international financial centers as one of the market leaders in e-payment and deployment of various e-platforms in growing their customer and retail banking activities.

Interpretation In interpreting the above research question 5, 119 respondents agreed, while 179 strongly agreed, 12 disagreed and 10 strongly disagreed giving a mean rating of 3.34 which is within "strongly agreed" class. This therefore shows that greater percentage of respondent strongly agreed that good quality of training improves workers skill and enhances greater product.

9. CHI-SQUARE FORMULAR

In order to determine the relationship between variables for the purpose of this research work, the chi-square statistical test was used. In the test, observed frequencies (denoted as O) represents the actual number of responses from the respondents, the expected frequencies (denoted as E) was the anticipated response which the researcher hoped to get from the respondents by equal distribution.

The formular for the Chi-square test is:

$$X^2 = \frac{\sum(O-E)^2}{E}$$

$\sum$	=	Summation of
O	=	Observed frequency
E	=	Expected frequency
X^2	=	Calculated frequency

Level of significance was set at 0.05.

Critical Value was set at 16.99

Degree of freedom (df) for the table is df = (r - 1)(c - 1), where r = number of rows in table and c = number of columns in the table.

Results

Hypothesis 1: Training and Development improves the productivity of workers

$$\begin{aligned}
 X^2 &= \frac{\sum(o-E)^2}{E} \\
 &= \frac{(60-40)^2}{40} + \frac{(80-40)^2}{40} + \frac{(15-40)^2}{40} + \frac{(5-40)^2}{40} \\
 &= \frac{(20)^2}{40} + \frac{(40)^2}{40} + \frac{(-25)^2}{40} + \frac{(-35)^2}{40} \\
 &= \frac{400}{40} + \frac{1600}{40} + \frac{625}{40} + \frac{1225}{40} \\
 &= \frac{400+1600+625+1225}{40+40+40+40}
 \end{aligned}$$

$$= \frac{3850}{160}$$

$$X^2 = 24.06 \text{ (Calculated value)}$$

Level of significance was set at 0.05.

Degree of freedom (df) for the table is df = (r - 1)(c - 1), where r = number of rows in table and c = number of columns in the table. This is df = (4-1)(4-1) = 3 x 3 = 9, therefore, Critical value = 16.919

From table 8 above, it is observed that the calculated value of 24.06 greatly exceeds the critical value of 16.919 at the 0.05 level of significance, therefore, the hypothesis which states that there will be improvement in the productivity of workers after training was rejected. The alternative was however accepted. The research therefore concluded that improvement on the productivity of workers was guaranteed after training.

Hypothesis 2 Training and development enhances workers for better productivity

$$\begin{aligned}
 X^2 &= \frac{\sum(O-E)^2}{E} \\
 X^2 &= \frac{(59-40)^2}{40} + \frac{(101-40)^2}{40} + \frac{(0-40)^2}{40} + \frac{(0-40)^2}{40} \\
 X^2 &= \frac{(19)^2}{40} + \frac{(61)^2}{40} + \frac{(40)^2}{40} + \frac{(40)^2}{40} \\
 &= \frac{361}{40} + \frac{3721}{40} + \frac{1600}{40} + \frac{1600}{40} \\
 &= \frac{361+3721+1600+1600}{40+40+40+40} \\
 &= \frac{7282}{160}
 \end{aligned}$$

$$X^2 = 45.51 \text{ (calculated value)}$$

Level of significance was set at 0.05

Degree of freedom (df) for the table is df = (r-1)(c-1), where r = number of rows in table and c = number of columns in the table. This is, df = (4-1)(4-1) = 3 x 3 = 9, therefore, Critical value 16.919.

It at level of significance of 0.05 calculated value exceeds critical value, accept the hypothesis. On the other hand, if at the level of 0.05 the calculated value is less than the critical value, reject the hypothesis.

From the table 9 above, it is observed that the calculated value of 45.51 greatly exceeds the critical value of 16.919 at the 0.05 level of significance; therefore, the hypothesis, which states that training has no significant impact on workers' productivity, was rejected. The alternate hypothesis was accepted. The researcher thus concluded that training has significant impact on workers performance.

Hypothesis 3 Ho: Training and development has impact on workers morale

$$X^2 = \frac{\sum(O-E)^2}{E}$$

$$X^2 = \frac{(62-40)^2}{40} + \frac{(93-40)^2}{40} + \frac{(3-40)^2}{40} + \frac{(2-40)^2}{40}$$

$$X^2 = \frac{(22)^2}{40} + \frac{(53)^2}{40} + \frac{(-37)^2}{40} + \frac{(-38)^2}{40}$$

$$= \frac{484}{40} + \frac{2809}{40} + \frac{1369}{40} + \frac{1444}{40}$$

$$= \frac{484+2809+1369+1444}{40+40+40+40}$$

$$= 38.16 \text{ (calculated value)}$$

Level of significance was set at 0.05

Degree of freedom (df) for the table is $df = (r-1)(c-1)$, where r = number of rows in table and c = number of columns in the table. This is, $df = (4-1)(4-1) = 3 \times 3 = 9$, therefore,

Critical value = 16.919.

From the table 8 above, it is observed that the calculated value of 38.16 greatly exceeds the critical value of 16.919 at the 0.05 level of significance; therefore, the hypothesis, which states that training and development does not have influence on workers morale, was rejected. The alternate hypothesis was accepted.

The researcher thus concluded that training and development has influence on workers morale.

CONCLUSIONS

From this study generally, it is concluded that training policies and plan are in tune with the industries corporate goals and objectives, the organization carries out training needs assessment in which it involves trainers, trainees, unit managers and supervisors and external consultants in training and management. While more emphasis need to be placed on training in order to cut down the level of bad and doubtful debts and further enhance profitability, training appears to have strongly positive contributions to the organization total assets, gross earnings, value added and profit before tax. Training should be seen as an investment rather than as an overhead. Training should be a continuous process that every organization must maintain for its continuity.

Organizations must as a matter of necessity spend appreciable amount of money and time on training of employees in order to increase their productivity in a competitive environment. It is also concluded that when employees are trained, they are well developed and become more satisfied with their jobs this also will help the organization to become more efficient and effective.

RECOMMENDATIONS

In view of the research findings, the following recommendation is made towards the improvement of employment training development in Zenith Bank Plc. and Nigeria as a whole. Organizations should not relent in placing adequate emphasis on staff training and

development in order to give them a sustained edge within the competitive industry.

The organization should enhance its training needs assessment strategy by involving other staff and line workers through the use of questionnaires on the job observations, reports from other supervisors, managers and the use of other appropriate methods of determining training needs. This will broaden the scope of contribution to training needs assessment and complement the existing approach. Should seek to get more value added from training by deliberately promoting training development even in the face of dwindling resources. In particular, the training and development department should develop courses that will reduce provision for bad and doubtful debts and thereby increase profit before tax, value added and subsequently improve total productivity index.

The involvement of the organization's top management staff particularly executive directors cadre in the delivery of lectures at the various training sessions is a welcome development. This initiative should be emphasized such that they are made aware of the benefits derivable from their interaction with and the essence of sharing their wealth of knowledge and experience with the up and coming employees of the organization. This will also afford them the opportunity to know at first hand some of the constraints to employee performance and ways to remove these obstacles to enhance productivity. Human capital being the most important production factor in any organization should be given serious attention as far as training and development are concerned by the managements. Employees training and development programmes must be carefully designed and well implemented to ensure its success.

Finally, there should be adequate rewards for those who attend training programmes and are able to demonstrate that the training has impact positively on them this will serve as a motivational tool for the trainers in particular and entire workers as a whole.

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