



## THE EFFECTS OF TRAINING ON DEPOSIT TARGET AMONG SELECTED BANK WORKERS IN IMO STATE, NIGERIA

**Udeh, Promise Chukwuedozie**

Nigeria Maritime University, Okerenkoko, Delta State, Nigeria

E-Mail: promiseudeh07@gmail.com

&

**Prof. Au. N. Nnonye**

Department of sociology/ Anthropology

NnamdiAzikiwe University, Awka, Nigeria

E-mail: aunnonye@yahoo.co.uk

### Abstract

This study investigated “The Effects of Training on Deposit Target among Selected Bank Workers in Imo State, Nigeria”. It was anchored on Human Capital Theory. The design was a mixed method research and the target population of the study was 1202. The sample size of 564 respondents was drawn from various Departments of the First Bank and Access Bank. Simple random sampling technique was used to select respondents for the quantitative aspect of the study, while In-depth Interviews (IDI) was conducted on Heads of Departments for the qualitative data. The quantitative data was processed using the Statistical Package for Social Sciences (SPSS) version 20.0 while the data were analyzed using descriptive and inferential statistics, such as frequency distribution tables and simple percentages. The study hypotheses were tested using Chi-square ( $\chi^2$ ). For the qualitative data, the QDA Miner software was used in the thematic analysis of interview transcripts. Findings revealed that training is a prerequisite for meeting deposit targets. It was discovered that emphasis on coaching as the most preferred training method have not improved the needed knowledge for regular realization of deposit target among bank employees. The preference for coaching method is attributed to its cost effectiveness among banks in Imo State. Based on these findings, it was recommended that banks should adequately fund training and combine coaching with other training methods in order to expose their employees to the workings of contemporary banking and improve their performance.

Keywords: Bank Employees, Coaching, Deposit Target, Performance, Training

### Introduction

Global businesses are composed of competitors, irrespective of the industry an organization is operating in. To develop a competitive advantage, it is imperative for organizations to truly expand employees knowledge base as a competitive instrument needed to prepare them for the attainment of corporate objectives. To accomplish this, organizations seek to expand the knowledge capital of its human resources. Human resources which comprise people or human beings are the most important asset in an organization. Human resources is the ultimate determinant of success of an organization because they are responsible for coordinating other assets such as land, technology and capital (Onwuka, 2007; Oladimeji and Olanrewaju, 2016). Organizations aim to optimize the performance of their human resources through comprehensive training and development programmes not only to achieve business goals, but for long term



survival. The above can only be accomplished when organizations train their employees towards ensuring that they have the required knowledge, skills, competencies and attitude needed to work productively in a rapidly changing and complex environment.

Training is a learning process. People can acquire new information, re-learn and reinforce knowledge and skills and most importantly have time to think and consider new options that can help them improve their job efficiency. According to Elnaga and Imran (2013), training is a program which provides employees with information, new skills, and job development opportunities. It is a planned learning experience (Alyahya and Norsiah, 2016). Training seeks to increase, improve, enhance and modify employee skills, abilities, capacities and knowledge (Bagul, 2011). Training is a prerequisite for development. Development does not occur in a vacuum, it is a build up of concerted efforts aimed at optimizing technical skills and attitudes needed to deliver optimum services and attain corporate objectives. The ultimate aim of training employees is to increase employees' knowledge capital, and improve their performance. Performance is the overall value which an employee brings to an organization. It is a measurement of output and competence with which a task is performed (Indraja, 2016; Bullock, 2013). According to Bullock (2013), performance is task and contextually oriented. Training enables employees to accomplish set out targets by giving them the technical skills needed for efficient service delivery. Contextually, performance models the behaviours of employees by empowering them to possess acceptable behaviours that will enable them to attract more customers and increase deposit base. With this in mind, a well-packaged training requires effective task and contextual plan and implementation measures which are tailored to meet the specific career needs of employees in the organization (Salau, Falola, and Akinbode, 2014). Training enables employees to understand the fundamentals of their jobs as they settle down in to their job. It sets the tendency for how well employees understand their job, and it is a prerequisite for improving on future human capital and job performance in any organization including the financial sector. The importance of comprehensive training for employees in the financial sector cannot therefore be overemphasized because banks by their very nature, are vital institutions in any society, banks double as facilitators of development of saving plans and instruments of government's monetary policy among others, their performance goes a long way in determining the success of an economy (Akrani, 2011; Oladejo and Oladipupo, 2011; Olalere and Adenugba, 2013; Ukpabio, Olaposi and Siyanbola, 2016).

Despite their roles in the nation's economy, Nigerian banks face a lot of challenges which include; low return on investment, pressure to deliver the level of service that customers are demanding, regulatory policies and pressure, increasing industry competition, failing macro economic environment, inflation and rising risk premium which drives interest rate, and diminished bank's viability (Opara, 2016). Customers' experience shows that despite technological breakthrough in the banking industry, simple issues such as Automated Teller Machine (ATM) withdrawals, electronic funds transfer, online utility bills payment and airtime purchase are huge challenges when transactions fail as funds remain trapped for long periods owing to inability to resolve them. Asu (2017) maintained that the future is not much brighter, as Nigerian banks will face sluggish credit growth, tight foreign exchange, liquidity, and weakening capitalization. In fact, the challenges posed by economic recession, competition among Nigerian banks, and other

bottlenecks makes it imperative to examine the state of effective training given to bank employees.

It is a truism that effective training must be planned in a systematic and qualitative manner. Quality training must be structured to expose employees to the changes in technology and environment in which the organization operates. Structured training considers areas of employees incompetence and addresses them using various training methods. A well planned training should enable employees to feel comfortable and involved in its' implementation (Dodds and Verest, 2002; Ragsdale and Mueller, 2005). This is possible when employees are trained with the necessary support and use of various techniques to avoid derailing from corporate objectives (D'Aurizio, 2007). A well-planned training must consider and adopt divergent techniques suitable to employees. This is important because, commercial banks are service industry whose goal is to satisfy customers, the expected benefits of training programme may not be realized if employees cannot transfer the knowledge acquired to real job situation. Therefore, the importance of training is undermined when there is no corresponding increase in performance. It follows that, since banks, like all commercial oriented organizations are out to make profit, a well-planned training is the key factor in raising the knowledge capital of bank staff. Unfortunately, numerous challenges occasioned by poor service delivery and inability of employees to satisfy customers and meet regular and expected deposit target makes it imperative to assess the state of training among selected bank staff in Imo state.

### **Statement of the Problem**

Many organizations are not investing enough in human resources training because they consider funding as waste rather than investment (Malaolu and Ogbuabor, 2013). Lack of involvement of staff in training exposes them to vulnerability during the initial recruitment periods, and this may discourage them from understanding the goals of their organization (Snell, 2006). In the financial sector, some banks fail to acknowledge the importance of comprehensive training as a veritable tool for addressing poor performance which is evidenced in the inability of new employees to adopt strategies that should increase customer patronage, customer retention and deposit base. Research conducted by Malaolu and Ogbuabor (2013) shows that many banks who attempt to conduct trainings for their employees do not consider an all round and personalized training needs of employees before they are deployed to their work schedule. More so, such trainings are conducted in an ad-hoc, haphazard manner, and as such, training is more or less unplanned and unsystematic, the consequence of this is that, trainings are obsolete and untailed to meet employees' specific demands, thereby depriving them of requisite skills needed to get more customers and consolidate their capital base. The implication of obsolete training is that bank employees will muddle through the job, this may lead to errors, loss of customers' confidence, low patronage and other factors that may negate the overall performance and deposit target of banks.

Systematic training should embrace several techniques which should expose trainees to various facets of their jobs. This is so because, a single training method may not build comprehensive knowledge when translated to real life job situation. Ugoji, Mordi, and Ajonbadi (2014) posited that unsystematic induction training does not promote comprehensive human capital because it is designed to give basic knowledge which does not address the specific needs and challenges of



contemporary bank workers. Ideally, induction is the first phase of training after recruitment, this is followed by in-service training. In reality, when banks employ new staff, they want to save time and money by first conducting induction training for the entire group and thereafter deploy them to whatever position they deem fit. This scenario inhibits employees from working in departments where they are more competent. If a bank's department is already short-staffed, management may need new employees to assume their duties and responsibilities before they have a chance to finish training. Thus, training may have catastrophic effects on employees' knowledge and bank performance as they muddle through the job and find it difficult to get more customers to their banks.

### **Objective of the Study**

The general objective of this study was to find out the effects of training on deposit targets among selected bank workers in Imo State. The specific objectives were:

To find out whether Employees were given Deposit Target related Training in Imo state

To find out the type of training received by employees after employment in Imo state

To find out which Training has Greater Impact on Deposit Skill in Imo state

### **Hypothesis**

Training has no significant effect on deposit target among selected bank workers in Imo State.

### **Theoretical Framework**

The human capital theory was used as a framework of analysis. The theory assumes that in a knowledge economy, the knowledge inherent within an organization's workforce constitutes the knowledge capital of the organization (Mahoney and Kor, 2015). This knowledge capital is commonly referred to as a firm's intellectual capital also known as human capital. Human capital is the input which employees make towards the performance and success of an organization. It involves the material and immaterial knowledge which contributes to an employee's performance (Alyahya and Norsiah, 2016). The theory regards employees as a factor of production such as land, equipment and money. It presupposes that land is bought, technologies are advanced, likewise an investment in labour, that is human capital requires investment to get the best from them.

Just like land and technology yield return on investment. Any amount of knowledge given through training will yield a commensurate return in performance of employees. Therefore, since training is a prerequisite for accumulation of job knowledge, the best strategy is to formulate a well-structured training program that meets the needs of various categories of employees. An all-embracing training program will yield a positive return on investment vis-à-vis ability to attract customers and attain commendable deposit base, the best strategy will be to continually train human capital.

With severe competition which is characteristic of the banking sector, the need to opt for more than a single training technique that is tailored to meet the knowledge gap of employees cannot



be waived aside. The human capital theory also suggests that an organization's decision to invest in employees knowledge is based on the net value of the costs and benefits derived from investment in employees knowledge (Becker 1962). In practice, learning programme is too readily taken as the principle example of investment in human resource. Therefore, training programmes such as coaching may be complemented with others such as workshops, seminars, simulations, vestibules, computer assisted instruction, classroom lectures, case study, conferences, job rotation, in-service courses in tertiary institutions and many strategies needed to improve knowledge capital and attract better customers deposit base and target. Since human capital cannot be detached from proficiency or standards in the same way it can be separated from finance and technological assets, it follows that an investment in employee knowledge, through training is a worthwhile investment. The human capital theory suggests that a well-planned and all embracing training will correspond to an increase in employees knowledge and encourages better performance

**Materials and Methods**

The population of the study is the staff of First Bank and Access Bank in Imo State, Nigeria. The population cuts across the departments of operations and customers service, human resources, treasury and foreign exchange (forex) management, marketing, and information technology. It is a mixed method research carried out with the application of quantitative (questionnaire), as well as qualitative (In-Depth interview). The total population of the study is 1202 staff of the banks. The study adopted simple random sampling technique as the method of sample selection. Taro Yamani's formula was used to generate a sample size of 577 respondents. Questionnaire was distributed to all 577 respondents, while 564 questionnaire was returned. The quantitative data was processed with the Statistical Package for Social Sciences (SPSS) Version 20.0. Substantive issues was analyzed using simple frequency distribution tables, while chi-square ( $\chi^2$ ) was used to test the stated hypothesis in order to predict the relationship between the independent and dependent variables. In-Depth Interview data were processed and analyzed utilizing QDA Miner software, and results are presented thus:

**Research Findings/Results**

Analysis of Objectives 1, 2 and 3 are presented below.

Table 1: Distribution of Responses on whether there was Training after Employment

<i>Variables</i>	<i>Frequency</i>	<i>Percent</i>
Yes	564	100
Total	564	100

Field Survey, 2019.



Table 1 shows that all the 564 respondents (100%) agreed that they received training after employment. This indicates that banks usually conduct training before deploying their staff to various departments. On the type of induction training, an IDI respondent said: "we cannot deploy staff without training them. what we do is coaching and it does not require serious funding" (Female, Operations and Customer Service, Age 44)

Table 2: Responses on whether Employees were given Deposit Target related Training

<i>Variables</i>	<i>Frequency</i>	<i>Percent</i>
Yes	321	57
No	243	43
Total	564	100

Field Survey, 2019.

Table 2 shows that majority of the respondents 321(57%) said they were given deposit target related training.this discovery is true, given that thee primary objective of banks is to get more customers and increase their capital base.

Table 3: Responses onthe Type of Training Received by Employees

<i>Variables</i>	<i>Frequency</i>	<i>Percent</i>
Vestibules	4	0.7
Simulations	16	2.8
Job rotation	78	13.8
Coaching	466	82.7
Total	564	100

Field Survey, 2019.

Table 3 shows that majority of the respondents 466(82.7%) received coaching, while 4(0.7%) respondent said they were trained with vestibule method. This indicates that banks usually traintheir staff by coaching method.

An IDI respondent opined that: it is easier to train with coaching method. Besides, other techniques are very expensive to utilize."Male, Human Resource, 47 years old).

Table 4: Distribution of Responses on which Training has Greater Impact on Deposit Skill

<i>Variables</i>	<i>Frequency</i>	<i>Percent</i>
Engagement-Communication Skill	110	34.3
Reward-Engagement Skills	49	15.2
Product Audience	83	25.8
Technology Innovation Marketing	79	24.7
Total	321	100

Field Survey, 2019.

Out of the 321 (57%) respondents who received deposit target related training (see table 2), table 4 shows that 110 (34.2%) respondents said engagement-communication training has the greatest impact on their deposit target skill, while only 49 (15.2%) respondents said reward-engagement skills has the lowest impact. This is so because, banks want their staff to engage customers properly so as not to lose them to competitors.

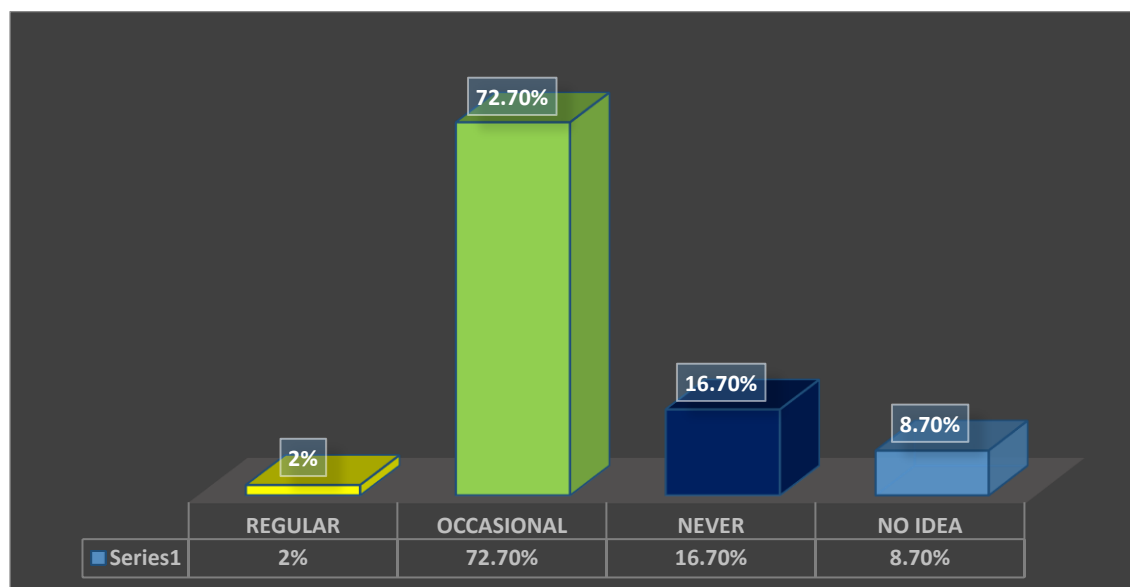


Figure 1: Distribution of Respondents on how Regular Deposit Targets are Meet.

Figure 1 shows that (72.7%) of respondents said they meet deposit targets occasionally, while (2%) said targets are meet regularly. It simply means that majority of the staff do not always meet deposit targets. The data from the IDI corroborated the quantitative findings. The respondents were of the view that there is no guarantee that deposit targets will be met after induction training programs. An IDI respondent said that:





We are trying what we can by putting pressure on staff, but it has not been easy especially this period money is not much in circulation. You know most business shut down not too long. In fact the country is just coming out of recession so money is not easy. We can't force people to deposit what they don't have, so our staff are not meeting targets regularly and as expected (Male, Information technology, 52 years old).

Test of Research Hypothesis

Training has no significant effect on meeting deposit targets among bank in Imo State.

Table 5: Cross Tabulation between Training and Meeting Deposit Targets

Deposit Target	Responses on whether trainings helps to meet deposit target					Total	X <sup>2</sup>
	Regular	Occasional	Never	No Idea	Total		
Yes	0 (0.0%)	221 (68.8%)	77 (49.0%)	23 (7.2%)	321		X <sup>2</sup> = 6.693, (N = 564), df = 3, P = .000
No	11 (4.5%)	189 (77.8%)	17 (7.0%)	26 (10.7%)	243		
Total	11 (2.0%)	410 (72.7%)	94 (16.7%)	49 (8.7%)	564		

Source: Field Survey, 2019.

Training was found to be statistically significant with respondents view on meeting deposit targets at p>.000 level of significance. Therefore the null hypothesis is rejected and the substantive hypothesis is accepted. The conclusion is that there is a relationship between employee training and their ability to meet deposit targets. This means that, to realize their deposit mandate, banks must equip their employees with well planned training skills.





## Discussion of Findings

The study revealed that training has significant effect on meeting deposit targets. The responses from the research revealed that training was mostly targeted at improving employees marketing skills as a means of achieving deposit targets, this is achievable with emphasis on engagement-communication training. This discovery captures the essence of the human capital theory which examined investment (training) against return on investment (increased deposit customer base). With regards to the human capital theory, an investment in employees through structured trainings, will correspond to an increase in performance and ability to meet deposit targets. This revelation accounts for the emphasis on engagement-communication training across various bank branches. An IDI respondent corroborated that:

What we normally do is to train our staff on how to engage customers and resolve their complaints on time... If you are not courteous when relating with a customer or even bring new customers, why then are you a banker? No matter your duty in the bank, everybody is directly or indirectly a marketer because meeting targets is the major reason why we are in business, if we don't, we will not succeed in this place (Female, Marketing, 42 years old).

The above statement is in line with the assertion by Audu, Oghoyone and Gulani (2015), who affirmed that, deposit mobilization is the most vital function of commercial banks since their functioning depends on the extent of capital their staff can mobilize. This is why training in the banking sector is tied to engagement-communication skills because, it equips employees with strategies that are needed to convince customers on the benefits of doing business with their banks. This is more so because, banks are in constant competition with each other in the Nigerian financial sector. Therefore, banks require a strong capital base to remain in business or be acquired by financially stable banks. It was also discovered that in order to save cost, banks utilize coaching method on trainees. An IDI respondent agreed that this is because:

Coaching is most affordable than arranging a real life simulation exercise. If you look at the state of training equipments at our banks disposal coupled with affordability and the financial constraints we face in this recessed economy, you will agree that business is not going as planned, we need to have new branches in this competitive economy. Besides, I don't think spending money on all manner of training is necessary, so coaching is still the best option we have for now (Female, Operations and Customers Services, 44 years old).

The above view supports the arguments of Malaolu and Ogbuabor (2013) who asserted that most Nigerian banks regard funding of staff training as a waste rather than investment in human capital. Finally, the study discovered that current training models need to be improved upon because trainings are not conducted to meet individuals speciality. Unfortunately, banks are not making enough efforts towards improving the training inadequacies among their workforce.



## **Conclusion**

A significant relationship exists between induction training and ability to meet deposit targets among bank employees in Imo state. Although banks utilize coaching as the major induction training method, this method is due to its cost efficiency. However, the method is barely effective because they are not complemented with other approaches which should give employees ample opportunities to gain knowledge from diverse training techniques. After induction training, new employees are deployed to whatever department the management deems fit, with a mandate to raise capital target.

It was also discovered that the emphasis among bank employees is to meet required customer capital base rather than retaining already existing customers. This is evident from findings which showed that emphases are placed customers communication-engagement skills at the expense of reward-engagement, product audience, and timely resolution of customers' complaints which are necessary skills for customers retention, and this is responsible for employees inability to meet regular target and retain already existing bank customers. It is therefore concluded that problems emanating from inability to meet deposit targets will persist unless banks abandon the use of a lone method and complement coaching with other induction training techniques so as to broaden their knowledge capital base and improve the performance of their staff.

## **Recommendations**

Based on the findings of this study, there is need to review training policies in banks. Efforts should be made to fund employees' training programs and integrate coaching with other techniques such as simulations, vestibule training, job management games, vestibules amongst others, as these will enable new employees to have a fuller grasp of their job roles. Deposit target related training should not be the dominant concern of banks. Rather, the emphasis should be on training in order to improve product and service delivery.

Before the commencement of every training program, banks should assess the training needs of their staff through performance appraisal before considering them for deployment into departments which they are most suited for, and this should be followed by continuous in-service training to keep bank employees abreast of trends and dynamics of the financial industry.

### References

- Akrani, G. (2011). What is a bank? Introduction, definition and features of bank. Retrieved from <http://kalyan-city.blogspot.com.ng/2011/02/what-is-bank-introduction-definition.html>.
- Alyahya, M. S. and Norsiah, B. M. (2016). Evaluation of effectiveness of training and development: The kirkpatrick model. *Asian Journal of Business and Management Sciences*. Vol.2. No.11. Pp 14-24.
- Asu, F. (2017). Nigerian banks will continue to face challenge-fitch-punch newspaper. Retrieved from <http://punchng.com/Nigeria-banks'll-continue-to-face-changes-fitch/>
- Audu, M. A. Oghoyone, A. S. (2015). The impact of target deposit mobilization on the banking industry: a study of selected banks in Maiduguri metropolis. *Journal of Business and Management*. Vol. 17, issue 5. Pp 36-52
- Bagul, D. (2011). *Impact of globalization on HR practices*.
- Becker, G.S. (1962). Investment in human capital: A theoretical analysis. *Journal of Political Economy* Vol70:9-49.
- Bullock, R. (2013). Job Performance (what it is, what it isn't). Retrieved from <http://www.scontrino-powell.com/2013/job-performance-what-it-is-what-its-not/>
- D'Aurizio, P. (2007). Onboarding: delivering on the promise. *Journal of Nursing Economics*. Vol 25. Pp 228-229.
- Dodds, B., and Verest, M. (2002). E-learning in support of induction training at De Lage Landen. *Journal of Industrial and Commercial Training*. Vol 34. Pp 70-75.
- Elnaga, A. and Imran, A. (2013). The effect of training on employee performance. *European Journal of Business and Management*. Vol. 5. No.4.
- Indraja, M. (2016). Job performance. Retrieved from <https://www.slideshare.net/indraja93/m-indu-mp>.
- Mahoney, J. T., and Kor, Y. Y. (2015). Advancing the human capital on value by joining capacities and governance perspectives. *Academy of Management Perspectives*. Vol. 29. No. Pp 296-308.
- Malaolu, V.A. and Ogbuabor, J. E. (2013). Training and manpower development, employee productivity and organizational performance in Nigeria : An empirical investigation. *International Journal of Advances in Management and Economics*. Vol.2. Issue 5. Pp.163-177.



- Oladejo, M. O. and Oladipupo, A. (2011). Capital regulation and performance of the Nigerian: need for review. *Journal of Emerging Trends in Economics and Management Sciences*, Vol 2, No 3. Pp 215-224
- Oladimeji, M. A., and Olanrewaju, T. L. (2016). Empirical evaluation of effect of training and staff development on organization performance of islamic financial Institution in Nigeria. *Business and Management Research Journal*. Vol.6. Pp 108-11
- Olalere, O.T. and Adenugba, A. A. (2013). Human capital development in first bank of Nigeria PLC. *Mediterranean Journal of Social Sciences*. Vol. 4.No.2.
- Onwuka, J. O. (2007). Human resources development in the national electric power authority (NEPA) of Nigeria: A study of the Port Harcourt zone. *Journal of Social Policy and Society*. Pp 29-34. vol. 2.No. 2.
- Opara, S. (2016). Capital controls of forex should be lifted-Onwuka. Retrieved from <https://punchng-com.cdn.ampproject.org/v/s/punchng.com/capital-controls-forex-should-be-lifed>
- Ragsdale and, M., and Mueller, J. (2005). Plan, do, study, act model to improve an orientation programme. *Journal of Nursing Care Quality*. Vol 20. Pp 268-272
- Salau, O. P., Falola, H. O. and Akiinbode, J. O. (2014). Induction and staff attitude towards retention and organization effectiveness. *Journal of Business and Management*. Vol 16, issue 4. Pp 47-52.
- Snell, A. (2006). Researching on boarding best practices. *Strategic HR Review*. Vol 5. Pp 32-35
- Ugoji, C., Mordi, C. and Ajonbadi, H. (2014). An investigation into training and development techniques, prospects and challenges in Nigerian banks. *Journal of Research in International Business and Management*. Vol.4 (2) Pp 37-44.
- Ukpabio, M. G., Olaposi, T. and Siyanbola, W. O. (2016). Technology acquisition and technology learning in banking industry: lessons from Nigerian banking sector. *African Journal of Business Management*, 10(20). Pp. 511-521.