



Human Resources Development in Nigerian Commercial Banks: an Empirical

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Abstract

Human resources development is one of the human resources management functions that are aimed at maximizing the return on the investments of all stakeholders in an organization. It is a combination of training and education that ensure continual improvement and growth of both individual and organization.

The growth witnessed in banking sector particularly in the last decade has been attributed to many factors among which are the human resources available in the sector. The influx human resources into the banking sector from different disciplines and observed restrictions and tight schedules employees of Nigerian Banks have necessitated the need for appraisal of the human resources development situation in Nigerian Banks.

Therefore, an attempt is made with this research to investigate the human resources development situation in the country, with a study of one-hundred employees of different Commercial Banks selected randomly in Abeokuta. Data was collected with a well-structured questionnaire and analyzed using descriptive statistics. Hypothesis formulated were tested with t-test and the result shows that an average employee in Commercial Bank hardly has time for personal development effort.

1. INTRODUCTION

Human Resources Development is a framework for the expansion of human capital an organisation. Human resources development is a combination of Training and Education that ensure the continual improvement and growth of both the individual and the organisation. Adam Smith states, "The capacities of individuals depended on their access to education". Kelly D, 2001. Human Resources Development is the medium that derives the process between training and learning. Human Resources Development is not a defined object, but a series of organized processed, 'with a specific learning objective' (Nadler, 1984). Human Resources Development is the structure that follows for individual development, potential satisfying the organisation's goals. The development of the individual will benefit both the individual and the organisation. The Human Resources Development framework view employees, as an asset to the enterprise whose value will be enhanced by development, "its primary focus is on growth and employees development, it emphasizes developing individual potential and rural potential and organisation.

In most formulations of HRM, training and employee development represent significant is not the pivotal components. Ashton and Felstead (1995) regard the investment by an organisation in the skills of employees as a 'litmus test' for a change in the way they are manages. First, the replacement of the words 'training cost' with investment responses to the outcomes of HRD where the continuation of viewing training as a short-term cost has persistently acted as a powerful break o9f many training strategies. HRD acts as a triggering mechanism for the progressive of other HRM policies that are aimed at recruiting, retaining and rewarding employees who are recognized as the qualitative difference between organisations. The investment in employee learning is a way f creating a primary internal market and policies aimed at progressively upgrading skills reduce an organizatio9n's dependency on eternal sources of skill.

Third, if it is an HRM strategy to engender the conditions whereby loyalty and commitment towards an organization's aim can be encouraged, HRD carried the prospect of unleashing the potential that lies within all people, allowing employees to contribute to and indeed transform strategy.

In recent years, ideas and practice relating to HRD have moved beyond a narrow conception of training and development. Many organizations now attempt to take a holistic view that embraces the idea of learning at individual and organizational levels as a crucial source of competitive advantage. Technology, global markets, customers expectations and competition have all contributed to the view that learning is the only strategy to cope with change. HRD has moved out of training departments into every aspect of organizational life as many have attempted to become learning organizations with increasing moves towards finding ways to integrate work and learning. There has been a growing emphasis on viewing an organization as a total learning system and finding its core competencies which reveals its collective learning (Prahalad and Hamel, 1990). In addition, continuing advance in networked information technology and accelerating change have stimulated a growing interest in organization learning and knowledge management, the development of an organization's intellectual capital (Edvinsson and Malone, 1997) and the potential for learning between organizations.

2. TYPES OF HUMAN RESOURCES TRAINING

Human resources training and developing programmes may be broadly classified into two. These are off-the-job training and on-the-job training. Off-the-job training pertains to all training one has acquired before gaining the employment such as primary education, secondary education, training from universities and colleges, professional training, apprenticeship, attendance of lectures and conference and the likes. Off-the-job training may also refer to training received, even during one's employment but outside his workplace. Examples are special courses, conferences, lectures, seminars and symposia which are not directly organized for the employee by his organization. Of particular reference is an employee attaining higher qualifications (degree and professional certificates) outside his workplace. On the other hand, on-the-job training encompasses all training received in the course of one's employment and the place of work. Such training includes job rotation, employee transfer and secondment, promotion, understudy and even induction training. There are also specifically organized briefing, symposia, and lectures etc that take place at the workplace.

Specifically, when an employee is newly hired, he needs to familiarize himself with various aspects of the organization. Particularly, the need to know to whom how is responsible and who to report to him. He needs to learn something about the existing structure and role relationship within the organization. He needs to be introduced into the politics of administration of the place. He needs to know something about the strength and weakness of the organization. He needs to know what his expectations from the organization are and what the organization expects from him. All these will be taught him during the induction programme. Again, employee on secondment, transfer, understudy or on job rotation are being directly or indirectly trained either to take-over from their superior officer to which they are attached or just to prepare them for anticipated challenges in the future.

3. On-The-Job Training

This is any day-to-day instruction given to or received by employees for the purpose of accomplishing their jobs in given ways. Such training may be given to an individual employee or a group of employees. It may be given by the employee's supervisor, immediate superior officer or by a coach designated by the supervisor or superior officer, in either case, training becomes on-the-job training when it is given at a work site by a superior or a coach rather than in a lecture room by a teacher or instructor.

Many workers increase their productivity by learning new skills perfecting old ones while on the job. However, this process through which future productivity can be improved takes place at a cost. Otherwise, there will be an unlimited demand for training. These costs include the value placed on the time and efforts of trainees, the teaching provided by others and the materials used. These are costs because they could have been used to produce current outputs if they had not been used to raise future outputs.

There are two types of on-the-job training general training and specific training. The general training is useful in any firm apart from the one providing it. For instance a machinist can use his skills

in steel and aircraft organizational and a medical doctor trained at one hospital can use the skill acquired in another. Most on-the-job training increases the marginal product of firms producing them. General training however, also increases workers marginal productivity in other-firms as well. Since in competitive labour market, wage rate paid by a firm is determined by marginal product in other firms, future wage rate and marginal products will increase in the firms producing general training. These firms could capture some of the return from training only if their marginal products rise by more than their wages. Perfectly, general training will be useful in many organizations and marginal products will rise by the same extent in all of them. Hence, wage rate will rise by exactly the same amount as the marginal product and organization producing such training would not be able to capture any of them. Why then would rational firms in competitive market provide such general training only if they would not have to bear any of the costs?

Persons receiving this general training will be willing to pay since training raises their future wages. Consequently, it is the trainee who bears the cost and profits from the course. Income maximization firms would not pay the cost of general training but would pay trained persons the market wage if, training costs were paid, any persons would seek training few would quit training period and labour cost will be relatively high.

Organizations that cannot pay training persons the market wage would not be able to satisfy their skill requirement and will tend to be less profitable than others. Firms that pay both for training and less than the market wage for trained person would have the worst of both worlds. For they would attract too many trainees and few trained persons.

There is also the traditional arguments that organizations in competitive labour market have no incentive to provide on-the-job training because trained workers would be bidden away by other firms. Those trained workers are supposed to impact external economics to other firms because the latter can use these workers free of any training charge. The example of Research and Development is often made since a firm developing a process that cannot be patented or kept secret will impact external economics to competitors. This applies if organizations were to pay training cost for they will suffer capital loss whenever workers were bid away by other firms. Organizations can, however, shift training cost to trainees and have an incentive to do so when faced with competition for their service.

On the specific training is the training that increases workers marginal productivity more in the organization providing it than in others. It is defined as training that has no effect on the productivity of trainee that could be useful in other organizations. Much of the on-the-job training is, however, neither completely general nor completely specific but increases workers productivity more in the organizations providing it and falls within the definition of specific training. The rest increases productivity by, at least, as much in other organizations and fall within the general training definitions.

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