

Importance of Training on Organisational Performance: A Review of Literature

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Abstract: This paper explores the important link between employees training and organisational performance. Training in organisations plays an important role to ensure steady growth and sustenance of organisational productivity through improving employees' knowledge, skills, and efficiency. A well-designed training programmes ultimately help employees stay updated with industry trends, fosters employee engagement leading to higher retention rates, hence, organisations that consistently invests in training exercises would probably encounter less challenges in adapting to changes in the environment. Effective training exercises enhances teamwork which drives organisational performance and productivity. The success and survival of any organisation is largely determined by the efficiency and effectiveness of services which the employees render to sustain organisational performance. Human Capital Theory was used to underpin the study which shows the positive impact of training on organisational performance. A review of current related literatures on the role which training activities play to improve and sustain organisational productivity as published in leading research journals were carried out. Two broad types of training were identified being Formal training and In-service training. Each of this broad divisions have attached variables and sub-variables that spelt out details how each training type or segment would be carried out and the methodology to adopt in imparting the knowledge. The study concluded that there is a positive relationship between employee training and organizational performance. Training has a positive effect on organisational performance and that organisations should not treat training as an expense item, but rather as an investment which will manifest in quality service and improved organisational productivity at a future period.

Keywords: Formal training, In-service training, Organisational productivity Quality service, Skills transfer, Training design.

1.0 INTRODUCTION

Training exercise refers to the process of acquiring knowledge, skills, expertise and attitudes that helps to improve employees' job performance on the current responsibilities as well as enabling future career growth within an organisational setting. According to Elnagal and Imran (2013) training relates to the acquisition of specific knowledge and skills for a particular job or task. Employee training is essential because it closes the gap between what is expected of them and their current capabilities. Empirical literatures have shown great deal of interest in the relationship between training and personal development and organisational productivity (Malaolu & Ogbuabor, 2017). There is a general consensus that a company's ability to function efficiently is tied to its capacity to attract and retain creative workforce, adopting cutting-edge technologies, ensuring product quality as well as satisfying customers demand and requests (Dhamodharan, Daniel & Ambuli, 2010). Malaolu and Ogbuabor (2017) were of the opinion that human resource managers can significantly boost a company's productivity by using appropriate training methods to increase and sustain productivity.

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Khan, Khan and Khan (2011) concluded that one of the biggest influences on employee productivity is training. The interpretation is that in order for employees to improve their skills personally and professionally, it is imperative they receive regular and appropriate training to sustain individual and organizational productivity. There are widespread believe that employees with vast experience would most probably perform better because their skills and abilities acquired through relevant training over a period of time. The key takeaway is that employees emotional and psychological development is essential to the company's expansion and development. Barlett (2001) emphasized further that firms use Human Resource (HR) practices as legitimate instruments to encourage positive workplace behaviour and to give employees access to knowledge and skills that would boost organizational productivity. According to Houger (2006) employees should strive to acquire relevant training and capacities in order to be efficient and effective at work.

Adequate training enables employees have access to information and skills to develop their skills and attitudes, which benefits the organization by producing high-caliber outcomes (Ahmed & Yohanna, 2014). Al-Mzary, Al-Rifai, and Al-Momany (2015) and Okechukwu (2017) both found that improved organizational productivity arises from employee personal development. According to Khan, Abbasi, Waseem, Ayaz, and Ijaz (2016), training ensure that employees quickly adapt to new technologies, which boosts productivity and efficiency at both individual and organisational levels. Changes in the environment is a constant and continuous feature in this era of technological growth. There are increasing use of newer methodologies and technologies at various production processes which promotes growth and development in organisations (Nnanna, 2020). In order to familiarise staff with cutting-edge technologies, tools and significant changes in the financial environment, business organisations should ensure that their employees attend regular training and seminars so that they will be updated on recent happenings within and outside of their environment.

2.0 LITERATURE REVIEW

Business organisations that aim to achieve steady growth and continuous employee productivity should ensure that its human resources are adequately trained so that they can compete favourably with their peers in the environment. Trainings in most instances enables the organisation evaluate the effectiveness of its workforce in response to the type and methods of training programmes provided to employees within a specified period. Business organisations in many fields of endeavour such as banks, insurance companies, manufacturing companies, service providers and telecommunications companies do conduct regular trainings for their staff members so that they will be equipped with both theoretical as well as practical knowledge and skills which they will now apply to enable them render effective and efficient services to their organization and other stakeholders.

2.1 Training and Development

The purpose of training and development is to help employees get better and be more effective in executing tasks and responsibilities assigned to them as well as familiar with changes that takes place within the environment. Training and Development despite being used together, have different meanings and purposes. Development provides employees with the skills that will enable them to tackle potential obstacles related to their jobs, whereas training equips employees with the information and skills needed on the job at hand (Mondy, Noe & Premeaux, 2002). However, it is anticipated that the two terms will work in tandem to accomplish the organisation's predetermined extending an employee's abilities, talents, and knowledge. This implies that an effective training program must promote the development and advancement of staff members at all levels. Employee development is impacted by training in such a way as to improve the employee's mental state in an effort to diminish their commitment to organisational effectiveness. Adeniji (2011) asserts that one technique for enhancing the labour force is through training. It refers to an employee's orientation or induction in order to maximize production and meet company goals and objectives. Training's primary objective is to re-orientate participants to increase their knowledge and abilities and to prepare for future opportunities inside the firm and to perform at the highest level possible on the job. This means that, regardless of the degree of technological development a company has, its people's skills determine their level of efficiency and production. Training is a purposeful action taken by the management of a company to teach employees' who need training, new skills and abilities to be deployed in accomplishing tasks given to them.

Development, as compare to training, emphasizes the future. Employees preparation for future job obligations is accomplished through employee training and development. This process comprises instructions, mentoring, coaching, official and informal training, etc. According to Adamolekun (1983), staff development includes staff members' training, education, and career growth. Development deals with the training required for future positions, whereas training deals with gaining the skills and information required to execute the job, as well as with designing and delivering learning to improve an organization's performance. Because development provides long-term advantages, it should be viewed as an investment in the workforce. The overall goal of training and development is to support the objectives specified by the company.

The format of the training could be:

- a) **In-service Training:** In-service entails training courses designed specially for workers who are currently employed in an organisation. There are two variant of in-service training which off-the-job training and on-the-job training with each having distinct characteristics and features as explained below:
 - i. **On-the-job training:** This is training that occurs at work place, possibly even while working. The study by Egungwu (1992) concluded that on-the-job training are training activities that occurs while at work places. Modalities for carrying out these trainings are the responsibilities of superiors in charge of the varying units and divisions. Regardless of their prior education and experience, firms provide new hires with on-the-job training. These new employees receive induction or orientation training in order to acquaint them with both their new workplace and the organization's processes and procedures. The induction and on-boarding exercises is aimed to prepare the new hires physically and mentally for the tasks ahead in their new job roles at different units, departments, divisions and directorates. The importance of induction or orientation programmes cannot be overemphasized if the employees must render their services creditably.
 - ii. **Off-the-job Training:** In contrast to on-the-job training, off-the-job training activities are training exercises that are carried out outside the premises of the organization. Most of these training exercises are usually carried out by experienced personnel and consultants who are specialists in their chosen areas. They are necessary when some employees need to pick up knowledge, abilities, and attitudes that are best taught in a series of classes that are held away from the workplace (Egungwu, 1992). Employees several business organisations in Nigeria constantly have opportunities to pick up new information, expand their knowledge, and acquire the skills necessary to execute their jobs well and be more productive. There are specialized training institutions and specialized centres which are publicly and privately funded to train employees both in public and private spheres, some of which are the Administrative Staff College of Nigeria (ASCON), the Nigeria Institute of Management (NIM), the Centre for Management Development (CMD) and Financial Institutions Training Centre (FITC). There is also the Industrial Training Fund (ITF) as well as the Institute of Chartered Accountants of Nigeria (ICAN). These training outfits and several other Consulting Firms who are mostly privately owned provide off-the-job training for staff members. Off-the-job training can also be obtained by regularly attending and participating in seminars, conferences, and workshops. The training of Nigeria's workforce is mostly dependent on conferences, seminars, and workshops. This is due to the fact that they serve as venues where professionals, researchers, practitioners, and decision-makers can meet and exchange the newest developments in management and administration of these varied establishments.
- b) **Formal Training:** This is the formal education that students in basic through higher institutions get. Formal schools are the typical places where people learn new information and skills because they provide a controlled learning environment that promotes absorption. This is true due to the focus on instruction, support, and feedback mechanisms.

Other forms of training and development include:

- i. **Conferences:** This is a formal, previously scheduled meeting for consultation, information sharing, or discussion. Keynote speeches are frequently given at conferences, along with numerous breakout sessions. Because the trainees are considered as active participants rather than as passive recipients, this type of training and development is not overly regimented. The conference's chosen theme must be appropriate for the organisation's goals. Academic conferences, conferences of professional associations, and training conferences are the different sorts of conferences that can be planned for the performance of lecturers.
- ii. **Workshops:** Sessions for learning and working are being held in this series. It is a short, intense course, a seminar, or a series of meetings where a small group of lecturers focus on interaction and information sharing to discuss a certain topic in education.
- iii. **Seminars:** An educational lecture or presentation is one that is given to an audience on a particular subject or subjects. In a seminar, there is always a speaker who provides a lecture outlining the highlights, scope, advantages, importance, or limitations of the relevant topics. In most seminar presentations, the audience are usually given opportunities to ask questions and make further clarifications where necessary so as to get clearer understanding of the topics under discussion.

The study by Olomukoro and Oyitso (2012) enumerated some importance of employee training which has dual positive effects on the individual employees and the organization itself as follows:

Imparting of high morale:

Employees that receive training are more motivated and confident to execute tasks that they were unable to do before. This is why Elnaga and Imran (2013) alluded that training fosters a culture of teamwork among employees, allowing them to effectively participate in their work and deliver the desired level of organizational performance.

Lesser cost of output:

Training decreases resource waste and dangers by enabling competent workers to use tools and materials more efficiently, which prevents accidents and waste. It should be noted that skills are improved through training, enabling them to make the best decisions at the right time and in a way that will benefit the organization (Olomukoro & Oyitso, 2012).

Training reduces the mobility of labour:

Competency gained through training increases workers' job satisfaction and self-assurance in the workplace. Furthermore, the attrition rate of highly trained staff in organisations are not so rampant because most of them are highly remunerated. In order to attain organisational goals and to lessen the stress, aggravation, and anxiety that employees experience as a result of their work processes, training aims to increase employees' skills (Newman, Thanacoody, & Hui, 2012).

Change management:

By fostering the awareness and participation of employees in the change process, training equips workers with the abilities needed to adapt to novel circumstances. In the same vein, Khan (2011) believe that training is a tactic used by employees to deal with the environmental uncertainties created by today's rapidly evolving technology difficulties on a worldwide scale.

Training imparts competency on employees:

The employees' competencies are affected, enabling them to take on more difficult duties that led to recognition, promotion, and pay raises. When employees see that the management and their direct superiors value their greater performance, training can be a useful strategy for increasing job happiness. Employees appear more at ease and are happier as a result, which helps them adapt to their working environments (Falola, Osibanjo & Ojo, 2014).

Training improves the quality of personnel:

The goal of staff training is to develop knowledge, skills, and attitudes that will motivate employees and enable them to take on more challenging jobs. Training equips employees in an organisation with the necessary skills to achieve the established performance standards. Employee productivity and performance will increase in direct proportion to how happy they are at work (Sung & Choi, 2014).

2.2 Training Design

The purpose of training is to improve an individual's or a group's productivity on the job through learning activities carried out within an organisation. These training programmes often focus on improving worker's skill, knowledge, and drive to execute their jobs better. It is crucial that the business properly design its training programmes so that it would be beneficial to both employees as well as the organisation. Positive results are consistently obtained by organisations that design effective training programmes that include both the needs of the personnel and those of the organisation (Olumuyiwa, 2012). Designing training and development programmes is essential for improving employee performance and overall corporate productivity. A poor training design often results in financial loss and waste of scarce resources (Nassari, 2013). Employees must possess the fundamental abilities needed for learning, the desire to learn, and a sense of self-efficacy for training and development to be successful and capable of having a beneficial impact on organizational productivity. It is crucial to understand how learning theories are utilized when establishing training and development programmes since the main objective of training is to help employees develop the behaviours necessary for optimal job performance. There should be a quick positive reinforcement to let the trainee experience the effect of learning programmes. Feedback on training exercises is crucial because the workforce would normally react and adjust to the training exercises in different ways and it is necessary for the trainers to get their feedback so as to adjust their template where necessary in order to achieve maximum impact.

2.3 Transfer of Skills

Transfer of skills in training refers to how well trainees use the skills, information, and attitudes they learn in a training environment on the job and maintain them over time. Adeniji (2010) alludes to the ability of the learner to apply the behaviour, knowledge, and skills they have acquired in one learning setting to another. According to Werner and DeSimone (2006) these transfers could be any of the following:

- i. **Positive transfer:** This is when employees can apply the training in their roles. It means effective delivery or transfer of knowledge. The goal of training activities is to improve worker performance.
- ii. **Zero transfer:** This is when there is no change in performance after a training and development session. This often means trainers may need to re-evaluate their strategies, and leaders will need to check for gaps before initiating another training.
- iii. **Negative transfer:** This is when the employees' performance decreases after the training. In this case, either leaders may need to re-adjust their strategies to teach their teams more effectively or workers may need more

training. In general, businesses that want to make sure that their training and development programmes are successful and provide noticeable increases in performance and productivity must take transfer of training into account.

3.0 Organisational Performance

Regardless of size, all businesses utilize the organisational performance gauge to assess the success of their goals. Organisational performance in this instance will be measured by metrics at which these organisations achieved their target and objectives and the contribution of training towards achieving these objectives. Performance is about being resourceful, and about completing tasks with successful outcomes. Performance is when successful completion of assigned tasks produces results that are on par with or better than those anticipated. According to Venkatraman and Ramanujam (1987) performance relates to a process that involves a variety of behaviours that are all aimed at achieving predetermined objectives. Henri (2004) claims that when addressing ideas like the volume of output, results achieved, and productivity, the idea of performance is what immediately comes to mind. Performance is a collection of accomplishments and is about successfully accomplishing tasks in timely fashion. Behaviours can be appraised independently of results since they are not simply tools for results, but rather the result of both mental and physical efforts put into tasks. According to this concept, management of organisational productivity must take into account both inputs (behaviour) and outputs (results).

Suhag, Solangi, Larik, Lakh and Tagar (2017) and Tomal and Jones (2015) see organisational performance as a factor that determines how successfully a company achieves its planned and desired goals. Performance within an organisation does not alone determine whether it will succeed or fail, rather it is the accumulation of several other elements. Some of the crucial elements of organisational performance include the sum of employee training, market performance, production performance, financial performance, and the results of innovation (Karakas, Yasar & Rasit, 2017; Jafari, 2014; Tajeddini's, 2012; Yavuz, 2010). Organizational performance gauges a company's efficiency in relation to its competitors. A number of financial and non-financial indicators are used by the organization to monitor its progress toward achieving its stated goals and objectives.

Armstrong (2014) hinted that a number of financial and non-financial measures, including sales, market share, and profit, are always used to assess an organization's performance. Some of the performance measurement metrics includes personnel efficiency, rendering quality services and employee satisfaction. The study by Naqvi and Khan (2013) assert that efficient training exercises often leads to capacity expansion and enhanced organisational performance. According to Afshan, Sobia, Kamran, and Nasir (2012), human resources are essential for realising organisational objectives and acting as a tool for effective, long-term production. The manager must make sure there is always a sufficient number of qualified employees who are capable of specializing in a certain department or managing position and who are both technically and socially competent. Malaolu and Ogbuabor (2017) assert that workforce development is crucial for employee effectiveness and organizational performance because employees acquire the requisite manpower expertise from formal education and training. Additionally, they highlight how few people have a significant impact on organisational success and how few people possess the knowledge, skills, and talents required for a particular function. The degree to which a task is completed as well as the fulfillment of organisational regulations, standards, or requirements for official jobs are inclusive in measuring their performance metrics. According to Prasetya and Kato (2011) they noted that some organizational performances spans through some range of behaviours and act as sources of competitive advantage to drive responsiveness and increase overall organisational effectiveness.

3.1 Service Quality

Service quality, according to Lewis and Bernard (1983), is a measurement of how well the level of service meets the client's expectations. Service quality entails when service providers render efficient service through meeting customers' expectations. This indicates that there will likely be a gap between what clients expect and what companies regard as high-quality service. Parasuraman, Zeithaml and Berry (1985) created a model on quality service called SERVQUAL. This is a framework that is used to measure service quality and it helps businesses and organisations to measure and control the quality of services they are rendering to their customers. Customers set expectations for services they receive, and management also has opinions of what customers anticipate and strive to meet these expectations.

Determinants of Quality Service

According to Parasuraman, Zeithaml and Berry (1985) identified some basic conditions necessary for quality service delivery which include:

Reliability:

This refers to complete reliance on the services offered by an organisation. Customers want complete reassurance that you uphold your promises regarding quality. The rendering of effective services to delight their customers always strength the bond between the organization and their customers.

Response time:

The amount of time it takes to respond to customer needs is measured by this aspect of service quality. For instance, in financial institutions, requests for rectifications in cases of transactions failures, accounts enquiries, mandate updates, international, domestic, treasury and risk management enquiries are often quickly evaluated by the customer whether it meets their expectations.

Competence:

This entails having the skills, knowledge, and expertise necessary to provide the services being offered. This heavily depends on the contact person's skills. Examples include customer service officers, heads of units and departments and other directorates.

Accessibility:

This has to do with how simple it is to contact and approach the organisation. The ability to obtain the required information over the phone, convenient hours of operation, geographic location, and distance are all addressed by this service quality dimension. It also aims to determine whether online real-time services are available, such as carrying out banking transactions seamlessly at the comfort of your homes or in offices. This rely heavily on making use of electronic devices for interactions with various officers of the bank to consummate different banking transactions.

Courtesy:

Contact with employees in the service sector leaves a lasting positive impression that is essentially directly related to how well the consumer perceives the quality of the service. For example, the security guards at the entrance, the secretary, the corporate affairs, customer service officers, relationship managers and the communication officers should all be courteous and considerate of their contacts. The staff's accent, comportment and demeanor are also highly crucial.

Communication:

This entails providing all the stake holders which employers could be, customers, shareholders, contractors etc with the appropriate information at the desired moment. Customers' requests, grievances, and information needs should be carefully listened to and addressed appropriately.

Credibility:

Integrity is emphasised which is mainly dependent on the standing and dependability of the company. The contact person's personality is of utmost significance. Account officers, relationship managers, corporate affairs and communication units could all be the points of contact.

Safety and security:

This addresses questions such as, "Are we safe from danger?" "Are my funds safe, especially in a financial institution?" How protected from harmful externalities are we as well as our financial documents? Customers should ideally think about things like the security of documents, the confidentiality of information and records, our safety from environmental risks that could pose potential dangers to people and the organization?

Conducive environment:

This includes the location in which the service is offered, the physical surroundings, the staff's dress, the tools and equipment used to give the service, and the physical representation of the service. The front gate, the flower, the lawn, the structure, the power supply, the computers, the logo, the behaviour and appearance of the employees, the layout of the offices, tables and chairs etc

4.0 Theoretical Framework

The theoretical framework provides an understanding of different theories on training and organisational performance. This study is anchored on three theories of Human Capital, Efficiency of Wages and Expectancy Theory. These theories elaborated on the usefulness of training in achieving optimum productivity in organisations.

4.1 Human Capital Theory

The origin of Human Capital Theory could be traced to the activities of Theodore Schultz, Gary Becker and Jacob Mincer in 1961. These theorists regarded human being as basic economic unit. Its basic concept is that investments in individuals can be measured mathematically based on the economic value they are able to contribute to society. The theorists opined that human capital was a collection of traits that relates to all the knowledge, talents, skills, abilities, experience, intelligence, training, judgment, and wisdom possessed individually and collectively in an environment. According to Becker (1962) and Mincer (1993) the resources of these individual represents their total in form of wealth, assts which are directed to achieve organizational goals and objectives.

The theorists further argued that, the skills people acquire are a form of capital, human capital which are acquired through investments in relevant training and skills acquisition. Moreover, the skills are the capacities that contribute to economic production and the earnings in the labour market are the means by which a person's productivity is rewarded, which an aggregate economic view of the human being is acting within economies. This is with an effort to capture the social, biological, cultural and psychological complexity as they interact to engage in economic transactions (Becker, 1962; Mincer, 1958). Human Capital Theory states that acquisition of knowledge and skills will ultimately increase individual and organizational productivity. There are some assumptions which the theory revolves round like the immeasurability nature of its many forms. For example, economic capital could be measured by its ability to produce wages; however, an intrinsic value of human capital exists although it is not always measurable. In addition, human capital may be stored but not fully utilised at all times therefore making it difficult to observe and study consistently.

Some theorists, like Gintis and Osborne (2001); Woodhall (2001); Dow (2012); Emrullah (2014) and Blair (2018) criticised Human Capital Theory by advancing that the theory is regarded as a redefined concept without sufficient explanatory power. Specifically, Bowles and Gintis (1975) argued that the theory is misleading both as a framework for empirical research and as a guide to policy making. They view production as social as well as technical process and they also viewed production as joint dimension, constituting a transformation of raw material into finished products. Furthermore, labour is not a commodity but a resource whose effort must be channeled and used in order to make profits.

The critics also advanced that Human Capital theory assumes education increases productivity in the workplace, resulting in higher individual wages, but it provides little insight into the processes through which education and training are translated into higher wages. The theory imposes a single linear pathway on the complex passage between heterogeneous education and work and it cannot explain how education augments productivity and or why salaries have become more unequal and disproportionate.

Supporters of Human Capital Theory like Galunic and Anderson (2000); Nerdrum and Erikson (2001) concluded that knowledge and skills are acquired through schooling and experience on the job, which add value to the individuals and it affects their remuneration positively, that is, employees who invest in education to leverage their skill level can justify higher earnings because of their investment in different organisations. According to the study by Nerdrum and Erikson (2001) they concluded that any capacity skill acquisition by employees automatically becomes part of the individual which can have some effects of their remuneration and compensation packages.

Relevance of the Theory to the Study

The principle of Human Capital should be applied to economy and financial systems in order to promote the overall growth of the society. If this is done, productivity will grow and be maintained due to a larger and more diverse workforce. Babalola (2003) provided evidence to back up this claim when he suggested that acquisition of training and knowledge ultimately boosts a country's ability to be economically developed by enhancing the productivity of its current workforce. The study by Fagerlind and Saha's (1997) asserted that the Human Capital theory provides a basic rationale for both developed and developing nations' expenditure on training and development. In light of this, training and development must be properly considered if employees at the various organisations would improve their performance and accomplish organisational productivity goals. It would be more advantageous if organisations improve its technological expertise and resources to meet the increasing demands of the modern world.

4.2 Efficiency of Wages Theory

The term efficiency of wages or efficiency earnings date back to Alfred Marshall period to denote the wage per efficiency unit of labour. The Marshallian efficiency wages entailed that employers paid different wages to workers who have different skills. Additionally, Keynes (1936) in his *General Theory of Employment, Interest and Money* postulates that the wage is equal to the marginal product of labour and that the utility of wage when a given volume of labour is employed is equal to the marginal disutility of that amount of employment (Keynes, 1936). Efficiency of wage relates to workers remuneration that is above the equilibrium level, that is, whereby organisations voluntarily pay their workers to induce and sustain productivity. This will ensure that organisations will be in a position to lower attrition rate as a result of favourable compensation to employees and other conditions of service.

According to Schlicht (2010) efficiency of wages operates more efficiently if organisations pay higher wages, that is, wages that are above equilibrium level. This suggests that when organisations increase their employee wages, this often leads to increased labour productivity and organisational prosperity where some or all of the entire wage costs are recouped as a result of increased individual and organisational performance resulting from higher staff retention level.

According to Dube (2015), efficiency wage models are based on the assumption that workers will increase their productivity in response to increases in the real wages. The actions of government, labour unions or firms can also cause

wages to rise above labour market equilibrium. The efficiency wage influences the quality of labour by motivating workers, increasing worker morale and productivity, attracting skilled workers, and reducing employee turnover.

Critics of Efficiency Wage Theory including Pavel and Jan (2012) pointed out some limitations of the theory, emphasising that in practice, many factors are responsible for the determination of workers satisfaction and contentment in their current job roles which wages is just one out of many other factors such as work conditions, management policies, and government policies. It should be noted that if the non-wage factors like attaining positions of authority and responsibilities are negative or non-existence, then higher wages would be inadequate to stem workers attrition as well as boost steady growth and development at the organisation. The actions of other players or competitors are important. Bagger, Bent, and Dale (2010) explained that if other firms also start paying above market clearing levels, then the gain from attracting best quality workers will be lost or will have very little effect. However, in certain situations like monopsony (a market with one buyer and several sellers), these organisations do not need to pay higher wages to their workers because they are in enhanced position to hold everybody as well as other factors to ransom.

4.3 Expectancy Theory

The Expectancy Theory according to Vroom (1964) states that, *"intensity of work effort depends on the perception that an individual's effort will result in the desired outcome"*. The implication is that the harder a worker works, the higher his/her performance level, and the greater the reward. The theory works to identify people's wants, their relative strengths, and the objectives they seek in order to meet those requirements. It also aims to explain the precise factors that actually motivate employees to increase and sustain productivity at work. The theory also emphasises the notion that humans are driven by the need to satisfy their own inner desires. The study by Boeree (2006) asserts that managers make use of the framework offered by expectation theory to comprehend motivation and receive guidance on how to meet the needs of their employees. In order to assess whether discipline is necessary, the theory is also used to assess how well workers are performing in relation to predetermined goals. Employees want feedback on their performance, or details about how well they are doing their jobs, and this feedback should be given to them when it is pertinent (Fapohunda, 2015).

Expectancy theory is helpful in explaining employee performance and satisfaction as well as the type of interactions that employees have with management. Employees want humane and impartial treatment from management, while management reciprocally demands complete loyalty and hard work from workers in order to meet corporate goals. According to Ojo (1998), expectation theory is a crucial element of human resource management that is used for tactical tasks including hiring, training, paying, promoting, disciplining, and transferring employees. Expectancy, when used effectively, can promote corporate goals, provide opportunities for staff to grow, and enhance reciprocal regard between superiors and subordinates.

The Expectancy theory is not free from criticisms. One of such criticism is that the theory assumes that rewards will motivate workers to increase their efforts but fails to recognise that the same reward could be of negative effect for workers. For instance, an increase in salary will automatically push employees into a higher tax bracket. Also, the theory is idealistic in nature. According to its critics, there is a low degree of connection between performance and reward. Additionally, the theory fails to explain the different levels of efforts made by an individual as well as fails to take the emotional state of the individual into consideration.

The Relevance of Expectancy Theory to the Study

One advantage of expectancy theory to organisations is that when properly utilised, will make employees willing and happy to increase their productivity as a result of positive expectations of better conditions of service from their employers. Hence, the theory aids management at these organisations to comprehend how training and development might drive employee effectiveness and contentment. Employees want better treatment from their employers and the employers want hard work and dedication so that both goals of the workers as well the organisations are met which will go a long way to increase and sustain productivity at work.

5.0 CONCLUSION AND RECOMMENDATIONS

This study confirmed the earlier held view which stressed the importance of training in achieving and sustaining organisational performance. Organisations that fail or refused to continuously invest in training risks having stunted growth and are more likely to have performance challenges. The multiplier effect of these performance negativities will manifest on the output of the component units and departments of the organisation like human resources, production, marketing, finance and ultimately could collapse the entire organisation. Several empirical studies have also confirmed the crucial role which constant employees training exercises play in enhancing and sustaining organisational performance through improving employee's skills, fostering positive work attitudes by motivating and incentivizing them to higher productivity. As a result, the organization has a better chance to improve and enhancing employee morale as well as improving customer satisfaction. This study suggests that organisations should have dedicated budgets for employees training and persistent steps should be taken to ensure proper utilisation of the resources allocated to training exercises. Furthermore, availability

of conducive working environment will go a long way to motivate the employees to sustain organisational productivity. Ultimately, it would be convenient to state that training is not just an expense to the organisation, but rather it is an investment which will drive short, medium and long-term organisational productivity.

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