

MANPOWER DEVELOPMENT AND EMPLOYEES' PERFORMANCE: QUALITATIVE ASSESSMENT OF SMALL AND MEDIUM SCALE ENTERPRISES' IN ABUJA NIGERIA

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Abstract

Manpower development is receiving broader consideration with the emergence of current globalization and unstable job market due to the present economic recession in Nigeria. Developed and developing countries in the world have placed emphases on manpower development as instrument geared towards improving employees' performance by devoting necessary organisation resources towards manpower training and knowledge transfer. Although there is a broad assumption that manpower has positive effects on organisations' productivity, yet there is paucity empirical data on how manpower development impact on SMEs in Nigeria federal capital territory, Abuja coupled with the dwindling productivity fortune of SMEs in these past years as reported by Abuja chambers of commerce and industry. The focus group discussion qualitative method was adopted for this study. The purpose of the focus group discussion was to strengthen and corroborate evidence and findings from the literature. The findings from the literature reviewed and Focus Group Discussion, of this study revealed that manpower development leads to better employees' performance. Thus SMEs businesses should view manpower development as a fundamental response to the achievement of better employees' performance. Specifically, SMEs organisations must invest necessary resources in developing manpower which tends to have a great impact on employees' performance.

Key Words: Manpower development, training, knowledge transfer, and employees, performance.

Introduction

The modern global market where businesses are faced with stiff competitions, it has become important that organisation use their employees' performances as a strategy to gain a competitive

edge. Ofobruku and Nwankoby, (2015) avows that manpower development increases employees productivity in order to make it possible for a business to derive the higher value of organisations performance. The achievement of business goals, requires the investment on human capitals in order to guarantee that workers have the need skills, and capabilities needed to operate efficiently in a competitive and complex environment.

Currently, there exist several empirical proofs which advocate that Small and Medium Enterprises (SMEs) has important roles in internal economic activities of nations (Tambunan, 2009). The internal economic activities initiated by SMEs are not restricted to their capability to provide huge employments, but also to produce primary and secondary sources of income for numerous businesses.

Several scholars have accepted the perception that manpower development remains a good mechanism for enhancement of organisational productivity and also perceive manpower development as the process of teaching managers, professional and all employees the knowledge, skills needed for present and future task accomplishment (Ofobruku, 2012). This implies that manpower development has become an integral chunk of the total investment by the most businesses to realise better productivity. Though, manpower has positive effects on organisations' productivity, yet there is paucity empirical data on how manpower development impact on SMEs in Nigeria federal capital territory, Abuja coupled with the dwindling productivity fortune of SMEs in these past years as reported by Abuja chambers of commerce and industry. Hence, this study investigated the connection between manpower development and organisations' productivity of SMEs in Abuja Nigeria. Therefore, the following research question was used to guide our investigation: To what extent does manpower development (training, knowledge transfer) impact on employees' performance (achieving the objective of the unit, achieving departmental goals').

Concept of manpower development

According to Schultz (1993), the definitions of manpower have shown some essential elements in enhancing organisations resources and help employees to improve productive of the business or organisation. In order to endure business effectiveness in organisations, the manpower becomes an asset and instrument used to grow productivity. Thus, the definition of manpower development as stated by the Organization for Economic Co-Operation and Development (OECD, 2001) referred to the improvement of skills, knowledge, capabilities, and qualities personified in persons that enable the making of personal, societal and commercial well-being. This implies that manpower development could lead to better employees' productivity and ultimately improve organisation productivity. Rastogi (2000) stated that manpower is an important resource for organizations especially for employees' continuous improvement of knowledge, skills, and abilities.

Employees' performance

Organisational learning is crucial and very vital in sustaining business entities and achieving its organisational goals, these, in turn, are front-runners to better organisational performance. Thus, several scholars and professionals consider manpower development to be an essential aspect of competitiveness and connect it with knowledge acquisition where the person facilitates the professional growth of another individual that enhances organisational performance (Ofobruku and Yusuf, 2016).

Organizations to accomplish their goals, they must continually look for better ways to organise and positively influence employees work capability. Performance is important to all organizations. In fact, most of the organisations believe that they can, and will, improve at what they do when employees' performances improve over time (Temple, 2002). Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). "...performance is associated with a quantity of output, quality of output, timeliness of output, presence/attendance on the job, the efficiency of the work completed (and) effectiveness of work completed" (Mathis & Jackson 2009). Performance is the accomplishment of a given task measured against pre-set standards of accuracy, completeness, cost and speed (Business Dictionary 2013).

Theoretical framework

The theory of manpower development is rooted from the field of macroeconomic development theory (Schultz, 1993). The viewpoints of conventional economic theory, organisational manpower are considered as commodities that can be merchandised in terms of buying and selling. This traditional theory stresses on the use of workforce as resources. Highlighting the societal and economic significance of manpower principle, Becker (1993) postulated that the most treasured of all resources is that investment in organisational manpower. Furthermore Becker (1993), insisted that organisational manpower development is the knowledge benefited by the employees through training in areas of worth to the firms or organisation such as common skills in the development of the firm. Becker (1993), furthermore, avows that manpower training is one of the utmost significant investments in manpower development.

Manpower development

- Training
- Education
- Knowledge
- Skills

The notion of performance functions as applied to knowledge transfer and training are the main postulation fundamental to this association is that the funding of training and knowledge transfer generates an improvement in learning and better employees' performances. The important postulation fundamental to this association is that improved manpower development ensures, in fact, growth employees' performances. Furthermore, there is a relationship between manpower development and increased employees' performances.

Manpower Development and Employees' performance

Manpower development emphasises the improvement in two key elements (1) individual employees and (2) business organisations. Furthermore, the notion of manpower development was termed by Garavan et al., (2001) as four key features as: (a) malleability (b) competencies enhancement of employees (c) overall organizational competencies development (d) individual employees capacity to function successfully in the organisation. These imply that these qualities, in turn, boost individual and organizational values.

Collis and Montgomery (1995) maintained that the significance of manpower development hangs on the scope of its contributions and creation of economic advantage. Therefore, this implies as the exceptionality of manpower development intensifies, the SMEs organisation makes more profits due to incentives benefitted as result of reducing the risk of production and better competitive advantages. Furthermore, in this sense, organisational manpower development tends to result in better employees' performers as such aggregation of increase employees' performance would be transformed to organizational productivity specifies that is an improvement in concrete ways for greater innovativeness and this, in turn, offers positive inferences on organization performances.

Methodology

The focus group discussion (FGD) qualitative method was adopted for this study. The motive of the FGD was to reinforce and validate the outcomes from literature by the scholars (Ofobruku, 2012). Members of the FGD were randomly selected from a list of stakeholders in SMEs business existing in the six area councils of Nigeria federal capital territory (figure 1).

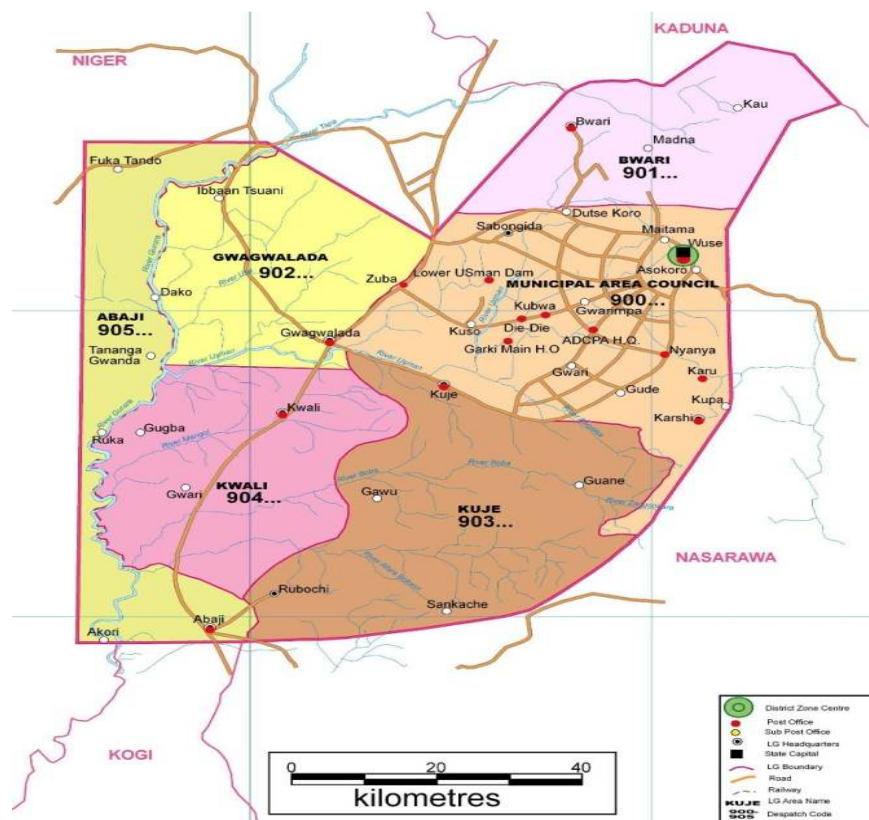


Figure 1: Map of Abuja showing the six area councils

The population of this study was the entire Small and Medium Entrepreneurs in Federal Capital Territory registered with Small and medium enterprises development agency of Nigeria (SMEDAN) as at (2014), see table 1. The Federal Capital Territory was having a total number of 2,690 registered Small and Medium Enterprises between the year 2010 and 2013.

Table 1: Showing the distributed of registered SMEs.

Industries	Population
Manufacturing	182
Accommodation & food services	321
Agriculture	39
Wholesale/retail trade	186
Transport & storage	27
Information & communication	9
Education	1,864

Administrative & support activities	60
Art, entertainment & recreation	1
Total	2690

Source; National MSME Survey Report (2014).

The convenient sample technique was used to randomly select four participants from each of the industrial segment who are managing director of the SMEs firms. A total of thirty six (36) managing director therefore took part in the focus group discussion.

The main factors considered while selecting participants were:

i, Knowledge of the subject matter.

ii, Spread, in terms of business type and the geographical representation.

The procedure for the enlistment of participants included sending of official invitation letters and afterward telephone confirmation of appearance when invited for participation. The objective of the Focus Group Discussion was to provide a platform for stakeholders to discuss factors of manpower development and employees performance in Nigeria federal capital territory.

The FGD conveyed a stress-free not a semi-strict environment that inspired participant to effortlessly contribute their views on the subject matter. A combination of small group drills and full group deliberation was employed. During the fact-finding discussions, participants were divided into six groups of six participants in each group. The authors made sure that participant who recognises each other were not in the same group. The drills were documented the small group events were built on collective team workouts. The activities were done and gathered at the end of each meeting, and response to the full group documented. The evidence collected throughout the small and whole group meetings were then fused to express a general locus of the complete FGD position on the relationship between manpower development and employees performance of SMEs in Nigeria federal capital Abuja. The FGD gained an in-depth understanding of the topic from the fact provided by SMEs business owners', experts and participants in a courteously supportive session. What was analysed, were if

investment in manpower development that includes employees training, knowledge transfer and skills development are front-runners in the enhancement of better employees' performances.

Discussion of Result

This research explored the current literature on manpower development and employees' performance. Findings from the literature that were reviewed also collaborated with the findings of FGD which revealed that there are very strong evidence that manpower development in SMEs businesses promotes innovativeness and better employees' performances. The findings, furthermore clearly substantiate the fact that employees' performance is positively impacted by the degree of investment in manpower development. In the light of the findings of this study, the improvement of employees' performances in SMEs businesses is related to the amount of effort place on manpower development.

Additionally, this study illuminated the understanding of manpower development and its relationship with employees' performances. As deliberated in the earlier discussions, investment in manpower development includes employees training, knowledge transfer and skills development programs which enhance manpower effectiveness. Based on the findings from the literature reviewed and FGD, this study, therefore, this study posited that manpower development leads to better employees' performance.

The FGD also revealed that the notion of manpower development has gone through rapid growth phases' overtime. Within the growth stages' of manpower development, much consideration was placed on skill transfer and training associated activities. This study advocated that manpower development should be seen beyond individual perspective; manpower development covers all activities geared towards the advancement of the worth of the employees' capability to create wealth. Consequently, training and skills transfer are vital elements of manpower development stock.

Conclusion

SMEs businesses should, therefore, come up with effective plans tailored towards investing on various aspects of manpower development programs as not only does it enable SMEs businesses to attain better performance but it also ensures SMEs businesses to remain competitive for survival. Manpower development also transfigures the entire workforce into the more valuable assets such that the SMEs businesses are energised for greater achievements through better employees' performance.

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