

Examining the Effect of Training and Development on Employee Productivity of Microfinance Banks in North Central Nigeria

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Paper Number: 240259

Abstract:

This study examined the effect of Training and Development (T&D) on the employees' productivity of Microfinance Banks (MfBs) in North Central Nigeria. An explanatory mixed research method was adopted. For the quantitative part of the study, closed-ended questionnaires were used for primary data collection through questionnaire surveys, while face-to-face interviews were used to collect qualitative data. This study's population covered all the 113 MfB operating in North Central Nigeria, using a census sampling technique. Data collected were reanalyzed using Structural Equation Modeling - Partial Least Squares (SEM-PLS). Similarly, a simple random sampling technique was used to select ten participants from different MfBs across the region, and thematic analysis was used to analyse the qualitative data collected. Quantitative findings revealed a positive and statistically significant effect of T&D on employee productivity of MfBs ($\beta = 0.257$; t -statistics = 3.738; and p -value = 0.002). This was confirmed by the qualitative findings, which revealed that the three T&D-related themes (technical skill acquisition, mentorship programs, and training methods) positively influence employee productivity. It is recommended that MfBs invest in task-specific T&D programs to enhance employee productivity.

Keywords: Employee, entrepreneurship, human capital, productivity, structural equation modeling.

1.1 Introduction

Globally, employees' productivity is considered a strategic factor in determining the general success and sustainability of organizations, as employees are among the most valuable assets of every organization with the capacity to either make or mar the organization (Chukwuka and Onokero, 2025). This highlights the relevance of human capital in the achievement of organizational goals, especially in highly dynamic and competitive industries like the microfinance industry in developing countries like Nigeria. Microfinance Banks (MfBs) play a vital role in providing financial services to underserved segments of the population that are either low-income earners or reside in rural communities, contributing greatly to local economic growth and development (Saka et al., 2025). They also provide: access to micro-credits for low-income individuals and small businesses; capital for start-ups and entrepreneurship development; Job opportunities; and financial literacy services which help clients to make informed financial decisions (Olaiya et al., 2025; Adeniyi and Epetimehin, 2025). Ultimately, all these are aimed at poverty reduction among the low-income earners.

In the North Central part of Nigeria, the microfinance industry is characterized with rapid changes and increasing competition, making it very important for the employees to constantly upgrade their knowledge to remain not only relevant and productive, but also adaptable and innovative. Employees of MfBs find themselves navigating through various challenges in the process of delivering financial services. They are faced with the challenges of inadequate training, poor compensation, limited career advancement, and a lack of job security (Saka et al., 2025; Igue, 2025). All these have over the years impacted on the employees' productivity of MfBs operating in the region. Furthermore, the competitive landscape and insecurity in some parts of the region have led to concerns about personal safety and stress among employees, affecting their motivation and productivity at work. Addressing these challenges is crucial for enhancing service quality, efficiency, and productivity. Therefore, increasing employee performance through targeted training and development initiatives is crucial for enhanced competitiveness, goal achievement, and sustainability.

Knowing that the success of every organisation depends on the values, attitudes, skills, and competencies of its employees highlights the important role of training and development (T&D) in improving employee performance within the organisation (Gustina et al., 2025; Shirisha Sravani, 2025). Even though this relationship between T&D and employee performance has been

well-researched across various sectors, there is a dearth of studies focusing on MfBs, especially in the context of North Central Nigeria. This study, therefore, aims to examine the effect of T&D on employee performance of MfBs in North Central Nigeria. In this study, employee productivity is used as a metric for measuring employee performance. By focusing on this grossly under-researched area, this study will contribute to existing literature and provide practical insights for policymakers (like the Central Bank of Nigeria) and practitioners in the microfinance industry (like the owners of the MfBs, employees, and customers of the MfBs).

1.2 Problem Statement

Microfinance banks operating in North Central Nigeria are confronted with different employee-related problems that militate against their productivity, including limited training opportunities, which has left employees of the MfBs unprepared in strategic operational areas like customer relations and compliance with the regulatory guidelines of the MfBs as established by the Central Bank of Nigeria. Also, poor financial compensation for employees and insufficient employee benefits (such as salaries, healthcare, and retirement plans), which have failed to meet the demands of employees, have led to dissatisfaction and a high employee turnover rate (Riroet al., 2025; Adeniyi and Epetimehin, 2025). Addressing these issues is critical for enhancing employee productivity and improving the general performance of microfinance banks in the region. Studies in extant literature have made efforts in addressing the influence of employee training and development on firm performance. However, there is a dearth of studies focusing on how training has affected employee productivity, particularly in the context of microfinance banks operating within the North Central part of Nigeria, hence the need for this study.

2.0 Literature review

2.1 Conceptual review

2.1.1 Training and Development

The concepts of "training" and "development" are distinct but complementary in work force management. Training is the process of bridging the gap between employees' current performance and the desired performance levels (Mishemi et al., 2025). Training describes the organized process of making employees acquire knowledge, skills, capabilities, and desired attitudes or behaviours to meet specific current job requirements (Mishemi et al., 2025; Hamim et al., 2025). Usually, its main aim is to advance the employees' competencies and improve their personal and professional growth within an organization (Hamim et al., 2025). Employee training is mostly short-term, conducted through

methods most convenient to the organization, either on-the-job (such as coaching, mentoring, apprenticeship, or demonstration) or off-the-job (through structured classroom environment, workshops, or seminars).

Employee development, on the other hand, emphasizes the overall growth and long-term potential of employees. Its main goal is usually to enhance personal and professional skills that prepare individuals for bigger future responsibilities. The concept of development is broader in scope, mostly involving leadership training, soft skills, and career planning, which could either be done on-the-job or off-the-job (that is, within or outside the organization) (Kesheck, 2025; Shirisha and Sravani, 2025).

Review of extant literature showed that T&D in the banking sector helps employees to acquire the skills needed to meet customers' expectations, acquire the capacity to comply with operational regulations of the industry, and mitigate risks in banking operations (Kesheck, 2025; Shirisha and Sravani, 2025). Furthermore, it fosters job satisfaction, career advancement, and employees' retention while increasing the banks' competitive advantage as well as capacity for innovation and growth (Kesheck, 2025; Shirisha and Sravani, 2025).

2.1.2 Employee productivity

Generally, productivity describes the efficiency with which goods and services are produced within an organization, measured as the ratio of output to input over a particular period (Arifyanto and Indiyati, 2025). Increased productivity shows that more output is generated either with the deployment of the same or more resources, which can bring about enhanced profitability and growth (Too, 2025). Productivity is also about effectively using the available resources (money, labour, time and materials) to ensure the achievement of set goals for employees, especially in contributing to the organization's corporate goals (Arifyanto and Indiyati, 2025; Too, 2025).

In measuring employee productivity, studies have used various metrics including: output versus input, where productivity is assessed using the output generated by an employee relative to the input of time, resources, and effort; quality of work, describing the extent to which the completed tasks meets or exceeds set standards or expected level of performance; Time-management skills, which allows people to organize and prioritize tasks, reduce distractions, and allocate their time efficiently (Siregar and Panggabean, 2025; Dursun, 2025; Caubang et al., 2025). It is also measured in the MfBs using ability to meet customers' expectations, rate of loan recovery, and volume of

financial products sold. In this study, focus is on employees' quality of the work, compliance with set guidelines, quantity of work, and efficiency in the discharge of responsibilities.

2.1.3 Training and development, and employee productivity

Training and development play an important role in increasing employees' productivity by providing them with the requisite skills and competencies to execute their assigned jobs efficiently. When organizations pay adequate attention to T&D, employees achieve a higher understanding of their responsibilities by learning new technologies, and develop soft skills (like communication and teamwork), which are critical for innovation and sustained growth (Dursun, 2025; Caubanget al.,2025). As employees acquire new skills their productivity increases, leading to improved output and quality of work. In this study, focus is on the employees' quality of work, volume of work, efficiency, innovativeness, and team-spirit among others as captured in the study's instrument of data collection.

2.3 Theoretical review

In this study, the Human Capital Theory (HCT) is adopted as the lense through which the nexus between training and employee productivity is viewed. HCT was developed by the economist Gary Becker in 1964 and assumes that both education and training constitute a major form of investment in human beings, believing that education by way of knowledge and skills makes employees become valuable assets within the organization, which increases their productivity (Hannon, 2025; Hasmin and Nurung, 2025).The theory further assumes that employees, as rational beings, always try to maximize their earnings by acquiring new skills and knowledge (Arteaga-Fonseca et al., 2025; Hasmin and Nurung, 2025). The HCT was, however, criticized for its disregard of external factors influencing productivity. Also, the theory focuses more on individual decision-making, neglecting the broader social/economic conditions affecting educational outcomes (Arteaga-Fonseca et al., 2025). Despite this criticism, this theory is considered most appropriate for this study as it offers a vital framework for a comprehensive understanding of how investments in employee training lead to enhanced productivity.

3.0 Methodology

For the quantitative part of this study, a survey research method was adopted, asclosed-ended questionnaires were used to collect data from members of the population who are managers of the microfinance banks under investigation. See Appendix I for the study's questionnaire. The population of this study

covers all 113 microfinance banks operating in the North central part of Nigeria. A census sampling technique was adopted in this study, ensuring that all members of the population were participants in the study. The data collected were analyzed using both descriptive statistics for presenting demographic results and inferential statistics, specifically Structural Equation Modeling - Partial Least Squares (SEM-PLS) for testing hypothesis.

In this study, respondents were requested to show the extent to which they agree with the options given on the closed-ended questionnaire prepared on a five-point Likert-scale, where one represented “strongly disagree”, two represented “disagree”, three represented “undecided”, four represented “agree”, and then five represented “strongly agree”. Eight items were used in measuring each of the variables, making a total of 16 items in the instrument. See this study’s questionnaire in Appendix-I. This study’s model illustrates the effect of training and development on employee productivity.

Functional model

The functional relationship between two variables in this study is expressed as follows:

$$EP = f(TD): \quad \text{direct effect} \quad (3.1)$$

Where:

EP = Employee Productivity: (Dependent variable)

TD = Training and Development: (Independent variable)

Econometric Model

$$EP = \beta_0 + \beta_1 TD + \mu \quad (3.2)$$

Where:

β_0 : Intercept

β_1 : Coefficient estimated for the variable

μ : Error term.

For the qualitative part of this study, face-to-face interviews were conducted involving ten randomly selected participants from different microfinance banks across North Central Nigeria. The interview sessions, which were audio-recorded with the express permission of the participants on condition of anonymity, lasted for about 25 minutes each. The audio recordings obtained from the interviewees were transcribed verbatim and used for thematic analysis. In this study, thematic analysis was used to analyze the primary qualitative data collected from participants following Braun and Clarke's six-

phase process of thematic analysis. (Saylor et al., 2018:45). This method of data analysis allowed the researchers to explore the diverse opinions/perceptions of the participants as regards the phenomenon under examination.

The process of thematic analysis began with the familiarization phase, which involved reading the transcribed audio recordings multiple times from a non-critical standpoint to gain an in-depth understanding of the qualitative data collected. This process allowed the researchers to not only familiarize themselves with certain meanings and contexts but also identify with the script and generate some thoughts, which will form a solid foundation for the subsequent stages of the thematic analysis. This was followed by the code generation phase. Codes were systematically generated and assigned to data. Researchers highlighted some segments of text and assigned descriptive labels that captured the core of each segment, identifying a wide-range of themes and sub-themes. Phase three involved the search for patterns based on shared characteristics or commonalities and then the identification of themes. The fourth phase was based on thematic exploration, involving the review and refining of the identified themes. In the fifth phase, the identified themes and sub-themes were clearly defined and named. The last phase involved presentation of the thematic findings including quotes from participants.

4.0 Results and Discussion

4.1 Demographic Result

The 113 questionnaires were distributed in the survey conducted involving the Microfinance Banks (MfBs) operating in the North central part of Nigeria. 106 valid questionnaires were returned to the researchers for analysis, while 7 were not returned. The survey response rate stood at 94%, which, according to Sarwono (2025), is good enough.

The three demographic indices examined in this study included the respondents' gender, work experience, and the classification of MfBs. For gender, it was found that 17% of the respondents are female, while 83% are male, showing that the MfBs surveyed have more male employees than females. Similarly, according to the respondents' work experience, 73.5% worked for 11-20 years, 18.9% 1-10 years, while 7.5% worked for more than 21 years. On classification of MfBs, 10.4% were found to be State MfBs, 44.3% are tier-1 MfBs, while 43.4% are Tier-2 MfBs, while 1.9% are National MfBs.

4.2 Measure of Central Tendencies

The measure of central tendency can be seen in Table 4.1

Table 4.1: Measures of Central Tendencies

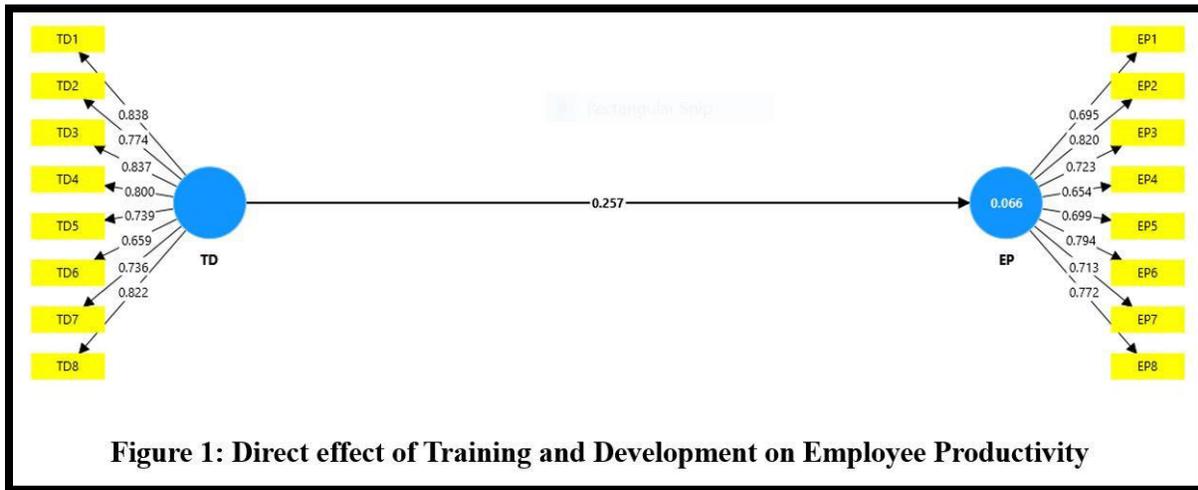
Variables	Mean	Median	Standard deviation	Excess kurtosis	Skewness	Minimum	Maximum
Independent Variables							
Training and Development							
T&D-1	3.03	3	0.86	-0.84	0.12	1	5
T&D-2	2.97	3	0.84	-0.88	0.15	1	5
T&D-3	3.02	3	0.86	-1.22	-0.04	1	4
T&D-4	3.00	3	0.84	-0.61	0.20	1	5
T&D-5	2.95	3	0.86	-0.57	0.18	1	5
T&D-6	3.04	3	0.87	-0.69	0.19	1	5
T&D-7	2.97	3	0.84	-0.88	0.15	1	5
T&D-8	3.00	3	0.86	-0.57	0.09	1	5
Dependent Variable							
Employee Productivity							
EP-1	3.00	3	0.84	-0.85	-0.10	1	5
EP-2	3.01	3	0.84	-1.14	0.18	1	5
EP-3	2.96	3	0.85	-0.44	0.17	1	5
EP-4	3.01	3	0.87	-0.70	0.07	1	5
EP-5	3.03	3	0.86	-0.84	0.12	1	5
EP-6	3.04	3	0.89	-0.65	0.09	1	5
EP-7	2.96	3	0.88	-1.33	0.07	1	5
EP-8	2.98	3	0.84	-0.84	0.13	1	5

Source: Field survey (2025)

Table 4.1 contains the descriptive statistics for the dependent variable “Employee Productivity”(EP)and the independent variable “Training and Development” (T&D).For T&D, mean score sare close to 3 (between 2.95 and 3.04), the median values are all 3, while the standard deviation values are between 0.84 and 0.87. As for the skewness values, they are generally positive, signifying a tendency towards higher agreement levels for a few items. The negative-kurtosis values (which standas low as -1.22) indicate a flatter distribution with only very few extreme responses, suggesting that the employees (responses) have very diverse but moderate perspectives about T & Dopportunities.

4.3 Measurement Model

Researchers often evaluate measurement models by determining measurement reliability and validity i.e. individual item reliability, internal consistency reliability, convergent validity, and discriminant validity. Figure 1 presents the measurement model of the study.



Internal consistency reliability results

The result of this study’s internal consistency reliability test is presented in Table 4.2

Table 4.2: Internal-consistency reliability results for T&D → EP constructs

Construct	Items	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Internal Consistency Reliability
T&D	8	0.91	0.90	0.89	Yes
EP	8	0.89	0.90	0.91	Yes

Source: Field survey (2025)

Table 4.2 presents the internal consistency reliability analysis of T&D and EP, clearly indicating that the Cronbach’s-alpha values for the constructs exceed the accepted threshold of 0.70, signifying that the items within each construct reliably measure the intended concept. The EP shows a much greater Cronbach’s alpha, with a value of 0.89. This confirms the good reliability of this construct’s measurement. The composite reliability values for both rho_a and rho_c exceed the recommended threshold of 0.70. T&D shows a rho_a of 0.90, and Composite reliability (rho_c) of 0.89. Similarly, EP presents an rho_a of 0.90, and Composite reliability (rho_c) of 0.91. Therefore, measurement

instruments used for these constructs meet recommended values for internal consistency reliability.

Convergent Validity Based on Item Loadings and AVE for T&D → EP

Table 4.3 contains the study's convergent-validity based on item-loadings and Average Variance Extracted for Training and Development and employee productivity.

Table 4.3: Convergent-validity based on item-loadings and AVE for T&D → EP

Construct	Items	Outer loadings	AVE
Employee Productivity	EP-1	0.71	0.56
	EP-2	0.69	
	EP-3	0.78	
	EP-4	0.73	
	EP-5	0.74	
	EP-6	0.79	
	EP-7	0.79	
	EP-8	0.73	
Training and Development	T&D-1	0.86	0.60
	T&D-2	0.76	
	T&D-3	0.85	
	T&D-4	0.79	
	T&D-5	0.72	
	T&D-6	0.65	
	T&D-7	0.72	
	T&D-8	0.82	

Source: Field survey (2025)

Table 4.3 presents the convergent validity of EP and T & D, showing the outer loadings of each item under its respective constructs and the Average Variance Extracted (AVE) for each construct. EP shows robust convergent validity, with all 8 items loading between 0.69 and 0.79. This consistency is reflected in its AVE of 0.56, which exceeds the minimum threshold and shows that the items adequately represent the underlying construct. For T&D, all items load above

0.65, with an AVE of 0.60, suggesting the items effectively capture the construct's essence.

Cross Loadings of Items

See the study's cross-loadings of items as presented in Table 4.4

Table 4.4: Cross Loadings of Items for T&D → EP

Items	EP	T&D
EP-1	0.705	0.148
EP-2	0.695	0.328
EP-3	0.778	0.159
EP-4	0.733	0.070
EP-5	0.742	0.151
EP-6	0.790	0.181
EP-7	0.789	0.111
EP-8	0.726	0.207
T&D	0.210	1.000
T&D-1	0.271	0.857
T&D-2	0.078	0.759
T&D-3	0.218	0.849
T&D-4	0.133	0.790
T&D-5	0.070	0.716
T&D-6	0.086	0.647
T&D-7	0.037	0.716
T&D-8	0.157	0.820

Source: Field survey (2025)

Table 4.4 is the cross-loadings of distinct items of EP and T&D. Convergent validity is established when items load strongly (≥ 0.7), yet loadings ≥ 0.6 are adequate in exploratory research (Sofiyudin and Nugraha, 2025). All items show good discriminant-validity.

Fornell-Larcker Criterion Evaluation of T&D → EP

This Fornell-Larcker Criterion Evaluation test compares the square root of the AVE as shown in Table 4.5

Table 4.5: Fornell-Larcker criterion evaluation of T&D → EP

Constructs	EP	T&D
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EP	0.745	
T&D	0.217	0.772

Source: Field survey (2025)

Diagonal elements and in bold are square roots of AVE

Table 4.5 is the Fornell-Larcker criterion output used to determine the discriminant-validity of the constructs. The diagonal values of each construct's square root of AVE is clearly reported: EP (0.745) and T&D (0.772). EP has a strong square-root of AVE (0.745) exceeding its correlations with T&D (0.217), which supports good discriminant validity for EP.

Collinearity statistics (VIF)

Table 4.6 is the VIF-values for items that measured the constructs. All VIF values fall well below the accepted threshold of $VIF < 5$, showing that multicollinearity is not a critical issue in this model.

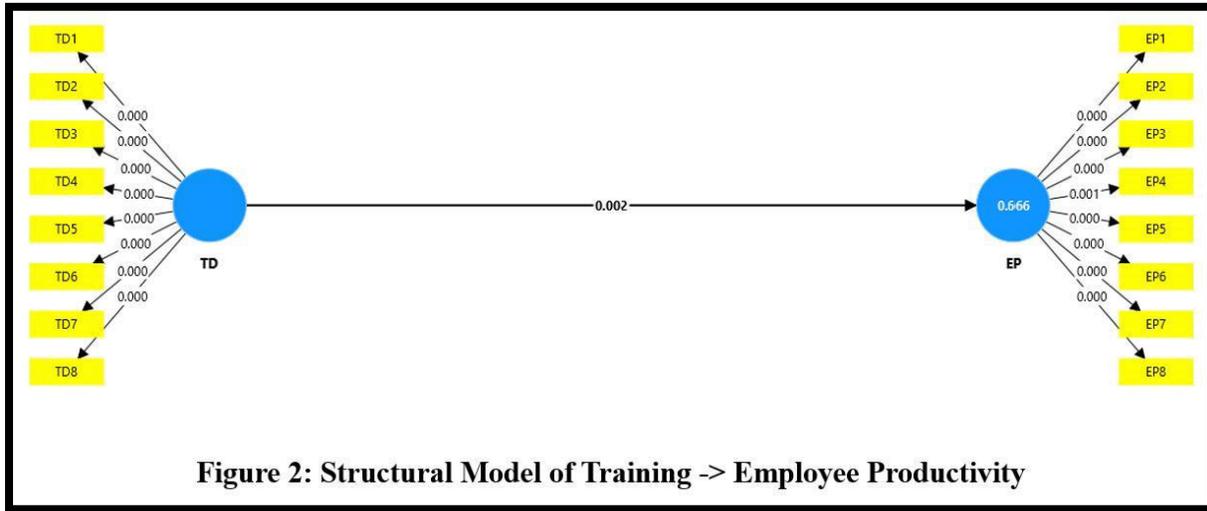
Table 4.6: Collinearity statistics (VIF) for T&D → EP constructs

Items	VIF
EP-1	1.658
EP-2	1.821
EP-3	1.934
EP-4	1.907
EP-5	1.840
EP-6	2.109
EP-7	2.125
EP-8	1.809
T&D	1.052
T&D-1	2.112
T&D-2	2.217
T&D-3	2.406
T&D-4	2.139
T&D-5	1.959
T&D-6	1.581
T&D-7	2.015
T&D-8	2.476

Source: Field survey (2025)

4.4 Structural Model Assessment

The second part of the PLS assessment is the assessment of the structural model (or inner model assessment) of the study, which involves estimating the relationship between the exogenous (predictor) and endogenous (criterion) variables as presented in Figure 2.



The structural model results in Figure 2 show the effect of T&D on EP at $p < 0.05$.

Table 4.7: Path coefficient of the model for the effect of T&D on EP

Hypotheses	Construct Relationship	Original sample (O)	Sample mean (M)	Standard deviation (ST&DEV)	T statistics (O/ST&DEV)	P values	Decision
H1: Training and development has no significant effect on employee productivity of MfBs	T&D -> EP	0.257	0.301	0.148	3.738	0.002	Significant

Source: Field survey (2025)

Table 4.7 shows the structural model's path coefficients for the study. Training and Development has a positive and significant effect on Employee Productivity, with a t-statistic = 3.738, p-value = 0.002, and $\beta = 0.257$ showing that improved training significantly increases employees' productivity of MfBs in North central Nigeria. Therefore, the study's null hypothesis, "training and development has no significant effect on employee productivity of MfBs in

North Central Nigeria”, was rejected. This findings supported by the study of Okoye and Okoye (2022),who discovered that training led to a significant increase in employees' performance of deposit-money banks in Lagos State, Nigeria. Also, Amsar et al. (2024) found that training had a significant effect on employees' performance. Similarly, Aliu and Alenoghena (2023) found a strong relationship between staff-training and the organisation's performance of deposit money banks in Lagos State, Nigeria.

Qualitative results and discussion

The demographic characteristics of the ten participants in this study are presented here, focusing on their gender, work-experience, and the classification of MfBs. As for gender, 30% of the participants are female, while 70% are male, indicating that there are more male employees in the MfBs surveyed than females. Likewise, according to the participants' work experience, 60% worked for 11-20 years, 20% 1-10 years, while the remaining 20% worked for 21 years and above. On classification of MfBs, 20% of the participants were in State MfBs, 30% were in tier-1 MfBs, while 40% are in Tier-2 MfBs, lastly, the remaining 10% works in National MfBs. Table 4.8 presents the thematic analysis of the study's qualitative data collected from ten participants, providing answers to the study's three qualitative research questions:

- How does frequent new skill acquisition enhance your productivity?
- How do mentorship programs affect your productivity?
- How does training method influence your productivity in your microfinance bank?

Table 4.8: Thematic analysis of the study's qualitative data collected from ten participants

Theme	Sub-theme	Frequency (No. of Participants)	Description (Interpretation)	Participants' Quotes
Technical Skill Acquisition	Workshop Effectiveness	5	Workshops are vital for practical skill development, enabling employees to apply new skills directly.	"Each workshop introduces tools that are immediately applicable."
	Continuous Learning	3	Continuous opportunities for skill acquisition keep employees motivated and engaged, resulting in improved productivity.	"Learning new things keeps me focused and energized at work."
	Feedback Mechanisms	2	Constant feedback during training helps individuals refine	"Immediate feedback during training

			their skills effectively.	sessions is priceless."
Mentorship Programs	Guidance and support	5	Mentorship provides important guidance, which enables employees to navigate challenges for increased productivity.	"My mentor has offered insights I didn't have before."
	Career Development	3	Participation in mentorship programs facilitates employee professional growth and can enhance career advancement.	"It has been a game changer for my productivity."
	Networking Opportunities	2	Mentorship creates networking opportunities that promotes collaboration among employees	"Connecting with other mentees has broadened my perspective."
Training Methods	Diversity of Methods	4	A variety of training methods cater to different employees needs and learning styles.	"The mixture of practical and theoretical training helps reinforce what I have learned"
	Interactive Learning	2	Interactive training sessions boost retention and emmployee motivation	"Interactive workshops keep me engaged and make learning fun."
	Practical Applications	4	Training focused on real-world applications leads to increased productivity and general organizational success.	"I can apply what I've learned right away at my job."

Source: Field survey (2025)

Theme 1: Technical skill acquisition

The theme "technical skill acquisition" was identified as an important component of training in improving employee productivity. Three sub-themes were also identified, including 'workshop effectiveness', 'continuous learning', and 'feedback mechanisms'. Most participants noted the relevance of workshops/seminars, with P1 highlighting that, "*Each workshop introduces tools that are immediately applicable,*" stressing the applicability of the skills learned during the training. P1 added that "*the evolving nature of the microfinance industry has necessitated acquisition of the latest banking skills and techniques, enabling me to complete tasks more accurately, and increasing my productivity*". P3 also indicated that "*acquiring new skills keeps me focused and energized at work,*" signaling a robust link between skill-acquisition and employee engagement. The need for continuous learning was highlighted as P2 noted, "*Frequent acquisition of new skills has been pivotal in enhancing my productivity,*" signifying that training is vital for employee growth and competitive performance. Additionally, P9 emphasized the significance of feedback, stating, "*Instant feedback during training is vital,*" suggesting that

positive feedback substantially benefits the learning process. Generally, these findings are a good indication that a well-designed approach to the technical skill-acquisition process, workshops, continuous learning, and effective feedback mechanisms are very important in enhancing employees' productivity. This finding is consistent with the findings of Olajide-Arise (2024), Hassani (2024), Almarez and Kintanar (2025), and McElhaney (2025).

Theme 2: Mentorship programs

The mentorship program was identified as the second theme, an important factor in promoting employee growth and productivity. The theme comprises three main sub-themes: 'guidance and support', 'career development', and 'networking opportunities'. Most of the participants in the study stressed the importance of building a well-organized guidance and support-structure driven by more experienced senior colleagues. P1 noted that "*My mentor has offered insights I didn't have before,*" revealing how mentorship has, over the years, helped navigate challenges confronted by new employees. P2 remarked, "*Mentorship has been a game changer for my productivity,*" signifying that mentorship substantially influences performance. Furthermore, P3 highlighted that "*taking part in a mentorship program has opened up new opportunities for employees' career advancement.*" The leadership and direction offered through mentorship was further acknowledged by P4, who stressed that, "*knowing that you have someone to turn to for advice offers great motivation.*" P5 also noted, "*The feedback I constantly get from my mentor is priceless and increases my productivity.*" These findings indicate that mentorship improves employees' overall performance and fosters collaboration among employees within the microfinance bank. This approach to employees' personal growth, in the end, enhances their productivity and organizational progress. This finding is consistent with the findings of Echendu and Obunwo (2025), Ezu and Nnabugwu (2025), Heath and Williams (2025), and Giltenane et al. (2025).

Theme 3: Training methods

Three sub-themes were identified in the thematic analysis of training methods, including: 'diversity of methods', 'interactive-learning', and 'practical applications'. Participants in the study expressed strong agreement with the use of a variety of training methods, with P1 stating that, "*The mixture of practical and theoretical training methods helps strengthen what I have learned.*" This stresses the relevance of integrating practical applications with theoretical knowledge. Furthermore, P2 stressed the usefulness of knowledge sharing during interactive sessions, noting that "*Interactive workshops often keep me engaged and make learning an interesting process,*" an indication of preference

for training methods that encourage active participation. Also, P3 and P6 are both in agreement with this position. P6 further noted that “*different training methods consider the learners' special needs and convenience, while some prefer off-the-job training method, I prefer on-the-job because of its convenience,*” suggesting the need to accommodate the different preferences/needs of employees. According to P10, “*I prefer online studies because I do not have to travel and it makes me learn faster, thereby enhancing my productivity*”. Generally, participants revealed that having access to different training methods promotes effective learning, the culture of continuous improvement, and employee productivity, ultimately contributing to the goal achievement of the microfinance banks. Ndelu and Utete (2025). Siddiqui et al. (2025), Gussanto(2025), and Musau and Muathe (2025).

5.0 Conclusion and Recommendations

The study examined the effect of Training and Development (T&D) on the employee productivity of MfBs in North Central Nigeria. Both SEM-PLS and thematic analyses were used in analyzing the primary data collected. Quantitative findings revealed that T&D has a positive and statistically significant effect on employee productivity. The qualitative findings further confirmed and explained the relationship, providing more understanding of how T&D influences employee productivity by revealing how the three T&D-related themes (technical skill acquisition, mentorship programs, and training methods) positively influence employee productivity. Therefore, to enhance the employees' productivity of the microfinance banks, training programs have to be intensified and conducted regularly for employees to acquire the most recent skills and understand the latest technologies in the day-to-day operations of their microfinance banks. These findings indicate that microfinance banks should strategically invest in employee training and mentorship to increase their productivity. Furthermore, policymakers in the microfinance industry should strengthen the mandatory training requirements for employees of microfinance banks with sanctions for institutions that fail to comply.

Theoretically, this study contributes to extant literature, particularly in the context of microfinance banks, by offering evidence-based relationships between T&D and employee productivity in North Central Nigeria. These findings highlight the relevance of T&D as an important factor affecting employee productivity. The positive effect further supports the theoretical frameworks in favour of constant employee development towards increasing their general performance and organizational goal achievement. Also, findings of this study highlight the critical role of human resource management

practices in the MfBs, stressing the need for continuous industry-tailored training programs that not only engage the employees but also are interactive and practical in nature to address specific identified training needs and improve their productivity.

The study recommends that MfBs should increase investment in training and development, prioritize access to workshops/seminars, and mentorship programs for improved employees' productivity and enhanced firm performance in general.

Limitations of the Study

This study was conducted to examine the effect of training and development on employee productivity of Microfinance banks in North Central Nigeria. Although the study was designed to be a firm-level study collecting data from only the managers of the microfinance banks, more robust data would have been collected for analysis if all employees of the microfinance banks formed the unit of analysis in the study. This may have limited the diversity of opinions and perspectives on the phenomenon examined. Also, financial constraints limited the possibility of covering the whole of Nigeria, hence the study's limitation to the North Central part of Nigeria, thus reducing the generalizability of the findings to other regions of the country.

Contribution to Knowledge

This study contributes to extant literature by empirically confirming the effect of training and development on employee productivity of microfinance banks in North Central Nigeria. The quantitative part of this study, using SEM-PLS, further confirms that the effect is primarily direct, requiring not any form of moderating or mediating variables.

Suggestions for Further Studies

Following this study's findings and conclusions, further studies are suggested in the following areas:

- Future studies should examine potential mediators or moderators that may enhance the nexus between training and employee productivity.
- Further studies should focus on how training and development affect employee productivity in the context of geographical locations other than North Central Nigeria.
- Longitudinal examination of the phenomenon should also be conducted

Disclosure Statement

The authors hereby declare that there are no relevant financial or non-financial competing interests to report. Also, no funding or grant was received by the authors to write this article.

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Appendix 1

Research Questionnaire To Whom It May Concern

Dear Sir/Madam,

Request for Completion of Questionnaire

The purpose of this research is to examine the effect of training and development on employee productivity of microfinance banks in North Central, Nigeria. I solicit your cooperation and support by way of requesting you to kindly answer all the under-listed questions truly and frankly.

I assure you that the information supplied will be treated as confidential, since it is purely for academic purposes.

Thank you for your anticipated cooperation.

Yours faithfully,

Authors

Section A: Biodata of the Respondents

Please tick (√) the most appropriate option in the boxes provided.

- 1 **Gender:** a. Male () b. Female ()
- 2 **Working experience:** a. 1-10years () b. 11-20years () c. 21years or above ()
- 3 **Classification of MfB:** a. National MfB() b. State MfB() c. Tier-1 Unit MfBs() d. Tier-2 Unit MfB()

Section B: Training and Development

Please, select (√) on a scale of 1 to 5 the extent to which you agree with statements made in the table below on various aspects of training and employee productivity. The options are given below:

SA = Strongly Agree

A = Agree

- U** = Uncertain
- D** = Disagree
- SD** = Strongly Disagree

STATEMENTS	SA	A	U	D	SD
Section B: Training and Development					
Your MfB prioritizes frequent training to enhance employees’ skills and competencies					
Your MfB strictly adheres to the capacity-building initiatives mandated by the CBN					
Employees are always allowed to go on off-the-job training to acquire new skills and knowledge					
On-the-job training directly contributes to your employees’ professional growth					
Employees have access to mentorship and coaching programs within your bank					
Your MfB provides employees with targeted training opportunities to address specific skill gaps.					
Your employees receive adequate support and follow-up after completing training programs					
Employees have access to seminars and workshops to improve their competencies.					
Employees productivity					
Employees’ quality of work consistently meets the required standards					
Employees consistently complete their required volume of work					
Employees efficiently perform their tasks without any waste of resources					
Employees get positive feedback from customers					
Employees consistently complete their tasks on time					
Employees consistently handle customer requests with zero errors or mistakes					
Employees frequently find innovative solutions to improve their jobs					
Employees have team-spirit in working with colleagues, and contribute to the overall objectives of the bank.					

Thank You

Interview questions

- How does frequent new skill acquisition enhance your employees' productivity and overall performance?
- How does mentorship programs affect your employees' productivity?
- How does training method influence employee productivity in your microfinance bank?