



Impact of Employees' Training on Organization Profitability: Implication for Business and Educational Managers

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Abstract

It is said that obstacle to employee pledge to organization arise from dearth of training to bring up-to-date skills and inspire a sense of belonging, thus lowering efficiency. In view of the preceding, this paper examined the impact of employees' training on organization profitability. Two sampling techniques (multistage and random) were used to select 269 employees out of total population of 874 employees drawn from 10 selected profit-making organizations (firms and schools) in Kwara State, Nigeria. An instrument tagged 'Training and Organization Profitability Questionnaire (TOPQ)' was adapted to collect relevant data. Statistical Package for Social Sciences (SPSS) was employed for data screening. Partial Least Square (PLS) was then used to assess the psychometric properties (i.e., to determine the measurement and structural model of the study). Finding indicates no connection between on-the-job training and organization profitability while significant link between specialized training and organization profitability was found. It is also revealed that variance explained in the exogenous model of the study is 24%, assessment of effect size show none and small size for on-the job and specialized training respectively while adequate predictive relevance was achieved. The study concludes that the importance of training cannot be underestimated; therefore, business and educational managers should provide their employees training that are needed for the growth and development of an organization.

Keywords: Training, Organization Profitability, Structural Equation Modelling, Partial Least Square (PLS)

JEL Classification: M53, M40

Paper Classification: Research Paper



Introduction

Employees are regarded as an important input that are needed to implement the policies and programmes in an organization while training and retraining of these employees is seen as a way of achieving organizational goals. Through training, the knowledge received is therefore advanced and adjusted to new innovative skills and other changes in organization. It also creates chances for the job fulfilment promotion for employees. Certainly, the benefit of training in organization is immeasurable (Ivancevich 2010; Kennedy, Chyung, Winiecke & Brinkerholff, 2013; Kariuki & Ochiri, 2017; Victoria, Umoh & Amah, 2018).

According to Industry Training Report published in 2017, the US expenditures on employees training rose meaningfully; it led to an increase of 32.5 percent which translated to \$90.6 billion dollars. For clarity, some 42% of training periods were conveyed by training facilitator in a seminar room setting while 28.6% of hours were delivered via computer-based tools, virtual webcast/classroom accounted for 14% of hours delivered, 34.7% of hours were given via blended learning techniques, while 3.6 percent of training hours were given through the use of mobile devices. This attests to the fact that training remains an important tool in an organization (Industry Training Report, 2017).

Nigeria has consistently experienced low levels of employees' training and development compared to other developed countries. Some researchers argue that failure in employees training seems to reflect Nigerian' organizational culture and economy. Also, training method in Nigeria as a basis of source of skill labour to industries for years, begs for concern. Some employers always make every possible effort to ease cost of employees training in view of the drop-in oil price in the global market and economic recession (Abomeh & Peace, 2015). Despite the foregoing, nevertheless, the study conducted by Malaolu and Ogbuabor (2013) using First Bank Nigeria's employees show that most of the employees agree that training has enhanced the efficiency and job productivity and enhanced organizational performance. This determines that training is meant to attain knowledge about the job and skills that are dynamic for employee's efficient show that can swell organizational attainment. Hence, training is necessary for improving competence and capability of employees. Likewise, a recent study conducted by Iyewa and Gberevbie (2017) using Nigerian Airtel employees concluded that training plays a key role in assisting Airtel to accomplish its goals. Hence, training is a platform that can be used to make a very substantial contribution to the overall organization development.

Taken together, the focus of the present study is to examine the impact of employees' training on organization profitability in Kwara State, Nigeria. Unambiguously, the study focuses on two phases of training, namely, on-the-job training and specialized training and how they influence organization profitability.

Literature Review

Empirical studies have given all-encompassing proof to support the view that employees' training accelerate their skills and increases commitment in organization. To start with, Boon (2006) emphasized on the significance of training employees', constant updating of skills and knowledge for improvement in Malaysian corporations. It concluded that employees see training as a privilege for them to increase their performance to grow the organization. Similarly, Poh (2001) examined total quality management as a fair research on employees' view of organization practices in non-Malaysian companies. It is found that employees' training is one of the key policies of both non-TQM and TQM companies. Ivancevich (2010) concluded that frequent training is needed for old and new employees to enhance their performance. In

support, Longnecker and Fink (2005) found that employees' training enabled them to advance their intellectual prowess in the particular aptitude and skills that are needed to be active at work and the activeness can be linked to occupation capacities and aptitudes that can increase their performance. Abomeh and Peace (2015) submit that training and development of employee is a method that can be used to transfer to them appropriate skills, competence and knowledge to expand their horizon towards performance on present jobs. In the same vein, Lawson et al (2003) confirmed that some impediments to stimulate employee pledge to organization arise from absence of training to update their job performance skills. According to Bartlett (2001), training and retraining of employee are great assets that may offer a well pay off at a future date through support and that better investment on the part of the employees draws them nearer to the organization.

On how employees' training enhances organization growth, Michael (2008) investigated the link between employee training, retention and organization turnover in South Africa and established that the goal of each training programme is to surge the value of the worker with a precise aim to gain competitive benefit over other establishments in the same industry. Kennedy, Chyung, Winiecke and Brinkerhoff (2013) averred that for any organization to accomplish its objectives in terms of profit, appropriate training for employees cannot be underscored because organization is expected to be conscious of training need of its employees and this will enable the employees to be efficient and effective. Soltani and Liao's (2010) research focused on training interventions as valuable means for organization growth in Iran and suggest that as organizations are confronted with growing competition and new contests, one of the key reasons of existence is sustaining and upgrading the skill of their employees through training. Trainings therefore are acknowledged as contributing greatly to the organizational competitiveness. Yaser's (2012) study on the link between job fulfillment and organizational pledge among employees in Jordanian Telecommunication companies. It concluded that training is indeed needed to increase the growth of the companies so that they are able to maximize profit. Similarly, the work of Milgo, Namusonge, Kanali, Nambuswa and Makokha (2014) on influence of training in Kenyan firms identified the need for constant training of employees for the growth of business. Kariuki and Ochiri 's (2017) study on employees of Githunguri Dairy Cooperative Society in Kenya focused on three types of training, which includes mentoring, benchmarking and strategic training program. It confirmed that employee training is needed for the advancement of the firm's business.

Research shows that several studies have been carried out on how employees' training contributes to the growth of organization in Nigeria. Even though most of the studies failed to specify the nature of training that employees enjoy. According to the study of Victoria, Umoh and Amah (2018), they found that advanced levels of employees' training can make a great impact in organizational efficiency and effectiveness, whereas Aroge (2012) found that training is needed for productivity to ensure success of an organization. Fasola, Osibanjo and Ojo (2014) examined the correlation between on-the-job, off-the-job training and organization competitiveness using 223 valid respondents, which were completed by employees of the selected banks in Lagos State, Nigeria. They found that strong connection taken place between the two types of training and development employees' productivity, organization growth and development. Akinyele (2007) limited his investigation to employees' perceived level of training using the staff of International Institute of Tropical Agriculture (IITA) in Oyo State, Nigeria and concluded that training is a correlate of employees' efficiency in organization. In support, Malaoulu and Ogbuabor's (2013) investigated employees' perceived level of two types of training (on-the-job training and off-the-job) by using employees of First Bank of Nigeria as case study. They found that employees tended to have high perception of training and it enhanced their competence and job productivity as

well the overall growth of the organization. Iyewa and Gberevbie's (2017) study on employees' training of Airtel Nigeria found that employees' perceived level of training is high. Other studies on training also confirmed the impact of training on organization growth in Nigeria (Abomeh & Peace, 2015; Adeniji, 2012; Adewale, Abolaji & Kolade, 2011; Aroge, 2014; Emeka, 2014; Iyewa & Gberevbie, 2017; Okereke & Nnenna, 2011).

Furthermore, studies suggest there are theories that can be used to explain the link between training and organizational growth. They include social exchange theory; social learning theory and reinforcement theory. According to social exchange theory, parties enter into and maintain exchange relationships with others with the hope that doing so will be rewarding (Blau, 2017; Mulkay, 2014; Roloff, 2015; Stafford, 2017), while social learning theory postulates that workers gain new propensities and information by observing experienced colleagues that they have assurance in and trust to be reliable (Akers, 2017; Deaton, 2015). Social learning also believes that training is inclined by workers' capacity to efficaciously acquire new skills, which can be inclined by logical confirmation, encouragement, and observation of other workers (Brown, Lee, King-Casas & Chiu, 2017; Skinner, 2014; Thomas & Simpson, 2014).

Research Questions

1. Is there any relationship between on-the job training and organization profitability?
2. Is there any relationship between specialized training and organization profitability?

Research Objectives

1. To examine the relationship between on-the job training and organization profitability.
2. To determine whether specialized training influences organization profitability.

Research Hypotheses

- H₁: There is significant relationship between on-the job training and organization profitability.
- H₂: There is significant relationship between specialized training and organization profitability.

Methodology

Research Design/Population

Since positivism paradigm, as propounded by great German Philosopher Edmund Husserl (1859-1938), postulates that social life could be investigated quantitatively via experimentation and relationship to identify the cause and outcome among variables in a study. Thus, quantitative research design is adopted for this research since survey method is used to investigate the impact of employees' training on organization profitability, as suggested by Creswell (2009). The study population consists of 874 employees of selected profit-making organisations in Kwara State, Nigeria.

Sampling Techniques

In agreement with Creswell (2009) suggestion, the least sample size that is necessary for a study hinge on the complexity and features of the variables or model. Therefore, the minimum sample size that is needed for a study is 110. Although in line with Krejcie and Morgan's (1970)

recommendation for sampling Table (population of 874= 269 sample size), 'i' 364 is used as required sample size for the present study. After that, multistage sampling technique was adopted to distribute the 269 respondents to 10 selected private organisations (5 business firms and 5 secondary schools) in Kwara State, Nigeria, while random technique was adopted to choose 364 respondents. Multistage and random sampling techniques are considered necessary and suitable for the study as suggested by Creswell (2009) and Sekaran and Bougie (2010). Tables 1 and 2 show how the respondents used for the study were selected.

Table 1: Staff Strength of 10 Selected Firms and Schools

S/N	Status	Population
Firm		
1	Private	133
2	Private	151
3	Private	146
4	Private	131
5	Private	63
School		
1	Private	57
2	Private	58
3	Private	46
4	Private	53
5	Private	36
Total		874

Table 2: Multistage Sampling Technique

	Population	Calculation	Proportionate Sampling
Firm A	133	$133 \% 874 \times 269$	41
Firm B	151	$152 \% 874 \times 269$	47
Firm C	146	$146 \% 874 \times 269$	45
Firm D	131	$131 \% 874 \times 269$	40
Firm E	63	$63 \% 874 \times 269$	19
School A	57	$57 \% 874 \times 269$	18
School B	58	$58 \times 874 \% 269$	18
School C	46	$46 \times 874 \% 269$	14
School D	53	$53 \times 874 \% 269$	16
School E	36	$36 \times 874 \% 269$	11
Total	874		269

Measure

Independent Variable

Training: Training can be defined as an act of growing the skills of employee so that he/she can perform to the expectation of organization. It also connotes those activities that are basically aim

at providing attitude, knowledge and skills essential for employment in a specific occupation. It is a constant exercise and needs to be given utmost priority when the going gets tough because it is needed to advance the efficiency and effectiveness of employees in the organization (Akinyele, 2007; Malaolu & Ogbuabor, 2013). In this study, training was measured with two types of training; on-the-job training and specialized training.

- (a) **On-the-Job Training:** This is a training that employees use to gain exact skill while they are on the job. This type of training is required to develop the employees with insufficient academic prerequisite when they were engaged specifically in a state of acute deficiency in manpower. It is equally a kind of training that employees attain inside the organization procedure (Malaolu & Ogbuabor, 2013). Meanwhile, the items used to measure on-the job training were adapted from the work Aroge (2012) and Okereke and Nnenna (2011).
- (b) **Specialized Training:** Specialized training entails training that is designed to improve employees' specific knowledge in area of their expertise. This type of training is usually acquired outside the organization unlike on-the job training. Workshops, Seminars and Conferences are some examples of specialized training that employees attend to improve their performance and grow with the organization where they work (Abomeh & Peace, 2015; Adeniji, 2012; Adewale, Abolaji & Kolade, 2011). The items used to measure specialized training were adapted from the work of Aroge (2011).

Dependent Variable

Organization Profitability: It is the extent or degree to which the organization is capable of realizing their profits subject to the restrictions of long run sustainability. It is said that organizations are prosperous if they are active, responsive to the public and their employees are pleased with the job they are doing (Adewale, Abolaji & Kolade, 2011; Poister, 2003). In the same vein, organization profitability means the extent to which their specified intentions are achieved, which include being efficient and effective, and whose profits (such as return on investment, market share and employee satisfaction) are in line with expectations of the organizations. Therefore, in this study, items used to measure organization profitability were taken from the work of Poister (2003).

Validity and Reliability of the Instrument

According to Creswell (2009), validity refers to the extent to which a test measures what it is supposed to measure. Sekaran and Bougie (2010) sees it as the accurateness or otherwise the relevance of extrapolations which are based on research. In view of the foregoing, validity of the instrument is ensured with the use of non-statistical technique. First, the instrument was given to experts in the field of educational management for their inputs. Next, experts' comments and modifications were corrected in the instrument (Creswell, 2009). Also, in order to confirm reliability of the instrument, it is subjected to pilot test where 70 employees outside the sample size were used for the study and the Cronbach's alpha of the variables are as follows: on-the job training (.86); specialized training (.93); organization profitability (.96).

Data Collection/Analysis Procedure

As suggested by Sekaran and Bougie (2010), 269 questionnaires were administered to the respondents using a cross-sectional method of data collection in research. After that, SPSS (Statistical Package for Social Sciences) was used to perform preliminary analysis of data

collected, which includes missing value, multicollinearity test, non-response bias, common method variance test, normality test and descriptive statistics of the variables (Pallant, 2010). Also, in consistent with the suggestion of Hair, Hult, Ringle and Sarstedt (2014), Partial Least Square (PLS) software was employed to calculate the measurement (items contained in the constructs) model of the study, which includes the individual item and consistency reliability, the construct validity and reliability, convergent and discriminant validity, and cross loadings. Lastly, the software was equally used to determine the structural model which includes bootstrapping, table of significance, the calculation of variance explained in the endogenous variables, assessment of effect size and assessment of predictive relevance.

Results

Assessment of PLS Path Model Results

To establish the connection between employees' training and organization profitability, two techniques were adopted to report the PLS-path results as submitted by Henseler, Ringle and Sinkovics (2009). The techniques are: (i) measurement model assessment and (ii) structural model assessment.

Measurement Model

Prior to use of PLS Software, SPSS was first employed for data screening to ensure that the data collected is free of errors. This is necessary because the PLS Software can only be used for analysing data that has been screened. For that reason, data screening was performed with the use of SPSS detect missing value and multicollinearity test etc. Meanwhile, as mentioned by Hair et al., (2014), the measurement model was determined by estimating the individual item reliability, internal consistency reliability, content validity as well as convergent validity and discriminant validity of the model. The Figure 1 below shows the estimate of the measurement model of the study.

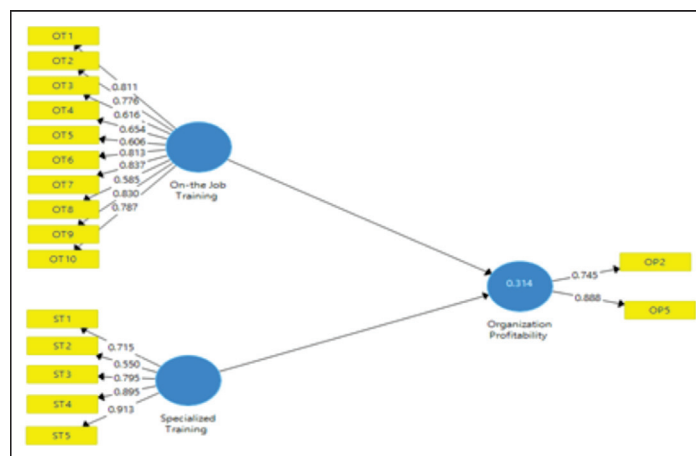


Figure 1: Measurement Model

Individual Item and Consistency Reliability

Both individual item and consistency reliability were calculated by inspecting the outer loadings of each construct as proposed by Duarte & Raposo (2010); Hair et al. (2014). In line with

standard for accepting items loading (i.e., between 0.40 and above), out of the total number of 22 items contained, only 5 items were removed because they show loadings less than satisfactory standard of 0.40. Hence, only 17 items were found to be usable because they had good loadings (0.550 and 0.913). Similarly, according to Sun et al., (2007), internal consistency reliability can be defined as the extent or degree to which the complete items on a specific scale measure the same concept. Even though studies show that Cronbach's alpha and composite reliability are the most commonly used estimators of the internal consistency reliability of an adapted instrument (Peterson & Kim, 2013). Thus, to achieve good consistency reliability, composite reliability coefficient is used to establish the suitability of the internal consistency reliability measures. Two valid reasons for the adoption of composite reliability coefficient in the present study are first, it affords a much less partial evaluation of reliability than Cronbach's alpha coefficient because the later agrees that all items have the same impact to its construct without minding the actual influence of individual loadings of items (Gotz, Liehr-Gobbers & Krafft, 2010).

Second justification for the use of composite reliability coefficient is that it is likely for Cronbach alpha to over or under-estimates the consistency scale. Thus, composite reliability takes into attention the indicators with diverse loadings and it can be easily understood in a similar way as Cronbach alpha. Nevertheless, the determination of internal consistency reliability using composite reliability coefficient is centred on the standard recommended by Bagozzi and Yi (1988) who submitted that composite reliability coefficient should be loaded at minimum of 0.70 or above. As displayed in Table 4, the composite reliability in this study ranged from 0.802 to 0.922, with each of the construct above minimum level of 0.70, demonstrating good internal consistency reliability of the measures.

Table 3: Construct Validity and Reliability

Construct	Cronbach Alpha	Composite Reliability	Average Variance Extracted (AVE)
On-the -Job Training	0.907	0.922	0.544
Organization Profitability	0.836	0.802	0.672
Specialized Training	0.844	0.886	0.616

Convergent and Discriminant Validity

According to Hair et al. (2014), convergent validity is the extent to which items in the constructs correctly represent the intended latent construct and really must link with other measures of the similar latent construct. In order to accomplish adequate convergent validity, the Average Variance Extracted (AVE) of each construct was used to determine it based on the suggestion of Fornell and Larcker (1981). Moreover, Chin's (1998) recommendation that the AVE of each construct should be loaded at 0.50 or above was followed. In line with Chin's (1998) study, the AVE values in this study show high loadings (> .50) on their individual constructs, demonstrating good and reliable adequate convergent validity.

Furthermore, according to Duarte and Raposo (2010), discriminant validity is the degree to which a certain latent construct differs from other latent constructs. To establish acceptable discriminant validity in this study, certain procedures were followed. First, the connections among the latent constructs with the square roots of AVE were compared. Second, the discriminant validity was examined by relating the indicator loadings with other indicators in the cross loadings made from the PLS software. Third, the rule of thumb for evaluating discriminant validity was followed. The rule is that the square root of the AVE must be more than the

relationships among latent constructs. Therefore, the values of the AVE in this study range between 0.544 and 0.672 as earlier displayed in Table 4, demonstrating satisfactory values. Fourth, the relationships among the constructs were compared with the square root of the AVE (values in bold face). Table 4 displays that the square roots of the AVE were all higher than the relationships among constructs, signifying satisfactory discriminant validity.

Table 4: Discriminant Validity

	On-the Job Training	Organization Productivity	Specialized Training
On-the Job Training	0.738		
Organization Profitability	0.309	0.820	
Specialized Training	0.580	0.560	0.785

Table 5: Cross Loadings

Constructs	On the Job Training	Organization Profitability	Specialized Training
OP2	0.745	0.545	0.310
OP5	0.888	0.388	0.527
OT1	0.422	0.811	0.367
OT2	0.186	0.776	0.311
OT3	0.116	0.616	0.180
OT4	0.445	0.654	0.225
OT5	0.316	0.606	0.389
OT6	0.163	0.813	0.163
OT7	0.127	0.837	0.331
OT8	0.115	0.585	0.386
OT9	0.240	0.830	0.237
OT10	0.198	0.787	0.115
ST1	0.306	0.169	0.715
ST2	0.517	0.430	0.550
ST3	0.568	0.573	0.795
ST4	0.311	0.512	0.895
ST5	0.427	0.151	0.913

Assessment of Significance of the Structural Model

After scrutinizing the psychometric properties of the measurement model, then the structural model was scrutinized to establish the relationship between training and organization profitability. To achieve the foregoing, suggestion of Henseler et al., (2009) procedures was followed. Thus, adequate bootstrapping technique was applied to estimate the significance path coefficients. Also, the variance explained in the endogenous variable, the effect sizes of the latent variables as well as construct cross-validate redundancy were examined. Figure 2 and Tables 6, 7, 8 and 9 show the estimates of the structural model of the study.

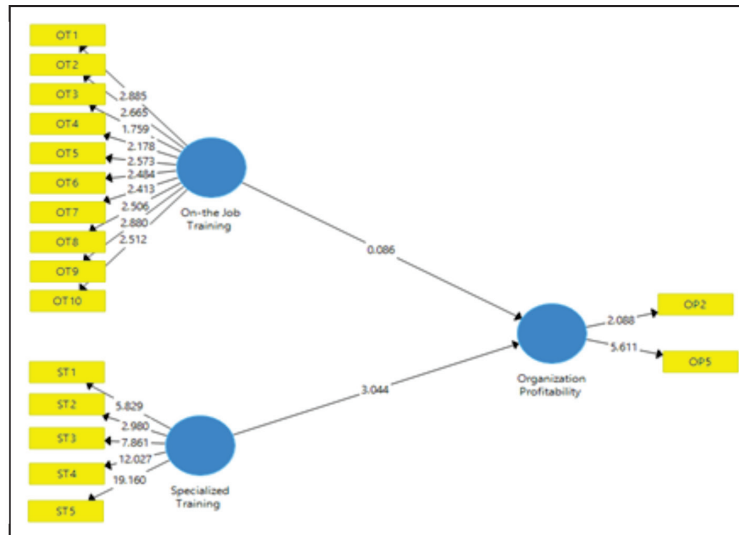


Figure 2: Structural Model

Table 6: Table of Significance

	Mean	Std. Dev.	T Statistic	P Values	Decision
On-the-Job Training and Organization Profitability	0.120	0.265	0.089	0.929	Not Supported
Specialized Training and Organization Profitability	0.516	0.192	2.995	0.003	Supported

Table 7: Variance Explained in the Endogenous Latent Variable

Latent Variable	Variance Explained (R2)
Organization Profitability	.231 (24%)

Table 8: Effect Sizes of the Latent Variables Based on Cohen’s (1988) Recommendation

Endogenous Variable	Exogenous Variable	R-squared Included	R-squared Excluded	f-squared	Effect size
Organization Profitability	On-the job training	.258	.257	.001	None
	Specialized training	.258	.247	.015	Small

Table 9: Construct Cross-Validate Redundancy (Q2 Value)

Total	SSO	SSE	1-SSE/SSO
Organization Profitability	1396	1477.11	.168

Discussion

The findings of the study are discussed in this section so as to offer responses to the research questions, and to guarantee that the set objectives are achieved.

The first research question asks if there is link between on-the-job training and organizational profitability. Based on hypothesis 1 which postulates a significant relationship between on-the-job training and organizational profitability, the study reveals that no relationship exists between

the two ($\beta = -0.120$, $t = 0.089$, $p < 9.929$). It implies that despite on-the-job training that employees received in the organization where they work; it does not have any influence on organizational profitability. The finding is synonymous with the study of Harbinson (1973) who established that employees' training has no positive contribution to the growth of the organization where they work. Similarly, Malaolu and Ogbuabor found that training had no impact on manpower development of organization. Three possible reasons may be responsible for the finding of the current study. First, this may be due to the complexity of the training and those internal variables (e.g. distraction from colleagues) which interplay to limit the impact of the training. Second, this may also be since employees receive weak training and it has not been understood. Third, the training development cannot be said to be dynamic if there is no improvement in social change towards training, and that the real type of on-the-job training is the one initiated by the employees themselves.

The second research question is based on relationship between specialized training and operational profitability. Based on hypothesis 2, which predicts a significant association between specialized training and organizational profitability, finding indicates a significant link between specialized training and organization profitability ($\beta = 0.516$, $t = 2.995$, $p > 0.003$). Therefore, it means that when specialized trainings such as workshops, seminars and conferences are attended by the employees; the tendency for increase in organizational profitability will be high because employees must have acquired adequate knowledge which they are expected to bring to bear in the organization where they work. The findings is in tandem with the work of Kennedy, Chyung, Winiecke and Brinkerholff (2013) who found that for organization to achieve its objectives in terms of profit making, sufficient and relevant specialized training for employees' improvement cannot be underestimated because organization is likely to be aware of essential training need of its employees that will support them to optimally make use of their workers so as to ensure actualization of the organization goals. Similarly, Michael's (2008) study is also in line with this finding. He found the impact of training using motivational approach and that the main goal of training programme is to increase the value of the worker with a detailed aim to gain competitive benefit over other establishments in the same industry. Soltani and Liao's (2010), whose focus is on training interventions as valuable means for organization growth found that one of the keys of organization existences is improving the skills and competence of their employees, which ultimately leads to organization making earnings. According to the study of Victoria, Umoh and Amah (2018), advanced levels of employees' training makes a great in impact in organizational competence and effectiveness, while Aroge (2012) concluded that training is needed for productivity to ensure success for organization. Similarly, the study of Fasola, Osibanjo and Ojo (2014) examined the relationship between employees' specialized training and organization growth and development was used to support the current finding on the nexus between specialized employees' training and organizational profitability. The studies of Iyewa and Gbervbie's (2017) and Malaoulu and Ogbuabor's (2013) found that employees' training tended to have high perception of training and it enriched their competence, productivity as well the overall growth of the organization. Other studies whose findings are consistent with the current finding confirmed the impact of training on organizational growth (Adeniji, 2012; Adewale, Abolaji & Kolade, 2011; Aroge, 2014; Emeka, 2014; Okereke & Nnenna, 2011). Similarly, social exchange and reinforcement theories support the finding on relationship between specialized training and organization profitability. While social exchange theory postulates that parties enter into and maintain exchange relationships with others with the hope that doing so will be rewarding (Blau, 2017; Mulkay, 2014; Roloff, 2015; Stafford, 2017), reinforcement theory suggests that training is a considerate device to make job fascinating to the employees to improve themselves for ideal work performance, which can lead to stimulating employee for outstanding creativity as a result of the knowledge and skill acquired via training (Brown et al., 2017; Skinner, 2014).

Furthermore, Hair et al., (2014) recommend an important standard to calculate the structural model in PLS-SEM analysis. Precisely, they are of the opinion that R-squared value, which is also named coefficient of determination, is a standard for calculating the structural model because R-squared value indicates a substantial proportion in the dependent construct that can be best explained by one or more predictor construct. Even though, it is suggested that the adequate and acceptance level of R-squared value of 0.10 is considered as least satisfactory level, Chin (1998) suggests that R-squared values of 0.33, 0.067 and 0.19 can also be considered or taken as substantial, weak, and moderate respectively. Thus, as displayed in Table 7, the R-squared value of variance explained in the endogenous variable of the study is 0.241 (24%), which can be considered as substantial.

Equally important, the study examined the effect size of the study model. As presented earlier in Table 8, the effect sizes for on-the-job training and specialized training constructs were 0.001 and 0.15 respectively. Therefore, in line with Cohen's (1988) approval, the effect sizes of the two exogenous (on-the job training and specialized training) latent variables can be considered as none and small respectively. Following Cohen's (1988) rules or guidelines, the effect sizes of the two variables on organizational profitability can be interpreted as none and small in this study. In addition, this study examined the predictive relevance of the model, as advised by the study conducted by Geisser (1974) and Stone (1974). This was accomplished through blindfolding method because the predictive relevance is usually used to assess the goodness-of-fit in PLS-SEM analysis. To assess the predictive relevance in this study, cross-validated redundancy measure Q^2 , which was used to establish the predictive relevance. According to Chin (1988), Q^2 is a criterion that can be used to examine how well a model foretells the data of the misplaced cases. Going by Henseler et al.'s (2009) suggestion that a research study with Q^2 statistics (s) greater than zero should be considered to have a predictive relevance. Thus, Table 9 depicts the results of predictive relevance of the model.

Taken together, this study has made a significant contribution to the growing body of knowledge in three folds; practical, theoretical and methodological contributions. From practical perspective, findings of the study will help organization managers on how to provide quality training that is needed to improve employees' knowledge which will enable them to be more efficient and effective in discharging their duties so as to enhance the growth and development of the organization. From theoretical perspective, the use of social exchange theory which postulates that parties enter into and maintain exchange relationships with others with the hope that doing so will be rewarding (Blau, 2017; Roloff, 2015; Stafford, 2017) has been validated in this study because finding revealed a significant relationship between specialized training and organization profitability. Likewise, the application of reinforcement theory which assumed that training is a tactical apparatus to make job remarkable to employees, which can lead to creativity as a result of training attended has been validated in this study. From methodological perspective, there are two contributions (Brown et al., 2017; Skinner, 2014). First, the adaption of instrument from previous studies (e.g. Malaolu & Ogbuabor, 2013), which was used to collect relevant data was subjected to modification to align with context of the present study because some of the items in the original instrument were discarded and new items were added. Second, past studies indicate that Partial Least Square (PLS-SEM) software has not been used for data analysis on the relationship between employees' training and organizational profitability in Nigeria, thus the use of the software for considering the psychometric properties of the measurement (i.e., individual item and consistency reliability; convergent and discriminant validity) and structural (assessment of variance explained; assessment of effect size and assessment of predictive relevance) model of the study is a huge contribution.

Implication for Business and Educational Managers

Based on the findings, the study has successfully provided answers to research questions of the study as well as ensured that research objectives were achieved. Therefore, it can be said that employees' training is needed for the growth and development of organization. Even though no relationship was found between employees' on-the-job training and organizational profitability, nevertheless this study emphasizes the importance of employees' specialized training in improving organization profitability. Thus, the findings have several implications for business and educational managers. They are stated below:

1. Business and educational managers should ensure that training that is important to organizational objectives should be given to employees; this will help to upsurge the competitiveness of the workers as they will be reinvigorated with necessary skills and current developments within the industry.
2. They should ensure that enabling environment is provided for employees so as to enable them to perform tasks, which includes opportunity to put into practice the new skill and aptitude they acquired.
3. They should ensure proportionate monetary reward to employees, possibly, reimburse them for the rigors experienced in obtaining the new skill and competence.
4. They should endeavor to promote employees on-the job training in the organization. This can be achieved through employee observation of experienced colleagues in which they can learn new skills from them which will be beneficial not only to the employees, but also for the growth of the organization.
5. Employees training should be provided frequently and not based on existence, that is, conducting training for workers only when an organization is aggravated with certain difficulties.

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