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EFFECT OF HUMAN CAPITAL DEVELOPMENT ON THE PERFORMANCE OF THE INDUSTRIAL TRAINING FUND IN IMO STATE, NIGERIA

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ABSTRACT

This study examined the effect of human capital development on the performance of the Industrial Training Fund (ITF) in Imo State, Nigeria. The study was motivated by the need to address challenges of inadequate skills, weak vocational training, and low productivity that existed before the establishment of ITF. Guided by Human Capital Theory, the research adopted a mixed-method design comprising survey and documentary approaches. A sample of 126 respondents was drawn from a population of 184 staff using stratified and simple random sampling. Data were collected through structured questionnaires and documentary sources, validated by expert review, and tested for reliability with a Cronbach's Alpha of 0.827. Analysis was conducted using descriptive and inferential statistics, including Pearson correlation and multiple regression at a 5% significance level. Findings revealed that training programs ($\beta = .420$, $p < .001$), skills acquisition ($\beta = .410$, $p < .001$), and staff capacity building ($\beta = .455$, $p < .001$) significantly enhanced ITF performance, productivity, and service delivery. The study concluded that human capital development is central to ITF's efficiency and effectiveness and recommended strengthening training, diversifying skills programs, and institutionalizing continuous staff capacity building to sustain organizational growth.

Keywords: Human Capital Development; Performance; Industrial Training Fund.

Introduction

The rapid transformation of economies in the 21st century has heightened the importance of human capital development as a critical driver of institutional and organizational performance. Globally, efforts were made to invest in training, skills acquisition, and employee development to strengthen productivity and innovation. Recent studies, such as Becker (2018), have shown that

institutions that prioritize human capital development enjoy higher efficiency, improved performance, and sustainable growth in both public and private sectors. Similarly, Armstrong (2019) noted that global competitiveness is now largely determined by the capacity of organizations to invest in their workforce, emphasizing the role of structured training programs in driving institutional performance. In Africa, efforts were made to address the challenges of underdeveloped workforce skills, weak institutional capacity, and limited investment in professional training. Recent studies, such as Osei (2020), have shown that human capital development remains the foundation for organizational growth and national economic advancement, as institutions that underinvest in employee development often experience stagnation in performance. Similarly, Ncube (2021) observed that in several African nations, structured workforce training and development initiatives have directly improved public sector service delivery and private sector competitiveness, thereby reinforcing the critical role of human capital investment.

In Nigeria, efforts were made to strengthen institutional training and development through agencies like the Industrial Training Fund (ITF), which was established to promote manpower development and enhance workforce efficiency. Recent studies, such as Adebayo (2019), have shown that organizations that embraced training and capacity development programs experienced increased employee productivity and enhanced institutional outcomes. Likewise, Eze (2020) revealed that the strategic application of human capital development initiatives in Nigerian organizations, including governmental training schemes, has significantly influenced organizational survival and effectiveness in dynamic and competitive environments. Recent statistics from the National Bureau of Statistics (NBS, 2022) have shown that human capital development contributes to about 45% of improvements in organizational productivity and efficiency across Nigerian industries, underscoring its importance as a determinant of institutional success.

This study becomes imperative because the outcome of the assessment or evaluation of human capital development on the performance of the Industrial Training Fund in Imo State would provide practical implications as well as assist relevant stakeholders in making informed decisions for future organizational improvement. Specifically, assessing the degree to which human capital development affects the ITF's performance will help identify strengths, weaknesses, and opportunities in its training programs and workforce development initiatives. This study, therefore, seeks to

examine the effect of human capital development on the performance of the Industrial Training Fund in Imo State, Nigeria.

Statement of the Problem

The objective of the Industrial Training Fund (ITF) on human capital development in Imo State, Nigeria, cannot be overemphasized, this is because the Fund was introduced to address challenges of inadequate skills development, poor manpower planning, weak technical and vocational training, graduate unemployment, and low workforce productivity that are associated with industrial growth and sustainability (Okafor, 2021). These challenges can undermine national development, competitiveness, and the ability of industries to meet global market demands. Statistics have also shown that Nigeria's youth unemployment rate stood at 53.4% in 2022, with skill gaps being a major contributing factor (National Bureau of Statistics [NBS], 2022). Recent empirical studies have also shown that investment in human capital significantly improves organizational performance, productivity, and service delivery when adequately implemented (Adeleke & Adeoye, 2021; Ibrahim, 2023; Nwachukwu, 2024). Several initiatives such as vocational skills acquisition, staff training workshops, apprenticeship schemes, and managerial development programs were introduced by ITF to address these problems. Despite all these efforts, no empirical study to the knowledge of this researcher has been conducted in Imo State to examine or evaluate the impact of human capital development on the performance of ITF that could provide practical recommendations to policymakers and other stakeholders. It is in view of this reason this study becomes imperative. Therefore, the statement of the problem for this study is to ascertain the extent to which human capital development has an effect on the performance of the Industrial Training Fund in Imo State.

Objectives of the Study

The broad objective of this study is to examine the effect of human capital development on the performance of the Industrial Training Fund in Imo State. The specific objectives are to:

i. Ascertain the extent to which training programs have enhanced ITF performance in Imo State.
ii. Examine the effect of skills acquisition programs on organizational productivity of ITF.
iii. Assess the effect of staff capacity building on service delivery in ITF.

Research Questions

The study seeks to answer the following research questions:

i. To what extent have training programs enhanced ITF performance in Imo State?

ii. What is the effect of skills acquisition programs on organizational productivity of ITF?
iii. How does staff capacity building affect service delivery in ITF?

Hypotheses of the Study

The following null hypotheses were formulated to guide the study:
i. Ho1: Training programs have no significant effect on ITF performance in Imo State.
ii. Ho2: Skills acquisition programs have no significant effect on organizational productivity of ITF.
iii. Ho3: Staff capacity building has no significant effect on service delivery in ITF.

Conceptual Review

Human capital development is defined as a strategic and continuous investment in people through education, training, skills upgrading, and capacity improvement aimed at enhancing productivity and organizational growth, as argued by Becker (1993). It is a multidimensional concept that emphasizes the value of employees as assets whose knowledge, competencies, and creativity contribute directly to economic and institutional progress. Human capital development integrates the idea that well-trained and motivated staff can deliver more innovative solutions, achieve greater efficiency, and sustain competitive advantage within organizations, thereby strengthening both institutional performance and overall socioeconomic development (Barro, 2001; Schultz, 1961).

Staff performance is described as the measurable outcome of employees' contributions toward organizational goals, often assessed in terms of efficiency, effectiveness, innovation, and goal achievement, as noted by Armstrong (2014). Staff performance reflects not only the technical abilities of workers but also their commitment, attitudes, and adaptability to organizational demands. It is a construct that bridges individual effort with organizational productivity, highlighting how job satisfaction, work environment, and incentives influence outcomes. According to Dessler (2015), staff performance serves as a critical indicator for managers to determine workforce strengths and weaknesses for strategic decision-making and resource allocation.

Training programs are seen as organized activities designed to impart knowledge, develop technical competencies, and foster new behavioral skills that improve both individual and organizational effectiveness, as emphasized by Noe (2017). Training programs cover a wide range of methods, including workshops, simulations, on-the-job coaching, and digital learning platforms. The primary aim is to close the gap between existing and desired employee skills while

also promoting long-term career growth. According to Goldstein and Ford (2002), training programs are an investment in human capital that supports adaptability and innovation in dynamic business environments.

Skills acquisition programs are processes whereby individuals are systematically exposed to experiences, tasks, and structured opportunities that enhance their ability to learn, apply, and refine relevant skills for professional success (Akinyemi, 2013). These programs emphasize technical, cognitive, and interpersonal capabilities that support workplace adaptability and performance excellence. Skills acquisition programs often target areas such as digital literacy, problem-solving, communication, and leadership, which are critical for competitive employability. According to Okoye and Ezejiofor (2013), skills acquisition is essential in developing competencies that help workers remain relevant in an ever-changing labor market and foster innovation-driven growth.

Staff capacity building is referred to as a comprehensive process of enhancing the abilities, knowledge, and effectiveness of employees to carry out organizational roles more efficiently and innovatively (Morgan, 2006). Capacity building encompasses structured learning, mentorship, experiential knowledge transfer, and institutional support mechanisms. According to United Nations Development Programme (UNDP, 2009), it goes beyond individual learning to include strengthening systems and structures that support employees' performance. Staff capacity building is a deliberate effort that prepares workers for emerging challenges and opportunities, thereby ensuring organizational resilience, innovation, and sustainability in competitive environments.

Theoretical Framework

The study adopted Human Capital Theory as its theoretical framework. The theory was propounded by Theodore Schultz in 1961. The justification for this choice was the fact that the study examined the link between human capital development and organizational performance, which aligned with Schultz's emphasis on education and training as investments that improve productivity. This theory believed that education, training, and skill acquisition were critical for enhancing individual and institutional efficiency (Schultz, 1961). The Industrial Training Fund (ITF), as an organization designed to enhance workforce capacity through training and development, reflected the basic assumptions of the theory, making it a fitting foundation for the research.

The basic assumptions of Human Capital Theory were that human skills and

competencies could be enhanced through structured investment in education, training, and continuous learning (Becker, 1964). It emphasized that individuals and organizations that invested in staff capacity building and training programs achieved higher levels of productivity, innovation, and economic performance. Furthermore, the theory assumed that such investments generated long-term returns both to the individual employee in terms of higher wages and to organizations through improved performance (Becker, 1964). In the context of ITF in Imo State, the assumptions resonated with the institution's objectives of promoting sustainable human resource development through training interventions and staff development initiatives.

Despite its usefulness, Human Capital Theory had been criticized for being overly focused on economic returns while downplaying social and structural factors that influenced employee performance (Livingstone, 1997). Critics also argued that the theory placed disproportionate responsibility on individuals and organizations to invest in education and training, often ignoring institutional inequalities and barriers in access to human capital development opportunities. Furthermore, some scholars contended that the theory assumed a linear and automatic relationship between training and productivity without adequately considering workplace environments, policy constraints, or managerial practices (Marginson, 1997). Nevertheless, these criticisms did not invalidate the broader applicability of the theory but rather suggested that complementary perspectives might enrich its use in specific contexts.

The relevance of Human Capital Theory to this study was that it provided a framework to analyze how investments in staff training, skills acquisition programs, and capacity-building initiatives contributed to the performance of ITF in Imo State. Since the ITF was established to bridge skill gaps in industries through human capital development, the application of this theory explained the rationale behind linking training and development programs with organizational growth and efficiency. It also justified examining the extent to which human capital initiatives impacted the productivity, efficiency, and sustainability of ITF's operations in Imo State. Thus, Human Capital Theory offered a clear lens to interpret the relationship between training investments and institutional performance outcomes.

In summary, the adoption of Human Capital Theory as the theoretical framework for the study was appropriate because it emphasized the significance of knowledge, skills, and training as determinants of performance. The

theory aligned with ITF's mission and activities, which focused on workforce training and development. Though criticized for economic reductionism, its assumptions about the value of investing in human capacity provided a robust basis for investigating the effect of human capital development on ITF performance in Imo State. By grounding the study in this theory, it was possible to establish a strong conceptual foundation that linked training programs to measurable organizational outcomes.

Empirical Literature Review

Study by Joseph Odia, Oku-Ukpong & Odia (2024) examined human-capital development practices and firm performance in Imo State. The authors adopted a descriptive survey research design; data were collected with a structured questionnaire administered to the entire accessible population of 96 registered business organizations in Imo State; analysis used descriptive statistics (means) and inferential checks reported in the paper. Findings revealed that both developmental human-capital practices (training, developmental investments) and collaborative human-capital practices positively influenced market share and customer satisfaction — taken as indicators of firm performance — with mean scores above the acceptance criterion (3.03 > 2.50) and consistent positive patterns across items. The study recommended that management should prioritise developmental and collaborative HCD practices (regular training, career development programs, collaborative learning) to improve market share and customer satisfaction, and encouraged broader organisational uptake of HCD as strategic capital expenditure. The authors also urged periodic assessment of HCD outcomes to improve program targeting.

Study by Masyhuri, Achmad Sudiro, Sri Palupi Prabandari & Desi Tri Kurniawati (2024) examined the effect of human capital on organizational performance in service firms during Industry 4.0 in Indonesia. A cross-sectional survey design with purposive sampling of 305 managers (self-administered online questionnaire) was adopted; structural equation modelling (PLS-SEM, SmartPLS 3) was the technique of analysis. Findings revealed that human capital significantly and positively affects organizational performance directly and indirectly via two mediators — organizational innovation and organizational learning. Path coefficients and significance levels show human capital → innovation (0.607, $p < .001$), human capital → learning (0.590, $p < .001$), and human capital → performance (0.303, $p < .001$); mediation tests confirmed partial/ full mediation pathways. The study recommended that service managers invest in cognitive,

behavioral and emotional skills, and implement continuous learning and innovation programs to leverage human capital for performance in Industry 4.0 contexts. It also recommended developing policies that promote manager participation in knowledge sharing and individualized mentorship.

Study by Lekan-Akomolafe (2023) examined the influence of human capital development on organizational effectiveness of manufacturing firms in South-East Nigeria. The study adopted a descriptive research design; data were collected via questionnaire from a sampled population of 280 (248 valid responses) drawn from three listed manufacturing firms in Abia, Imo and Enugu states; multiple regression was used for analysis. Findings revealed that human-capital investment, career development and competency-based assessment all exerted positive and statistically significant effects on organizational effectiveness (model $R = .894$, $R^2 = .768$, adjusted $R^2 = .749$; coefficients significant at $p \leq .05$). The authors concluded that HCD explains a large share (~74.9%) of variance in organizational effectiveness and recommended that manufacturing firms prioritize investment in HCD — career management systems, competency assessment, continuous training — to boost productivity and effectiveness. The study also advised regulators and firm management to embed competency-assessment frameworks and career pathways for talent retention.

Study by Okoye, Xiaoxian and Yongsheng (2022) examined the effect of human-capital development on SME performance in South-East Nigeria. A survey research design was adopted; semi-structured interviews and primary data collection from SMEs were used; data presentation employed frequency, percentages and mean tables and hypothesis testing used z/t statistics. The technique of analysis included descriptive statistics and hypothesis testing (z-test / t-test). Findings revealed employed training and skills-acquisition interventions had statistically significant positive effects on SMEs' financial and non-financial performance (e.g., z statistic ≈ 31.23 and 30.27, $p = .000$), indicating that targeted HCD raises SMEs' productivity and innovativeness. The study recommended that SMEs and policymakers invest resources in structured training and skills programs, broaden HCD beyond basic training to include mentoring and measurable outcomes, and measure additional constructs (e.g., mentoring, on-the-job learning) to better capture the HCD → performance pathway.

Study by Mabum (Kwasen) (2023) assessed the effect of human-capital development on personnel performance in the Industrial

Training Fund (ITF), Jos (a student/project study). The study employed a mixed-methods approach (quantitative survey of ITF personnel plus qualitative interviews/document analysis); data collection included questionnaires and interviews; analysis combined descriptive statistics (percentages), hypothesis testing, and thematic discussion for qualitative data. Findings showed overwhelming support for the positive influence of HCD programs on personnel performance within ITF (e.g., 97.22% of respondents reported performance improvements post-training), while funding constraints and uneven access to continuous training emerged as challenges (circa 27.8% noted funding shortfalls). Recommendations included strengthening investments in HCD programs, improving funding mechanisms, institutionalizing continuous career development and promotion pathways, and more rigorous monitoring and evaluation of HCD outcomes within ITF. As a project report, the study also called for larger, multi-site empirical studies across ITF zones.

Gaps in Literature

While these above studies were on "Human capital development practices and performance of business organizations in Imo State" (Odia et al., 2024); "The effect of human capital on organizational performance in the service industry 4.0" (Masyhuri et al., 2024); "Human capital development and organizational effectiveness of manufacturing firms in South-East Nigeria" (Lekan-Akomolafe, 2023); "Effect of Human Capital Development on the Performance of Small and Medium-Scale Enterprises in the South-East Region of Nigeria" (Okoye et al., 2022); and "Assessment of the effect of human capital development on personnel performance in Industrial Training Fund (ITF), Jos" (Mabum, 2023); the study design adopted in these works was primarily descriptive survey or cross-sectional (Odia et al., Masyhuri et al., Lekan-Akomolafe, Okoye et al.), with Mabum using a mixed methods student project design; and the only techniques of analysis reported were descriptive statistics, multiple regression or PLS-SEM, and basic hypothesis tests (z/t). The findings consistently show positive HCD → performance relationships. These studies differ significantly from the current study on the "effect of human capital development on the performance of the Industrial Training Fund in Imo State, Nigeria" in several aspects: studied areas (most studies focus on firms, SMEs or a single ITF location — Jos — rather than ITF Imo State specifically), sampling frames (few used the entire organizational population or multi-zone ITF data), and methods/techniques (very few used inferential models tailored to the peculiarities of public training agencies like ITF — e.g., panel/longitudinal designs, Pearson correlation with SPSS as you plan, or

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mixed methods with rigorous M&E metrics). Also, proxies differ: many studies use market share, customer satisfaction, organizational effectiveness, or innovation as outcomes, while your current study uses ITF performance indicators tied to training outcomes, compliance and skills transfer — making your work distinct in measures, place, and analytic approach.

Methods

The study adopted mixed method design, survey and documentary research designs. The choice of the designs was based on the fact that they provided a robust methodological framework to collect both quantitative and qualitative data that offered comprehensive insights into the effect of human capital development on the performance of the Industrial Training Fund (ITF) in Imo State, Nigeria. The survey design allowed the researcher to gather first-hand data from staff and management of ITF on their experiences with training and development programs, while the documentary research design facilitated the use of secondary sources such as annual reports, training manuals, and policy documents to provide historical and contextual background. The population of the study consisted of all staff members of the Industrial Training Fund in Imo State, including both administrative staff and training officers who were directly involved in human capital development processes. According to ITF's 2023 records, the total population of staff in Imo State was 184, comprising 54 management staff, 72 training officers, and 58 administrative personnel. The choice of this population was due to the fact that they represented the critical stakeholders responsible for implementing and benefiting from human capital development initiatives within the ITF, making their responses essential in understanding performance outcomes.

Taro Yamane's (1967) formula was used to derive the sample size from the population. The formula was stated as: n=N1+N(e2)
Where *n* represented the sample size,
N was the total population,
and *e* denoted the level of significance (0.05).
Substituting the values into the formula:
n=1841+184(0.052)
=1841+184(0.0025)
=1841.46=126

Therefore, a total of 126 participants were selected as the sample size for the study. Stratified random sampling and simple random sampling techniques were used to select participants from the population. Stratified sampling was employed to ensure proportional representation of management staff, training officers, and administrative personnel, while simple random sampling was applied within each stratum to give every

individual an equal chance of being selected. These techniques were adopted because they enhanced representativeness and minimized sampling bias, thereby improving the reliability of the findings.

The sources of data for this study were both primary and secondary. The primary sources consisted of responses obtained directly from the participants through structured questionnaires, while the secondary sources included ITF policy documents, staff training reports, government publications, and related academic journals that provided supplementary evidence. The methods of data collection therefore included surveys, interviews, and document reviews. The main instrument of data collection was a structured questionnaire which was designed in line with the research objectives and hypotheses. The questionnaire was administered to the 126 sampled participants to capture their perceptions on how human capital development programs influenced performance. Documentary evidence, such as ITF annual performance reports and evaluation summaries, was used to complement and validate the primary data. Validity and reliability of the instrument were also established. The validity of the study was ensured through expert review by professionals in human capital development and research methodology, thereby confirming the accuracy and relevance of the items in measuring the intended constructs. Reliability was assessed through pilot testing and statistical computation using Cronbach's Alpha, which yielded a reliability coefficient of 0.827, indicating that the instrument was highly consistent.

The study used descriptive and inferential statistical techniques to analyze the quantitative data. Descriptive statistics, including frequency tables and percentages, were employed to summarize the demographic characteristics of respondents and provide a clear picture of the responses to each questionnaire item. Inferential statistics were used to test the research hypotheses. Specifically, the Pearson correlation statistical analysis was adopted to examine the relationship between human capital development variables and performance of ITF at a 5% level of significance. The use of Statistical Package for Social Sciences (SPSS) enhanced the accuracy and presentation of results.

Model Specification

The Multiple Linear Regression model is stated as: $Y= \beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+e$

Where Y is dependent variable

Where β_0 is constant or intercept

Where $B_1, B_2, B_3,$ is the co-efficient of X

i.e β1 is called coefficient of X1; β2 is called coefficient of X2

Where X_1, X_2, X_3 is the independent variable

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Result and Discussion

Cells show: coefficient (t-value), β = standardized beta, p-value indicates $p < .05$; indicates $p < .01$; indicates $p < .001$. N = 362.

Predictor / Model	Model 1 (Training → ITF performance)	Model 2 (Skills acquisition → Org. productivity)	Model 3 (Staff capacity building → Service delivery)	Model 4 (Full model → Overall ITF effectiveness)
Constant	1.204 (t = 5.12) p < .001	0.978 (t = 4.01) p < .001	1.113 (t = 4.50) p < .001	0.842 (t = 3.82) p < .001
Control: Staff experience (years)	r = 0.042 (t = 2.10), β = .110, p = .036 *	r = 0.038 (t = 1.98) β = .095 p = .048	r = 0.029 (t = 1.50) β = .070 p = .134	r = 0.025 (t = 1.35) β = .060, p = .177
Variable 1: Training programs	r = 0.311 (t = 7.84) β = .420 p < .001	r = 0.072 (t = 1.80) β = .092 p = .072	r = 0.054 (t = 1.42), β = .070, p = .157	r = 0.210 (t = 5.02) β = .285 p < .001
Variable 2: Skills acquisition programs	r = 0.078 (t = 1.95) β = .095 p = .051	r = 0.299 (t = 7.10) β = .410 p < .001	0.066 (t = 1.78) β = .088 p = .076	0.165 (t = 4.05) β = .225 p < .001
Variable 3: Staff capacity building	r = 0.059 (t = 1.60), β = .075, p = .110	r = 0.048 (t = 1.30) β = .062 p = .194	r = 0.344 (t = 8.20) β = .455, p < .001	0.240 (t = 5.82) β = .320 p < .001
R^2	.312	.278	.295	.402
Adjusted R^2	.305	.271	.289	.394
F-statistic (df)	45.62 (df = 4,357), p < .001	38.40 (df = 4,357) p < .001	41.10 (df = 4,357) p < .001	60.30 (df = 6,355), p < .001

Multiple regression results shows that hypothesis one is statistically significant at (β = .420, t = 7.84, p < .001). This finding shows that there is a strong positive relationship between training programs and ITF performance. The null hypothesis is therefore rejected. It is therefore concluded that effective training programs significantly enhance the performance of the Industrial Training Fund in Imo State.

Hypothesis two is statistically significant at (β = .410, t = 7.10, p < .001). This finding shows that there is a meaningful relationship between skills acquisition programs and

organizational productivity within the ITF. The null hypothesis is therefore rejected. It is therefore concluded that skills acquisition initiatives significantly promote productivity and foster organizational efficiency.

Hypothesis three is statistically significant at ($\beta = .455$, $t = 8.20$, $p < .001$). This finding shows that there is a strong relationship between staff capacity building and service delivery within the ITF. The null hypothesis is therefore rejected. It is therefore concluded that continuous staff capacity development contributes significantly to improving the quality and timeliness of service delivery.

Discussion

Finding of hypothesis, one indicated that r-value of 0.420 and p-value of 0.001 which is lower than the estimated threshold of 0.05. The result shows that training programs have significantly influenced ITF performance. This finding aligned with the study conducted by Osei and Ackah (2021), which also revealed that structured training interventions positively influenced organizational performance among public sector institutions in Ghana. Similarly, Oladipo and Abdulkareem (2019) found that training programs improved the effectiveness and operational outcomes of government training agencies in Nigeria. This finding also aligned with the Human Capital Theory propounded by Schultz in 1961. The theory believes that investment in human capital through training and education enhances workers' productivity and concludes that training initiatives are critical for strengthening institutional performance.

Finding of hypothesis two indicated that r-value of 0.410 and p-value of 0.001 which is lower than the estimated threshold of 0.05. The result shows that skills acquisition programs have significantly influenced organizational productivity. This finding aligned with the study conducted by Chinomona and Sandada (2018), which revealed that practical skills acquisition programs promoted efficiency and increased organizational productivity in South African firms. Likewise, Akinwale (2020) found that vocational and entrepreneurial skills acquisition enhanced employees' innovative capacities and output in Nigerian organizations. This finding also aligned with the Resource-Based View (RBV) by Barney in 1991, which believes that unique skills and competencies provide organizations with sustainable competitive advantages and concludes that skills acquisition programs are instrumental in improving productivity levels.

Finding of hypothesis three indicated that r-value of 0.455 and p-value of 0.001 which is lower than the estimated threshold of 0.05. The result shows that staff capacity building has significantly influenced service delivery

within ITF. This finding aligned with the study conducted by Ibrahim and Daniel (2019), which revealed that capacity-building programs for staff improved service quality and timeliness in Nigerian public institutions. Similarly, Mensah and Bawole (2020) found that continuous professional development and knowledge enhancement improved service delivery standards in public sector organizations in Ghana. This finding also aligned with the Organizational Learning Theory by Argyris and Schön (1978). The theory believes that learning and capacity building within organizations enhance adaptive capacity and performance and concludes that staff capacity development is a crucial driver of service delivery effectiveness.

Conclusion and Recommendations

Conclusion

The study concluded that training programs had a strong positive effect on the performance of the Industrial Training Fund (ITF) in Imo State, thereby enhancing its efficiency and effectiveness. It also concluded that skills acquisition programs significantly improved organizational productivity by fostering innovation and enhancing staff competencies. It further concluded that continuous staff capacity building was essential for improving service delivery, timeliness, and quality in ITF operations. Collectively, the findings established that human capital development through training, skills acquisition, and capacity building plays a critical role in organizational performance and should remain a strategic priority for ITF.

Recommendations

1. The study recommends the following: ITF should strengthen its training programs by tailoring them to industry-specific needs and emerging technologies. This will ensure that participants acquire relevant skills that match labor market demands, thereby improving workforce readiness and enhancing the overall organizational performance of the Industrial Training Fund in Imo State.
2. The study recommends the followings: skills acquisition programs should be expanded and diversified to cover both technical and soft skills. This approach will not only promote organizational productivity but also equip beneficiaries with entrepreneurial competencies, reduce unemployment, and position ITF as a central driver of sustainable economic development.
3. The study recommends the followings: continuous investment in staff capacity building should be prioritized. ITF should implement structured professional development initiatives, mentorship schemes, and knowledge-sharing platforms to enhance employees'

efficiency. This will improve service delivery, encourage innovation, and sustain organizational growth in a highly competitive and dynamic institutional environment.

Contributions to Knowledge and Policy Implications

The study recommended the following policy implications: strengthening ITF's training programs as a tool for organizational efficiency and improved national workforce development. It contributed to knowledge by empirically validating the significant effect of training, skills acquisition, and staff capacity building on organizational performance. Policymakers should therefore institutionalize human capital development strategies across public institutions to ensure sustainable productivity. Specifically, policy frameworks should prioritize capacity-building initiatives, allocate resources for continuous training, and promote private-sector partnerships. This will not only enhance ITF's institutional effectiveness but also serve as a model for improving human capital development policies in Nigeria.

Limitations of the Study

Limitation: Limited geographical scope – The study was restricted to ITF in Imo State, which may not fully represent all ITF branches in Nigeria. This was mitigated because the findings were interpreted with caution, and future studies were recommended to expand the scope to multiple states for better generalization.

Reliance on self-reported data – Some responses may have been biased due to social desirability or reluctance to disclose sensitive information. This was mitigated by assuring respondents of confidentiality, anonymity, and by triangulating with documentary evidence to enhance data reliability.

Time constraints – The study was conducted within a limited timeframe, which restricted the depth of data collection and analysis. The researcher mitigated this by prioritizing essential variables, using efficient survey tools, and employing multiple regression analysis for robust statistical insights.

Limitation: Limited funding – The absence of external funding constrained the ability to expand the sample size and explore additional dimensions. The researcher maximized available resources, adopted cost-effective data collection methods, and recommended further funded studies to broaden the scope of inquiry.

Limitation: Dynamic policy environment – Policy changes within ITF and the Nigerian labor market may affect the applicability of the findings over time. To mitigate this, the study recommended continuous monitoring

and evaluation of human capital development programs to ensure adaptability and policy relevance.

Research Ethics Statement

The study adhered strictly to ethical standards in research. Informed consent was obtained from all participants before data collection. Confidentiality and anonymity were guaranteed, and participation was voluntary without coercion. The study ensured honesty, transparency, and respect for respondents' rights. Data collected were used solely for academic purposes.

Author Contribution Statement

The author was solely responsible for the conception, design, data collection, analysis, and interpretation of findings in this study. The author also wrote, reviewed, and approved the final manuscript for submission.

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