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APPRENTICESHIP SYSTEM: A TOOL TO IMPROVE THE PERFORMANCE OF SMES IN ABIA STATE

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ABSTRACT

The study investigated apprenticeship system: a tool to improve the performance of SMEs in Abia State. The specific objectives are to assess the effect of functional skills on employee efficiency of SMEs in Abia State and determine the relationship between apprenticeship system of SMEs in Abia State. This research adopted a survey design. This study adopted two sources of data collection which are primary data and secondary data. The total population was one hundred and forty-five (145) respondents from the selected SMEs in Abia State. The sample size is 106 which were administered to the various selected SMEs in Abia State, seventeen (17) 16.1% questionnaire were lost while eighty-nine (89) questionnaires were recovered with the response rate of 83.9% which formed basis of the study. A sampling random sampling method was adopted. The study found out that there is a significant effect between functional skills on employee efficiency of SMEs in Abia State. The study concluded that there is a significant relationship between apprenticeship system of SMEs in Abia State. The study recommended that apprentice should adapt and apply what they have learned to suit different situations that they face, they should reinforce skills in communication, problem solving, listening and time management.

Keywords: Apprenticeship System, Functional Skills, and Employee Performance.

INTRODUCTION

Apprenticeship is considered as any training programme that combines vocational education with work-based learning for a particular occupational skill that can transform an individual from unskilled to semi-skilled and skilled in a particular field or discipline. At organization level, apprenticeship can mean training assistance offered by a firm to upgrade its employees to meet the requisite skills or adjust to the technicalities needed for a new line of business (Weitzman, 2011). Apprenticeship is a system of training a new generation of practitioners of a structured competency, a basic set of skills (Westerman, & Cyr, 2004). It includes craft occupations or trades and those seeking a professional license to practice in a controlled profession. Apprentices build their careers from apprenticeships while working

for an employer who assists in learning the trade or profession in return for labor at an agreed period within which they should have acquired measurable competencies. The requirements for a successful apprenticeship programme for individuals include initiative, perseverance, and ambition. In practically every skilled occupation, a fundamental knowledge of arithmetic is necessary. The ability to read, write and speak well is relevant in any work of life but in some apprenticeship occupations, it is more important than in others

The significant of apprenticeship is the ability of the enterprise to save costs in training its personnel. Since most of the training is usually being carried out concurrently during operation, such a training mode helps the apprentices to learn more about their trade or profession and acquire new emerging skills related to their activities for productivity. Ryan, Wagner, Teuber and Backes-Gellner (2010) express that at most times, the apprenticeship is being organized for the employees in exchange for their continued labour for an agreed period after they have achieved measurable competencies. Whenever an organization chooses to place some of its employees on apprenticeships, the chances are for mutual gains on both the part of the employee who attains a new level of skills and experiences and on the part of employers who gain more competent hands to get things done. The key objective of apprenticeship training and course attendance programs is to improve the attractiveness of the participant to potential employers or to enable them to establish their own business. These programs serve to enhance the human capital of the participant. This is expected to have two consequences. One is to increase the employers' demand for the participants' labor or the participants acquire the necessary skills to establish their own business. As a result of the participants' probability of employment will increase. This paper examined apprenticeship system: a tool to improve the performance of SMEs in Abia State.

Statement of the Problem

Even though the SMEs do benefit significantly from staff training and development, one could quickly notice that management usually shies away from placing their staff on functional skills. Thus, failure of SMEs to send their staff to acquire functional skills outside their establishment, such as workshops, seminars and even skills acquisition training is unquantifiable, they consider fund for training as a waste rather than investment. Previous studies found out that lack of dedication, unconducive environment; poor minimal skills, waste of resources have hindered the training ability of workers which in turn affects job performance.

Furthermore, SMEs challenges in Nigeria are as result of the inability of human resources to promote and recruit sufficient personnel that will contribute to the high rates of economic growth. However, Nigeria jobs no longer rely heavily on schooling, secondary and postsecondary degrees, and academic test scores to measure their human resources. Although reading, writing, and mathematical skills and degrees are no longer critical indicators of human capital, so too are competence and mastery in personal learning and thinking skills and such behavioral skills as listening, communication, problem-solving, and dealing well with superiors and peers. All advanced economies rely on universal primary education to teach verbal and mathematical literacy. But they differ in how they expect people to learn and use occupational and other workplace skills, especially for intermediate or middle-level occupations. Many small business owners are not competent enough to identify skills, abilities, values, strengths and weaknesses of apprentice before taking them in and this has affected their performance in the firm. It is against this backdrop that this

study examined apprenticeship system: a tool to improve the performance of SMEs in Abia State.

Objectives of the Study

The main objective of the study is to examine apprenticeship system: a tool to improve the performance of SMEs in Abia State. The specific objectives are to

- i. Assess the effect of functional skills on employee efficiency of SMEs in Abia State.
- ii. Determine the relationship between apprenticeship system of SMEs in Abia State.

Research Questions

- i. What is the effect of functional skills on employee efficiency of SMEs in Abia State?
- ii. What is the relationship between apprenticeship system of SMEs in Abia State?

Research Hypotheses

Ho₁: There is no significant effect between functional skills on employee efficiency of SMEs in Abia State.

Ho₂: There is no significant relationship between apprenticeship system of SMEs in Abia State.

REVIEW OF RELATED LITERATURE

Conceptual Framework

Apprenticeship System

Apprenticeship has been an ageless method of training young people in catering, business, craft, agriculture, and trade in Nigeria and all over Africa. When youths achieve the status of skilled workers, they become responsible and relevant members of the society. In the trade apprenticeship system, the trainer and the trainee are into an agreement for a period range of 4-7 years, whereby, the apprentice is to serve and learn from the master. The mode of settlement is usually contained in the agreement. Many trained apprentices achieved excellence after their masters had “settled” them. This is because they had the opportunity to acquire business acumen, work attitude, and interaction with other practitioners (Onyima et al., 2013). Apprenticeships are an efficient and cost-effective way of building a workforce. Unfortunately, the Nigerian school system does not consider apprenticeship as a genuine path into a career (Ebiringa & Okorafor, 2010). The mode of apprenticeship as a mean towards career building is usually one that is premised on either a difficulty in the level of livelihood, which is expressed as a family’s inability to pay school fees and other formal educational levies or when an individual is perceived to do poorly in school. Individuals that do poorly in school are usually advised to either go learn a trade by serving a “master” or by learning a skill, these concepts are locally known as “Igbaodibo” and “Imu Oru Aka” respectively. Although in 1987, the only formal career prone apprenticeship scheme was the National Open Apprenticeship Scheme of Nigeria which was organized under the “Nigerian Directorate of Employment”, this scheme was short-lived (Okafor & Akinwale, 2006).

Apprenticeship system cover the following areas: automotive technician apprentice, carpentry apprentice, electrical apprentice, gas fitting apprentice, heat and frost insulator apprentice, heavy-duty equipment technician apprentice, industrial electrician apprentice, ironworker-reinforcing apprentice, cabinet maker apprentice, metal fabricator apprentice, millwright apprentice, motor vehicle body repair apprentice, motorcycle and power

equipment mechanic apprentice, plumbing apprentice, refrigeration apprentice, sheet metal apprentice, truck and transport mechanic apprentice, transport trailer technician apprentice, welder apprentice, etc. Basically, apprenticeship involves a contractual relationship between a master craftsman and a trainee. The trainee is trained for prescribed work process by practical experience under the supervision of the master craftsman through formal instructions (Adeyeye, 2009). Apprenticeship scheme is the main avenue for skill and manpower development in the inform sector. It provides refuge for the unemployed in most African countries where they receive training and are engaged as quasi wage earning journeymen as the trainees learn on the job.

The Relationship between Apprenticeship System on Employee Performance

Apprenticeship as a means of thoroughly learning the intricacies of a trade has been well adapted to modern industries to meet work force needs. Even with innovations in industry, experience has shown that the learner masters a skilled trade only by diligently repeating job operations under capable supervision until they are fully mastered. This was a form of apprenticeship and guidance which after an extended period of study was followed by the apprentice taking a governmentally supervised examination which when passed legalized his practice of law. In Nigeria, apprentices lived with their masters and received no pay except maintenance and training. After their period of training and after satisfying the required standard of proficiency in that particular trade, the apprentice then graduates to a journeyman status. The journeyman is a worker who has passed from the stage of apprenticeship but is not yet qualified to be a master, they work under a master to receive more experience especially in management, leadership and customer handling. The journeyman receives a fixed wage for his labour. Apprenticeship is a form of vocational training. Adeyeye, (2009) noted that: Vocational education emphasizes the preparation and participation in occupations of social value designed to develop skills, abilities, understanding, attitudes, work habits and appreciation encompassing knowledge and information needed by workers to enter and make progress in employment on a useful and productive basis. In spite of this, Ori et al (2016) opined that apprenticeship has a definite advantage over the formal vocational training as long as there is good correlation between job requirements and on-the-job training. Me argued further that: On-the-job training under an apprenticeship. Scheme is likely to produce much more highly qualified workforce, due to its close relationship with the production process and greater competence of the instructors. Moreover, there is the added advantage that industries tend to bear the cost of training which constitute a financial burden to schools. Apprenticeship system of training keeps away youths from the abusive and exploitative conditions of child labour. They argued that: If it is assumed that certain children are going to work, perhaps out of economic necessity, no matter- what attempts are made to discourage them, then one way to keep them out of work that is hazardous is to provide them with employment that is safe by offering them vocational and other training to help prepare the participating children in life skills.

Theoretical Framework

Bandura's Social Learning Theory by Bandura (1977)

Bandura (1977) propounded his social learning theory in Alberta, Canada. The theory affirms that people learn from one another, via observation, imitation, and modeling. The theory has been described as a bridge between behaviorist and cognitive learning theories as it encompasses attention, memory, and motivation (Bergh and Theron, 2006). This social

learning theory applies to this study in that learners of craft acquire knowledge and skills by keenly observing and imitating their masters. People who learn by doing are more likely to produce products and services faster and can actually boost SMEs' performance. The application of Bandura's theory of observation can be seen at workplaces when a beginner imitates a skillful worker in a given profession. Thus, a beginner should first see how others work before he starts operating. The master, at the same time, may not be expected to apply the modern didactic principles of teaching the skills. An apprenticeship program is a means of facilitating the training process. This kind of training process can, in fact, be explained using Bandura's (1977) theory of imitation or observation. The theory gives value to both the environment and the mental aspect of the human being. The theory consists of four basic components; namely, attention, retention, reproduction, and motivation. Accordingly, the theory asserts that people learn much about behavior by observing others. In order to learn they should pay attention to the behavior, they want to imitate. Attention may not be enough. It should be accompanied by retention in order that the observed behavior can be used in the future. The retained behavior should also be reproduced or applied to the situation that requires it. The last task can be accomplished when the person is motivated. The nature of learning, in the apprenticeship training process, requires the trainee to observe the skills of the master, supervisor or craftsman/craftswoman. During this process, the apprentice does not passively grasp all that he or she observes or listens; instead, he or she critically asks questions.

Human Capital Theory by Schultz (1961)

Human Capital theory was proposed by Schultz (1961) and developed extensively by Becker (1964) who classified expenditures on human capital as investment rather than consumption. Human capital can be defined as knowledge, skills, attitudes, aptitudes, and other acquired traits contributing to production. Human capital theory suggests that education or training raises the productivity of workers by imparting useful knowledge and skills, hence raising workers' future income by increasing their lifetime earnings (Becker, 1964). In Becker's view, human capital is similar to "physical means of production", e.g., factories and machines: one can invest in human capital (via education, training) and one's outputs depend partly on the rate of return on the human capital one owns. Thus, human capital is a means of production, into which additional investment yields additional output. Human capital is substitutable, but not transferable like land, labor, or fixed capital (Becker, 1964).

Empirical Review

Ezenwakwelu (2019) conducted a research on the effects of apprenticeship training on entrepreneurship development in developing economies: A case study of Nigerian apprenticeship system. The study seeks to ascertain how apprentices acquire technical and entrepreneurial skills for self-employment; assess the extent to which apprentices acquire entrepreneurial skills and knowledge for entrepreneurship development, and also identify the challenges encountered by apprentices in course of skill acquisition. The study adopted the survey design and interview apprentices in specific vocations. The sampled data were analyzed using Chi-square technique on Statistical Package for Social Science (SPSS v.20). Experts from the academia and industry validated the instrument. The results reveal that: apprentices acquire technical and entrepreneurial skills for self-employment through formal and informal apprenticeship training systems; Lack of qualified manpower, insufficient training tools, inadequate infrastructure facilities and lack of start-up capital impede the

course of skill acquisition and apprentices do ultimately acquire sufficient entrepreneurial skills and knowledge for entrepreneurship development. The study recommends that the government should provide physical, financial, and moral support for apprenticeship training to boost entrepreneurship development.

Adeyeye, Falola, Waribo, and Akinbode (2015) carried out a study on the effects of apprenticeship system on skill development of employees in the Printing Industry in Lagos State, Nigeria. A descriptive research method (Structural Equation Model (AMOS 22) was applied to analyse five hundred and sixty-four (564) copies of valid questionnaire completed by employees of printing establishments in ten major geographical locations within Lagos metropolis using stratified and simple random sampling techniques. The results obtained from the survey shows closed relationship between observed variables and also regression between the dependent and independent constructs of the study. The results from the survey indicate that apprenticeship system has positive significant impacts on employees' skill development in informal sector and in particular in printing industry. This suggests that training tools, on-the-job training, level of education, mentor-mentee relationships and observationality, have significant effects on employee skill acquisition and development.

Ekoja, Ugba, Peterside, and Ani (2019) study examines the apprenticeship system and employees' performance in small and medium enterprises in Benue State, Nigeria. The study objectives include: to determine the relationship between time spent by the employee in apprenticeship and rate of task accomplishment; and to examine how apprenticeship training influences employees' dedication to business activities. The study randomly sampled 215 employees across 20 Small and Medium Enterprises in Benue State. The study used a structured questionnaire for data collection. Data on research questions were analysed using frequency count and percentage, while hypotheses were tested using Pearson product-moment correlation and linear regression analysis. The study found that the duration of apprenticeship significantly influences the rate of task accomplishment by Small and Medium Enterprise employees in Benue State. Likewise, the study established that frequent training and re-training through apprenticeship creates a sense of belonging and greater dedication. The study recommended that Small and Medium Enterprise operators should intensify the organisation of training with training institutes as cover for the lack of skills and technicalities during training.

Gap in Literature

Several studies have been conducted on apprenticeship programs in Nigeria. Unfortunately, neither of these programmes could conveniently solve the unemployment problems in the country. The authors that carried out this research works includes; Ekoja, Ugba, Peterside, and Ani (2019) examines the apprenticeship system and employees' performance in small and medium enterprises in Benue State, Nigeria and Adeyeye, Falola, Waribo, and Akinbode (2015) carried out a study on the Effects of Apprenticeship System on Skill Development of Employees in the Printing Industry in Lagos State, Nigeria. To fill the gap on this study, this study critically assessed effect of functional skills on employee efficiency of SMEs in Abia State and determines the relationship between apprenticeship system and SMEs in Abia State.

METHODOLOGY

This research adopted a survey design. Survey research design allows the researcher to collect information on the actual state of the phenomenon at the time of the study. This study adopted two sources of data collection which are primary data and secondary data. The study targeted the staff of small and medium scale enterprise in Abia State, Nigeria. However, the total population was one hundred and forty five (145) respondents from the selected SMEs in Abia State. The sample size of 106 was derived from Taro Yamane formula. A sampling random sampling method was adopted and it gave the staff an equal chance of being selected in the study. The main instrument for data collection was a structured questionnaire designed in a 5-point Likert scale of strongly agree (5), agree (4), neutral (3) disagree (2) and strongly disagree (1). To test hypotheses of the study regression model and Pearson correlation coefficient were adopted to establish the effect of dependent and independent variables in the study. One hundred and six (106) 100% questionnaire were administered to the various selected SMEs in Abia State, seventeen (17) 16.1% questionnaire were lost while eighty-nine (89) questionnaires were recovered with the response rate of 83.9% which formed basis of the study.

DATA PRESENTATION AND ANALYSIS

Table 1: assess the effect of functional skills on employee efficiency of SMEs in Abia State.
N=89

Statement	SA 5	A 4	UN 3	D 2	SD 1	TOTAL	Mean	SD
Reading improves performance	60	20	9	-	-	407	4.6	.705
Writing enhances growth	70	19	-	-	-	426	4.8	.655
Speaking increases effectiveness	59	10	5	5	-	360	4.0	1.01
Listening improves performance	64	20	5	-	-	420	4.7	.745
Communication increases efficiency	75	14	-	-	-	431	4.8	.661

Source: Field Survey, 2024

The table above showed the effect of functional skills on employee efficiency of SMEs in Abia State. The result revealed that the mean above 4.0 is accepted while the mean below 4.0 is rejected. Writing enhances growth ($x=4.8$), Communication increases efficiency ($x=4.8$), Listening improves performance ($x=4.7$), Reading improves performance ($x=4.6$), Speaking increases effectiveness ($x=4.0$). Learners should adapt and apply what they have learned to suit different situations that they face, they should reinforce skills in communication, problem solving, listening and time management.

Table 2: determine the relationship between apprenticeship system of SMEs in Abia State.
N=89

Statement	SA 5	A 4	UN 3	D 2	SD 1	TOTAL	Mean	SD
Employer involvement increase organizational performance	60	20	9	-	-	407	4.6	.705
On-the-job training promotes employee performance	70	19	-	-	-	426	4.8	.655
Related technical instruction improves employee performance	59	10	5	5	-	360	4.0	1.01
Paid work experience enhances organizational performance	64	20	5	-	-	420	4.7	.745
Award of portable, nationally recognized improves financial performance	75	14	-	-	-	431	4.8	.661

Source: Field Survey, 2024

The table above showed the relationship between apprenticeship system of SMEs in Abia State. The result revealed that the mean above 4.0 is accepted while the mean below 4.0 is rejected. Award of portable, nationally recognized improves financial performance ($x=4.8$), On-the-job training promotes employee performance ($x=4.8$), Paid work experience enhances organizational performance ($x=4.7$), Employer involvement increase organizational performance ($x=4.7$) and Related technical instruction improves employee performance ($x=4.0$).

Testing of Hypothesis

Ho₁: There is no significant effect between functional skills on employee efficiency of SMEs in Abia State.

Table 3: regression functional skills on employee efficiency

Variable	Parameters	Coefficient	Std error	t – value
Constant	β_0	0.017	0.028	0.607***
Functional skills (X_1)	β_1	0.042	0.068	0.618***
R-Square		0.595		
Adjusted R – Square		0.516		
F – statistics		7.470***		

Source: Field Data, 2024

The table above showed the functional skills on employee efficiency. The result of coefficient of multiple determination (R^2) was 0.595 which implies that 59.5% of the variations in dependents were explained by changes in the independent variables while 40.5% were unexplained by the stochastic variable indicating a goodness of fit of the regression model adopted in this study which is statistically significant at 1% probability level.

The coefficient of functional skills was statistically significant and positively related to employee efficiency at 5 percent level (2.917***). This implies that a unit increase in

functional skills leads to a corresponding increase on employee efficiency. The study concluded that there is a significant effect between functional skills on employee efficiency of SMEs in Abia State.

Ho₂: There is no significant relationship between apprenticeship system of SMEs in Abia State.

Table 4: Correlations correlation apprenticeship system and employee performance

		Apprenticeship System	Employee Performance
Apprenticeship System	Pearson	1	.802
	Correlation		
	Sig. (2-tailed)		.004
	N	89	89
Employee Performance	Pearson	.802	1
	Correlation		
	Sig. (2-tailed)	.004	
	N	89	89

****.** Correlation is significant at the 0.05 level (2-tailed).

The spearman correlation matrix showing the relationship between apprenticeship system and employee performance of SMEs in Abia State, Nigeria. The rho= 80.2% significantly affects employee performance with p-value = .001<.05% significance level. We reject null hypotheses and accept the alternate. This implies that there is a significant relationship between apprenticeship system of SMEs in Abia State.

SUMMARY OF FINDINGS

- There is a significant effect between functional skills on employee efficiency of SMEs in Abia State.
- There is a positive relationship between apprenticeship system and employee performance of SMEs in Abia State, Nigeria.

CONCLUSION

The Services rendered by SMEs to the Nigerian economy are extremely important and Nigerian economy cannot develop until apprenticeship which is the bedrock of skills acquisition is encouraged among youths. Engaging in Apprenticeship to acquire skills is more of mental and creative skills development which is capable of breeding a large number of self-employed youths, who will in turn employ others and also train them as well. Specifically, the study revealed that through functional skills, rate of theft and other social vices in the country would be reduced as majority with the skills acquisition will be able to fend for themselves and would have edge over job security within the economy of the country. Thus, the study concluded that there is a positive relationship between apprenticeship system and employee performance of SMEs in Abia State.

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