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# **RESEARCH ARTICLE**

## AN ASSESSMENT OF THE IMPACT OF INDUSTRIAL TRAINING FUND (ITF) ON YOUTH SKILL AND CAPABILITY DEVELOPMENT FROM 1999-2018

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ARTICLE INFO	ABSTRACT		
Article History: Received 09 <sup>th</sup> March, 2018 Received in revised form 27 <sup>th</sup> April, 2018 Accepted 24 <sup>th</sup> May, 2018 Published online 30 <sup>th</sup> June, 2018	The paper is centred on an assessment of the impact of industrial training fund (ITF) on youth skill and capability development from 1999-2018. Questionnaires were administered to sample the opinion of employees of I.T.F. training and capability development do not have impact on youth, Industrial Training Fund has not fulfilled its enormous potential of ensuring that the required manpower skills and knowledge required by the country in the twenty first century are provided to the Nigeria economy. The paper recommended that adequate training should be given to youth so as to enhance		
Key Words:	higher productivity and management should critically assess the training and development needs with a view to determined types of training and skill youth should acquire. The study concluded that,		
Industrial Training Fund (ITF) Youth, Skill an Capacity Development and Training.	training and development is necessary to enable youth compete favourably in today's competitiveness and highly dynamic global environment.		

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### **INTRODUCTION**

The Industrial Training Fund (ITF) was established by Law in 1971 to promote, accelerate and encourage the acquisition of indigenous skills required in industry and commerce to meet the developmental needs of Nigeria. The Industrial Training Fund provides direct specialised training in the areas of research and consultancy services, engineering and technology, management, human resources development, safety, computers and information training, vocational and apprentice training, accounting and financial management, advisory and management consulting. The description of employees in the Industrial Training Fund Law has a wide definition as it includes Nigerians, non-Nigerians and contract staff engaged for more than three months in one calendar year whether on full time or part time basis, for salary or wages or such other consideration that may exist between the employer and the employees. The very essence of the Industrial Training Fund is to encourage employers to provide adequate training for their indigenous employees in disciplines related to their jobs in order for there to be further improvement in the manpower capability of the employees which in turn benefits\' the employers and the country.

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Industrial Skills Development Programme platform for job creation, poverty reduction and support of the Federal Government's desire to diversify the economy and also, build skills required for industrialization.ITF (June, 2016) monthly bulletin. The Industrial Training Fund Law also requires employers to accept students on industrial attachment and training in furtherance of the objectives of this Law. The Industrial Training Fund through its governing Council may refund up to 60% of the amount contributed by a up-to-date levy contributor/employer to the Fund if the Council is satisfied that the training programme of the employer for its employees in the relevant period is adequate. According to the Industrial Training Fund, the aim of the reimbursement scheme is to ensure that training activities of every employer is evenly distributed amongst the various strata of each employer's work force. Applications for reimbursements must be accompanied by evidence of the nature of the training that the employees or apprentices attended with the training course receipts, certificates of attendance and receipts of levy paid to the Industrial Training Fund. Corporate Employers that do not train their employees are equally liable on conviction to a fine of N5, 000 for the first breach and N10,000 for each subsequent breach. Principal officers of corporate employers could equally be liable if found quilt to a fine of N1,000 or to a term of imprisonment of two years imprisonment for a first breach and where a second or subsequent breach occurs, to a

ITF has so far trained 74000 youths on NISDP National

term of two years imprisonment without the option of a fine. ITF Laws Decree 47 of 1971 as Amended in the 2011 ITF ACT. The Industrial Training Fund has not fulfilled its enormous potential of ensuring that the required manpower skills and knowledge required by the country in the twenty first century are provided to the Nigerian economy. ITF Reports (2009). Employers and employees do not have the necessary information about the requirements and workings of the Industrial Training Fund or the advantages of training their work force. Employers who comply with the provisions of the Industrial Training Fund Law and send their employees to relevant training programmes could have the efficiency and profits of their enterprise further maximised by a knowledgebased skilled work force. Advance annual liaison with the Industrial Training Fund as to the local and overseas training programmes that the employer would undertake in the future with request for suggestions from the Fund would be of benefit to all concerned. The objective of this paper is an assessment of industrial training fund on youth skill and capability development from 1999 to 2018. This is to make higher learning institution and stakeholders assess their role in youth skill and capability development. The paper is organized into five major headings. The first introduces the industrial training fund, there role in youth skill and capability development, establishment of Law backing industrial training fund programmes; secondly literature review and theoretical framework on industrial training fund assessment of youth skill and capability development, critical theory goes beyond a descriptive account of how things are, to examine why they have come to be that way, and how they might otherwise be, issues and important of training on youth skill and capability development as a developmental tools for national development; thirdly thoroughly outlines and discusses the methodological approaches; fourthly presents the data analysis and discussion of the results of the study; finally fifthly concludes the paper.

Literature Review and Theoretical Framework: It is of great concern that in spite of the existence of numerous Skill Acquisition Centers, the introduction of Technical Vocational Education and Training (TVET) and other educational reforms, and the implementation of various economic development programmes by successive administrations and other stakeholders in Nigeria, yet skill level of citizens remain low. Skill shortages and skill scarcity persist as reported by Omu (2008) cited in Obisi, (2010). Yet, it is worthy to note that skills required for optimum and efficient performance in the economy are broad and in a wide range of operational areas. Therefore, shortages, scarcities, deficiencies or gaps in any skill area would have serious impact on the economy and by extension, the drive for national development. The growing problems of unemployment among Nigerians, as well as low level possession of employable skills, have been matters of serious concern to all, especially Employers of Labour. According to the Governor of the Central Bank of Nigeria, Sanusi Lamido Sanusi, the percentage of the unemployed in Nigeria is about 41.6% ITF Report (2011). The apparent conflict between skills required and skills available for employment have also been noted by Employers of Labour in Nigeria. Obisi, J (2010), while reflecting on this problem stressed the need to maintain a proper balance between demand and supply of Vocational Trades that are required for employment and those available for employment. In spite of proliferation of Higher Institutions in Nigeria, Critical Skills, inadequate number and quality of relevant skilled manpower

for operation in Industry is still being experienced. Reports on the inability of some graduates to perform simple tasks and the low quality of work performed by most Craftsperson, Technicians and Artisans and the strident complaints by members of the Organized Private Sector over the unavailability of skilled workforce, lends credence to this fact (Omu, 2008) cited in Obisi, (2010). It would, therefore, appear that Skill Acquisition Centers have been haphazardly established without empirical data on scarce and required skills to grow the economy. Issues of Skill deficiencies, Skill scarcity and Skill shortages should be of major concern to any progressive nation. For a developing nation that aspires to be one of the 20 strongest economies in the world by year 2020, the need for adequate number of relevant skilled manpower must be taken very seriously.

Critical theory goes beyond a descriptive account of how things are, to examine why they have come to be that way, and how they might otherwise be. Critical theory asks whose interests are being served by the status quo and assesses the potential of future alternatives to better serve social justice. According to Geuss's definition, "a critical theory, then, is a reflective theory which gives agents a kind of knowledge inherently productive of enlightenment and emancipation' (1964). Marcuse argued that whilst matters of technology design are often presented as neutral technical choices in fact they manifest political or moral values. Critical theory is a form of archaeology that attempt to get beneath common-sense understandings in order to reveal the power relationships and interests determining particular technological configuration and use. Perhaps the most developed contemporary critical theory of technology is contained in the works of Andrew Feenberg including 'Transforming Technology' cited in Gibbon, et al. (2002). Values in Design - asks how do we ensure a place for values (alongside technical standards such as speed, efficiency, and reliability) as criteria by which we judge the quality and acceptability of information systems and new media. How do values such as privacy, autonomy, democracy, and social justice become integral to conception, design, and development, not merely retrofitted after completion? Key thinkers include Helen Nissenbaum (2001).

Empirically, various studies have been conducted on industrial training fund on youth skill and capability development on different level and most results were largely negative, advanced empirical evidence that youth, equipment and money are part of the variables that plays an extremely important role in an assessment of industrial training fund on youth and capacity development. Base on their findings shows a negative impacts on youth due to lack of prompts payment of stipends and accommodation for student, also conducive learning environment. Despite the success recorded in ITF in Nigeria this variable makes youth rate the various programmes low. YOUTH is best understood as a period of transition from the dependence of childhood to adulthood's independence. That's why, as a category, youth is more fluid than other fixed agegroups. Yet, age is the easiest way to define this group, particularly in relation to education and employment, because 'youth' is often referred to a person between the ages of leaving compulsory education, and finding their first job. Arnsoft (1997), opined that training and development foster the initiative and creativity of employees and help to prevent manpower obsolescence, which may be due to age, attitude or the inability of a person to adopt himself or technological changes. The concept of training: According to Nmadu, T.

(1998) considered training as an organizational effort to change the behaviour or attitude of employees so that they can perform to acceptable standards on the job. It aims at changing the behaviour of the work place into efficiency and higher performance standards. Beardwell and Helen (2001) defined development as a process or becoming increasingly complex more elaborate and maturation. Development suggests a broader view of knowledge and skill acquisition than training. It is less job-oriented than career oriented it is concerned more with employees potential than with immediate skill. According to Obisi (2010) defined training as a process through which the skill, talent and knowledge of an employees is enhanced and increased. He argued that training should take place only when the need and objective for such training have been identified. But the good news is, several organisations are now working together to establish programmes for the betterment of the youth. Youth capacity development should be adopted by this current administration as a way of working towards the millennium development goals. This can become successful through the conduct of seminar/workshops that will aid the youths in career selection and also the establishment of youths empowerment programmes. The younger age group in the country signifies a strength and able potential work force that is yet to be harnessed. If this will go as planned, the unemployment rate in Nigeria will reduce drastically.

The 1999 constitution of the Federal Republic of Nigeria empowers youth to practise their right of suffrage by stipulating the voting age bracket of eighteen (18) years and above. But the reality onground is, despite youth active roles in democratic processes i.e voting and campaigning, they are being ignored when it comes to participation in government/political dispensation. In Nigeria of today youth are rarely found in leadership positions in government. The political vacuums are being filled by the pre-independence generation: Born before 1960 and the early post-independence generation: Born 1961-1975. Base on this fact, how do we tackle the challenges facing young people in Nigeria if they cannot enjoy proper representation and participation indecision-making.IT Skills today are critical for personal empowerment, yet there is also a clear shortage of these skills in the country, especially in semi-urban and rural areas. This means that those who acquire these skills would have competitive advantage over those who lack the skills and also help in closing the skills gap in the country. The demands for these skills is set to increase as Nigeria grapples with the commitments to meet both the Millennium Development Goals (MDGs) and the World Summit on the Information Society (WSIS) targets, and more especially as the country's efforts to transform into one of the top 20 economies globally in accordance with Vision 20: 2020 gathers momentum. Above all, the success and competitiveness of small scale enterprise, which are major tools for employment generation and poverty reduction, are greatly enhanced with the use of ICTs by the entrepreneurs. An appropriate youth development model for the country would thus aim to empower youth with IT and skills, entrepreneurship leadership and employability experience and exposure them to entrepreneurship development services. The strategy adopted is to combine training in these critical areas for the Youth Development Officers in the form of training of trainers. The trained Youth Development Officers would be expected to use the skills acquired to mount youth training programmes in their various centres.

From the review gaps identified, we thereby hypothetic that there is no significant impact of Industrial Training Fund on youth skill and capability development.

#### **MATERIALS AND METHODS**

This paper assessed the impact of industrial training fund on youth skill and capability development from 1999-2018. The study attempt to identify various methods and processes used by ITF towards youth skill and capability development in nation building. The scope of this work is restricted to industrial training fund Jos Plateau state on developing the youth. This paper work is limited due to various challenges encounted in ITF official site, lack of adequate information, and most icons show no information available as at when the site was visited. Too much secrecy, thought the organisation will be exposed to the public. Bureaucratic bottle neck in gaining access to their senior officials. The paper used data collected through the use of questioners, interviews and observation. While exiting publications, such as journals, textbooks and workshop papers use reviewed and extracts made. Omu (2008), cited in Obisi, (2010).

Reports on the inability of some graduates to perform simple tasks and the low quality of work performed by most Craftsperson, Technicians and Artisans and the strident complaints by members of the Organized Private Sector over the unavailability of skilled workforce, lends credence to this fact. Base on this fact, which I quiet agreed with lend to an assessment on industrial training fund on youth skill and capability development from 1999-2018. This approach helps to reduce mistakes and inconsistencies that can arise due to the sample's structure, population coverage and absence of response. Simple random sampling technique was used in getting the required sample. The sample size chosen for this study is (100) staff out 350 of the industrial training fund (I.T.F) Jos Plateau State which involves different categories of staffs which includes (10) top management staff (30) middle management (60) lower management of the organization.

Model (equation)

Model:  $Y = \beta_1 + \beta_{1X1} + \beta_2 + \pounds$ 

Y= Do you think skills and probability development has any significant

 $\beta_1$  = Does training and development of youth leads to organisation effectiveness

 $\beta_2$ = Do you think government effectiveness is achieved as a result of training

#### **RESULTS AND DISCUSSION**

ITF Training and capacity development do not have impact on youth. According to ITF Reports (2011) Industrial Training Fund has not fulfilled its enormous potential of ensuring that the required manpower skills and knowledge required by the country in the twenty first century are provided to the Nigeria economy. Training and Development enhanced employee performance in an organisation. i.e a well-trained/skilled employee perform better than non-trained/skilled worker.

There is no significant impact of industrial Training fund on youth skill and capability development.

	Mean	Std. Deviation	N
Do you think ITF Youth Skills and Probability Development has any significant	1.70	.644	100
Does training and Development of Youth Leads to Organization effectiveness	1.01	.100	100
Do you think government effectiveness is achieved as a result of training	1.89	.345	100
R	0.446 <sup>a</sup>		
R Square	0.199		
Std. Error of the Estimate	0.582		

#### TABLE I- DESCRIPTIVE STATISTICS

The Model Summary above shows  $R^2 = 0.199$ , which implies  $19.9\% \sim 20\%$  is explained the Impact of Industrial Training Funds ITF on youth skill and capability development.

**TABLE II: ANOVA<sup>a</sup>** 

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	8.149	2	4.075	12.032	.000 <sup>b</sup>
Residual	32.851	97	.339		
Total	41.000	99			

 $F_{cal} = 12.032$ , which is greater than the P-value = 0.05, this signifies that the Independent variable do no explain the variation on the dependent variable and the

null hypothesis that there is significant impact of ITF in youth skills and capability development is here by rejected.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B Std. Error Beta	Beta			
(Constant)	218	.609		359	.721
Does training and Development of Youth Leads to Organization effectiveness		.618	.068	.706	.482
Do you think government effectiveness is achieved as a result of training		.179	.419	4.362	.000

Model:  $Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \varepsilon$ Where  $\beta_0 = -0.218$ ,  $\beta_1 = 0.437$  and  $\beta_2 = 0.782$ Therefore,  $Y = 0.218 + 0.437 x_1 + 0.782 x_2$ 

According to Obisi (2010) defined training as a process through which the skill, talent and knowledge of an employees is enhanced and increased. He argued that training should take place only when the need and objective for such training have been identified. Government training do not achieved effectiveness. Omu (2008) cited in Obisi, (2010)., Reports on the inability of some graduates to perform simple tasks and the low quality of work performed by most Craftsperson, Technicians and Artisans and the strident complaints by members of the Organized Private Sector over the unavailability of skilled workforce, lends credence to this fact. In light of the above, it is clear that an assessment of industrial training fund on youth skill and capability development as no impact on youth to a great extent. This can only be achieving through community development. The demands for these skills is set to increase as Nigeria grapples with the commitments to meet both the Millennium Development Goals (MDGs) and the World Summit on the Information Society (WSIS) targets, and more especially as the country's efforts to transform into one of the top 20 economies globally in accordance with Vision 20: 2020 gathers momentum. Above all, the success and competitiveness of small scale enterprise, which are major tools for employment generation and poverty reduction, are greatly enhanced with the use of ICTs by the entrepreneurs. An appropriate youth development model for the country would thus aim to empower youth with IT and entrepreneurship skills, leadership and employability experience and exposure them to entrepreneur development services.

#### Conclusion

ITF training and development capacity building have not impacted on youth from a great extent due to lack of modern equipment and technology. Well-define training and youth development capability building tailored toward achieving optimality in an organisation will lead to high performance efficiency and effectiveness. It was discovered that productivity is never low under integrated initiatives, sense of justice, and emotional stability. It was also learnt that training and development of youth should be an on-going affairs for Nigeria survival. The effectiveness of any organization depends on the nature of training and youth performance in improving low productivity.

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