

TALENT DEVELOPMENT AND GROWTH OF LOGISTIC FIRMS IN RIVERS STATE, NIGERIA

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ABSTRACT

This study investigated the relationship between talent development and growth of logistic firms in Rivers State, Nigeria. For this purpose, the study examined the talent development and their effects on organisational growth measures such operational growth, market growth and geographic expansion. The study adopted a cross-sectional survey design. The population of the study was the one hundred and eighty-one logistics firms in Rivers State. The study took a sample of thirty logistics firms. As an organizational level study, three managers were selected from the thirty logistics firms in Rivers State making a total of ninety managers which serves as the population elements. As a quantitative study, the primary data collection instrument utilized was the structured questionnaire. Pearson Product Moment Correlation was used to analyze the data with the aid of SPSS. The results showed that talent development positively influences operational growth, market growth, and geographic expansion. This suggests that firms that invest in training, mentoring, and skill enhancement of their workforce experience improved efficiency, market presence, and regional reach. The study concluded that talent development is a strategic enabler of organizational growth. By strengthening employee capabilities, logistic firms can boost productivity, expand their customer base, and successfully enter new markets, thereby ensuring long-term sustainability and competitiveness.

Keywords: Talent development, organisational growth, operational growth, market growth, geographic expansion

INTRODUCTION

In today's business landscape, intensified by globalization, deregulation, and rapid technological advancement, firms face increasingly fierce competition. Scholars and business leaders agree that an organization's ability to outperform rivals in key success areas determines its survival and prosperity (Aswini, 2013; Mohammed & Shahid, 2014). The quest for innovative pathways to success has thus become a core objective for most companies (Czarniewski, 2015). Long-term survival hinges on the firm's capacity to create value for customers in excess of its production costs (Barney, 2002). Whether small or large, companies relentlessly pursue growth as it leads to better market positioning, stronger profitability, and sustained competitiveness (Gabriel, Amah, & Okocha, 2021).

Organizational growth refers to the attainment of outcomes aligned with a firm's strategic objectives and includes both financial and non-financial dimensions such as customer loyalty, technological advancement, and competitive strength (Mulle et al., 2018). Growth brings multiple advantages including economies of scale, resilience in turbulent markets, and improved prestige (Ugwuzor, 2017). It also facilitates wealth creation and innovation, contributing to overall organizational stability. This is why many scholars argue that achieving growth is foundational to every other business goal and is essential in the face of an evolving and unpredictable business environment (Udo, Baridam & Akpan, 2023).

In this competitive context, talent development has emerged as a critical driver of organizational growth. Talented employees equipped with unique skills, experience, and adaptability represent a firm's most vital resource (Berger, 2004). Their performance not only accelerates organizational efficiency but also enhances engagement and innovation, delivering a strong competitive advantage (Nafei, 2015). Recognizing the role of human capital, recent empirical studies have explored diverse antecedents of organizational growth across sectors, including workplace conditions, management skills, and strategic practices (Udo, Abasiokong & Udo, 2025; Onunwor, 2025; Enakrire & Smuts, 2023). Building on this foundation, this study investigated the relationship between talent development and the growth of logistics firms in Rivers State, Nigeria.

The study addressed the following specific objectives ar:

- iv. To Ascertain the relationship between talent development and operational growth of logistic firms in Rivers State, Nigeria.
- v. To Evaluate the relationship between talent development and market growth of logistic firms in Rivers State, Nigeria.
- vi. To Determine the relationship between talent development and geographic expansion of logistic firms in Rivers State, Nigeria.

Conceptual Framework

The conceptual framework for this study captures the relationship between talent development and organisational growth. Talent development which is the predictor variable is operationalized herein as a unidimensional construct. Organizational growth being the criterion variable is

operationalized using three measures, namely: operational growth, market growth and geographic expansion.

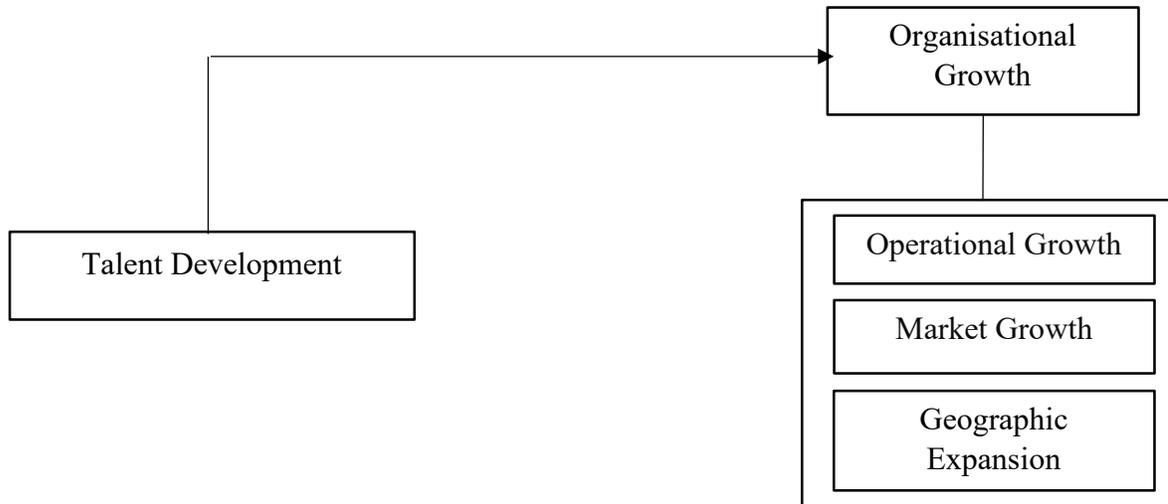


Figure 1: Conceptual framework for the relationship between talent development and organizational growth

Source: Desk Research (2025).

Research Questions

The following research question was formulated for the study.

1. What is the relationship between talent development and operational growth of logistic firms in Rivers State, Nigeria?
2. What is the relationship between talent development and market growth of logistic firms in Rivers State, Nigeria?
3. What is the relationship between talent development and geographic expansion of logistic firms in Rivers State, Nigeria?

Statement of Hypotheses

- H₀₁** There is no significant relationship between talent development and operational growth of logistic firms in Rivers State, Nigeria.
- H₀₂** There is no significant relationship between talent development and market growth of logistic firms in Rivers State, Nigeria.
- H₀₃** There is no significant relationship between talent development and geographic expansion of logistic firms in Rivers State, Nigeria.

LITERATURE REVIEW

Theoretical Review

Human Capital Theory

Human Capital Theory emerged from macroeconomic development theory and was formulated to address gaps in traditional production models that emphasized land, labor, capital, and management. By the 1960s, economists like Becker and Schultz (cited in Zarutskie, 2010; Truitt, 2011) challenged these assumptions, suggesting that learning capacity and education are as critical as physical capital in driving economic growth. Becker (2002) proposed that education and training provide workers with useful knowledge and skills, enhancing their productivity and income. He further distinguished between general human capital skills transferable across organizations, such as literacy and specific human capital, which includes skills tailored to particular firms. The theory emphasizes that individuals who invest in learning and development acquire a higher skill level, making them more productive and deserving of higher earnings. As such, it has significantly influenced employee training and development literature (Hatch & Dyer, 2004).

To maintain a competitive edge, firms must strategically invest in developing their human capital through education, training, and experience (Lazear, 2009). This investment enhances employees' ability to make informed decisions and adapt to changing environments. According to Wang and Mahoney (2009), even when hiring talent from competitors, organizations must customize their knowledge to fit new contexts effectively. Zarutskie (2010) argues that sustained competitive advantage depends on a firm's ability to identify and develop the components of human capital knowledge, competencies, skills and cognitive abilities that drive profitability. While some, like Hotice (2010), measure human capital by output or performance, others emphasize the developmental inputs that fuel employee growth. Therefore, measuring and investing in human resource development allows firms to optimize talent utilization, reduce turnover, and close skills gaps.

Conceptual Review

Talent Development

Talent development begins the moment an employee is hired, as they must adapt to the organization's culture while acquiring and refining skills necessary for current job performance and future advancement. Organizations employ various strategies such as induction, career planning, mentoring, training, autonomy, coaching, performance appraisal, and feedback to nurture talent. Ra'ed et al. (2018) assert that the process starts with performance appraisal to identify strengths, weaknesses, and training needs, thus informing career planning. Williamson (2011) emphasizes that talent development involves planning and implementing development initiatives for the entire talent pool, as continuous learning is crucial for maintaining performance in today's dynamic environment. Employers are therefore increasingly focused on learning and development to enhance company performance, with Rabbi et al. (2015) noting that this requires individuals to be aware of their capabilities and willingly engage in development activities. Ultimately, talent development enhances employees' skills and attitudes, enabling them to contribute more effectively to organizational goals and maintain competitiveness in a constantly evolving business landscape.

Organizational Growth

Organizational growth refers to the expansion of a company's operations, market share, and financial performance over time, and is assessed by comparing actual outputs to projected goals and objectives (Kenny, 2019). It is a multifaceted concept crucial to leadership, as sustained progress depends on evaluating organizational performance (Nautwima & Asa, 2022c). While financial outcomes are important, Mulle et al. (2018) caution that overemphasizing them at the expense of strategic performance may hinder efficiency, suggesting that growth must encompass both financial and non-financial aspects such as competitive advantage, customer loyalty, shareholder returns, technological development, and organizational scale. Growth manifests through increased revenue, workforce, or geographical reach and is influenced by both internal and external factors. A key driver of growth is the development of human capital—organizations must invest in training and skill development to prepare employees for the evolving demands of expansion (Singh & Kumar, 2021). Employee performance is typically evaluated based on task completion and alignment with set goals, while a positive culture fostering innovation, collaboration, and continuous learning further enhances growth prospects (Patel & Kumar, 2019). Ultimately, organizations must remain adaptable, as dynamic business environments necessitate flexible strategies responsive to emerging trends (Verma & Rani, 2020).

Measures of Organizational Growth

Operational Growth

Operational growth is essential for organisations to remain competitive, improve efficiency, and support overall business growth. It involves optimizing processes, adopting new technologies, expanding service capabilities, and ensuring that the bank can scale effectively as it grows. Growth is integral to developing sustainable growth strategies within organisations. It allows institutions to scale operations effectively without proportionately increasing costs or resources (Malik & Kotabe, 2019). This scalability is vital for responding to market demands swiftly while ensuring long-term viability. Operational growth fosters a culture of continuous improvement and innovation. Organisations that continuously evolve their operations are better equipped to adapt to changes in the market, customer preferences, and regulatory environment. Operational growth helps organisations stay compliant with these regulations by improving reporting capabilities and risk management processes. By investing in robust compliance frameworks and technologies, banks can mitigate risks associated with regulatory penalties while ensuring they meet all necessary requirements (Ipole & Okpa, 2019).

Market Growth

The market growth of organizations is crucial for promoting economic stability, enhancing financial inclusion, fostering competition and innovation, facilitating capital formation, improving risk management practices, ensuring regulatory compliance, and contributing to government revenues (Tampline, 2022). It refers to the increase in an organization's share of the total market within the business sector, typically measured by assets, deposits, loans, or revenue. As organizations grow, they expand their operational capacity to provide credit and loans to individuals and businesses, which fuels investment, stimulates economic activity, generates employment, and boosts consumer spending. A strong and expanding organization also helps maintain liquidity during economic downturns and enhances financial inclusion by extending services to underserved populations. Moreover, market growth strengthens government revenue through increased taxes on profits, enabling greater investment in public services like education,

healthcare, infrastructure, and social welfare. A rising market share often signifies success and strong strategic performance, while a declining share may indicate poor organizational decisions. In expanding markets, firms with the largest market share often enjoy superior profitability, highlighting the benefits of sustained market growth and leadership.

Geographic Expansion

Geographic expansion, as defined by Adewale and Sola (2021), refers to the strategic process of extending a company's market presence beyond its initial or primary operational location, either by entering new regions within the same country or expanding internationally. This approach aims to increase market share, drive revenue growth, and reduce reliance on a single market. In the Nigerian context, geographic expansion is particularly pertinent due to the country's economic diversity, varying regional demands, and uneven infrastructure development across states. Organizations that effectively expand into new regions can leverage emerging opportunities such as rising demand for construction materials in developing areas, access to new distribution channels, and a broadened customer base. For example, companies operating in urban centers like Lagos or Port Harcourt may uncover new prospects in less saturated markets such as northern Nigeria, where industrialization is accelerating. By targeting both commercial and residential segments, these firms can grow their clientele. Nonetheless, successful expansion hinges on a deep understanding of local market conditions, including consumer preferences, economic viability, and competitive landscape, alongside careful evaluation of logistical factors like supply chains, transportation, and distribution networks that critically impact cost and operational feasibility (Chukwudi & Ayodele, 2020).

Empirical Review

Nyongesa and Van Der Westhuizen (2024) conducted a study to examine the impact of talent development initiatives on the performance of Maasai Mara University. Using a stratified simple random sampling technique, 86 respondents across various departments were engaged through structured interviews and standardized questionnaires. Descriptive and inferential statistics, including Pearson correlation and multiple linear regression, were used to analyze the data. The findings revealed that talent development significantly enhances organizational performance, highlighting its critical role in driving institutional success.

Similarly, Nurfadilah, Samidi, and Daryanto (2022) investigated how talent development influences strategic flexibility, digital readiness, and innovativeness, and how these, in turn, affect business performance. Survey data from 391 managers and directors of Islamic rural banks in Indonesia were analyzed using structural equation modeling. The study found that talent development positively impacts all three variables, which contribute to both financial and non-financial performance. In another related study, Soud, Ogolla, and Mureithi (2020) explored talent management in Kenyan Islamic banks. Using multivariate regression, they discovered that recruitment, selection, and learning and development significantly influenced organizational performance, while staff retention had no effect. These studies collectively affirm the importance of talent development and management in enhancing organizational outcomes across different sectors.

METHODOLOGY

The cross-sectional survey design was adopted for the study. The population of this study was the one hundred and eighty-one (181) logistics firms in Rivers State, however, the study take a sample of thirty (30) logistics firms from the one hundred and eighty-one (181) logistics firms in Rivers State. For the purpose of data analysis in this study, three (3) managers were selected from the thirty (30) logistics firms in Rivers State, Nigeria making a total of ninety (90) senior managers who made up the population element for the study. The study utilized a well-structured questionnaire, designed in Likert five-point scale of strongly agree to strongly disagree as the instrument used in collecting primary data from the respondent, its reliability would be ascertained through Cronbach's Alpha reliability coefficient with a threshold of 0.70. The Pearson Product Moment Correlation was used to determine the strength and direction of the relationship between the dimensions of the predictor variable and the measures of the criterion variables as well as to test the hypotheses which was stated in the null form with the aid of Statistical Package for Social Science (SPSS).

DATA ANALYSIS AND DISCUSSION OF FINDINGS

Bivariate Data Analysis

The study's hypothetical statements were evaluated using Pearson Product Moment Correlation Coefficient. The study employs a 95% confidence level, or alpha of 0.05. Criteria:

Talent Development and Measures of Organisational Growth

Table 1 shows the result of correlation matrix obtained for talent development and organisational growth measures. Also displayed in the table is the statistical test of significance (p - value), which makes us able to answer our research question and generalize our findings to the study population.

Table 1: Correlations for Talent Development and the Measures of Growth

		Talent Development	Operational Growth	Market Growth	Geographic Expansion
Talent Development	Pearson	1	.761**	.845**	.625**
	Correlation				
	Sig. (2-tailed)		.000	.000	.000
	N	84	84	84	84
Operational Growth	Pearson	.761**	1	.909**	.829**
	Correlation				
	Sig. (2-tailed)	.000		.000	.000
	N	84	84	84	84
Market Growth	Pearson	.845**	.909**	1	.801**
	Correlation				
	Sig. (2-tailed)	.000	.000		.000
	N	84	84	84	84
Geographic Expansion	Pearson	.625**	.829**	.801**	1
	Correlation				
	Sig. (2-tailed)	.000	.000	.000	
	N	84	84	84	84

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2025

Research Questions 1–3 explored the relationship between talent development and three dimensions of organisational growth—operational growth, market growth, and geographic expansion—of logistic firms in Rivers State, Nigeria. Using the Pearson Product Moment correlation technique, the analysis in Table 2 revealed a strong positive correlation ($r = 0.761$) between talent development and operational growth, indicating that improvements in talent development practices are closely associated with increases in operational growth within these firms. Additionally, the relationship between talent development and market growth was found to be even stronger ($r = 0.845$), suggesting a very strong positive link where effective talent development significantly contributes to expanding market presence. The correlation between talent development and geographic expansion was also strong ($r = 0.625$), reinforcing the idea that talent development efforts play a crucial role in enabling firms to broaden their geographical footprint. These findings suggest that talent development is a key driver across all three growth metrics for logistic firms in the region.

To determine the statistical significance of these relationships and validate the generalizability of the findings, p-values were evaluated for hypotheses **H₀₁**, **H₀₂**, and **H₀₃**. For **H₀₁**, the p-value was $p = 0.000$ ($p < 0.05$), indicating a statistically significant relationship between talent development and operational growth; thus, the null hypothesis was rejected. Similarly, the test for **H₀₂** showed a p-value of $p = 0.000$ ($p < 0.05$), affirming a significant relationship between talent development and market growth, leading to the rejection of the null hypothesis. Finally, for **H₀₃**, the p-value was also $p = 0.000$ ($p < 0.05$), signifying a significant link between talent development and geographic expansion. Consequently, the null hypothesis for each relationship was rejected in favor of the alternative, confirming that talent development has a statistically significant and positive impact on all examined measures of organisational growth among logistic firms in Rivers State.

Discussion of Findings

The study's findings reveal that talent development plays a significant role in promoting the organisational growth of logistic firms in Rivers State, Nigeria. Logistic firms that emphasize talent development through practices such as training, mentoring, and coaching tend to experience higher levels of operational growth, market expansion, and geographic reach. These findings suggest that talent development is not only a human resource initiative but also a strategic growth driver in the logistics sector. The data support the conclusion that developing employee capabilities leads to enhanced skills and competencies, which in turn translate into improved organisational outcomes. This observation aligns with the results of Nyongesa and Van Der Westhuizen (2024), who found a statistically significant relationship between talent development and organisational performance at Maasai Mara University, with talent development accounting for 20.4% of the variance in organisational performance.

Similarly, the findings resonate with the research of Nurfadilah, Samidi, and Daryanto (2022), which highlighted talent development as a critical factor influencing strategic flexibility, digital readiness, and innovativeness—elements that ultimately affect business performance. Their study, which surveyed managers and directors of Islamic rural banks in Indonesia using structural equation modelling (SEM-PLS), demonstrated that talent development drives both financial and non-financial outcomes by enhancing organisational adaptability and innovative

capacity. The present study's findings are also consistent with the assumptions of Human Capital Theory, which asserts that investment in human resources through education and training boosts organisational productivity and growth. By prioritizing talent development, logistic firms in Rivers State can build stronger human capital, resulting in increased productivity, competitive advantage, and sustained growth across operational, market, and geographic dimensions.

CONCLUSION AND RECOMMENDATIONS

Based on the findings of the study, it is concluded that talent development significantly influences the organisational growth of logistics firms in Rivers State, Nigeria. The results clearly demonstrate that effective talent development practices such as employee training, mentoring and coaching contribute positively to operational growth, market expansion and geographic outreach of logistics organisations. Talent development enables firms to enhance the competencies of their workforce, leading to improved performance, adaptability, and innovation capacity. This reinforces the strategic importance of investing in human capital as a means of sustaining long-term growth and competitiveness in the logistics sector. Based on the study's findings on the impact of talent development on organisational growth, the following recommendations are proposed:

1. Implement targeted training in logistics operations, fleet management, and supply chain coordination to boost efficiency and support operational growth.
2. Develop employee skills in marketing, customer engagement, and data analysis to identify opportunities and drive market expansion.
3. Invest in leadership and cross-regional training to equip staff for managing operations in new locations and navigating diverse market conditions.

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