



**ST. MARY'S UNIVERSITY COLLEGE SCHOOL
OF GRADUATE STUDIES**

**ASSESSMENT OF HUMAN RESOURCE DEVELOPMENT
PRACTICE IN COMMERCIAL BANK OF ETHIOPIA**

PREPARED BY:-

DEMIS YIRGU SENBETU, ID No SGS/0096/ 2003

FEBRUARY, 2013

ADDIS ABABA, ETHIOPIA

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A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY COLLEGE,
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ADDIS ABABA, ETHIOPIA

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of my advisor. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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St. Mary's University College, Addis Ababa

February, 2013

ENDORSEMENT

This thesis has been submitted to St. Mary's University College, School of Graduate Studies for examination with my approval as a university advisor

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February, 2013

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ABSTRACT

This study investigated the training and development practices at CEB. The study aimed at finding out the nature of training and development practice of CEB, the knowledge and level of awareness of the training and development practices among CBE management and non-management staffs. It also aimed at examining how the training and development practice is being implemented and to determine what challenges CBE faces in implementing its training and development program in order to make recommendations for improving training and career resource development at CEB. The methodology used to undertake the study was qualitative and quantitative, primary and secondary data were collected.

The sampling technique employed to collect primary information was random sampling. The study adopted the survey research method. The quantitative techniques were applied and it involved a questionnaire survey of CBE staffs. The study revealed that CBEs has a training and development program. It further revealed that the program is adequate in content and the awareness of the training and development practice among the CBE staffs was high. It also discovered that the current training and development practices, process and procedures at CBE were not at variance with the provisions of the policy and practices of training and development, but that the budgetary allocation for training was the key challenge in implementing the training and career development at CBEs. The study recommended among others the need for CBEs to urgently ensure the total implementation of its training and development practices to enhance the job skills.

II

ACRONYMS

CBE: - Commercial Bank of Ethiopia

HRD: - Human Resource Development

HRM: - Human Resource Management

T and D: - Training and Development

NHRD: - National Human Resource Development

TNA: - Training Need Analysis

JIT: - Job Instruction Technique

ATM: - Automatic Tailor Machine

SWIFT: - Society for Worldwide Interbank Financial Telecommunication

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CHAPTER ONE

INTRODUCTION

It highlights the relevance of training and development in the ever-changing world of service delivery, be it in private or public institutions and particularly its relevance for the Commercial Bank of Ethiopia (CBE). The chapter brings out the background of the study, statement of the problem, objectives, the research questions, significance, and the scope of the study.

1.1 Background of the Study

All jobs in organizations are done through people, yet over the years most organizations have failed to pay the necessary attention to employee training and development. Organizations particularly government institutions, in most cases do not see the need to train and develop their employees. However, public institutions are required by governments to contribute favorably to national development. All government institutions have realized the importance of developing the capacities of their employees in order to meet the ever increasing demands and expectations of the government and the public.

Now days, organizations operate in a complex and changing environment that greatly enhances or influences their growth and expansion. To cope up with this changing environment and technological advancement organizations must develop and train their employees. In addition to this the survival and growth of any organization depend on the quality of human resource of the organization. An organization can also use training to overcome employee turn over. Effective training can produce productivity gains that offset the cost of training. Training is a learning process whereby people acquire the necessary skills and knowledge to achieve organizational goals.

Training: Involves an expert working with learners to transfer to them certain knowledge or skills to improve in their current jobs. Training provides employees with specific, identifiable knowledge and skills for use on their present job (Jones 2000).

Development: In the context of human resource management is a broad on going multi-faceted set of activities (training activities among them) to bring some one or an organization up to another threshold of performance and development can be thought as brining about capacities that go beyond those required by the current job; it represents efforts to improve managers ability to handle variety of assignments. Often to perform some job or new role in the nature. Human resources have been identified as one of the main sources of competitive advantage by many organizations in today's economy. This is true not only of knowledge-intensive organizations, which are based on services and intangible outputs, but also increasingly of more traditional organizations, both in the private sector and in the public sector. The human resource department is responsible for undertake the function of upgrading skills and knowledge of the employees and this is done through training, educating and developing. Training includes those activities that serve to improve an individual performance on a currently held job or related to it. It focuses on (formal of informal, group or individual) short-term learning experience designed to improve the skills, knowledge and job performance of employees. Since the need for training and development is one of the basic questions of the organizations to conduct it effectively and efficiently. CBE has its own training and development institution to up grade the skills and knowledge of its employees through increase in productivity and reducing cost of operation. In general, this paper tried to assess employee training and development practice in Commercial Bank of Ethiopia.

Training and development of human resource as a means of achieving positive business results is the traditionally dominant approach. However, it appears that many organizations including CBE have not paid sufficiently close attention to training and career development of their human resources, leading to an under-utilization of talent in the workforce. CBE aims at not only increasing revenue for the government of Ethiopia but also ensuring to stop all those involved in illegal activities from entering the country. To be able to do this, management of CBEs needs to equip its employees adequately. If human resources are so important to improving an

organization's assets then training and development should be that organization's top priority. It is against this backdrop that this research is being carried out.

1.3 Statement of the problem

Human Resource Development is the most important development strategy to enhance the efficiency of human capital in the banking industry. In the most cases there is a gap between employee knowledge and skill, what the job demand is in human resource development practice in the commercial bank of Ethiopia and the gap must be filled through training program. Hence , personal training and development practice is one of the major ways that the Commercial Bank of Ethiopia attempt to maintain the competency and level of the human resource development and increase their adaptability to changing organizational demand.

The delivery of efficient and effective training is required to enhance the productivity and to improve employee performance. However, the problems are noticed in training and development practice in the Commercial Bank of Ethiopia, some of the major problems in the Commercial Bank of Ethiopia are:

- The problem of well established training and development policy,
- Inadequate need assessment and training periods
- Inappropriate training and development objectives,
- Outdated training and development methods,
- Lack of close supervision and follow-up (evaluation process)
- The implementation of selection criteria
- The skills and knowledge gap between employees and management group
- Employee turn over

1.4 Research Questions

The present research faces the following questions:-

1. How training and development program would be designed in the Commercial Bank of Ethiopia?

2. How the training and development practice would be conducted in CBE?
3. How to implement the training system in CBE?
4. What are the selection criteria to trainee employees?
5. How the training and development practice programs be evaluated in CBE?
6. What are the strengths and weaknesses of CBE with regard to training and development?

1.5 Objectives of the study

The general objective of this study is to assess the human resource development practices in the Commercial Bank of Ethiopia, and the specific objectives of the study are:-

- To assess the effectiveness of training and development program in the Commercial Bank of Ethiopia.
- To analyze how the training methods are adopted in the training and development program.
- To assess the implementation of training and development practice in the Commercial Bank of Ethiopia.
- To investigate the selection process for training and development program.
- To find out the strengths and weaknesses of CBE in the training and development program.
- To analyze the implementation of evaluation process of training and development practice in the Commercial Bank of Ethiopia.

1.6 Significance of the study

- It provides possible suggestions to remove the weaknesses of the training and development department of the bank and it will help the bank to improve the way it conducts the training and development activities.
- It helps the researcher to acquire knowledge and practical experience,
- It will become a source document and as a stepping stone for those researchers who want to make further study on the area.

1.7 Scope of the study

All organizations, for profit or non profit, governmental or non governmental need effective Training and Development practice to up-date their employees' skill and experience which contributes to the productivity and profitability of an organization.

The general purpose of this study was to provide possible solution to remove the weakness of the Training and Development department of the Bank, and it will help the Bank to improve the way how implements the Training and Development activities. This research focuses only the Training and Development practices in Commercial Bank of Ethiopia. The primary data collected from management and non-management staffs who are working in the selected branches in Addis Ababa and the secondary data also collected from different documents which are the Bank were used in the library. The data were gathered from November 1-30/2012 as per the time schedule.

CHAPTER TWO

LITRATURE REVIEW

2.1 Introduction

Human Resource Development (HRD) is an important and very attention receiving discipline of present time. It is a relatively young academic discipline but an old and well-established field of practice. Researchers have developed new theories and conceptual frame works that address a broad range of phenomena of interest to the HRD profession (Torraco 2004). A key area of inquiry has been to try and figure out the current boundaries of HRD (Metcalf and Rees, 2005) but defining HRD has not been so straightforward, and the writers and researchers are continuously debating the issue, and there seems to be no consensus, despite of the fact that numerous efforts have been made to define HRD (Haslinda 2009).

According to Rao(1995) the scope of HRD is extended, at once side, to developing competencies of human resource by enhancing knowledge, building skill, changing attitude and teaching values, and at other side, creation of conditions through public policy, programs and other interventions to help people to apply these competencies for their own and others' making things happen (Tariq 2012).

2.2 Defining Human Resource Development

Human resource Development considered by scholars of Business Administration as a sub discipline of human resource management(HRM), concerned with developing productive skills by imparting training. HRM (Werner and Desimone 2006) defined human resource development *“A set of systematic and planned activities designed by an organization to provide its members with the opportunities to learn necessary skills to meet current and future job demands”*

Haslinda(2009) expressed referring many studies that numerous attempts to define human resource development(HRD) by academics, researchers and practitioners have led to confusion in the literature, illustrating the elusive nature of this concept.

“HRD is the process of increasing the knowledge, the skills, and the capacities of all the people, in a society. In economic terms, it could be described as the accumulation of human capital and its effective investment in the development of an economy. In political terms, HRD prepared people for adult participation in the political process, particularly as citizens in a democracy. From the social and cultural points of view, the development of human resources helps to people lead fuller and richer lives, less bound to tradition. In short, the process of HRD unlocks the door to modernization” (Tariq 2012).

2.3 Training and Professionals Development

Connection to agency business need is the cornerstone to skill-based system. The agency’s commitment to learning is vital to the success of the system. Employees must be given the opportunity to acquire the knowledge and or skills required for the progression through the training skill. The skills identified within training and development skill may serve as a curriculum for training. Training plans should be well documented, include specific training objectives and communicated to employees.

Training and development are so actively embraced as key factors to good retention (to maintenance) is no doubt due to the fact that well-developed training programs are becoming ever more essential to the ongoing survival of most modern companies, whether or not retention is an important issue to that company. To the extent that operational paradigms such as:- The learning organization or the knowledge-based organization continue to take hold in the contemporary business world, training is only likely to become important. Because training and professional’s development are so fundamental to the operation of business, it goes against intuition (perception) to suggest that training and development are to be thought of primarily as retention tools. The evidence seems to confirm the link between training and retention is even stronger for more highly skilled workers. Training can be a particular strong retention tool when

it is combined with measures designed to allow people to develop and progress within a company. Training is always unique to the circumstances of each company and that there is no formula that dictates how much and what kind of training is given. It dose seem reasonable that training when combined with well-communicated plans for advancement and ongoing professional development within the company can help companies to keep their valued employees.

Training and Development needs its own mission statement and top management approved strategy for developing the capability to contribute and a comprehensive training and development policy is required and will need to be documented in ways which reflect the organization's developing culture.(Lochhead & Stephens 2004).

2.4 Why Training and Development?

Training and development helps to ensure that organizational members have the knowledge and skills they need to perform their jobs effectively, take on new responsibility, and adapt to changing conditions.

Training: primarily focuses on teaching organizational members how to perform their current jobs and helping them acquire the knowledge and skills they need to be effective performers. Development focuses on building the knowledge and skills of organizational members to that they will be prepared to take on new responsibility a challenge. Training tends to be used more frequently at lower levels of an organization; development tends to be used more frequently with professionals and managers. According to Gomez, the development phase outlines action designed to help the employee grow and learn the necessary skills to move along desired career paths through the following common programs:-

Mentoring: development activities carried out by more seasonal employees too help those who are learning the ropes Mentoring takes, many forms Including role modeling sharing contacts

bouncing ideas advising and giving general support it may be formal or informal most firms expect senior employees particularly those in managerial position to act as mentors.

Coaching: which is the ongoing mostly spontaneous meeting between managers and employees to discuss career goals road blocs and opportunities?

Job rotation: is formal program in which employees are assigned to different jobs to expand their skills base and to learn more about various parts of the organization

Tuition assistance programs: which support the employee's education and development by covering the cost of tuition and other fees for seminars, workshops and continuing education programs?

Development: refers to learning opportunities designed to be limited to improving employee's performance on their current jobs. The focus of "development" is on the long term to help employees prepare for future work demands, while "training" often focuses on the immediate period to help fix any current deficits in employees' skills The most effective companies look at training and career development "(HRD) program carefully aligned with corporate business strategies. On the other hand is a more long-term perspective of bringing about a permanent change in the skills and attitudes of the person and grooming the professional for a larger role in the late future (Bernardin 2003).

2.5 Types of Training and Development

According to Jones, there are two types of training, Classroom instruction and On-the-job training

Class room Instruction: Through classroom instruction, employees acquire knowledge and skills in a classroom setting. The instruction itself may take place within the organization or outside it, such as when employees are encouraged to take courses at local colleges and universities. Many organization or outside it, such as when employees are encouraged to take courses at local

colleges and universities. Many organizations actually establishment their own formal instructional divisions.

On-the Job Training: On –the-job training, learning occurs in the work setting as employees perform their job tasks. On –the-job training can be provided by coworkers or supervisors or occur simply as job holders gain experience and knowledge from doing the work.

Although both classroom instruction and on-the-job training can be used for development purposes as well as for training, development often includes additional activities such as varied work experiences and formal education

Varied Work Experiences:- Top managers need to develop an understanding of, and expertise in, a variety of functions, products and services , and markets . In order to develop executives who will have this expertise's, managers frequently make sure that employees with high potential have a wide variety of job experiences some in line position and some in staff positions. Varied work experiences broaden employees' horizons and help them think in terms of the big picture. With organization becoming more global, managers need to develop and understanding of the different values, beliefs, cultures, regions, and ways of doing business I different countries

Formal Education:- It is an effective way to develop employees who will be able to take on new responsibilities and more challenging positions. In these programs, managers learn from experts the latest in business and management techniques and practices.

2.6 Purpose of Training and Development

The quality of employees and their development through training and education are major factors in determining long-term profitability. If you hire and keep good employees, it is good policy to invest in the development of their skills, so they can increase their productivity. Enhancing the company's ability to adopt and use advances in technology because of a sufficiently knowledgeable staff, building a more efficient, effective and highly motivated team, which

enhances the company's competitive position and improves employee morale and ensuring adequate human resources for expansions into new programs.

Training often is considered for not only new employees but also ongoing training for current employees helps them adjust to rapidly changing job requirements. Purpose of Training and Development reason for emphasizing the growth and development of personnel include creating a pool of readily available and adequate replacements for personnel who may leave or move up in the organization. The specific benefits that a business receives from training and developing its workers, including:- Increased productivity, Reduced employee turnover, Increased efficiency resulting in financial gains and Decreased need for supervision.

2.7 The four basic steps in the training process

- Establishing a Needs Analysis
- Developing Training Program and Analysis
- Deliver the Training Program
- Evaluate the Training Program

Training is one of the most profitable investments an organization can make. No matter what business or industry they are in the steps for an effective training process are the same and may be adapted anywhere. If they have ever thought about developing a training program within the organization consider the following four basic training steps. All four of these steps are mutually necessary for any training program to be effective and efficient.

2.7.1 Step 1: Establishing a Needs Analysis

This step identifies activities to justify an investment for training. The techniques necessary for the data collection are surveys, observation, interviews, and customer comment cards. Several examples of an analysis outlining specific training needs are customer dissatisfaction, low

morale, low productivity, and high turnover. The objective in establishing a needs analysis is to find out the answers to the following questions:

- Why is training needed?
- What type of training needed?
- When is the training needed?
- Where is the training needed?
- Who needs the training? And who will conduct the training?
- How will the training be performed?

By determining training needs, an organization can decide what specific knowledge, skills, and attitudes are needed to improve the employee's performance in accordance with the company standards. The needs analysis is the starting point for all training. The primary objective of all training is to improve individual and organization performance. Establishing a needs analysis is and should always be the first step of the training process.

2.7.2 Step 2: Developing Training Program and Analysis

This step establishes the development of current job descriptions and standards and procedures. Job descriptions should be clear and concise and may serve as a major training tool for the identification of guidelines. Once the job description is completed, a complete list of standards and procedures should be established from each responsibility outlined in the job description. This will standardize the necessary guidelines for any future training.

2.7.3 Step 3: Deliver the Training Program

This step is responsible for the instruction and delivery of the training program. Once designated the trainers, the training technique must be decided. One-on-One training, on-the-job training, group training, seminars, and workshops are the most popular methods. Before presenting a training session, make sure they have a through understanding of the following characteristics of an effective trainer. The trainer should have:-

- A desire to teach the subject being trained
- A working knowledge of the subject being skilled
- An ability to motivate participants to want to learn
- A good sense of witness
- A dynamic appearance and good attitude
- A strong concern towards their participant,

For training program to be successful, the trainer should be conscious of several essential elements, including a controlled environment, good planning, and the use of various training methods, good communication skills, and trainee participation.

2.7.4 Step 4: Evaluate the training program

This step will determine how effective and profitable the training programs have been. Methods for evaluation are pre-and post surveys of customer comments cards, the establishment of a cost/benefit analysis outlining the expenses and returns, and an increase in customer satisfaction and profits. The reason for an evaluation system is simple. The evaluations of training programs are without a doubt the most important step in the training process. It is this step that will indicate the effectiveness of both the training as well as the trainer. There are several obvious benefits for evaluating a training program.

- First, evaluations will provide feedback on the trainer's performance, allowing them to improve themselves for future programs.
- Second. Evaluations will indicate its cost-effectiveness.
- Third, evaluations are an efficient way to determine the overall effectiveness of the training program for the employees as well as the organization.

The importance of the evaluation process after the training is critical. Without it, the trainer does not have a true indication of the effectiveness of the training.

2.8 Training Needs assessment

Need is the gap between current and desired (or required) results, or the gap in results between “what is” and “what should be” (Kaufman 1994). According to Kaufman need categorized the gaps in results into three groups,

- 1) The first category is of gaps in “outcomes” which corresponds with “mega-level results” (relating to societal payoffs)
- 2) The second category is of gaps in “outputs” which corresponds with “macro-level results” (relating to what the organization delivers outside of it)
- 3) And the final category is of gaps in “products” which corresponds with “micro-level results” (relating to individuals or small groups)

Needs assessment is identified by different authors in different ways, according to (Kaufman, 1994) need assessment is a process for identifying needs and placing them in priority order on the basis of what it costs to meet the need versus what it costs to ignore it. Al-Khayyat (1998), who defines needs assessment as “an effort that analyses and diagnoses the organization task and person to determine if a cure is necessary and what cure is the most likely to produce the desired result.” The definition of Kaufman (1994) revolves around the concept of difference between “what is” and “what should be” which focuses on assessment/identification of needs. While the definition of Goldstein clearly communicates that the process of needs assessment provides backward linkage to the mechanism of needs analysis. Needs analysis is defined as “the process of determining the reasons and causes for a need so that appropriate interventions may be identified and later the definition endorses the relationship between needs assessment and needs analysis as ignoring the former leads to a question “what to analyze?”

Training needs can be assessed by analyzing three major human resource areas: the organization as a whole, the job characteristics and the needs of the individuals. This analysis will provide answers to the following questions.

- Where is training needed?
- What specifically must an employee learn in order to be more productive?

- Who needs to be trained?

There are four types of needs assessment they are: Organizational needs assessment, Group needs assessment, Individual employee needs assessment and Job needs assessment.

1. **Organizational needs assessment** Organizational needs emerge from agency goals, objectives, and priorities, this type of need can be universal for all employees, such as reducing stress, improving productivity,
2. **Group needs assessment** These types of needs are easier to determine because they are closely related to specific job levels and categories of employees, such as team-building, problem solving, etc
3. **Individual employee needs assessment** The needs uncovered with this type of assessment are more specific and can be easily identified by reviewing the individual's background education, training, experience, skills, Knowledge, and past performance. Individual needs are those skills needed to do the employee's current job, future assignments and career plans
4. **Job needs assessment** Based on the job in question this type of need can be the most difficult of easiest to identify Occupational job, and task analyses are conducted to determine the type of training needed.

2.8.1 Determining Training Needs

There are a number of ways to determine the type of training an employee will need.

Request from employee – Employees usually are the first to recognize the need for additional training. This need can result from the assignment of a new task, technological changes, or just a realization that additional training would result in a more efficient work product.

Changes in agency vision or mission – Agency vision and mission can sometimes change due to state of federal legislation. Thus employees may be assigned new duties of positions may be restructured .Before assigning new duties and responsibilities to employees decide if the employees will need additional training Remembered the reason for providing training is to produce a change of provide support so employees can reach their goals and objectives; thus attaining the agency’s vision and mission.

Determination through performance management review – An excellent time to determine training needs is employees to meet of exceed job expectations? Based on the employee’s self-assessment of indentified strengths and improvement opportunities, an analysis should follow to determine training that may be needed to improve overall work performance.

2.9 Selection

2.9.1 Selection of Trainees

According to (Lisa and Holley) training transfer generally refers to the use of trained knowledge and skill back on the job. For transfer occur “learned behavior must be generalized to the job context and maintained over a period of time on the job” (Baldwin & Ford 1988). Therefore, it is important to carefully select who will be trained. Training programs should be designed to consider the ability of the employee to learn the material and to use it effectively, and to make the most efficient use to resources possible. It is also important the employees be motivated by the training experience.

Performance analysis is a means of significant performance deficiencies and then determining the most appropriate means of remedying those shortcomings. (Tracey 2004) performance analysis provides preliminary study of the situation in order to determine of and when training is required and where a more detailed training needs assessment is warranted.

2.9.2 Selection of Trainers

Who actually conduct the training depends on the type of training needed and who will be receiving it. On-the-job training is conducted mostly by supervisors. Of-the-job training, by either in-house personnel or outside instructors. In-house training is the daily responsibility of supervisors and employees. Supervisors are ultimately responsible for the productivity and, therefore, the training of their subordinates. These supervisors should be taught the techniques of good training. They must be aware of the knowledge and skills necessary to make a productive employee. Trainers should be taught to establish goals and objectives for their training and to determine how these objectives can be used to influence the productivity of their departments. There are several ways to select training personnel for off-the-job training programs. Many small businesses use in-house personnel to develop formal training programs to be delivered to employees off line from their normal work activities, during company meetings or individually at prearranged training sessions.

There are many outside training sources, including consultants, technical and vocational schools, continuing education programs, chambers of commerce and economic development groups. Selecting an outside source for training has advantages and disadvantages. The biggest advantage is that these organizations are well versed in training techniques, which is often not the case with in-house personnel.

Today organizations whether private or public, are faced with fierce competition, scarce resources and rapid technological changes. This has meant that organizations ought to be managed in such a way that not only is their immediate survival guaranteed but also their long-term future development is ensured. Management or trainers play an important role in the realization of these goals. Concerning the role of management trainers, their required competences and the range of relevant knowledge and skills which they need to possess.

2.10 Development of the Training Program

After a needs analysis has been conducted and the staff is confident that training is needed to address the performance problem of to advance the firm's mission the training program is developed. This can be done by an in-house training staff or by outside consultants, the trainer should design a training environment conducive to learning. This can be done by setting up preconditions for learning and arranging the training environment to ensure learning. Following this, the trainer should examine various training methods and techniques to choose the combination most beneficial for accomplishment of the instructional objectives of the training program (Bernardin 2003).

2.11 Management Development

The more future oriented method and more concerned with education of the employees. To become a better performance by education implies that management development activities attempt to install sound reasoning processes.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Methodology of the Study

To obtain relevant information for this study both primary and secondary data were used. The methods employed to get primary information were structured questionnaires prepared and distributed to the selected and sampled management and non- management staff of the CBE. To get secondary data all relevant documents related to HRD and the training and development manual of the Bank were used. In addition to this the researcher tried to refer to different books,

3.2 Procedures of Collecting Data

3.2.1 The Study Population, Sampling Method and Sample Size

For this study, the sources of population were the current management and non management staff members of CBE. The preliminary survey undertaken by the researcher before questionnaire distribution is to take the total number of staffs in 9 branches from HRM department. The information indicated that there are 731 grand total population (total staff members) consist in 9 branches of Addis Ababa. The study focused on the population who are currently working in 9 branches. Based on the population of CBE appropriate sample for questionnaire was determined by using proportionate sampling technique to give equal weights to each branches of CBE. Once the total size of employees determined from 9 branches appropriate respondents from the management and the non management staffs were selected by using random sampling technique. From among different methods, the sample size determination the one which developed by Carvalh (1984).was used by the researcher. The method is presented in table below.

Table 1:- Sample Size Determination

Population Size	Low	Medium	High
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1200	32	80	125
1201-3200	50	125	200
3021-10000	80	200	315
10001-35000	125	315	500
35001-45000	200	500	800

(Source Carvalho 1984)

The population size of the study in CBE of 9 branches is 731. So the range lies between 501-1200, according to Carvalho's sample size determination indicated in Table 1, Thus taking to account a small population size variance and the cost of taking samples and time consuming for large sample size medium sample size was applied in according with the given population size. Therefore the sample size selected for the study under consideration was 80.

3.4 Methods of data analysis

The data gathered from both primary and secondary were summarized using descriptive statistics such as frequency distribution and percentages to give a condensed picture of the data. The summarized data were analyzed in brief to arrive a meaningful conclusion.

3.5 Organization of the study

The study is organized in to five chapters.

- The first chapter deals with the introduction part of the study
- The second chapter discusses the details of related literature of the study;
- The third chapter focuses on Research Design and Methodology
- Fourth chapter data presentation and analysis, and
- Chapter five focuses on conclusions and recommendations.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Profile of Commercial Bank of Ethiopian (CBE)

Commercial Bank of Ethiopia is the leading bank in Ethiopia, established in 1942, and is pioneer to introduce modern banking in the country. CBE has 596 branches stretched across the country. It is leading African bank with assets of birr 155 billion as June 30th 2012. It plays a catalyst role in the economic progress and development of the country. The first bank in Ethiopia to introduce Automatic Tailor Machine (ATM) service for local users. Currently CBE has more than 4 million account holders. It has strong correspondent relationship with more than 50 renowned foreign banks and a Society for Worldwide Interbank Financial Telecommunication (SWIFT) and bilateral arrangement with 500 others banks. CBE combines a wide capital base with and the first bank to introduce Western Union Money transfer service in Ethiopia. CBE has reliable and long standing relationship with many internationally acclaimed banks throughout the world. (<http://www.combanketh.com/>)

Commercial Bank of Ethiopia is now 71 years old in the banking industry continues to spread its branches. CBE has gone through significant changes through a steady progress; it has established a large customer base network. The Commercial Bank of Ethiopia (CBE) is the largest commercial bank in Ethiopia and held approximately 63.5% of deposits and about 38% of all bank loans in the country and the bank has about more than 12,800 talented and committed employees in the headquarters and its over 596 branches positioned in the main cities and regional towns, including 45 branches in Addis Ababa. The Commercial Bank of Ethiopia (CBE) has been playing a significant role in economic development of the country. Today more than ever before, the CBE has aggressively expanded its presence in all directions of the country. Total deposits stood at birr 86.5 billion while total assets and capital of the bank reached birr 114 billion and 6 billion respectively (<http://www.combanketh.com/>).

4.2 Opinions of the Respondents about HRD practices of CBE

As presented under the methodology part of the study well designed questionnaires were prepared and then distributed to the selected branches of management and non management staffs were 80 questionnaires. From which 20 questionnaires for the management staff and the remaining 60 questioners distributed to non management staff. Based on responses obtained the researcher draw conclusions regarding the study and then to forward some possible suggestions for any significant problems identified. Thus under this section the responses for the total respondents both the management and the non-management staffs are grouped and summarized in narrated form including tables and discussion and then analyzed one by one.

4.3: Analysis of Non-Management and Management Staffs Respondent in CBE

Table 2

Items	Questionnaire	No	Percent
Non-Management staffs	Total Distributed	60	100
	Returned	55	91.70
	Unreturned	5	18.30
Management staffs	Total Distributed	20	100
	Returned	20	100
	Complete respond	14	70
	Not completed (rejected by the researcher)	6	30

(Source Survey Study)

A) Non-management Staff Respondents

The questionnaires were distributed to 60 non- management staffs, from these 55(91.7%) were kind enough to fill the questionnaires properly and returned them on time. The rest 5 (18.3%) were failed to complete and not returned the questionnaires. All the returned questionnaires were complete and considered for the analysis that follows the data acquired and summarized in narrated form above.

B) Management staff respondents

To assess the practice of training and development program in CBE, designed questionnaire were prepared and distributed to 1(one) for Human Resource Development Director, 1(one) for Human Resource Management officer and, 18 questionnaire for 9 branch managers and deputy managers. From these, 14 were kind enough to fill and returned, the rest 6 failed to complete and not considered by the researcher for the analysis. In summary, the following Table 3 depicts the background information of the respondents.

Table 3 General Information of Respondents by Non- Management staffs

Items	Respondent	Number	Percent
Gender	Male	40	72.73
	Female	15	27.27
	Total	55	100
Age	Less than 25	17	30.90
	25 to 35	31	56.36
	36 to 40	4	7.27
	41 to 50	2	3.64
	51 to 60	1	1.81
	Greater than 60	0	0
	Total	55	100
Educational Status	PhD	0	0
	Second degree	2	3.64
	First degree	42	76.36
	College	11	20
	Certificate	0	0
	12 grade complete	0	0
	Below grade 12	0	0
	Total	55	100
Service years in CBE	Less than 3 years	32	58.18
	3 to 5 years	6	10.91
	5 to 7 years	8	14.55
	Grater than 7 years	9	16.36
	Total	55	100

(Source Survey Study)

From Table 3, we can deduce that about 72.73% of the non-management staff respondents are males and the rest 27.27% are females. In addition to this more than half of the respondents are

between 25 years and 35 years which indicated that their long period experience in work environment. When we see the level of education, 42 (76.36%) of the respondents are first

degree holders and the rest 20 % are college diploma holders. This assures the bank capacity of having professional management members. With respect to the status of the respondents, the highest number of the management staff fall in middle level management. More than half of the respondents (58.18%) have been working for less than 3 years and (16.36%) of the respondents have been working for more than 7 years in CBE. That indicated a long period of experience in the bank also more important for training and development practice in CBE.

Table 4 General Information of Respondents by Management

Items	Respondent	Number	Percent
Gender	Male	10	71.43
	Female	4	28.57
	Total	14	100
Age	Less than 25	0	0
	25 to 35	4	28.57
	36 to 40	7	50
	41 to 50	2	14.30
	51 to 60	1	7.14
	Greater than 60	0	0
	Total	14	100
Educational Status	PhD	0	0
	Second degree	0	0
	First degree	13	92.86
	College diploma	1	7.14
	Certificate	0	0
	12 grade complete	0	0
	Below grade 12	0	0
	Total	14	100
Service years in CBE	Less than 3 years	0	0
	3 to 5 years	0	0
	5 to 7 years	1	7.14
	Greater than 7 years	13	92.86
	Total	14	100

(Source Survey Study)

The characteristics of the surveyed management staff are explained as follows. From the total respondents 71.47% are males and the rest 28.57% are females. Majority of the respondents

(50%) belonged to age group that falls between 36 years and 40 years, which implies that they are in a middle age. With regards to educational qualification, majority of the staff (92.86%) are first degree holders and 7.14% have college diploma holders. Regarding respondents service years in CBE, 92.86% of the respondents have been working in CBE for more than 7 years, (7.14%) have been working for 5 to 7 years, This indicated that most of the employees who are working or assigned in management positions are well experienced employees to achieving the bank goal and objectives .

Table 5 Needs Analysis by Non-Management

Items	Question Response	Frequency	Percent
Is HRD department designed their training and development objectives based on the CBE goal?	Yes	38	69.09
	No	17	30.91
	Total	55	100
Does CBE used to employee selection for training program based on organizational need assessment?	Yes	37	67.27
	No	18	32.73
	Total	55	100
Does your organization manager analyze training and development needs periodically?	Yes	17	30.91
	No	18	32.73
	I do not know	20	36.36
	Total	55	100
Which of the following techniques for identifying CBE'S training and development need assessment analysis is being used	Organizational analysis	20	36.36
	Task analysis	24	43.64
	Personal analysis	11	20

(Source Survey Study)

As indicated in table 5, (69.09%) of the non-management staff respondents have an idea that the HRD department designed the training and development objectives based on CBE goal and the rest (30.91%) respondents say do not know. This indicates that the objectives and goal of CBE is clearly stated and known by the majority of the staffs

As indicated in Table 5, (67.27%) of the non-management staff respondents are saying yes in case of the selection of training program is based on the organizational need assessment. And

from the total respondents (32.73%) saying no. These indicate that CBE Human Resource Development department used to the employee selection process on organizational need assessment.

As shown in Table 5, more than half of the respondents (69.09%) answered that the bank does not periodically analyze management development need by taking in to consideration of management as a need oriented effort and (30.91%) say yes, The response implies that there is a problem in the bank with regard to need assessment in the bank periodically.

As shown in Table 5, 80% the non-management group reveals both organization analysis and task analysis are used in identifying management development need analysis and 20% said CBE uses person analysis. The response implies that CBE carefully examines its strategic goals and plans in line with the organization analysis and it determines the skill and knowledge of the job required before executing the training program.

A) Management Staff

1. Improving employee competency level and organization's performance.

From the survey data we can conclude that 85.71% of the respondents gave their opinions on improving employee competency level other than training encourage employee becoming empowered, participating in decision making process, coaching, rotation of the job and experience sharing, employee benefits, and performance evaluation are the best ways by which employee competency and productivity can be improved in CBE. 14.29% not respond.

2. Objectives of Training and Development in CBE

As it is clearly indicated in the survey data 100% of the respondents answered the major purposes of HRD program are:- to have motivated work force to enhance capacity (both present and future skills), to increase ability and productivity of employee, to establish optimum man task relationship to prepare employees to take highest assignments, to increase organizational

goal, to improve performance, overall banking knowledge and good customer service and to upgrade skills and prevent obsolescence. Moreover to help managers at all levels with respects to their task accomplishment. CBE also established management development objectives such as stimulating a more creative and innovative approach to problem solving and decision making.

3. HRD need analysis approach

The survey data indicate 57.14% of respondent say nothing about need analysis approach. where as 42.86% respondent's said that performance assessment, periodic training program, random analysis, based on employee interest and competency based are the category of HRD need analysis approach. CBE is identified through organizational analysis by taking in to consideration of the bank short and long range goals and identifying task related skills and ability to contribute the achievement of organizational objectives. Moreover periodic training analysis is used to encourage the skills and knowledge the job demands and in collection information as input in to HRD decision.

4. Training and Development Objectives for trainees

The respondents said, training and development objectives are established for each trainee. That means the trainees know in advance what is expected of them after taking any from training and development programs given by CBE. However there is no binding contract between the bank and trainees for not sticking to the training objectives. Trainees are not penalized for not applying what they have learned through training on their job.

Table 6:- Developing Training Program and Analysis by Non- Management

Items	Response	Frequency	Percent
Do you think the methods used in the human resource training and development programs as CBE have achieved the desired goal of the organization?	Yes	30	54.55
	No	25	45.45
	Total	55	100
How effective is the human resource training and development program at CBE?	Effective	39	70.91
	Not Effective	16	29.09
	Total	55	100
Which of the following types of training and development programs are exercised in CBE?	Formal Training	25	45.45
	Off-the-Job formal Training	12	21.81
	Job Station	15	27.27
	Development Position	3	5.5
	Total	55	100

(Source Survey Study)

As shown in Table 6, most of methods used for management training in CBE are by using (54.55%) yes, and (45.45%) are not used. So the management is not totally used the implication for the method that mostly used to accepted method and also can be trained using to achiev the desired goal of CBE.

As indicated Table 6, from the total response (70.91%) said that the human resource training development programs are effective in commercial bank of Ethiopia, but 29.09% of respondents are saying that is not effective. This implies that the Commercial Bank of Ethiopia is used to the human resource training and development program effectively.

The achievement of organization objectives depends on a great extent on the quality of leadership provided by administrator's managers. Organization need to improve supervisory managerial and executive skills may lead and motivate employees for the development of their organizations. As Table 6,from the total respondents (45.45%) are saying CBE uses to a greater extent formal training as the most commonly used types of its management development

programs and development position. Job station and off-the-job formal training are next to formal training use respectively.

A) Management Staff

What steps/procedures do your organization follows to execute employee training and management development program?

According to (Dr. Al Infand) there are four steps that should be followed to conduct training and development program. Namely establishing a need analysis, developing training program and analysis, deliver the training program and evaluating the training program and follow up. In CBE the first four steps are strictly followed as per the open-ended question reply although they are not consistently used per each HRD program. However CBE is still reluctant on evaluation and follows up of the training and development program

Table 7:- Deliver the Training Program by Non-Management

Items	Types	Frequency	Percent
Does CBE implementing its training and development programs effectively?	Yes	27	49.09
	No	28	50.91
	Total	55	100
Have you taken any form of training program prepared by CBE?	Yes	49	89.09
	No	6	10.91
	Total	55	100
Which of the following On-the-job types of employee training program have you taken?	Job Instruction	20	36.36
	Job Rotation	23	41.82
	Apprenticeship	4	7.27
	Coaching	8	14.55
	Total	55	100
Which of the following Off-the-job types of employee training program have you take?	Lecture and Video Presentation	38	69.09
	Vestibule training	7	12.73
	Case Study	3	5.45
	Simulation	4	7.27
	Self study & Program learning	3	5.45
	Total	55	100

(Source Survey Study)

As indicated Table 7, The effectiveness of training and development programs in Commercial Bank of Ethiopia is based on the respondent answers which conclude that the positive attitude of effectiveness is almost half of the respondent 27(49.09%) are saying “yes”, and on the other hand the same amount of number 28(50.91%) respondent are saying “no”. We can generalize that Commercial Bank of Ethiopia use less effectively the training and development programs by the management.

As can be seen from, Table 7, the respondents have taken some sort of training in one way or another for their duration of stay in CBE. This implies that the focus of the bank in updating the skills and knowledge of every employee, which later on contributes to the competency levels of trainees and organizational performance of the bank and employee to be effective and efficient for the success of achieving the organization goal and objective.

Table 7, shows that almost all of the alternatives given with respect to on-the-job training methods are used by the Bank with varying degrees, job rotation and Job instruction methods respectively are most frequently used by the Bank as more than 75% of the respondents replied.

As can be observed from the Table 7, in relation with the methods used the bank to give off- the-job training for the trainees, lectures and video presentations methods are the most frequently used. As 69.09% of the respondents indicated vestibule method is also used next to this method as 12.73% of the respondents replied and other methods occasionally used to provide on the job training are case study, stimulation and self study and programmed learning.

5. Challenges of HR training and development in CBE.

The nature of the question by itself (which is subjective type) is difficult to answer by the respondents, So they gave their own reasons, But from the total respondent (55) who are gave their own ideas are 31, The rest did not respond(24). Based on the respondent answers we can conclude that there are many challenges which are faced by the Commercial Bank of Ethiopia. Management to implementing its HR training and development plan and from the stated idea

most of them are the same idea. So the following points are summarized by the researcher to indicate the major challenges of CBE.

- Problem of partiality on the selection of trainee
- The biasness of the selection committee, So fair selection is not done by top management
- There is no selection criteria for trainee, and lack of transparency on selection process
- There is knowledge and skill gap between the local and international best practices in the bank
- There is knowledge and skill gap between the employee and top management
- Lack of the trainers expected skill and knowledge, So the trainers are not qualified to tell on the modern bank system to the staff
- Employee turn over and mass employment
- Lack of adequate materials for trainees
- Lack of strong commitment from both employee and management
- Training course some times not relevant with regard to the job, and the training time is very short
- Lack of facilities to give on- the- job training, So is more focused on theoretical part
- The training program mostly does not consider the level of understanding of the employee skills

Table 8 Deliver the Training Program by Management Staff

Items	Respond	Frequency	Percent
Does the bank allot sufficient funds to carry out training and development programs effectively?	Yes	12	85.71
	No	2	14.29
	Total	14	100
Does the bank provides the required training materials?	Yes	11	78.58
	No	3	21.42
	Total	14	100
Do you think that staffs are acquainted with the importance of training and development?	Yes	14	100
	No	0	0
	Total	14	100
Does the bank has the right trainers who have adequate technical proficiency and skills for the right trainees?	Yes	12	85.71
	No	2	14.29
	Total	14	100

(Source Survey Study)

To gather more information about employee training and management development practice of CBE structured open-ended questions were forwarded to the human resource development division head of the bank. The Human Resource Development Director and branch managers accordingly the responses to the questions are depicted briefly as follows. According to the respondent which is shown in Table 8, CBE has no problems with regards to the executes and implementation of the HRD program. That means adequate fund is budgeted at the beginning of the new fiscal year to carry out effectively training and development programs. Based on the respondent answer 78.58% say there is no budget constraint in the bank. From this we can conclude that no significant financial problem exists to deliver the required training materials.

The familiar it the employee based on training and development program is essential for the success of the HRD program in CBE. Thus according to the response in Table 8, 100% of respondents said yes, so there is no problem with regard to the awareness of the importance of training and development program.

According to Table 8, from the total respondent 12(85.71%) say yes and the rest 2(14.29%) are say no. This indicated that the bank has appropriate trainers for the right trainees particularly for local training and development program. Moreover some senior and skilled internal staffs are used as relevant trainers especially for information systems and statistics related trainings. Some times the bank invite applicants from external consultants who need to provide training on fee payment basis accordingly the bank assess the content of the trainings applicant is going to provide in line with its need assessment to evaluate them.

Base for selecting right trainees for the right trainings

For local (in house and external) training and development programs, the departmental management and immediate supervisor are responsible to nominate appropriate trainees for appropriate training. That is, right trainees are selected by taking in to consideration of their past and current job performance, (performance evaluation) the number of years of service in the

bank, the nature of jobs and they are assigned for abroad training. top management and /or governors of the bank are responsible to nominate appropriate trainees.

Factors considered in selecting appropriate instructional methods and media for T and D given in the bank?

From the total respondent of management staffs 71.74% did not give appropriate answer for the above question. The rest 28.26% of respondents answered that the factors that are considered by the HRD department to give the training and development program are: types of training, job performance, based on the relating issues and to be considered by the training office. This indicated that most of the management staffs are not familiar to the factors that are considered in selecting instructional methods and media for training and development program in the bank.

Table 9 Training Process by Non-Management

Process	Very much satisfied		Satisfied		Very little satisfied		Not satisfied		Total Training	
	F	%	F	%	F	%	F	%	F	%
Selection criteria	6	10.91	28	50.91	10	18.18	11	20	55	100
Training Methods	6	10.91	30	54.55	12	21.82	7	12.73	55	100
Training Period’s adequacy	2	3.64	25	45.45	15	27.27	13	23.64	55	100
Trainer’s Capabilities and skills	8	14.55	27	49.09	14	25.45	6	10.91	55	100
Training objective	15	27.27	26	47.27	11	20	3	5.45	55	100
Appropriateness training facilities	8	14.55	24	43.64	18	32.73	5	9.09	55	100
Desired training program content	5	9.09	26	47.27	19	34.55	5	9.09	55	100
Training Evaluation	5	9.09	25	45.45	15	27.27	10	18.18	55	100
Training policy	5	9.09	25	45.45	15	27.27	10	18.18	55	100

(Source Survey Study)

According to Table 9, we can deduce the following as per the trainees selection criteria used in CBE 50.91% of the respondents feel satisfied and 20% are not satisfied .This indicates there is no problems in the Bank relation with selection criteria of trainees as majority of the respondents replied regarding the methods used to provide train series almost more than half of the respondents (54.55%) feel satisfied and 21.82% are very little satisfied. This shows as the bank’s

concern in using the relevant training method to conduct the training program. However some respondents are still satisfied with respects to the methods used to render training services .In relation with adequacy of training period, about 45.45% of the respondents are satisfied and 27.27% are very little satisfied. This implies that there are problems in CBE regarding with the period or training duration allotted per each training program. Despite this, about 51% of the respondents are not satisfied for the training period given in CBE. More than the average numbers of the respondents (63.64%) are satisfied with the trainers' capabilities and skills indication of the bank's strength in providing trainer's with adequate technical proficiency and skills. However, some are very little satisfied (25.45%) which is a clue for the bank to further search for appropriate trainers. Almost more than half of the respondents are satisfied is relation with training objectives, appropriateness of training facilities and desired program content more of respondents are satisfied for the same. However more than half of the respondents are satisfied with training evaluation and training policy practices of the bank respectively in the same manner 27.27% and 18.18% of the respondents are not totally satisfied for the same respectively. This reply shows the areas on which the bank should give greater care and emphasis.

A) Management Staff

What are the types of HRD being used in CBE?

According to the respondent answer we can conclude that the majority of the management staffs (71.74%) have no clear idea on the types of HRD being used in CBE. 28.26% of the respondent answers the skilled and active management, periodic training, short time training program, abroad training program and education are considered by the CBE with regarding to the types of Human Resource Development program being used.

Table 10 Evaluate the Training Program by Non-Management

Items	Respond	Frequency	Percent
Have you realized any change on your performance after taking any form of training in CBE?	Yes	47	85.45
	No	8	14.56
	Total	55	100
Does CBE evaluate the effectiveness of management development program?	Yes	15	27.27
	No	17	30.91
	I do not Know	23	41.82
	Total	55	100
To what extent the contents of the training you have taken are relevant to your current job?	Highly Relevant	25	45.45
	Moderately Relevant	17	30.91
	Less Relevant	8	14.55
	Not Relevant	5	9.09
	Total	55	100

(Source Survey Study)

Table 10, clearly reveals that the training given by the bank to its employees has positive impact on improving their job performance as 85.45% of the respondents replied and the rest 14.56% feel that they do not see any significant positive change on their performance due to the training given for them. Any way the majority of the respondents have positive attitude to wards the training given by the Bank since it helps them to up date their knowledge and skills that results in improvement of their job performance which is a clue for the bank to give more emphasis to its HRD program.

Evaluation is the final phases of human resource development program as it a means to verify whether employees in the program do the jobs for which they have been trained shown in Table 10, (27.27%) of the non-management staff responded that the bank evaluation to assess the effectiveness of the management development program, particularly while it is going on. The

other 30.91% responded no evaluation took place and (41.82%) responded that they do not know whether management in CBE in relation to evaluation of human resource development. Since all

most all the employees (72.23%) have no idea the evaluation process made by the management effectively.

One of the basic aims of management development program is to improve current job performance of each department which ultimately increases the productivity of the organization as a whole by up dating the skills and knowledge of departmental managers. As the above Table 10, shows, 45.45% of the respondents said the training they took so far is highly relevant in improving their current job performance and 30.91% responded as it is moderately relevant since it highly contributes to the improvement of their performance. Thus, management development program in CBE makes positive contribution to the job performance of its leaders.

In evaluating the worth of specific human resource development programs sets of measurement criteria should be identified and used with the aim of increasing the effectiveness of the program. While it is going on and helping trainees to get feed back for their improvement and efficiency as indicated In The table 10 from the total respondents only 15(27.27%) are answers the questions and 39(70.91%) respondent are not answered because of they answer based on the effectiveness of evaluation process in training and development program. So, how much the bank has benefited from the training in terms of goal achievement and survival of growth (ultimate value) is considered by CBE in evaluating the worth of the management development program. However the bank is not as such effective in post evaluation of the program with respect to the employee.

Suggestion on the strength and weaknesses of CBE?

The last question of this questionnaire is to evaluate the strength and weakness of the Commercial Bank of Ethiopia with regard to the training and development program by the non-management staff. So from the total respondent 38 gave their suggestion on the strength and

weakness of the bank, the rest 17 did not respond. Based on this the researcher summarizes and point out the strength and weakness as follows as in the narrated form.

Strength

- Training and development program are more related with the current job.
- CBE has its own training center.
- Collection of special customer is highly appreciated comparatively from other bank.
- The training and development programs are based on work oriented.
- The issues of the training are vital and create more awareness to the employee.
- Training and development reflects the over all observation about the organization.
- It helps to organizational development.
- Training empowers the employees.
- It is fully sufficient resource wise, etc...

Weakness

- Employees mostly selected from certain branches, the selection process criteria are not clearly known by the employee and not effective.
- The training program is not given to the employee on regular basis.
- Less payment for travel and food allowance to the trainees.
- Repetitive and a little bit boring training program.
- Lack of training needs assessment.
- Lack of policies and procedure for the training program.
- Training is not given to all employees.
- Inconvenient room for training.
- Lack of training evaluation impact.
- New employees are not given training after recruitment.
- All staff may not take outside training program.
- Some times the training program is not related to job.
- Improper training location, etc...

A) Management Staff

Evaluate T and D programs to verify the success of the program

The survey data indicates that 78.57% of the respondents said that following points are to be considered by the HRD with regard to the success of evaluation program in training and development program. Training evaluation is conducted to increase the effectiveness of the program while it is going on. Reaction is used as a set of measurement criteria to know about what the participant (trainees) think about the program. Moreover post training evaluation, job performance, evaluate training and development program and evaluate employee through their out put is also conducted to help trainees to get feed back for their improvement and efficiency and to find out to what extent the objectives are achieved. However CBE is not effective in practicing post evaluation of the HRD program.

What do you suggest for CBE with respect to HRD programs?

According to the survey data 71.74% of respondents gave their suggestions with respect to the HRD program practices strength and weakness of Commercial Bank of Ethiopia and 28.26% did not answer. The researcher summarizes and presents those as follows. .

Strengths

- The training program address all the staff
- Districts may plan a training program at the district level
- All departments are to follow there scheduled program prepared by HRD department
- CBE has good teaching and learning room, library and internet accesses to the staff,

Weaknesses

- CBE does not used external trainer
- Training is not given according to the interest of the employee
- Post training evaluation is less effective
- Before training, need assessment is very weak, etc...

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter discusses the finding of the study and draws conclusion based on the findings that emerged. Recommendations for improving the training and development activities at CBE for an improved training and development practice have also been included in this chapter.

5.2 Summary of Findings

The general aim of the study was to investigate the training and development practices at CBE and to suggest ways of enhancing the human resource training and development program for efficient and effective. The following are the summary of the findings

- 69.09% of non-management and 100% of management staffs responded that the HRD department designed their training and development objectives based on the CBE goal.
- 67.27 % and 57.14% of the non-management and management staff respectively agree that the employee selection process for training be based on the need assessment is implemented effectively and efficiently in the CBE.
- From the total respondents, 55% of non-management staffs said, that the CBE has a training and development policy
- The study revealed that the awareness of the training and development policy among the CBE staffs is high.
- 61% of non-management staffs respondent are satisfied the performance appraisal was the basic criteria guiding for selection process of staff for training and development program.
- 70.91% Of non-management staffs responded that the human resource training and development program is effective in CBE.

- From the management staff point of view 85.71% respondents responded that there are sufficient funds in HRD department to carry out the training and development programs effectively.

Other challenges found include

- Problem of partiality on the selection of trainees exists.
- There is no selection criterion for trainee, and there is lack of transparency on selection process.
- There is knowledge and skill gap between the employee and top management
- Lack of the trainers expected skill and knowledge level exists.
- Employees turn over and mass employment affects Training and Development program.
- There is lack of adequate materials for trainees.
- There exist lack of strong commitment from both employee and management.
- There is lack of facilities to give on- the- job training.
- Lack of staff involvement in training decisions exists.

5.3 Conclusions

Based on the data presented and analyzed chapter four of this study the following conclusions are drawn by the researcher focusing on the strengths and weaknesses of CBE with respect to the practices employee training and management development programs. CBE has a structured HRD plan and sufficient budget to execute or under take the plan. Moreover CBE has a written HRD policy which is implemented by the human resource department of the bank. However most of the respondents are not clear with the HRD plan and policy of CBE regarding to the HRD need assessment of the bank. Trainees are selected based on their academic qualification, length of service, annual performance appraisal, the perception of immediate supervisor departmental managers and the decision of committee. Lack of transparency is the major problem of the bank that majority of the respondents are complaining and training is conducted simply based on the need of senior management staff and to fulfill the formality of human resource department needs are not based on the willingness and requirement of employees.

With respects to HRD objectives of the bank no specific measurable criteria and time is targeted. The effectiveness of evaluating program is faced on the lack of standardized management criteria

that assist a bench mark of evaluating program. Job rotation, lecture and video presentation, conference, work shop and case study are the bases to which the methods designed program content and trainer's preference and capabilities. However other factors like cost-effectiveness and learning principles have no places although they are equally important techniques of evaluations. Post trainings is not given more attention and especial consideration by CBE and although it is a means to assess the cost/benefit of the HRD program to the bank.

In CBE we find both on- the- job and off-the-job types of training and development programs existing on-the-job training is given to for non – management staff and off the job training is for both management and non-management staff.

5.4 Limitations of the study

There are external (uncontrollable) variables that confronted the investigation and conclusion. The researcher tried to his best to design research as properly as possible.

- Lack of access to the right secondary data.
- Negligence of some respondents, particularly management staff respondents, to respond to the questionnaire openly and timely.
- Sufficient time and finance to conduct the study were among the various problems encountered by the researcher during this study.
- Moreover, sampling restrictions is also another serious problem that under weight the researcher's conclusions.

5.5 Recommendations

That HRD professionals not only place the issue of training and Development on a high-priority list but also more important by develop effective strategies to deal with it. In an effort to assist HRD practitioners in making the immediate application of the findings of the research, they have to make discussions about practical implications in the provision of specific suggestions how to address the problems and issues within today's organizations.

The following recommendations are forwarded to alleviate or at least to minimize the currently encountered problems by the bank in relation with HRD practices and programs.

- Up dating employees' skills and knowledge to cope with technological advancement and competitive environment is a mandatory work for CBE. With out it will not achieve its pre stated short term and strategic goals.
- The HRD plan and policy of the bank should be transparent and implemented in line with the HRD need of the bank.
- HRD objectives should be explicitly stated for each trainee, communicated to each trainee and at least should answer the following questions
 1. What should the trainees be able to do after training?
 2. Under what conditions should the trainee be able to perform the trained behavior?
 3. How well should the trainee perform the trained behavior?
- The HRD need assessment and selection criteria practice of CBE are among most serious issues with which the majority of the respondents feel unsatisfied. However the bank is no effectively implementing the approaches of an extensive need assessment and proper selection criterion should be exercised in the bank or else the bank will end up in wasting time, resource and de motivating staff. Employees will develop negative attitudes towards future programs.
- Effective post training evaluation should be done in order to increase the effectiveness of the program to be held in the next session to help participants, get feedback on their improvements and efficiency to find out to what extent the HRD objectives are achieved. So the bank should give more emphasis on it.
- HRD should be based on career development of the employees which helps the bank achieved its objectives to maximize self development.
- The training period for each training program should be sufficient, the instructional method and media selection criteria should be cost effective and depends a learning principle and opportunity for abroad training should also be given for junior non-management staff if possible.

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