



**St. Mary's University College
School of Graduate Studies**

**Contributions of Training and Development to
Employees' Personal Development
and Bank's Performance in the Commercial
Bank of Ethiopia**

**By
Ashebir Assefa Kidane**

**July 2013
Addis Ababa, Ethiopia**

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**A Thesis Submitted to St. Mary's University College, School of Graduate
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LIST OF ACRONYMS

- CBE: - Commercial Bank of Ethiopia
- EIBI: - Ethiopian Institutes of Banking and Insurance
- EMI: - Ethiopian Management Institute
- HRD: - Human Resource Development
- HRM: - Human Resource Manager
- T and D: - Training and Development
- IMF: - International Monetary Fund

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ABSTRACT

This study tried to see the practice of training and development programs and evaluate its contribution to employees' personal development as well as performance of the Commercial Bank Ethiopia. The researcher has used questionnaire and structured interview discussions for employees and the management the bank to get first information for this research. Since the study is concerned with Commercial Bank of Ethiopia, the participants of the study would solely be employees of this Bank. The study focused on the population who are currently working in Commercial Bank of Ethiopia found in Addis Ababa City only. Total sample size would be 150 respondents for the self-administered questionnaires and 30 interviewees for the face to face interview that made with HRD director, HRD experts and HRD officers. The study findings indicate that Pertaining to training and development periodical need assessment practice, many of the respondents disagree on the existence of assessment practice. And a significant number of respondents believe that CBE do not conduct knowledge and skill gap analysis. The CBE training and development program has to be supported by as systematic needs assessment. Because training and development program could be effectively achieved only when it was planned based on the identified training and development needs of the CBE through systematic, continuous and participatory needs assessment. Otherwise, it would be wastage of resources and could not improve the knowledge, skill and attitude of individuals and achieve the desired goals of the organization. Doing this helps the CBE to ensure training is provided to the right people at the right time to increase organization performance or productivity. In addition According to (Monday 1990), there are five steps that should be followed to conduct training program. Namely, need assessment, establish objectives, select appropriate methods and media, implement the actual program, and conduct evaluation and follow up. In CBE, the first four steps are somehow followed as per the interviewee's 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. CBE doesn't evaluate the outcome and impact of the conducted training and development programs. Training and development program evaluation provides feedback that enables the CBE, the trainers and the trainees to determine what was more and less effective in practice in order to assist in determining the value of training activities on subsequent personnel performances. In order to achieve this, the CBE should evaluate the training and development program given to employees during and after the training programs through participatory evaluation process. The evaluation should be made based on the objectives of the planned training and development program. Besides, it has to formulate clear training evaluation criteria in order to effectively measure the results obtained from the training program delivered to employees.

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CHAPTER ONE

INTRODUCTION

This chapter is an introductory chapter for the study which introduces the overall study. This part consists of background, problem statement, research questions, objectives, significance, scope and limitations of the study and organization of the research work. Each of these sub topics are discussed in detail.

1.1. Background of the study

It is often said that an organization is as good as its people as the prosperity of organizations becomes explicitly dependent on the intellectual capacity of their employees and their ability to change and adjust to the dynamic business environment. Organizations of all type share the common challenges to have competent and motivated employees. Human resource is the most invaluable asset of organizations. Without the proper handling of the human resource, an organization hardly realizes its short run and long run objectives. Moreover, it is very complex dealing with the human resources of an organization. Among different activities of human resources, training and development is one that requires top management commitment, and major duties and responsibilities of managers' or supervisors' from the budget preparation up to implementation (Werther and Davis, 1996).

Employees, as the most vital resource, need to possess the necessary skills, knowledge and attitude in order to contribute to the attainment of organizational objectives. Training and development is one of the mechanisms to ensure that employees have acquired the desired skill, knowledge and attitude for achieving the required level of performance. The basic objective of employee training and development is to develop the knowledge, skills, and attitudes of employees for more effectiveness in their present jobs as well as preparing them for future assignments. Today, the need is becoming more acute for employees with the appropriate knowledge and skill are necessary to compete in a global economy (Werther and Davis, 1996).

One strategy to have such type of employees is the use of training and development programs to improve, upgrade and instill the required knowledge, skills and abilities. Training helps

employees learn jobs quickly and effectively, improves work performance, frees management time, reduces labor turnover, reduces accidents, attracts good workers, facilitates change and results in efficiency in organizational performance (Werther and Davis, 1996). However, most organizations do not give much attention to the effectiveness of their training programs. They do not participate the trainees in their training need assessments, they do not prepare adequate curriculum relevant to the organizational unique characteristics, they are careless to the selection of trainees, they do not enquire whether the trainer has adequate expertise, they do not evaluate whether the methodology of the training is appropriate, they do not give emphasis to the need for control and evaluation of training effectiveness among others (Scarpello and Ledvika, 1998).

The training and development of employees is an issue that has to be dealt with by every organization. The intensity and quality of training carried out varies enormously from one organization to another. Many organizations meet their training needs for in an *ad hoc* and haphazard way. Training in such organizations is more or less unplanned and unsystematic. Other organizations on the other hand set a series of steps that identify their training needs, design training activities in a rational manner, conducting actual training and assess the results of training. Such organizations often use systematic approach in the training and development endeavors of their employees. CBE is the biggest commercial bank in the country in terms of branch distribution, number of employees, number of customers, profitability and capital invested. It has more than 500 branches spread throughout the country and one branch abroad and about 12,000 employees with different qualifications. In relation to capital investment, the Bank has deployed 40 billion birr as of June 30, 2011 (Commercial Bank of Ethiopia, 2010/2011).

The major services that Bank renders are Customer Accounts and Transfer services (CATS), Trade services (TS) and Credit services. Currently, the trade service, which includes services related to International banking operations, are the most productive and generate the highest proportion of the bank's corporate income. The Bank's profitability and the volume of its credit facility are also increasing while the ratio of non-performing loans has drastically declining to the level of international standard (3rd Quarter report, March 2012).

With introduction of the overall change in late 2003 and the subsequent restructuring, the unit has been restructured to take the Current form as HRD unit, having the responsibility of planning, coordinating, and supervising the overall training and development programs of the Bank. Presently HRD has total of 23 professionals and 3 staff workers: the Director, 9 HRD Experts, 14 HRD Officers, 2 secretaries and 1 photocopy Operator.

As a service giving organizations, the quality of the Bank's service is highly dependent on the efficiency and effectiveness of its employees. In order to ensure this, practice of continuous training and development of its employees becomes mandatory. It is useful for the organization, supervisors or managers and for the employee himself.

Hence the study assesses the contribution of training and development to the banks performance and the employees' personal development in Commercial Bank of Ethiopia.

1.2. Statement of the Problem

Recruiting, selecting, orienting and then placing employees in jobs do not ensure success. In most cases, there may be gap between employee knowledge and skill and what the job demand. The gap must be filled through training programs. Hence, employee training and development is one of the major ways that work organizations attempt to maintain the competency levels of their human resources and increase their adaptability to changing organizational demands (Scarpello and Ledvika, 1998).

Staff training and development has been identified by various scholars and anchors to be very crucial to an organization and its effectiveness. In the light of the above, organizations are therefore encouraged to train and develop their staff to the fullest advantage in order to enhance their effectiveness. As training reduces the work of the manager in terms of close supervision it also improves the drive, initiative and quality of work of the employees thus assist them to be more committed to achieving the goals and objectives of the organization and this has the tendency of enhancing effectiveness among workers within the organization. However, for any organization to succeed, training and re-training of all staff in form of workshops, conferences and seminars should be vigorously pursued and made compulsory.

The Human Resource Department of training and development is merely established with the purpose of empowering the less skilled manpower to equipped with the necessary skill and knowledge and enable them to successfully carry out their duties and responsibilities, and improve their productivity. Hence, understanding the importance of training and interventions for employees shall be needing base with budget constraint in a timely fashion.

The connection between economic survival and productivity has become obvious in the last decade, with the result that increased productivity has become a strategic goal for many firms.

The rapid changes in production systems and method have had significant impact on production skill requirement. Thus, employees face the need to constantly upgrade their skills and develop an attitude that permits them to adopt change. The delivery of efficient and effective training is required to enhance the productivity of employees and improve their performance. However, the problem in training and development is that people usually like the training and learn the material taught, but behavior and performance do not always reflect the extent of training delivered and supposedly learned.

Generally, inadequate needs assessment and skill gap analysis, inappropriate training and development objectives, using outdated training and development methods, lack of need based training, lack of close supervision and follow up and lack of proper training evaluation at each stage of the training and development process, Lack of due consideration given to the link between training and development function with other Human resources function, Lack of strategic alignment between training and development function to its corporate business strategy are some of the major problems that Commercial Bank Ethiopia are facing. These problems later on lead the organizations to lack of optimum man-task relationship, resistances of employees in taking future assignments, decrease in productivity, increase in operational error, increase in employee turnover and absenteeism and decrease in employee morale and confidence.

Since the 1990s, the Commercial Bank of Ethiopia has made huge investment on training and development with the objective of improving the skills and knowledge of employees in the banking operation, developing desirable attitude and behavior of managers and meeting future requirements of skilled manpower.

CBE has its own training and development department, to upgrade the skills and knowledge of its employees. More over the bank also sends abroad some of its selected staffs particularly management staff members for the training and development program provided by World Bank and IMF and other institutions. However, having own training center and sending employees abroad do not guarantee that employees performance is improved through increase in productivity, reducing cost of operational error and alleviate their skill deficiencies. The important issue is whether or not the need is assessed, an objective is established, appropriate methods and media are selected, the program is well implemented and close evaluation and follow up is carried both during and after the training program.

1.3. Research Questions

The study tries to seek answers to the following basic research questions:

- Does the training and development programs designed by the bank benefits employee's personal development?
- What are the contributions of the existing training and development program to the banks performance?
- How does Commercial Bank of Ethiopia evaluate the effectiveness of employee training and development programs which has impact on its performance and employees personal development?

1.4. Objectives of the Study

The study has general and specific objectives.

General objective

The general objective of the study is to assess the contribution of existing training and development practices of Commercial Bank of Ethiopia to employee's personal development and bank's performance.

Specific Objectives

In light of the above general objective, the specific objectives include:

- To assess whether the existing training and development program designed by the bank benefits employee's for their personal development
- To check to what extent the existing training and development program designed by the bank benefits the banks performance
- To examine the effectiveness of employee training and development programs and to know its impact on performance of the bank and employees personal development

1.5. Significance of the study

The study is expected to provide constructive inputs to the organization that may help to improve its employee training and development practices and to gain on the training and development programs for the organization performance or productivity.

The following are the major significances that the study aimed to provide;

- To help the management of Commercial Bank of Ethiopia to see the contribution of training and development to their performance improvement or productivity and personal development of their employees.
- It may also add to the available current information on training and development practices of Commercial Bank of Ethiopia.
- To give a highlight for other similar organizations on the contribution of training and development on their performance as well as personal development of the employees’.
- It helps the researcher to acquire practical experience, and also for the partial fulfillment of the requirements for master’s degree in business administration.
- To serve as a stepping stone for further studies to be conducted on the topic in depth and in wider scope afterwards.

1.6. Scope of the study

For the sake of quality and specialization and to cope with the available time and resource constraints, this study focuses only on training and development practices of CBE branches and Head offices organs found in Addis Ababa city only. Although assessment of the program is equally important in all other organizations, particularly other banking industries currently operating in Ethiopia. In addition the study does not focus on such a huge test and the scope is confined to the practices of training and development in Commercial Bank of Ethiopia.

1.7. Limitations of the Study

The study would not exhaustive. This study was limited to data collected, analyzed and interpreted from Commercial Bank of Ethiopia head Office organs and some Addis Ababa City Branches. The sample population in which only staff in Addis Ababa are considered due to cost and time constraints by no means be considered representing the whole employees of Commercial Bank of Ethiopia

Part of the information that would seek for the study is collected by way of circulating questionnaire for those concerned respondents and through interview made with selected head office organ. Naturally, the respondents may tend to give somewhat unrealistic information for different reasons and hence, few of the points may be hard to conclude.

1.8. Organization of the Study

This paper is organized in five chapters. The first chapter deals with introductory remarks providing information on the background, statement of the problem, research questions, objective, significance, and scope and limitations. The second chapter entirely deals on the literature review, meaning of training and development, why training and development, contribution of training and development to the organization and the employee, training and development objectives, implementation of human resource development, training evaluation and methods of training and development. Besides, the practice of human resource training and development in the Ethiopian banking sector is presented in this chapter. The third chapter is for presentation of the research design, time and place of the study, primary and secondary data sources, ways of collection and analysis procedure. The result and discussion, chapter four, presents and interpret with detailed analysis of the collected data through questionnaire and interview qualitatively and quantitatively using SPSS version 17. Finally, summary, concluding remark & recommendations are forwarded in the fifth chapter with regard to the contribution of training and development to the employees' personal development and the bank's performance.

1.9 .Definition of Terms

Training: refers a planned and systematic effort to modify or develop knowledge/skill/attitude through learning experience, to achieve effective performance in an activity or range of activities. (Buckley and Caple, 2005)

Learning: is the process whereby individuals acquire knowledge, skills or attitudes through experience, reflection, study or instruction. (Buckley and Caple, 2005)

Education: a process and a series of activities which aim at enabling an individual to assimilate and develop knowledge, skills, values, and understanding that are not simply related to a narrow field of activity but allow a broad range of problems to be defined, analyzed and solved. (Buckley and Caple, 2005).

Development: is the general enhancement and growth of an individual's skills and abilities through conscious and unconscious learning. (Buckley and Caple, 2005).

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter entirely deals on the literature review, which are meaning of training and development, why training and development, contribution of training and development to the organization and the employee, training and development objectives, implementation of human resource development, training evaluation and methods of training and development. Besides, the practice of human resource training and development in the Ethiopian banking sector is presented in this chapter

2.1. Meaning of Training and Development

Training refers a planned and systematic effort to modify or develop knowledge/skill/attitude through learning experience, to achieve effective performance in an activity or range of activities and human resource development encompasses activities and processes which are intended to have impact on organizational and individual learning. The term assumes that organizations can be constructively conceived of as learning entities, and that the learning processes of both organizations and individuals are capable of influence and direction through deliberate and planned interventions. Thus, HRD is constituted by planned interventions in organizational and individual processes. at the national level HRD aims at ensuring that people in the country live longer; live happily; free of disease and hunger; have sufficient skill base to earn their livelihood and well being; have a sense of belongingness and pride through their own destinies. The promotion of the well-being of individuals, families and societies provides a human resource agenda for all countries the world over (Buckley and Caple, 2005).

Learning: is the process whereby individuals acquire knowledge, skills or attitudes through experience, reflection, study or instruction. (Buckley and Caple, 2005)

Education: a process and a series of activities which aim at enabling an individual to assimilate and develop knowledge, skills, values, and understanding that are not simply related to a narrow field of activity but allow a broad range of problems to be defined, analyzed and solved. (Buckley and Caple, 2005)

Development: is the general enhancement and growth of an individual's skills and abilities through conscious and unconscious learning. (Buckley and Caple, 2005)

Training both physically, socially, intellectually and mentally are very essential in facilitating not only the level of productivity but also the development of personnel in any organization. Therefore, training can be put in a context relevant to school administrators. However, knowledge is the ability, the skill, the understanding, the information, which every individual requires acquiring in order to be able to function effectively and perform efficiently. Human resources, are the most valuable assets of any organization, with the machines, materials and even the money, nothing gets done without man-power. Buckley (1999) submitted that: Training is a systematic development of the knowledge, skills and attitudes required by employees to perform adequately on a given task or job. It can take place in a number of ways, on the job or off the job; in the organization or outside organization. Buckley (1995) observed that staff training and development is a work activity that can make a very significant contribution to the overall effectiveness and profitability of an organization. He therefore, provides a systematic approach to training which covers the main elements of training.

It follows therefore that the employees in an organization to be able to perform their duties and make meaningful contributions to the success of the organizational goals need to acquire the relevant skills and knowledge. In appreciation of this fact, organization like educational institution, conduct formal training and development programs for the different levels of their manpower.

The need for improved productivity in organization has become universally accepted and that it depends on efficient and effective training. It has further become necessary in view of advancement in modern world to invest in training. Thus, the role played by staff training and development can no longer be over-emphasized. However, the need for organizations to embark on staff development program for employees has become obvious. Absence of these programs often manifests tripartite problems of incompetence, inefficiency and ineffectiveness. Buckley (2000) submitted that training and development aim at developing competences such as technical, human, conceptual and managerial for the furtherance of individual and organization growth, also Scarpello and Ledvika, (1998) postulated that the process of training and development is a continuous one.

Man is dynamic in nature, the need to be current and relevant in all spheres of human endeavor's make staff development a necessity, to keep track with current event and methods. Griffin, Scarpello and Ledvika, (1998) have drawn the attention of the entire sundry to the inestimable value of training and development. It is an avenue to acquire more and new knowledge and develop further the skills and techniques to function effectively. Scholars, experts, social scientist and school administrators now recognize the fact that training is obviously indispensable not only in the development of the individuals but also facilitate the productive capacity of the workers. Training is not coaxing or persuading people to do what is wanted but rather a process of creating organizational conditions that will cause personnel to strive for better performance.

Among other schools that highlighted the usefulness of training are Rosemary Thomson & Christopher Marbey (1994). They identified the functions of training as follow: increase productivity, improves the quality of work; improves skills, knowledge, understanding and attitude; enhance the use of tools and machine; reduces waste, accidents, turnover, lateness, absenteeism and other overhead costs, eliminates obsolesce in skills, technologies, methods, products, capital management etc. It brings incumbents to that level of performance which needs the performance for the job; enhance the implementation of new policies and regulations; prepares people for achievement, improves man-power development and ensures the survival and growth of the enterprise.

Training program is directed toward helping employees effectively perform their jobs after training, while developmental program helps the individual handle future responsibilities, with little concern for current job duties (Werther and Davis, 1996). It is a program focused on leadership competency and organizational issues. Education, on the other hand, is learning experiences that improve overall competence in a specific direction (Scarpello and Ledvinka, 1988). The term education mainly is associated with university or college programmers in a particular field of study.

2.2. Why Training and Development?

Recruiting, selecting, orienting and then placing employees in jobs do not ensure success. In most cases, there may be gap between employee knowledge and skill and what the job demand. The gap must be filled through training programs. Hence, personnel training and retraining is one of the major way that work organizations attempt to maintain the competency

levels of their human resources and increase their adaptability to changing organizational demands (Scarpello and Ledvinka, 1988).

Training can bring tangible benefits to both the organization and the employees. Hence, the major purposes of training (Chatterjee, 1995) are:

- It establishes a sound relationship between the worker and his/her job (Optimum man-task relationship.)
- It upgrades skills and prevents obsolescence.

To keep pace with changing technology training becomes mandatory for employees in order to update them, teach them newer skills and increase their efficiency.

- It develops healthy, constructive attitudes.

Training programs are aimed at moulding employee attitudes to achieve support for organizational activities and to obtain better cooperation and greater loyalty.

- It prepares employees for future assignments.

One of the objectives of training is to provide an employee an opportunity to climb up the promotional ladder or to move on to assignments which will help upward mobility.

- It increases productivity.

The most efficient and cost-effective ways of performing jobs are taught to the employees which naturally leads to enhanced productivity.

- It minimizes operational errors.

Unnecessary repetition, wastage and spoilage of materials are brought down; deficiencies in methods of doing work are ironed out in training thereby also reducing the hazard of accidents. Consequently, a safer and better work environment is created.

- It enhances employee confidence and morale.

With better knowledge and skills, the employee approaches his/her job with greater confidence and sureness. It also improves the morale of the employees.

- It brings down employee turnover and absenteeism.

Training is a powerful tool that breeds in the employee a sense of pride as well as of belonging. Both these contribute in a major way to checking and reducing turnover as well as absenteeism. Moreover, training can improve the relationship between the employees and their immediate supervisor. It also helps in understanding and implementing organizational policies.

2.3. Management Development

Management development is designed to improve the overall effectiveness of managers in their present positions and to prepare them for greater responsibility when they are promoted (Stoner, et.al., 1996). In other words, Glueck (1978) defined management development as the process by which managers gain the experience, skills, and attitudes to become or remain successful leader in their enterprises. Among other things, making the organization a better environment to work is the responsibility of a manager. To effectively discharge this and other managerial responsibilities organizations must provide an opportunity for managers to improve their knowledge and skills through management development program.

Effective management development program helps managers at all levels to learn to perform their jobs better. Moreover, among the many good reasons for conducting development program the following are the major ones:

- To stimulate a more creative and innovative approach to problem solving and decision making and provides the manager with the latest information on theory and practice of management.
- To broaden the manager's vision and understanding in preparation for additional responsibility.
- To give the managers the opportunity to discuss ideas and problems with other people. It very often gives people the opportunity to check out their thinking with other managers and to compare the ways in which they define and solve problems.
- To teach managers how to determine the consequences of various specific managerial actions and behaviors (leadership, planning, controlling).
- To reduce or prevent managerial obsolescence. Obsolescence can occur unless managers are kept up with the changing methods of doing their managerial jobs. (EMI)

2.4. Contribution of Training and Development

Training can solve a variety of manpower problems which militate against optimum productivity. Included are operating problems having a manpower component? These problems can emerge within any groups: except non-except, line and staff, unskilled, skilled, paraprofessional, professional and lower, middle and upper management.

These problems according to Sharan (1997) differ in natures and yet all have a common denominator, the solution required individual to their appreciative backgrounds specific identifiable items of additional knowledge skill or understanding. Organization-wide, these problems include needs to

- Increase productivity
- Improve the quality of work and raise morale
- Develop new skills, knowledge, understanding and attitudes.
- Use correctly new tools, machines, processes, methods or modifications thereof.
- Reduce waste, accidents, turnover, lateness, absenteeism, and other overhead costs.
- Implement new or changed policies or regulations.
- Fight obsolescence in skills, technologies, methods, products, markets, capital management etc.
- Bring incumbents to that level of performance which meets [100 percent of the time] the standard of performance for the job.
- Develop replacements, prepare people for advancement, improve manpower deployment and ensure continuity of leadership.
- Ensure the survival and growth of the organization.

2.5. The Human Resource Development Process

In today's changing environment, employees at all levels need additional training and opportunity to managers to develop their management thinking. In this respect, organizations are required to be engaged in continuous employees training and management development programs.

(Mondy and Noe, 1990) below, the steps in the human resource Development processes are:

1. Identifying training and development needs
2. Establishing training and development objectives.
3. Selecting training and development methods and media.
4. Implementing the actual training and development program.
5. Conducting evaluation and follow-up.

Steps in the human resource development process

2.5.1. Need Assessment

The first step in human resource development process is to identify training and management development needs. Since training and development is a need-oriented effort, determining the level, type and duration of the training and development is of prime importance at this stage of the process. If human resource development need analysis is incorrect at this stage:

- Then the later development activity will be inappropriate
- Organization could end up in wasting time, resource and also demotivating staff.
- Employees will develop negative attitudes towards future program.

The dominant framework for identifying organization's human resource development needs has been McGehee and Thayer's three-category need analysis approach (Scarpello and Ledvinka, 1988)

- 1) Organizational analysis
- 2) Task (job) analysis
- 3) Person analysis

1. Organizational Analysis

Organizational analysis is the process of identifying job-related knowledge and skills that are needed to support the organization's short-range and long-range goals (Scarpello and Ledvinka, 1988). This implies that organization's strategic goals and plans must carefully be examined in line with the human resource planning. In this approach, information related to organizational structure, size, growth, objectives and other factors is gathered to effectively determine where and how training and development programs should be conducted. In other words, according to Chatterjee, (1995), essentially, there are three requirements:

1. Are there an adequate number of people to fulfill organizational objectives?
2. Are these people equipped with the necessary skills and knowledge and are the general level of their performance up to the required standard?
3. Does the prevailing organizational climate provide a wholesome environment for the fulfillment of tasks and objectives? Chatterjee (1995) further pointed out the approaches that can be used to arrive at meaningful conclusions to each of the above queries. Some of these are:

- Observing employees
- Asking supervisors about employees
- Examining the problems of employees
- Performance assessment and attitude surveys
- Assessment of the organization's public image
- Looking at rules, procedures and systems

Interpretation of the information collected from the above approaches would provide guidelines and clues to the training need.

2. Task Analysis

This approach refers to the determination of skill and knowledge, the job requires. In collecting job information as input into training decisions, however, the job analysis must include (Scarpello and Ledvinka, 1988):

- A detailed examination of each task component of the job.
- The performance standard of the job.
- The method and knowledge the employee must use in performing the job task
- The way employee learns the method and acquires the needed knowledge.

Thus, job analysis is a means by which facts relating to the job are obtained. It includes a job description and a job specification. If a human resource development program mounted for a specific job is to be successful, there is a need for a clear definition of what the job entails and of the qualities needed for its performance. Furthermore, if information relating to the nature of a specific job was collected prior to the organization of all development programs, then the programs would have much greater relevance to the needs of the job and would also enable to produce staffs that were much better prepared for their responsibilities.

3. Person Analysis

Another training and development need analysis approach is person analysis. Here the concentration is on the individual employee. It is used to analyze the substantive knowledge and skill possessed by the employee (Scarpello and Ledvinka, 1988). This approach deals with two basic questions. These are:

- Who needs to be trained?
- What kind of training is needed?

Information about the person's job behavior can be obtained by:

1. Directly observing job performance
2. Reviewing supervisory evaluations of performance
3. Using diagnostic tests, such as written ability tests and work samples
4. Comparing the behaviors of well-performing employees with those of poorly performing employees
5. Discussing with employees their individual job performance and factors that may inhibit that performance (Bass and Vaughan, 1966): Once actual employee's performance is identified to be below standard, the next step is to determine the kind of training or development needed to equip the employee with specific knowledge and skill required for better performance. Generally, training and development can improve the individual's performance only when:
 1. The employee does not have the knowledge and skill to do the job.
 2. The low performance is not due to lack of practice
 3. The low performance is not due to other causes (Laird, 1983).

Finally, since training and development costs money, organization must ensure maximum return in terms of organization current and further performance.

2.5.2 .Training and Development Objectives

Once training and development needs are clearly identified, the next process is to establish objectives. An objective is a specific outcome that the training or the development program is intended to achieve (Scarpello and Ledvinka, 1988). In most cases, training and development objectives are set for the trainees. These objectives define the performance that the trainee should be able to exhibit after training (Scarpello and Ledvinka, 1988). The main objectives of staff training and development are to improve the qualities of the trainee, formulation of objectives for different needs and ways of achieving it. The training objective is very important because it determines the designed and content of the training programs. Contents of the training remain the same no matter the type of training involved. It is to increase personnel efficiency, professional growth; smooth and more effective organization's operations.

Human resource development experts suggest that objectives should be stated explicitly and answer the following questions (Scarpello and Ledvinka, 1988):

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?

Training and development objectives must be specific, measurable and time-targeted (Werther and Davis, 1996). Objectives with such characteristics serve a number of purposes. According to Scarpello and Ledvinka (1988), they assist in developing the criteria to be used in evaluating the training or development outcome. Objective and the evaluation criteria also help in choosing relevant instructional method, media, and material.

2.5.3. Instructional Method and Media

The instructional method and media depend on the program content. The content in turn is shaped by training or development need identification and established objectives. The objective here may be to teach specific skill, provide needed knowledge, or try to influence attitudes (Werther and Davis, 1996). The content, method, and media must match the job requirement of the organization and the learning style of the participant. Training and development are more effective when learning is based on principles. Learning Principles are guidelines to the ways in which people learn most effectively (Werther and Davis, 1996). The learning principles and their merits are described as follows:

Participation: Learning usually is quicker and longer-lasting when the learner participates actively. Participation improves motivation and apparently engages more senses that reinforce the learning process. As a result of participation, people learn more quickly and retain that learning longer. For example, most people never forget how to ride a bicycle because they actively participated in the learning process.

Repetition: Repetition apparently etches a pattern into one's memory. Studying for an examination, for example, involves the repetition of key ideas so that they can be recalled during a test. Similarly, most people learn the alphabet and the multiplication tables by means of repetition.

Relevance: Learning is helped when the material to be learned is meaningful. For example, trainers usually explain the overall purpose of a job to trainees before explaining specific tasks. This allows the owner to see the relevance of each task and of following the correct procedures.

Transference: The more closely the demand of the training program matches the demand of the job, the faster a person learns to master the job. For example, pilots usually are trained in flight simulators because the simulators very closely resemble the cockpit and flight characteristics of the plane. The close match between the simulator and the plane allows the trainee to quickly transfer the learning in the simulator to actual flight conditions.

Feedback: Feedback gives learners information on their progress. With feedback, motivated learners can adjust their behavior to achieve the quickest possible learning curve; without it, they cannot gauge their progress and may become discouraged. Test grades are feedback on the study habits of test takers (Werther and Davis, 1996).

In selecting instructional methods and media, trade-off exists. That is, no single method or media is always best; the best method or media depends on (Werther and Davis, 1996):

- Cost-effectiveness
- Desired program content
- Learning principles
- Appropriateness of the facilities
- Trainee preferences and capabilities
- Trainer preferences and capabilities

The significance of the above trade-offs depends on the situation. For example, a chalkboard lecture method may be the best technique to communicate academic content in the most cost-effective manner in a large classroom.

2.5.4. Implementing the Human Resource Development Program

Human resource development program should aim at enabling organizations to achieve their objectives. Hence, the program should be set up after having clear-cut objectives in mind. In every program decisions have to be made as to who should be trained, who are the instructors, where and when the program is to be conducted and what are the material requirements. Moreover, according to Chatterjee (1995), providing answers to questions like what skills are going to be taught, what kind of employee development is sought, what long or short term objectives are proposed will determine the design and details of the programs. Since human resource development program decisions are based on cost considerations, the management must believe that the program will:

- Increase the skill and knowledge of employees and hence, they will perform better towards organizational success.
- Motivate employees to learn and attain their personal goals.
- Provide feedback to improve the program.

2.5.5 .Evaluation of Training and Development

Evaluation is the final phase of the training and development program. It is a means to verify the success of the program, i.e. whether employees in the program do the jobs for which they have been trained. As Ahuja (1988) noted, the concept of evaluation is most commonly interpreted in determining the effectiveness of a program in relation to its objectives. Human resource development is an investment in people. The major reason why management wishes to invest in training and development program is that to help employee to perform better in the achievement of organizational objectives. Hence, evaluation is a means to assess the cost/benefit of the program to the organization. However, as Milkovich and Boudreau (1991) noted, evaluation is like brushing your teeth after every meal everyone advocates it but few actually do it. Evaluation can be done for various purposes. It may be done:

- To increase effectiveness of the program while it is going on.
- To increase the effectiveness of the program to be held next time.
- To help participants to get feedback for their improvement and efficiency.
- To find out to what extent the objectives are achieved (Ahuja, 1988).

In evaluating the worth of specific programs, sets of measurement criteria should be identified. These, according to writers in the area, are:

1. Reaction

What did the participant think about the program? Participants react to the learning experience by forming opinion and attitude about the instructor, the methodology, participation in the learning session and how well he liked the program.

2. Learning

Did the participant learn what was intended? Learning evaluation requires the measurement of what participant has learned as a result of his/her training i.e. the new knowledge and skill he/she has acquired or the change in attitude.

3. Job behaviors

Did the learning transfer to the job? Job behavior evaluation is concerned with measuring the extent to which participant has applied his/her learning back on the job.

4. Organizational impact

Has the training helped organizational performance? This evaluation attempts to measure the effect of change in the job behavior of the trained employees on the functioning of

the organization and the behavior of other employee. The changes may be ascertained in such terms as improvements in service delivery, productivity or reduction in costs.

5. Ultimate Value

Has the training affected the ultimate well-being of the organization? Here evaluation aims to measure how the organization as a whole has benefited from the training in terms of goal achievement, survival or growth. To measure the effect of human resource development program using the criteria mentioned above requires using data gathering method such as questionnaire, interview and observation. Other measures like management audit, survey, analysis of record and performance data, expert opinion, test and the like can be used to collect evaluation information (EMI). In sum, human resource development to be useful to both the organization and the employee the management concerned should:

- Properly assess needs
- Formulate clear objectives
- Design program to meet the needs and to attain objectives
- Conduct cost/benefit evaluation

If the training and development shaped the employees in such a way as to fit the job requirements, then it can be concluded that organizations have achieved their objectives and in turn they have also justified the investment made in human resource.

2.6. Training and Development Methods

Training is one of the most important tools available to organizations. Management can make use of training programs to enable the organizations achieve their objectives. This is possible by developing the skills and competencies of their employees. There are different types of training programs. The most common ones are briefly discussed below.

Training and development methods can be grouped in to on site and off site.

2.6.1. On-site training methods

On-site training methods are training and development techniques by which trainees are helped to develop being on their jobs. Some of these methods are as follows:

2.6.1.1. On-the-Job Training (OJT):- involves assigning new employees to experienced workers or supervisors. The trainee is expected to learn the job by observing the experienced employee and by working with the actual materials, personnel, and/or machinery that will

comprise the job once formal training is completed. A major goal of OJT is to improve the job related skills of employees by using primarily a behavioral (through also a cognitive) strategy.

2.6.1.2. Apprenticeship Training:-involves the organizations delegating the responsibility for socialization of new employees to several of its skilled journey men. Like OJT, apprenticeship training has skill development as its major goal. It, too, uses mainly a behavioral (in addition to a cognitive) change strategy Apprentices programs combine on the job instruction together with classroom and shop instruction. (Wexley& Latham 1991: 152).

2.6.1.3. Job Aids:-can be described as an instructional material that is located on the job to assist an employee in recalling information that was presented during training, or else it may be used in lieu of formal training.(Prusell & Rusell, 1990, cited by Wexley & Latham, 1991: 154)

2.6.1.4. Coaching:-is coaching the employee through the use of periodic review of performance. Coaching serves a number of important functions within an organization.

It (1) lets subordinates know what their supervisors think about how they do their jobs, (2) Enables supervisors and employees to work together on ways, in which employees can improve their performance, (3) Improves communication and collaboration between supervisors and employees, and(4) Provides a framework for establishing short and long-term personnel career goals.

2.6.1.5. Mentoring: -is a method of teaching newer and younger employees the wiles of the business world is what makes mentors so valuable and helpful. Mentors are typically people two or three levels higher in the organization than the trainee who want to help less experienced employees learn the ropes in a non-threatening, supportive relationship.

The goal of mentoring is the teaching of job skills & that is accomplished by means of behavioral strategy.

According to Ahuja(1988).a mentor is a manager who is experienced, productive, and able to relate well to a less experience employee. The manager facilitates the personal development of the employee for the benefit of both the individual and the organization.

Most mentor ships are informal, in that both people are interested in establishing and maintaining this relationship.

2.6.1.6. Job Rotation: involves giving trainees a series of job assignments in various parts of the organization for a specific period of time. Trainers may spend several days, months, or even years in different locations. The idea is to expose individuals to a number of environmental

changes by rotating them through various key departments. With job rotation, trainees gain an overall perspective of the organization and an understanding of the inter-relationships among its various parts. (Bass & Vaughn, 1966 cited by Wexley& Latham, 1991:163)

Advocates of job rotation provide the under listed benefits:

- broadens the manager's back ground,
- accelerates the promotion of highly competent individuals,
- introduces more new ideas into the organization, and
- increases the effectiveness of the organization (Glueck, 1978)

2.6.2. Off-Site Training Methods

Off-site methods allows the trainee to acquire skills and knowledge away from the day-to-day job pressures in settings such as company-operated training centers, hotels, conference centers, university/college facilities, or resorts, and use competent outside resource people who are trained trainers. (Wexley and Latham, 1991:176)

2.6.2.1. Lecture: is a one-way flow of communication from trainer to trainee. This method stress on verbal and symbolic understanding is not always appropriate for teaching individuals from culturally impoverished background because they frequently lack the educational tools necessary to grasp what is being taught in the lecture. (Wexley and Latham, 1991:176)

2.6.2.2. Audio Visual Technologies: include films and video tapes that are used successfully for improving employment interviewing skills.

2.6.2.3. Teleconferencing:-is a method for simultaneously training individuals at multiple sites. A teleconferencing network consists of a central broadcasting facility (e.g. At a TV studio, hotel, corporate office, convention center), a satellite service whose signal is delivered to satellite receiving stations which in turn, transmit the signal to television projectors in either hotel ballrooms, meeting rooms, convention centers, civic auditoriums, or corporate headquarters. (Wexley& Latham, 1991:182)

2.6.2.4. Corporate Classrooms: are the colleges and universities built by corporations dedicated to the continuing education of employees. These corporate campuses have features similar to traditional college campuses (e.g. Class room, libraries, laboratories, residence halls). Moreover, these corporate learning centers are modern in that they use the most-up-to date instructional technology (eg. Teleconferencing) (Wexley& Latham, 1991:183)

2.6.2.5. Equipment Simulators: it is an excellent way to bring realism to off-site training situations. For some jobs (e.g. Pilot and machine operator) it is too costly, inefficient, or dangerous to train workers on the equipment used to perform the job. In this case, facsimiles or simulators of the equipment are designed and set up away from the actual work situation. Hence, safety hazards are removed, time pressures for productivity are minimized, individualized feedback is increased, and opportunities for repeated practice are provided.

Staff training and development has been identified by various scholars and anchors to be very crucial to an organization and its effectiveness. In the light of the above, organizations are therefore encouraged to train and develop their staff to the fullest advantage in order to enhance their effectiveness. As training reduces the work of the manager in terms of close supervision it also improves the drive, initiative and quality of work of the employees thus assist them to be more committed to achieving the goals and objectives of the organization and this has the tendency of enhancing effectiveness among workers within the organization.

However, for any organization to succeed, training and re-training of all staff in form of workshops, conferences and seminars should be vigorously pursued and made compulsory.

2.7. The Practice of Human Resource Training & Development in the Ethiopian Banking Sector

In this section it was tried to discuss empirical findings on T&D practice in Ethiopia particularly on the banking sector. By citing some important findings of researches conducted in other countries and then refocus to the Ethiopian case.

Quang and Dung (1998) in their study on T&D practice of Vietnamese State Owned Enterprises, describe many of the enterprises as in ownerless” (vochu) situation even after liberalization. They also identify the following deficiencies of the SOEs’ T&D practices.

- The strategic role of T&D is not recognized by the enterprises’ management
- Lack of integration between HR activities
- Absence of replacement planning

According to Quang and Dung (1998) these problems are associated with the centrally-planned economy that lasted for decades, which was characterized, among others, by

government subsidy, frequent restructuring, and little concern for training and development. During the reign of the military regime; the above problems also reflect the situation of many of the State Owned Enterprises in Ethiopia. Although many things have been changed since the opening up of the economy for private players, the legacy of the Dergue era still prevails and many public institutions, regardless of the type of business they are engaged in, are facing problems with regards to T&D.

The banking sector, the backbone of the country's economy and the better in terms of focus on human resources, also shares these problems of ineffective T&D practice. One positive aspect in this regard is that many banks like some of the big institutions in other sectors have shown some sort of commitment towards T&D by establishing a separate unit solely responsible for T&D (Yaschilal, 2006) and (Tilahun, 2005). However their practice can be said deficient and ineffective owing to the following:

- Training is often taken as the only T&D approach, while other development approaches are ignored. Almost all banks, for example, do not have management succession planning and planned development schemes;
- Training programs have common shortcomings such as inappropriate need identification, poor design, and absence of effective evaluation mechanism/criteria;
- The T&D practice in these banks is not integrated with other HR functions such as recruitment, reward, performance appraisal;

The above findings are consistent with the problems of SOEs in Vietnam as identified by Quang and Dung (1998). Building on the above problems common to all banks, Tilahun (2005) argued that the CBE's T&D practice has the following problems:

- Lack of formalized training and development policy;
- Less learner(trainees) participation in setting up training programs;
- Weak training and development need assessment;
- Lack of competent trainers.

However he argued that the management of the Bank has shown commitment to invest in training and development activities.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This section of the research presents the elements of research design and methodology that applied in the study. The section covers research design, area of study, population of the study, sample size and sampling technique, sampling procedure, data collection methods and instruments, procedure for data collection and data analysis; it ends with ethical issues. Hence in this chapter all these sub- topics are discussed one by one.

3.1. Research Design

This study is designed to see the contribution of training and development to the personal development of the employees' and performance of the Commercial Bank of Ethiopia.

The study is descriptive study that sets out to describe the existing training and development practices of the bank and to evaluate its contribution to performance of the bank as well as personal development of the employees 'based on the data collected from employees and human resources development personnel of target organization and previous literatures. It would be based mostly on the data collected from questionnaire, interviews with the employees of the bank and from framed literature review.

The study organization, Commercial Bank of Ethiopia, is selected due to their convenience to the researcher. This convenience is related to data availability and familiarity of this organization for the researcher. Hence the researcher has used convenient sampling so as to select the organization to be studied. In the next section the data sources of the study are discussed.

3.2. Source of Data

The study is undertaken mainly based on the data that is collected from both primary and secondary sources of data that enable the researcher to meet the objectives of the study outlined at the beginning.

Primary data obtained through the administration of questionnaire to respondents from the employees of the selected branches and head office organs of the bank about the contribution of Training and development to the personal development of the employees and the banks performance on issues related to what they experienced and observed. In addition structured Interviews made with the following officials of the bank:

- Director— HRD sub process,
- HRD Experts and,
- HRD officers

In an attempt to obtain first-hand information, the data were collected from the samples through questionnaire and interview. Both close and open-ended questionnaires were prepared and administered to gather primary data from the sample of the study. This instrument was preferred because it enables to secure information at a time. The questionnaires were prepared in English.

The rest of the data for this research obtained from a body of secondary sources. To get secondary data all relevant documents related to training and development manual, progress report of training and development department, annual reports of the bank has used. In addition to the aforementioned sources, the researcher referred to different books, published and unpublished documents, journals, articles and research papers to get information on theoretical frame work of the study.

3.3 Data Collection

As discussed above in the sources of data section that questionnaire was distributed to 150 employees of Commercial Bank of Ethiopia. Data was collected from a total of 130 employees from a total of 150 employees from whom the questionnaire was distributed. The questionnaire was first tested before distributing to the respondents so as to check the viability of the questionnaire. The questionnaire test was undertaken by distributing for twenty (20) employees and the researcher has used convenient sampling to test the questionnaires.

Data from interview discussion made with the human resource development personnel of the bank was collected by the researcher by taking notes of the proceedings of the discussion based on the interview discussion questions designed.

3.4. Sample and Sampling Techniques: Since the study is concerned with Commercial Bank of Ethiopia, the participants of the study would solely be employees of this Bank. The study focused on the population who are currently working in Commercial Bank of Ethiopia found in Addis Ababa City only .Currently Commercial Bank of Ethiopia has more than 500 branches throughout the country and one branch abroad and it has about 12,000 employees. Total sample size would be 150 respondents for the self-administered questionnaires and 30 interviewees for the face to face interview that made with HRD director, HRD experts and HRD officers. There are more than 150 branches operating in Addis Ababa. Because of the relative homogeneity of branches understudy, the random sampling technique used to select branches located in Addis Ababa city and head office organs that are core to the Bank or that deal with strategic issues would be selected based on judgmental sampling. The study incorporates 20 branches under Addis Ababa, different head office organs and human resource department. The degree of variability among branches is not significant and hence the sample size is expected to be the representative of the population.

3.5. Data Collection Procedure

The data collection instruments that were drafted on the basis of the reviewed literature and the intended data collected on respondents of currently working staff for the validity and clarity of the items. Furthermore, in order to maximize the rate of return, attempts are made to distribute the questionnaire at convenient time for respondent. A close follow-up is made to obtain reliable data return.

As explained above, a questionnaire has been used to gather opinions of the employees and also interview was made with HRD personnel. The questionnaire was written in English. For those selected employees hard copy of the questionnaire has been distributed personally. The researcher made the interview verbally using the structure questions as a guide.

3.6. Data analysis

Data collected from respondent employees through questionnaire and interview discussions are analyzed and interpreted so as to reach on meaning full findings.

The researcher used SPSS Version 17.0 to code and analyzes the collected responses from questionnaire. After proper editing, data was coded and entered to the software then it was made ready for analysis. Descriptive statistical techniques are adopted for analysis of data from questionnaire responses of respondents, in doing so tables and percentages were applied. This helps the researcher to thoroughly analyze and interpret the questions one by one in order to arrive at meaningful results.

Data collected from interview discussion was organized as per the questionnaire designed and are included in the data discussion and interpretation part of the study. Hence the results are easily interpreted to see the contribution of training and development to personal development of the employees as well as the banks performance. Finally it has contributed for the conclusions drawn based on the data analysis and interpretation.

3.7. Ethical consideration

The researcher has received permission from commercial Bank of Ethiopia to undertake this research, thus the interview and questionnaires distributed with full knowledge of the management. The interview only made with those who are willing to cooperate and they would be assured that whatever information they give would be kept confidential. Ethical issues in this research concerned, among other things, maintaining confidentiality about the information that the researcher gathered from respondents, using secured data for academic purposes only and ensuring that the respondents' personalities would not exploited.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

In this chapter the data collected from employees and human resources development personnel of the study target organization is discussed, analyzed and interpreted to arrive at meaningful results. Questionnaire is distributed to employees of the study organization and discussions was made with the human resources personnel of both organization based on the structured interview questions designed by the researcher and notes of the discussion are incorporated in the discussions in the chapter. The data collected is analyzed using SPSS version 17 and presented using tables. The chapter is presented in two sections, the respondents profile and data analysis & interpretation.

The questionnaire was distributed to 150 employees. From these 130(87%) of the questionnaires were properly returned on time. The rest 20 (13%) questionnaires were failed to completed and returned on time. All the returned questionnaires were complete and considered for the analysis that follows.

4.1. Respondents' General Profile

In this section respondent's general profile which includes, gender, age, education and service year in the bank is discussed and their relationship with the study is explained.

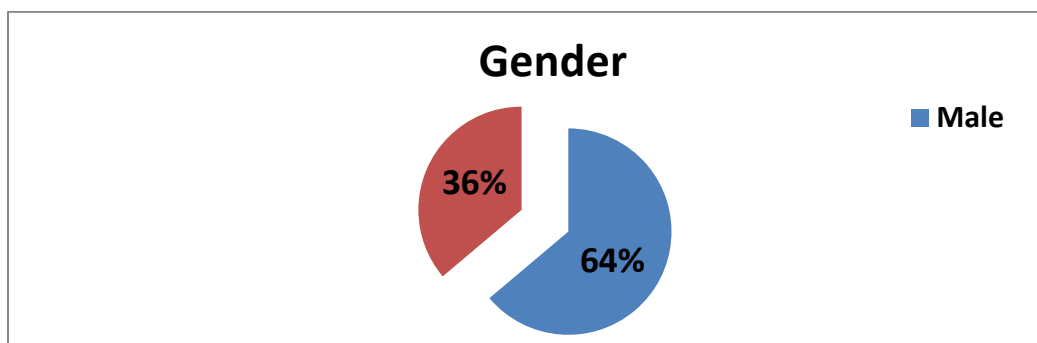


Figure 1: Classification of respondents by gender

From the above table we can deduce that about 63.8% of the respondents are male and the rest 36.2% are female. This shows that majority of the respondents were male employees.

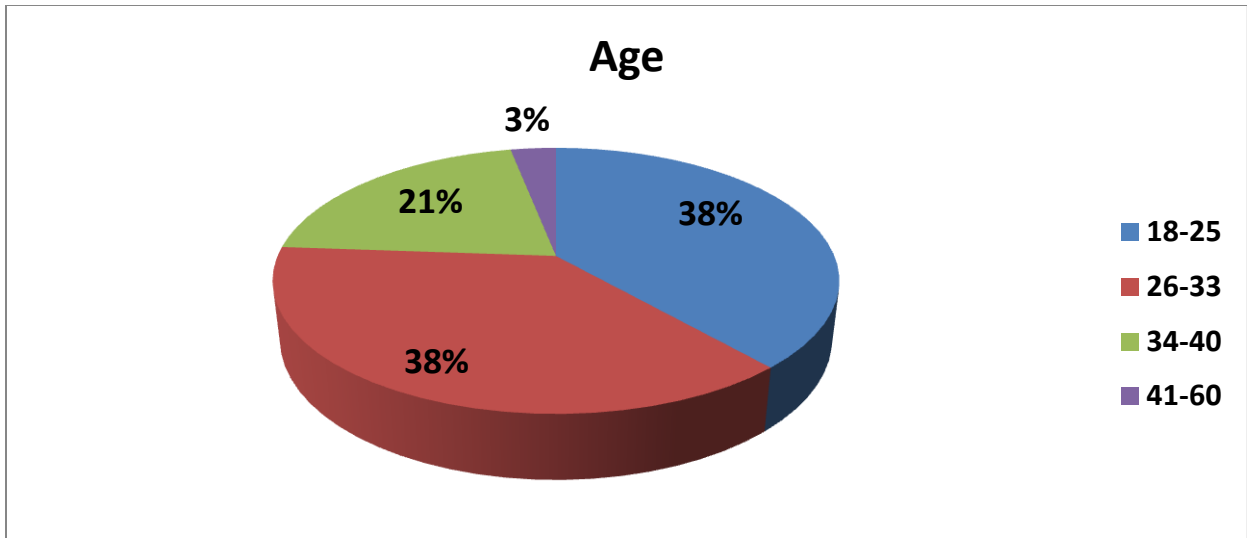


Figure 2: Classification of respondents by Age

Regarding age of respondents, about 66% respondents were between 18-33 years, whereas, the rest 21% and 3% of the respondents were between age of 34-40 and 41-60 years. This shows that majority of the respondents were found to be in age group of 18 and 33, which is a very productive age group.

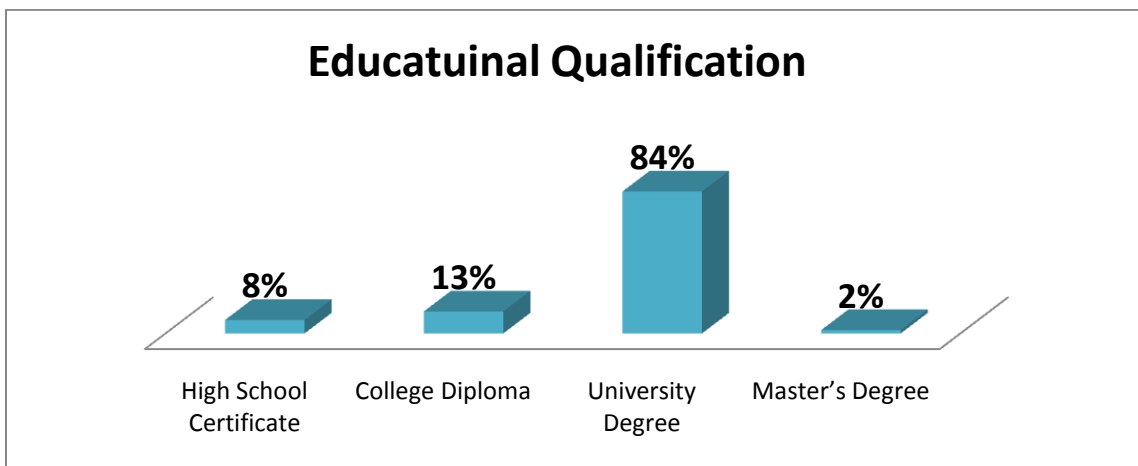


Figure 3: Classification of respondents by Education Level

When we see the level of education, majority of the respondents (84%) have first degree holders while 13% of respondents were Diploma holders and 2% of them were master's degree holders the rest were high school complete. This indicates that the majority of employees were University Degree holders.

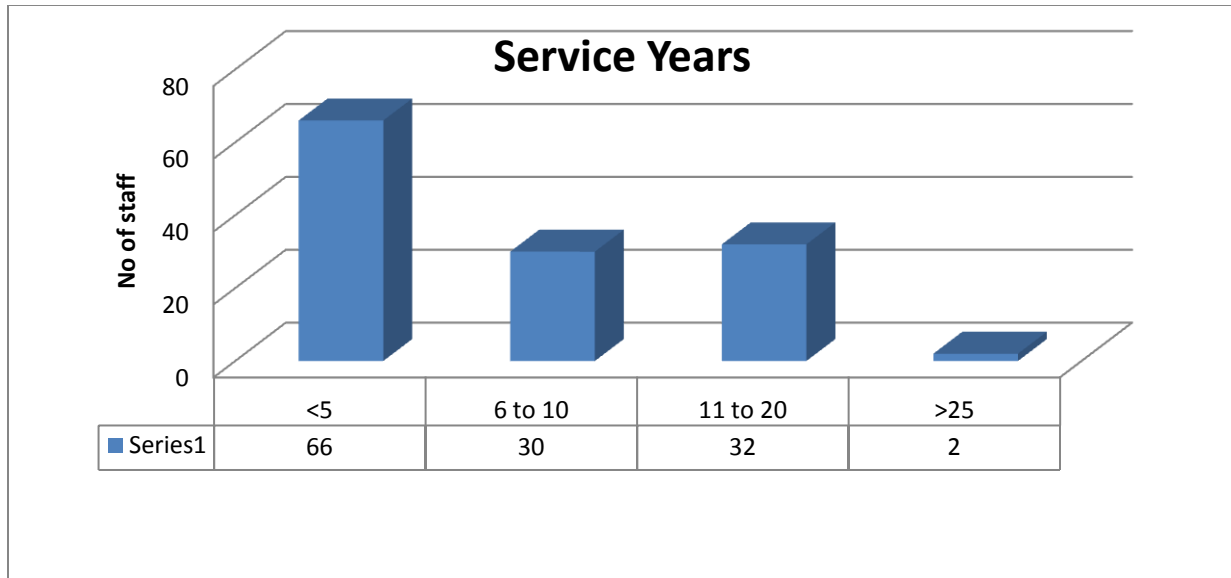


Figure 4: Classification of respondents by Service year in the Bank

By looking at the respondents' service in the Bank, 50.8% of the respondents were served the bank less than 5 years followed by 23.1% of them were served the bank between 6 &10 years. On the other hand those who had served the Bank 11 – 20 years and above 25 years constitute 24.6%, and 1.5% respectively. Almost half of the respondents have been working for more than 6 years in CBE which indicates their long period experience in the bank and that contributes to both the quality and quantity of the information they would provide.

4.2. Data Analysis and Interpretation

Table 1: Perception of respondents on purpose of T & D, Policy and communication

Have you ever had Training in CBE?			
	Frequency	Valid Percent	Cumulative Percent
Yes	121	93.1	93.1
No	9	6.9	100.0
Total	130	100.0	
How do you rate the purpose of the training and development that you have attended			
very poor	11	8.4	8.4
Poor	8	6.2	14.6
Fair	29	22.3	36.9
Good	69	53.1	90.0
very good	22	16.9	100.0
Total	130	100.0	
Existence of formal written Training and Development Policy			
Yes	68	52.3	52.3
No	14	10.8	63.1
Don't know	48	36.9	100.0
Total	130	100.0	
The Training and Development policy communicated to all staff, assuming it exists			
Yes	25	19.2	19.2
No	87	67	86.2
Don't know	18	13.8	100.0
Total	130	100.0	

As it can be seen from Table above, 93.1% of the respondents have taken some sort of training in one way or another in CBE. This implies the focus of the bank in updating the skills and knowledge of every employee, which later contributes to the competency levels of trainees and organizational performance of the bank. However, 6.9% of the respondents have never

received training and this indicates that the training program given to employees was not comprised of all employees. Such situation reduces employees' motivation to work and low productivity. As training is considered as one of the best benefit for employees, equal opportunity has to be given to all employees.

Majority of the respondents about (53.1%) have rated that the purpose of Training and development that they have attended was good and 22.1% have rated as fair. Whereas, about 6.2%% of respondents have rated as poor. From this we can infer that the purpose of training that employees attended was found to be good. Knowing the purposes and objectives of the training helps employees to focus and understood it easily. This enhances employee performance, brought about quality of work, brought higher job satisfaction and motivation and improves organizational performance.

As indicated in the above table 52.3% of the respondents know whether CBE has a formal written training and development policy, whereas, about 36.9% of them were do not know about the existence of training and development policy. Only 10.8% of the respondents responded that the bank has no formal written training and development policy. From this we can infer that there is training and development policy in CBE. As it is known the policy is a general statement by senior management on how it wishes certain situations to be dealt with. The value of having a set-down policy statement is that it helps to maintain consistency of approach as throughout the organization and ensures that the senior management's philosophy put into effect. To this end having such a policy is found to be a good practice.

However, about 67% percent of the respondents replied that the training and Development Policy is not well communicated to employees. From the this response it is possible to reduce that the policy is not well communicated to employees, that is, employees are not knowing the detailed aspects how training is provided to employees. This creates a gap between the HRM and the employees of the bank.

Table 2: Perception of respondents on CBE's T & D to its strategic alignment, T & D assessment and advantage

Do You Believe CBE Is a Learning Organization for Developing its' Employee?			
	Frequency	Valid Percent	Cumulative Percent
Yes	62	47.7	47.7
No	35	26.9	74.6
Don't Know	33	25.4	100.0
Total	130	100.0	
Training & Development strategy of CBE aligned with the Organization Business Strategy			
Yes	74	56.9	56.9
No	12	9.2	66.2
Don't Know	44	33.8	100.0
Total	130	100.0	
Do you get competitive advantage through Training & Development verses competitive environment?			
Yes	59	45.4	45.4
No	51	39.2	84.6
Don't Know	20	15.4	100.0
Total	130	100.0	
Training & Development needs are assessed periodically			
Yes	32	24.6	24.6
No	60	46.2	70.8
Don't Know	38	29.2	100.0
Total	130	100.0	

As indicated table above, about nearly half (48%) of the respondent responded that CBE is a learning organization that provides strategic umbrella for developing its employees. However, 26.9% of the respondent said, CBE is not a learning organization that provides strategic umbrella for developing its employees and 25.4% responded they don't know about it.

Majority, 56.9% of the respondent said that the training and development strategy of CBE is aligned with its business strategy. It is a good practice that training and development should not only be the response to the immediate short-term demands of the organization, but also it should be considered as a strategic issue so as to address the changing situations in the Globe.

Respondents were asked to answer whether they have got competitive advantage through training and development, about 45.4% of the respondent affirmed that they have got

competitive advantage via training and development program as compared to other organizational in the same industry. However, 39.2% responded they didn't get and 15.4% of the respondent they didn't know about the competitive advantage. This indicated that the training and development given to employees is effective enough to develop them.

Regarding the training and development needs assessment, nearly half (46.2%) of respondents responded that the bank does not assessed training and development need periodically. only 24.6% of the respondents responded that the bank periodically analyze training and development need by taking in to account of management as a need oriented effort, whereas, 29.2% do not know whether the bank assessed the human resource development need. From this we can infer that there is no training and development needs assessment practice in CBE. If CBE don't perform a training needs assessment, it could not be able to determine which employees need training or development and what type of skills or knowledge they need to acquire.

Table 3: Perception of respondents on gap analysis, methods of information gathering, technique of assessment and clearness of objective of T & D

Knowledge and skill gap analysis is conducted in CBE			
	Frequency	Valid Percent	Cumulative Percent
Yes	33	25.4	25.4
No	55	42.3	67.7
Don't Know	42	32.3	100.0
Total	130	100.0	
CBE use the following method to gather information for Training and Development need analysis			
Conducting Survey	43	33.1	33.1
Observing How Individuals are Performing Their Tasks	33	25.4	58.5
Performance Reviewing	10	7.7	66.2
Conducting Group Discussions	4	3.1	69.2
By Asking Individual Needs	13	10.0	79.2
Other	27	20.8	100.0
Total	130	100.0	
Technique used by CBE to assess the need for Training and Development			
Organizational Analysis	35	26.9	26.9
Task Analysis	18	13.8	40.8
Person Analysis	10	7.7	48.5
Don't Know	67	51.5	100.0
Total	130	100.0	
Is there a clear Objective before implementation of training and development program?			
Yes	70	53.8	53.8
No	12	9.2	63.1
Don't Know	48	36.9	100.0
Total	130	100.0	

As shown in Table above, 25.4% of the respondents responded that the bank conduct knowledge and skill gap analysis and 32.3% said that we do not know whether the bank conduct knowledge and skill gap analysis, and the remaining 42.3%% responded that the bank does not conduct knowledge and skill gap analysis. The response implies the bank only concentrate on other activities with respects to HRM rather than conducting knowledge and skill gap analysis.

Besides, about 33.1% of the respondents responded that the bank gather information for analyzing training and development needs through conducting survey, 25.4% said that the bank gather information for analyzing training and development needs via observing while employees are performing their tasks, 10% responded that the bank gather information for analyzing training and development needs by asking employees and 20% responded that the banks gather information for analyzing training and development needs through other methods.

About 51.5% of the respondent said that they don't know the need assessment technique of the Bank. 26.9% of the respondent replied organization analysis and 13.8% of the respondent said task analysis are used in identifying need analysis and 7.7% said CBE uses person analysis.

About 53.8% of the respondent said, CBE set clear objective before the implementation of training and development programs. However, 9.2% respond that CBE does not set clear objective before implementing the training and development programs and 36.9% of the respondents said that they do not know about clear objective setting before implementing the training and development programs. From this we can infer that before the training implemented, the training objective is set so as to aware them.

Table 4: Perception of respondents on problems, technique of training and its effectiveness and impact assessment on T & D

Is there any problem while conducting T & D			
Response	Frequency	Percentage	C. percentage
Yes	24	18.5	18.5
No	13	10.0	28.5
Not Sure	93	71.5	100.0
Total	130	100.0	
Technique of T & D used by CBE			
On the Job	21	16.2	16.2
Off the Job	35	26.9	43.1
Both	74	56.9	100.0
Total	130	100.0	
Which technique assist an individual to increase performance & personal development			
Item	Frequency	Percentage	C. percentage
On the Job	65	50.0	50.0
Off the Job	10	7.7	57.7
Both	55	42.3	100.0
Total	130	100.0	
Is there evaluation and impact assessment during & after T & D			
Yes	51	39.2	39.2
No	44	33.8	73.1
Don't Know	35	26.9	100.0
Total	130	100.0	

As indicated in Table above, on the statement whether there is a problem on training and development, about 71.5% of the respondent said they are not sure whether CBE has faced any problem while conducting training and development and 18.5% responded CBE has faced problem while conducting training and development. However, 10% of the respondent replied CBE doesn't face any problem while conducting training and development.

As indicated in table above, we can find in CBE all types of employee training programs. Most of the respondents (56.9%) responded that both type of training techniques have employed by CBE and 26.9% of the responded said that the organization employ off the job training which takes place outside their work environment.16.2% of the respondents replied that they have taken on the job training which is conducted on the job to develop the skills of employees.

Half of the respondents replied that on the job training is preferred to increase performance and personal development. And 42.3% of the respondent responded both on the job and off job training are important for the personal development and performance of the Employees. To the end, 7.7% of the respondent replied off the job training is more vital for performance improvement and personal development of the employees. From this we can infer that on the job training is preferred to increase their performance. This is because on the job training is useful when employees are expected to become proficient in performing certain tasks or using equipment found at their workstations.

As shown in table above, 39.2% of the respondents responded that the bank conduct evaluation and impact assessment during and after the training and development programs and 26.9% said that we do not know whether the bank conduct evaluation and impact assessment during and after the training and development programs, and the remaining 33.8% responded that the bank does not conduct evaluation and impact assessment during and after the training and development programs. From this one can infer that the bank have not yet been undertaken impact assessment during and after a training program. This shows that the bank does not know the effectiveness of training and development given to employees.

Table 5: Perception of respondents on training evaluation

The type of training evaluation mechanism used by CBE			
Rating	Frequency	Percentage	C. percentage
formative evaluation	29	22.3	22.3
process evaluation	13	10.0	32.3
summative evaluation	3	2.3	34.6
there is no evaluation	21	16.2	50.8
don't know	64	49.2	100.0
Total	130	100.0	
Does CBE have formal assessment format to get feedback after training session			
Yes	75	57.7	57.7
No	55	42.3	100.0
Total	130	100.0	
Individual T & D is critical for improving performance of the CBE			
Yes	113	86.9	86.9
No	17	13.1	100.0
Total	130	100.0	
The role of HR Development is well defined in CBE			
Yes	55.4	55.4	55.4
No	16.2	16.2	71.5
Don't Know	13.8	13.8	85.4
Don't Think So	14.6	14.6	100.0
Total	100.0	100.0	
Do you apply what you learnt in T & D			
Yes	98	75.4	75.4
No	16	12.3	87.7
Not at all	16	12.3	100.0
Total	130	100.0	

As shown in table above, 22.3% of the respondents responded that the bank uses formative type of training evaluation method, 10% responded that the bank use process type of training evaluation method, 2.3% responded that the bank use summative type of training evaluation method and 49.2% of them did not know type of training evaluation method in CBE. The remaining 16.2% responded that there is no training evaluation method. More than half of the respondent said that CBE has a formal assessment format to get feedback from the trainees after the training program has completed. However, 42.3% responded that CBE doesn't have formal assessment format to get feedback from the trainees. Therefore, the survey result shows that the CBE has not been made any attempt to evaluate the training and development program and also there is no clear method of training evaluation. Without evaluating the program the CBE could not identify the factors that hindered the effectiveness of the program and its outcome at every stage of the program.

As we observed from the table, 86.9% of the employees believe that individual training is the key factor for improving the performance of the Bank and about 13.1% responded that individual training and development is not a critical factor for improving the performance of the bank. From this analysis it can be inferred that employees perceived that individual training is a key factor for improving performance. This replay helps the bank in giving more attention to the human resource development program since it has positive impact on the organizational performance of the Bank. In this respect, the bank is required to be engaging in continues employee training in order to take advantage of the improved performance of the trained individuals.

More than half of the respondent replied that the role of human resource development is well defined in CBE. Besides, about 75.4% of the respondent responded that they have applied what they have learnt from the training and development program to their actual workplaces, whereas, 24.6% did not apply what they have learnt from the training and development program. From this we can infer that majority of respondents have applied what they have acquired from the training program.

Table 6: Perception of respondents on the relevance of T & D for job satisfaction, performance & Capacity improvement

Relevance of T & D for job satisfaction, performance & Capacity improvement			
Rating	Frequency	Percentage	C. percentage
Very Good	54	41.5	41.5
Good	42	32.3	73.8
Fair	21	16.2	90.0
Poor	12	9.2	99.2
Very Poor	1	.8	100.0
Total	130	100.0	
Do you see any problem with T & D in CBE?			
YES	100	76.9	76.9
NO	30	23.1	100.0
Total	130	100.0	
What Major problems do you see in the T & D program?			
inadequate planning and coordination	101	58.5	58.5
poor and sometimes absence of need assessment	25	19.2	77.7
shortage of time allocated for training and development program	16	12.3	90.0
inadequate skill and knowledge of trainers	3	2.3	92.3
selection of trainees and trainers	2	1.5	93.8
relevance of training to the work	2	1.5	95.4
insufficient training material and benefits	4	3.1	98.5
lack of cost benefit analysis or absence of proper evaluation of training and development	1	.8	99.2
shortage of budget allocation for training and development	1	.8	100.0
Total	130	100.0	
Your skill ,knowledge and performance before having a training			
Needs Improvement	117	90	90
Do not need Improvement	13	10	100
Total	130	100.0	

Regarding the relevance of training and development for job satisfaction, performance and capacity improvement, most of the respondents (73.8%) rated as very good and good. From this we can infer that respondents have good idea on the relevance of training for performance improvement and job satisfaction.

From the total respondents, 76.2% responded they noticed that there is problem on training and development program of the bank. However, 23.1% of the respondent said there is no problem

on training and development program of the bank. From this we can infer that there is a training and development problem in CBE. The major problems in training and development of the bank are inadequate planning and coordination, poor and sometimes absence of need assessment and shortage of time allocated for training and development. If these problems are not resolved soon, they will reduce the overall effectiveness of the training and development.

As indicated in the table above, majority (90%) of the respondents said that their skills, Knowledge and performance needs improvement through training and the rest 10% of the respondents replied that they do not need improvement. From this we can infer that respondents were needs improvement in their skills and knowledge before the training. This response is a clue for the Bank in order to plan for employee training program since employees know about themselves more than anyone else regarding the adequacy of skills, knowledge they have.

Respondents were asked to show their opinion on trainee selection criteria used in CBE, about 50.8 of the respondents feel satisfied while about 49.2% of respondents are not satisfied with the trainee selection criteria. From this we can infer that half of the respondents satisfied with the statement while nearly half of them are not satisfied with it. Therefore, the CBE has to make it clear the selection criteria for employees. Clear trainee selection criteria has to be developed and communicated to employees; otherwise the trainee selection would be based on personal preference and guess work that creates bias among employees.

Regarding the instructional methods and media used to provide training services, almost half of the respondents 56.9% of respondents satisfied while 43% of respondents were not satisfied with it. Form this we can infer that majority of respondents were satisfied with the training and development methods. This indicates that the bank's concern in using the relevant training methods and media to conduct the training program that enables the trainees to grasp the required skills and knowledge as required.

Table 7: Respondents perception on T&D satisfaction, Methods, and Objectives

To what extent are you satisfied with the following factor in relation with training				
A. SELECCION CRITERIA				
	Frequency	Percent	Valid Percent	Cm. Percent
Very Much Satisfied	17	13.1	13.1	13.1
Satisfied	49	37.7	37.7	50.8
Very Little Satisfied	33	25.4	25.4	76.2
Not Satisfied	31	23.8	23.8	100.0
Total	130	100.0	100.0	
B. TRAINING METHODS				
Very Much Satisfied	12	9.2	9.2	9.2
Satisfied	62	47.7	47.7	56.9
Very Little Satisfied	38	29.2	29.2	86.2
Not Satisfied	18	13.8	13.8	100.0
Total	130	100.0	100.0	
C. TRAINING PERIOD ADEQUACY				
Very Much Satisfied	6	4.6	4.6	4.6
Satisfied	50	38.5	38.5	43.1
Very Little Satisfied	51	39.2	39.2	82.3
Not Satisfied	23	17.7	17.7	100.0
Total	130	100.0	100.0	
D. TRAINER'S SKILLS AND CAPABILITIES				
Very much Satisfied	14	10.8	10.8	10.8
Satisfied	53	40.8	40.8	51.5
Very little Satisfied	42	32.3	32.3	83.8
Not satisfied	21	16.2	16.2	100.0
Total	130	100.0	100.0	
E. TRAINING OBJECTIVE				
Very much Satisfied	22	16.9	16.9	16.9
Satisfied	58	44.6	44.6	61.5
Very little Satisfied	32	24.6	24.6	86.2
Not satisfied	18	13.8	13.8	100.0
Total	130	100.0	100.0	
F. TRAINING EVALUATION				
Very much Satisfied	7	5.4	5.4	5.4
Satisfied	37	28.5	28.5	33.8
Very little Satisfied	51	39.2	39.2	73.1
Not satisfied	33	25.4	25.4	98.5
Total	130	100.0	100.0	

In relation with adequacy of training period, about 43.1% of the respondents are satisfied and 39.2% are very little satisfied; whereas, 17.7% are not totally satisfied with it. This implies that

there are problems in CBE regarding the period or training duration allotted per each training program. If the training and development is not supported by adequate time period, the training objectives may not be achieved.

About 51.6% of the respondents are satisfied with the trainers' capabilities and skills while 32.3% of them are very little satisfied and the rest 16.2% of them were not satisfied. From this we can infer that the CBE has capable trainers. It is an indication of the Bank's strength in providing trainers with adequate technical proficiency and skills so as to inject the required knowledge and skills to trainees.

In relation with training objectives, about 61.5% of respondents are satisfied with it and 24.6% of them were very little satisfied, the remaining 13.8% were dissatisfied with it. From this we can infer that majority of the respondents are satisfied with the training objectives. However, some respondents are unsatisfied, particularly in the training objectives and desired training program content which are indications for the bank to improve on these respects. Hence, setting a clear training and development objective lets the program achieve its requirement.

Pertaining to the training and development evaluation, 39.2% and 25.4% of the respondents were very little satisfied and not satisfied on the training evaluation practices of the bank respectively, whereas, 33.9% were satisfied with it. This reply shows areas on which the bank should give greater care and emphasis. From this we can infer that there is a problem training evaluation in CBE. And the bank has to do a lot to improve such weaknesses.

Table 8: Respondents perception on the relevance of training to the current job

To what extent the contents of the training you have taken are relevant for your current Job				
response	Frequency	Percent	Valid Percent	Cumulative Percent
Highly relevant	43	33.1	33.1	33.1
Moderately relevant	64	49.2	49.2	82.3
Less relevant	22	16.9	16.9	99.2
Not relevant	1	.8	.8	100.0
Total	130	100.0	100.0	

Respondents were asked to give their opinion to what extent the contents of the training you have taken are relevant for their current Job, about 49.2% of the respondents were moderately satisfied

with the training they took so far and about 33.1% responded as it is highly relevant since it highly contributes to the improvement of their performance. From this it is possible to infer that the training given to respondents were somewhat satisfied when it is seen in nutshell. Thus, gives the CBE a good signal to provide the relevant training and development program to employees.

Table 9: Respondents perception on performance after taking any form of training

Have you realized any change on your performance after taking any form of training in CBE?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Yes	99	76.2	76.2	76.2
	No	31	23.8	23.8	100.0
	Total	130	100.0	100.0	

The above table clearly reveals that the training given by the bank to its employees has positive impact on improving their job performance. In line with this, about 76.2% of the respondents replied that they have relieved some performance after the training program; the rest 23.8% of them feel that they do not see any significant positive change on their performance due to the training given for them. Form this we can infer that the majority of the respondents have positive attitude towards the training given by the Bank. And they affirmed that they got some change after the training program.

To gather more information about employee training and management development practice of CBE structured interview questions were forwarded to the human resource development sub process of the bank. Accordingly the interviewee’s responses to the questions are depicted briefly as follows.

As it is clearly indicated in the HRD manual and as per the interviewees replied, 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 employees, to establish optimum man task relationship, to prepare employees to take higher assignments, and to upgrade skills and prevent obsolescence. Moreover, to help managers at all levels with respects to their task accomplishment.

The Bank has allocated substantial amount of budget for training and development program.

As the interviewees said, training and development objectives are established for each trainee. That means, the trainees know in advance what is expected from 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. That means, trainees are not penalized for not applying what they have learned through training on their job as soon as possible.

The bank has appropriate trainers for the right trainees, particularly for local training and development program. There are institutions and other affiliated organizations that provide the bank with both planned and unplanned trainings to its staff. Ethiopian insurance and banking institutions (EIBI) of which CBE has a line share provide CBE's staff with operational, technical and managerial trainings as need arises. Moreover, some senior and skilled internal staffs are used as relevant trainers. Sometimes, the bank invite applicants from external consultants who need to provide trainings on fee basis. Accordingly, the bank assess the content of the trainings each applicant is going to provide in line with its need assessment, evaluate them and then select the best applicant. To the end, abroad trainers such as IMF, World Bank and others are potential trainers of the bank although they are not with the control of the bank.

As the interviewee said, training and development has contribution to the employees in enhancing their performance by alleviating skill and knowledge deficiencies and training increases employees confidence to work independently.

According to (Monday 1990), there are five steps that should be followed to conduct training program. Namely, need assessment, establish objectives, select appropriate methods and media, implement the actual program, and conduct evaluation and follow up.

In CBE, the first four steps are strictly followed as per the interviewee's 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.

As the interview said, CBE doesn't evaluate the outcome and impact of the conducted training and development programs.

In CBE, on the spot 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 did. Accordingly, participants react to the learning experience by forming opinion and attitude about the instructor (trainer), the methodology, and participation in the learning session and how well he/she liked the program. Moreover, post training evaluation is also conducted to help trainees to get feedback 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.

The interviewees forwarded the following suggestions regarding the HRD program practices of CBE. HRD should be all inclusive. That is, it takes in to consideration of all managerial and non-managerial staff. Career based training should be practiced to help individuals plan their future careers within the organization in order to help the bank achieve its objectives and the employees achieve maximum self-development. Structured succession planning should be exercised in the bank. Most training and development should be based on after a through need analysis.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter is concerned with the highlights of the study findings and conclusions that are derived from the data analyses and discussions. Recommendations are provided at the end based on the findings and conclusions drawn from the study.

5.1. SUMMARY OF FINDINGS

As per the discussion and data interpretation undertaken in the previous chapter, the following are the summary of the findings derived;

Accordingly, the major findings of the study are summarized as follow:

- CBE has allocated substantial amount of budget for training and development
- A majority of the respondents (64%) were male and the remaining 36% were female. A majority of them were youngsters (66% fall between ages of 18-33. Almost all respondents (86%) were degree and above. Concerning their service year in the organization, most (50.8%) employees were served the bank less than 5 years. (30%) worked between 6 and 10 and the rest 26.1% of the respondents have experience of more than 10 years.
- The respondents of the study were asked whether they had taken training in CBE, significant numbers of them (93%) had taken the training, whereas, the remaining 7% had not taken.
- While rating the purpose of training and development, 53.1% of them stated that it is good to enhance staff performance, 16.9% of them confirmed that it is very good to enhance performance. From the response of the respondents and from other scholars we come to conclude that training and development is used to

enhance performance creates job satisfaction and improve organization performance as well.

- Regarding the existence of written policy of training and development only 56.3% of them are know the existence of written training policy. However only 19.2% of the respondents agree that the policy was well communicated to all the employees. 67% of the respondents replied that training and development policy is not well communicated employees.
- About 47.7% of the employees believe that CBE is a learning organization which provide strategic umbrella for the development of its employee, but the remaining 52.3% do not think so. In relation with the alignment o training and development program with the business strategy of the Bank, 56.9% of them are agreed,39.2 were disagree and the remaining 15.4 % have no information at all
- Pertaining to training and development periodical assessment practice, many of the respondents (46.2%) disagree on the existence of assessment practice. But the other 24.6% were agreed and 29.2% of respondents do not know about the existence periodical assessment. A significant number of respondents (42.3%) believe that CBE do not conduct knowledge and skill gap analysis, about (25.4%) were agreed and 32.3% do not know about it.
- Six statements were used in order to know ways of gathering information in analyzing the training and development needs. A significant number 33.1% responded that the bank used survey, 25.4% believe that the bank is used observation of individual performance,10% of them responded that asking individual needs and about 8% and 3% responded performance review and group discussion is used by the bank respectively.

- On the technique of training and development assessment 26.9% responded that CBE is using organization analysis, 13.8% task analysis, 7.7% person analysis and the remaining 51.5% do not have the information at all.
- 53.8% of the respondents believe that the bank has set clear objectives before implementing training and development program, in contrast 9.2% disagree and the remaining 36.9% do not know about it. In addition, the respondents were requested whether the bank had faced any problem while conducting the training and development program 18.5% believe the existence of problems and 10% are disagreed and the remaining not sure about the existence of problem
- Significant numbers of employees (56.9%) agree that the Bank is used on the job as well as of the job training methods, about 16.2% resounded that the bank has used on the job training only and the remaining 26.9% responded of the job training method. A number of respondents (50%) agree that on the job training is most helpful in increasing performance and personal development, 7.7% believe that off the job training is more helpful than others but 42.3% stated both are equally important.
- With regard to training and development program evaluation of the organization, 33.8% % of the respondents said there is no evaluation during and after training sessions, 39.2% responded that the organizations evaluate training and development programs but 27% of the respondents do not have clear information. Regarding the evaluation mechanisms 22.3% responded that the bank is used formative evaluation, 10% process evaluation, 2.3% summative evaluation. However 16.2% and 49.2% believe the non-existence of evaluation method and have no idea at all respectively.

- Pertaining to formal assessment format for training and development, many of the respondents (57.7%) agree on the existence and the other 42.3% do not agree. Significant number of respondents (86.9%) believes that training and development are critical factor for improving performance of the organization however 13.1% do not agree with this statement.
- Concerning their satisfaction with respect to selection criteria, training methods', periods, objective, appropriateness evaluation and policy, the overall result shows at least there is satisfaction.
- According to (Monday 1990), there are five steps that should be followed to conduct training program. Namely, need assessment, establish objectives, select appropriate methods and media, implement the actual program, and conduct evaluation and follow up. In CBE, the first four steps are strictly followed as per the interviewee's 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.
- As the interview said, CBE doesn't evaluate the outcome and impact of the conducted training and development programs.

5.2. CONCLUSIONS

Though the organization has a well-designed staff training and development policy, it is not widely shared to all employees as they are responded. Due to this there are staffs who even don't know its existence. The organization also gives chances to attend and sponsorship for formal education on continuing and correspondence programs to its employees though the employees again said that the program do not benefit the interest of most of them. Pertaining to the alignment and provision period of the training and development practices, most of them replied negatively.

The organization has a standardized staff training need assessment form to be filled by each employees. The organization uses the results of the assessments, and most of the respondent confirmed that they are able to apply what they are learnt. Respondents showed positive responses towards the advantage of training and development in CBE. It is a learning organization which provide strategic umbrella for the employee development. In addition, they marked that the organization has set clear objective before implementation of training and development.

According to (Monday 1990), there are five steps that should be followed to conduct training program. Namely, need assessment, establish objectives, select appropriate methods and media, implement the actual program, and conduct evaluation and follow up. In CBE, the first four steps are strictly followed 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. And also CBE doesn't evaluate the outcome and impact of the conducted training and development programs.

There is substantial response on the training method which will increase the performance of the organization and individual as on-the-job training is preferable. The respondent also believes that during and after training is provided the bank will conduct evaluation and impact assessment. 90% of the respondents responded that they are observed some improvement after they took the training. Besides, the interviewees said that HRD programs are not inclusive. It does not take all of managerial and non-managerial staff in to consideration. There is no structured succession planning in the bank.

5.3. RECOMMENDATIONS

The researcher would like to make the following recommendations in view of what has been concluded by the data collected and analyzed:

The CBE has formulated training and development policy. However, the policy has not yet been well communicated to employees. Therefore, The CBE should have to communicate the training and development policy to employees how it should be done; with clear objectives, roles and responsibilities through any possible means such as in the form of booklets, posting on the CBE's websites and arranging awareness workshops. This helps employees to consider their own needs, ideas and feelings. Besides, this document should be available on the tables of middle and junior managers to refer to. Doing this may reduce decisions made on the basis of guesswork and personal preference. This may also facilitate the smooth running of the training program and avoids any training related confusions and implementation inconsistencies.

The CBE training and development program has to be supported by as systematic needs assessment. Because training and development program could be effectively achieved only when it was planned based on the identified training and development needs of the CBE through systematic, continuous and participatory needs assessment. Otherwise, it would be wastage of resources and could not improve the knowledge, skill and attitude of individuals and achieve the desired goals of the organization. Doing this helps the CBE to ensure training is provided to the right people at the right time to increase organization performance or productivity.

The selection of trainees is another important factor that influences the effectiveness of training and development program. The CBE should get ready clear and official trainee selection criteria approved by the management and notify it to employees in order to reduce their grievances and confusion about it. In addition, the CBE has to clearly show the trainee selection process, convince them about its dependence on the different training and development programs as well as the different contexts, situations, and type of work performed.

Training and development program evaluation provides feedback that enables the CBE, the trainers and the trainees to determine what was more and less effective in practice in order to assist in determining the value of training activities on subsequent personnel performances. In

order to achieve this, the CBE should evaluate the training and development program given to employees during and after the training programs through participatory evaluation process. The evaluation should be made based on the objectives of the planned training and development program. Besides, it has to formulate clear training evaluation criteria in order to effectively measure the results obtained from the training program delivered to employees.

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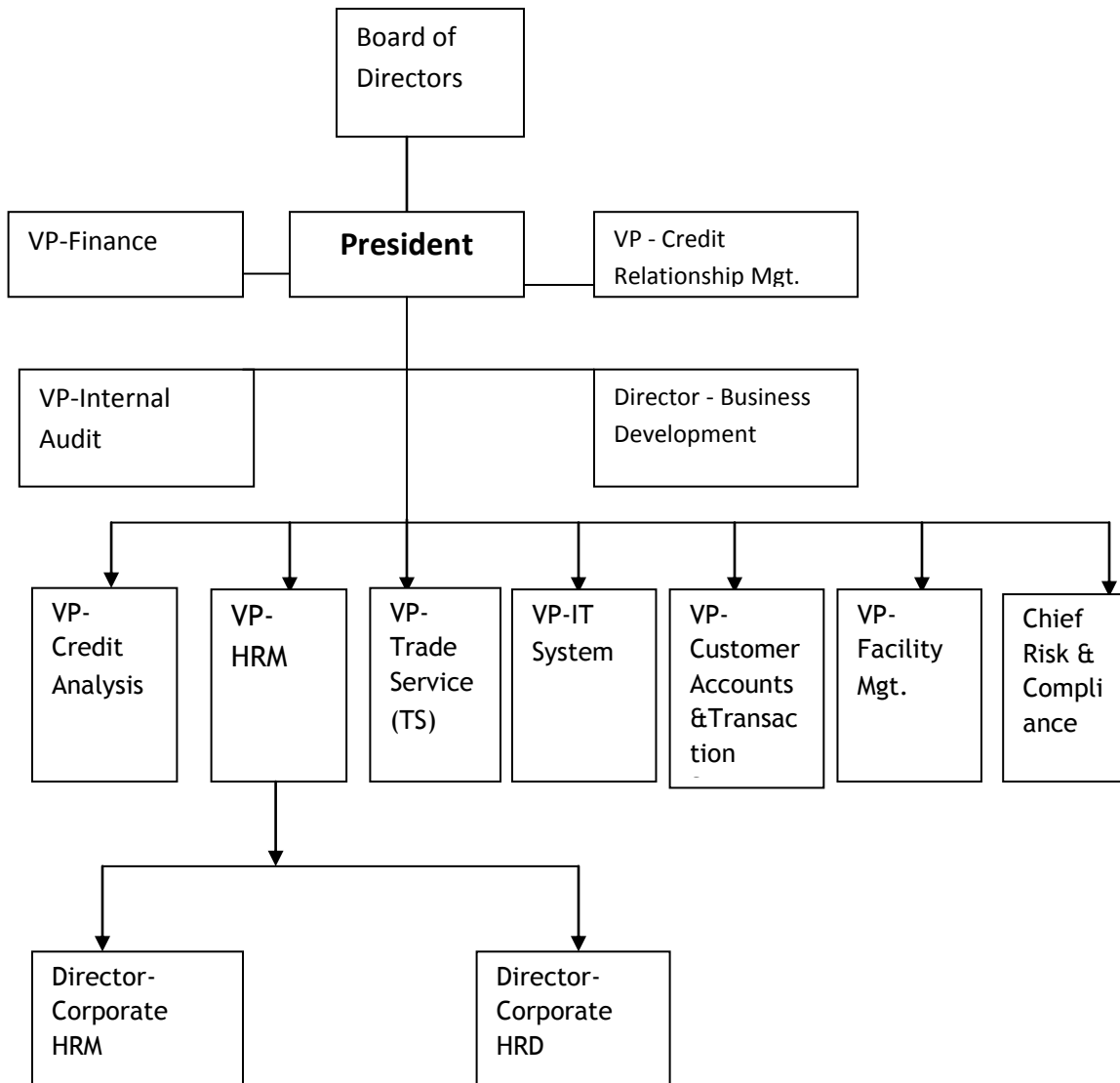
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ANNEXES

Annex.1

Organizational Structure of HRD Sub process



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Annex.2

Questionnaire to be filled by employees of the Commercial Bank of Ethiopia

Dear respondents:

I would like to express my sincere appreciation and deepest thanks in advance for your generous time and frank and prompt responses.

This questionnaire is prepared to gather factual information for a research paper entitled **Contribution of Training and Development to Employees' Personal Development and Banks' Performance (A case of Commercial Bank of Ethiopia)**. The purpose of this survey is to collect material evidence which would support to write a research paper in partial fulfillment of Master's Degree in Business Administration by a prospective graduate student.

Your valuable input is very important to the research; hence you are kindly requested to fill this questionnaire to achieve the objective of the research. Please know that your response have a direct impact on the quality of the research work. The researcher kindly requests you to answer all the questions. This research is independent and your responses will be kept highly confidential and used only for this research paper.

Note: You are not required to write your name.

Put a tick mark for your answer in the space provided.

Contact Address

If you have any query, please do not hesitate to contact me and I am available as per your convenience at (Cell phone: 251911666479 or e-mail; ashebir_assefa@yahoo.com.)

Part I. General Information

Instruction:-Please put a tick mark where you think is appropriate in the box provided.

1. Sex

- Male
- Female

2. Age

- 18- 25 years
- 26-33 years
- 34-40 years
- 41-60 years

3. Educational qualification

- High School certificate
- College diploma
- University degree
- Master's degree
- other

4. Service year in the bank

- < 5 years
- 6-10 years
- 11-20 years
- 21-25 years
- > 25 years

Part II. About the contribution of Training and development

Instruction:-Please put a tick mark where you think is appropriate. It is possible to tick more than one box and to give explanation at the end of each question.

1. Have you ever had Training in the Commercial Bank of Ethiopia?
 - Yes
 - No
2. If your answer is “Yes” in the above question, how do you rate the purpose of the training and development that you have attended?

Please rate them by using tick mark that corresponds to your response.

No	Purpose	Rating scale				
		Very poor	Poor	Fair	Good	Very good
1	Enhance staff performance					
2	Brought about quality of work					
3	Brought higher job satisfaction and motivation					
4	Improves organizational performance					

3. Does your organization have formal written Training and Development Policy?
 - Yes
 - No
 - Don't know
4. If your answer is “Yes” in the above question, is the policy well communicated to all members of the organization?
 - Yes
 - No
 - Don't know
5. Do you think that your company is learning organization which provides strategic umbrella for developing its employees?

- Yes
 - No
 - Don't know
6. Did your company have a Training &Development strategy aligned with Organization's business strategy?
- Yes
 - No
 - Don't know
7. Do you get any competitive advantage through Training &Development program when comparing the same in competitive environment?
- Yes
 - No
 - Don't know
8. Does your organization assess Training and development needs periodically?
- Yes
 - No
 - Don't know
9. Does your organization conduct knowledge and skill gap analysis?
- Yes
 - No
 - Don't know
10. How does your organization gather information in analyzing training and development needs?/more than one option can be chosen/
- Conducting survey
 - Observing how individuals are performing their tasks
 - Performance reviewing
 - Conducting group discussion
 - By asking individual needs
 - If any other method, please mention it_____

11. What technique has your organization used for assessing training and development needs?
- Organizational Analysis
 - Task analysis
 - Person Analysis
 - Don't know
12. Does your organization set clear objective s before the implementation of training and development programs?
- Yes
 - No
 - Don't know
13. Has your organization faced any problem while conducting training and development programs?
- Yes
 - No
 - Not sure
14. Which method (technique) of training and development usually applying by your organization?
- On-the -job
 - Off-the-job
 - Both
15. Which of the training method do you think most assists you in increasing your performance and personal development?
- On-the -job
 - Off-the-job
 - Both
16. Does your organization conduct evaluation and impact assessment during and after training and development program?
- Yes
 - No
 - Don't know

17. What type of training evaluation mechanism is used by your organization?/more than one can be chosen/
- Formative evaluation
 - Process evaluation
 - Summative evaluation
 - There is no evaluation
 - Don't know
18. Does your organization have a formal assessment format to get feedback from individuals after a training program is completed?
- Yes
 - No
19. Do you believe that individual training and development is the critical factor for improving performance of the organization?
- Yes
 - No
20. Do you think that your organization is well aware about the importance of and role of human resource development for the improvement of organizations performance and employee personal development?
- Yes
 - No
 - Don't know
 - Don't think so
21. Do you apply what you learnt in the training and development program to your job?
- Yes
 - No
 - Not at all

22. How do you rate the relevance of the training and development programs in terms of job satisfaction, performance and capacity improvement?

- Very good
- Good
- Fair
- Poor
- Very poor

23. Do you see any problem with the training and development program in your organization?

- Yes
- No

24. If your answer is “Yes” in the above question, what major problems do you see in the program?/more than one option can be chosen/

- Inadequate planning and coordination
- Poor and sometimes absence of need assessment
- Shortage of time allocated for training and development program
- Inadequate skill and knowledge of trainers
- Selection of trainees and trainers
- Relevance training to the work
- Insufficient training material and benefits
- Lack of cost benefit analysis or absence of proper evaluation of training and development
- Shortage of budget allocation for training and development
- If any other, please specify_____

25. What did your skills; knowledge and performance look like before you have taken training including induction in CBE?

- Needs improvement
- Do not need improvement

26. To what extent are you satisfied with respects to the following factors which are parts of employee training processes?

N.B. The factors are not mutually exclusive

	Very much satisfied	Satisfied	Very little Satisfied	Not satisfied
A. Selection criteria				
B. Training methods				
C. Training periods' Adequacy				
D. Trainer's skills and capabilities				
E. Training objective				
F. Appropriateness of Training facilities				
G. Desired program content				
H. Training evaluation				
I. Training policy				

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Annex.3

Structured Type Interview Questions

1. What are the purposes of training and development in Commercial Bank of Ethiopia?
2. Does your organization have training and development policy?
3. Do you have established training and development objectives for the trainees?
4. Does your organization conduct training programs based on need assessment?
5. How is the practice of training and development needs assessment?
6. How do you select trainers? Do you have procedure/selection criteria approved by the bank management? What factors do you use while you selecting trainers either from internal or external?
7. What is the contribution of training and development to employees' personal development and the Bank's performance?
8. What method(s) do the organization uses to implement and carry out training and development programs?
9. Does the organization evaluate the outcome and impact of the conducted training and development programs? And how it evaluate?
10. How frequent do you update the training materials in relation to content and changes?
11. How do you evaluate training and development program to verify the success of the program?
12. What are the types of employee training programs being used in CBE?
13. What do suggest for Commercial Bank of Ethiopia with respects to training and development program?